



**Mount Buller and Mount Stirling
Alpine Resort Management Board
Annual Report 2007/08**



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Message from the Chairman



John W Dyson *Chairman*

Snow season 2008

The 2008 snow season will be remembered for abundant snow, cold temperatures and excellent conditions from July until well into September. Despite a late start to the season, our total winter visitor numbers were high, ensuring Mount Buller maintained its market lead against other Victorian alpine resorts.

We continued to enhance our winter visitor services and facilities, including improved bus access and 150 additional day car parks close to the free shuttle. Completion of the Athlete's Walk (Stage 3) project saw links to the ski field and access greatly improved around the Mount Buller Chalet and Foodworks area, and the new Holden Express six-seat chairlift also helped reduce congestion in the Village. In addition, our friendly guest services staff liaised with visitors in the car parks, toboggan slopes and general Village area to help ensure a safe and enjoyable experience for all.

At Mount Stirling, visitation numbers were strong, especially for school groups and snow campers, with plenty of snow in the Telephone Box Junction area. The new snow groomer on Mount Stirling also ensured that tracks were groomed regularly and maintained at a high level.

Summer 2007-08

Our commitment to transform the Resort into a year-round destination started to pay real dividends during the 2007-08 summer period. The new Bike Buller brand, a joint ARMB and Buller Ski Lifts (BSL) initiative, was supported by numerous well-attended activities for downhill, cross country and road cyclists. We also sponsored and facilitated many events, including the Easter Art Show and associated program, which increases in popularity every year. The Mount Buller and Mount Stirling Alpine Resort Management Board (ARMB) will continue to invest in our summer offering, as we believe it is crucial to the future of our Resorts. We would like to acknowledge the efforts of our Marketing and Communications Manager, Amber Gardner, and her team who are responsible for driving our summer activities.

Construction over the summer period was also our busiest yet, with over \$30 million of projects undertaken on Mount Buller, including the Holden Express six-seat chair lift, Stirling House staff accommodation, first stage of our mountain bike tracks, the completion of the next stage of paving on Athletes Walk and the expansion of the snow play area.

New home for the ARMB

During the year the ARMB offices were relocated to the Buller Community Centre (BCC), which allowed us to demolish the old offices and substantially increase the size of the Village snow play area. The new offices have been well received by our staff after the cramped conditions of the old building.

The BCC is an important asset for the Resort and we are working closely with tenants and other stakeholders to ensure we maximise its potential. We are in the process of working with one of our educational providers to develop short-term educational programs for Victorian schools, to be conducted from the BCC throughout the year.

Mount Buller Resort Master Plan

The ARMB, together with BSL, is committed to preparing a Resort Master Plan (RMP) for the Mount Buller Resort. We have retained Root Projects Australia Pty Ltd to prepare a project brief, which will involve considerable consultation with our key stakeholders. The RMP will identify the direction for the Resort over the next 20 years, including key projects to ensure its continued development and popularity as a year-round destination.

The ARMB has established a Project Steering Group with representatives from the ARMB, BSL, the Chamber of Commerce and Root Projects Australia to oversee development of the RMP. Completion of the RMP will be a key priority for the ARMB in 2008-09.

Mount Stirling Strategy and the Link Road

The ARMB has begun developing a strategy for Mount Stirling, which takes into account the legislative use and development requirements specified within the Act in an environmentally sensitive manner.

Extensive consultation with Mount Stirling stakeholders will be a key element of developing this strategy, which will complement plans to construct the Mount Buller-Mount Stirling Link Road. We already have a Memorandum of Understanding with the Victorian Government regarding their \$1.5 million contribution to the Link Road project and, together with Mansfield Shire Council, continue to seek support from the Federal Government through additional funding to allow the construction to go ahead.

Meanwhile the Link Road design and planning permits are being developed so that we can start construction once funding is confirmed.

Financial performance

The ARMB recorded an operating loss of \$129,808 for the year ended 31 October 2008 (a loss of \$452,605 when excluding land release income, Government funding revenue and the loss incurred on the demolition of the old administration building to enable development of the Village snow play area).

The loss has resulted from a number of key factors including the need to fund the operation of the Mt Buller Medical Centre for the first time in 2007-08 due to late withdrawal of our previous medical provider, increased depreciation resulting from a favourable re-valuation of buildings and infrastructure at 31 October 2007 in accordance with the Directions of the Minister for Finance, increased utility costs incurred as a result of commissioning the Water Treatments Plant, increased finance costs due to the La Trobe University loan acquired during 2007 and an enhanced investment in marketing and the brand research project. Whilst an operating loss was incurred, it should be noted that a number of our operating costs are non-cash expenses, and the ARMB made a cash surplus in 2007-08 of \$324,876. This cash surplus will be re-invested into the community and be used to finance the ARMB capital investment program.

ARMB review

In October 2007, Minister for the Environment and Climate Change, The Honourable Gavin Jennings, announced that the State Services Authority (SSA) would undertake a review of institutional and governance arrangements of the Alpine Resort Management Boards. We worked closely with the SSA and the review was completed in June this year. The Minister is considering the recommendations of the review. We will continue to work with the Minister and the Department of Sustainability and Environment (DSE).

Communication with stakeholders

Improving communication with stakeholders is a key priority of the ARMB. We are in the process of developing a new stakeholder database that will allow us to better communicate key information and events. During the year we also held our first Lodge Executive Forum, which aimed to develop closer relationships between ski clubs and their members. The Forum also attempted to address some of the Buller 'myths' around lease renewals, planning processes and fire regulations. The Forum was well attended and it is planned to hold another one prior to the 2009 snow season.

Summer 2008-09

The marketing team at the ARMB has prepared a very active summer program for 2008-09 including the Jayco Herald Sun Tour, Beerfest, Kids' Weekend and All Tomorrow's Parties, as well as a number of cycling events. All stakeholders are encouraged to continue to support events and functions, and assist in promoting Mount Buller as a year-round destination.

The next stage of the development of mountain bike tracks has been identified as a priority capital project for 2008-09, as well as further improvements to snow play areas and facilities.

And lastly, a timely reminder for all stakeholders: please ensure that all accommodation and land is ready for the fire season especially after another dry spring season. ARMB staff are happy to answer questions and provide support regarding fire preparation.

Acknowledgements

On behalf of the ARMB and Mount Buller and Mount Stirling stakeholders, I would like to acknowledge the efforts of Phil Nunn, Chief Executive Officer (CEO), and his executive team in delivering another strong year in 2007-08.

In addition, I would like to thank my fellow Board members for their support and efforts during the year. I would also like to thank our key stakeholder groups on Mount Buller and Mount Stirling, in particular Mansfield Shire Council, Stirling Experience, Buller Ski Lifts, the Chamber of Commerce, the Mount Buller Ratepayers Association and the Mount Buller Race Club. We have strong relationships with all these groups, which is essential to ensuring that Mount Buller and Mount Stirling remain premier alpine destinations in Victoria.



John W Dyson *Chairman*
Mount Buller and Mount Stirling
Alpine Resort Management Board

> Overview

Chief Executive Officer's Report

Year-round tourism at Mount Buller and Mount Stirling is proving to be popular, as much for our collection of strong cultural activities, as for the ever-increasing range of cycling facilities and events. The Bike Buller brand continues to evolve, as more and more visitors come to Mount Buller for mountain biking and road cycling challenges. The success of this strategy is a credit to the ARMB marketing team and its capacity to be innovative and successfully implement creative ideas.

The summer period saw visitors enjoying weekends at Mount Buller, seeking the thrill of downhill mountain bike tracks, exploring our expanding network of cross country multi use trails or attending cultural events. Summer culminated in the Easter break, which focused on the Easter Art Show and many complementary events, including the inaugural 'fun run' from the Village to the Summit and back.

The 2008 snow season started slowly. An excellent opening weekend saw the Minister for the Environment and Climate Change, The Honourable Gavin Jennings, open both the snow season and the Buller Ski Lifts' Holden Express chairlift. The Honourable John Brumby, Premier of Victoria, Minister for Multicultural Affairs and Minister for Veterans' Affairs also visited the Resort to launch *Mount Buller - Story of a Mountain*, a beautifully written and photographed history of the mountain. The book, which was written by Jim Darby and co-ordinated by the National Alpine Museum, presents 272 pages and over 700 photos detailing the history and characters that have made Mount Buller what it is today. However, stakeholders had to wait until early July to receive the first ski-able snow falls. With plentiful falls of dry snow from then on, visitation for the year finished 20% above the ten-year average for visitor numbers and 13% for visitor days.

Busy weekends during late July and August again stretched the capacity of the Mount Buller Resort. As flagged in the Mount Buller brand audit conducted in late 2007, the issue of queuing times for car parking, bus transfers, ticket purchase and ski lifts is still to be adequately addressed. Recommendations and actions aimed at improving the visitor experience continue to be implemented.

The ARMB will continue to work collaboratively with stakeholders to improve the Resort's branding and operations with further innovations in the near future.

The ARMB continued to organise and underwrite musical and other performances in the Chapel, the Village Centre and other facilities within the Resort to provide people with an opportunity to further enrich their experience of visiting Mount Buller. The performances of Renee Geyer, David Hobson and the Victorian Police band Code One were particular highlights.

The Victorian Interschool Snow Sports Championships were again conducted on Mount Buller. This event is a cornerstone of Resort positioning, reflected in the pattern changes of visitation and facility usage. Its continued strength of competitor numbers reflects the energetic and well co-ordinated efforts of the organisers.

Service Providers

Thank you to all of our contractors who provide such good service to the ARMB and the stakeholders of Mount Buller. Mansfield-Mount Buller Bus Lines (MMBL), our long-term passenger transport provider, entered into a two-year contract with the ARMB to enable them to continue their service. Our waste contractors 4Site, continued to exceed expectations in fulfilling their obligations for waste removal and Indigo Way Services continued with the management of the gas reticulation to the Mount Buller Village.

High Country Reservations (HCR) provided sales and promotion services to the region, and led the process for the development of both summer and winter promotional brochures.



Philip Nunn Chief Executive Officer

They also provided first class service to visitors attending the tourist information centre in Mansfield and the Clock Tower during the snow season. The accommodation booking service offered by HCR is soon to be enhanced with an online booking function.

It is with regret that we note the resignation of long time HCR Manager, Deb Shaddock, who has provided excellent service to the Resorts and their stakeholders.

