



Football South Coast Board Meeting

Minutes

Date: 14 May 2012

Time 5.15pm – 8.00pm

Venue: Boardroom – Fraternity Club Corporate Centre

Attendees: FSC Board Attendees:

Mr. Eddy De Gabriele (Independent Director/Chairman)

Mrs. Ann-Marie Balliana (Independent Director)

Mr. Milco Stojanoski (Independent Director)

Ms. Danielle Foster (Junior Football Council)

Ms. Sandra Depers (Women's Football Council)

Mr. Claude Cuda (Men's Football Council)

Mr. Bob Hennessy (Independent Director)

In attendance by invitation

Nil

Apologies: Mrs. Rosemary Digger (Futsal Council)
Mrs. Nicki Bowman (Independent Director/Deputy
Chairman)
Mr. Paul Herbert (By Invitation - IFRA)

1. Meeting Opening

1.1. Welcome and Apologies

Chairman informed the Board of the apologies.

1.2. Disclosures of Conflicts of Interests

- i) Eddy De Gabriele Chairman reminded all Directors present of their duty to disclose any Conflicts of Interests pertaining to the listed Agenda Items and that if any matter was raised that triggered a conflict of interest that the affected Directors make their declaration and appropriate action will be undertaken to either exclude or not accept any voting status on the matter.
- ii) No Conflict of Interest was declared – other than the ongoing stated and previously declared Conflict of Interest by Directors as representatives of their various Football Councils and/or their life memberships etc. of their respective clubs.

1.3. Minutes of previous meeting(s)

- i) Moved by Sandy Depers that the minutes of the April meeting be accepted as a true and correct record of proceedings. Seconded by Danielle Foster. MOTION CARRIED.

1.4. Business arising from previous minutes

- i) Eddy De Gabriele Chairman informed the Board that Mark Bond from WCC is in hospital so is not available to meet in the short term but we should continue to press to meet to finalise outstanding matters in regards to Home of Football, Olympic issues and other football facilities.
- ii) South Coast Wolves – FSC Board as agreed by the Football Councils would provide up to \$65K for entry fees to the FNSW Premier League and other associated fees and costs to ensure the South Coast Wolves maintain their FNSW Premier League Status that ensure elite pathway for all our Region's Juniors. The SC Wolves Director, Martin Littler had stated that there would be a commitment to make additional savings. However the amount requested was still at the \$65,000 level and although the FSC payment was to be made subject to viewing the Wolves year to date P&L and also FSC (Ann-Marie Balliana) would like to see a financial report before releasing payment, an explanation and detail was required to understand why the amount requested had remained the same.
- iii) The question of whether GST was payable on this amount was raised and FSC Board were advised by Ann-Marie Balliana that this payment should not attract GST payments
- iv) The Chairman Eddy De Gabriele confirmed that the FSC Board had passed a motion late in 2011 and again early 2012 to support all Elite Football Pathways for our Juniors for this Illawarra Region and that all of the FSC Board had agreed that an amount of \$75K was the maximum amount that FSC could provide to pay; Senior Club entry fees (to the FNSW Premier League), FNSW fees and junior competition entry fees,

ground hire fees and also some support for specialist technical elite coaching. The FSC Board had accepted and then determined after having received advice and support from the Football Councils that this amount would be paid to assist and support the South Coast Wolves and the Illawarra Stingrays to maintain their Premier League status enabling the Illawarra Zone to have an elite pathway to the highest possible Football State Competitions Level. FSC Board had accepted and determined that assistance funding would be split \$65K to the South Coast Wolves and \$10K to the Stingrays.

The total amount to support and preserve the Region's Elite Football pathways was confirmed at \$75,000. It was further determined that FSC required, as a condition of this elite pathway funding support package, that the FSC Bookkeeper also make all financial entries of the Wolves finances via the FSC MYOB system so as to ensure that all financial transactions & budgets are transparent and recorded for appropriate auditing and scrutiny and ensure the funding support package is directed appropriately as agreed.

Action: Eddy De Gabriele (Chairman) and Bill Kostandas (CEO) to meet with South Coast Wolves Director Martin Littler and finalise the support package details and payment as agreed by FSC Board. The Elite Pathway Funding Assistance Package is budgeted by FSC in the 2012 Financial Year.

- v) FSC Board also determined that it would object to the FNSW resolution to include the Under 16s and Under 18s to be included as part of the Elite (Premier League & Super League) Senior Club Competitions for 2013. FSC Board directed Bill Kostandas to attend the special "Town Hall" type meeting and lodge FSC's objection to this resolution. FSC Board agreed that at regional level the Under 18's are very critical for a region such as ours and should be strongly supported because these kids can't drive to such far away venues. FSC Board determined that the Elite Pathway, especially so in Regional Centres, should be protected up to and including the Under 18's.

