



## Brindabella Ski Club President's Report to the AGM

23 September 2020

In a normal year we hold our AGM in March, within the legislated deadline of five months of the end of our financial year on 31 October. I imagine that no members will be surprised to hear me state that 2020 is not a normal year. COVID-19 restrictions prevented us from holding the AGM in March. Changes legislated in June to the Incorporated Associations Act now allow us to hold our AGM *“using a method of communication, or a combination of methods of communication, that allows a member taking part to hear or otherwise know what each other member taking part says without the members being in each other's presence.”*

Reports to the AGM usually cover the financial year completed prior to the AGM. We published the President's Report, the Treasurer's Report and the Audited Financial Statements that we prepared for the AGM to be held in March. As these reports cover the financial year ended 31 October 2019, these reports still stand as current. Much has happened since these were published, so this report to the AGM in September will provide an update on events since then and give a brief overview of items covered in the previous reports. Members are encouraged to read the previously published reports for more details on:

- Membership and the balance between supply and demand in our lodges
- Tiobunga flood remediation
- Plumbing work in all three lodges to reduce the risk of flood within the lodges
- Consideration of improvements to accommodation in Waragun and Tiobunga
- Drainage work behind Kyilla and other work needed in Kyilla
- The Kyilla driveway
- Successful completion of booking system and website replacement project
- 2019 winter season and racing

These reports can be found on the club website on the “Booking and Club Information” page at <https://brindabellaskiclub.org.au/clubinformation/> under the heading “Annual Reports.”

- President's Report: <https://brindabellaskiclub.org.au/wp-content/uploads/2020/03/BSC-Presidents-Annual-Report-2019.pdf>
- Treasurer's Report: <https://brindabellaskiclub.org.au/wp-content/uploads/2020/09/BSC-Treasurers-Annual-Report-2019.pdf>
- Audited Financial Statements: <https://brindabellaskiclub.org.au/wp-content/uploads/2020/03/BSC-Audited-Financial-Statements-2019.pdf>

## Passed Members

I'd like to remember two great members who passed away this year.

Life Member Dorothy Brown was the first female member to be honoured with Life Membership, in 1978. She served as Membership Secretary, Booking Officer, Assistant Treasurer and Publicity Officer over a number of years as well as serving on numerous subcommittees. She was involved in designing the kitchen plans for Carinya and maintained the member loan register for the Carinya project.

Dave Magill served as Club Captain for 7 years early this century. He worked really well with others in organizing Club Championships as well as race teams for the Balmain Cup and helped build club morale by organising teams for the Thredbo Interclub Championships for a number of years while we had no lodge in Thredbo after the loss of Carinya.

You can read more about Dorothy and Dave in articles on the News and Events section of the website: <https://brindabellaskiclub.org.au/news/>

- Dorothy Brown: [https://brindabellaskiclub.org.au/dorothy\\_brown/](https://brindabellaskiclub.org.au/dorothy_brown/)
- Dave Magill: [https://brindabellaskiclub.org.au/dave\\_magill/](https://brindabellaskiclub.org.au/dave_magill/)

## 70<sup>th</sup> Year

The YMCA Ski Club of Canberra, now Brindabella Ski Club, was founded at a meeting called by Harry Black on 15 June 1951. We became We hope to be able to hold a 70<sup>th</sup> anniversary function in June next year. Watch for details to be announced.

## Preparation and operation under COVID-19 in Winter 2020

We closed our lodges on 21 March due to COVID-19. They remained closed until 28 June. It was very unclear until the second half of June whether the ski resorts would be able to operate at all, let alone whether we would be able to open our lodges.

We formed two subcommittees in early May to prepare for the possibility of opening this year. Initially the members on the subcommittees were:

Lodge Operations Subcommittee: Greg Wicks (chair), Bruce Hartican, Jenny Hartican, James Lawrence, David Pember, Richard Radajewski, Paul Sayers

Bookings Subcommittee: James Lawrence (chair), Gary Buffinton, Ben Coutts, Mark Green, Margaret Smythe, Greg Wicks

Greg was forced to resign for health reasons and Mike Bromfield took his place on both subcommittees.

Both of these subcommittees met weekly through May and June with much work done between meetings. They reported to the committee and the committee met several times during these two months. We were discussing very important and difficult topics: could we find a way to operate our lodges in a way that met or exceeded Government health directives in order to be as safe as practical for members and guests during a pandemic, and do so in a manner such that members could enjoy their holidays? This led to some protracted and very robust discussions. Ultimately the committee reached a decision to operate our lodges. This decision was

contentious and led to the resignations of Bruce and Jenny Hartican and Gary Buffinton from the subcommittees. Bruce Hartican also resigned from the committee.