The Board

Individual Board members have continued to passionately commit to the improvement of the Resorts. At a strategic planning meeting in February, the Board committed to developing a comprehensive, economically viable Resort Master Plan for Mount Buller, and a strategy for the management and use of Mount Stirling (consistent with Act) for the People of Victoria. Work continues on these two projects. I appreciate the level of support that I have received from the Chairman, John Dyson, who gives so much of his time to the ARMB and to the Resorts. I have also appreciated the wise counsel received from other Board members as we continue our efforts to make the Resorts better places. In particular, the efforts of the sub-committee chairs need to be acknowledged as they lead the organisation through their respective committees. Susan Hocking (Risk, Audit and Finance Committee) and Judy Dixon (Environmental Management Review Committee) have ensured that agendas are met and covered assiduously. Their fellow committee members have also been energetic and collaborative in ensuring that the material presented before these committees has been thoughtfully considered. The Remuneration Committee led by John Dyson has also met more frequently this year to ensure that the organisation adequately assesses the performance of the executive team and ensures that the rewards offered to staff appropriately match the outcomes achieved.

Staff

Thank you to the hard working team of executives and staff members who help make the ARMB a brilliant place to work. It is a privilege to be able to provide leadership to this group of people, who contribute their great array of skills, experience, qualifications and common sense, and work together to achieve such good results. The executive team continues to provide great support, guidance and input into the decision-making processes of the organisation. We are an eclectic group, which is perhaps why the chemistry seems to work. Essentially everyone involved with the Resort unites well to achieve great outcomes.

Alpine Resorts Coordinating Council

It is worth noting the very enthusiastic support for the alpine resorts received from the Alpine Resorts Coordinating Council (ARCC) Chairman Andrew Fairley and the ARCC executive staff led by Brad Miles and Alex Shilton. Their contribution in suggesting improvements, ensuring initiatives are fulfilled and providing well considered advice makes the role of ARMB CEO much easier to manage.

Other ARMBs

The collegiate approach amongst ARMBs to sharing ideas that exists at CEO level is very positive. Through sharing ideas, and sometimes resources, we are able to achieve better outcomes than otherwise would be the case. Thank you to the other ARMB CEOs: Leona Turra (Mount Baw Baw), Ross Passalacqua (Falls Creek), Jim Atteridge (Mount Hotham) and Richard Rogerson (Lake Mountain).

Department of Sustainability and Environment

Caroline Douglass and her team at DSE (Coast and Alps) have also been a valuable resource that has helped us to manage our Resorts in a way that gives us confidence that we will achieve the vision and objectives of the government's Alpine Resorts 2020 Strategy.

Buller Ski Lifts

Congratulations to the team at Buller Ski Lifts for the success of the Holden Express Chairlift and all other facets of the ski area operations. Managing the level of visitation is a reflection of the efforts of BSL, in conjunction with all other stakeholders.

Chamber of Commerce

Under the leadership of Chairman Mike Balfe, the Chamber and the ARMB enjoy a very constructive relationship with open and clear lines of communication to ensure that issues are raised, discussed and clarified, and solutions found.

Ratepayers Association

After a long period under the leadership of President Barry Cooper, the reins have been handed over to John Aird (President) and Joel Dixon (Vice President). The Ratepayers Association, in conjunction with the Chamber, plays a very important role in protecting, enhancing and communicating the interests of Mount Buller site holders. Secretary Chris Wilson continues to be a very constructive contributor both to the Association and the Resort.

Mount Stirling

The long time operators of Stirling Experience, Craig and Barb Jones, have enjoyed a fabulous 2008 season. Their commitment and passion for Mount Stirling has meant that many visitors take with them a real feeling for the beauty of the natural environment that all of us are seeking to protect, enhance and enjoy. The Stirling Ski Patrollers have worked marvellously this year to ensure that we minimise the risk to our visitors, and present the tracks and trails in the best condition possible. Mick Stapleton, Ian Thomas, Tom MacMunn and Murray Tucker have been a great team and have been well supported by the dedicated group of volunteers that make up the ski patrol team. The Board also needs to be commended for committing to invest a significant amount of money to the purchase of an upgraded machine for snow grooming, which has made major improvement to the cross-country skiing experience.

> Overview

Chief Executive Officer's Report

Financial Performance

The operating result of a small deficit of \$129,808 for the year is disappointing, but comes partly as a result of the Board's decision to restrict increases in service charges, and the continuation of restrictions on rental income derived from VSA/ARC leases. Despite good snow conditions, gate revenue was similar to the previous year.

More significant, however, has been the increase in expenditure incurred by the ARMB. The cost of providing facilities to the Resort can lead to increased operational costs (please refer to Table 1). This is certainly the case in point for the Buller Community Centre and for the state-of-the-art Water Treatment Plant. Whilst tariff increases were hefty, the use of gas and electricity also increased substantially as a result of these facilities becoming fully operational.

The Water Treatment Plant has led to increased energy costs, increased depreciation and increased borrowing costs for the repayment of a loan to partially fund the plant.

Whilst the acquisition of the Buller Community Centre has been seen as a great social benefit to the community, the energy costs associated with operating the building, combined with regulatory restrictions on the ARMB's capacity to lease space within the facility and the foregone service charges, has led to an impact upon the financial bottom line. Also increasing expenditure is the deemed borrowing cost from the financial transaction that occurred to acquire the building. Notwithstanding that the transaction was for the ARMB to pay a fixed amount of money to La Trobe University over a 15 year period, accounting standards require that some of this amount be regarded as an "interest" payment rather than a loan repayment. Reductions in interest rates have led to a notional increase in expenditure of \$234,105 for this year.

Coinciding with these additional operating expenses has been the removal of the old ARMB building to create the enhanced snow play area. The accounting write off of this asset increased expenses by \$551,691.

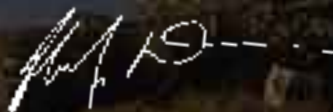
The need to take over the operation of the medical centre following Symbion's decision to withdraw from the facility increased the operating expenses of the Board by \$567,971, which was partially offset by additional revenue of \$380,532 derived from the medical centre. Part of this outlay was for legal expenses incurred in trying to resolve the legal dispute that arose from Symbion's withdrawal.

As detailed elsewhere in the annual report, depreciation expense increased substantially (\$548,000) as a result of the additional assets owned by the ARMB and the change in the upward revaluation of other pre-existing assets.

Staffing costs also increased from 2007 levels. This increase was due to a number of factors including additional hours worked as a result of the good snow season (including the extension of the season into October) increased offering of summer events and initiatives connected with the implementation of a revised marketing plan in response to the branding audit carried out in 2007. In addition, there was the recognition for the first time of a long service leave liability in connection with the employment of the snow season casual work force, and rate increases pursuant to enterprise agreements and executive contracts.

Notwithstanding the operating deficit incurred for the year, it should be noted that due to a number of our key expenses being “non-cash” expenses, the ARMB ended the year with a cash surplus of \$325,000, and together with our existing cash reserves the ARMB holds nearly \$5.7million in cash deposits. Of this, \$600,000 is retained in a Snow Drought Fund, and \$1,000,000 is retained in a Debt Repayment Fund. The purpose of these funds is explained further in Note 3 to the Financial Statements. A further \$3.2million is held in a Capital Improvement Fund to assist in funding future capital development throughout the Resorts.

Key projects include the Buller/Stirling Touring Link Road (more detail on the funds committed are provided in Note 15 to the Financial Statements) and a number of other projects that will be identified on completion of the Resort Master Plan for Mount Buller.



Philip Nunn *Chief Executive Officer*
Mount Buller and Mount Stirling
Alpine Resort Management Board

TABLE 1
Key financial data

	2007-08	2006-07	Change
	\$'000	\$'000	\$'000
Operating surplus/(deficit)	(130)	1,489	(1,619)
Total operating expenditure	12,231	8,854	3,377
Gas and electricity	684	354	330
Finance costs	312	30	282
(Gain)/loss on disposal of assets	490	15	475
Health	568	-	568
Depreciation	2,095	1,547	548
Staff costs	2,952	2,328	624
Cash on hand	5,698	5,373	325



> Overview Introduction

The Mount Buller and Mount Stirling Alpine Resort Management Board (ARMB) is charged with the responsibility of managing the Mount Buller and Mount Stirling Alpine Resorts pursuant to the *Alpine Resorts (Management) Act 1997* (the Act).

The ARMB recognises that it has stewardship responsibility for significant public assets and continues to manage these assets in an ecologically, economically and socially sustainable manner, while facilitating the public's ability to access and enjoy an alpine experience. The ARMB is committed to fulfilling its role within the context of the Victorian Government's Alpine Resorts 2020 Strategy.

All decisions made by the ARMB follow due consideration and consultation regarding the impacts upon the triple-bottom-line, namely the environmental, social and economic impacts of the activity. The ARMB also considers the risk management implications of its decisions.

Vision

To be the most attractive and popular alpine destination in Victoria and be recognised as a leader in environmental management.

Mission

To manage the Mount Buller and Mount Stirling Alpine Resorts in an economically, environmentally and socially sustainable manner by:

- Enhancing the attractiveness of the Mount Buller Resort for year-round visitation and encouraging recreational use within the context of sustainable ecological management practices;
- Attracting visitation to Mount Stirling by providing an outstanding nature-based visitor experience in a well-managed bio-diverse environment; and
- Developing the complementary attributes of the two Resorts through integrated management, development and marketing.

Objectives and Undertakings

The ARMB is committed to excellence in financial reporting. Thorough assessment, monitoring and review of financial and operational risk are cornerstones of effective governance.

The ARMB will deliver its core functions and services in a cost-effective manner and develop strategies and activities that will:

- Ensure management and development of the Resorts is undertaken within an ecologically sustainable framework;
- Retain a commitment to a snow tourism industry, while responding to climate change issues;
- Optimise year-round use and visitation in a safe alpine environment;
- Develop year-round appeal of the Resorts to complement the natural alpine environment and create a sense of place for visitors and for the community;
- Deliver a sustainable, viable and vibrant alpine business through the development of strategies to increase economic activity and enjoyment of all user groups; and
- Manage the Resorts for all Victorians within an accountable framework and in cooperation with the community.

> Overview Year at a Glance

Post Balance Sheet Events

There have been no events subsequent to the year that significantly impact on operations in future years.

