



AUSTRALIAN PARACHUTE FEDERATION

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MINUTES TO ANNUAL GENERAL MEETING OF MEMBERS PENRITH LEAGUES CLUB, PENRITH, 29TH MAY 2014

Attendance List

Attendees (48):

- Dave Smith PRESIDENT
- Brad Turner CHIEF EXECUTIVE OFFICER
- Craig Perrin ACCOUNTS OFFICER
- Jenny Larkin MINUTE TAKER

Gary Myers	SQPC	John Meara	SQPC	Matt Hill	VTPC
Rob Libeau	SQPC	Lindy Williams	SQPC	Steve Fickling	SQPC
Kim Hardwick	NSWPC	Maggie Smith	NSWPC	Kelly Brennan	VTPC
Nigel Brennan	VTPC	Archie Jamieson	SQPC	Lloyd Cofield	NQPC
Ben Nordkamp	SQPC	Andy Mullholland	VTPC	Adrian Lloyd	NSWPC
Pam Riggs	SQPC	Don Cross	VTPC	Dan Tothill	VTPC
Allan Gray	SAPC	Ray Makin	NQPC	Jamie Osborne	NSWPC
Paul Osborne	NQPC	Des Ewing	NQPC	Richard McCooley	SQPC
Ray Williams	VTPC	Neil Fergie	ACTPC	John Kinton	VTPC
Charl Rootman	SAPC	Adam Pemble	SAPC	Terry Whalen	VTPC
Paul Murphy	VTPC	Peter Swann	WAPC	Graham Lee	WAPC
Shirley Cowcher	WAPC	Graham Cook	WAPC	Jo Chitty	VTPC
Grahame Hill	NSWPC	Faye Cox	SQPC	Ralf Jaeger	NSWPC
Sheena Simmonds	SQPC	Sam McKay	WAPC	Paul Turner	SQPC
Trevor Collins	NTPC	Robert McMillan	NSWPC		

1. MEETING OPENED BY APF PRESIDENT

The President declared the Meeting open at 3:15 pm.

2. RECORD OF ATTENDANCE

As per the Attendance List.

3. DISCLOSURE OF FEDERATION BOARD MEMBERS' INTERESTS

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

4. CONFIRMATION OF PREVIOUS MINUTES

The 2013 AGM Minutes were included in the 2014 meeting Papers.

Motion: That the Minutes of the 2013 AGM be accepted.

Proposed: *Trevor Collins*

Seconded: *Grahame Hill*

ACCEPTED

5. PRESIDENTS REPORT

The President spoke to his written report as presented in the APF Annual Report from which the following points were highlighted:

Statistics

APF continues to grow. The statistics show first jump membership up 4.6%, licensed members up 8.4%, converting just 2% of first jumpers into licensed jumpers. Initiatives have been implemented and are in-place to improve these numbers. The CEO will discuss the membership statistics when he presents his report later in the meeting.

Turnover last year exceeded \$4.0M; \$2.8M from membership fees. The balance is from licence and rating fees, personal injury and gear insurance, CASA payment and Trust distributions.

Turning Volunteers into Employed Staff

We are starting to move away from using our many volunteers and employing more people in the office. There is an increasingly high demand on volunteers, with more complex expectations. A lot of background work needs to be done as our organisation grows. CASA requires us to implement a safety management system, along with the possibility of changing our national structure. We are realising the need to employ more people rather than use our many volunteers who already do an amazing amount of work, which we cannot do without. It is more cost effective and timely to employ people to do these jobs rather than placing further burden on our volunteers who can only give so much of their time.

APF Office Staff

There have been two new managers employed in our National Office: Safety and Training Manager Richard McCooey, and Operations and Compliance Manager Shane Pieschel; and two new admin assistants: Sandra Jappe and Aggi Gawlik. The existing staff members who have been with us for some time are Brad Turner, Kim Hardwick, Craig Perrin, John Meara, Rob Libeau, Jenny Larkin and Julie Singh. Staff who have left us: Admin Assistant Lisa Braxton, Gary Myers finishing on 2 July who will continue in his role as Director Safety and Susan Bostock who was with us for many years. We thank all of these people for their efforts and hard work. Consensus of delegates at this year's symposium have spoken highly of the amount of work done by APF staff as well as their courteousness at this conference.

Company Limited by Guarantee

APF lawyers have recommended we move away from being an incorporated association into a Company Limited by Guarantee, which is better suited to a national organisation. Further discussion and background information will be provided at agenda item 9.

