



BY-LAW 9: ASC FINANCIAL POLICIES

BACKGROUND

This By Law draws together ASC's major financial policies into one document. Note however that other club documents may include information on finance. In particular a price list is published on 1 May and 1 November each year, and individual decisions are made from time to time about one-off items.

POLICIES

1. All ASC prices and charges shall be reviewed every six months, except for annual subs which shall be reviewed annually.

2. The Committee through the club Constitution has the authority to expend club funds, and hereby delegates the authority to incur expenditure without seeking Committee approval to persons holding various positions as follows-

President: Up to \$ 3000

Secretary, Treasurer, Vice- President: Up to \$2000

Committee members: Up to \$200

Airfield General Manager: Up to \$2000

Note 1: Wherever expenditure is incurred proof of purchase must be provided before a reimbursement will be provided.

Note 2: This delegated expenditure is not to be confused with the authority to pay accounts, which rests with the bank signatories, any two of whom acting together can authorise payment of an account.

Note 3: No person must authorise payment or reimbursement to himself/herself.

3. Members of the club are not to owe the club in excess of \$500 for more than sixty days or any amount for more than ninety days and the Committee is to be advised at each monthly meeting of any member who has done so.

4. An audit is to be conducted each year of what aircraft are being kept in each private hangar and otherwise being kept on the airfield, and ongoing records be maintained of such aircraft.

5. A charge is to be made per year or part-year to each person keeping on the airfield one or more aircraft (glider or powered aircraft) capable of self-launching, this charge being set at 26 times the daily AUC.

6. All cross-hired aircraft kept in hangars owned by the ASC Inc. are subject to a hangarage charge at a rate determined by the Committee.

7. Charges for cross-hired aircraft are to be priced to club members at a premium of 17.5% above what the owner charges the club, except that a cross-hired aircraft is not to be priced at a lower rate than an equivalent club-owned aircraft.

8. Each cost centre should in principle be self supporting i.e. there should be no inadvertent cross-subsidy though the Committee may make a conscious decision to cross-subsidise for some particular purpose.

9. The contribution from the operational cost centres to overheads should be in proportion to their incomes.

10. Savings should be accumulated by the various operational cost centres such that their respective contributions to residual, unallocated savings at the end of the financial year reflect, as near as practicable, their respective proportions of total operational income.

11. Items for resale shall as a default situation be subject to a premium of 20% of cost. However the GAM and/or Treasurer may vary this figure in particular cases and if so shall advise the Committee accordingly.

12. Petrol and oil are a special case and are to be priced as follows:

| | |
|---|------------|
| Charge-out rate to club-owned tugs and LSA: | At cost |
| Resale price to ASC club members | Cost +2.5% |
| Resale price to others | Cost + 5% |

13. Annual member subscriptions shall be priced as follows:

Flying members: As determined by Committee each year

Flying member with concession, flying spouse of flying member: Two-thirds of rate for flying member

Junior, full-time student, social member, term member (one month): One tenth of the rate for a flying member.

14. Rebates for instructor training:

- LSA instructor training shall be at 50% of the normal rate, with this 50% rate only applying to instructor training in club-owned LSA.

- Glider instructor training (including of AEI's) shall be charged at 50% of the normal rate for glider time, with tug time at the normal rate.

Note: These concession rates are to be applied only to people who at the time of their instructor training are members of the Adelaide Soaring Club.

15. When a group booking is made for standard glider AEF's a discount of 10% is to be applied, with a group defined as a minimum of four. Special prices (higher or lower) may be struck where higher or lower levels of service are agreed.

16. Pricing for juniors/students flying gliders is to be set at 50% of the standard rate for single-seat gliders and 75% for two-seat gliders, with no discount for tugs.

17. No charge is to be made for glider flight time beyond a flight time of three hours on any single flight.

18. Ferry flights by tugs to approved club events are to be charged at 70% of the normal towing rate.

19. The Australian Air league is to be charged for use of ASC clubrooms and facilities to help to defray the cost of light, heating/cooling and maintenance at a rate determined by the Treasurer in consultation with the General Airfield Manager. Other groups may be charged also as appropriate.

20. Bar prices are not subject to financial policies as set out above, but are to be determined by the Bar Manager with the Committee to be advised where appropriate.

21. Allocation of costs is to be as follows:

Electricity: After private hangar costs have been taken out, the remaining costs of electricity are to be allocated one third to the Social and House and two thirds to the General and Overheads cost centres respectively.

Gas: All the costs of gas are to be allocated to Social and House.

