

## **Vagabond Ski Club Inc - Information for Prospective Members**

### **Club Structure & Membership**

Vagabond is set up as an Incorporated Association under Victorian law as a non-profit, tax exempt, incorporated association. The club constitution satisfies these criteria.

The club started in Melbourne in the late '70s, with the lodge opening for the 1982 season. Members have a wide range of talents and interests. There are many families, including second generation. About a quarter of members live outside Victoria.

As of January 2012 there are 44 members.

The club resolved at the November 2010 AGM to allot a second debenture to each of the 43 members at that time, hence there are 86 debentures. A person needs to hold one debenture to be a member, meaning eventually there could be 86 members.

Members must be an individual person over 16 (no company names or joint ownership), but the booking policy (see below) means membership can be for a family or even shared.

To become a member a person needs to acquire one of the 86 debentures from a current member or from the committee (if they are holding one). See more details below in "Transfer of Debenture" section.

A Committee elected at the AGM operates the club on a day to day basis.

### **Lodge**

The lodge is generally accepted as one of the best club lodges at Hotham. It is located at the southeast end of Mt Hotham Alpine Resort, in Davenport Drive, with stunning views to the south over the Dargo River valley wilderness.

The 540+ square metre, cedar clad, timber framed, split level building was built over 2 summers and opened for the 1982 season.

The lodge accommodates 40 guests in 8 rooms, all with ensuite toilet & shower. Four rooms have 4 beds (3 with a double & 2 singles, and one with 4 singles), and four rooms have 6 beds (all with a double & 4 singles). In addition to guest rooms, there is accommodation for the live-in managers (ski season only).

A feature of the lodge is the spacious living room, with timber finishes, cathedral ceiling, wood heater & a pool table nearby.

The kitchen & dining area is separate to the lounge – handy when different groups are cooking / eating at different times. With 2 ovens, 3 cooktops, 2 microwaves, 2 sinks and plenty of bench space the kitchen can cope with multiple cooks at one time & the tables and bench seating are easily organised for differing group sizes.

Other lodge features include

- centrally heated
- sauna / spa
- 'kids klub' playroom (beside the kitchen) including TV & DVD
- wireless broadband
- non-smoking policy
- ski room including washing machine & dryer
- drying room

### **Site Lease**

The lodge is sited on leasehold land. When Vagabond Lodge was constructed the Club was granted a 21 Year lease, which expired at the end of 2002.

In 2003 Vagabond was granted a 40 year lease renewal. At the time this was the longest lease offered to a club. The long lease period offered by the Resort Management reflects the standing of the club considering the quality of accommodation, the condition and ongoing enhancement of the lodge, and the management practices.

### **Finance**

All members share responsibility to contribute funds for the club to be solvent. The club aims to finance its operations, maintenance and ongoing improvements from annual subscriptions and booking receipts. Our tax-free, non-profit status does not allow distribution of profit to members.

The booking policy updated annually identifies benefits and obligations for members, and reflects a balance between the obligation to maintain the asset and a user-pays philosophy.

Income from members is augmented by selling accommodation to non-members, after the members preferential booking period. This subsidizes costs for members, but does limit flexibility in accessing accommodation at the last minute for some periods.

Historically, the club has secured funds by member levies rather than by borrowing. The last major capital improvement of the addition of 2 new rooms completed in 2009 was funded by a capital levy on all debenture holders. The members have authorized the committee to apply a levy up to \$1000 per year without requiring further approval from a general meeting.

Any future proposed major improvements and financing options would be discussed and agreed by the members in general meeting.

The club has provision for a small overdraft, but is currently debt free.

### **Value of Membership**

Club membership does not mean cheap skiing. It should be viewed as a lifestyle investment providing preferred access to a superior holiday facility for both winter and summer.

The non-profit club structure provides the most economic way to access accommodation of Vagabond's standard.

Many people value the club experience over apartments, given the opportunity to bring a group, or to meet others. Membership provides the preferential access to this accommodation.

### **Booking Policy**

The policy is reviewed and rates etc set annually by the Committee.

The key principles have been in place for many years, namely:

- An annual subscription
- The advertised accommodation rates reflect high / low season rather than member / non-member status.
- Members receive discounts from the advertised rates rather than a member rate.
- Members have the option of attending a working bee or paying in lieu.
- Payments are timed to address the typical annual cash flows. Late fees apply.

The 2012 policy is

- \$500 annual subs per individual member (whether holding 1 or 2 debentures)
- \$250 capital levy per debenture
- 45% discount for \$3000 worth of bookings, and 20% discount after that.
- Optional Working bee of 2 days provides additional \$800 bookings at 60% discount.

The rates & discount structure means the value can be used for fewer expensive peak season nights, or more nights in low season or in summer without having complicated member & public rates.

Most demand is for non-sharing rooms, hence the rates are mainly on 'whole room' basis. Check the website & online booking system to see current published rates.

Member discounted bookings can be shared with family or friends. The club does not care whether a member or non-member is occupying a bed booked through a member account, unlike some clubs where there are member & non-member rates, even within family groups.

Members have a preferential booking period, after which the club accepts bookings from non-members. The initial part of the members period has a room limit mainly to ensure school holidays are accessible for the members immediate family. There has not been a need for balloting for many years.

Member benefits are per financial year (1 Oct to 30 Sept) - unused discounts are lost. Cash balances (positive or negative) are carried forward, normally with a late fee if owing.

Unpaid charges and levies on accounts are treated as liabilities on the debenture and transfer to the new member. It is important prospective members understand if there is anything owing on the debenture you are considering buying.

### **Process to Transfer Debenture**

A member needs to hold a debenture, which is to be transferred from an existing member.

The Club constitution has a process for transfer - briefly:

1. Departing member advises the Secretary of the proposed transfer.
2. Prospective member writes (emails) to the Secretary to apply for membership, which is considered by the Committee.
3. If the application is accepted, the buyer is advised and pays the seller the agreed price, and the Secretary is informed that the transaction has been completed. (Note 1)
4. A new debenture is issued & the member account is established. (Note 2)

#### **Note 1**

The price is not set by the club. As this is a private transaction which may take some time depending on timing of Committee meetings to consider the membership application, it is recommended that the buyer and seller have a simple agreement that recognises price and the conditions in the process.

#### **Note 2**

Prospective members must understand any liabilities attached to the debenture before committing to a price. Liabilities may include unpaid subscriptions, accommodation charges & levies. All amounts owing need to be paid to become 'financial' and able to make bookings. Information about an account will be provided to a person if the selling member authorises it.

### **Web Site**

The club has a web site which members & guests find useful – go to [www.vagabondski.com](http://www.vagabondski.com)

### **Stay at Vagabond even if you don't become a member**

Check availability and make bookings via our online system on the website.

### **Contacts**

Secretary Tony Sewell [secretary@vagabondski.com](mailto:secretary@vagabondski.com)

Booking Secretary Ian Bartley [bookings@vagabondski.com](mailto:bookings@vagabondski.com)