

**MINUTES OF THE 25th ANNUAL GENERAL MEETING OF THE SKI LODGES
ORGANISATION OF PERISHER SMIGGINS AND GUTHEGA INC. (SLOPES) HELD ON
20 NOVEMBER 2017 AT CHATSWOOD RSL CLUB COMMENCING AT 7.30 PM**

PRESENT:

Past Presidents

Tony Whybrow (1995 – 1999), Graeme Anderson (1999 – 2010)

President

Frank Zipfinger (Mirrabooka)

Committee

John Pinkerton (Tate), John Illy (CSIRO), Paul Schott (Clancy), Roland Everingham (Perisher Huette), Lucille Back (Snow Country), Tony Adams (Snowy River Doorak) and Noni de Carvalho (Minute Secretary)

Committee Apologies

Andrew Cutler (Kandahar), Bill Coombes (Hus-ski) and David Macdonald (Kosciusko Alpine)

Member Clubs and their representatives

ACT Police Jagungal (Ross Walker), Alexandra (Tim Dowsett), Aurora (David Read), Australian Ski Club (Andre Gogosevic), Avalanche Alpine Club (David van Beek), Brindabella (Bryan Collis), Caloola Ski Club (Dave Allison), Cooma Ski Club (Michael Salmon), Cowra Ski Club (Charles Jarrett), Fellowship Moerlina Ski Club (Mark Bradford), Guthega Ski Club (Ross Downes), Gonyah Ski Club (Gavin Wilson), Highway Alpine Club (Laurie Winnacott), Hus-Ski Lodge (Warwick Dean, Carol Dean), Illawarra Alpine Club (Jono Walsh), Kiandra Pioneer (Maurice Carter, Steven Evans, Rod Lemon, Steve Illek), Kosciusko Snow Revellers Club (Peter Nowland), Kunapipi Ski Club (Ian Shaw), Lampada Ski Club (Simon Gates), Langlauf Ski Club (Tim Alexander), Maranatha (Bruce Norton, K. Masters, Mavis Williams), Oldina Ski Club (Neil Walton), Parrawa Ski Club (David Gilbert, Sue Probert, Victoria Sudun, Richard Charlton), Port Kembla Ski Club (Ron Fitzgerald, Michael Livermore), RAN Ski Club (Phil Gregory), Rugby Ski Club (Andrew Harding), Shortland Alpine Club (Bob Towers), Snow Country Ski Club (Michael Brannon), Southern Alps Ski Club Kahane (Rod Peile, Joe Di Falco, Tim Moore), Southern Cross Ski Club (Ann Collins, Bev. Day-Cassin), Tarrawonga Ski Club (Richard Logan, Andrew Foster), Tate Ski Club (Bill Broockman), Technology Ski Club (Richard Beattie, Andrew Dunn, Mal Higgs), Turnak Ski Club (Roger Lucas), University Alpine Club (Bill Russell), Wildspitze Ski Club (David Beverley), Wirruna Ski Club (Noel Pearse).

Member Apologies

Apex (Bob Harrison), Ullr Ski Lodge (Nick Hughes)

Guests

Peter Brulisauer – COO, Perisher/Vail

Nick Kennedy – President, Perisher Chamber of Commerce

Ryan Petrov – Senior Team Leader, Perisher, NPWS

Stuart Schramm – Director, Park Assets, NPWS

Daniel James – Team Leader, Alpine Resorts Team, Department of Planning and Infrastructure, Jindabyne

Shane O’Leary – CEO, Destination Southern NSW

Sue Everingham – Board member, Destination Southern NSW

Debbie Gibson – JLT Insurance

Danielle Snelling – JLT Insurance

Frank Zipfinger opened the meeting and welcomed members. Frank introduced the guests to the meeting and thanked them for attending. He introduced the Committee noting the changes to the Committee during the year with the retirement of David Read (Aurora) and introducing Tony Adams (Snowy River Doorak) to the meeting. Frank noted that David was on his retirement the longest serving Committee member and the Vice President. He thanked him for his hard work on the Committee especially his work to establish and organise the Back to Perisher Weekend (BTPW) at Easter. Frank noted to the meeting that David will continue to be involved in BTPW and that with his retirement the Vice President is now David Macdonald (KAC) and the Secretary is Lucille Back with Bill Coombes stepping down from the Secretary role on the Committee.

