

**CITY OF MARION
GENERAL COUNCIL MEETING
8 August 2017**

CONFIDENTIAL REPORT

Originating Officer: James O'Hanlon, Unit Manager Sport & Recreation
Corporate Manager: Carol Hampton, Manager City Property
General Manager: Abby Dickson, General Manager City Development
Subject: Edwardstown Oval Redevelopment – Financial and Management Model
Report Reference: GC080817F02

If the Council so determines, this matter may be considered in confidence under Section 90(3)(b) and (d) of the *Local Government Act 1999* on the grounds that the report contains information that could reasonably be expected to prejudice Council's commercial position and/or confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and, on balance, be contrary to the public interest.



Adrian Skull
Chief Executive Officer

RECOMMENDATION

That:

1. pursuant to Section 90(2) and (3)(b) and (d) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Adrian Skull (Chief Executive Officer), Abby Dickson (General Manager City Development), Tony Lines (General Manager Operations), Kate McKenzie (Manager Corporate Governance), Jaimie Thwaites (Unit Manager Governance and Records), Greg Salmon, (Manager City Activation), Carol Hampton (Manager city Property), Ray Barnwell (Manager Finance), Craig Clarke (Unit Manager Communications), James O'Hanlon (Unit Manager Sport and Recreation) and Darren Williams (Edwardstown Soldiers Memorial Community Club) be excluded from the meeting as the Council receives and considers the Edwardstown Oval Redevelopment – Financial and Management Model item, upon the basis that 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 the disclosure of which could prejudice the commercial position of Council and/or the person who supplied the information and would on balance be contrary to the public interest.

REPORT OBJECTIVES

The objective of this report is to inform Council of the proposed Business Plan for the Edwardstown Memorial Soldiers Recreation Ground (EMSRG). The plan specifically seeks Council endorsement on the proposed Management and financial models for the facility post redevelopment; ongoing subsidy of the Facility Manager and operational subsidy for the first 3 years of operations.

EXECUTIVE SUMMARY

The Edwardstown Soldiers Memorial Recreation Ground (ESMRG) will undergo a major redevelopment during 2017-18. A major focus on the purpose of the new facility is to facilitate increased community use. Along with a change to the design, there will be a significant change to the Management of the site. The existing Oval Board, known as the Edwardstown Memorial Sports and Community Club (EMSCC), has undergone the introduction of a new constitution and election to form a new skill based board to run the site in line with the proposed Management model with the major points outlined below:

Affiliate clubs will continue to manage their own affairs in the same manner that they currently undertake with the key changes being they will have access to a new multi-use facility that will, under the operations of the new Board of Management, enable greater opportunities to expand the revenue of the site along with usage by the wider community.

The new model of an integrated facility will see no club or association holding a dominant position in regards to ownership or use of the facility with the EMSCC managing the facility and it use by the affiliates. The design and purpose of the building is specifically for the use by multiple user groups at the same time to ensure maximum utilisation, activation and participation by varied community groups.

The management model proposed in this report seeks to deliver on Council's objectives to establish a sustainable governance model at EMSRG and aims to establish a financially sustainable model with Council continuing to fund the Facility Manager.

RECOMMENDATIONS

DUE DATES

That Council:

- | | |
|---|----------------------|
| 1. Endorses the management and financial model outlined in the business plan attached as appendix 1 to this report and supports this being progressed to the Edwardstown Soldiers Memorial Community Club Board for endorsement by the Board | 8 August 2017 |
| 2. Notes the communications strategy undertaken with the Edwardstown Soldiers memorial Community Club Board and the affiliated clubs to seek endorsement of the current plan and proposed financial, management and dividend models. | 8 August 2017 |
| 3. Endorses the employment of a Facility Manager by the Edwardstown Memorial Soldiers Community Club and notes recruitment will commence for this position in October 2017 | 8 August 2017 |
| 4. Endorses Council funding to support the employment of a Facility Manager by the Edwardstown Memorial Soldiers Community Club in an ongoing capacity and allocates \$45,000 in the 2017-18 budget through the first budget review process and an ongoing allocation of \$90,000 in the Long Term Financial Plan. | 8 August 2017 |

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| 5. Endorses an allocation up to \$155,000 to be funded from Council's Asset Sustainability Reserve (General fund) for the purchase of various furniture, fittings and equipment that are not included in current building scope. | 8 August 2017 |
| 6. Endorses Council acting as guarantor on an overdraft facility of up to \$55,000 for the Edwardstown Soldiers Memorial Community Club Board for a period of up to 5 years in accordance with the Head Lease agreement. | 8 August 2017 |
| 7. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Council orders that this report, appendices and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(b) and (d) 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 2017. | 8 August 2017 |

BACKGROUND

Council as part of the \$8 Million Edwardstown Oval Redevelopment project has sought to transform the operations of the facility to ensure sound governance and ensure the facility benefits the wider community.

The Section 48 Prudential Management report, which was considered and endorsed by Council on the 8 March 2016 (SGC080316R02), outlined the requirement to establish a sustainable management structure to fully activate the site and maximise usage by clubs and the wider community. The Prudential Management report identified this as being achieved through the establishment of a skills-based Committee of Management.

In November 2016 at the EMSCC Annual General Meeting, a new skill based Board and a new constitution were installed at the ESMRG in readiness for the upcoming re-development. The EMSCC is a mix made up of representatives from existing affiliates and community representatives who hold no affiliation to any of the existing user groups or affiliates.

The Edwardstown Soldiers Memorial Recreation Ground currently accommodates four main sporting clubs (affiliates) on site including:

- Edwardstown Football Club (EFC)
- South Coast Cycling Club (SCC)
- Edwardstown Bowling Club (EBC)
- South Road Cricket Club (SRCC)

The new model of an integrated facility will see no club or association holding a dominant position in regards to ownership or use of the facility with the EMSCC managing the facility and its use by the affiliates. The design and purpose of the building is specifically for the use by multiple user groups at the same time to ensure maximum utilisation, activation and participation by varied community groups.

Council has undertaken ongoing discussions with a project group in relation to the design of the new facility, which included representatives of the EMSCC, existing sporting groups of the site and community representatives not affiliated with any club or user group.

The project's main goal of increased community usage without disadvantaging existing user groups has been at the forefront of all discussions.

It should be noted that upon demolition of the existing Community Hall the existing committee would wind up and transfer all operations to the EMSCC, which includes an approximate \$10k in savings.

DISCUSSION

Administration have worked in collaboration with the EMSCC Board to develop a business plan for the facility. The following sections outline the strategy, management and financial models, which will support the achievement of Council's objectives of a sustainable, well managed community facility.

The plan provides specific details in regards to roles and responsibilities between the Council, EMSCC and affiliates, and provides timelines for task completion.

A long-term strategic plan will be established by the EMSCC including 5-year and 10-year objectives for the facility.

Vision and Strategy for the EMSRG

Mission Statement

The Edwardstown Memorial Sports and Community Club promotes opportunities for the whole community through inclusion and sound management practices.

Vision Statement

The Edwardstown Memorial Sports and Community Board reflects the community values in the followings ways:

- Respectful of the history and the role of volunteers
- Actively attracting community to a vibrant place
- Promoting physical fitness and wellbeing for all
- A strong sense of community ownership
- Shared sense of purpose and connection
- A place for people to gather
- An age friendly community that supports lifelong learning

Goals and KPIs

To achieve the overall goals and objectives of EMSRG, long term goals have been developed under three focus areas of People, Participation and Process.

PEOPLE: *Facilitate and grow connected and vibrant environment with a shared sense of purpose whilst meeting the diverse needs of the community.*

Actions:

- 1.1 Increase casual visitation numbers to the EMSRG through programs not associated with organized sport
- 1.2 Increase female participation numbers at the EMSRG
- 1.3 Consolidate relationships with existing affiliates during the transitional management phase of the redevelopment and beyond
- 1.4 Increase the number of affiliated clubs associated with the EMSRG

Key Performance Areas:

- 1 20% increase in utilization of the facility from existing benchmark of 115,000 per annum in the first 12 months of operations followed by a 10% and 5% growth in year 2 and 3 respectively
- 2 Deliver 4 female specific programs in first 12 months of operations and establish future growth targets for female participation at the EMSRG to be implemented by year 2
- 3 Establish monthly transition meetings with President or nominated officer and Facility Manager for each of the existing affiliates
- 4 Achieve one additional affiliated club within first 12 months of operation
- 5 Annual survey of affiliates and user groups indicates an approval of 65% in relation to programs, activities and services offered from the site with the goal of achieving 80% approval by year 3.

