



ANNUAL GENERAL MEETING 2014

SICC's 51st Annual General Meeting (AGM) was held on 26 September 2014 at the Grand Ballroom, Island Clubhouse and was attended by 87 Principal Members.

In his opening address, President Tay Joo Soon noted the club's strengthened financial position, which meant members have continued to enjoy the current (low) rate of subscription fee.

On the land lease matters, President Tay stated that the GC have kept members apprised of all discussions and negotiations with the government authorities through multiple President's Messages and two members' dialogues held in March and August this year. He remains committed to updating and consulting members on all future developments in our discussions and negotiations with the Labour Movement (LM).

President Tay briefed the membership on the formation of the Planning and Redevelopment Committee (PRC), which will be tasked to look into future developments and upgrades at the Bukit and Island locations. The PRC, comprising members with the relevant expertise from various sectors, will conduct the necessary studies, make the appropriate recommendations and conceive the master plan for the membership's endorsement.

President Tay reiterated the GC's commitment towards ensuring that the Club's golf courses offer the best possible playing conditions and give members a good golfing experience. To that end, the Club had appointed a Director of Agronomy, and has since invested in upgrading and modernising its golf course maintenance equipment and cultural practices resulting in the improving conditions and playability of our golf courses.

Going forward, President Tay shared that the Club will continue to increase resources and expertise towards improving the condition of our golf courses; ensure the up-keep and improvement of our facilities; further enhance the social, lifestyle and sporting experiences of members and upgrade the quality of F&B services and products for our members.

General Manager / Secretary (GMS) Casper B. Schonfeldt, in his presentation, gave a progress update on the Club's discussions with the LM, the future development plans and the Club's operations.

LAND LEASE

Discussions with LM & Future Plans

GMS informed the AGM that a Points of Agreement (POA) had been executed between SICC and LM on 26 August 2014. In the POA, both parties agreed to a clear horizontal demarcation of the golf courses, with each of the two parcels containing 18 contiguous holes of golf. Regardless of this legal demarcation, a licensing agreement executed between the parties will allow the Bukit and Sime courses to continue to be played as they are, with the swapping of Bukit 15 and Sime 15. The Bukit Course will be operated by SICC as a members' course, while the Sime Course will be operated as a public course by LM.

Points of Agreement

In the POA, the courses will be maintained by a single operator, and SICC has proposed to do so, given its local expertise and availability of equipment. The costs of maintenance will be shared with LM on a mutually agreed cost-sharing basis. SICC's maintenance shed, which currently sits on leasehold land, will continue to do so and the cost will be factored into the overall maintenance cost and equitably shared between SICC and LM.



President Tay Joo Soon and Vice President Andrew Low



GC member Kenneth Koh and Club Captain Paul Thomas



Vice President Bernard Yeo and Honorary Treasurer Paul Kwek

With regards to the Clubhouse and Driving Range, LM will be taking over these facilities and has indicated that it may expand the driving range. A section of the range will be set aside for SICC members' priority use, and members of the Club will also be accorded signing privileges and discounts at LM-operated F&B outlets and Driving Range.

In addition, the Club will be lodging an application with the Singapore Land Authority to obtain the Temporary Occupation Licence (TOL) land to house its buggies, subject to approval by the Urban Redevelopment Authority (URA). In the event that we fail to secure the TOL land, the Club will request for the present facility to remain where it is, and for it to be expanded and shared with SICC to service the buggy requirements of the Bukit and Sime courses.

Sime Road will continue to be retained as a private road and will be accessible to the public. It will be jointly maintained by SICC and LM.

Management and LM have been meeting weekly to discuss all operational matters to give effect to the key items in the POA. The Club's lawyers are finalising the draft Memorandum of Understanding and will also prepare the Licensing & Facilities Sharing Agreements.

Impact of Cross Island Line

On 24 September 2014, SICC was briefed by the SLA and the Land Transport Authority (LTA). The LTA revealed that it will be conducting an Environmental Impact Assessment as well as Engineering Feasibility studies. The potential impact on the Bukit Course is presently unknown, but the LTA has committed to sharing any information and future developments. In the event that the Bukit Course is affected by the Cross Island Line (CIL), a clause inserted into the agreement between SICC and LM will permit the parties to renegotiate the land demarcation boundaries.



GC members Tan Ah Lye, Kenneth Chen and Tan Chin Seng



GC member Rayson Hazra, Vice President Bernard Yeo and Lady Golf Captain Amberly Woo



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Planning & Redevelopment Committee

The Terms of Reference and the Roles and Responsibilities of the PRC were shared with the membership. The PRC will look into proposals for the Bukit Town Club (BTC) and the replacement of facilities at the current Bukit Clubhouse. With the anticipated migration of traffic post-2021 from the Bukit to the Island location, the PRC will also undertake an adequacy study of the current facilities at Island Clubhouse. It will make suitable recommendations for tackling any strain on resources and services, as well as to oversee the redevelopment and upgrading of the golf courses at the Island location.