Consultants Engaged

There were 18 projects undertaken for the ARMB by consultants during 2007-08. The total cost of these assignments was \$505,267 (2006-07: \$338,247). One consultant, Russell Kennedy Solicitors, received total remuneration in excess of \$100,000. Details of the projects and expenditure are shown in Note 20 to the Financial Statements.

Financial summary

The increase in site rental fees is a result of 110 sites undergoing rent reviews as at 1 November 2007, combined with CPI increases applied across some other sites.

The increase in operating expenditure is primarily due to:

- Increased depreciation expense of \$435k, resulting from a favourable re-valuation of buildings and infrastructure at 31 October 2007;
- The need to fund operating costs of \$568k for the Mount Buller Medical Centre for the first time this year (offset by \$380k of income);
- Increased utility costs of \$330k incurred as a result of commissioning of the Water Treatment Plant and increased unit prices;
- Increased finance costs of \$234k due to the La Trobe University loan acquired during 2007;
- Enhanced investment in marketing of approximately \$300k, including the brand research project and summer initiatives;
- An accounting loss of \$552k incurred on the demolition of the old ARMB administration building to allow for development of the Village Toboggan Run and snow play area; and
- Increased costs of \$640k of retaining a quality workforce to enable the Board to meet its objectives. These costs include increases in long service leave entitlements, superannuation, wage rates in accordance with Enterprise agreements and other employee entitlements.

Financial Summary

	2007-08	2006-07	2005-06	2004-05	2003-04
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Revenue:					
Gate Entry	3,207	3,168	1,889	2,404	2,630
Site rental fees	3,287	2,860	2,797	2,634	2,315
Service Charges	2,929	3,023	2,990	2,732	2,470
Sale of rights to lease and develop Crown land	598	113	1,287	947	1,077
Government funding	276	33	20	-	77
Other revenue	1,805	1,146	988	1,010	1,238
Operating expenditure	12,231	8,854	8,758	8,831	8,540
Operating surplus/(deficit)	(130)	1,489	1,213	896	1,267
Total assets	197,160	197,202	140,899	137,811	136,272
Total liabilities	4,724	4,636	1,633	811	4,313
Net assets	192,436	192,566	139,266	137,000	131,959
Assets comprise:					
Land	150,313	150,313	106,035	106,035	106,035
Non-current assets	40,208	40,583	28,221	27,022	26,642
Current assets	6,639	6,306	6,643	4,754	3,595

Item/ Key Performance Indicator

Environmental Quality

Item/ Key Performance Indicator	2007-08	2006-07
Number of readings within EPA guidelines		
- Howqua River total phosphorus	7/7	5/6
- Howqua River total nitrogen	7/7	5/6
- Sewage treatment plant total phosphorus	7/7	12/12
- Sewage treatment plant total nitrogen	6/7	12/12
Percentage of total waste recycled	33%	34%

Social Responsibility

Item/ Key Performance Indicator	2007-08	2006-07
Percentage of first time visitors	16%	20%
Percentage of returning visitors	84%	80%
Average number of nights on mountain (based on gate entry)	1.77	1.69
Total snow making water used (megalitres)	141	212
Total domestic water used (megalitres)	285	194
Total water used for fire fighting (megalitres)	0	9
Total winter passengers using free shuttles	454,424	554,272
Mount Stirling patrol callouts	18	20

Economic Viability

Item/ Key Performance Indicator	2007-08	2006-07
Number of winter visitors	274,231	284,149
Number of summer visitors	162,027	143,800
Number of visitor days (winter)	483,978	478,889
Number of Mount Stirling winter visitors	6,032	3,323
Number of vehicles through the gate (winter)	64,405	65,861
Total invested by private developers (\$'000)	30,000	10,000
Capital Works Expenditure (\$'000)	2,341	3,205
Number of lease holders	176	176
Number of sub-leases transferred	61	91
Number of 'hot beds'	1566	1,554
Number of 'cold beds'	6316	6,303
Mount Buller maximum snow depth (cm)	126	92
Mount Stirling maximum snow depth (cm)	118	80
Total value of approved planning permits (\$'000)	15,500	19,000



> Overview Corporate Governance

The ARMB was established in 2004 by an amendment to the *Alpine Resorts (Management) Act 1997* (the Act), succeeding the Mount Buller Alpine Resort and the Mount Stirling Alpine Resort Management Boards. This amendment details key aspects of ARMB corporate governance practice.

Statutory reporting

The ARMB has been created as a statutory authority and it is responsible directly to Gavin Jennings MP Minister for Environment and Climate Change, for a range of statutory requirements.

Ultimately, the Minister is responsible for Crown land management and delegates authority to the ARMB to carry out Government policy in relation to the use of Crown land. Across the two Resorts, the ARMB undertakes to adopt best practice in all activities, reporting to the Minister through the Corporate Plan, Annual Reports and Quarterly Reports.

The ARMB also complies with the directions of the Minister for Finance and acts as a referral authority for development matters.

Establishment of the ARMB

The Act 1997 states in s. 34 (7) that each Board:

- (a) is a body corporate with perpetual succession;
- (b) has a common seal;
- (c) may sue and be sued in its corporate name;
- (d) may acquire, hold and dispose of real and personal property; and
- (e) may do and suffer all acts and things that a body corporate may by law do and suffer.

Appointment of Board Members

Members of the Board are appointed by the Minister for the Environment and Climate Change. Board members are selected based on the administrative, managerial, financial, environmental, legal, marketing, sporting and tourism skills necessary to run the Resort competently.

Board members are appointed for a period of three years and are eligible for reappointment. The Minister for the Environment and Climate Change appoints one member to be chair person and one to be deputy chairperson. Remuneration for Board members is determined by the Victorian Government guidelines.



Functions of the ARMB

As set out in Section 38 of the Act, the specific functions of the ARMB are to:

- Act as a Committee of Management of any Crown land deemed to be permanently reserved under the *Crown Land (Reserves) Act 1978* in the Resorts;
- Contribute, together with Tourism Victoria and the ARCC, to the overall promotion of alpine resorts;
- Develop a tourism and marketing strategy for and to promote the Resorts, and collect and expend voluntary contributions from commercial undertakings in the Resorts for this purpose;
- Provide a range of services;
- Charge contributions for the provision of those services;
- Collect fees prescribed by the Regulations for the Resorts;
- Attract investment for the improvement of the Resorts;
- Carry out any other function conferred on the ARMB under this or any other Act;
- Plan for the development, promotion, management and use of the Resorts;
- Manage the Resorts in accordance with the object of the Act as amended;
- Undertake research into alpine resort issues;
- Contribute to and support the operation of the ARCC;
- Prepare and implement a Strategic Management Plan for the Resorts;
- Expend or apply revenue of the ARMB in accordance with a direction of the Minister under Section 36(1A).

Resort management

The duties and responsibilities of the ARMB CEO, Philip Nunn, are to:

- Carry out the Board's directions;
- Manage day to day operations of the Resorts in accordance with approved policies;
- Manage and direct the organisation to achieve optimum profitability and effective use of business assets and human resources; and
- Develop and review policy, and plan and control major functions relating to the operation and administration of the organisation through subordinate executives.

Guiding principles

The ARMB is committed to:

- Valuing staff and contractors;
- Providing outstanding service to clients;
- Continually striving for innovation and improvement;
- Ensuring that the ARMB is seen as a cooperative, responsive, efficient and effective organisation which consults appropriately in carrying out its role;
- Responsible environmental management practices;
- Effectively discharging the powers entrusted under legislation and meeting statutory obligations and government objectives relating to equal opportunity, occupational health and safety, and standards of ethics and accountability.

Corporate planning

As required under Section 53 of the Act, the ARMB develops and lodges its Corporate Plan, including a Statement of Corporate Intent and a Business Plan.

These plans outline the ARMB's key strategic directions to:

- Mitigate the impact of climate change;
- Increase year-round Resort use and visitation;
- Develop year-round Resorts;
- Encourage sustainable, year-round economic growth;
- Proactively manage the environment; and
- Provide stewardship of Crown land.

Risk management

The ARMB is committed to ensuring that all people affected by the activities associated with Resort management are protected from risks to safety, health and wellbeing, and loss or damage to property. The ARMB has a Risk Management Policy and develops risk management systems to assist staff in understanding their responsibilities and creating a culture of safety.

> Overview

Organisational structure



1. John W Dyson

BSc, MBA, MAICD, F Fin

Chairman. Appointed 9 June 2004, reappointed 25 April 2007

- Chair, Remuneration Committee and Member, Risk, Audit and Finance Committee, and Leasing and Planning Committee
- Member, ARCC
- Investment Principal, Starfish Ventures Pty Ltd
- Former Chairman, Australian Private Equity & Venture Capital Association Ltd

2. Don Cummins

BEd, B.Ed, PG Dip (Asian Studies), Dip. Teaching, GAICD

Deputy Chairman. Appointed 9 June 2004, reappointed 25 April 2007

- Member, Environmental Management Review Committee, Leasing and Planning Committee and Resorts Development Committee

3. Andrew Abercrombie

B.Ec LLB MBA (IMD)

Appointed 25 April 2007

- Member, Risk, Audit and Finance Committee, Remuneration Committee and Resorts Development Committee
- Barrister and Solicitor, Supreme Courts of NSW and Victoria
- Founding Director, FlexiGroup Limited
- Former Executive Chairman and CEO, Flexirent Capital Pty Ltd

4. Judy Dixon

B.Ed, Grad Dip Mgmt

Appointed 9 June 2004, reappointed 25 April 2007

- Chair, Environmental Management Review Committee and Member, Leasing and Planning Committee
- Member, Board of Alpine Resorts Tourism (BART)
- Member, Mansfield-Mount Buller High Country Arts, Culture and Heritage Committee
- Organisational Liaison Officer, Mansfield Shire Council
- Consultant, NE Victoria, Provincial Victoria Campaign
- Fairley Fellow, Goulburn Murray Community Leadership Program
- Director, JAD Enterprises

5. Bruce Dowding

FCA

Appointed 1 May 1998, reappointed 28 April 2001, 9 June 2004 and 25 April 2007

- Member, Risk, Audit and Finance Committee
- Member, Mansfield-Mount Buller Regional Tourism Association
- Consultant/Director, Grollo Group of Companies
- Former Managing Director, Buller Ski Lifts Ltd
- Former Member, Mount Buller Village Committee

6. Susan Hocking

B.Ec (Hons) MA FAICD

Appointed 9 June 2004, reappointed 25 April 2007

- Chair, Risk, Audit and Finance Committee and Member, Remuneration Committee
- Director, Victorian Energy Networks Corporation
- Former Director, Transend Networks
- Former Manager, Project Facilitation, Tourism Queensland
- Fellow, Australian Institute of Company Directors

7. Stuart Worn

MBA, BAppSc, ADipEng, FAICD, MISA, MPIA

Appointed 25 April 2007

- Member, Leasing and Planning Committee, Environmental Review Committee and Resorts Development Committee
- Former Vice President, Victorian Snowsports Association
- Former Director, Skiing & Snowboarding Australia
- Executive Officer, Planning Institute of Australia, Victorian Division
- Member, Alkira Ski Club and Ski Club of Victoria

Committee Structure

The ARMB has established a number of committees to enable it to fulfill its governance obligations and manage the Crown land in a cost-effective manner.