PARTICIPATION: *Provide and facilitate a diverse range of sporting, recreational and community programs/activities for the surrounding communities*

Actions

- 1.1 Ensure all facilities including playing surfaces are fit for purpose while meeting environmentally sustainable objectives
- 1.2 Achieve the optimization of facilities by community groups, organizations and services
- 1.3 Facilitate the provision of VET and return to work programs for the broader community from the site
- 1.4 Provide non sporting community based events that are inclusive for the entire community

Key Performance Areas:

- 1 Achieve zero lost days of sporting activities due to non-compliant playing surfaces excluding extreme weather events
- 2 Obtain a 40% occupancy rate of the EMSRG facilities from scheduled bookings excluding use by the affiliated EMSRG clubs by the commissioning of Stage 1, 50% occupancy rate by year 2, 55% by year 3 and 60% by year 4
- 3 Achieve an occupancy agreement with two registered RTO's by the commissioning of STAGE 1 for the provision of VET or Return to Work programs to be run from the facility
- 4 Provision of 4 major Community Events such as Community Markets, ANZAC DAY breakfast, Community Cinema or similar within 12 months of Stage 1 commissioning
- 5 Establish a marketing plan by April 2018

PROCESS: *Ensure effective governance in the management of the Edwardstown Memorial Soldiers Recreation ground*

Actions:

- 3.1 Ensure the EMSCC has in place accurate and relevant reporting systems to best inform decision-making processes.
- 3.2 Ensure all users of the EMSRG are satisfied with the provision of facilities, service and activities on offer to the community as a whole.
- 3.3 Ensure that the EMSCC exhibits sound management practices in relation to EMSRG and affiliate operations.
- 3.4 Operate the facility within the budget set by the EMSCC.

Key Performance Areas:

- 1 Delivery of 100% of actionable tasks in the Business Plan.
- 2 Achieve an overall satisfaction rate of 75% in the first annual EMSCC user satisfaction survey.
- 3 Ensure all affiliates lodge current financials, annual reports and strategic plans with the EMSCC on an annual basis.
- 4 Facility is managed within the annual budget established by the Board.
- 5 Grow sponsorship revenue for the Board by 50% in year one and by 60% & 70% in years 2 and 3 respectively.

Tasks with an assigned owner and completion dates have been developed for each action and are provided in the Business Plan attached as Appendix 1 to this report.

The above KPIs will be reported to Council and will be performance measures for the Facility Manager and where appropriate the Board.

The Board will have oversight of the achievement of the goals and will proactively monitor the achievement of the KPIs.

Facility Manager

The ESMRG will have a full time Facility Manager employed by the EMSCC to run the day-to-day operations of the site. The Facility Manager will be employed by and report directly to the EMSCC with the City of Marion subsidising the EMSCC for this position in an ongoing capacity.

Once appointed, the Facility Manager's role during the pre- commissioning period will include:

- Facilitating all aspects of the establishment of the services that will operate within the facility.
- Promoting the services available from the facility to the community.
- Developing policies, procedures, and MOUs with partner organisations.
- Managing the bookings and responding to maintenance and other issues.
- Promoting communication among service providers, encouraging a multi-disciplinary approach to service provision and fostering a culture of cooperation from the start.
- Overseeing all contractors, sub-contractors and staff providing services within the site and associated processes.

Their role, along with Council and the EMSCC, will be critical on a daily basis. They will assist the existing affiliates during the transition phase, alleviating concerns the clubs may have that they perceive will have a negative impact on their club, including new management and financial models, access to the facility, loss of identity or control, hierarchies and lines of communication between the club and the EMSCC, and the role of the City of Marion moving forward.

The other major key role will include the active engagement of the local community, groups and organisations to ensure the ongoing utilisation and ongoing capacity building of the complex by residents, community groups and organisations that align themselves with the objectives of the ESMRG.

To ensure all KPI's outlined in Appendix 1 are met it is proposed for this position to commence in early January 2018 allowing approximately six months to meet all goals pertaining to Stage 1 facility commissioning. As such, advertising and recruitment is proposed to begin in October 2017.

It is proposed that Council undertake for consideration the proposed model of subsidising a Facility Manager in sites deemed to be of a regional value. This will provide consistency in the provision and delivery of community based programmes and activities that could be run from sites such as Cove Sports and Community Club, the proposed Mitchell Park development and any other sites meeting the community delivery criteria to warrant such a placement. This would also provide the opportunity to ensure effective and consistent performance in areas such as governance, financial reporting and controls, budgeting and strategic planning.

Management Model

Preventative maintenance works such as gutter cleaning will now be undertaken by the City of Marion. The EMSCC will be responsible for the maintenance of the building outside of the areas as designated in the head lease, including items such as fire equipment (extinguishers, smoke alarms, fire blankets etc.), broken windows, floor furnishings, tap ware etc. The City of Marion will continue to be responsible for grounds maintenance including the oval, memorial gardens, tennis courts and playground areas at the site. However, due to the specific nature of the bowling greens and associated maintenance routines they will continue to be maintained by the EBC as per the existing arrangement and EBC wishes.

All operations pertaining to the delivery of food and beverage sales within the facility, which previously were undertaken by the EBC and the EFC in their respective clubrooms, will now be managed and delivered by the EMSCC through the Facility Manager. These functions will also include group bookings, venue hire and special events.

Financial Model

As per the management model for the redeveloped EMSRG, the financial model represents a significant shift for both the EMSCC and the existing affiliates. The split of income and expenses between the EMSCC and the affiliates is described in detail in section 12 of the Business Plan (Appendix 1). Primarily the delivery of all food and beverage services with the exception of items sold through the canteen, BBQ's or fundraising events sanctioned by the EMSCC will be delivered by the EMSCC.

The EMSCC will also oversee areas previously undertaken by affiliates in their relevant buildings such as site sponsorship, group bookings and venue hire. These revenues will then contribute to the EMSCC financials.

Accordingly, the EMSCC will also pick up certain expenses related to the facility that were previously the responsibility of affiliates with a clubhouse, including areas such as waste disposal, cleaning, security and repairs and maintenance (not undertaken by the City of Marion).

It should be noted, that due to the specialised nature of the curating of the bowling greens the costs for this have remained with the Edwardstown Bowling Club's financials as an operating expense and has been taken into account when evaluating overall affiliate dividend percentages.

These expense lines will be distributed by the EMSCC to affiliates based on a usage model as outlined in Appendix 1.

Financial Impact

Financial modelling has been undertaken, which includes the following scenarios:

- Worse case model whereby revenue streams remains the same and significant ongoing council subsidies are required. The net impact of this model on Council's Long Term Financial Plan (LTFP) is \$1.727m
- Conservative modelling with conservative revenue increases in the 1st year of operations with standard minimal ongoing increases in subsequent years. The net impact over the term of the LTFP is \$1.338m
- Optimal modelling whereby the revenue streams increase based on informed marketing and research and effective management with the elimination for the need of a council subsidy by year 4 of operations. The net impact over the term of the LTFP is \$1.011m.

All of these scenarios fit comfortably within Council's existing LTFP as per the below table:

	Net Funding Impact (\$000s)	Average Funding Position (\$000s)	Closing Cash Balance (\$000s)
Adopted LTFP	0	5,155	85,575
Worst Case	(1,727)	4,983	83,849
Conservative Model	(1,338)	5,021	84,238
Optimal Case	(1,011)	5,054	84,565

The 10 year final projects are provided for the above three scenarios as appendix 3 to this report.

Dividends Model

With the transfer of food and beverage operations and associated income, along with venue / booking hire revenues being transferred to the EMSCC, the EBC and EFC experience a downturn in revenues. This situation leaves these two clubs with a projected operating deficit as outlined in Appendix 1.

As the other existing affiliates (Cricket & Cycling) have no reliance on these income streams they will remain largely unaffected with the proposed changes to the management model. They will however experience potential additional income streams from sources previously unavailable to them in the areas of dividends and sponsorship opportunities, along with use of the new facilities to run club orientated events, enabling them to grow and remain self-sustainable in the long term.

Proposed surpluses from the operation of the ESMRG will be distributed by the EMSCC on a percentage basis as outlined in Appendix 1 in the first year as a transition model. The rationale behind the first year figures have been determined by several factors including the clubs existing usage of the facility & its operating deficit as a result of the new management model which would place them in an equal financial position as per pre implementation of the new management model.

In the second year of operations whereby clubs have transitioned to the new facility, a revised model which is based on the clubs overall contribution to the EMSRG facility will be introduced. The new dividend model will be based on factors including clubs contribution to income lines, volunteer contributions to the facility as a whole (non-club events), in kind support / donations to the ESMRG and contributions to bookings undertaken at the site.