Fuel facility: Repairs, certification etc of the fuel facility is to be charged against the General and Overheads cost centre.

22. Rounding: Prices be rounded to the nearest cent when quoting a cost per minute or per litre, and to the nearest dollar in all other cases, unless the ASC Committee determines otherwise.

23. It is the policy of the club that charity donations are a matter for individual members. Club funds will not be used to support charities, with the exception of one or two events per year where the charity concerned is aviation-related and the club will obtain worthwhile exposure.

APPROVAL HISTORY

Version 1 of this By-Law (By-Law 9) was approved in ASC Committee on 24 Feb 2015. It was based on finance policies approved on 28 October 2014, and on finance material taken from By-Law 8 as part of a process of rationalizing club information.

Version 2 removed some superfluous material, tidied up some wording and reference to specific charges where these are varied by Committee each six or 12 months. Approved in ASC Committee on 23 June 2015.

Version 3 added a clause regarding charity donations. Approved in ASC Committee on 27 Oct 2015.

Version 4 added to clause 3 the prohibition against owing any amount to the club for more than 90 days. Approved in Committee 19 Jan 2016.

Version 5 added clauses on concession rates for glider instructor training, glider flight time beyond three hours, and tug ferrying. It also included the Appendices. Approved in Committee 24 Oct 2017.

MISCELLANEOUS FINANCE-RELATED RULES AND ADMINISTRATIVE PROCEDURES

1. Credits received back from GFA as a result of membership promotion schemes are to be credited to the flying account of the member concerned. (Approved in Committee 23 May 2017)

2. Schools and incorporated youth groups are offered glider AEFs under the following conditions:

- The group must contain at least four people to be flown;
- Tows are to be to 2500 ft;
- The ASC charge for each flight is \$95 until Nov 2017 and then adjusted for inflation;
- The organisation concerned must ensure that each young person being flown satisfies GFA requirements re membership and each person flying is therefore covered by the insurance applying to GFA members.

(Approved in Committee 23 May 2017)

3. Flight times for AEFs and TIFs:

- The AEF benchmark (gliders) is a 20 min flight with the instructor to pay for time beyond 30 minutes should the flight go over 30 min;
- That the TIF benchmark to be a 60 min flight with the instructor to pay for time beyond 72 minutes if the flight goes over 72 min.

(Approved in Committee 24 Oct 2017)

4. A person who undertakes an AEF or a TIF and joins the ASC within one month of the flight shall receive a rebate on their membership equal to the cost of the AEF or TIF less the cost if the flight had it been undertaken as a club member and any other incidental costs such as promotional company charges.

(Approved in Committee 24 Oct 2017)

5. Where a person leaves the club and has a positive balance in their account when they do so, the following procedure is to be used:

- They are to be removed from the club's membership lists;
- If the person has a positive balance, an email is to be sent to their last known address advising of the situation and offering the following options -
 1. Have the funds repaid to them;
 2. Leave the funds with the club as a donation, which will be applied to aerodrome infrastructure to help keep the club flying;
 3. Have the funds donated to the Youth Soaring Scholarship fund, which will bring a tax-deduction to the member concerned.

If no response is received within one month of the initial email, then the funds will be used as per option (2) above and a second email will be sent to the ex-member advising accordingly.

(Approved in Committee 24 Oct 2017)

ADVANCED PURCHASE SCHEME

The ASC operates an advanced purchase scheme for gliders, aimed at encouraging use of club-owned gliders by giving a discount to those who fly a lot and pay “up front”. It is analogous to discounts for bulk purchase as commonly used in business.

The conditions of the scheme are:

- The scheme applies to any glider in the club fleet.
- All gliders are charged at the regular flying fees.
- Two levels to the scheme:

SCHEME 1 PREPAY \$1500 AND RECEIVE 20% BONUS (\$300) TOTAL \$1800
SCHEME 2 PREPAY \$2500 AND RECEIVE 30% BONUS (\$750) TOTAL \$3250

- The member selects the bulk flying scheme of their choice and then pre pays the cost into their flying account. The member has 12 months from the purchase date to use the prepaid amount. Once the prepaid amount is spent the member will then receive their bonus. The bonus must also be used within the same 12 months.
- If a member does not use their original investment in the 12 month period they will not lose their own money, but they will not receive a bonus. If the bonus is not used within the 12 months the unused bonus will be forfeited.
- All moneys (both the member’s own funds and the bonus) are for glider hire only. Tugging still needs to be paid at full rates.

To take the offer up members must contact the office to make the arrangements.