Action: Bill Kostandas (CEO) to attend FNSW Meeting and Vote "NO" on behalf of the FSC Board to the resolution regarding Under 16s and Under 18s.

- vi) The Academy is currently trading extremely well and all indications are that this will be a success as originally forecasted and supported & submitted by the Junior Football Council. Financial Reports will be reviewed (by Ann-Marie Balliana) regularly to monitor trading performance & forecasts against budget.
- vii) Bob Hennessy (Independent Director) stated that the transition from previous operating model to the FSC Academy model needed a clean handover so as that Glenn Fontana (FSC Academy & Technical Director)

can come on board with the FSC Model without any outstanding unresolved issues or obstacles to meeting targets.

Action: Bob Hennessy (Ind. Director) to discuss with Bill Kostandas (CEO) about the integration of all Youth Development programs coming under the auspices of FSC.

2. Matters for Decision

2.1. Johnny Warren Football Foundation Dinner – table for Sponsors (as per Chairman Eddy De Gabriele email 13/4)

- i. Chairman Eddy De Gabriele advised that Johnny Warren Foundation (Jamie Warren) had requested support from FSC Members in attending their inaugural Football Awards Players of the Century Gala night. Nicki Bowman (Deputy Chairman) indicated that she could support this & attend with her partner (Roger). Chairman Eddy De Gabriele also confirmed that he would support the JWFF function and attend with partner (Silvana). FSC Board determined and passed resolution that all attendance would not be funded by FSC and that all Directors or Council members would have to pay for their own tickets to this event.
- ii. FSC supported the attendance of Directors and/or Councilors to the JWFF Event.

3. Matters for discussion and/or proposals and submissions

3.1. CEO Report & Directors Discussions

- i. Chairman Eddy De Gabriele advised the Board that (CEO) Bill Kostandas has been meeting with the FSC Academy & Technical Director (Glenn Fontana) on a weekly basis to ensure all operational and trading information and records is maintained.
- ii. FSC Director (Mens Football Council – MFC) Claude Cuda requested clarification for the impending October Football Coaching Conference and who is the target market? (CEO) Bill Kostandas confirmed that any person is welcome & can attend.
- iii. (CEO) Bill Kostandas met with the Fraternity Club Receiver (Rob Brennan) and the General Manager (Daniel Perkiss) and detailed the discussions on the renewal of the licence agreement (lease agreement) for the FSC Office, which had just recently expired, the operation of the Futsal Business and the current sponsorship arrangements.
- iv. The Fraternity Club Receiver & General Manager stated that they felt the Office rental of \$50,500 plus GST would be a more appropriate amount payable and said that was an average mid-range figure.

- v. (CEO) Bill Kostandas advised the FSC Board of Directors that this increase in rent would represent a 134% increase to the existing rental agreement and this proposed rental increase was unacceptable & unsustainable to FSC and its members.
- vi. Milco Stojanoski stated that if Rob Brennan (the Frat Receiver) & Daniel Perkiss (General Manager) are adamant that they are not moving on that figure, then the FSC Board must explore other viable options and that FSC must then get reasonable notice to vacate.
- vii. Action: Bill Kostandas (CEO) to go and look at what FSC can get for \$24K in the marketplace. Also Bill is to get a valuation of the office premises for rental purposes and Bill is to come back to the FSC Board with three possible options.
- viii. Claude Cuda raised the question about the Matildas game on the 24 June and whether FSC should advise clubs if they want to change their fixtures to avoid the game & support the match.
- ix. Bob Hennessy felt that clubs may feel that if FSC were notified at the beginning of season we can manage the draw better and gain support of local clubs and ensure it does not create operational issues like: ground bookings, clashes with other sports etc. although all agreed it would be great to free up the day of local fixtures, it was best for clubs to manage this clash themselves due to the complexity of operations with such short notice.
- x. Action: Bill Kostandas to write to the Clubs and the Councils to see if clubs want to reschedule games.
- xi. Action: Bill Kostandas to ask WCC re: Welcome to Country prior to the game.
- xii. Action: Bill Kostandas to ask on behalf of FFA if they can compensate the Stingrays for loss of revenue.

3.2. Chairman's Report

This will be covered in points 3.3 and 3.4 as well as other items.

3.3. Portfolio Allocations

3.3.1. Eddy De Gabriele (Chairman) stated that he was looking at how best to allocate portfolios to directors due to the limited resources available. It was agreed that the Portfolios should not reflect priorities.

3.3.2. Bob Hennessy stated that any proposed portfolio structure could confuse the Chair, Board and the CEO relationship.

