



Minutes to Annual General Meeting of Members

Pullman Reef Casino Cairns - 9.00am 25 May 2011

Attendance Table

- Dave Smith PRESIDENT
- Jack Cross CHAIR OF THE BOARD
- Brad Turner CHIEF EXECUTIVE OFFICER
- Craig Perrin ACCOUNTS OFFICER
- Susan Bostock MINUTE TAKER

Chris Scoffell	NQPC	David Garretty	NSWPC	Matthew Cheers	SQPC
Paul Burgess	NQPC	Michael Vaughan	NSWPC	Adrian Kennedy	SQPC
Brent Findlay	NQPC	Greg Jack	NSWPC	Paul Turner	SQPC
Jonny Goss	NQPC	Ralf Jaeger	NSWPC	Stuart Gough	SQPC
Paul Osborne	NQPC	Grahame Hill	NSWPC	Steven Edwards	SQPC
Lee Fischer	NQPC	Rory Hatchett	NSWPC	Stacey Edwards	SQPC
Adam Davies	NQPC	Craig Morris	NSWPC	Pam Riggs	SQPC
Gavin Downes	NQPC	Mark Szulmayer	NSWPC	Lindy Rochow-Williams	SQPC
Karl Eitrich	NQPC	Shane Pieschel	NSWPC	Justin De Waard	SQPC
Faye Cox	NQPC	Kim Hardwick	NSWPC	Jason Cooke	SQPC
Des Ewing	NQPC	Paul Smith	NSWPC	Ken Webber	SQPC
Ray Makin	NQPC	Ian Robertson	NSWPC	Susan McLachlan	SQPC
Nigel Brennan	VTPC	Kate Rogers	NSWPC	Mike Dyer	SQPC
Kelly Brennan	VTPC	Graham Lee	WAPC	Gary Myors	SQPC
Jo Chitty	VTPC	Shirley Cowcher	WAPC	Allan Gray	SAPC
Paul Murphy	VTPC	Graham Cook	WAPC	Curtis Morton	SAPC
Ray Williams	VTPC	Mick Murtagh	WAPC	Trevor Collins	NTPC
Janine Hayes	VTPC	Lindsay Wiltshire	WAPC	Claude Gillard	SQPC
Ralph Hamilton-Presgrave	VTPC	Kim Brooks	WAPC	John Williams	Guest
Peter Knights	VTPC	Robin O'Neil	WAPC	John Edwards	Guest
John Kinton	VTPC	Neil Fergie	ACTPC	Jay Stokes	Guest
Sam McKay	VTPC	Bryce Anderson	ACTPC		

Apologies: Ken Hill, Graeme Windsor

The President declared the Meeting open at 9.00am

The disclosure of Federation Board Members Interests has now been included into both the Conference Booklet and the Annual Report. This does not need discussion and is included purely for the purpose of disclosure of interests.

Minutes of previous meeting

Motion:

That the Minutes of the 2010 AGM be accepted.

Trevor Collins, Ian Robertson ACCEPTED

Presidents Report

- **AGM style**

We have changed the style of our AGM to be more in line with corporate enterprises, following now more the lines of a public company. Present for this purpose is the Chair, CEO and APF Accounts Officer

- **Changes to constitution**

These proposed changes have been the subject of on-going discussion within the Board and were also put to the members at the previous AGM. Members were asked what they thought of the proposed changes to the constitution and were further advised that approval of these changes can only take place at an AGM by voting with a show of hands. At this time proxy votes may be taken into account.

- **The Propositions put were:**

Change governance style – currently each council area is able to have two (2) council representatives'. This results in a rather large Board which can be unwieldy at times. *(Now have no problem with a large Board as the items on the Agenda are more contemplative and visionary, no longer any value or need to reduce the size of the Board)*

Allow each Board Member one vote around table. Currently when the board comes to a meeting they are carrying the votes from their respective council area. The change proposed is for all to exercise just one vote – this is what is done in most businesses. This change will mean that a Board Member will be representing the entire Federation instead of representing their individual Council area.

Amalgamation of smaller councils with larger councils – this proposed change was dropped due to lack of support.

Each Board Member to assume a portfolio. This seemed a good idea at the time but things have moved on since then. In November 2010 the Board conducted a Governance Workshop which has resulted in the Board being less encumbered with looking at documents or debating fine details. Instead the Board now assumes more of a 'global vision'. The Board will 'set' the vision and the newly formed Management Committee (MC) would then work to achieve those objectives. Instead of debating only those items that fit within their technical area, the MC would debate all aspects.

Honorary Board of Management. Due to these Governance changes the Honorary Board of Management is no longer required and will now be known as the Remuneration Committee responsible for CEO appointment and salary.

In summary:

1. **Allow postal voting at AGM's** – as per common practice. By introducing postal voting all members will have an opportunity to vote electronically.
(I recommend you support this change)
2. **Recognizing the Remuneration Committee** and renaming the Honorary Board of Management as the Management Committee
(I recommend you support this change)
3. **Council Representatives** shall be entitled to one vote per person at Federation Board Meetings
(I recommend you support this change)

- **Elections**

What is unique in this organisation is that the president is elected by members and can serve on any committee he/she chooses, represent at Board Meetings, Team trust etc.