The current Board began its three-year tenure, as appointed by the State Government, on 25 April 2007. Board membership during 2007-08:

Committee Meetings	John Dyson	Don Cummins	Andrew Abercrombie	Judy Dixon	Bruce Dowding	Susan Hocking	Stuart Worn	Total Held
Board Meetings	10	9	7	10	6	10	10	10
Environmental Management Review Committee	-	3	-	3	-	-	2	3
Risk, Audit & Finance Committee	2	-	3	-	3	4	-	4
Leasing & Planning Committee	-	-	-	-	-	-	-	-
Remuneration Committee	6	3	3	-	-	4	1	6

Environmental Management Review Committee

In 2008, the Environmental Management Review Committee (EMRC) assisted with endorsing WasteWise and EcoBuy memberships. The committee also discussed issues relating to community engagement, interest groups, Site Environmental Management Plan compliance, visitor capacity measures, stormwater management and potential environmental awards, and implementation of action plans.

Risk, Audit and Finance Committee

The Risk, Audit and Finance Committee (RAFC) is responsible for overseeing:

- Financial performance;
- Assessing the quality of the ARMB financial accounting, management reporting, policies and procedures;
- Compliance with the financial directions as issued by the Minister for Finance;
- The operation and implementation of the identification and assessment of risks, management of the identified risks, monitoring of the risk management process and referring risk matters to the Board as appropriate;
- The scope of work and performance of the external and internal auditors;
- The sign off of accounting policies; and

- Continuous monitoring of a framework and processes for compliance with the *Financial Management Act 1994*, and other laws and regulations that significantly impact on the ARMB code of conduct.

A staff-based Occupational Health and Safety (OH&S) Committee reports through the RAFC, providing opportunity for staff and management to identify and address workplace OH&S issues.

Leasing and Planning Committee

The Leasing and Planning Committee (LPC) considers planning permit applications in the ARMB capacity as land manager, a body affected by development, a service provider and a referral authority.

Tony Petersen, Senior Manager Property and Planning, and Amanda Reed, Property and Planning Assistant, liaise with ARMB planning consultants, and collate and provide information for consideration by the LPC. ARMB responses are forwarded to the authority responsible for planning applications, the Department of Planning and Community Development (a role previously undertaken by the Department of Sustainability and Environment).

Under this system, LPC meetings are only held by exception to consider unusual or potentially controversial applications.

In 2007-08, one meeting was convened via email conference.

Lease applications and related decisions are considered directly by the full Board.

Remuneration Committee

The Remuneration Committee provides a recommendation to the Board regarding CEO remuneration and is responsible for his performance appraisal. In addition, the Committee ensures that all personnel remuneration and policies concerning personnel are consistent with Victorian Government standards.

Resorts Development Committee

The Resorts Development Committee (RDC) was established by the Board on 26 October 2008 to actively participate in the development and implementation of the Mount Buller Resort Master Plan (the Plan), incorporating membership of the Project Steering Group. The RDC will assist in developing projects for Mount Stirling consistent with the objectives of the *Alpine Resorts (Management) Act*.

> Overview

Management Team

Chief Executive Officer

Philip Nunn

ACA B Ecops (Monash) Dip Ed (Monash)

Appointed August 2005

Joined the ARMB as Business Manager in July 2002. Responsible for leading the professional ARMB team and enabling the Board's vision, direction and framework for the future development of the Resorts in an environmentally, economically and socially sustainable manner.

Senior Manager, Property and Planning

Tony Peterson

BBus (Property), MBldg, AAPI, CPV

Appointed December 2001

Responsible for management of leasing, sub-leasing, licensing and statutory planning matters.

Senior Manager, Resort Operations

Hadyn Purcell

Appointed May 1998

Employed on Mount Buller since 1976. Responsible for supervision of snow clearing, car parking, garbage collection, sewage treatment, water reticulation and a number of capital works projects related to the improvement of Resort infrastructure.

Marketing & Communications Manager

Amber Gardner

BMedia (Media & Comms)

Appointed May 2006

Responsible for developing and implementing the strategy for Resort marketing, communications, events, branding, promotions, sponsorship and public relations initiatives.

Finance and Risk Manager

Mandy Kynnersley

BBus (Acc), CA

Appointed September 2007

Responsible for finance (planning, reporting and analysis); audit (systems and controls); risk management including identification, assessment, management and monitoring; emergency planning including fire and business continuity; and contract management (negotiation and terms).

Environmental Manager

Louise Perrin

B.App.Sci. (Hons)

Appointed October 2004

Responsible for endangered species and wildlife management, vegetation management, pest plant and animal control, track and trail development and maintenance, waste management initiatives, advice during construction and development, and education and communication programs.

Engineer

Heath Chidgey

BE Civil (Hons)

Appointed February 2006

Responsible for planning and development of engineering and technical operations of the Resorts, including a broad range of municipal services, such as water supply, water treatment, roads and Village maintenance. Heath is also responsible for the planning and implementation of ARMB capital works projects.



- Full Time Staff
- Part Time Staff
- Casual

> Overview

Management Team

Occupational Health and Safety

The ARMB is very aware of its Occupational Health and Safety (OH&S) obligations and its responsibility for public safety.

The ARMB is committed to providing a safe and rewarding environment, free of accidents and injury, for staff, contractors and the general public visiting, living or working in the Resorts.

Staff members are fundamental to the ARMB's risk management process. Risk management practices are incorporated in all position descriptions and performance appraisal processes. Staff are required to identify, assess and report on risk throughout the Resorts as part of their daily operational duties. Further, they are required to implement strategies and actions that will mitigate or reduce risk, and to continue to monitor the level of residual risk.

A staff-based OH&S Committee works to ensure that all employees are given the best possible protection against risks to health and safety.

The OH&S Committee formally met three times during 2007-08, with activities and outcomes as follows:

- Development and implementation of Emergency Evacuation Procedures for the Buller Community Centre;
- Production and distribution of OH&S and risk reporting books with forms to be used by staff and the general public to report injuries, incidents, hazards and near misses;
- Increasing awareness and reinforcing OH&S and risk management obligations for staff;
- Ongoing assessment of training needs and implementation of training and testing in First Aid, hearing screening, snow safe driving, traffic management, use of chemicals, forklift driving and skidoo licensing; and
- Ongoing assessment of the ARMB workplace to ensure safety is a fundamental consideration in all operations, that personal protective equipment and clothing is provided and used, safety rules are observed and common sense is exercised.

Work days lost

During 2007-08, 23 days were lost due to workplace injuries. This substantial increase from the two days lost during 2006-07 was due to a serious injury sustained by a seasonal worker early in the declared snow season.

Workforce data

At 31 October 2008, the number of permanent employees totalled 36 (33 EFT) including 19 female and 17 male, compared with 31 (29 EFT) including 14 female and 17 male in 2006-07. Of the 19 female employees, seven worked part-time compared with three in 2006-07.

Seasonal staff totalled 32 including 11 female and 21 male, compared with 35 including 15 female and 20 male in 2006-07. Tasks performed by seasonal staff include visitor services, traffic control, snow clearing, car parking, Mount Stirling Ski Patrol and general Resort work.

Staff training and development

The ARMB supports training and development to ensure that all full-time, part-time and casual employees have the necessary skills and qualifications to fulfill their occupational roles.

The ARMB expects all employees to complete a basic level of training including Mountain Host/Buller Crew (Customer Service) and risk management. In addition, all staff members driving ARMB vehicles during the snow season are required to complete a 4WD Snow Safe driving course. Some positions also require specific qualifications or training to work in that area, including:

- Traffic Management accreditation
- Authorised Officer training (including client interaction and defensive tactics)
- Chemical handling
- Chainsaw use
- Forklift use
- Confined space
- Ski Patrol
- Skidoo licensing
- Heavy vehicle licensing
- Alpine awareness training
- Responsible Service of Alcohol

The ARMB also encourages further or continuing study linked to business needs. During 2007-08, it has supported staff members undertaking study in the following areas:

- Certified Practicing Accountant;
- Certificate III in Water Industry Operations;
- Certificate III in Business;
- Certificate IV in Conservation and Land Management;
- Planning; and
- Using Integrated Computer Packages.

Mountain Host

Mountain Host is a staff training and incentive program, which aims to provide Mount Buller staff with the tools to deliver exceptional service to guests and fellow Resort employees. The program focuses on improving staff morale through shared inspiration and passion for the mountains, and working together as a community.

Every new Mount Buller employee completes a training session including a customer service workshop and tour of Mount Buller Resort facilities and operations. Returning staff complete an online web-based training program.

This year 1,148 mountain staff completed the Mountain Host Training Program (including 1,019 classroom and 129 web based) and 25 off-mountain staff participated in a specialised session for off-mountain operators. This was a 27% increase in participation from 2007.

In addition, this year the Buller Crew Social Club was introduced to provide special events for the Buller Crew during the snow season. These events included weekly sports nights, a comedy night in July, adventure movies in August and the inaugural Buller Crew Cup race in September. These major activities saw an average attendance of over 100 staff to each event.

The revitalised *Employee of the Week* program was also very successful. Prizes were generously donated by Mount Buller's commercial operators, which enabled the ARMB to offer over 60 prizes to the value of approximately \$100 each. Over 41 businesses and departments participated in the program, and 52 employees were rewarded for excellence in customer service. These employees were interviewed, photographed and profiled weekly in local newspapers the Buller Times and High Country Times.

Core Values

The ARMB has adopted core values, which are consistent with Public Sector Values (made under the *Public Administration Act 2004*, Section 63) and supports the Code of Conduct for Victorian Public Sector Employees.