On the occasion of the 25th anniversary of the formation of SLOPES, Frank welcomed and introduced two of the three past Presidents of SLOPES to the meeting – Tony Whybrow and Graeme Anderson. The first President was John Grinham who sadly has passed away.

CONFIRMATION OF THE MINUTES OF THE AGM HELD ON 21 NOVEMBER 2016

The Minutes of the previous AGM held on 21 November 2016 at Chatswood RSL Club were circulated to the members prior to the meeting.

There were no comments or questions.

The Minutes were adopted. Moved David Read (Aurora) and seconded Tim Alexander (Langlauf).

PRESIDENT’S REPORT

The detailed and comprehensive President’s Report providing a summary of the year was circulated to members prior to the meeting. On the occasion of the 25th anniversary Frank attached to the President’s Report a brief summary of the work of SLOPES over the years that was also circulated.

As the report was circulated Frank focused on a few key matters from the report:

1. Frank stressed that the objective of SLOPES has not wavered from its inception and that is to represent the Clubs. In doing this he noted that significant achievements would not have been possible without the support of the Clubs and 100% membership.
2. Frank made reference to the expenses through the year with a major increase being the setting up of the new SLOPES website. He noted SLOPES had received a cost-effective rate to set the new site up to make it easier for Clubs as a very useful tool to

use and to make it a comprehensive source of information and past records for the Clubs. He noted that all emails that SLOPES has issued from 2010 are now on the website as well as information on many matters of interest for the Clubs, for example, waste management, financial and tax matters, insurance matters, encouragement of sport, and so on as well as links to other useful websites. He commended the new website to the Clubs as useful tool for them to use.

3. Frank noted the ongoing commitment of SLOPES on behalf of the Clubs to the encouragement of sport. He advised the meeting that SLOPES will continue next year to sponsor annual ski races as well as the Perisher Peak Music Festival.
4. Frank thanked the clubs who have responded to SLOPES' latest survey noting that 60 out of the 88 clubs have responded. He noted the confidentiality of the individual responses is critical and that the information is essential for SLOPES to be fully informed on the circumstances of its Club members so it can properly represent their views and interests when required especially with the next stage post the Governance Review.

There were no questions or comments on the President's Report.

The President's report was adopted. Moved Lucille Back (Snow Country) and seconded David Read (Aurora).

FINANCIAL REPORT 2017

The Financial Statement, Balance Sheet and Auditor's Report were circulated to the members prior to the meeting. The report indicates the sound position of SLOPES such that there was no need to raise the subscription rate again this year.

The Financial Report was adopted. Moved Lucille Back (Snow Country) and seconded David Read (Aurora).

The Auditor's Report was adopted and Stirling International was nominated and appointed as SLOPES Auditors for 2018. Moved David Read (Aurora) and seconded Lucille Back (Snow Country).

ELECTION OF COMMITTEE

As there were no other nominations, the current 10-member Committee representing the different villages in the Perisher Range Resorts was re-elected for 12 months.

Moved David Read (Aurora) and seconded John Ily (CSIRO)

GENERAL BUSINESS

There were no questions arising or notices of motion raised by members.

THE 25TH ANNUAL GENERAL MEETING OF SLOPES CLOSED AT 7.50PM

Following completion of the formal business of the AGM the Guest Speakers addressed the Meeting.

Tony Whybrow – Past President 1995 – 1999

Tony was on the Committee of SLOPES from the beginning in 1991 when John Grinham, the Founder of SLOPES, was President. The objective was to have an association that would represent the voice of the Clubs. The need for a “club” association arose with the threat at the time of introducing a Head Lease to the management system of Perisher Range. At the time this was opposed by the Clubs as their leases were soon to expire leaving the clubs vulnerable and with an uncertain future under a head lease system. Not surprisingly, Tony noted, there was a contact within the member Clubs (Cowra) who knew key people in government and SLOPES was able to make submissions and then was invited to present its case to Cabinet. The notion of a Head Lease was abandoned at the time.