The revised model also allows for the easy introduction of further affiliates in the future facilitating further growth for the ESMRG. It also requires the clubs to not only be invested and contribute to the facility in relation to utilisation, but also allows clubs to attain long-term sustainability through the additional income stream opportunities afforded to them.

These opportunities come on top of the clubs abilities to further consolidate their financial position by the optimisation of their existing income streams including fundraising, sponsorship in conjunction with effective cost control measures.

Council Subsidy requirements

The optimal 10-year forecast outlined in Appendix 1 indicates the lack of need for an operational subsidy from council by year 4 of operations whereby site optimization and utilization will reach near capacity and then evolve into a standard growth / maintenance pattern.

It is proposed that Council will review on an annual basis the actual contribution versus that stated in the financial forecast based on performance from the EMSCC previous year's financial statements. Council would seek monthly reporting from the EMSCC from the commissioning of the site to assist the EMSCC in tracking revenues and targets versus projections with the frequency of these reports to decrease as time goes on whereby annual reporting will suffice dependent on performance.

Through effective management, planning and cost controls it is realistic for the EMSCC to eliminate the need for a subsidy by year 4 as outlined in the 10-year financial forecast. This will be a KPI for the new Facility Manager.

Should the EMSRG achieve an operating surplus before year 4, Council's subsidy will be reduced accordingly.

The EMSCC has approximately \$40k in existing cash reserves for use as an operational subsidy once services at the EMSRG begin. The need for an operational overdraft will be required to allow the EMSCC to operate solvent until such a time as it establishes its own cash reserves to facilitate its operational financial requirements.

It is recommended that Council initially supports the EMSCC by acting as guarantor on an overdraft facility of up to \$55K for the EMSCC Board for a period of up to 5 years in accordance with the Head lease agreement between the EMSCC and the City of Marion.

Building Commissioning costs

The budget for the project provides for the provision of the base building only. Many aspects of the furniture, fixtures and equipment fitout have no provision in the existing budget apart from a nominal allocation of \$70K for audio visual requirements. For commissioning of the facility areas, the following areas need to be funded:

- Utensils, plates, cups, glasses, carafes etc.
- Applicable table setting equipment (saltshakers, napkins, tablecloths, table numbers etc.)
- Computers, keyboards and associated Point of Sale software for function areas and hardware for server room.
- All kitchen related utensils such as pots, pans, mixers, knives etc.
- Food and trolleys.

It has been projected that up to an additional \$155,000 will be required to cover the purchase costs of the items outlined above which will be undertaken by council as part of the overall project delivery.

The utilisation of existing items from the EFC & EBC has been investigated. However, due to the informal nature of the food and bar service currently on offer the acquisition of these items would not be the preferred direction to take although some items including shelving and flooring have been identified as suitable. Through consultation with the clubs, allowing them to sell these items would be the preferred option for both the EMSCC and the clubs.

Communications and Transition Plan

The new management and financial model will be a significant change for the existing affiliates, clubs and user groups of the facility and proactive consultation by Council and the Board will be required to support user groups to adjust to the new model.

The following consultation approach will be undertaken across August and September 2017:

- Joint presentation by Administration and the Board to the Clubs outlining the new model
- Provision of written documentation which explains how the new model will work including an FAQs
- Information to be provided on the website
- Administration staff will work closely with the clubs to support them.

Risk Analysis

The keys risks associated with the new management model are:

- Facility fails to reach an operating surplus by year 4
- Affiliate(s) oppose the new model and leave the facility
- Council's objectives of providing a community facility, which is utilised more broadly by the wider community are not met and the facility retains its current limited focus of predominantly male orientated sports.

The actions and KPIs in the Business plan and linking them to the performance of the Board and Facility Manager seek to mitigate the above risks.

Council will receive regular quarterly reports on performance against the key result areas to ensure it retains oversight of the new facility and associated management model.

Council's subsidy will be capped at funding the Facility Manager position and the operating deficit up to year 4. Regular reporting of financial performance will be undertaken, with monthly reporting in the first six months of operations whereby reporting increments will then be determined upon first six-month results.

The Head Lease between Council and the EMRG Board will set out specifics in regards to the achievement of the KPIs and should these not be met provisions will be made for parties to exit the agreement.

CONCLUSION

The proposed Business Plan and its contents provide both Council and the EMSCC with a clear outline of the requirements, both operational and financial for the redeveloped facility.

The new model of an integrated facility will see no club or association holding a dominant position in regards to ownership or use of the facility with the EMSCC managing the facility and its use by the affiliates. The design and purpose of the building is specifically for the use by multiple user groups at the same time to ensure maximum utilization, activation and participation by varied community groups.

The Management Model proposed in this report seeks to deliver on Council's objectives to establish a sustainable governance model at ESMRG and aims to establish a financially sustainable model with Council continuing to fund the Facility Manager.

Appendix 1 Edwardstown Soldiers Memorial Recreation Ground Business Plan

Appendix 2 Financial Modelling Scenarios

Business Plan for the EDWARDSTOWN SOLDIERS MEMORIAL RECREATION GROUND



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1 Executive Summary

The Edwardstown Soldiers Memorial Recreation Ground (ESMRG) will undergo a major redevelopment during 2017-18. The design of which will include the demolition of the existing single occupant clubrooms (Football, Bowls and Community Hall) and the construction of a modern, multi-use facility to be occupied and utilised by all users and affiliates of the site. A major focus on the purpose of the new facility is to facilitate increased community use by and the provision of services including but not limited to various classes, facility hire for various community groups and private organisations, training venue, and return to work programs.

Along with change to the design, there will be a significant change to the management of the site. The existing Oval Board known as the Edwardstown Memorial Sports and Community Club (EMSCC) has undergone the introduction of a new constitution and election to form a new skills based Board to run the site in line with the proposed Management Model with the major points outlined below:

- *A new Head Lease agreement executed between City of Marion and the EMSCC being a modernised document consistent with the City of Marion's newly adopted Leasing and Licensing Policy. Sub license agreement between the EMSCC and the various affiliates will be put in place to reflect the new license conditions.*
- *Head Lease to include specific Key Performance Indicators (KPI's) relating to strategic targets and growth that the EMSCC will aspire to achieve.*
- *The City of Marion will continue in relation to all existing maintenance activities with the exception of the Bowling Greens, which will continue to be maintained by the Edwardstown Bowling Club due to the technical nature of the works.*
- *The City of Marion will be responsible for all building related insurance and capital renewal obligations.*
- *Employment of a Facility Manager that the City of Marion will fund on an ongoing basis with reporting lines to the EMSCC.*
- *The redeveloped ESMRG site will include two bar sites, which will operate under a single operator (EMSCC) model with all income going to the EMSCC. It is proposed that surplus income from these revenue streams, which will also include venue hire/rental, will be distributed to the affiliates in the contained dividend model.*

Affiliate clubs will continue to manage their own affairs much in the same manner that they currently undertake with the key changes being that they will have access to a new multi-use facility that will, under the operations of the EMSCC enable greater opportunities to expand the revenue of the site along with usage by the wider community.

It is acknowledged by Council and the EMSCC Board, that the Football and Bowls clubs who currently operate their own bar and food delivery services in their respective clubrooms, will experience a negative impact on their overall income streams. However, the newly proposed model allows for an increased revenue stream for the site as a whole, with any potential losses for the clubs being delivered back in the form of dividends from the operational profits of the EMSCC Board and the increased revenue generation that is anticipated from the presence of a Facility Manager.

2 Introduction

The Edwardstown Soldiers Memorial Recreational Ground redevelopment will become a vibrant integrated sports and community facility that will provide economic and social benefit to a well-connected and inclusive community.

The ESMRG is owned by the City of Marion. The Recreation Ground was bequeathed to Council in 1944 by a group of community members who purchased the land in 1920 to provide a recreation resource for soldiers returning from World War 1. The land ownership was transferred to Council in 1944 on the condition that the land remains as a Recreation Ground that is accessible to the public. The RSL (Returned & Services League) has a strong historical connection to the Recreation Ground as a result.

The City of Marion has obtained \$4 million in Federal Government funding to match its own capital contribution of \$4 million to undertake the redevelopment.

Whilst paying homage to its humble beginnings as a parcel of land acquired and dedicated as a memorial by the local community, and ultimately bequeathed to the City of Marion, the project will ultimately support the transition of a community from its traditional manufacturing and industrial sector origins to a more diverse economic base, through the creation of a multi- functional community and sports complex with broad economic benefits.

In addition, the social benefits to the Southern Adelaide Metropolitan Region are significant, as the project not only includes physical changes to the grounds and buildings, but it is envisaged that the site will provide much needed services that focus on training through return to work programs, business skills and other vocational training and education, and social connection activities for the local and wider community of the Southern Adelaide Metropolitan Region.

