



MINUTES OF THE ANNUAL GENERAL MEETING

HELD AT 12:30PM ON TUESDAY, 12 MARCH 2019 IN THE MITCHELL THEATRE, 280 PITT STREET, SYDNEY

Present

Winsome Allen	Paul Hinchey	Eunice Phillips
Nola Barkl	Peter Hutchison	Peter Phillips
Helen Bettle	Colin Kay	Peter Rainey
Larry Billington	Wendy Kaye	Paul Reid
Jane Biscoe	Robert Leeder	Caroline Sargent
Rosslyne Borth	John Leonard	Lesley Scanlon
Mark Brandon OAM	Reginald Lobb	David Sergeant
Merilyn Bryce	Astrid Lodens	Marlene Smith
Elizabeth Cocking	Robert Lynch	Eugene Stawski
Cecile Cornford	Lynette K. MacIver	Fadia Sultan
Isobel Davison	John Masters-Brown	Thomas Thorburn
Laurel Dyson	Jennifer-Robyn Mattock	Claire Tilley
Anthony Ellis	Denis Mockler	Stephen Van Eyk
John Ewing	Pamela Morris	Steven R. Warren
Helen Falconer	Donald Mulligan	Geoffrey Webb
Peter B. Fischer	Carole O'Brien	Maxwell J. Williams
Marie Fuller	Michael Packer	Alister Wong
Kellie Gale	Choon Myun Park	Garry Wotherspoon
Craig Hale	Marcia Peters	Robert York

Guests

Jim Lowden
Bronwyn Lowden
Roslyn Lowden

Also, in attendance

Brian Wise	Auditor, Watson Erskine Pty Ltd	Kylie Campbell	Staff
Simon Orrick	Auditor, Watson Erskine Pty Ltd	Brian Johnston	Staff
Marvel Kung	Auditor, Watson Erskine Pty Ltd	Michael Ludowici	Staff
		Erica Samonte	Staff
		Lauren Kramer	Staff
		Melanie Ryan	Staff

1. Welcome and Acknowledgement of Traditional Owners

Members and guests were welcomed to the meeting and the traditional owners of the land on which the meeting was held being the Gadigal people of the Eora nation and their elders past, present and future were acknowledged.

2. Conduct of the Meeting

The Secretary noted that the meeting had been convened in accordance with the requirements. Members were provided with advice as to the conduct of the meeting and personal safety arrangements in the event of an emergency.

3. Apologies

The following apologies were received and accepted:

Fran Barton	Shirley Hunt
Judy Bolton	Narelle Kay
Nola Bramble	Phil Reed
Barbara Carrard	Ruth Rinot
George Carrard	Norma Thorburn
Ginette Carrard	Janet Timberg
Naomi Carrard	Jan Treharne
Joyce Craig	Sue Webb
Val Davidson	Victoria Whiteman
D. Brynn Hibbert OAM	

4. Confirmation of the Minutes

The minutes of both the previous Annual General Meeting held on 20 March 2018 and the Special General Meeting held 9 July 2018 were confirmed as true and correct records.

Moved Geoff Webb
Seconded Steve Warren
Carried on a show of hands

5. President's Address

The President, Winsome Allen, extended a warm welcome to those in attendance and in speaking to her published report noted 2018 had been a positive and constructive year in a number of ways.

The celebration of the School's 185th anniversary was an outstanding success, based on the feedback from members and other people involved. In particular, the support and active contribution was acknowledged of Toby and Lucy Ralston, who live on 'Porphyry', the property at Seaham in the Hunter Valley that was originally established by the Reverend Doctor Henry Carmichael, one of the founders of the School. Henry had no living descendants, but the Ralstons are direct descendants of Henry's wife, Nancy. Without their involvement, the anniversary events at Seaham in honour of Henry Carmichael would not have been possible.