The ARMB's Core Values are:

- **Communication** – maintain an open, clear and concise two way flow of relevant information both internally within the ARMB and externally;
- **Leadership** – provide positive guidance and motivation and act in a way that upholds the ARMB core values;
- **Innovation** – drive continuous improvement and be open and responsive to change;
- **Customer Service** – strive to exceed customers' expectations by understanding and responding to their needs;
- **Integrity** – be honest and open and ethical in dealings with each other, customers and other stakeholders;
- **Teamwork** – work together to achieve desired goals in a supportive and co-operative environment



> Strategic Direction **Climate Change**

The ARMB is committed to fulfilling its role within the context of the Victorian Government's Alpine Resorts 2020 Strategy. The Resorts' Strategic Management Plan adopts the six strategic directions identified in the 2020 strategy, which form the basis of the ARMB Corporate Plan and Business Plan, as follows:

Climate change

- The ARMB will work to mitigate the impact of climate change, recognising that snow tourism is the primary economic driver for Mount Buller and Mount Stirling.

Vibrant Resorts

- The ARMB will facilitate the delivery of a sustainable, viable and vibrant alpine economy by increasing the range of services and amenities for all user groups.

Resort use and visitation

- The ARMB will optimise year round use and visitation in a safe alpine environment.

Resort development

- The ARMB will develop the year-round appeal and amenity of the Resorts, which complements the natural alpine environment and creates a sense of place for visitors and the community.

Environmental management

- The ARMB will proactively manage its environment so that management and development of the Resorts is undertaken in an ecologically sustainable framework.

Land stewardship

- The ARMB will manage the Resorts for all guests within a framework of accountability and community cooperation.

Year-round tourism product

Consistent with the Victorian Government's Alpine Resorts 2020 Strategy, the ARMB acknowledges that sustainable, year-round tourism product is vital to the longevity of the Mount Buller and Mount Stirling Resorts. To this end, the ARMB has developed a number of strategies to increase the non-snow product on offer.

In 2007-08, the non-snow tourism offer included:

- A new 13 kilometre cross country mountain biking trail developed by internationally renowned course designer Glen Jacobs from World Trail. This trail stretches between the Mount Buller Village and Corn Hill area, and is the first stage in a three-year development that will see significant growth of the Resort's mountain biking trail network.
- The Gnome Roam self-guided walk aimed at children. The Gnome Roam sends children in search of a range of gnomes and features hidden throughout the Resort.
- The Arts and Artifacts Walk, a self-guided walk that allows visitors to take in significant arts, culture and heritage sites around Mount Buller Village.

The ARMB is working with Tourism Victoria to investigate new nature-based tourism products for the Mansfield-Mount Buller region, and is considering a 'seed funding' program to assist operators to develop new year-round products.

Cultural development

Together with the Mansfield-Mount Buller Cultural Advisory Committee, the ARMB has developed an Arts, Culture and Heritage Strategy, which outlines four key strategic areas:

- **Events** – building and expanding events and activities program;
- **Infrastructure** – planning for indoor and outdoor space to promote future growth of arts, culture and heritage;
- **Heritage** – enhancing the heritage strengths and values of Mount Buller and Mount Stirling; and
- **Support for local arts** – supporting the local community to enhance arts, culture and heritage activities.

The ARMB, Mansfield Shire Council and Regional Arts Victoria have also benefitted from the efforts of a Regional Arts Development Officer (RADO), who is also based in the area.

Climate change

Water reuse project

In 2007-08, the Operations and Technical Services team successfully commissioned the \$3.4 million Class A Water Treatment Plant. As a result, the Sun Valley reservoir reached full capacity in early September and produced an additional 35 megalitres of water for snow making in 2008.

> Strategic Direction Vibrant Resorts

Services for the community

Health services

The ARMB continues to facilitate the provision of medical services to visitors, residents and employees on Mount Buller during the snow season. The Mount Buller Medical Centre was managed by Stay Strong Pty Ltd this year, with the support of doctors and staff from the Mansfield Medical Clinic.

Last year, Monash University School of Rural Health in conjunction with the Year Round Health Service Steering Committee, developed a proposal for a Year-round Health Service on Mount Buller. The proposal involved extensive research, investigation and consultation with the community, major stakeholders and health and government organisations, and is consistent with the State Government 2020 Strategy, Rural Directions for a Better State of Health policy (DHS Vic 2005) and the Mount Buller and Mount Stirling Strategic Management Plan (2000-2010).

The Department of Human Services has agreed to fund a two-year pilot service based on the proposed model, and will be taking a keen interest in its impact on the development of a sustainable resident community at Mount Buller.

Funding for the service has been made available through Mansfield District Hospital, which will deliver and manage the service.

The \$100,000 grant will cover some establishment costs and enable placement of an experienced nurse at the existing medical centre two days per week and on busy weekends over the summer period. The year round health service for residents, staff and visitors commenced in November 2008. This will make Mount Buller the only Victorian alpine resort to have a permanent medical service outside of the snow season.

Some of the services to be provided include health screening, monitoring and education, assessment of acute medical presentations, treatment of minor wounds, medical management, liaising with medical practitioners, counselling and referral.

Police

In 2007-08, the ARMB enjoyed a constructive relationship with Victoria Police who were in attendance daily during the snow season and also supported various summer events. The ARMB continues to pursue the possibility of establishing a permanent police presence on-mountain.

The ARMB also continues to work with Victoria Police and the Liquor Licensing Commission in support of the Community Liquor Accord.

Education

Primary education throughout the winter months continued to be provided within the Buller Community Centre complex, in conjunction with the Department of Education (Mount Buller Primary School). Secondary education was also offered by Mt Buller Education Pty Ltd in winter 2008, attracting approximately 50 students.

Ski Patrol

This year the ARMB continued to work closely with Ski Patrol on Mount Buller (provided by BSL) to minimise risk in the ski fields. Victoria Police and Rural Ambulance also provided excellent service that contributed to a safe skiing environment.

On Mount Stirling, the Volunteer Ski Patrol, under the direction of ARMB patrol staff, is an essential component of winter safety and operations. During the 2008 snow season, the Volunteer Ski Patrol contributed a total of 150 work days. Volunteer Ski Patrollers were actively involved in trail maintenance, patrol duties and trail preparation.

As part of the cooperative program between all major Victorian resorts, Mount Buller and Mount Stirling Ski Patrol again participated in a Ski Area Safety Audit conducted by the Falls Creek Ski Patrol.

The purpose of the Ski Area Safety Audit is to evaluate, review and report on the safety of ski area operations, lifts, snowmaking and signage, and to provide recommendations for safety improvements. It has been found that the audit reduces complacency in the workplace, particularly by giving returning staff the opportunity to assess their work area and offer suggestions for change. The audit also provides staff with the opportunity to learn from safety measures at other Resorts.

At Mount Stirling, accidents were considerably reduced in winter 2008 compared to previous years with only 18 accidents (predominantly ankle and knee injuries) being reported. In part, this can be attributed to abundant, quality snow, fewer hazards and relatively few icy days. This is also consistent with the ARMB's corporate targets of reducing the ratio of accident call-outs per visitor days.

> Strategic Direction

Resort use and visitation

Access

Wheel Chain Policy

The ARMB is aware of the need to balance ease of access with risk and public safety issues when determining the requirement to carry chains. This year, ARMB continued to employ its flexible Mount Buller Wheel Chain Policy, which aims to make it easier and more affordable for day visitors to access the Resort.

Under the policy, the ARMB determines on a daily basis whether vehicles should be required to carry wheel chains, based on weather forecasts and prevailing road conditions.

The policy applies to day visitors only. Those staying in the Resort overnight or traveling beyond the Skating Rink Car Park (past the snowline) are required to carry chains at all times.

Mount Buller-Mount Stirling Link Road

The ARMB has secured \$1.55 million funding from the Victorian Government and a planning submission is being prepared, to enable construction of a link road between the existing Corn Hill Road and the Circuit Road along the north side of Corn Hill, linking Mount Buller and Mount Stirling.

The Link Road development responds to the ARMB's risk management plan, providing greater access for emergency vehicles to Mount Buller and Mount Stirling by providing a second point of entry to both mountains. The Link Road will also become an appealing touring circuit, thereby increasing year-round visitation to both Resorts.

Transport

Public transport

Prior to the 2008 snow season, the Mansfield-Mount Buller Bus Lines (MMBL) contract was extended for a further two snow seasons until the end of the 2009. The ARMB continues to negotiate with MMBL regarding new transport requirements, including improved vehicles and more regular Village shuttles. The ARMB expects a new long-term agreement to be in place prior to October 2009.

Car parking and visitor services

The 2008 winter season saw similar visitation levels as in the previous year. A few minor alterations were made to car parking procedures, including the reconfiguration of Level 1 Horse Hill car park to facilitate more efficient passage for buses. The extension of Corn Hill Road enabled 150 additional day cars to be parked in close proximity to the Skating Rink free shuttle. These changes proved to be effective. On several occasions there were over 2,000 cars and buses parked, excluding 4WD permit holders already parked in the Village.

In addition, Visitor Services staff were employed to meet, greet and assist visitors in the car parks, toboggan slopes and general Village area. The placement of these staff improved liaison with the public and enhanced the visitor experience.

Snow clearing

Mount Buller experienced a late start to the season, with no snow until early July. When the snow did arrive, it was very consistent and approximately 800 machine hours were involved in clearing snow from the Mount Buller Tourist Road, Mount Stirling Road, car parks and the Village road network. Snow clearing was scheduled to minimise interruption to traffic and was very successful. Snow clearing operations experienced no major incidents and staff are to be commended for their dedication to the task.

Marketing

Mount Buller brand research

In July 2007, a joint committee of the ARMB and BSL recognised that the Mount Buller brand was not reaching its full potential in the market place. To gain a better understanding of how the Resort was positioned, the committee appointed creative agency Traffic Pty Ltd to conduct extensive market research.

After six months of research, Traffic identified a number of issues with the way in which the Buller brand was perceived, and made several recommendations to the committee to evolve this market view.

This included addressing existing consumer attitudes and perceptions by updating the Resort logo, and revitalising Mount Buller's approach to marketing, advertising and communication with the public. Traffic also advised that the committee address infrastructure and management issues impacting on the Mount Buller offering in both summer and winter.

The brand research has since delivered new marketing focus and impetus across the Resort, providing clear insight regarding Mount Buller's customer segments, their requirements and opportunities for Resort growth.