Physical changes to the landscape will include the demolition of three aged buildings including the Edwardstown Bowling, Football and Community Hall buildings to be replaced with one multifunctional building and accompanied by various ground works, including the resurfacing of the sites velodrome and improvement works to the Memorial Gardens.

The velodrome which is the only outdoor velodrome currently serving the Southern Adelaide Metropolitan Region and beyond, will offer a home for track cycling and an alternative outdoor venue to the Victoria Park (Adelaide CBD) criterium circuit during motor sports and other major events.

The Memorial Gardens, being the catalyst for the sites inception in 1920 serves as a reminder to those members of the Edwardstown community who volunteered and served during the First World War, however the layout and the re-emergence and popularity of Anzac history and services struggles to accommodate the vast numbers visiting the site. As such works will be undertaken to relocate existing infrastructure and introduce new features to make the area a more inclusive and functional part of the EMSRG without losing its heritage or cultural history.

Community sports clubs currently housed at the site such as cricket, football and lawn bowls will continue to do so, however their built facilities will be replaced by one common facility allowing them to offer a greater range of sporting and social events that have been limited, due in large to the age and inefficient design of the existing buildings. The new building will become the focus of a functional, connected and high quality public open space for use by the existing users and the greater community.

The completion of the project will be the last stage of a complete refurbishment of the EMSRG site along with the already undertaken initial works to the sites tennis courts, playground and adult fitness node areas as highlighted below.



3 Links to City of Marion Strategic Plan

The Council's Community Vision - Towards 2040 captures the community's aspirations through six themes. The themes with the strongest linkage to the proposed redevelopment of the Edwardstown Soldiers Memorial Ground are "*Liveable*" (including healthy lifestyles), "*Engaged*" (including building strong neighbourhoods) and "*Prosperous*" (including creating sustainable business precincts). Council's Strategic Plan 2017-2027 and Business Plan 2016-2019 have a strong focus on major sporting facility upgrades across the municipality, as well as creating sporting hubs for City of Marion residents and visitors, including developing facilities which are South Australian state-level standard.

The locations that have been identified to commence planning for the hubs include Edwardstown Soldiers Memorial Recreation Ground as well as Marion Sports and Community Club, Mitchell Park Sports and Community Club and Cove Sports and Community Club.

The City of Marion is committed to achieving improved sporting hubs and facilities to benefit its community and specifically support active and healthy lifestyles. Particular objectives that are relevant to master planning for the Edwardstown Soldiers Memorial Recreation Ground include:

- Increased community participation in sport and active recreation
- A longer term strategic approach to asset management
- The consolidation of ageing and duplicated facilities and improved service infrastructure
- Asset and site renewal to achieve fit-for-purpose facilities that benefit the community
- Enhancements to the environment including landscapes, climate change and energy efficiency.



4 Management Model

In 2016 at the EMSCC Annual General Meeting a new skills based Board and a new constitution were installed at the Edwardstown Memorial Soldiers Recreation Grounds in readiness for the upcoming re-development. The Edwardstown Memorial Sports and Community Club Board (EMSCC) is made up of representatives from existing affiliates and also community representatives who hold no affiliation to any of the existing user groups or affiliates.

A new modernised head lease will clearly outline the roles and responsibilities of the lessee (EMSCC) and the Lessor (City of Marion). The head lease will contain detailed performance indicators and targets relating to the strategic and growth objectives that the City of Marion requires the EMSCC to achieve. It will reference the need to further develop a long-term strategic plan and the application of sound governance principles and practices on top of the initial strategic plan contained in this document that will see the facility through its initial transition phase.

Under the City of Marion's new leasing and licensing policy there will be changes to these roles and responsibilities geared towards ensuring all Council facilities including new builds such as the ESMRG have effective preventative maintenance schedules in place to ensure sites are always fit for purpose and are utilised for their maximum life cycle at these standards.

Council will now oversee functions such as mechanical services end of life cycle replacement for items such as heating and cooling systems, kitchen and bar fit outs, emergency lighting, hot water systems and anything linked to the structural aspects of the facility. It should be noted that the majority of the facility would be covered by a Defects Liability Period for an initial period of 12 months after handover from the builders.

Preventative maintenance works such as gutter cleaning will now be undertaken by the City of Marion. The EMSCC will be responsible for the maintenance of the building outside of the areas designated in the head lease including items such as fire equipment (extinguishers, smoke alarms, fire blankets etc.), broken windows, floor furnishings, tap ware etc. The City of Marion will continue to be responsible for grounds maintenance including the oval, memorial gardens, tennis courts and open playground areas at the site. However due to the specific nature of the bowling greens and associated maintenance routines they will continue to be maintained by the EBC as per the existing arrangement.

The EMSCC will no longer incur building insurance, which will now be taken on by the City of Marion. The EMSCC, as the governing body of the ESMRG will be responsible for all costs related to rent and outgoings for the site payable to the City of Marion. In line with the City of Marion's leasing and licensing policy the ESMRG would qualify for its community discount in the vicinity of a 93% discount on the current market rent figures.

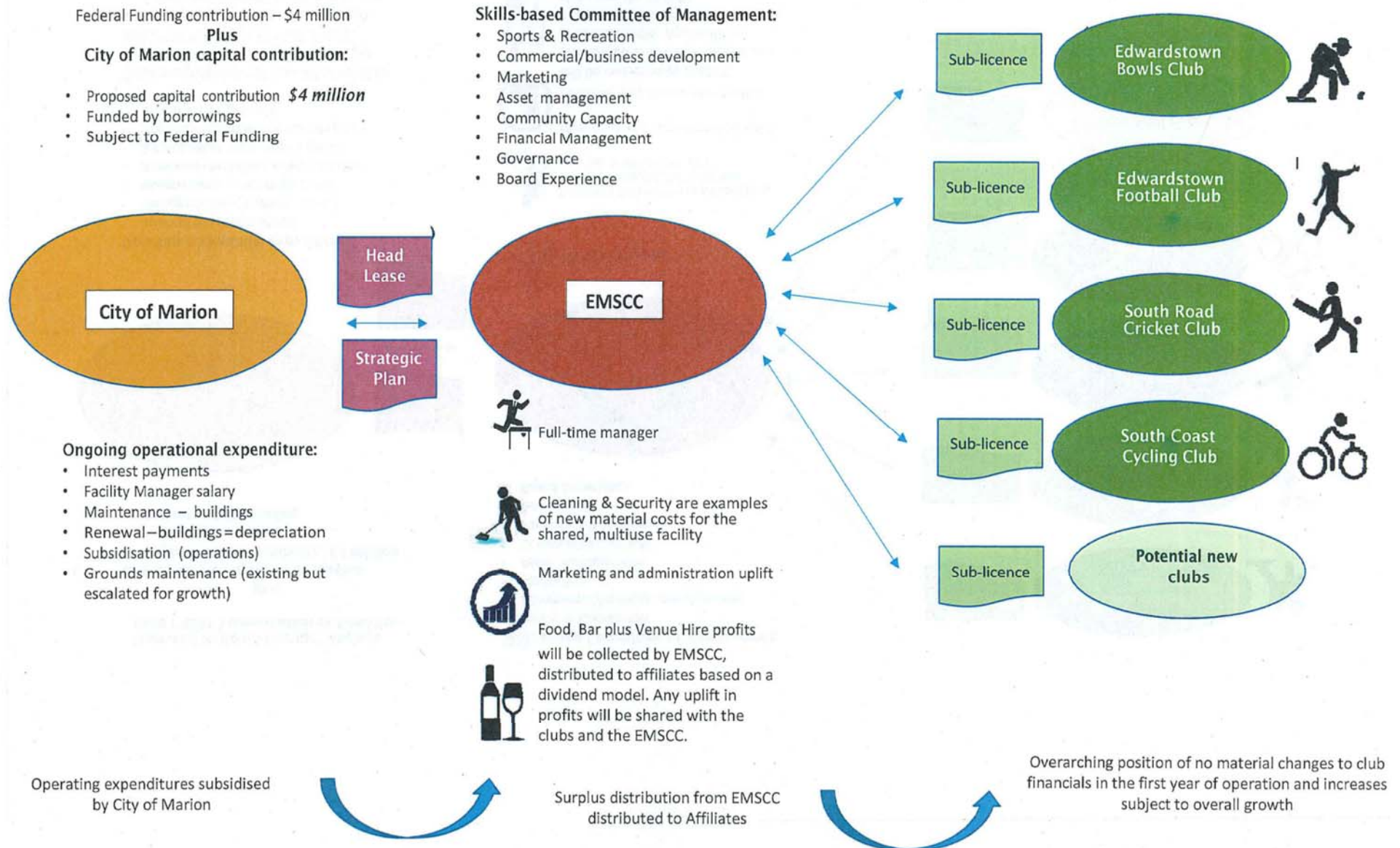
The modelling would see these costs incurred by the whole ESMRG site and payable by the EMSCC who would pass these costs onto affiliates on a pre-determined percentage split based on a usage and patronage model with the EMSCC being responsible for a percentage of these costs as an occupier of the site. In relation to other costs incurred by the site, such as but not limited to, cleaning, security and waste disposal, the same model would be used by the EMSCC to determine splits unless they are specific to use by a particular affiliate; such as utility costs incurred for additional use of the oval lights or the repair of facilities incurred as a result of direct use by the club such as breakages, theft or damage.