The Board had continued to develop strategic plans for the future. It had agreed on three goals, each of which have a series of actions guided by a strategy direction. The goal statements were:

- Financial – commercially effective and sustainable
- Service – services attractive to current and potential members and non-members
- Community – engage with organisations that share SMSA vision and values

Our Strategic Plan was a dynamic document that was regularly refined to reflect the environment within which the School operated.

The financial results are very positive with revenues increasing by 16% over the year. The Treasurer, Max Williams, was to speak in more detail on those matters. The long-term financial security of the organisation continued to be a critical focus. The Board is determined the School would be in sound financial shape as it moved towards its 200th anniversary in 2033, and beyond. The Board was actively working to ensure this happened by seeking expert opinion as necessary. Ultimately, members would be asked to contribute to the decision making process. The Board's task was to collect the information, form a position and seek the endorsement of members.

The potential for a major refurbishment of the spaces used by the School had been examined over recent months. There were considerable costs involved, and if pursued would substantially deplete the financial reserves. This process had been paused while it was assessed if that was the best use of those funds.

The grants and awards program had continued to make a difference across a broad range of community activities in the State. Community grants are very competitive and some of the selected projects would struggle to gain support from other funding sources.

The membership had continued to grow, and at year's end there were nearly 1700 members. It was the highest level for many years reflecting the School's valuable role in the community. The telephone survey of randomly selected members was being conducted in order to enhance planning of services in the future.

The President thanked all Directors for their dedication and commitment, the Secretary and staff, volunteers and above all, the members.

6. Treasurer's Address

The Treasurer summarised the results for the year. A pleasing surplus for the 2018 year was reported made possible by high occupancy of our tenanted accommodation and no major building expenses incurred. A proportion of this surplus was a result of the revaluing of some library book assets.

The Board has adopted a strategy that included longer term investments with the aim of improving investment income.

In the process of developing a strategic plan the Board had undertaken a review of its future funding capacity. As part of this review the Board sought advice as to the future income producing ability of our major investment asset, namely its building. The information provided by the consultants was that the property market will continue to favour landlords over the next 2 to 3 years and rental income levels would be sustainable over that period. However from 2019 until 2021 there will be nearly 300,000 square metres of additional office accommodation come onto the market. To maintain the tenant occupancy levels at the leasing rates currently enjoyed, when this new commercial office space supply comes on to the market it would be necessary to undertake a major refurbishment of the building to be competitive in that new environment. If not undertaken income would fall over time and, coupled with future necessary capital works identified, difficulties in funding operations in the longer term would result. The Board was investigating alternative funding options that will enable the SMSA to remain viable into the future.

The Accountant was complimented for his efforts over the year in providing accurate and timely financial reporting. Also, his work in the implementation of an electronic banking system for payments to creditors was acknowledged. Introduction of the new systems had simplified what were labour intensive tasks and resulted in reduced costs in maintaining the accounts. In addition and in collaboration with Tom Connelley, review of the Assets Register had been completed as well as the development and documentation of the School's accounting policies and procedures.

Questions from members, included:

- Is the building to be sold? – No such decision has been taken. The Board is still collecting information as to its options. It is yet to determine its position.
- 'What was the nature of the refurbishment advice?' – The Treasurer responded advice had been sought from property consultants as to the potential costs;
- Would the consultant's report be made available to members – the advice was not to be made available as it only covered part of issues being taken into account; and
- What alternative funding options were being considered for refurbishment, could the work be staged? – The Treasurer advised that a major refurbishment would be very disruptive and likely to result in vacancies on floors and a significant loss of revenue. A staged approach was considered to be expensive.

The Treasurer reaffirmed the provision in the Act of Incorporation of the requirement to seek members' approval if options involving significant financial considerations or sale of property were proposed.

7. Presentation of the Annual Report for approval

The President noted the positive progress made and the results achieved by the School over the course of the year as recorded in the report. The annual report was submitted in its entirety for approval.