- **Financial accounts**

The balance sheet as presented in the annual report was discussed noting a downturn from the previous year and the subsequent trading loss.

The panel took questions from a member regarding the purpose of Parachuting Protection Company (PPC) and the relationship of the Trusts.

- PPC is a \$2 company that manages the Aggregate Deductible (AD) for the APF's Public Liability Insurance program, the funds of which are kept in Trust.
- APF currently distributes \$550,000 per annum towards the AD for PPC to handle claims. Some claims take many years to settle and the process locks down that years AD until all claims for that year are closed.
- PPC is a taxable entity and shares are owned by the Federation
- APF is the ultimate beneficiary of all profits of the Trust. Any unused AD must eventually be distributed back to the APF.
- Australian Parachute Team Advancement Company (APTAC) was established for the benefit of the Federation, with a charter to promote the development of the Sport and support National Teams. This Trust has been acquired over time through donations. Currently the Trust invests through Centric Wealth with an amount of money coming across to APF each year for team training. The Trust only benefits the APF. APTAC has one job only and that is to administer the Trust.
- APTAC Assets - was approx. \$900,000 before GFC with 50k per annum previously going to teams; however GFC substantially eroded the Capital. The amount going to teams is assessed each year.
- There is no requirement to consolidate the companies.
- APF is tax exempt and does not have any assets.
- PPC is not Tax Exempt
- APTAC is currently seeking Tax exemption
- All Trustees of the Trusts are volunteers.

Motion:

That the Financials be accepted as presented.

Grahame Hill, Gary Myers ACCEPTED

CEO Report

- **Membership renewals** – there has been positive growth over the last few years. 2009 saw a 20% increase but GFC side effects caused a 14% decrease in 2010 and this trend is expected to flatline through 2011. We do take advice from our investment brokers and the markets should remain fairly flat for some time. Those operations that rely on the tourism industry will have to consider the effects of the value of the \$USD. Whilst the value of the \$AUD is high and good for acquisitions it may have a downside with a negative effect on Tourism.

- Need to convert more of those 'once off' participants, with retention the real issue. Our future lies with retaining jumpers and instructors.
- The global trend now means clients have a different mind-set, shorter focus time, with participation in lots of different activities. They are less inclined to make solid commitments to one sport and are less inclined to travel for hours to DZ to make a weekend of it, focus has changed. This needs to be addressed and managed in the years to come. National development needs to be a priority.
- *Are you still doing stats on whether individuals started via AFF or Tandem?*
We are as much as the current system allows however the new Membership System will target these first timers, including how they started and provide more accurate data.
- Further noted that there is no intention to get rid of pink cards however the new system will give us far better insight. With the current pink card system - unless the boxes are ticked we don't get that info. There is so much data we just don't have.
- **Pink card sales**
 - As previously mentioned 2009 saw a huge growth in sales with a slight drop in 2010 however the industry over the last ten years has grown considerably. The APF and in particular the Clubs are obviously being proactive with Australia and even New Zealand for that matter producing big numbers.
 - Female stats have been low for a while. Same number of female and male undertaking tandems, but somehow we are not retaining females and this should be addressed.
 - The APF has a good safety record and if we maintain high standards Australia will always be a popular destination for skydiving
 - Important to work hard on converting some of these numbers and whilst some clubs are focusing on this, we all need to be more proactive in that area. It is not the APF's role to market as clubs are already spending vast amounts, but are they encouraging them to stay in the sport?
 - We have entities buying into the industry with a focus on attracting tandem's only. As has been discussed many times over the years clubs need to consider the bigger picture and encourage participants to 'come back' with a view of becoming licenced jumpers.
- **Overseas conversions** – must be noted that this process is not about making it as easy as possible for overseas instructors to enter the country to work within our industry, it is also about maintaining standards. Clubs should be looking to encourage APF members first and foremost.
- **I.T Systems** - As detailed in the Annual Report – new student membership system went out to some clubs for trial in late 2010 and then again to all Clubs early 2011, which provided us with the feedback we needed to further develop. The system needs to be user friendly and robust and meet a variety of requirements to suit different environments. The system will soon go live to all Clubs.
- **Operational Regulations** - can report an incredible amount of hard work has gone into this rewrite however every change causes multiple flow-on effects. It is now in the hands of the MC which is made up of the Technical Directors and CEO whom are best placed to make the necessary changes. It is preferable that it not have to go back through an NPRM process however there have been considerable changes and this will be considered.
- **Honouring Fiona McEachern** – the IPC has approved a VFS trophy to honour Fiona in the form of an Excalibur Sword (*put forward by the French delegation*)
It was considered appropriate to allow some time to pass to afford APF members the opportunity of putting their ideas forward on how to honour Fiona, so the appropriate award can be developed.

Election of President

The president handed over the Chair to conduct the election.