All operations pertaining to the delivery of food and beverage sales within the facility, which previously were undertaken by the EBC and the EFC in their respective clubrooms will now be managed and delivered by the EMSCC through the Facility Manager. It is proposed that food delivery will be undertaken via an external catering company in lieu of employed staff which will provide the EMSCC with more efficiency and flexibility to set specific times for food to cater for regular users such as the EFC and EBC, whilst also catering for group bookings and functions which will serve as a major income stream for the facility.

The EFC and ECC and other affiliates will also have use of the canteen located on the perimeter of the football oval. It is proposed that this function will remain with the clubs with the EFC utilising it during the football season and accordingly by the ECC and SCC during the cricket and cycling season. The clubs will be responsible for staffing, cost of goods and any other relatable expenses with this income stream remaining with the club operating it at the time. There will likely be restrictions placed on the affiliates regarding items that can be served through this canteen so as not to directly compete with the EMSCC. These will be clearly outlined in the club's sub lease agreements.

Again, it is acknowledged by the EMSCC that the EFC and EBC who currently operate their own bar and food delivery services in their respective clubrooms will experience a negative impact on their revenue streams. However, the newly proposed model allows for an increased revenue stream for the site as a whole with any potential losses for the clubs being delivered back in the form of dividends from the operational profits of the EMSCC and the increased revenue generation that is anticipated from the presence of the sites Facility Manager.

Attachment A - Management Model



5 Activation of the ESMRG

The success of the ESMRG as a community facility will lie strongly with the optimisation and utilisation of the facility by groups not currently utilising the facility. This represents strongly the need to move the sites identity away from a sporting facility to a community facility whilst still ensuring the accommodation and success of the existing user groups such as the Bowls, Cricket, Cycling and Football Clubs.

In the proposed model, the affiliate clubs will continue to be charged an annual rental fee as part of their sub lease agreement with the EMSCC. This fee among other items as outlined in the management model will include access to utilise the facilities, including the function spaces in line with the operational requirements of their respective clubs. The extent of their use under this category will be determined by the EMSCC and may include additional fees to utilise the facility for special one off events that do not constitute a regular booking or operations. Such events may include awards nights, annual balls etc.

Outside of the ESMRG affiliates, the site has regular bookings with existing groups such as a local bridge club, which utilise the facility for approximately 10 hours over 2 days per week year round. The existing fee structure in place for this group is \$90 per day (approx. 4-5 hours) being charged by the Edwardstown Bowling Club for the use of their clubrooms. This proposed fee structure under the new management structure will be significantly higher which would represent the increase in the standard of the facilities. However, it is recommended as previously noted that along with oval and bowls green hire that fees for existing groups are capped for an initial period of 2 years at the existing rates to assist in the transitional phase of the site and its existing user groups.

Other groups are being actively targeted to utilise the new facility and build capacity. The larger of these include TAFE SA who Council are in advanced discussions with, for them to provide Certificate 1, 2 & 4 courses in hospitality from the site, which will assist in meeting initial utilisation goals.

Other groups being targeted for utilisation of the site include such groups as:

- Probus Clubs
- Other Recognized Training Organization's
- Seniors Clubs
- Personal Trainer Operators / Franchise
- Fitness Class Operators (Yoga, Zumba)
- Post Natal fitness and well-being groups
- Play Groups / Kids Clubs
- Cycling SA

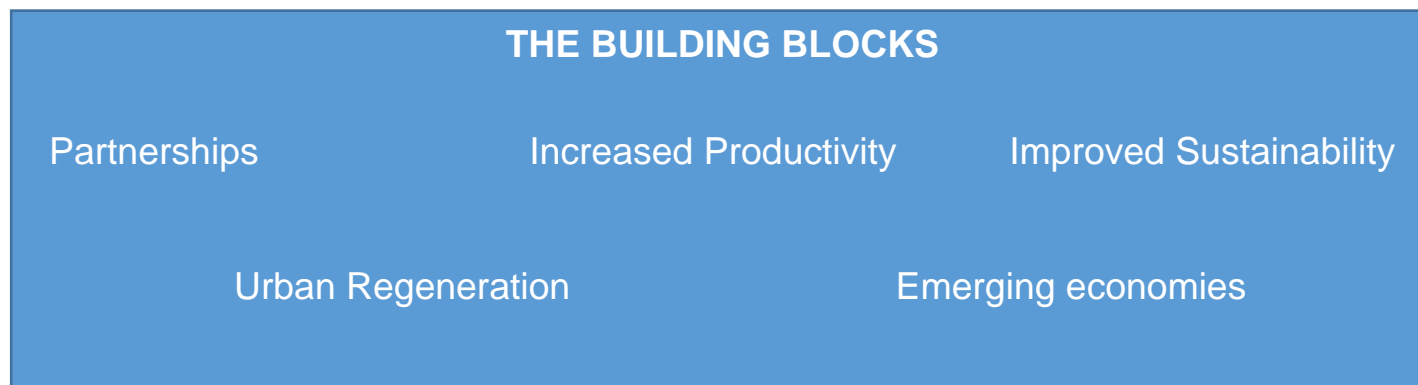
- Not for Profit Organisations to conduct life skill classes such as basic cooking classes, financial budgeting, how to write resumes/applying for jobs etc.

These groups and others who utilise the facility on a pay per use agreement will be pivotal in closing the gap in meeting financial and operational targets as outlined in this document.

- Market Gardens
- Come 'n Try events
- Pop up stalls

With the potential influx of new user groups, the mind shift of existing affiliates to embracing a community venue mentality is paramount to the success of this shared use facility. Whilst a clear drive will be to attract new users to the site it cannot, or should not, be undertaken at the expense of existing users even though they have no priority access over another group.

Again, the transition phase, in particular the communication and justification of decisions being made must always have the greater community benefits in mind and will be the key factor in ensuring a successful transition and the establishment of a focused community minded culture for the club, its affiliates and user groups.



6 Existing Affiliates and User Groups

The Edwardstown Soldiers Memorial Recreation Ground currently accommodates 4 main sporting clubs (affiliates) on site including:

- Edwardstown Football Club (EFC)
- South Coast Cycling Club (SCC)
- Edwardstown Bowling Club (EBC)
- South Road Cricket Club (SRCC)

The new model of an integrated facility will see no club or association holding a dominant position in regards to ownership or use of the facility, with the EMSCC managing the facility and its use by the affiliates. The design and purpose of the building is designed specifically for the use by multiple user groups at the same time to ensure maximum utilisation, activation and participation by varied community groups.

The Meteors Triathlon Club who have utilised the velodrome and oval for 27 years have expressed a desire to become an affiliate of the new facility, which meets the desired outcomes of the project as a whole. The EMSCC, in conjunction with Council will establish a process for potential further clubs or groups who wish to become affiliates of the site, which will include evaluating their fit and alignment to the EMSCC Mission and Vision Statements. Other areas will likely include the ability to display effective governance, financial sustainability and display what the club can bring to further meet the goals of the EMSCC.

There will be several levels of users at the site that can be broken down into the categories below:

- **Affiliate** - Club or association who have engaged in a sub-lease with the EMSCC for the use of the sites facilities e.g. Edwardstown Bowling Club
- **User Group** – a club, association or organisation who hold an agreement with the EMSCC for an ongoing booking of an aspect of the sites facilities to undertake their business e.g. Edwardstown Bridge Club or TAFE SA.
- **Casual Booking** – A club, association or organisation who undertake a one off booking of the facilities whether it be for a Bowls Night, Corporate Function, Training Day, Birthday or other event.
- **Casual User** – Individuals who utilise the site on an informal basis ranging from using the oval to walking the dog or having a meal in the facilities.

The range of users that fall into the User Group or Casual Booking category is endless and represents one of the main goals for the EMSRG, which is to increase the utilisation and optimisation of the facilities.

