

Edelweiss Ski Club of Australia

Registration No 17955 S

Club Meeting

Wednesday November 28, 2018

270 Bluff Road, Sandringham

Minutes

Attendees: Peri Macdonald – President

By Skype: Peter Towmy
Joanna Smith
Georgina McCowan
Chris Mitton
Bill Mitton
Dash Gantner
Alex Laws

Apologies Elizabeth Laws

The meeting was declared open at 19:30hrs.

1. Opening and welcome

The President welcomed everyone to the Annual General Meeting (AGM).

AGM

2. Treasurers Report (Georgina McCowan)

Financial year is July to June 2017-2018

- The Club achieved a loss \$3800 due to non-occupancy.
- Subs in were \$10,000.
- RMB costs were reduced, but still high (\$9K)
- Insurance \$5K.
- Bills included heater repairs.
- It was an improvement on the year before.
- Off to a great start for 2018-2019!
- \$99K in the bank.

George will send a report and post on website.

Motion: Adopt previous meeting minutes:

Moved: Peter

Carried: George

Motion: Adopt Treasurer Report:

Moved: Peter T

Carried: Joanna

Adopt Cabin Managers Report:

Moved: Peter

Carried: George

Other Business

It was acknowledged that Kerry Harry passed away earlier this year, after a long illness.

2. Agenda for lease renewal and other works –

Refer to circulated document prepared by Georgina McCowan

Sewer works cost	<ul style="list-style-type: none">• The RMB confirmed cost of works for the sewer installation at \$186K + GST• There is a cash flow gap of \$55K• At the conclusion of the sewer works, there will be 3K in the bank account if we asked the MHRMB to cover the \$55k.• A GST Refund on the works can be applied for with a not for profit organization.• There was a discussion about whether the cost of the works was reasonable and John Guise confirmed that whilst some cost have increased, others have decreased. An increased cost was roads boaring.• All equipment costs have tried to be shared with other work on the mountain to trey and reduced costs.• Vegetation rejuvenation has a high quote (15K), with actual costs likely to be lower.• Overall John confirmed the costs quoted are reasonable.
Contributions for sewer works & New membership	<ul style="list-style-type: none">• All new finds are to be held in a separate bank account, from which it can be refunded if necessary
GST Refund	<ul style="list-style-type: none">• To get the GST Refund a BAS has to be lodged annually.• For a non-profit the refund is applicable with a turn over under 100K.• GST out on consumables & power bills• There was query if the RMB could charge a GST exclusive levy (?)

Can we fund the \$55K gap	<ul style="list-style-type: none"> • New member push. There is a Member Pack which can be forwarded to potential new members • Vagabond has a website where memberships for sale can be posted. • 10 year projected surplus \$80K (this is reliant on 11 members from year 1 and 14 members from year 6)
Revisit Club Rules	<ul style="list-style-type: none"> • The Club needs to generate more income • More paying bed nights in summer – walking clubs/hiking groups
Demolition Costs	<ul style="list-style-type: none"> • If we do not proceed what are the demolition costs (?) • To demolish the building is the worst case scenario •
Summary of Position on Membership:	<p>George – IN George & John would be willing to cover the cost of the GST, which would be refunded.</p> <p>Joanna – OUT</p> <p>Chris/Bill – IN Well done to George & John on undertaking a massive amount of work Chris has a potential 4-5 members Capped at \$5.4k contribution Existing and new members pay the same Bill has a potential new members with Grandkids</p> <p>Dash – IN Not keen to increase his contribution Supports the use of the cabin in the off season for non-members</p> <p>Alex – IN Keen to continue but is concerned about extra calls for money Going every second season at best Supports lodge open to others Thanked George, John and Peri</p> <p>Peter – IN Summer use is a great idea Potentially restricted to organizations A new club structure will attract new members (Dash thinks this is a worthwhile change) We need to be careful about the lodge mix, to it is not full at school holidays and empty at other times. Confirmed that if we do not proceed, any new money contributed will be refunded.</p> <p>Peri - IN The club has the capacity to take on new members Peri noted that:</p>

