



The Ski Lodges Organisation of Perisher, Smiggins and Guthega Inc.

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29th November 2012

Twentieth Annual General Meeting

PRESIDENT'S REPORT 2012

Ladies and Gentlemen

Welcomes

Welcome to the SLOPES 2012 Annual General Meeting - our 20th!

I am Frank Zipfinger, President of SLOPES.

I particularly welcome our Guest Speakers tonight - Peter Brulisauer from Perisher, Andrew Harrigan, Andrew Logan and Marko Kovac from NPWS, Daniel James from Department of Planning and Infrastructure and Philip Woodman from Perisher Historical Society. I am pleased that this year we have continued to maintain excellent relations with all our key stakeholders, many of whom are represented by our Guest Speakers.

I also welcome, and thank on your behalf, the Committee Members of SLOPES who have again done a terrific job this year in ensuring that SLOPES focuses on our principal task of representing the interests of our Member Clubs.

The Strength of SLOPES

As we do each year, I remind you that our strength as SLOPES is that we speak for ALL the Club Lodges in Perisher, Smiggins and Guthega. The whole 88. It is our claim to fame.

The 100% membership figure of ALL Clubs and the 55,000 people who are our members, associates and visiting friends give us the right to be heard. We need and look forward to your continued support.

Your Committee

This year we have maintained our spread of Committee representation across Perisher, Smiggins and Guthega. In December 2011, Committee member Paul Schott of Clancy Ski Club retired due to taking on major responsibilities in a new Australia wide role with Surf

Life Saving Australia. The Committee appointed John Pinkerton in Paul's place. John had been a director of Tate Ski Club (formerly SMA Ski Club), Guthega for the best part of 4 decades to 2008. John joined Noni de Carvalho of Turnak Ski Club as the second Guthega representative on the Committee.

Our Committee has seen some further changes with the retirements this November of 2 long serving members, Don Gowing and Roger Glover, and the appointment of Mark Robins and the re-appointment of Paul Schott. Mark is from Alexandra Ski Club in Perisher and his various roles have included Honorary Booking Secretary for 19 years and work on facilitation of an online information and reservations system with a membership database. Paul now has the capacity again to serve on the Committee and so we welcome Paul back.

Don was one of the initial Committee members of SLOPES when it was formed in 1991 and has served on the Committee for most of the period since then. An engineer with a mission, Don was highly respected by the National Parks people with whom he dealt. Don fought many small and large battles for the members of SLOPES and was always totally reliable when given a project.

Roger has served as a Committee member since 2000 and as Treasurer for most of that time. Roger embraced that role fully following the retirement of the Executive Officer a few years ago and has put our accounts onto a solid computer based foundation. More broadly, Roger always had a strong perception as to how any SLOPES activity would be seen by the Clubs. He was very much involved in his own club's growth and committees over many years and this gave him this valuable insight which operated to benefit all our Clubs.

The support of Don and Roger, and their wise counsel and efforts on behalf of all Clubs, will be greatly missed. I thank them for their contributions to SLOPES.

All current members have nominated for re-election. There being no other nominations, they will continue to serve after the AGM and I thank them for their support.

All members of the Committee can be contacted via the SLOPES email address:
slopes.au@gmail.com.

I would like to recognise and thank particularly our Secretary Bill Coombes, our Minutes Secretary Noni de Carvalho and our Treasurer Roger Glover. This team has worked extremely well. With Roger retiring, John Pinkerton steps into the Treasurer role and I thank him for doing so.

Back to Perisher Weekend (BtP)

Over Easter 2012 we held our fourth Back to Perisher weekend in conjunction with NPWS. Dave Read and Noni de Carvalho were the key organisers from SLOPES and again did a great job of organising this event. They were ably assisted by representatives from NPWS, particularly Sally Miller who was a terrific contributor.

Again, the BtP weekend was our best ever, favoured as it was by some brilliant sunny weather. In particular the "Duck Race" was exceptionally popular, with the number of plastic ducks (200), already doubled once, needing to be doubled again next year to avoid disappointment!