Tony commented that the first President, John Grinham, was a quiet person but he had steely determination. He noted that he would be proud of how SLOPES has lasted and grown in relevance and recognition as a key stakeholder to be considered.

Tony noted that a challenge was also to unite the clubs in membership and by 1994, 83 of the then 85 clubs had joined. The early years were a challenge in communicating with Clubs as there was no email so everything formal had to be by letter. Also, there was some conflict with the NSW Ski Association that considered it could represent the interests of Clubs but it was clear that its interests were with individual skiers and not with the Clubs as “not for profit” sport business entities within the Perisher Range Resorts.

Tony summarised the approach of SLOPES was always to be practical and positive in its dealings in representing the Clubs. He was pleased to see that the approach of inviting stakeholders to speak directly to the Club members has continued as reflected in the guest speakers at the AGM. In the early days it was Gary Huggett (NPWS) and Ashley Blondell (Perisher) who regularly attended SLOPES AGMs. Over the years the “them and us” that existed prior to the formation of SLOPES has broken down to the benefit of all.

Tony also briefed the meeting on the battle for adjustment to the proposed Public Health Regulations to require a minimum of 5sqm per person in bedrooms that are used tourist accommodation. The knowledge that the SLOPES Committee had of the Club Lodges where small bunk rooms were the norm, such a regulation would mean costly alterations and additions to most lodges to comply. Also, the Committee noted that ski lodges that are used regularly by members are not comparable to tourist accommodation. The Committee again found within the Club members an expert to provide technical information and support to represent the interests of the Clubs. In fact, the expert in microbiology (Prof. Grahame Budd, U.Syd. and member of Turnak) was the acknowledged expert at the time on this type of public health issue. A meeting was arranged with the key people in NSW Health. Only Prof. Budd was able to attend the meeting with Tony and Graeme Anderson having to wait outside. They only had a short briefing with him prior to the meeting. The outcome was that the Regulation was changed and it still applies whereby 5.5sqm per person is required for bedrooms in accommodation and 2 sqm per person is required for temporary accommodation (lodges) less than 28 days.

Another early battle of SLOPES concerned the manner in which valuations were carried out for the Club lodges. Graeme Anderson studied the numbers and found there was no pattern or consistency. The Committee tried to find a rationale but could not. The Committee noted that the size of the site of the lodge was irrelevant and it could only be used for a ski lodge. It considered that the only realistic basis of valuation was the number of beds in the lodge and the accessibility and distance of the lodge from facilities. The valuation could change if the circumstances of the lodge changed, for example, a new lift makes the lodge more

accessible. Tony and Graeme met with the NSW Valuer General and presented a Map of the Perisher Range that showed the inconsistency where lodges next to each other could significantly vary in valuation. The VG listened and acknowledged the points made and kept a copy of the map. As a consequence, the valuations were reviewed and on the SLOPES basis of bed numbers and convenience to facilities such that some consistency was established. The overall pool of money arising from the valuations was not argued but the sharing was more equitable and the Committee established with government that SLOPES should be given a say in how the money raised was spent.

Graeme Anderson – Past President 1999 to 2010

Graeme confirmed the challenges that were outlined by Tony noting also that the relevant legislation on room sizes was one of the last pieces of legislation signed by the NSW government prior to the 1995 election and that up to the last minute the final details were not known by the SLOPES Committee.

Graeme continued with some interesting SLOPES history by briefing the meeting on the resolution of a better deal for Clubs in lodge insurance. He noted that in 2005 he and the Committee observed that insurance was becoming a costly problem for Clubs with Clubs experiencing 30% to 40% increases that was not based on any known justification. Many of the Clubs used the same insurance company. Premiums were in the order of \$70,000 to \$80,000 or more each year. Data was sought from the Clubs and 68 Clubs responded. This showed that there was more than \$100 million in assets in the club lodges at the time such that when combined there was real power in negotiating a better deal for the Clubs.

SLOPES found a Broker linked to an appropriate underwriter who was prepared to review the insurance of the lodges. In the first year of the new insurance policies, the Clubs that took up the offer on average saved 20% to 36% on premiums that eventually increased to 40% over time. This represented a significant saving in the operation of the lodges.