There were a number of factors that fed into our decision to operate this year. The member survey we ran in May, answered by over 300 members, indicated strong demand with 2/3 of respondents indicating that they wanted to stay “about the same number of nights” as last year. We had the benefit of a comprehensive COVIDSafe plan prepared and reviewed by subcommittee members and which we registered with the NSW Government. We had confidence in our Thredbo lodge manager Kellie Meehan and had been able to identify two solid lodge manager candidates in Lynn Wyatt and Alex Wotton who we could appoint as Guthega lodge manager and a backup. We had people ready to head to the lodges and prepare them for COVIDSafe operation.

Mike Bromfield, Kellie Meehan, Lynn Wyatt and Alex Wotton spent the last two weeks of June in the lodges and Richard Radajewski and Tony Hill spent a weekend in Kyilla, installing hand sanitisers, creating and putting up signage, arranging furniture, putting away items not appropriate for COVIDSafe operation, purchasing appropriate cleaning and sanitising products and other equipment, finalising procedures and making sure everything would be ready.

Once the season was underway, the Lodge Operations Subcommittee met weekly to monitor lodge operations, adherence to COVIDSafe operations, member / guest familiarity and comfort with the club’s COVIDSafe policies and procedures, changes to our operating environment including Government regulations and advice, resort / NPWS operations and advice and new COVID-19 hotspots. We considered whether we could continue to operate and whether any changes were appropriate. We made minor adjustments to operations almost every week.

Some of the key features of our operating plan included:

- Lodges operated at reduced capacities: roughly 50% in Waragun and Tiobunga and less than 50% in Kyilla.
- All common areas had strict capacity limits based on 4 m<sup>2</sup> per person.
- Guests required to prepare and clean up meals quickly to support kitchen room capacity limits. No pantry items provided.
- Guests are required to fill in a pre-trip questionnaire with questions on health and COVID-19 risk, as well as aspects of lodge operation. Any score less than 100% on the health questions would make guests ineligible to stay in the lodges. Guests were also required to score 100% on the lodge operations questions. The purpose these questions was to ensure people understood key aspects of lodge operations, so guests could take the questionnaire multiple times until they got those questions right.
- Health check on arrival at the lodge.
- Additional lodge duties for cleaning and sanitising on arrival and departure as well as daily during the stay.
- Questionnaires for lodge leaders and guests after their stay, feeding into the weekly monitoring meetings.

Many members chose not to stay in our lodges this winter. Doubtless there are many reasons including risk of travel during a pandemic, living in a region where it was not possible or advisable to travel to the NSW snowfields due to border closures or other

restrictions, difficulty or cost of booking lift tickets under the changed arrangements from the resorts this year, inability to book weekends and other reasons. For some, the changes the club put in place may have been a factor, with the duties looking onerous and no fun.

Lodge occupancy rates were very low and the number of different people staying was greatly reduced compared to recent years. However there were still 188 different people (153 members and 35 associates) who booked into our lodges in Winter 2020. Feedback in the post-trip survey has been almost universally positive, with members saying that they felt safe, appreciated the procedures put in place, found the cleaning and sanitising chores to be reasonable and not onerous and enjoyed their stay. The vast majority said that they would be happy to stay again under the same conditions. As noted in the financial highlights, the club is financially better off for having opened. Most importantly, we had no known cases of any infectious disease transmission in the lodges.

We have learned a great deal by opening this Winter. We will apply what we learned to preparing for operations in Summer, when there is no lodge manager in residence in Guthega. We will also be much better placed to open and operate safely in Winter 2021, when we are likely to be still operating under the spectre of the pandemic.

The full breakdown of those who stayed, along with a comparison with last year, is shown in the table below.

<b><u>Membership Class</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
Life	3	3
Full Adult	104	349
Full Junior	35	110
Christie Adult	0	15
Christie Junior	0	0
Summer Adult	8	30
Summer Junior	3	8
Member Infant	0	9
USC Reciprocal	0	18
Associate Adult	21	186
Associate Junior	14	91
Associate Infant	0	10
<b>Total</b>	<b>188</b>	<b>829</b>

Note that the club suspended reciprocal rights with USC members for this winter.