B+P featured established events such as the 6.1km Fun Run/Walk (127 runners this year), the Duck Race (300 participants, with proceeds donated to the Perisher Volunteer Ski Patrol) and “The Guthega Super Sleuth Treasure Hunt”, plus walks organised by NPWS to The Porcupine and to Blue Lake specifically for SLOPES Members.

The presentation of prizes for the Fun Run/Walk was held at JAX on the Saturday evening with a number of door prizes including Perisher lift tickets, Charlotte Pass Day Tripper tickets, a NPWS Park entry annual pass and vouchers for the Fun Run winners. The Fire Brigade were also on hand to demonstrate a kitchen fire, hand out information sheets and entertain the kids.

The Guthega Sleuth event on Sunday attracted nearly 70 participants. Nick and Jenny Kennedy at the Guthega Alpine Inn provided free sausages in bread rolls and soft drinks to the returning “Sleuths” and also donated a raffle prize for all participants of a lunch or dinner up to \$80 and a skiing lesson. As well there was a special treat for the children as the Taronga Zoomobile visited Guthega Alpine Inn in time for the returning “Sleuths” to enjoy meeting and touching a baby possum, a snake, a lizard and other animals. Sally Miller was also on hand on Sunday at Guthega Alpine Inn to receive the presentation of a generous and much appreciated \$500 donation from Nick and Jenny Kennedy for ongoing research by NPWS into the unique Guthega Skink.

In 2013 Back to Perisher will be bigger and better than ever and will be held over the Easter weekend - 29 March to 1 April 2013. All Clubs are asked to distribute these details to their members and to encourage participation.

For more information and to register your interest with any of these activities, contact Dave Read from SLOPES on 0418 419 938 or email djread@bigpond.com or slopes.au@gmail.com.

Perisher Valley Fire Station (PVFS)

Many update emails were issued on this topic during the year and much effort and expense went into opposing the changes which were ultimately imposed by FARNSW on the operation of PVFS.

PVFS reverted to the rotational model for the 2012 snow season. The rotational model had operated for 10 years prior to the recent changes. It uses permanent fire fighters stationed in Perisher Valley on a rotational basis and is the model which SLOPES advocates should continue to be used all year round.

Outside the snow season, the new retained model (opposed by SLOPES) operates, drawing volunteer fire fighter capability primarily from Jindabyne.

Members will have noted that this experience at PVFS was a precursor to the much wider cost cutting changes implemented a few months later by FARNSW affecting many fire stations outside NSW due to NSW Government budget cuts.

By way of reminder, the key points of the SLOPES position are:

- 1 SLOPES is NOT happy with the current arrangements outside winter and FARNSW is well aware of that. Our reasons have been set out in extensive correspondence with

FARNSW and the Minister, and summarised in various Update emails to SLOPES Members over the last year.

- 2 Apart from Easter (Back to Perisher weekend), some December/January weeks and any other periods of high occupancy, days of high fire risk or actual fires in the Park and a few weeks either side of the snow season (all changes to the standard model negotiated by SLOPES and other stakeholders with FARNSW), there will be no one at PVFS outside winter.
- 3 Resourcing at those times will be from Jindabyne using retained (volunteer) fire fighters who will have to travel the 36 kms in 4WD vehicles to get to PVFS to access the fire fighting vehicles and equipment and then respond to the call - a minimum response time of about 40 minutes which is totally inadequate to have any impact in a fire situation (any response time exceeding about 17 minutes is considered a total loss situation).
- 4 FARNSW do not like to concede that PVFS is unmanned in this way. They have 2 or 3 retained fire fighters who live in the Perisher Valley area and are on call, subject to availability etc. If they are around, then access to the PVFS could be quicker. But the problem is that Union safety rules require a minimum of 4 fire fighters to operate the fire truck and engage in active fire fighting. So, even if these 2 or 3 people are available to answer a particular call, that allows at best only a limited response from PVFS.