Moved Reg Lobb
Seconded Tom Thorburn
Carried on a show of hands

8. Elections

The President noted that in accordance with the By-laws voting had ceased at 12.45 pm. The votes were then counted by the auditors. The following results were noted:

Seven nominations for the four vacancies had been received and the following had been successful:

- Cecile Cornford
- Paul Hinchey
- Denis Mockler
- Max Williams

The President congratulated those who were successful and thanked the remaining nominees for their interest and participation.

9. Appointment of Auditors for 2018

The auditors, Watson Erskine, offered themselves for reappointment

Moved Max Williams
Seconded Geoff Webb
Carried on a show of hands

10. Guest Speaker: Mr. Jim Lowden, Mechanics Institute of Victoria

Mr. Lowden's address was titled "Me and the Mechanics': or ideas are the engines of the imagination of mankind". He spoke of how his own interest and subsequent passion for the place of Mechanics' Institutes in the community developed from his childhood through his parents' involvement in rural Victoria. He talked of the decline and subsequent re-emergence of such institutions in rural towns, where frequently they were and are becoming again the hub of a broad range of social and educational activities.

The Mechanics' Institutes of Victoria emerged in 1998 and was followed by both national and international conferences. A number of very interesting developments being pursued were cited including: the possible establishment of a heritage lottery fund, similar to that in the United Kingdom, currently under consideration by the Federal Government, and which could further support the role of Institutes; a celebratory edition of stamps being pursued with Australia Post to mark the 200th anniversary of the school of arts movement in Scotland in 1821; the growth in working relationship between the Mechanics' Institutes of Victoria and the School; and the emergence of a multinational renewal of interest in mechanics' institutes and their potential worth in communities. Mr. Lowden made reference to a number of visits he had made to other institutes both here and overseas, all of which had further inspired his commitment.

The address was very warmly received.

11. Special Presentation

The President spoke to the Board's decision to introduce an award, the Sydney Mechanics' School of Arts Medal. The medal is to be the highest award given by the School to an individual.

The Board on Monday 11 February 2019 voted unanimously to award the Medal to William Bruce James (Jim) Lowden as its inaugural recipient. Jim was recognized as a highly respected friend and colleague of the School and a most worthy recipient of the Medal. Its award recognised the extent, quality and nature of his tireless contribution to the broader community through education and participation locally, nationally and internationally.

Jim's vision, passion and dedication to research had uncovered fascinating tales, histories, connections and people involved in or with Mechanics' Institutes from all around the world. He had inspired, encouraged and supported institutes globally. Also, he had made numerous contributions as an author, publisher and presenter to conferences both locally and around the world and remained a selfless researcher more than happy to share his work with others and encourage their research projects.

In accepting the medal and its accompanying testimonial, Jim expressed his great appreciation with humility and acknowledged the contribution of his family and colleagues.

12. Vote of Thanks and Close of Meeting

Whilst no formal notices of motion had been received. The President extended an invitation for those present to raise any relevant issues. Issues raised were linked to the discussion resulting from the Treasurer's report and broadly concerned the School's future financial viability. Issues and the summarised responses included:

- 'The building looks good!' – This was acknowledged, but at some stage all buildings require a major refurbishment. It is now more than two decades since this last occurred. Appropriate funds have been allocated regularly to maintaining the infrastructure.
- 'A staged refurbishment' – as mentioned a previously a staged refurbishment was not considered practical, not only due to the potential significant loss of revenue, but because of the impact it would have on users of the building.

- 'Why now?' – The meeting acknowledged it was the Board's responsibility to look to the future and explore the options. It should develop a position and, as mentioned previously, seek the members' approval as required.
- Trust in the Board's actions and transparency in the reasoning in support of any recommendation was important – this was supported.

The Treasurer stated that members' additional views were welcome.

The President thanked everyone for attending and the meeting closed at 1.30 pm.

Signed as a true and correct record

President

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Date