## **Committee**

As we were unable to hold the AGM in March, the Committee made changes using provisions in the Club Rules. Darren Hughes and David Banham resigned as VP

Management and Information Officer respectively. The committee appointed Greg Wicks as VP Management and Ben Coutts as Information Officer.

Greg was unable to continue as VP Management due to health concerns and he resigned. The committee appointed Darrell Porter as VP Management.

Bruce Hartican resigned as VP Tiobunga due to his disagreement with the Committee decision to open for Winter 2020. The committee appointed Curtis Hancock as VP Tiobunga.

Jack Hartican answered the call for a Minutes Secretary and has been appointed.

### **Environmental Officers**

Simon Wright and Tim Lee answered the call for an Environmental Officer. Both are eminently qualified so the committee appointed both to an Environmental Subcommittee. I look forward to proposals for how to reduce the Club's negative environmental impact that will likely also improve our costs, as well as providing useful and interesting information to members.

Dr Simon Wright is a lecturer in environmental sustainability and researcher at Charles Sturt University in Bathurst and Visiting Fellow at the ICCSR at Nottingham University (UK). Simon researches an array of areas including energy and other sustainability transitions, corporate responsibility, the circular economy and climate change. Prior to academia, Simon worked as an environmental consultant and in senior sustainability leadership positions with large multinationals such as PwC and IAG. Simon is the founding member of two renewable energy cooperatives in the Central West of NSW and a regular contributor to a range of media on all things environmental. Simon is also a regular guest lecturer at universities in Australia, Singapore, Malaysia and the UK.

Tim has a strong passion for the protection, and responsible enjoyment, of the natural environment, with a lifestyle that has always enjoyed nature and the outdoors. "Tim joined Veolia 2.5 years ago following the completion of his MBA, in which he studied sustainability. This allowed him to change career direction to pursue environmental issues, focussing on the healthcare sector and the opportunity to reduce the environmental impact of hospitals and similar activities. This covers energy, waste and water management.

## **Membership**

Please refer to the [President's Report from March 2020](#) for discussion about membership numbers and the balance between supply and demand for lodge accommodation.

As I wrote in that report, I welcome Kirsten Barchia, Phoebe Flynn, Rohan Kilham, Maria Stavreas, Allison Sunderland and Jennifer Witheford as new full adult members.

## **Summer - Bushfires**

Please refer to the President's Report published in the [January 2020 edition of Christie](#) as well as the [President's Report from March 2020](#) for discussion of the bushfires over Summer. In short, none of the Club's assets or the resorts where our

lodges are located were damaged, however we had to close our lodges for what is normally a busy part of the Summer season. This cut short or cancelled members' holidays as well as reducing the Club's accommodation revenue.

## Financial Highlights

### 2018/2019 Financial Year

As is reported in the Treasurer's Report, the Club had a good financial year in 2018/2019, with an operating surplus of \$26,192 and a cash flow surplus of \$183,805 on revenue net of refunds of \$707,682. While revenue was up compared to the previous year, operating and cash flow surpluses were down due to some significant expenses, some of which were capitalised. Tiobunga was due for repainting. Whilst some of the work was paid by insurance due to the flood, the club picked up about \$36k in painting costs. We undertook a number of plumbing updates on all three lodges to reduce risk of future leaks and meet new insurance requirements, at a cost of roughly \$60k in the 2019 financial year and smaller additional costs in the 2020 financial year. The Club finished 2019 in a sound financial position.

### 2019/2020 Financial Year

The 2019/2020 Financial Year finishes for the Club on 31 October 2020. This is a brief update on where we are as of 31 August, 10 months into the current financial year. The picture is not pretty.

The combination of summer bushfires and COVID-19 has reduced accommodation revenues to the end of August by almost \$295k, or over 70%, compared to the same period in 2018/2019. This is a reduction of about 42% of our overall 2018/2019 revenue including membership subscriptions.

Expenses are more difficult to quantify as we do not yet know how the lease charges on all three lodges will be impacted by COVID. In 2019 we paid about \$55k in lease charges and \$63k in MSU charges.

Costs to insure our lodges increased by over \$45k, nearly doubling the premiums from last year. These increases are not all due to our claim last year for Tiobunga, they are at the lower end of increases suffered by all lodges, with some lodges seeing their insurance costs increase to 3x or 4x what they were the previous year. We have heard that in some resort areas lodges have been unable to find insurers willing to provide any coverage at all.

The club is taking advantage of all COVID financial relief measure that we are aware of. We are receiving JobKeeper subsidies, we are negotiating for lease reductions and we have received relief through GST payments to the ATO.