6. CEO REPORT

Growth and Development

The CEO spoke of the financial security of the APF - that it is heading in the right direction and sustaining positive growth and development. The membership statistical information provided comprises membership year (1 July to 30 June) and financial year (1 January to 31 December). These are different due to many complexities with aligning the two including the requirement to hold the AGM within 6 months of the financial year.

Statistics reflect all financial members including students at the time of reporting. These figures show a steady growth of sporting licensed members, however this needs to be improved upon. One of the many initiatives recently implemented was the alignment of the APF with Indoor Skydive Australia (ISA). APF has many talented skydivers and tunnel time will increase the performance levels of our competitors. Research shows wind tunnels not only enhance the skills of competitors, they also create another doorway into the sport that in turn increases membership.

The sporting licensed members by gender statistics have been included. They show the number of women in our sport is at 15%. This figure is consistent with other sports and the USPA. Workshops were held during this conference to give us ideas on how to increase these figures, with female skydivers encouraged to provide feedback and work with APF to increase numbers.

There has been a focus at this year's conference on the structure and management of operations, including whether workers should be treated as employees or contractors. An outcome of the CI Forum will see APF researching the legal obligations in each State and Territory and passing on this information to each organisation and member to allow them to make informed decisions that best suits their needs.

Skydiving is becoming attractive to a wider demographic audience, leading to an increase in turn-over and interest by external agencies. Worksafe Victoria has become involved in an incident at a drop zone, issuing an improvement notice that is unworkable and that is being defended by APF. If left unchallenged, this may not be limited to Victoria and could soon go viral. Worksafe has its place, however not on the sporting playing field. Our strong point is we are a self-administrating organisation operating under rules and regulations approved by CASA. Mediation is set for mid-June and APF will do its utmost to defend its position.

Building confidence and Security

The \$2 discount offered in 2011 continued through 2012 and was increased to \$4 in 2013. This will have injected over \$750,000 back into the industry by the end of 2014. This incentive was intended to get Clubs online in order to provide a more accurate account of the industry and an expectation that Clubs will invest these savings back into their business on safety and training, equipment, facilities, marketing or staff incentives, etc.

These initiatives have increased turnover helping to build confidence within the industry. The online student registration system cost in excess of \$300,000, yet has already paid for itself. Future plans are to develop a manifest system into the membership database, including barcodes on the membership card enabling immediate identification of the cardholder.

As per the Strategic Plan, APF is aiming for \$5.0M turnover by 2017. The increased turnover will provide for better services and more resources being injected back into the Sport and industry.

In Sport there has been approximately \$250,000 injected into our National Teams to represent Australia at three World Championships this year: two in Europe and one in the United States. \$130,000 has come from APTAC for coaching and training and the remainder from APF for travel, entry fees, uniforms and wind tunnel training. It is envisaged that these initiatives will increase in future years.

7. STATEMENT OF ACCOUNTS – AUDITORS REPORT 2013

The balance sheet and profit and loss statement as presented in the annual report was discussed, including the balance of the Federation's assets as at 31 December 2013.

Motion: That the financial accounts be accepted as presented.

Proposed: Nigel Brennan

Seconded: John Meara

ACCEPTED

8. ELECTION OF PRESIDENT

In the absence of the Chair, CEO handed over to NTPC Board Representative Trevor Collins to conduct the election.

Nomination: Dave Smith

Nominated: Neil Fergie

Seconded: Graham Lee

There being no other nominations the APF President was unanimously re-elected.

9. Draft Company Limited by Guarantee

Background

The President spoke of the background on the need to consider migration to a Company Limited by Guarantee (CLG).

- APF is an Incorporated Association, incorporated in the Australian Capital Territory
- APF is a national body with its head office based in Queensland
- APF lawyers recommend APF change to a CLG, which is recognised Australia wide
- Under a CLG, there are no shareholders, only members
- Three constitutional rules stipulated:
 1. Members cannot derive financially from membership;
 2. Directors cannot be remunerated;
 3. If the organisation were to fail, the proceeds must go to a body with the same objects as the APF.

A Governance Committee was formed and tasked to review the recommendations of the APF lawyers. The committee consists of: Dave Smith, Trevor Collins, Matt Hill, Carsten Boeving, Brad Turner.