Buller brand revitalisation

In response to the research, the ARMB and BSL further commissioned Traffic to develop a new brand identity for Mount Buller. From June to October 2008, a brand team consisting of ARMB, BSL and stakeholder representatives worked with Traffic to develop a new logo and identity for the Resort that would be more contemporary than the existing logo that had been in place since 1993.

The revitalised brand identity was released to trade as part of a soft launch in November 2008 and will be officially launched in winter 2009. Complete roll out of this identity throughout the Resort, including signage, collateral, uniforms and merchandise, is expected to take up to three years.

Three-Year Marketing Strategy

The ARMB has developed a Three-Year Marketing Strategy 2007-2010 for Mount Buller, which responds to the Victorian Government's Alpine Resorts 2020 Strategy, ARMB 2007-10 Corporate Plan and recommendations of the Traffic brand research.

The Marketing Strategy, which will be delivered with the assistance of stakeholders, sponsors and partners, aims to:

- Address the impacts of climate change;
- Increase Resort use and visitation;
- Support Resort development;
- Enhance vibrancy; and
- Support environmental management and land stewardship.

The main aim of the Marketing Strategy 2007-2010 is to increase Resort use and visitation by optimising year-round use and visitation in a safe alpine environment. Implementation is also expected to improve the overall Mount Buller experience for visitors.

The Strategy falls under two broad strategies - winter and summer - to ensure ARMB marketing activities help develop and stimulate a year-round tourism product.

Winter

Key winter strategies are:

- Brand, image and product revitalisation;
- Growth of international and interstate markets;
- Improved facilities and infrastructure;
- Increased non-ski events, entertainment and activities;
- Customer service improvements;
- Enhanced environmental image and offering; and
- Improved relationships with key tourism authorities, regional organisations and stakeholders.

Summer

Key summer strategies are:

- Enhancement of the Bike Buller brand and associated products and events;
- Growth of events and activities delivered by the ARMB and external promoters; and
- Growth of Meeting, Incentive, Conference and Event (MICE) market.

Visitation

Summer

Summer 2007-08 attracted 162,027 people to Mount Buller, exceeding visitation growth targets by 10%. There were notable spikes in visitation surrounding key ARMB events including Buller Beerfest, Kid's Weekend, Picnic in the Park and Easter celebrations. The ARMB envisages that this figure will significantly increase in summer 2008-09, as the ARMB has secured a two-day music festival for Mount Buller (expected to attract 4,000 people) and a range of new cycling events such as the Bike Buller MTB Festival.

Winter

Based on the strength of the 2007 winter season, Mount Buller experienced a high number of advance bookings for winter 2008. However, poor snow falls in June resulted in below average visitation for that period, with many potential visitors being able to cancel their bookings and receive a full refund via the Resort's Ski Guarantee policy.

Overall, total winter visitor numbers were high due to good snowfalls in July and August, which were supported by targeted marketing, advertising and communication campaigns, and a new range of activities and events.

At the close of the 2008 season, the total number of visitors to Mount Buller was 274,231, resulting in 488,187 visitor days, up 13% from the ten year average. This level of patronage has enabled Mount Buller to maintain its market lead against other Victorian alpine resorts, owning 40% of the visitor market, a growth of 1% from the previous year.

Mount Stirling

Mount Stirling experienced a great increase in visitation in 2008 due strong snowfalls and improved marketing collateral, signage and the introduction of a new telemarking event. Mount Stirling welcomed 6,016 visitors in 2008, compared to 3,308 visitors in 2007.

> Strategic Direction

Resorts Development

Village character

While Mount Stirling development remains environmentally focused, with initiatives such as new walking trails, weed control programs, public toilets and shelters, the ARMB continues to facilitate private and commercial development on Mount Buller by:

- Working with and providing guidance to developers in the development, submission and processing of planning and building permit applications;
- Continuing to develop Village infrastructure and overall appearance; and
- Extensively marketing the Resorts to provide incentives to commercial operators to remain open year-round.

These strategies have successfully resulted in commercial developments at Site 231 Timbuktu, Site 239 Majella and additional freestanding lodges at Site 184A Engadin/Pontresina.

The ARMB is also reviewing existing Village infrastructure to assess its capacity to cope with future land releases in specific areas. The ARMB aims to facilitate development of a wider range of private and commercial accommodation, which, coupled with improved community services, would encourage growth of Mount Buller's year-round residential population.

Village facilities

Access around the Mount Buller Chalet and Foodworks area, and linkages to the ski field have been greatly improved through completion of Stage 3 of the Athlete's Walk project. In addition, three additional bus shelters were installed in the Village, which helped improve the overall visitor experience.

Other capital works projects completed during 2007-08 included:

- Reconstruction of the Village toboggan run, including safety fences and two snow guns;
- Demolition of the old ARMB office building;
- Construction of new shedding facilities at the ARMB workshop;
- Improvements to the return activated sludge process at the sewage treatment plant;
- Car park resurfacing;
- Heating of Abom Way;
- Installation of back up power for the Burnt Hut Reservoir and Baldy tank; and
- Upgrading of 15 existing fire hydrants.

A new groomer was purchased for Mount Stirling, which greatly enhanced the ARMB's ability to provide high quality groomed trails throughout the 2008 snow season.

Capital expenditure

A total of \$1.6 million in capital works was undertaken during the 2007-08 year including:

- **\$431,000** - water and sewerage infrastructure upgrades;
- **\$203,000** - continuation of Athlete's Walk development;
- **\$240,000** - Village toboggan run enhancement;
- **\$180,000** - mountain bike tracks and trails;
- **\$125,000** - design planning for the Corn Hill link road proposal; and
- **\$117,000** - road and carpark infrastructure including heating of Abom Way and the extension of the Corn Hill Road carpark.

The *Victorian Industry Participation Policy Act 2003* requires public bodies and Departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). Departments and public bodies are required to apply

VIPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

The Board has not commenced or completed any contracts during 2007-08 to which VIPP are applied.

Land release

ARMB land release activities aim to encourage quality developments on new sites in suitable areas. In accordance with this strategy, the most recent site release was Site 239 Chamois Road (released by public tender during 2006-07). The successful tenderer obtained a planning permit in November 2007 and construction of the five 'Majella Apartments' was completed on the site prior to the 2008 snow season.

There were no releases of new sites by the ARMB during 2007-08 pending investigation of the capacity of existing Village infrastructure to cope with future land releases. Initial findings indicate that little excess capacity remains, based on current usage and Resort visitation. Future large increases in demand may necessitate expanded water and sewerage infrastructure.

Planning permits

In 2007-08, 11 new planning permit applications with a declared estimated construction value of \$15.5 million were reviewed and processed by the Board, compared with 12 applications (valued at \$19 million) processed in the previous year. The ARMB has continued to engage appropriate consultants to assist in its deliberations on these matters.

In 2007-08, planning permits were issued for development projects with a declared estimated construction value of approximately \$5.2 million, including:



- Site 239 Majella (apartments and cafe)
- New six-seat Holden Express Chairlift

Applications for planning permits for development projects with a declared estimated construction value of \$8 million are currently being assessed:

- Site 1 Australian Women's Ski Club redevelopment
- Site 66 Icicles Ski Club extension
- Site 97 Duck Inn apartment conversion
- Site 193A Woollybutt Apartments underground car park and lower ground floor apartment
- Multi-use trail network (Stage Two)
- Buller- Stirling touring link road

A Site Environmental Management Plan (SEMP) is required for all planning applications for site development on Mount Buller, except those applications requiring very minor works. Each SEMP is reviewed as an important part of the planning process, aimed at minimising environmental impact during the construction phase and rehabilitation of sites post-construction.

Private investment

Projects with an estimated value of \$30 million were completed in the year to 31 October 2008, including:

- Site 62 The Cariboux (five apartments)
- Site 134 Stirling House (staff accommodation)
- Site 141 Avalanche (stage one of six staged extensions)
- Site 184A Slalom (freestanding lodge)
- Site 231 Timbuktu (three apartments, restaurant and basement car park)
- Site 239 Majella (apartments and basement car park)
- Holden Express six-seat chairlift

Work commenced in 2006-07 with an estimated value of \$15 million is expected to continue, including:

- Site 69A Panorama (seven freestanding lodges)
- Site 141 Avalanche (stage two of six staged extensions)
- Site 188A Courchevel/Meribel Chalets
- Site 189 Arlberg Hotel (extensions and new self contained apartments)
- Site 237 St Buller (apartment hotel)

Existing planning permits valuing approximately \$500,000 are expected to commence construction in the near future, including:

- Site 193A Woollybutt Apartments underground car park and lower ground floor apartment
- Site 128 Huski car park

Government funding

The ARMB acknowledges investment in Mount Buller and Mount Stirling by the Victorian Government in 2007-08 as follows:

- \$85,000 DSE Alpine Risk Mitigation Program funding for geotechnical assessments on five sites within the Resorts.

The ARMB also acknowledges contributions from the Federal Government as follows:

- \$107,500 Community Water Grant to assess and perform maintenance works on the sewage infrastructure and lining.

Sponsorship

The ARMB acknowledges the valuable support of mountain sponsors Bollé, Cadbury Schweppes Australia, Channel 7, Emirates, Holden/Penfolds and Rossignol.





> Strategic Direction **Environmental management**

The ARMB aims to manage the unique alpine environment of Mount Buller and Mount Stirling in a sustainable manner, maintaining the balance and quality of alpine ecosystems. During 2007-08, many key environmental objectives were achieved.

Participation in 'green' initiatives

During 2007-08, the ARMB embraced several Government sustainability initiatives. The ARMB became WasteWise certified, joining a program that assists organisations in integrating sustainable environmental principles into everyday operations. It requires a commitment from the ARMB to practice responsible waste management practices. It also joined Sustainability Victoria's EcoBuy program, which assists the ARMB with sourcing green products and suppliers. The accreditation allows the efforts of green purchasing to be measured between members.

Other areas of participation in environmentally conscious initiatives includes recent sign up to Resource Smart, signatory to Keep Winter Cool and other environmental improvement campaigns through membership of the North East Regional Waste Management Group (NevRwaste) including 'Save our Snow Just Say No' (re-useable plastic bag campaign) and 'Don't Be A Tosser' (targeting cigarette butt litter).


Environmental Management Plan

The Environmental Management Plan (EMP) for the Mount Buller and Mount Stirling Alpine Resorts translates key environmental concepts into physical on-ground works, with clear objectives, targets and actions over the five-year period from 2007.