A survey will be conducted to take into account members' feedback regarding the facilities to be catered for at the BTC and the expansion of facilities at the Island location.

The PRC will take into account and analyse the results of the survey and other management studies in furtherance of its objectives. Thereafter, the conceived master plan will be presented to the membership for its approval.

The members of the PRC are:

Mr Lee Yong Chuan Edwin
Dr Tan Han Shing Richard
Mr Tan Chee Meng
Mr Tham Tuck Cheong

They were appointed by the GC and subsequently endorsed by the Club Chairman. Their names were presented at the AGM.

Lease Renewal

On 15 July 2014, SICC submitted its application to the SLA for the renewal of the lease for the Island location. The application process is expected to last 18 weeks from submission, after which the Club will have two weeks to accept the offer and pay the lease premium.

FINANCIAL PERFORMANCE

An overview of the Club's financials was presented, whereby Total Operating Deficit was \$2.33 million, a reduction of 29.4% over budget and 41.6% over the previous year, largely due

to senior management and general headcount savings from ongoing staff turnover.

Director of Finance Desmond Tay presented the Treasurer's Report, in which he elaborated on the expenses and income of the Club, as well as the Statement of Accounts and the Balance Sheet for FY 2013/'14.

PROJECTS

GMS gave an update on the construction and renovation projects that were undertaken in 2013 and completed in January 2014. The completed Earth Mound Project, which began in August 2013, now offers unobstructed views of the New Course 9th and 18th holes. Likewise, renovation of the Bukit Men's Changing Room, which started in September 2013, entailed a complete overhaul of the facilities.

The projects that are currently in the pipeline include the Island Buggy Washing Bay, which is expected to be completed in November 2014, and the Bukit Ladies' Changing Room. The latter is set for a makeover that is likely to commence by the end of the year.

50TH ANNIVERSARY

Held on 25 May 2014, the 50th Anniversary Carnival capped the Club's year-long 50th Anniversary celebrations. The carnival was attended by 3,500 members and their families, and all F&B proceeds from the event were donated to the May Day Charity. A time capsule, containing memorabilia representative of the Club today, was also unveiled during the festivities. The time capsule will be opened in 50 years.

IT

The IT department introduced the Feedback Management System (FMS) this year. The FMS replaces the feedback@sicc.org.sg and enquiry@sicc.org.sg email addresses, allowing members to channel their queries to the respective departments concerned for a quicker and more efficient response.

In addition, the Golf Integrated System (GIS), which will be implemented by year-end, will replace the current golf booking system, with enhanced speed, reliability and user-friendliness.

GOLF COURSE UPDATES

Director of Agronomy Lee Sellars presented his report on the status and maintenance of the golf courses. He provided updates on the renovation work that was undertaken at Island Course 1st and 10th fairways, which opened for normal play on 19 April 2014. While the fairways will continue to mature, improvements have already been realised in playability.

Aerification

Core aerification during the past six months have continued to improve the playability and consistency of greens, which allows for shorter recovery periods and less disruption to play by relieving soil compaction and allowing for an increase of oxygen in the root zone.

An increase in solid tine aerification over the past six months on Island and Bukit courses have been particularly beneficial. This monthly practice has improved drainage and overall turf grass quality.

Vertical Mowing

Periodical vertical mowing, grooming and brushing of the turfgrass has led to improved surface smoothness and putting quality through the removal of accumulated surface thatch.

Tee Improvement

Tee improvement works were progressively executed across all courses. Approximately 3,500m² of tee surfaces have been levelled to date. A new method of installation using turf rolls was introduced, making SICC the first Club in Singapore to adopt such a practice.

Rain Shelters

Mr Sellars also reported that the Cedar Shingles at the Bukit 6th and 12th rain shelters have been replaced with ceramic tiles, and other shelters will be renovated by the end of FY 2014/15.

New Practice Putting Green Complex

Construction of a new practice Putting Green Complex (PGC) began at the Island location in September 2014. The complex will be planted with certified TifEagle™ stolons, which will be directly imported from a licensed grower in Georgia, USA. The new facility is expected to open by the year-end.

Island Golf Course Redevelopment

The PRC will be tasked to oversee the redevelopment and reconfiguration of the New and Millennium courses, and to realise a three 9-hole layout by 2021. The Island Golf Course Redevelopment Task Force, which will report to the PRC, has already begun to interview international golf development consultants to help guide it in its task.