A first draft of the CLG Constitution was reviewed by the Governance Committee, with feedback provided to the APF lawyers. The Committee then spent a day with the lawyers to debate the options.

The Committee is now up to draft version three of the CLG Constitution and when the Committee and Board are satisfied with the final draft, it will be provided to members through an NPRM process whereby:

- comments will be considered, and
- a revised constitution will be drafted if required.

When the Board is happy with the final draft, it will be put to the members for vote on its acceptance. This will require 75% of those voting to agree to carry the change.

Objects and Powers

The APF currently has only two Objects which are general in nature. It has been recommended, and the committee agrees, to a more expansive list and have the most important ones first and cascade down to the less specific ones about fostering and promoting particular activities such as competition, regulate and oversight training, promote safety, etc. The top tier Objects to be:

- APF the only body recognised by CASA
- APF the only body recognised by FAI, IPC and ASAC
- APF remain recognised by Australian Sports Commission
- Then... encourage competition, safety, etc, etc.

Powers need only to contain a statement, to the effect, that the Powers are those of a Company Limited by Guarantee which are well defined in Corporation Law.

Membership types and voting rights

The Committee determined the following to be members and the status of their voting rights:

- Full Term (YES)
- Short Term (NO)
- Student (NO)
- Associate (NO)
- Life (YES)
- Honorary* (NO)
- Club (NO)
- Council (NO)

* The voting rights of honorary membership was raised at the meeting. This was noted and will be taken back to the committee.

Clubs

APF lawyers recommended Clubs should be incorporated associations and APF have access to their financial records. The Governance Committee notes most are currently privately owned companies and commercially-focused entities and the APF does not have any right nor need to see financial records. We will maintain the current status and Clubs can take any acceptable legal form as long as it's not an individual person.

Councils

The Lawyers questioned if Councils should become members. APF requires them to adopt the model rules, yet they are independent incorporated associations. Councils could become "APF committees" operating for the same purpose with trust accounts alleviating the imposition of complying with State and Territory legal requirements. It has been noted, some Councils are being forced to adopt features of the "Model Rules" of the State, because those set by APF are not acceptable. The CEO has requested the APF lawyers scrutinise each Council's rules with the view of adapting them to fit the individual State or Territory.

Councils will be provided with an Options Paper for further consideration that proposes three options:

- Remain an Incorporated Association using APF Model Rules
- Adopt the State/Territories Model Rules, or
- Deregister as an association and become a Committee of APF

Board

It is recommended there be a departure from the current makeup, to reduce the size of the Board to one representative from each Council, and with two Board-appointed Directors (preferably with expertise that compliments the Board and Association). The conditions of the Director of a Company are more onerous than those of an Association and well defined in Corporation Law.

Chief Executive Officer

The Chief Executive Officer (CEO) is not mentioned in our current constitution. This is addressed in the CLG Constitution and it includes the duties and responsibilities.

President

There is only one reference to the President in the current constitution, and that is chairing General Meetings.

In other Associations, the person the Board elects as the Chair of the Board becomes the notional President, and is also used as the spokesperson of the Association. Therefore we no longer need a President.

Regulations

Regulations is a generic term used to describe by-laws, directives, procedures and policies of the organisation. However we may have reason to reinstate by-laws if there is a need to expand on a rule in the constitution or delegate a power under the constitution, and such like.

Disciplinary Procedure

Section 19 (Misconduct) will be separated from the current Constitution and placed in a stand-alone document, enabling any amendments by the Board rather than having to change the Constitution at an AGM. Section 19 will be included in the new Infringement Manual.

Discussions were then invited by the President.

- **Company Secretary** was not mentioned, however this position also has to be filled as it is a prescribed position.
- **Board appointed** by merit rather than geographical location. Opinions varied:
 - Would members consider their State/Territory disadvantaged by decisions made by 'outsiders'?
 - Define the role, include selection criteria.
 - Encourage members to attend Council meetings when elections are occurring.
 - Tenure of Board Member – should these be limited?
 - State/Territory nominate a representative; Board to approve
 - A show of hands was called regarding merit-based selection of Board Members with the majority in favour.
 - Voting for the change could be by Postal Vote rather than GM so more members can participate

The President called for a show of hand of those present as to the direction being taken by the Governance Committee and the Board in respect to the Company Limited by Guarantee structure and proposed rule changes. A clear majority were supportive of the change.

9. MEETING CLOSED

There being no further business, the President declared the 2014 AGM closed at 4:35pm.

END