7 Facility Hire

Consultation undertaken with potential user groups have identified clear elements that are consistent across the board, and were captured in the design phase of the facility to maximise the ability to optimise the space post construction. The consistent design elements captured are as outlined below:

- Flexibility in layout options to enable standing, seated, auditorium or workshop layouts
- Toilet facilities including disability complaint facilities such as ramps, lifts, toilets and parking
- Availability of Audio Visual, interactive technology such as projectors, relocatable LCD screens and blinds
- Sound reducing technology for multi-purpose facilities
- Free parking
- On site / in house catering options with the option to bring in outside resources as required.

There will be several levels of pricing options or packages on offer to user groups, which would represent the diverse range of activities and services required by the groups utilising the facility, which would be determined by factors including, but not limited to:

- Number of space(s) utilised (ovals, greens, functions rooms or community spaces)
- Whether catering will be supplied and to what extent i.e.: tea and coffee to full meal service
- Use of AV equipment
- Whether the event or booking is staffed and to what extent
- Whether any extra resources are required to host the event e.g. PA systems, tents or external vendors

Many of these events would be classed as special events and pricing would be determined on a case-by-case basis by the Facility Manager in conjunction with the EMSCC.

The below table represents a cross section of Halls and Community Facilities that are available in the surrounding areas of Edwardstown Oval and are comparable to the facilities offered in the Edwardstown Function Spaces 2 & 3 on Level 1. It should be noted it is likely that Function Space 1 and the Community Space will likely be offered at reduced rates. It should also be noted that all pricing has been set across the board with no premiums for evening or weekend usage.

The ability to discount these prices would be at the discretion of the EMSRG Facility Manager or the EMSCC on an individual merit basis.

Site	Rank	Capacity (seated)	Costings
Park Holme Community Hall	2	80	\$24.00 / hour
Edwardstown Community Hall	2	50	\$18.00 / hour
Clarence Gardens Community Centre	2	70	\$35.00 / hour
Glandore Community Centre	3	120	\$65.00 / hour
Avoca Hotel	4	80	\$75.00 / hour
Marion Cultural Centre	4	20	\$45.00 / hour
Aberfoyle Park Community Centre	4	120	\$52.00 / hour
Brighton Surf & Yacht Club	4		
Maid of Auckland	4	100	\$45.00 / hour
Glenelg Surf Lifesaving Club	5	100	\$75.00 / hour

Function Spaces 2 or 3 or combined	4	120	\$40.00 / hour
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** These figures are based on the hire group achieving a minimum spend of \$1,500 and \$1,200 respectively through bar and food sales. If this does not occur the difference between actual spend and minimum spend amounts must be paid.

As indicated in the provided diagrams the Edwardstown facility will offer multiple function spaces for use by affiliates, group bookings and user groups alike. The details are outlined as below. Please note these areas are designed for functionality and as such can be used in isolation or joined to enable larger spaces to suit the needs of the user.

Area	Capacity (seated)	m2	Costing
Function Space 2	55	120	\$40 / hour
Function Space 3	65	130	\$40 / hour
Function Space 1	30	70	\$30 / hour
Community Space	65	82	\$20 / hour
Community Veranda**	45	68	\$ 0 / hour

** The veranda area would not be hired as an individual space but rather as an extension to Function Space 1 or Community Space on an as required basis.

A separate fees structure will be implemented for the hire of the oval and bowls greens for community, corporate and user groups however it is envisaged that for the first 2 years of operations these figures will remain unchanged for existing user groups to assist in the transitional management period.

8 Food & Beverage Services

The EMSCC will oversee all food and beverage delivery within the facility with exception of income derived from the canteen and BBQ's run by the various clubs, the income of which will remain with the associated club running the service. The associated club would also be responsible for all expenses associated with the delivery of that service such as cost of goods, staffing and any other incurred operational expense.

Currently the EBC and EFC deliver meals to their members on designated evenings mainly through the provision of volunteers with a small allocation for paid staff. This service will continue to operate, however the delivery of food and beverage would be undertaken by a catering service engaged by the EMSCC for this provision with a service agreement in place. In line with the City of Marion's objective to acknowledge and respect the culture of the existing clubs, it is envisaged that for the provision of club specific events, a combination of club volunteers and paid staff would staff these events. Events open to the general public would be staffed entirely by paid employees engaged by the EMSCC, such as non-club meal nights, corporate events and group bookings.

This arrangement would assist in decreasing the operational expenses incurred by the EMSCC thus increasing the operational surplus and accordingly increasing the potential dividend share feeding back to the clubs. Clubs who provide increased levels of volunteers to club events requiring meal delivery or bar service thus decreasing the need for paid staff could potentially see their dividend split increased accordingly in recognition of this volunteer contribution along with continuing the tradition and value of their volunteer base. The long-term aims of utilising the venue as a live training site through the training programs run at the site would also contribute to a decrease in the need for paid staff.

In the first three years, it is anticipated to serve meals to the public initially one night a week (excluding specific bookings or functions).

The use of an external catering company for the provision of meal delivery has significant benefits to the ESMRG model, which are outlined below:

- Greater ability to cater for diverse range of events from club meals to weddings with panel of staff available with specific skill sets.
- No staffing on costs concerns e.g. payroll tax, superannuation contributions, annual or sick leave provisions.
- Superior food quality and presentation standards provided as opposed to a volunteer preparing meals.
- Covering staff due to illness, holidays or tardiness is responsibility of catering supplier.
- Simple cost model to track income and expenditure related to services provided (one bill).
- No issues regarding wastage and associated lost profits.
- Decreased need to buy and maintain specialised equipment for events as supplied by caterer on an as needs basis.

- Provide industry specific and up to date knowledge of trends occurring industry wide as opposed to just Edwardstown Oval.

The engagement of a catering service will enable the Facility Manager to concentrate on the activation of the site not being bogged down by the day-to-day issues associated with a meal and beverage delivery service, which could be counter-productive in ensuring the optimisation of the facility. It will also allow for greater flexibility in the provision of a wider range of food options, which will serve the diverse range of events proposed at the site, which a caterer service would be in a better position to provide with vastly wider resources, industry knowledge and a varied range of skills sets and specialised equipment at their disposal.

Many clubs within the Marion Council area who serve meals have recently moved over to this model with operational success and no negative impact on profits. Such clubs include Ascot Park Bowls Club, Cove Sports and Community Club and Morphettville Park Sports and Community Clubs.



9 Facility Manager Position

The ESMRG will have a full time Facility Manager employed by the EMSCC to run the day-to-day operations of the site. The Facility Manager will be employed by and report directly to the EMSCC with the City of Marion subsidising the EMSCC for this position in an ongoing capacity. The Facility Manager's Position Description will include detailed and measurable KPI's utilising SMART methodology, which will be in line with Council and EMSCC objectives for the site.

The Facility Manager is proposed to start approximately 9 months from the commissioning of Stage 1, which is scheduled for November/December 2018. It is proposed the recruitment process will be undertaken by the Council in partnership with the EMSCC utilising Council's resources to recruit for the position. Once appointed, the Facility Manager's role during the pre-commission period will include:

- Facilitating all aspects of the establishment of the services that will operate within the Facility.
- Promoting the services available from the facility to the community.
- Developing policies, procedures, and MOUs with partner organisations.
- Managing the bookings and responding to maintenance and other issues.
- Promoting communication among service providers, encouraging a multi-disciplinary approach to service provision and fostering a culture of cooperation from the start.
- Overseeing all contractors, sub-contractors and staff providing services within the site and associated processes.

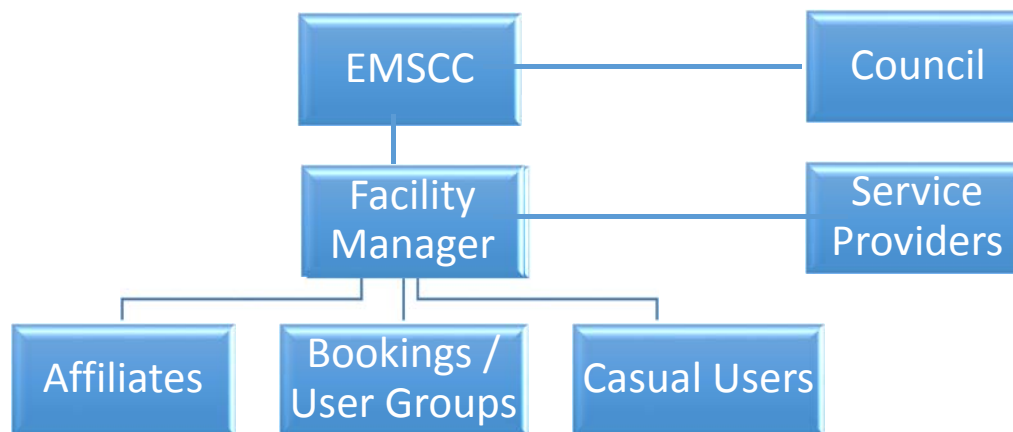
Council will also ensure through the EMSCC that the Facility Manager will undertake the following:

- Ensuring effective administration and operational systems are established and maintained so that a high standard of customer service is in place for the centre, its tenants and users.
- Implementing the business plan (including the financial plan) to ensure the Facility is operated in an efficient and effective manner
- Implementing Centre policies and procedures as developed with permanent centre users and the EMSCC.
- Engaging with existing affiliates to establish long term working relationships
- Achieve pre-commissioning KPI's in areas such as site scheduling, community liaison, occupancy and utilisation rates, sub lease agreements, hire agreements and catering agreements and scheduling.
- Encouraging a culture of cooperation and leadership in terms of using a multidisciplinary approach to case management and program development and centralising administrative systems where appropriate using economies of scale.
- Liaising with service providers through monthly meetings.
- Monthly financial reporting complete with due diligence matters as outlined by the Board.