The key objective of this project is to develop a concept that is suited for the Club, given the design, property, operational time, environmental and logistical restrictions, while utilising all the available property to create 45 respectable, regulation holes to offset the loss of 18 holes in 2021. Care will be taken to ensure that there is minimal disruption of play during construction. Additionally, as the property is integrated with lush jungle, earthworks should be minimised. Mr Sellars also presented the proposed timeline from design selection to commencement of the project.

APPROVALS FOR AGENDA ITEMS

The GM sought and obtained approval for the adoption of the Annual Report, Approved Statement of Accounts and Balance Sheet for FY 2013/14, as well as the appointment of Deloitte Touche LLP as the Auditors for FY 2014/15.

Mr P. Suppiah (S0544) objected, pointing out that the agenda that members had received was deficient, as it did not contain the minutes for AGM 2013 and EGM 2013, and sought an amendment to rectify it. In response, President Tay explained that the agenda as presented has been in keeping with past AGMs and in strict compliance with the rules of the Club. No amendment was required as it has been customary for the previous year's AGM and EGM minutes to be presented for approval at the next presiding AGM in any case.

The minutes for AGM 2013 and EGM 2013 were subsequently approved and passed with minor amendments in the former on the recommendation of Mr Thomas Lee Kuen Yip (L1890).





MATTERS UNDER RULE 31 (a) (iv)

GMS proceeded to deal with the AOB items submitted by two members.

Letter from Mr Andrew Chan

Mr Andrew Chan Chee Wai (C1467) tabled five questions regarding the discrepancy in the fees charged for gym personal training. The questions and GMS' answers were as follows:

1. Who authorised this and was it properly authorised?
Once management discovered that proper procedures for authorisation of the fee increase had not been strictly complied with, the matter was brought up to the Lifestyle Committee. Thereafter, permission was sought from the GC to regularise and rectify this in August 2014.
2. How was this communicated to members?
In the September 2014 issue of the Islander, as well as the gym notice boards, members were notified of the fees adjustment. In addition, our previous Sports and Lifestyle Manager had instructed his trainers to verbally inform members about the fee adjustment.
3. How is the personal training fee split between the Club and the trainer?
The trainer receives 70% while the Club receives 30% of the fees.
4. Is S\$65 per hour applicable to all members/trainers or are there different fees being charged; if so, why?
The S\$65 amount should have been applied to all members had the proper procedures for authorisation and

implementation been followed, but the Club discovered that the trainers were charging some members \$65 and charging others the old fee of \$55. The GC has given its approval for management to issue a back-credit to members who were charged \$65 until September 2014.

5. What is the applicable fee when the trainer conducts personal training outside his duty hours?
The fee is \$65 and trainers will only be able to conduct personal training outside of their normal working hours.

GMS said that management has taken responsibility for the lack of follow-up with the member concerned. He added that since August 2014, the feedback system has been enhanced to ensure that there is direct communication with the heads of departments to expedite the response process. He assured members that management will enforce pricing approval procedures strictly to ensure that the incident isn't repeated.

Thereafter, Mr Henry Ling Kong (L2205) inquired whether the trainers were independent operators or whether they were contracted from external operators. GMS clarified that in the past they were independent operators who could determine and charge their own fees, but the Club has since employed only full-time staff and set fixed rates for all personal training. Vice President and Lifestyle Committee Chairman Andrew Low added that the fee increase authorisation procedure was not strictly complied with in this instance. Upon detection of this irregularity, the committee sought to address the issue immediately. Mr Low clarified that the full-time trainers can only do personal training after their mandatory working hours.





Letter from Mr Goh Ho Wee

The second letter was received from Mr Goh Ho Wee (G0590), who asked that the necessity and viability of building a BTC be put up for discussion by the membership at the AGM. Mr Goh, who was present at the AGM, expressed his view that it seemed that the decision to build the BTC had already been taken without a provision of any cost estimates. He also stated that a business case should have been presented to the members before engaging architects and designers. He challenged the necessity of reconstructing the facilities in a new BTC that already exist at Bukit currently, which would be a waste of the Club's resources. Additionally, he proposed that the Club consider selling the Bukit freehold land and focus all resources on the Island location.



In the ensuing discussion from the floor, Mr Tay Joo Thong (T2163), concurring with Mr Goh, stated that the Club should consider selling the freehold land at Bukit location and using the money elsewhere.

By contrast, Mr Thomas Lee Kuen Yip (L1890) was of the opinion that, with the impending handover of a golf course and the entire 19th Hole Clubhouse with all the ancillary golfing facilities to LM in 2021, the Club needs to consider replacing these facilities, e.g. the changing rooms and F&B outlets, by building a comprehensive BTC.