Graeme noted that of greater importance with the outcome was it demonstrated to the Club Members that SLOPES could perform on their behalf and the Clubs became aware of the power they had as a single voice through SLOPES.

Graeme commented on the 25th anniversary that he is pleased to see that SLOPES is growing in relevance and recognition in representing the Clubs.

Stuart Schramm – Director, Park Assets, NPWS, OEH

Stuart congratulated SLOPES on its 25th anniversary.

Stuart advised the meeting that the President's report provides an accurate summary of the Carrying Capacity Review. He noted that a report on the research and investigation on methods for carrying capacity assessment and environmental management is being completed and it will be available for comment when it is released.

Stuart confirmed that in the Governance Review of the Perisher Range Resorts has been suspended as none of the submissions or proposals made during the tender process would satisfy the government's objectives. He advised the objectives, thresholds and benchmarks expected to be achieved were not being achieved. He noted that this was unlike Charlotte Pass where a suitable arrangement has been made with the current operator under a head lease system.

Stuart advised that OEH has met with SLOPES, the Chamber of Commerce and Perisher Vail. He noted that a second meeting is proposed in December that will look at services and

how to deliver in the future. He advised that there could be further discussion looking at an alternative Village concept but there was no intention to expand the resorts. He advised there would be a review of how revenue is raised but that it is not just about cutting costs to government.

A question from the floor asked whether provision of car parking was part of the capital works program. Stuart advised that it was part of the roads discussion where the cost was under-estimated by IPART although it was noted that more-costly concrete roads were built at greater expense than originally planned. Clarification was provided by John Pinkerton (Tate and SLOPES Committee) that car parking along Koscuiszko Road, that is the major car parking problem and dangerous, is a separate issue as that road is an RMS road.

Another question asked how many proposals and what form were put forward noting that submissions were invited from within Australia and overseas. Stuart advised that he is bound by confidentiality so could not answer the question.

A question from the floor was asked regarding the implications of suspending the Governance Review on lease fees and service charges. Stuart advised that lease fees are set but that cost recovery has not worked so charges are likely to be reviewed. He advised that the debt of NPWS to government has not been written off but there was no time frame on its recovery.

A question as to what is the OEH vision for Perisher arose. It is still that of a year-round world class resort that is environmentally appropriate.

Stuart left the meeting after his presentation due to another commitment.

Peter Brulisauer – COO, Perisher/Vail

Peter congratulated SLOPES on its 25th anniversary.

Peter noted the exceptionally good snow season that was enjoyed this year such that Perisher closed a week later than normal. The early part of the season was slow with poor snow falls but snow making overcame the issue.

Peter advised the meeting that Perisher/Vail is extremely disappointed regarding the Governance Review. Peter considered that there was a lack of a realistic vision for Perisher by government and that it is more about cost recovery rather than long term planning. He noted that although Stuart has gone he has said the same to Stuart in the past.

Perisher/Vail has continued to plan for investment and has approval to replace the Leichhardt T-Bar with a chair lift as well as for snow making in Smiggins but it is not prepared to commit to the construction and cost due to the uncertainty of the future. Other plans including replacing chair lifts with higher capacity chair lifts are also on hold.

Peter noted that the Chamber, SLOPES and Perisher had made joint submissions on the Governance Review and have a similar approach to what is needed for the future. He commented that there needs to be greater recognition of the current stakeholders in the review and hopefully there will some injection of realism into Government. Peter commented that the increase in beds in the Perisher Range was approved back in 1991 and there are still the 800 beds available for a village centre. This means that nothing has happened for 30 years as a consequence of the difficulties and uncertainties in government. While government has been spending on infrastructure, it has also not sought to capitalise on the potential of cost recovery by income from the taking up of the additional beds that supporting and encouraging development to occur would enable.

A comment from the floor regarding the potential for skier congestion could arise with an increase in bed numbers but there was also comment from the floor that it may be offset by a reduction in the daily commute from Jindabyne. Also, if numbers increase there is justification for improvement of lifting capacity by upgrading of lifts.

A question from the floor asked why Perisher did not plan more chairlifts. Peter noted that there is an issue of wind with chair lifts that is a serious issue with the widely spread out Perisher Range resort. Getting skiers safely back to a centre when chair lifts become unsafe to operate is complex.