This key role, which will be based at the site, will be essential in the community activation of the site and facilitating the transition from a sporting facility into a community space and facilitating the required change in culture by the existing users. Their role, along with Council and the EMSCC, will be critical on a daily basis in assisting the existing affiliates during the transition phase and alieving concerns clubs may have. The change management program will seek to support clubs to understand and transition to the new management and financial model, access to the facility, maintain their identity and sense of control, and facilitate open and transparent communication between the clubs, the EMSCC and the City of Marion.

The other major key role will include the active engagement of the local community, groups and organisations to ensure the ongoing utilisation and ongoing capacity building of the complex by residents, community groups and organisations that align themselves with the objectives of the ESMRG. This includes the use of the facility outside of sporting events by the community via casual usage, event or group bookings, and participation in services or programs operating from the facility including community events such as markets.

Attachment C – ESMRG Hierarchy Chart



10. (SWOT) Analysis - Strength Weakness Opportunities and Threats

The EMSRG project provides a unique opportunity to not only capitalize on the existing success of the site as a sporting facility and a memorial garden dedicated to participants of the Great War but to also transform the functionality and ability of the site to service the entire community as a whole not just geared towards sporting groups.

In undertaking this project there also exists a risk in regards to the ability to deliver the proposed services which along with the strengths of the project are contrasted in the SWOT analysis below.

STRENGTHS	WEAKNESS
<ul style="list-style-type: none"> • Experienced skills based board • Significant levels of support from the City of Marion • New purpose built facility for the provision of programs and events • Highly visible location • Energy and commitment from the Board • Council support for a new innovative management model • Strong Community support for the new facility 	<ul style="list-style-type: none"> • Financial model requires subsidy to operate • Lack of engagement from existing affiliates to shift to a community mentality • Issues with change management • Competition for available facilities
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Address critical shortage of quality functional community facilities in the area. • Utilization of volunteers • Community activation of the previously sport orientated site • Partnerships with local services and stakeholders. • Interest by RTOs and TAFE • Strong culture of volunteers • Cycling? • Growing interest in healthy active lifestyles • Urban infill lifts demand for open space and recreational facilities 	<ul style="list-style-type: none"> • Clubs do not remain financially viable under new model • Over reliance on volunteers for sustainable modelling • Issues with shared space operations between clubs unfamiliar with a single use facilities.

11. Goals & Objectives

Mission Statement

The Edwardstown Memorial Sports & Community Club promotes opportunities for the whole community through inclusion and sound management practices.

Vision Statement

The Edwardstown Memorial Sports & Community Board reflects the community values in the followings ways:

- Respectful of the history and the role of volunteers
- Actively attracting community to a vibrant place
- Promoting physical fitness and wellbeing for all
- A strong sense of community ownership
- Shared sense of purpose and connection
- A place for people to gather
- An age friendly community that supports lifelong learning

Key Actions & Tasks

To achieve the overall goals and objectives of Edwardstown Memorial Soldier Recreation Grounds, 3 Key Result Areas (KRA's) have been identified with 11 actions and 47 specific tasks outlined in the following pages.





PEOPLE

FACILITATE AND GROW A CONNECTED AND VIBRANT ENVIRONMENT WITH A SHARED SENSE OF PURPOSE WHILST MEETING THE DIVERSE NEEDS OF THE COMMUNITY.

ACTIONS

- 1.1 Increase casual visitation numbers to the EMSRG through programs not associated with organized sport
- 1.2 Increase female participation numbers at the EMSRG overall
- 1.3 Consolidate relationships with existing affiliates during the transitional management phase of the redevelopment and beyond
- 1.4 Increase the number of affiliated clubs associated with the EMSRG

KEY PERFORMANCE INDICATORS

- 1 20% increase in utilisation of the facility from existing benchmark of 115,000 annually per annum in the first 12 months of operations followed by a 10% and 5% growth in Year 2 & 3 respectively.
- 2 Deliver 4 female specific programs in first 12 months of operations and establish future growth targets for female participation at the ESMRG to be implemented by year 2.
- 3 Establish monthly transition meetings with President or nominated officer of each of the existing affiliates
- 4 Achieve one additional affiliated club within first 12 months of operations
- 5 Annual Survey of affiliates and user groups to achieve an approval of 65% in relation to programs, services and activities offered from the site with a goal of achieving 80% by year 3.

OUTCOME

The EMSRG is a vibrant, well used community space where people are connected through participation in a diverse network of sporting, recreational and community activities and events.

1.1 Increase casual visitation numbers to the EMSRG through programs not associated with organized sport

No.	Task	Person Responsible	Support	Date / Methodology
1.1.1	Establish and publish a clear schedule / timetable of when facilities are in use which would prevent usage by the public to accurately inform the community of what facilities are available and when and any associated restrictions e.g.: ball, bicycle or dog use.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● City of Marion ● EMSCC 	<ul style="list-style-type: none"> ● September 2018
1.1.2	Actively promote through all media available the introduction of new programs and services such as meals, courses & classes to ensure maximum awareness by the community.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC ● Affiliates 	<ul style="list-style-type: none"> ● Ongoing
1.1.3	Establish a formal launch of the EMSRG in collaboration with the City of Marion which will showcase the new facility and highlight all programs existing and proposed to be run from the facility or to be instigated in the near future ensuring email contacts are obtained for communication	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● City of Marion ● Affiliates ● User Groups 	<ul style="list-style-type: none"> ● TBA
1.1.4	Facilitate an awareness campaign aimed at the Community as a whole to highlight the shift from a sporting focus to a Community Facility run for the Community and not specifically for the sporting clubs.	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● City of Marion ● Affiliates ● User Groups 	<ul style="list-style-type: none"> ● Ongoing

1.2 Increased overall female participation numbers at the EMSRG

No	Task	Person Responsible	Support	Date
1.2.1	Consolidate discussions with the Lady Lattes cycling group for the ongoing scheduled booking of the velodrome for female specific cycling programs	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC 	<ul style="list-style-type: none"> ● March 2018

1.2.2	Consolidate discussions with female orientated community programs to run from the community function space including post-natal wellness programs, kids clubs and female orientated community and well-being programs.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC 	<ul style="list-style-type: none"> ● March 2018
1.2.3	Work with the Edwardstown Football Club to assist in the establishment of a female league at the club to coincide with the facility redevelopment whose infrastructure will now adequately support female participation.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC 	<ul style="list-style-type: none"> ● December 2017
1.2.4	Create and foster a culture of change from a male dominated sports facility to an equal gender, family friendly community use facility.	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● Affiliates ● User Groups ● City of Marion 	<ul style="list-style-type: none"> ● Ongoing

1.3 Consolidate relationships with existing affiliates during the transitional management phase of the redevelopment and beyond

Task		Person Responsible	Support	Date
1.3.1	Establish a scheduled communication plan to inform the affiliates of timelines, schedules and handover processes involved in the transition from existing model to new single operator model.	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● City of Marion 	<ul style="list-style-type: none"> ● January 2018
1.3.2	Ensure clubs are fully aware in writing and in advance of any building works that will potentially impede on club operations	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● City of Marion 	<ul style="list-style-type: none"> ● November 2017 - Ongoing
1.3.3	Conduct a stakeholder meeting with all user groups who currently hire space within the existing facilities to schedule delivery of programs or temporary cessation during building period.	<ul style="list-style-type: none"> ● Facility Manager ● EMSCC 	<ul style="list-style-type: none"> ● City of Marion 	<ul style="list-style-type: none"> ● November 2017 - Ongoing

1.4 Increase the number of affiliated clubs associated with the EMSRG

No	Task	Person Responsible	Support	Date
1.4.1	Formalize discussions with Meteors Triathlon Club being a long term user for over 20 years and follow up on their interest in becoming an affiliate of the EMSRG.	● Facility Manager	● EMSCC	● February 2018
1.4.2	Establish an application process and guidelines with information packs to formalize affiliation application process.	● Facility Manager	● EMSCC ● City of Marion	● February 2018

PARTICIPATION

PROVIDE AND FACILITATE A DIVERSE RANGE OF SPORTING, RECREATION AND COMMUNITY PROGRAMS / ACTIVITIES FOR THE SURROUNDING COMMUNITIES.