The Environmental Management Review Committee (EMRC) reviews progress against the EMP several times each year. Environmental issues addressed within the plan include sustainable management of geological and geomorphologic features, soil conservation, rivers and catchments, flora, fauna, fire, indigenous and post settlement cultural heritage, waste, energy efficiency, air quality, visual and noise amenity, visitor capacity and community awareness and engagement.

Mountain Pygmy-possum Recovery Plan

The endangered Mountain Pygmy-possum (*Burramys parvus*), Australia's iconic alpine possum, is in significant decline across the Australian Alps. Habitat degradation and fragmentation, predation and climate change threaten the continued existence of this tiny possum in the alpine environments of Australia. Following the discovery of this possum on Mount Buller in 1996, the ARMB contracted wildlife biologists to monitor population numbers annually. When serious declines in numbers were observed between 2001 and 2003, the ARMB, in partnership with BSL and DSE, developed a five-year Recovery Plan for the species, which was completed in 2005. The plan provides a blueprint for protecting the Mountain Pygmy-possum and its habitat, to help increase and sustain populations into the future.



Annual monitoring indicates the program is successful, with two possums trapped in a previously vacant habitat area this year, after recreated boulderfield habitats were linked. Approximately 10,000 plants of local genetic provenance (specifically chosen to provide food and cover) are established through annual revegetation and rehabilitation projects in key habitat areas.

The following has also been completed:

- The Revegetation and Habitat Restoration Plan and Boulderfield Feasibility Study, for habitat improvement;
- The Roads and Tracks Management Strategy, to limit impacts in habitat areas and reduce sedimentation of boulderfields; *and*
- The Fire Severity Mapping Project, to assess the impact of the 2006-07 bushfires on Mountain Pygmy-possum habitat and guide management priorities post-fire.

Native flora and fauna management

The ARMB is committed to the protection of all species of native plants and wildlife inhabiting the Resorts. Environmental staff provide a small mammal trapping service to lodges, clubs, apartments and hotels using Elliot traps, which are designed to prevent injury to animals; use of snap traps and poison baits continue to be discouraged. Animals are released unharmed back to the bush.

Advice and tips on how to manage small native mammals that may enter accommodation is freely available, including a small mammal poster, to assist visitors and guests in identifying and appreciating native fauna within the Resorts. The poster is given to all lodge managers at a pre-season information night and all visiting primary and secondary school groups.

This year, our threatened species monitoring program included the Mountain Pygmy-possum, Broad toothed Rat (*Mastacomys fuscus*) and Alpine Bog Skink (*Pseudemoia cryodroma*). Native plants are also keenly managed to ensure biodiversity values are maintained. Signage has been installed in key locations to increase staff and visitor awareness of environmentally sensitive areas.

Pest plant and animal control

A major environmental goal of the ARMB is the control or elimination of introduced and/or exotic plant and animal species. As in previous years, effort was concentrated on the most significant species within the Resorts including Orange Hawkweed, Soft Rush, Blackberry and St John's Wort, feral cats, foxes, wild dogs, and rabbits. During 2007-08, the ARMB continued to develop a Weed Strategy for the Resorts, identifying and prioritising key weed species and describing management protocols to optimise control. This strategy, including mapping, is due to be completed in 2008-09.

Orange Hawkweed was monitored weekly from October 2007 to June 2008 with no new infestations identified. An established quarantine area ensures that movement through infested areas is restricted. Infestations of waterway weeds (Three-stamen Rush, Soft Rush and Musk Monkey-flower) continue to be targeted with good results. Blackberries were sprayed on trails between Mount Buller and Mount Stirling, and Sycamores continued to be controlled in the upper reaches of the Delatite at Mirimbah. St John's Wort was controlled on the batters at Mirimbah and at the Plough Shed in collaboration with VicRoads. Small English Broom infestations were treated at Mount Stirling, the Mount Buller Village and Delatite Valley, and Pussy Willows continued to be removed from the Resort.

The annual collaborative 'Weed Week' was held once again, with ARMB and BSL staff working together for a week during summer on weed control.

The ongoing fox baiting program has ensured foxes are no longer commonly seen with the Resort. Winter fox baiting saw baits being taken throughout the six-week period. More than 25 feral cats (known predators of the Mountain Pygmy-possum) were trapped and removed from the Resort during the year. Wild dogs were also controlled with the assistance of local Department of Primary Industry staff. Six wild dogs were caught within the Resort during the summer 2007-08. Rabbits continued to be targeted from spring through to autumn. Samples obtained from both foxes and feral cats reveal that these carnivores continue to predate upon Broad-toothed Rats and Antechinus (amongst other native species). There was no evidence of predation on Mountain Pygmy-possums in any samples from 2007-08.

Revegetation and rehabilitation

Approximately 10,000 native seedlings were established in priority areas during 2007-08. Plants were sourced from locally obtained seeds and cuttings, propagated over an eight-month period and returned for planting at the Resort during the summer months. This practice ensures the genetic provenance and integrity of native vegetation within the Resort is maintained. Environmental staff continued to provide advice to developers and site holders regarding revegetation with indigenous plant species. The Mount Buller and Mount Stirling Native Vegetation Planting Guide (available free from the ARMB office and website) has been well received by residents and site holders, and several indigenous native gardens are now established within the Resort.

> Strategic Direction

Environmental management

Education, communication & engagement

Environmental education, communication and engagement are critical to achieving ARMB environmental objectives. During the year, environmental staff made more than 25 presentations to primary, secondary and tertiary students. In addition, they offered interpretive guided walks along the Summit Nature Walk every Saturday and Sunday throughout summer (from January to Easter inclusive).

The website provides extensive environmental information and is updated regularly.

In addition, the Community Stream Sampling Project continued in conjunction with Water Watch, with ARMB staff volunteers sampling water in the upper Delatite each month and reporting results to the local Water Watch Co-ordinator. ARMB contribution to this project will continue into the future. The ARMB also continues to send staff to participate in the Alpine Ecology Course held at Falls Creek each year.

Potable water

The provision of safe drinking water is fundamental to the economic and environmental well being of the Resorts. During 2007-08, 285 megalitres of water was transferred from Boggy Creek to Burnt Hut for the Mount Buller Village potable supply. An additional 105 megalitres of water was transferred to Sun Valley Reservoir from Boggy Creek for the purpose of snowmaking.

Drinking water is managed in accordance with the *Safe Drinking Water Act 2003* and treated using UV and chlorination. The ARMB has implemented a flow

paced chlorine dosing system on high level supply to the Mount Buller Village, which duplicates the low level system implemented last financial year.

During the reporting period all water quality objectives were achieved with no breaches of water quality over the four supply zones, including Mount Buller High and Low Level, Mirimbah and Telephone Box Junction.

In addition, the risk management plan for the Resorts water supplies was revised and audited in late 2008.

Safe Drinking Water Risk Management Plan

The ARMB adopts a 'preventive management' approach that includes drinking water production from catchment to consumer, in accordance with the *Safe Drinking Water Act 2003*. The ARMB Risk Management Plan for drinking water supply to Mount Buller, Mount Stirling and Mirimbah includes:

- Promotion of public health by ensuring safe drinking water for consumers;
- Detailed and systematic evaluation of water systems, identification of hazards and risk assessment; and
- A preventative approach, which places drinking water quality monitoring in an appropriate verification role.

An important requirement of the *Safe Drinking Water Act 2003* is continual monitoring of the drinking water supply system to ensure barriers to contamination and treatment processes remain efficient. The Risk Management Plan is regularly updated to ensure it reflects changing local circumstances. An independent audit of the Risk Management Plan was undertaken in October 2008.

Fire management

The Fire Management Plan provides guidelines for fire prevention, preparedness, response and recovery across the Mount Buller and Mount Stirling Resorts. The Plan proved effective during the devastating bush fires of 2006-07 and has been further improved in consultation with DSE, Country Fire Authority and Emergency Services Commissioner.

Land stabilisation

The ARMB continues to monitor and address any natural changes in the land or hazards occurring. No new hazards have been identified.

The ARMB received a DSE grant for \$85,000 to examine areas where land stabilisation had been an issue in the past. At the time of writing, inspections were being undertaken on the Tip Corner site and a number of sites on the Mount Stirling access road.

Sewerage treatment

The ARMB continues to monitor effluent from the Sewage Treatment Plant with good results. In June 2008, a Class A Water Treatment Plant was commissioned and given approval by both the Environmental Protection Authority and Department of Human Services, enabling approximately 35 megalitres of water to be transferred to Sun Valley reservoir for snowmaking in this first period of operation.

Garbage collection

Over the 2008 winter season, 418 tonnes of solid waste was collected compared with 412 tonnes in winter 2007. A total of 583 tonnes of solid waste was collected over the year compared with 555 tonnes in 2006-07.

Solid waste recycling

The ARMB is continually striving to improve waste management, including increasing recycling rates and reducing the amount of solid waste going to landfill. These goals are strongly supported by membership and active involvement in NevRwaste (North East Victoria Regional Waste Management Group) and a proactive and dynamic working relationship with our waste contractors, 4-Site Australia. Under the Towards Zero Waste Strategy, the ARMB continues to work towards improved waste management and remains a certified WasteWise organisation.

In 2007-08, the ARMB continued to promote best practice waste management by:

- Improvements to non-recyclable and recyclable 'binrastructure' throughout the Resorts;
- Offering bi-annual kerbside hard waste collections (then sorted and recycled as appropriate);
- Offering a mini-skip for year-round hard waste collection at the Waste Recovery and Transfer Station at Boggy Corner;
- Improving and expanding public place recycling and waste facilities throughout the Village and Ski Field;
- Improving and increasing cigarette butt litter infrastructure throughout the Resorts;
- Participating in the 'Don't Be A Tosser' campaign to improve management of cigarette butt litter;
- Engaging the community with Beautify Buller Day;
- Providing re-usable bags for residents and guests as part of the Save Our Snow, Just Say No campaign to reduce and ultimately eliminate the use of plastic shopping bags;
- Advertising and promotion of best practice waste management on lift infrastructure; and
- Implementation of the WasteWise Local Education Strategy.



> Strategic Direction

Land stewardship

The ARMB acknowledges an extensive list of stakeholders, which encompasses the people of Victoria, and individuals and organisations with a financial, legal and/or social interest in Mount Buller or Mount Stirling.