The situation is what it is. The critical thing now is for all Clubs:

- A. to do what they can to maximise fire safety in their own lodges, including availing themselves of the service provided by FARNSW to provide guidance on shut down procedures at the end of the snow season, regularly checking fire and smoke alarms, checking the combustibility of lodge fittings and furnishings before installation, properly maintaining gas bottles, managing surrounding vegetation, notifying FARNSW if activities like welding will occur at your lodge etc
- B. to be fully informed of the call procedures in the event of a fire emergency - **ALWAYS CALL 000 and NOT the Perisher Valley Fire Station.** And at all times keep the FARNSW notices with details clearly posted in your lodge
- C. make sure Club contact details are kept up to date with NPWS and FARNSW - and put the current Club contact details on the fire panel in your lodge, and
- D. be aware of the significant costs (\$750+) which can be imposed by FARNSW in connection with responses to false alarms and of the greater likelihood now of charges being imposed and not waived. Clubs should also take steps with their service providers to minimise the incidence of false alarms from their lodges and take rapid remedial action after the occurrence of any false alarm.

SLOPES Website

We have relaunched the SLOPES Website at: www.slopes.org.au.

The Website includes all our contact details and links to related sites of relevance to Clubs. We expect continually to enhance the Website to make it an easy access point for SLOPES

Member emails and commentary generally on issues of interest to our Clubs. Please use the Website and give us feedback. We are especially interested in your views on what additional material we can put on the Website that will be relevant to you.

A reminder, SLOPES is compiling a list of service providers that may be of use to members and associates, such as cleaning services, auditors etc but this list will not be displayed on the Website. Any member seeking information on a particular service or issue should contact SLOPES at slopes.au@gmail.com and we will respond to individual requests for assistance or information. Topics raised that have a wider level of interest to Clubs will be posted on the Website Notice Board.

Snowy Mountains of Music Festival

The Perisher Range Resorts Snowy Mountains of Music Festival (“the only music festival in Australia in the snow”) was held over the June long weekend (8-11 June 2012), organised by the Chamber of Commerce. It was well attended - vehicles through the gate were up 40%. The Music Festival is on again over the long weekend 8-12 June 2013. Please support it.

National Parks & Wildlife Service (NPWS)

Tonight we have with us 3 key SLOPES liaison contacts at NPWS - Andrew Harrigan, Manager, Visitor and Business Services, Andrew Logan, Manager of the Municipal Services Unit and Marko Kovac, Manager Property Services Unit.

Between them, they have a multi-faceted role involving responsibility for the Kosciuszko National Park including the Perisher, Smiggins and Guthega Resorts. From a SLOPES perspective, this includes key issues such as lodge leases and bed numbers, Village development proposals and operational matters such as waste transfer and roads.

They also co-ordinate a team of engineers who are charged with getting the IPART monies spent properly in putting in all the new Perisher Resorts infrastructure. The MSU team includes the people who run the water supplies, sewage handling, road supervision and controls. They are effectively our Town Council.

A few highlights of 2012:

- sealing of roads at Guthega and Smiggins is complete and 70% of South Perisher roads sealing is now complete
- the Waste Management Station at Perisher is now fully operational. Waste bins at lodges need to be in place by next season and wheelie bins need to be removed
- shooting, a new initiative permitted by the State Government, won't occur in the vicinity of lodges in Kosciuszko National Park. It will only involve licensed shooters under NPWS supervision to assist in the eradication of feral animals, and
- new signs will be installed at road commencements including names and features such as walking tracks.

Income tax and Encouragement of Sport

SLOPES reminds all Members of the importance of continually taking actions to support retention of the exemption from income tax through the “ENCOURAGEMENT OF SPORT”. SLOPES has appointed a Committee Member to work on an encouragement program to promote and assist Clubs in their thinking. We strongly recommend that each Club appoint one of its committee as their “Sports Encouragement’ Officer” to do the same.

On our SLOPES Website there is a dedicated section with useful information and links to other organisations which can assist you to promote sport within your Club.