### Marginal result of opening the lodges for Winter

Variable costs of operating for Winter were roughly \$70k, including energy, MSU (metropolitan services and utilities) usage charges, lodge manager, admin manager and bookkeeper costs, provisioning costs including special COVID related supplies, communication and Stripe payment platform charges. We estimate that these may have reduced to about \$15k if we had not opened, so marginal cost of opening was a little under \$55k.

Winter accommodation income was over \$75k.

The club is over \$20k better off for having opened for Winter 2020.

### Looking forward

In the past two years we have shown modest operating surpluses (profit) of \$26k (2019) and \$71k (2018), with cash flow surpluses of \$184k and \$210k. We have used these cash flow surpluses to pay down our loans, which is paying for capital improvements over the past decade or so and creating a redraw buffer for a rainy day. That rainy day has arrived this year and we have had to redraw on the loan, which as of 1 September 2020 has a balance of \$448k and redraw available of \$360k. We expect to have a cash flow deficit well over \$100k. Some expenses normally paid in the current financial year likely to carry over to next year due to deferrals and negotiations still underway, putting further strain on our finances next year.

As noted above, fixed costs have increased significantly, most notably with a \$45k increase in insurance premiums. It seems likely that COVID-19 will continue to have a significant impact on our lives, and the fortunes of the club, through 2021. The club's next financial year is likely to look similar or worse compared to this year. We should expect that it will be some time before we can balance the budget again. We are likely to see strongly negative cash flow until we see the other side of the COVID-19 emergency and are able to fill our lodges again.

### Consideration of a Levy

The committee considered levies and increases in membership subscriptions to ensure the ongoing financial viability of the club.

Levies have been used in the past primarily to fund lodge acquisition or other improvements in the club's assets. Joining fees have typically increased every time we called a levy, by the amount of the levy.

For reasons of equity among members, a levy on Full members would either have to apply also to Christie members or we would need to keep track of which members were Christie members at the time the levy was applied, so that they could be charged a deferred levy the next time they returned to Full membership, with that deferred levy being adjusted over time probably in line with CPI. There would be an administrative burden to keep track of this.

The committee considered that a levy is not the appropriate way to deal with a cash flow shortfall due to current circumstances. While this cash flow shortfall is likely to continue for a while, we look forward to being able to return to full operations at some time in the future.

### Increase in Membership Subscriptions

The committee is recommending an increase in membership subscriptions. Annual membership subscriptions last year brought in \$214k, with an additional \$25k in joining fees and Junior to Adult Upgrade fees (Juniors pay half the joining fee of Adults, then pay another half of the Adult joining fee as a Junior to Adult Upgrade fee). Our fixed costs have increased. Insurance increases alone, of \$45k, are 21% of annual membership subscriptions. The committee is recommending an increase of 30%, or about \$60k total increase based on last year's membership subscription income.

It is very difficult to predict how our cash flow will change next year. Our best estimate is that next year may be a bit worse than this year due to expenses deferred from this year, in which case we may have negative cash flow of \$100k or more after increased membership subscriptions, with an overall financial result showing an



accounting loss that could be over \$250k. We will need to make significant redraws on our loan next year.

The committee strongly recommends that we increase membership fees. This will reduce the amount that we need to redraw on our loan and allow the club to survive for longer with the dramatically reduced income we currently see. We can consider reducing membership fees again when accommodation revenue improves.

## Thanks

I'd like to thank all the members who made bookings and stayed in our lodges this year. You showed faith in the Club's ability to plan and run the lodges safely for members in a pandemic. You followed all the procedures we put in place, taking on extra chores and responsibilities without complaint. You made the efforts of those who planned and monitored through the season worthwhile. Most importantly, you helped us all to stay safe.

I'd like to extend a big thank you, both on behalf of the Club and personally, to all who have served the Club over the past 18 months. It has been such a big 18 months that it is inevitable that I will forget to thank someone. Please accept my apologies for this – the Club is very grateful to all who have served it.

All of the committee members since the last AGM in March 2019 have served the Club enthusiastically and done an extraordinary job in keeping the Club running in difficult conditions. David Banham, Bryan Collis, Ben Coutts, Warwick Forster, Rob Griffin, Curtis Hancock, Bruce Hartican, Darren Hughes, Rob McGregor, David Pember, Darrell Porter, Richard Radajewski, Margaret Smythe and Greg Wicks have all put in many more hours than we'd care to admit. You've been a pleasure to work with, making my job of chairing our meetings easy. Each of you have made significant contributions to the Club in a very big year and a half. These committee members have worked tirelessly, ensuring that the important things got done. Last year we finalised two huge projects started the year before, remediating Tiobunga after the flood and replacing the booking system and website. Both these projects took great effort and cooperation and both were completed in time for a smooth Winter in 2019. This year the huge task was to prepare for and run the lodges in a pandemic.