Later in the evening a question from a Guthega member to Peter raised the issue of starting the Blue Cow T-Bar at Guthega to make it easier for skiers to get to lessons. Peter answered that it is impractical to open a T-Bar in isolation as ski lifts are interconnected and any opening also requires ski patrol and so on. He noted for beginners, over-snow transport is provided to Blue Cow each morning or if there are enough people, an instructor can meet a group in Guthega.

Ryan Petrov – Senior Team Leader, Perisher, NPWS

Ryan congratulated SLOPES on its 25th anniversary.

Ryan was sympathetic to the concerns, frustration and uncertainty with the Governance Review being suspended.

Ryan noted that NPWS kept the villages snow bound for longer this year due to the good snow conditions such that over-snow vehicles could continue to safely operate and there were no complaints to this move.

A waste collection point for recycling has been set up for bottles and this ties in with Vails objective for waste recovery. Also, this year over 100 tonnes of organics has been recovered and is being composted for re-use with the Park.

Ryan noted that heavy rain at times has indicated there are some locations where overland flow is an issue. Clubs were advised that if they have had problems at their lodges to contact Ryan to discuss possible solutions.

Daniel James – Team Leader, Department of Planning and Infrastructure, Jindabyne

Daniel also congratulated SLOPES on its 25th anniversary.

Daniel advised that the Department had received 100% response from the Clubs in lodging their Annual Fire Safety Statements. He noted that the Department also has a compliance role such that it does inspect premises for such things as removal of snow build-up at exit doors or other issues as well as discussing solutions with Clubs.

Daniel advised that with a change to the legislation that comes into force on 1 December, all Fire Safety Statements will be in a standard format. He advised that the Clubs should be aware of the new format but that their providers should adopt the new format without their intervention.

Daniel reminded the Clubs that they should talk to the Department early in the planning phase if works are being considered to their lodges. The Department can also advise what form of approval is required, if any, for the proposed works.

Daniel alerted the meeting to the fact that conditions on a consent that the Department issues are binding. He noted that a recent case before the Land and Environment Court

tested a condition regarding a refusal to extend construction working hours for the third time on the new Smugglers Lodge at Smiggins that would continue work well into the ski season. The request was refused by the Department. The appeal against the condition was dismissed by the Court.

Daniel also advised of new environmental legislation, the Biodiversity Conservation Act, that will affect the procedure and approval for large scale clearing. The new Act provides more clarity and certainty on the assessment criteria for proposals for clearing of land.

Nick Kennedy – President, Perisher Chamber of Commerce

Nick congratulated SLOPES on its 25th anniversary.

Nick commented on the challenges of being a small business operator in the Perisher Range and in his case, owning and operating Guthega Alpine Inn. Last season had firstly little snow and not much business and then there was too much such that patrons could not get to his Inn and other commercial operators in the resort. The complexity is in managing the provision and cost of staffing to maintain the services with the fluctuations. Nick commented that he may have to reconsider providing lunch to skiers other than those staying at the Inn. A comment from the floor encouraged Nick to continue to provide lunch for skiers as it is an enjoyable excursion to Guthega for lunch.

Nick advised that while the Chamber represents the commercial businesses that is, although a small group in the resort, increasing in energy and enthusiasm with some new owners of premises in the resort. The Chamber is keen to participate with SLOPES and Perisher/Vail in providing a premium ski resort and furthering and progressing the Governance Review objectives. Nick noted that the Chamber was similarly dismayed by the OEH announcement.

Regarding the 10th Perisher Peak Music Festival that the Chamber manages and promotes each year, Nick advised that this year was its most successful. Support and visitation was up and for the first time the Festival broke even. Nick thanked SLOPES for its continued support of the Festival.

Nick noted that the school holidays for NSW, Queensland and ACT will align this year (2018) such that demand will be high for bookings including to the Festival. He commented that although the Festival broke even this year, it will need to look for new support funding and sponsorship from Destination NSW in addition to its other supporters including SLOPES.

Debbie Gibson and Danielle Snelling – JLT Insurance

Debbie also congratulated SLOPES on its 25th anniversary.