3.3.3. Eddy De Gabriele agreed to review the look and structure and report back to the FSC Board for discussion and review. Eddy De Gabriele confirmed that the portfolio structure is just a guide so as to visually have a responsible area of focus by each or a specific director and agreed that it should not reflect priorities or spread or cause diffusion of responsibility of the CEO.

3.3.4. Eddy De Gabriele spoke about the Events portfolio and the need for FSC to coordinate all events & invitations so that we can attend as many of our Clubs' functions as possible and not just the Chairman attending. The various Councils will of course run their events, but Eddy De Gabriele stated that all must notify the FSC Board first for approval & demonstrate the commercial arrangements BEFORE any event can proceed given that liability for any event sits solely on FSC & its Directors. Chairman said FSC needed an approval process so that it is clear to all concerned that liability is with FSC Directors not the Councils if an event goes pear shape. This needs to be formalized and introduced as part of our operations.

3.3.5. In regards to Futsal, this would fall under a newly formed Futsal Council to oversee and operate as with the other Councils but other areas such as: facilities, referee development, website, social media, develop commercial revenue streams, would be specific Special Projects and allocated to a responsible Director to "champion" under the CEOs control & management. It was agreed that these "special projects" areas must be identified and allocated so that they do not get left behind. Bob Hennessey reminded all that unfortunately we could not achieve everything that was desired but we agreed to achieve what was in our Strategic Plan Priorities and that we would focus our CEOs attention and energies and limited resources to those agreed and publicised priorities.

3.3.6. Bob Hennessey again emphasized that FSC Directors only need to coordinate with the various Councils and work with them in ensuring the commercial & football needs are addressed and not get involved with running the Council's event.

3.3.7. Eddy De Gabriele Chair confirmed this same concept in regards to the use of the word Portfolios; it was meant more about: Championing an issue/initiative or topic. The Key to all FSC actions is the agreed Strat Plan and this sits on top of everything FSC does.

3.3.8. Bob Hennessey emphasised the need to focus on our five top Strat Plan priorities.

3.3.9. Claude Cuda asked why portfolios weren't announced at AGM presentation. Eddy De Gabriele stated that this portfolio structure was still a fluid concept. The concept of Portfolios is only as a coordinating initiative for Directors, the FSC Board still make all appropriate decisions. A Director is not solely responsible with the final decision in a portfolio and the over-arching

priority is the roll out plan of the agreed strategic plan. Claude Cuda asked whether portfolios are a diversion. Eddy De Gabriele agreed that this idea about Portfolios needs better presentation and format and agreed that the key focus is the FSC strategic priorities. Bob Hennessy stated that Directors and CEO are to drive activity. Eddy De Gabriele agreed that he would prepare an alternative document to the portfolios in line with the FSC Strat Plan that tied this in better. A “Thinking Paper” would be put forward for review with the concept that Director(s) would be seen to be championing a project or issue/task/topic that FSC have in the pipeline. Ann-Marie Balliana agreed this would give people a focus but other Board members can then participate.

Action: Eddy De Gabriele to send an alternative document that represents the FSC Strat Plan & Priorities and captures the activities/projects allocation in a simple chart to all Board members for review.

3.4. James Hardie Decision by High Court*

Eddy De Gabriele clarified to everyone (FSC Directors) to ensure that all understand the discussion regarding the James Hardie Directors actions & responsibilities case. In short summary, a Director who makes a decision is **not** solely responsible and all Directors are still liable over that particular decision. At James Hardie the individual Directors would sometimes make their own decisions and without consultation of the rest of the Board.

3.5. Finance Report*

Ann-Marie Balliana reported that:

- i. the FSC cost centre shows a \$98K loss.
- ii. FSC have now started the cashflows to budget spreadsheet.
- iii. In terms of costs to cashflow FSC are tracking well.
- iv. Stationery costs are down a lot – only \$4K spent so far.
- v. The FSC Budget is an annual view.
- vi. The Academy is a separate centre – and it is still very early on but at the moment it is breaking even.
- vii. In the Women’s, Men’s, Amateurs and Juniors P&Ls there are no surprises.
- viii. The Accounts Payables are OK.
- ix. The Accounts Receivables are still a worry. Some clubs are slow payers.
- x. A request from Wollongong United was received for a \$20K loan for their lights project but only for contingency purposes. Claude Cuda to advise.
- xi. Stingrays outstanding payments owing approx. \$500, Sandy to advise
- xii. All accounts have been rolled over into term deposits so they are earning more interest.
- xiii. The new FSC financial reporting process from here on-end would be as follows: 1. FSC Board review and approve Financials 2. After the FSC

Board meeting, the Councils then receive the financials and then send reports directly to Councils for their respective year to date P&Ls. 3. then councils would review and put forward any questions within the given time frame. 4. Then the Councils have the opportunity to respond to their relevant Council members and also send them the up to date FSC Cost Centre. 5. Then these are sent out to all the Clubs at the end of the month.