Mr Henry Ling Kong (L2205) concurred, stating that SICC has only about 25% (2,000 out of nearly 8,000 principal members) active golfing members. He offered a comparison with another club in town, which has fewer non-golfing members, yet more non-golfing facilities than SICC. The member therefore requested that the Club should definitely look into building the BTC, in order to ensure we have the necessary facilities and capacity to cater to the broad spectrum of our membership.



Mr Patrick Chia Poh Wah (C1599) said that he had sent an email suggesting the conversion of Bukit Room and the Bukit Swimming Pool into other facilities, and that he hoped that the PRC would consider that suggestion.

President thanked them all for their suggestions and said that the management will continue to take members' views into consideration.





Members raised queries and concerns during AGM 2014

Q&A SESSION

Members' Dialogue on 26 August 2014

Mr Patrick Chia Poh Wah (C1599) asked if the minutes of the Members' Dialogue held on 26 August 2014 would be circulated. Director of Corporate Services Rajita Suntharalingam shared that the October issue of *Islander* will include a summary of the discussions at the Members' Dialogue, which would be reaching members soon.

Feedback System

Mr Michael Aw Kie Jin (A0038) shared that he had sent in a query but got a response only four months later. He hoped that, with the new FMS, the response time could be shortened. GMS assured that all queries would be responded to in a timely manner.

Golf and Social Memberships

Mr David Sim Cheok Leng (S1230) suggested a weekday golfing subscription to ease pressure off of the weekend golfing traffic. He said that some retired members such as himself may be willing to give up their weekend golfing privileges for a fee. President Tay replied that the option for a social membership can be considered and proposed at a later time.

Putting Green Complex

Mr Goh Ho Wee (G0590) inquired about the cost of the Putting Green Complex (PGC) at the Island location, to which Director of Finance Desmond Tay replied that it costs \$350,000. To this, Mr Patrick Chia Poh Wah (C1599) enquired whether, given that the PGC will serve as a blueprint for redevelopment work across the courses, it will mean that this cost will be multiplied on a per-hole basis across the golf courses. Director of Agronomy clarified that the matrix for cost calculation would be different for large-scale renovations. He explained that some costs, like the SubAir™ monitoring system would be a one-time cost. Furthermore, green complexes on the golf courses are smaller than the practice putting green, and by extension the renovation cost will be considerably lower.

Mr Yau Meng Fai (Y0233) asked whether using the TifEagle™ grass would ensure that the putting green speed is up to USGA standard, given the difference in climatic conditions between Singapore and the US. Mr Sellars replied that TifEagle™ is a modern grass and will replace the grasses currently used, which were developed in the 1960s. He added



that the USGA standards are adopted worldwide, and are not limited to the US. Mr Sellars added that several other clubs in Singapore are already using TifEagle™. Given SICC's premier standing, it is imperative that the Club provides the best playing conditions demanded by its members.

Land Lease Renewal

Mr Patrick Chia Poh Wah (C1599) inquired whether the \$269 million reflected in our Club's financial statements for the lease renewal was for both Island and Bukit, or only Island location. Honorary Treasurer Paul Kwek replied that the sum was for both locations. President added that the total cost can only be determined after the government provides an indication on the land renewal at the Island location, and negotiations are finalised with LM for the Bukit location.



Increased Marketing for F&B

Mr Thomas Lee Kuen Yip (L1890) enquired if the Club planned to undertake more marketing activities to further increase and promote the Banqueting business. To this, Vice President and House and Bar Committee Chairman Bernard Yeo said that the Club has to strike a balance between sales and usage for club events.



Investments and Returns

Mr Henry Ling Kong (L2205) queried whether SICC invests in any foreign bonds. To this, Honorary Treasurer Paul Kwek replied that the Club has a very conservative investment guideline to follow, whereby the Club can only invest in Singapore-listed bonds, with the majority of investments in government bonds.

Mr Yau Meng Fai (Y0233) then sought to ascertain the management fee paid to fund managers, to which Mr Kwek replied that the fund managers are paid between 0.3-0.6% on the Club's equity portfolio of \$60 million. Mr Yau then wished to know the rate of return, to which Mr Kwek replied that the returns are between 3-3.3% of the invested amount.

Appreciation for GC

Mr Thomas Lee Kuen Yip (L1890) and Mr Low Sin Chock (L0731) commended and thanked the GC and management for their hard work and a job well done for the past year, especially in tackling the land lease issue and securing the best outcome for the Club. Transparency and continuous updates on the land lease discussions were well received and appreciated.

President Tay conveyed his appreciation to members for their kind words and encouragement. On that note, President Tay thanked everyone for their presence and the AGM was called to a close.