**KWS Foundation : General Meeting #1, July 16 2014**

## Agenda Items

**Welcome, attendees and apologies**

In attendance: Paul Tierney, Ric Pasquali, Joe Donnelly, Martin Williams, Sharyn Pussell, Brian Kennelly


Apologies Moved – Martin Williams, seconded Tony Cheney

**Minutes from last meeting and business arising**

The minutes from the meeting held in November 2013 have been available on the KWS website and were again circulated. There was no direct business arising from the minutes, but a few items were suggested for discussion during general business.

Minutes Moved – Martin Williams, seconded Joe Donnelly

**President's Report:**

Ric Pasquali mentioned that the farming residence had been completed and that occupancy may take place from August 20th. An inspection day for the farm will take place on August 16th from 10am-12noon, with all members of the Foundation invited to attend. A mailout to members will occur alerting them of this event.

Sharyn Pussell asked if we have farm inspections and or open days for the benefit of prospective members of the Foundation? The answer is we do not - this was proposed by Paul Tierney to raise the profile of the Foundation amongst the school community.

**Treasurer's Report**

There will be approximately 350 cows on our farm(s) calving next month.

A new farm manager has been appointed by Joe. Mike McKenzie will take over in September.

At the AGM the question of whether the farms were an appropriate investment ‘for the long term financial future of the school’. Joe spoke at length regarding overall value and profits of the 4 farms since the initial purchase of the first one. There have been great capital improvements, with all farms having sheds, water, lanes, and fences. There is not much capital improvement left to do. [attached to these minutes are the figures Joe has put together for the farms].

Tony Cheney asked ‘where to now’. Joe believes the long term financial security of the school can be achieved if the value of the farms increases from $7M to $20M and he believes we should continue in the same direction. $20M would see these assets as being able to support the
scholarship and bursary program. In the shorter term, 2 sets of 360 calves over the next 18 months will see the finances back in control after the construction of the residence. Joe says the benefits to the school include the quality of the stock, the exposure to the farming fraternity across the state, the student opportunities created, and the potential for current families to be involved. Joe also spoke of the perils of a cow-calf exchange program with KWS families. Russell Tym to be sent a copy of the documents tabled by Joe. Martin Williams asked about the options of using steers in our cattle program (and a cow-calf program). Joe feels that there is little/no profit in steers (no calves).

| Ex-students' Association proposal | Cow-Calf program. Martin Williams has put forward a document proposing the use of funds provided by the Ex-students’ Association to reinvigorate the cow-calf program, and allow for animals to be purchased for agistment on the farms of current and past school families, with profits coming back to the school, via the ESA. Tony Cheney asked about the ‘objectives’ of the Foundation, and if generating revenue for the education funds (and scholarships and bursaries) comes under these objectives. We have been on the ‘farms’ path for a long time and this forms a huge part of the basis and strategy of the Foundation. Sharyn Pussell mentioned that our farming program has become the basis of the Foundation, and this equity allows KWS to borrow against it for the further purchase and construction of buildings, etc. Ric Pasquali praised the ESA for their initiative, and is positive about some sort of joint venture between the ESA and the Foundation. Should the brief of the Foundation ‘expand’ now, or maybe even change focus? Martin Williams mentioned that the objectives of the Foundation are a combination of ‘an accumulation of assets’ as well as ‘a generation of revenue’ for the purpose of scholarships and bursaries. As opposed to revenue for Scholarships and bursaries coming from current revenue. He believes a focus could be on bursaries, as this would see the Foundation recoup much of these funds through the payback scheme, also. Joe Donnelly made a couple of suggestions: (i) the ESA have their own cow-calf program, which runs independently of the schools’ farming initiatives, and (ii) the ESA think about investing in their own land, which could be run by the school/farm manager with profits going directly back to the ESA for scholarships and bursaries, amongst other things. Joe mentioned that there have been no long-term records kept of extended school family who have run cattle on behalf of the school, and Joe believes only current parents will be interested in running cattle for the school, not ex-students and ex-families – Martin Williams is not totally convinced of this and believes there is a future in encouraging ex-students (and ex-parents) to become a part of the scheme. Brian Kennelly mentioned that Joe has great passion for the cattle and the farms and has basically run everything ‘on his own time’ with uncountable hours devoted outside of regular time to the farms. Running costs will spiral once Joe leaves, and it may be difficult to manage/run a cow-calf program in the longer term without significant payment to an individual. Ric Pasquali – are the ESA in support of this cow-calf proposal? Martin said yes, especially in terms of getting some form of ROI in an area other than just interest from the bank from their funds ($300k). Joe Donnelly suggests getting another $150-$200 and purchasing our own farm, as mentioned above. It was noted by Tony Cheney that the ESA are obviously interested in helping generate income for the school through an investment. |
Sharyn Pussell asked if there had been thoughts by the ESA regarding an (alternative) even better investment than cow-calf. Ric Pasquai’s question is should the Foundation get involved / partner-up with the ESA on some sort of cow-calf venture, or let the ESA go out on its own?