	<ul style="list-style-type: none"> • The budget has no capital expenditure for repairs and maintenance forecast over the next 10 Years • Is it a 5K contribution now and then once in you are on the hook for more? • At the end of the 10 year lease, the club will be in the same position: renew or raise the cabin • Is \$80K at the end of Year 10 to meet the end of lease obligations? • In 10 years will there be a higher cabin removal cost/obligation? <p>Genevive - OUT</p>
Debentures	<p>If the Club's current structure is an impediment to attracting new members, then the Club must review this status.</p> <p>This timing for this change is likely 6-12 months away</p> <p>A restructure of the club structure would allow incoming members with a 'way out'.</p> <p>A potential model is that a certain number of memberships would be sold before any can be bought back</p> <p>The projections is for 9 new members over the next 10 years</p>
Discussion	<p>George – At year 4 or 5, the decision to sell is better than demolishing. From a financial stand point this is the best option.</p> <p>Peri – the membership at the time will be liable for the lease obligations, which includes demolition. Peri has an emotional connection to the club, and cannot see a high usage over the next 10 years. He notes the \$55K funding gap.</p> <p>John – RMB loan or member loan for GST. We could ask RMB to cover 50% of the development costs.</p> <p>George – Club has fallen in members from 25 to 6 members. For the success of the Club we not only need to get new members, but the lodge needs to be used! We need the accommodation income to help re-grow the funds in the bank.</p> <p>Motion: Set up a new/dual bank account for the club to manage the sewer funds. Georgina McCowan will have signature authority to set up a new bank account</p> <p>Move: Georgina Second: Peter</p> <p>Peri – We go back to the mountain and say that we can fund \$130K, as the club has a \$55K shortfall.</p> <p>If the Mountain agrees to fund the balance, there will be \$20K working capital Edelweiss.</p> <p>If not, the club will wind up and we need to investigate demolition.</p> <p>If the RMB came back with a counter offer, we could squeeze through with new members</p> <p>Edelweiss will fund up to between \$110-130K, the Board will accept or not and</p>

	<p>only then we can commit to proceeding.</p> <p>Motion: We will be written to the Board to confirm that the Club will fund up to \$110K to the new sewer works and no more</p> <p>We will need a confirmation by the end of January 2019.</p> <p>Move: Georgina Second: Peter</p> <p>Peri to review \$110K negotiation position and we will consider up to \$130K.</p> <p>Ingrid is getting a quote for demolition.</p>
Confirmed membership	<p>Alex Laws Peri McDonald Georgina McCowan Katrian Mitton Chris Mitton Bill Mitton Dashiel Gantner Peter Thowmy</p>
New members	<p>Motion: The membership will seek to confirm new members (\$5400 per member) on the basis of a 10 year lease, with numbers to be confirmed by the end of January 2019.</p> <p>On the basis that the Board accepted the sewer funding position, we will investigate membership structure whereby membership can be transferred</p> <p>Move: George Second: Peter</p> <p>Motion: New Members</p> <ul style="list-style-type: none"> • Sarah Doyle - Proposed by George McCowan • Alex Zadnick – Proposed by Chris Mitton <p>Motion: George Second: Peter</p> <p>Motion: Office Bearers</p> <p>Re-Elect</p> <p>It was agreed that given the current uncertainty around the future of the club, current office bearers (excluding the Secretary) would be reelected until the end of January 2019 and re-visited at that time.</p>

	<ul style="list-style-type: none"> • President – Peri • Treasurer George McCowan • Chris Mitton – Cabin Manager <p>Joanna to retire as Club Secretary</p> <ul style="list-style-type: none"> • New Club Secretary – Ingrid Mitton <p>Motion: Peter Second: Alex</p>
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4. Next meeting

Wed 23rd January 2019
7:30pm

Agenda to include wording for new rules about transfers of membership.

An Edelweiss Past & Present Member Function for February 2019

5. Close

The meeting was closed at 10:05 pm.