- **Nominations:**

Dave Smith – nominated by Janine Hayes, seconded by Kelly Brennan

There being no other nominations the APF President was unanimously re-elected for another year

- **Vice President**

Question was put to the floor - do we consider we need a vice president? This would be to assume the role and duties of the president's position when he is out of country.

Higher bodies than ours (FAI) similar to us don't have a vice president. The reason the vice president should exist is if there is an issue with succession if something should happen with the president, someone could step forward to assume the role. Following this discussion it was considered that the APF did not need a Vice President at this time.

Amendments to the Constitution

Recommendation one:

THAT rule 8A.3 of the existing constitution of APF be amended by inserting the references to "Postal Voting in 8A.3 (b) & 8A.4 (b).

8A.3 Voting at Federation General Meetings

b) Member's votes shall be given in person by individual Members present at the Meeting or by a proxy appointed in writing, or by Postal or Electronic means, subject to rule 8A.4.

8A.4 Voting by APF Clubs and individual Members not present at Federation General Meetings

APF Clubs and any individual Member not present at a Federation General Meeting may

- a) Appoint another individual Member as proxy by notice in writing to the person appointed for this purpose by the Federation Board no later than 24 hours before the time of the meeting in respect of which the proxy is appointed. No individual Member may vote as proxy for more than 10 Members or,
- b) By resolution in writing conducted by postal or electronic means signed by such Member on an APF Postal Vote Form to the person appointed for this purpose by the Federation Board no later than 24 hours before the time of the meeting.

Motion unanimously carried

Recommendation two:

THAT rule 7.1(c) of the existing constitution of APF be amended to allow for changes to committees created by the Board under 7.1 (b) (iii)

7.1 Functions and Powers of the Federation Board

(c) Without limiting the powers of the Federation Board under rule 7.1(b), as at the date of this Constitution, the following positions and committees are recognised as existing under rule 7.1(b):

(xiii) A Management Committee with powers and functions as determined by the Federation Board.

(xiv) Remuneration Committee

Motion unanimously carried

Recommendation three:

***THAT** rule 8.4 of the existing constitution of APF be amended to allow for Council Representatives to have one vote only per person at Federation Board Meetings.*

8.4 Voting at meetings

- (a) Council Representative shall be entitled to one vote at Federation Board Meetings on all matters including election and appointment of a Chairperson of the Federation Board or any person to hold a position created by the Federation Board in accordance with this Constitution.
- (b) No Change
- (c) Delete

Would this change flow to APF councils? No councils would have to agree to change own rules first.

11 against, 79 for. Motion carried

Items for Discussion

Commercial vs Sport

- **A discussion ensued regarding commercial interests** as opposed to sporting interests with the following points raised:
 - Ours started as a sport and has evolved into an Industry with some of us here to make an income and others purely for recreation - we all need to co-exist.
 - Clubs are the nurseries, the breeding grounds for the future and the commercial operations need those clubs to keep creating the culture that nurtures and encourages participation.
 - The role of the APF is to allow ALL to go about their business by providing the approvals and conducting the auditing to maintain standards, protecting the members etc. It is an 'oversight' role much like the regulator and this does not include getting involved in business disputes etc.
- **A member raised a concern** that Tandem Operations should not have to be reliant on a C.I and we should be reviewing this process. The response:
 - This should really have been brought up in the instructors forum and not at this meeting however –
 - The process in place at the moment works well to ensure we get the right people in those positions of authority. It is easy to give the rating and much harder to remove and the CI appointment carries a lot of responsibilities and this should not be watered down.
 - The Instructor 'C' was created with the commercial operations in mind. This has been work-shopped extensively over the years but it could be revisited. There has always been a lot of 'kick back' when this has been brought up in the past, and has been considered 'dumbing down to support commercial operations' however perhaps it will need to be considered in the future.

Thank you's

- **A member extended thanks** to the board and those working in the APF today noting:
 - This has been the best AGM I have ever sat through and the changes that have been voted on at this meeting are a great move forward. Most people would not realise it has taken a very long time to get to this point with some of these issues being thirty years old.
- **CEO Response**
 - Applaud the decisions made by the Board in November 2010, now when the board sits it will be representing the entire Federation as opposed to just their Area Council.
 - Board over the years has been guilty of getting its fingers too far down into the weeds but that has been largely due to necessity and their passion for the sport and the federation – new way forward is a good one and in line with corporate best practice.
 - The changes have meant a lot of extra work for the Management Committee who are doing amazing jobs as volunteers and they also should be applauded.

Technical Directors Appointments

- A discussion ensued regarding the importance of the Technical Directors, particularly in relation to the new management style. Historically we look around the table for nominees (the existing TD's are doing a great job!!) but we need to know who is keen to take up one of those roles if the need arises.
 - Nominations for Technical Directors will be called for in the Broadcast for Board consideration. We are seeking visionary people – able to work with/as part of the MC able to turn visions and goals into processes.
 - Job descriptions will need amending to incorporate new responsibilities of the Management Committee.
 - Please encourage qualified individuals to express interest in these roles, whether that be now or in the future as succession planning is critical

Meeting Close

There being no further business the President declared the 2011 AGM closed

END