Clubs actually do a lot to encourage sport but they often do not think about it that way – nor sometimes do they keep records of their activities. Participation in The Perisher Cup (the 60th such Cup was run in 2012) is an example. As is the School Events Week and promotion of it in the Clubs. Please take this topic seriously as you never know when it might emerge as an issue in the context of your Club.

Department of Planning

We welcome Daniel James who is with us tonight. Daniel is the Team Leader of the Alpine Resorts Team at the Department and is generally based in Jindabyne. The Department has overall planning responsibility for development in the Perisher Range Resorts (including fire safety and building audits). We encourage all SLOPES members to consult with the Department early on in relation to all development proposals affecting lodges. The key message here is: “Ring the Department of Planning and drop in to see them and talk about where you stand BEFORE YOU SPEND THE MONEY”.

Perisher Resorts – Perisher, Smiggins, Guthega and Blue Cow

In 2012 the snow guns again made a valuable contribution to our skiing pleasure. More importantly, ‘Mother Nature’ delivered an outstanding season (the best snow coverage in 12 years!) which allowed the season to be opened early on 2 June and extended to 5 October.

The MyRide Ticketing System is an excellent 2011 initiative which should be promoted within our Clubs. It can, through savings on lift ticket costs, encourage members to ski for multiple weeks rather than just once a season. Joining the MyRide Club also offers benefits like Early Bird Lift Tickets, access to dynamic ticket pricing, discounts at various outlets and the ability to reload the card online, avoiding the need to queue for tickets. The popular Perisher Freedom Pass was heavily promoted in 2012 and allows unlimited skiing in Winter 2013 for only \$699 in return for advance purchase of the pass.

SLOPES applauds these initiatives and congratulates Perisher for introducing them as ways of making skiing in the Perisher Range Resorts more affordable and convenient.

Tonight we welcome Peter Brulisauer, the Perisher CEO. Peter will speak about the Perisher Range Resorts and update us on some new developments.

X-Country Skiing

Once again the NSW Cross Country Committee did a great job informing us daily as to the skiing conditions and generally in promoting the sport of cross country skiing. SLOPES thanks them for that and the work they do in helping us all to promote sport.

Insurances

Generally, our progress on Club insurances, both the range and cost of cover, has been outstanding. This is despite the fact that this year we again saw some premium increases due to the extraordinary global conditions affecting the insurance industry and the impact of the changes made by FARNSW to the operation of the Perisher Valley Fire Station.

In achieving these benefits for participating Clubs, SLOPES has been greatly assisted by Leroy Bowmaker, the Managing Director. The benefit to All Class Insurances and Clubs comes from being able to write cover and negotiate advantageous premiums on behalf of a large group of lodges. It is very important that Clubs remember this and continue to support the insurance products offered to us all on this basis.

Clubs insured through All Class were recently advised that all Class has negotiated a special rate/cover with a new insurer who initially required transfer of our book of business to them by the end of November 2012. Problems then arose with the refund of Government charges, a 25% cancellation fee and retention of full administration fees. When the figures were worked out, it became clear that making this mid-term transfer was not in the best interests of Clubs financially and so an agreement was reached with the new insurer to wait until the expiry of the existing insurance, when Clubs will move across to the newly structured program. So, cover remains as is until the expiry date of 3 May 2013, with transfer documentation to be completed in the meantime. All Class assure us that we will see more premium and coverage control under the new arrangements which will provide significant advantages for insured Clubs.

Perisher Waste Transfer Station

Construction of the new Perisher Waste Transfer Station was completed on time allowing for a full winter season of operation in 2012.

Prior to and during the 2012 snow season SLOPES liaised with NPWS regarding the new waste and recycling collection service. There were some teething problems but this was to be expected given the short notice of commencement and the scope of the changes. Based on feedback received from Clubs as to issues, various changes were made by NPWS to improve the system, and generally a very successful start to the new operation was made in 2012.