Debbie noted that JLT was appointed after a review and tender process by SLOPES in 2013 with about 70 clubs taking up insurance through JLT. She noted that Danielle manages the ski lodge accounts and that the arrangement is one of the biggest affiliated insurance schemes in NSW with assets of \$169 million in the scheme. The affiliation means that the insurance can be tailored to meet the needs of the Clubs. The terms have been reviewed and refined over the years as more is learnt of Club requirements. She noted that each year JLT reviews its arrangements with its underwriter to ensure it can continue to provide a high standard of service for the clubs.

Debbie commented that a further 29% saving has been made as the policies have been refined from the previous main insurer.

Debbie reminded the meeting that this time of year is the storm and fire season and that mitigation measures should be taken by Clubs to protect their lodges from damage including from lightning strikes.

Debbie noted that earlier this year JLT commenced a program of valuing the lodges as under insurance can have serious consequences if there is damage. JLT has been able to secure a discount on the cost of the valuations. Of those clubs who have had their lodges valued, it was found that 89% were undervalued for their insurance. A few were also found to be over-valued as well.

Debbie alerted SLOPES and the Clubs to cyber security that is an increasing issue with websites and Facebook. She noted that cyber security is an area of insurance that Clubs need to consider and could be the subject of refinement in policies in the future. She also noted that liability of club managers and workers compensation are matters that clubs need to be aware of and consider in their operations.

A question from the floor asked whether JLT had any knowledge on the future of the Emergency Services Levy that was to move from part of insurance to a charge on local rates. Debbie advised that nothing has been heard from government and that for the moment it will continue as a levy included in the insurance.

Shane O'Leary – CEO, Destination Southern NSW

Shane advised the meeting that the government role in tourism in NSW was reviewed in 2015/2016 and as a consequence, 6 new organisations have been set up to cover the state. The focus of the 6 new regional groups is to be an agency of influence in promoting and managing tourism. Each organisation is a separate and independent business unit limited by guarantee and they work with other agencies in their regions. In the case of Destination Southern NSW this includes a close association with the ACT tourism organisations.

The organisations are required to understand the highlights and opportunities of their regions and to recognise the challenges that are faced. They are expected to address the challenges and infrastructure gaps in their regions to promote tourism.

This means they have a primary responsibility of driving growth in the visitor economy to help achieve the government's tourism expenditure goals by 2020. For the Southern region, this means to increase visitor expenditure in the region from \$22 million to \$40 million.

It requires the preparation of a sustainable plan for the future in a Regional Destination Management Plan. The Plan will advocate and address tourism issues and maintain the linkages with other agencies, for example, the association with ACT Tourism. The ACT population is also a market for the Southern region. By streamlining regulations, the intention is to have effective governance, address the traditional seasonal nature of the visitor economy, and improve capacity and service levels especially in accommodation.

Shane noted that it is not just about funding but also promotion and co-ordination. Nevertheless, funding opportunities were available for events, marketing programs and products development.

Final Comments from Frank at the end of the Meeting

Frank outlined to the meeting a couple of the preliminary results from the recent survey of Clubs that SLOPES has conducted. Frank noted that the data is critical for SLOPES to be well informed for the anticipated continuing negotiations post the Governance Review.

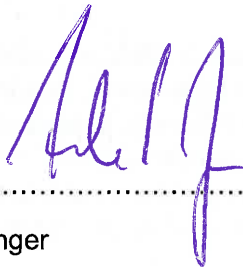
60 of the clubs have responded so far and Frank encouraged the rest to respond to the 21 questions in the survey. Frank reiterated that the individual responses by the Clubs to the survey are strictly confidential.

Although the results are still being analysed some results could be provided such as there is general agreement for SLOPES to investigate with a view to getting a better deal for energy provision for the Clubs.

100% of the responses so far indicate that the current membership fee charged by SLOPES is considered good value.

Frank again thanked the guest speakers and thanked the Club representatives for coming to the AGM. He noted that it had been a long meeting and he invited everyone to stay and enjoy casual discussion and refreshments following the meeting.

THE MEETING CLOSED AT 10 PM



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Frank Zipfinger

President

19/11/2018