

CONFIDENTIAL

Minutes of the Special General Council Meeting held on 16 December 2020

Motion Without Notice - Edwardstown Soldiers Memorial Recreation Ground Funding Agreements

Report Reference: SGC201216M01

Moved Councillor – Joseph Masika, Seconded Councillor Matthew Shilling

1. That pursuant to Section 90(2) and (3)(b)(i) and (ii) and (3)(i) of the Local Government Act 1999, the Council orders that all persons present, with the exception of the following persons: Chief Executive Officer, General Manager City Development, General Manager Corporate Services, General Manager City Services, Manager Corporate Governance, Manager City Property, Manager Finance, Unit Manager - Finance Partnering & Rates, Unit Manager Sport and Recreational Community Facilities, Unit Manager Land & Property, Unit Manager Communications, Unit Manager Governance and Council Support and Governance Officer, be excluded from the meeting as the Council receives and considers information relating to Edwardstown Soldiers Memorial Ground Funding Agreements, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information relates to commercial information and actual litigation, or litigation that the council or council committee believes on reasonable grounds will take place, involving the council or an employee of the council.

Carried

7.46pm the meeting went into confidence

Moved Councillor – Matthew Shilling, Seconded Councillor – Nathan Prior that standing orders be suspended to enable discussion on the item.

Carried Unanimously

7.46pm formal meeting proceeding suspend

7.48pm Councillor – Bruce Hull entered the meeting

8.08pm Councillor – Jason Veliskou left the meeting

8.09pm Councillor – Jason Veliskou re-entered the meeting

8.28pm Councillor – Bruce Hull left the meeting

8.39pm Councillor – Bruce Hull re-entered the meeting

8.45pm Councillor - Bruce Hull left the meeting

8.57pm Councillor – Bruce Hull re-entered the meeting

9.00pm Councillor – Bruce Hull left the meeting

9.23pm Councillor – Bruce Hull re-entered the meeting

MEETING EXTENSION

Moved Councillor – Jason Veliskou, Seconded Councillor that that the meeting be extended until the conclusion of the item.

Carried Unanimously

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9.24pm meeting extended

9.41pm formal meeting proceedings resumed

Moved Councillor – Sasha Mason, Seconded Councillor – Joseph Masika

That Council:

1. Notes the decision made by Council on 24th November 2020 “endorse a 100% profit share financial model for the five sports clubs at the Edwardstown Soldiers Memorial Recreation Ground (ESMRG) for the period 1st August 2020 to 30th June 2021 which was confirmed at the General Council meeting held on 8th December 2020;
2. adopts the following assumptions in defining the “hundred percent profit share financial model”:
 - 2.1. with reference to the business plan adopted by Council on 8th August 2017, Year 1 shall be deemed to have commenced on 1st July 2019 although operations substantially commenced in April 2019;
 - 2.2. “100% percent profit share” refers to the operating surplus of the ESMRG facility (excluding depreciation) which shall be available for dividend distribution to the sports clubs for the period 1 August 2020 30 June 2021, against which the “dividends” paid to sports clubs to date since 1 August 2020 shall be taken into account;
 - 2.3. notes that City of Marion since 3 February 2020 has been responsible for managing the facility and shall continue to have in place a facility manager. The facility manager shall be responsible for deployment of staff to support the operations of the facility (consulting with the relevant sports club pertaining to a specific club event);
 - 2.4. the subsidy of \$90,000 per annum approved by Council on 8 August 2017 for a Facility Manager shall be replaced by a subsidy of \$140,000 in Year 2 of operations (2020 – 21 financial year) to broadly take account of Council’s commitment to ongoing use of the facility for community benefit in addition to provision of a base for the sporting clubs, (subject to the 5 relevant clubs entering into a new written agreement with Council on the basis of this motion);
 - 2.5. sports club contributions by way of rent, utilities, cleaning and other expenses commonly borne by sports club tenants in other Council facilities shall be represented as revenue offset by in equal sum of expenses in the financial model;
 - 2.6. the financial model is based on continuing support of club volunteers. The distribution of “dividends” (financial share of operating surplus being returned to the sports clubs) shall be calculated according to the revenue derived from exclusive sports club events (nominated in advance by clubs and agreed as such by the facility manager);
 - 2.7. dividends shall be calculated and paid monthly. Administration is to consult with the sports clubs about how to treat particular months in which there is an operating deficit and how that might be reckoned with.
3. notes that, in respect of the subsidy payments authorised at the General Council meeting of 8 August 2017 for the first three years of operation - \$40,000 has been paid in respect of

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Year 1, \$20,000 is to be accounted for in Year 2 (the current financial year) and \$10,000 is to be accounted for in Year 3 (financial year 2021 – 22);

4. notes that approximately \$16,000 per annum was set aside for marketing in the business plan adopted by Council on 8 August 2017 and directs the City of Marion Chief Executive Officer to arrange for marketing of the facility in conjunction with the facility manager (representing an operating expense of the ESMRG facility) and Council staff (within existing budgets).
5. Notwithstanding the confidentiality order of the Council, as resolved with this report, the Council authorises the Chief Executive Officer or his delegate/s to advise affected parties of Council's resolutions regarding this matter.

Carried

Councillor – Maggie Duncan called for a Division

The vote was set aside

Those For: Councillors Clancy, Masika, Mason, Veliskou, Prior, Telfer and Gard

Those Against: Councillors Hull, Shilling, Duncan and Crossland

Carried

Moved Councillor Telfer, Seconded Councillor Gard

6. In accordance with Section 91(7) and (9) of the Local Government Act 1999, orders that this report the attachments from this report having been considered in confidence under Section 90 (2) and (3)(b) and (3)(i) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2021.

Carried

Moved Councillor Crossland, Seconded Councillor Hull

7. In accordance with Section 91(7) and (9) of the Local Government Act 1999, orders that any minutes arising from this report having been considered in confidence under Section 90 (2) and (3)(b) and (3)(i) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection until the relevant parties have been notified. This confidentiality order will be reviewed at the General Council Meeting in December 2021 unless revoked prior.
8. Notwithstanding the confidentiality order, as resolved with this item, the Council authorises the Mayor and / or CEO to provide information and / or make statements in the public realm including social media in reliance upon the content of the confidential documentation where they consider it necessary.

Carried

10.00pm the meeting came out of confidence