

Dear Rowing Colleagues,

Distributed to RWA Board & Staff, Club Presidents (and head coaches), WAIS, IGSSA and PSA Schools. All stakeholder comms is also being uploaded to the <u>RWA COVID-19 webpage</u>, including this email.

Following a meeting of the RWA Board last night (25/03/2020) to review sustainability through the COVID-19 crisis I provide the following updates:

FINANCIAL SUSTAINABILITY

Utilising a 'hope for the best but prepare for the worst' approach the Board reviewed the RWA cash position estimate at various points over the next 12 months to assess the insolvency risk over what was commonly believed to be the maximum term of the virus of this impact. In light of this review a number of cost-cutting measures were put in place:

- Reduce operational spending as much as possible
- Postpone all capital expenditure, excluding Canning Bridge Renovation (see explanation below)
- Seek 2020/21 DLGSC grant payment as early as possible

Rowing WA's review of the stimulus packages currently available through the Commonwealth and State Government has identified sources of financial support that could offset some of the net loss for this financial year (up until 31 October 2020). For any clubs that employ staff (even as few as 1), I encourage you to review the federal and state stimulus opportunities, particularly the 'Boosting cash flow for employers' package which will credit all PAYG payments from 1 Jan to 30 June 2020 two-fold. For clubs, the Australian Sports Foundation (ASF), have provided some ideas on how to 'mitigate refunds for club membership refund requests' by offering tax deductible donation options. More information is available in the 26 March update on the RWA COVID-19 webpage

CANNING BRIDGE RENOVATION

Following the above financial assessment, the Board agreed to continue with current plans to invest into the renovation of the Canning Bridge Rowing Centre to see the function room outsourced to a bar/restaurant provider in 2021. The income generated by the lease of this space is a key component of RWA's future financial security, so delaying the project would inflict long term financial strain on RWA. Based on current plans, construction would commence late this year.

STAFF ENGAGEMENT

With reduced operations in a number of core business functions across the RWA staff team, significant work has been done to review the work plans of staff for this period. The Board supported the continued employment of all staff, at present, with a re-focus on (but not limited to):

- Revised strategic and operational planning brought forward (usually conducted over summer months)
- Club communication, engagement and support especially with respect to diversified revenue streams and future business models, risk management and aligned communication strategies

- Systemisation and documentation of core business functions
- Optimising and improving RWA administrative processes
- Transition planning for post COVID-19 back to full rowing operations

As outlined in my correspondence yesterday, all RWA staff are predominantly working from home and can be contacted via email or mobile. See yesterday's comms for specific details.

CLUB CLOSURES

From my discussions over the past few days, my understanding is that all clubs have now enacted a 'hard close' of their rowing sheds, gyms and associated areas, except for limited training of athletes with intent to attend the re-scheduled Rowing Australia under-age selection trials in July 2020. I have spoken to Rowing Australia about this event and whilst FISA have not officially cancelled the Combined World Championships scheduled to be held in Bled in August, I believe RA will be providing advice to rowers regarding this event within the next week.

Rowing WA is facilitating video conferences between clubs to discuss online member engagement activities and will be working with clubs individually to provide support where possible to ensure all clubs come out the other side of this pandemic in as strong a position as possible.

2020 REGATTA SEASON

RWA is committed to providing a regatta program to West Australian rowers when it is safe to do so. As it stands, the current **2020** regatta season is suspended until further notice. RWA is deferring the commencement of the season to a time to be defined, when it is safe and feasible to do so. RWA advises all clubs and rowers that this may extend past the traditional end of our season in mid-September into the summer months if required. When appropriate, RWA will re-convene the Competitions Committee to make recommendations for a revised (and possibly consolidated) regatta season.

MEMBERSHIP FEES

Several clubs have asked about RWA membership/capitation fees in light of the suspended regatta season commencement which the Board discussed last night. RWA will defer the levying of membership/capitation fees until there is clarity around what services are being provided this year. A substantial component of the membership fee will not be charged if there is not a competitive rowing season. There would likely be a nominal fee for fixed costs such as insurance.

RWA will continue to monitor the situation and provide updates and support to the wider rowing community where possible and as information comes to hand.

If you have any questions about items outlined above or anything else please feel free to give me a call at anytime

Regards Daniel

Daniel Tackenberg | Chief Executive Officer Rowing WA