A reminder that all Clubs should install a permanent waste receptacle over the next 2-3 years. Importantly, be aware that planning approval is NOT needed if you comply with the NPWS guidelines. Also, some innovative waste receptacle options are being adopted by Clubs which are simple and relatively inexpensive eg adapting a large toolbox for the purpose. So, when you are ready to implement this for your Club, SLOPES suggests you first contact Tom Pinzone at NPWS on (02) 657 4444 or Tom.Pinzone@environment.nsw.gov.au. Tom is also the person to speak to regarding grease trap issues.

Andrew Harrigan and Andrew Logan from NPWS will be at our AGM and will report on progress to date and what lies ahead in this space, plus answering questions from attendees.

SLOPES Finances

Our finances are in good shape as our revenues and expenses were much the same as last year. On expenses, we saved \$12,470 on Executive Officer costs and we incurred

approximately \$8,500 in connection with the Perisher Valley Fire Station exercise, meaning expenses overall dropped by about \$3,000. Matters still look quiet at present for 2012/13. But, as we said in our email sending Renewal Notices, we expect there will be:

1. a major IPART review into Perisher Range Resort future costs and revenues (we are now more than 6 years into the current 10 year plan and NPWS has foreshadowed the review occurring in H1 2013), and
2. significant work in relation to land values, land tax and the implications for the new leases in terms of turnover rent which becomes payable after year 5 of the leases.

These will be MAJOR matters affecting all Clubs. They will involve complex issues and have significant financial implications. SLOPES will closely monitor these matters on behalf of all Clubs, which we expect will include making submissions and commissioning expert reports in support of those submissions.

The key to budgeting the SLOPES finances is to have reasonable reserves available at all times to fund initiatives in support of the interests of Clubs as they arise. As things currently stand, we appear to be in that position. In the circumstances, the Committee decided that there was no need to raise the subscription for 2012/13. Instead, we dropped the fee from \$350 to \$250, the fee having remained unchanged for the previous 4 years.

REMINDER TO ALL MEMBERS AND FRIENDS OF CLUBS: it is much better to buy your season pass at the National Parks entry station on the Kosciuszko Road at Sawpit Creek. This is because 95% of the amount you pay goes towards the running of the Perisher Range Resorts. It is only 35% if you buy the pass from the Jindabyne NPWS office or online!

SLOPES Emails

SLOPES relies on the contact people for each SLOPES Club passing on to their membership information we send out which is of interest to Club members generally and not just the Board of Directors of the Club. Communication of key issues is an important part of what we do and helps to ensure co-ordinated action in the interests of all SLOPES Clubs – be it reducing insurance premiums or supporting the Back to Perisher Weekend.

We ask all Clubs please to promptly circulate to their members relevant SLOPES emails, especially on events and general information. Please also let your members know that increasingly information on SLOPES and our initiatives can best be found on the SLOPES Website: www.slopes.org.au.

Perisher Range Resorts EMS Reporting (PREEMS)

Reporting under PRREMS is mandatory as part of the lease obligations of Clubs. Generally, compliance has been excellent. Last year for the first time Clubs achieved a 100% reporting result but this year we only reached 95%. Please remember to comply by the due date this year (usually a date in April).

The NPWS Awards program acknowledges exceptional performance in this area. Congratulations go to the 2012 winners of the Awards who were:

- **Guthega Ski Club:** for exceeding the resource efficiency targets and achieving outstanding results in water and energy consumption

- **Maranatha Lodge/Thirroul Ski Club:** for improved performance and significant effort in implementing “best practice” standards in environmentally sustainable tourism, and
- **Peter Princes:** “Environmental Advocate” - NCC representative on the PRREMS Committee 2003-11.

New leases – Annual financial statements reporting to NPWS – Turnover Rent

SLOPES issued a number of emails this year on this topic. The background is that many Clubs are on the new lease terms which came into effect on 1 July 2008. Under that lease, starting in year 6 (which is FY 2013/14), rent is the higher of Base Rent and the Turnover Rent.

As a first step, NPWS last year initiated a financial statements reporting regime so that Clubs and NPWS will have this in place when the Turnover Rent calculations commence.