Motion: Move that Financials be passed: Moved by Claude Cuda. Seconded by Milco Stojanoski. MOTION CARRIED.

3.6. Elite Football Support and Future of Pathways

A separate discussion is required. This will take place after the Football NSW Competitions Review 'Town Hall' meeting set for May 21.

3.7. Strategy Workshop Outcomes and Progress

Strategic priorities – feedback to date has been a high number of positive comments.

3.8. AGM Feedback

Milco Stojanoski stated that the FSC AGM was poorly attended and that was very disappointing. Bob Hennessy stated that only one junior club was present. Claude Cuda also stated that it was quite disappointing that many of the Councilors across the various Football Streams did not attend. Danielle Foster stated that from the Junior Clubs perspective her feedback is that many clubs saw that FSC and the whole operations are running smoothly and that all is OK and no issues. In fact it has been totally transparent and there have been no surprises or shocks. Sandy Depers reported that this was the same for the Women's Membership. Eddy De Gabriele stated that in some ways FSC demonstrated that Unification was well accepted & successful so far and that FSC did not present the risks or fears that were once said may occur. It is great to have such belief & calm by its membership so far.

3.9. Matildas Game

See CEO's report.

3.10. Football Councils Update

3.10.1. Futsal Football Council – Bill Kostandas

Bill Kostandas advised that the Taipans will be applying for Premier League in 2012-13 NSW Futsal competition even though they were relegated.

3.10.2. Juniors Football Council – Danielle Foster

Danielle Foster advised that a spectator has been banned and that discussions need to be had to have all judiciaries combined. Eddy De Gabriele agreed this was an action item that needs to be fast-tracked. Rex Leighton wrote a paper late in 2010 for review and FSC now had to initiate a cross football sub-committee for introduction.

Eddy De Gabriele stated that he thought that Rex should probably be the person to Chair it. He has the knowledge, but importantly the available time and he would convene and coordinate with a sub-committee across the Football Streams to look at a unified disciplinary process.

Action: Bill Kostandas to send Danielle Foster the paper that Rex put together. Bill to ensure that Rex forms a sub-committee representing all Councils.

3.10.3. Men's Football Council – Claude Cuda

Claude Cuda advised that the Men's Council meeting is on tomorrow.

3.10.4. Women's Football Council – Sandra Depers

Sandy Depers advised that Council met last week and they met Bill Kostandas. Spoke about issues including sponsorship and additional admin office support. Also Eddy De Gabriele and Bill Kostandas to meet with the Stingrays Executive.

Action: Sandy Depers organizing a meeting time.

Sandy Depers: The question about the sale of Alcohol at Stingray/Women's games has been raised. Should the FSC have an Alcohol Policy? This should be tabled for the next meeting.

3.11. GPT Incidents/Risk Management Policy

Eddy De Gabriele raised the question from Milco Stojanoski that it is part of FSC Board Risk Management responsibility to be made aware of all appropriate GPT incidents that may have an impact on FSC's sponsors, financial capacity, its players, officials, supporters, employees etc. & that these should be reported as an Agenda Item for information only. If any item listed is seen or felt may be a Risk Issue then appropriate measures or actions could then be initiated by the

FSC Board or the CEO. Milco Stojanoski stated that he felt that FSC Directors are accountable and have responsibilities in this regard and that any such incidents/cases could impact on our FSC brand, our sponsorships and our financial capacity. Additionally, Milco Stojanoski stated that FSC must have a process in place as an integrated management system for controlling & reporting all such risks of FSC i.e. all incidences must be captured & reported and entered into a database system. It was agreed that the CEO must determine & table all high risk incidents/cases for the Board.

3.12. FSC Led Financial seminars for Clubs*

Eddy De Gabriele stated that FSC should actively assist Clubs through formal Seminars to ensure the Financial Management of Clubs is undertaken in a standard template manner. This may help Clubs adopt a similar financial model to FSC Office. FSC should canvass Clubs to ascertain if they would be interested in such an initiative.

3.13. Other Items

Nil

4. Matters for Noting (Discussed only if requested)

4.1 Major Correspondence

FNSW: 5 April 2012, Federal Govt. support for football in Western Sydney

South Coast Wolves: 26 April 2012, Invoice for sponsorship

FNSW: 27 April 2012, Nomination for Expression of Interest re: Director of FNSW and Resignation of FNSW Director, Mr. Bob Adby.

FNSW: 30 April 2012, Dissolution of Sydney Branch

5 Meeting Close 8.00pm

Next Meeting: 12 June 2012

*Matters marked with an asterisk are supported by a Board paper.