Consultation

Our stakeholders include:

- The Taungurong people, traditional custodians of the land;
- Minister for Environment and Climate Change;
- Department of Sustainability and Environment;
- Minister for Planning;
- Other Government departments and agencies, such as DPCD, VicRoads, EPA, ARCC, CMA, Parks Vic, Tourism Victoria;
- Other Victorian alpine resorts;
- State Government of Victoria;
- ARCC and associated entities;
- ARMB committees and associated entities;
- Mount Buller Chamber of Commerce;
- Mount Buller Ratepayers Association;
- Buller Ski Lifts (BSL);
- Industry groups;
- Environmental interest groups;
- Recreational groups;
- Educational authorities and organisations;
- Land and property developers;
- Business and commercial operators;
- Ski clubs;
- Apartment owners;
- Tourism operators;
- Contractors;
- Residents;
- Visitors;
- Mansfield Shire Council;
- Neighbouring land management authorities;
- District communities;
- ARMB staff, including Mount Stirling Ski Patrollers; *and*
- Emergency services personnel.

The following committees have been formed to enable stakeholder input into the marketing and development of Mount Buller and Mount Stirling:

Environmental Management Review Committee

The EMRC fulfils an internal review process, with input from external stakeholders by invitation. The EMRC will continue to provide effective review, reporting, planning and strategic direction, and host environmental forums for stakeholder input.

Mount Buller Marketing Coordination Group

The Mount Buller Marketing Coordination Group (BMCG) includes representatives from BSL, High Country Reservations, Mount Buller Chamber of Commerce, Mount Buller Ratepayers Association and the ARMB. Via bi-monthly meetings, the BMCG works towards unified and coordinated marketing, and a single, clear Mount Buller brand in the market place.

BMCG objectives include:

- Generating input and advice from stakeholders in respect to marketing activity – product, promotion, placement and price;
- Communicating, monitoring and evaluating the ARMB Three-year Marketing Strategy and seasonal action plans; and
- Creating sub-committees to provide direction and recommendations as required.

Currently, the BMCG incorporates two sub-committees: the Sales and Promotions Committee, and the Winter Brochure Committee.

Mansfield-Mount Buller Cultural Advisory Committee

The ARMB aims to create a substantial cultural profile for Mount Buller and Mount Stirling through implementation of its Arts, Cultural and Heritage Strategy. By 2010, it is envisaged the Resorts will be renowned for creative, diverse and sustainable arts and cultural initiatives, which are affordable and accessible to residents, workers and visitors.

The Mansfield-Mount Buller Cultural Advisory Committee was established to help develop and implement the strategy, as follows:

- Increase year-round visitation;
- Inspire community passion;
- Encourage participation in arts, culture and heritage based activities; and
- Create a more healthy and prosperous community.

Local and regional authorities

The ARMB continues to consult with a range of industry experts and authorities in the development of new policies, procedures and initiatives. In particular, neighbouring Crown land managers (Parks Victoria, DSE and Mansfield Shire) are consulted to ensure best practice land management. The ARMB also consults with other Victorian alpine resorts through the ARCC, BART and an informal network of chief executives and finance officers.

Risk management

Risk management is key to effective corporate governance. The ARMB maintains a risk register that identifies risks to the organisation and those associated with the use of Crown land.

The register, developed in association with the Victorian Managed Insurance Authority (VMIA), features various ARMB controls and strategies to mitigate identified risks. The register is reviewed on a regular basis to ensure proper consideration of newly identified and existing risks.

In accordance with the provisions of the *Building Act 1993* Section 192 (1), the ARMB carries out building inspections and maintenance to ensure all buildings on Mount Buller and Mount Stirling comply with fire safety and essential services regulations.

The building surveyor appointed under this program is scheduled to inspect every building in the Resorts once every two years, as a minimum.

Leasing administration

The Board continues to administer the Alpine Lease Implementation Policy, as set by the Minister for Environment and Climate Change, utilising a standard lease document which includes recognition of lessee's rights to improvements on leased land and enables existing site holders to negotiate new leases prior to the expiry of their current lease.

During 2007-08 the Minister for Environment and Climate Change approved six new leases, which were subsequently registered at the Titles Office, compared with five in 2006-07. In order to further enhance lessee and financier investment in the Resorts, the ARMB has previously contributed to ARCC investigations into the benefits of registering alpine resort leases. Lease registration, which will further enhance lessee and financier security, has now been introduced for all new leases.

Sub-leasing activity stabilised for the 2007-08 year, following the 2006-07 year, which saw a dramatic increase in consent matters. A total of 61 consents were granted throughout 2007-08 compared with the 91 consents granted the previous year, mostly due to the completion of several new developments.

Site rental

Lessees are required to pay site rental for the use of Crown land on Mount Buller. During 2007-08, rent reviews were undertaken for 81 sites in accordance with applicable lease provisions and the ARC/VSA Agreement. These reviews are subject to Ministerial determination. An additional 29 rent reviews were undertaken on leases not subject to the provisions of the ARC/VSA Agreement.

Service charges

Service charges are levied on all leased sites within the Resort in accordance with Section 13 of the *Alpine Resorts (Management) Act 1997*. Service charges are reviewed annually in accordance with ARMB policy.

Prior to 2006-07, service charges referenced the 1986 Capital Improved Value (CIV) of sites together with a bed service charge. In 2006-07, in order to more closely replicate municipal rates systems, the Board determined to phase out the annual bed service charge and levy service charges based on 2004 CIVs with regular re-valuations to be undertaken in future years.

Changes to service charges resulted in some lessees experiencing reductions but others subject to increases.

Transitional arrangements were introduced which limited increases to one third of the full increase between the actual amount paid in 2005-06 and notional amount payable for 2006-07, if no significant alterations had been made to the property in the previous year.

In 2006-07, service charge rates were fixed at 0.68% of the 2004 CIV plus \$80 per bed. In 2007-08, service charge rates remained unchanged and the bed service charge was reduced to \$40 per bed. Service charges on some individual sites were adjusted to reflect increased bed numbers, new developments or substantially altered properties. In 2008-09, transitional arrangements will no longer apply and the bed service charge will be completely phased out.

Emergency management

In 2007-08, the Mount Buller and Mount Stirling Resort Emergency Management Plan (REMP) was audited and updated in response to recommendations made. The revised Resort Emergency Management Plan was circulated to both the 'control' and 'support' agencies within the Plan, and will be open for discussion during an Emergency Management Meeting to be held in late 2008.

In November 2007, an emergency exercise known as 'Mariah' was held in conjunction with the Mansfield Shire, which highlighted the need for efficient communication and delegation of resources during an extreme event.

*Attestation on compliance with
the Australian/New Zealand Risk
Management Standard*

I, John Dyson, certify that the Mount Buller and Mount Stirling Alpine Resort Management Board has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The audit committee verifies this assurance and that the risk profile of the Mount Buller and Mount Stirling Alpine Resort Management Board has been critically reviewed within the last 12 months.



John W Dyson Chairman
Mount Buller and Mount Stirling
Alpine Resort Management Board

> Appendices

Disclosure Index

The 2007-08 Annual Report of the Mount Buller and Mount Stirling Alpine Resort Management Board is prepared in accordance with all relevant Victorian legislation. This index has been prepared to facilitate identification of the authorities' compliance with statutory disclosure requirements.

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Information

Freedom of Information

The Mount Buller and Mount Stirling Alpine Resort Management Board is considered to be a 'Government Agency' under the terms of the *Freedom of Information Act 1982*. Accordingly, we are required to comply with the procedures that have been prescribed under which members of the public may gain access to information held by agencies. A decision to release information is made by either the Principal Officer or an Authorised Officer. The ARMB has determined that the Authorised Officer for the ARMB is the Finance and Risk Manager. Requests for information under the *Freedom of Information Act 1982* are subject to a \$22.70 fee. In 2007-08, there were two requests for the ARMB to provide information under the *Freedom of Information Act 1982*. Each of these requests were responded to within the designated period under the legislation. In addition, two responses were also issued in relation to requests received in 2006-07. There have been no related reviews, hearings or appeals held or requested during 2007-08.

Availability of other information

The following is retained by the officer accountable and is available to the relevant Minister, Members of Parliament and the public on request:

- Details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- Details of changes in prices, fees, charges, rates and levies;
- Details of any major external reviews carried out;
- Details of major research and development activities;

- Details of official overseas travel undertaken including a summary of the objectives and outcomes of each visit;
- Details of major promotional, public relations and marketing activities; and
- Details of assessments and measures undertaken to improve the occupational health and safety of employees.

Whistleblowers Protection Act

The *Whistleblowers Protection Act 2001* came into effect on 1 January 2002.

The Act is designed to protect people who disclose information about serious wrongdoing within the Victorian public sector and to provide a framework for investigation. The protected disclosure coordinator for the DSE acts as an agent for the Authority to receive disclosures under the Act and applies DSE procedures in managing disclosures. Disclosures of improper conduct by the Authority or its employees may be made to the following:

Michael Guarna

Protected Disclosure Coordinator

Department of Sustainability and Environment

PO Box 500

East Melbourne Victoria 3002

Telephone: 03 9637 8873

Facsimile: 03 9637 8128

michael.guarna@dse.vic.gov.au

or

Level 3 South Tower

459 Collins Street

Melbourne Victoria 3000

Telephone: 03 9613 6222

Toll Free: 1800 806 314

Pecuniary interest

Members of the Board and Executive Officers have completed a Declaration of Private Interests and do not participate in decision making where a conflict of interest exists.

Culturally and linguistically diverse communities

The ARMB is committed to policies, programs and strategies aimed at delivering culturally appropriate services to all Victorians. No special initiatives were needed by the ARMB to meet these obligations. The ARMB ensured that the outcomes of deliberations were adequately communicated to culturally and linguistically diverse visitors to Mount Buller.

Women

The ARMB offers employment and education to women. The ARMB ensures that there is female representation and equity, and involves women in consultation, decision-making, leadership and equal opportunity.

Indigenous people

The ARMB abides by Aboriginal Affairs Victoria reporting requirements where any specific indigenous initiatives or projects will be reported in accordance with the necessary guidelines. No special initiatives were needed by the ARMB to meet these obligations.

National Competition Policy

The ARMB works under the Mount Buller and Mount Stirling Alpine Resort Management Board Enterprise Agreement (Resort Operations Workers) 2005 and Mount Buller and Mount Stirling Alpine Resort Management Board Management and Administration Collective Enterprise Agreement 2006-09.