Clubs now need to become familiar with the operation of the Turnover Rent Provisions in the lease. To assist in understanding how NPWS proposes to administer the Turnover Rent provisions, NPWS has issued its AGR Guidelines (see the link to this document on the SLOPES Website). NPWS notes in relation to the Guidelines:

“The guidelines provide advice on types of income that are to be included in annual revenue & information and a standard template to be used for lodging of Audited Accountant’s Certificates.”

Members will recall that there were a number of contentious issues surrounding the drafting of the new leases, one being the Turnover Rent provisions. SLOPES liaised with NPWS in preparing the Guidelines as we think it is in the interests of Clubs and NPWS to have clarity wherever possible on the grey areas that inevitably arise in interpreting turnover rent provisions. SLOPES is generally in agreement with NPWS on the AGR Guidelines. However, we differ on issues to do with the treatment of telephone calls and bad debts.

It is important to note the Guidelines are simply a statement of the views of NPWS as to how it sees the lease provisions operating. Ultimately, the interpretation of the lease provisions is a matter for a court in the event of a dispute between NPWS and a lessee. SLOPES will monitor such interpretation issues and keep you informed, as they may affect more than one Club.

As set out in our email of 21 August 2012 on this topic, perhaps the major issue for Clubs to consider now, given the amounts typically involved (and one that was contentious in the lease negotiations), is “Ski Club Levies (including for building works)”. The Guidelines state these **ARE** to be included in revenue. But the Guidelines go on to say the levy may be exempted by NPWS (OEH) where (a) **the Club applies in advance** for the exemption and (b) NPWS is satisfied the levy is “for a genuine major development and essentially represent(s) a form of capital raising”. The key distinction here is between a levy used for major capital works rather than for other purposes such as general repairs and maintenance. The other point to note is that a levy raised prior to year 6 would **not** be part of a turnover rent calculation. **So, if you are planning to raise such a levy from members, better to do it soon and, in any event, prior to 1 July 2013.**

Please keep us informed of any issues you encounter so we can monitor them for the benefit of all Clubs as we move into new Turnover Rent regime.

Tonight we have Mark Kovac, Manager Property Services Unit at NPWS, who can assist in answering questions on these issues.

Snow Australia 2012 Whole of Industry Conference

SLOPES attended the Snow Australia 2012 Whole of Industry Conference on 3 April 2012 at the Rydges Hotel in Sydney. The conference was the latest in a series that attracts participation from a wide range of industries involved in snow sports in Australia and New Zealand.

The theme for this year's conference was how to promote and grow snowsports in Australia as there has been a declining trend over the past ten years in skiers and boarders visiting the Australian snow fields. Additionally, there is a declining trend in the purchase of snowsports related equipment and clothing.

A note summarising some points coming out of the conference which will be of interest to SLOPES Members can be found on our Website.

Perisher Historical Society (PHS)

The Perisher Historical Society is dedicated to recording the history of the Perisher Range Resorts. PHS also assists in promoting sport in various ways, including running the annual Perisher Cup event.

PHS currently has 70 members, including 21 SLOPES Clubs (with 6 new Clubs joining this year). Other Clubs are encouraged to join.

The 2012/13 period will see many Clubs (probably about 25) celebrate the 50th anniversary of their foundation. Using the "first winter of building occupation" test, the number of Clubs celebrating 50 years appears to be 19 in 2012 (ie first occupied in 1962) and 14 in 2013 (ie first occupied in 1963). NPWS is working with the Perisher Historical Society on initiatives to celebrate this important milestone.

PHS has also commissioned a major history of the Kosciuszko National Park which will be published in 2013. SLOPES will issue details to Clubs in due course.

Tonight we welcome Philip Woodman, President of PHS. Members interested in contributing memorabilia or in obtaining more information about PHS or in assisting with their projects are asked to contact PHS on phsadmin@iprimus.com.au or on (02) 9488 7475. See also their website at www.perisherhistoricalsociety.org.au.

Frank Zipfinger
President
SLOPES
28 November 2012