Recommendations from the meeting (not motions) : (i) passionate members of the ESA should get on the phone and ask current parents to agist a cow or two for the KWSESA. (ii) Consider purchasing 70 or 80 steers from the KWS farms in November to use for this purpose. (iii) Joe and Martin will meet outside of the Foundation meeting to continue discussing this topic.

Brian Kennelly mentioned his concern for who might oversee the program for the ESA, and the costs involved, and the professionalism needed. He also suggested looking at a different direction for funds investment, with a view to using the skills of Chris Oldroyd and/or Matt Payne. Tony Cheney asks the ESA if they are willing to ‘risk’ up to $50k over a 12 month period for an investment in a cow-calf program. Sharyn Pussell asked why other schools failed at their ventures. It is believed the reasons include a lack of passion, a lack of (free) time invested, and no follow-up with parents etc.

Joe highlighted some further issues that may come to the fore regarding ESA management of a cow-calf program.

**Fundraising : ‘Vision’ and proposals – held over for the future, once strategic plan is released.**

**Associate Membership** – Martin tabled his proposal to introduce another (lower) level of membership for the Foundation – to be called an ‘associate’ member. Funds donated to KWS through a building fund may count as payment for/toward the accumulation of enough funds for membership to the Foundation in some shape or form. Suggestion is $200 for associate membership. Current levels for membership are as per 1987 constitution.

Sharyn Pussell – we have not had a membership ‘drive’ for a long time. We should/could go out and engage people to get new members at the current levels of commitment.

Martin Williams – small donations in greater numbers is his preference, not so much to raise funds, but to generate enthusiasm and reinvigorate the Foundation. It is believed that a reinvigoration through numbers/members will yield greater dividends in the longer term.

Brian Kennelly – membership payments would need to be annual if we were to reduce membership levels, to see an ongoing financial commitment from a lower level of membership. Suggesting at least $200 p.a.

Joe Donnelly – currently around 50% of parents pay the building fund (that means 50% opt out by contacting the school and cancelling it). An estimate is that the school makes about $180K on the building fund each year, and about $55K from deposits of leaving Year 12 students (that are refundable, but not collected on the whole).

Tony Cheney – maybe a ‘purpose’, like the construction of a chapel, would be the cause needed to generate a greater interest and culture amongst prospective donors.

Sharyn Pussell – suggests trying a membership drive first, amongst current Yr 5 and 6 parents as a start. Then try an associate membership level if this is not successful.

Brian Kennelly – the Foundation needs an ‘objective’, and that a purpose such as a chapel may be a (re)starting point for discussion.

Tony Cheney – was the former convenor of the Chapel Committee, where discussions and planning was well advanced (to a level where working drawings were produced). Tony spoke about the benefits of a chapel to past and present school family members.
Joe Donnelly reminded the meeting that construction of a chapel would be many, many millions of dollars (that would need to be raised).

**General Business**

Formation of a contact list for a membership drive. Perhaps Brian Kennelly could write to parents alerting them to the fact that they may be contacted by member(s) of the Foundation.

Is there an application form to join the foundation – Paul to consult with Jeremy and investigate. We should have an online (fillable PDF) form, similar to the ESA.

Sharyn Pussell away in August and September – membership ‘drive’ may start on her return. She will need assistance (a buddy) in this venture.

Martin Williams asked about Database address adjustment. Brian Kennelly mentioned that this will be addressed through the Purple Report.

Ric Pasquali – John Gibb loved his ‘thank you’ letter, and appears to still be ‘on board’ regarding the use of his farm, even after Joe has gone.

Next meeting suggest Wed 15th October (TBC).