Bruce Hartican was VP Kyilla from 2012 to 2019, when he became VP Tiobunga. Bruce drove the renovation of Kyilla and persevered over many years to finally have the Kyilla driveway completed last Summer. He supervised the completion of the Tiobunga remediation work. He has also organised ski development camps for our junior members for several years. Bruce resigned from the committee this year due to his disagreement with the committee decision to open the lodges for Winter during the COVID-19 pandemic. I thank Bruce for his great contributions over the years, including continuing to be helpful after his resignation.

In addition to the Committee, many members put in an extraordinary effort this year to help us prepare for and run through the Winter season in a pandemic. The Club owes an enormous debt of gratitude to Mike Bromfield, Gary Buffinton, Jenny Green, Mark Green, Bruce Hartican, Jenny Hartican, Kellie Meehan, Paul Sayers, Alex Wotton and Lynne Wyatt. While some of these members didn't agree with opening the lodges this year, every one of them made enormous efforts and made great contributions to



keeping members safe this year. Between them, these volunteers put in what amounts to over a year of full time work.

Our Lodge Managers Kellie Meehan, Lynne Wyatt and backup Alex Wotton did an amazing job in preparing the lodges for a year very different from previous years, then inducting members and guests every week into how we ran our lodges this year. They helped keep the members who stayed in our lodges safe.

Thank you to Jenny Hartican for her stellar service as Lodge Manager, Guthega for about a decade. You did a great job keeping the lodges running smoothly.

Richard Blavins has been doing a fantastic job as Archives Officer and has been given great assistance from the others on the Historical Subcommittee, Wal Costanzo and Margaret Simpson. They have been working together since 2012 and have organized the Club's archives. They have digitised and filed vast numbers of records including some old film archives. They have also promoted the history of the club, with Wal giving a wonderful and well received presentation at the Perisher Historical Society annual dinner using material put together about the early years of the club by Harry Black.

The three lodge VPs have had assistants helping them through the year. Nick Forster assisted at Waragun and has taken deliveries for all three lodges leading up to and during Winter, Tony Hill at Kyilla and Garry Buffinton at Tiobunga.

Mark Green took on the role of Admin Manager last year and has fitted into the role well. He is taking on additional tasks that are reducing the load on committee members, for which the committee is grateful.

Michael Wentworth-Perry continues to do a great job as Christie Editor, producing a terrific looking club magazine with some very interesting articles.

Denna Connell did a sterling job as Provisioning Officer for Guthega making multiple trips to the mountains to ensure that the pantries are well stocked in each lodge. Denna finished with this role at the end of last winter and we thank her for several years of contribution. Maria Stavreas, a new member this year, has taken over as provisioning officer for Guthega.

Darrell Porter and Margaret Simpson provided able assistance to Margaret Smythe on the Membership Subcommittee.

Mark Phillips has offered sage advice as Legal Officer.

Thank you to Jack Hartican who recently took on the role of Minutes Secretary and Simon Wright and Tim Lee who recently stepped up to form the Environmental Subcommittee.

Thanks to our highly capable bookkeeper Sonia Garland. Sonia's work is always accurate, timely and beyond reproach and she is always willing to do that little extra to clarify any detail we require.

## **Final thoughts**

I encourage members to consider a Summer holiday in one of our Lodges. The mountains are wonderful in Summer, beckoning with walks through wildflowers to see and glorious mountain vistas to photograph, quiet streams and rivers with fish striking at flies, mountain biking tracks to coax beginners and challenge experts and

cool clear mountain air to enjoy. While you are there, take a stroll to a local café for breakfast or dine in a local restaurant. Hire a mountain bike or fly fishing gear or replace your aging hiking boots. Take home some schnapps or beer from the local distillery or brewery. Your enjoyment of the mountains will help bring in some much needed revenue for the Club and the money you spend in local businesses will also help business owners and their employees who have been struggling to make ends meet this year.

2021 will undoubtedly present challenges for Brindabella Ski Club, as it will for all our members and for society in general. Let's hope it will be a better year than 2020. Nevertheless, Brindabella Ski Club remains strong and will continue to be a great club.

James Lawrence

President

Brindabella Ski Club