ACTIONS

- 2.1 Ensure all facilities including playing surfaces are fit for purpose while meeting environmentally sustainable objectives
- 2.2 Achieve the optimization of facilities by community groups, organizations and services
- 2.3 Facilitate the provision of VET and return to work programs for the broader community from the site
- 2.4 Provide non-sporting community based events that are inclusive for the entire community

KEY PERFORMANCE INDICATORS

- 1 Achieve zero lost days of sporting activities due to non-complaint playing surfaces excluding extreme weather events
- 2 Obtain a 40% occupancy rate of the EMSRG facilities by scheduled bookings excluding use by the affiliated EMSRG clubs by the commissioning of Stage 1, 50% by year 2, 55% by year 3 and 60% by year 4.
- 3 Achieve an occupancy agreement with two registered RTO's by the commissioning of STAGE 1 for the provision of VET or Return to Work programs to be run from the facility
- 4 Provision of 4 major Community Events such as Community Markets, ANZAC DAY breakfast, Community Cinema or similar within 12 months of Stage 1 commissioning
- 5 Establish a marketing plan by April 2018

OUTCOME

The EMSRG recognizes the diverse needs of its population and provides an inclusive, respectful and supportive network of activities and services to create a shared sense of purpose within the community.

2.1 Ensure all facilities including playing surfaces are fit for purpose while meeting environmentally sustainable objectives

No	Task	Person Responsible	Support	Date
2.1.1	Apply continuous improvements methodology to sports ground maintenance to ensure relevant standards are achieved across all sporting and recreational surfaces.	● City of Marion	● EMSCC ● EBC	● Ongoing
2.1.2	Investigate the use of synthetic surfaces to enhance durability and increased use in particular reference to the Bowling Greens	● City of Marion	● EMSCC ● EBC	● Feb 2018
2.1.3	In consultation with Council establish limitations on the frequency of bookings on the Main Oval to ensure playing surfaces can be maintained to appropriate standards at all times	● City of Marion	● EMSCC ● Facility Manager	● January 2018 - Ongoing
2.1.4	Develop a preventative maintenance schedule for all elements that fall under the responsibility of the EMSCC.	● Facility Manager	● EMSCC	● January 2018
2.1.5	Develop efficient strategies for the reporting of building defects that fall under the responsibility of the City of Marion	● Facility Manager	● EMSCC	● March 2018

2.2 Achieve the optimization of facilities by community groups, organizations and services

No	Task	Person Responsible	Support	Date
2.2.1	Develop a brand for the EMSRG as a means of promoting activities and its benefits to the community which include a communication strategy, website upgrade, participation campaigns and certification of programs where applicable.	● Facility Manager	● EMSCC ● City of Marion	● March 2018
2.2.2	Utilizing the City of Marion's "Club Link" data base, establish a contact schedule providing clubs with an information pack and opportunity to tour the facility with the view of utilization. These	● Facility Manager	● EMSCC ● City of Marion	● February 2018

	clubs can include but not limited to: <ul style="list-style-type: none"> • Probus Clubs • Seniors Clubs • Personal Trainer Operators / Franchise • Fitness Class Operators (Yoga, Zumba) • Play Groups / Kids Clubs • Cycling SA 			
2.2.3	Work with local schools to create partnership opportunities for utilization of the site facilities for events	● Facility Manager	● EMSCC	● January 2018 - ongoing
2.2.4	Contact NGO's and service providers who could utilise the facility for the provision of community services and programs such as basic cooking classes or support groups	● Facility Manager	● City of Marion	● December 2018 - ongoing
2.2.5	Establish relationships with existing user groups such as the Bridge Club who currently utilise the facility with the aim of locking a commitment post building works.	● Facility Manager	● EMSCC ● Affiliates	● October 2018
2.2.6	Utilizing the councils business directory network, make contact with major businesses in the area with large workforces with the aim of them utilizing the facility for work related functions including social club events, Christmas shows, bowls nights etc...	● Facility Manager	● EMSCC ● City of Marion	● January 2018

2.3 Facilitate the provision of VET and return to work programs for the broader community from the site

No	Task	Person Responsible	Support	Date
2.3.1	Develop an MOU with TAFE SA for the provision of hospitality courses to be run from the site utilizing the function facilities as a training venue.	● Facility Manager	● EMSCC	● December 2018
2.3.2	Develop a model whereby the site could be used as a live training venue by the hospitality course participants during community events and public meal serving sessions.	● Facility Manager	● EMSCC ● TAFE SA	● February 2018
2.3.3	Develop an MOU with alternate Registered Training Organizations for the provision of alternate training packages.	● Facility Manager	● EMSCC	● February 2018

2.4 Provide non sporting community based events that are inclusive for the entire community

No	Task	Person Responsible	Support	Date
2.4.1	Facilitate one Community Cinema evening to be held on either the oval or in the Memorial Gardens.	● Facility Manager	● EMSCC ● City of Marion	● June 2019
2.4.2	Establish a Community Breakfast event to be held in the EMSRG function room to be conducted after ANZAC DAY service	● Facility Manager	● EMSCC	● June 2019
2.4.3	Form a direct working relationship with the councils Community Development & City Activation Teams to investigate the running of council events such as Marion Alive or similar to be run from the site	● Facility Manager	● EMSCC ● City of Marion	● December 2017 - ongoing
2.4.4	Investigate option of running a quarterly car boot sale from the site with additional pop up stalls offering range of community goods.	● Facility Manager	● EMSCC	● March 2018



PROCESSES

ENSURE EFFECTIVE GOVERNANCE IN THE MANAGEMENT OF THE EDWARDSTOWN MEMORIAL SOLDIERS RECREATION GROUND.

ACTIONS

- 3.1 Ensure the EMSCC has in place accurate and relevant reporting systems to best inform decision making processes.
- 3.2 Ensure all users of the EMSRG are satisfied with the provision of facilities, service and activities on offer to the community as a whole
- 3.3 Ensure that the EMSCC exhibits sound management practices in relation to EMSRG and affiliate operations
- 3.4 Operate facility within the budget as set by the EMSCC

KEY PERFORMANCE INDICATORS

- 1 Delivery of 100% of actionable tasks in the Business Plan
- 2 Achieve an overall satisfaction rate of 75% in the first annual EMSCC satisfaction survey
- 3 Ensure all affiliates lodge current financials, annual reports and strategic plans with the EMSCC on an annual basis
- 4 Facility meets or exceeds established financial budgets
- 5 Grow sponsorship revenue for the EMSCC by 50% in year 1 and by 60% & 70% in years 2 and 3 respectively.

OUTCOME

All sport, recreation and community event opportunities are provided to our community at an industry recognised level, with clear and efficient decision making processes and outcomes.

3.1 Ensure the EMSCC has in place accurate and relevant reporting systems to best inform decision making processes.

No	Task	Person Responsible	Support	Date
3.1.1	Provide the Board with monthly reports derived through the sites reporting systems including as a minimum outstanding debtors, financial statements, cash flow & budget variance report or any report as requested by the EMSCC to make best informed decisions	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC City of Marion 	<ul style="list-style-type: none"> Ongoing
3.1.2	Engage an external accountant to supply End of Year Financial Statement and Audited Accounts	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC 	<ul style="list-style-type: none"> Ongoing
3.1.3	Ensure the EMSCC has in place and updates as required its essential operational documents including but not limited to its constitution, strategic plan & business plans	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC 	<ul style="list-style-type: none"> Ongoing

3.2 Ensure all users of the EMSRG are satisfied with the provision of facilities, service and activities on offer

No	Task	Person Responsible	Support	Date
3.2.1	Undertake an annual survey designed to gain feedback from non-affiliates or scheduled users groups – geared towards casual users of the site. Summary of findings and action plan to be provided to the EMSCC.	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC City of Marion 	<ul style="list-style-type: none"> February 2019
3.2.2	Undertake an annual survey designed to gain feedback from affiliates or scheduled users groups – geared towards regular scheduled users of the site. Summary of findings and action plan to be provided to the EMSCC.	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC City of Marion 	<ul style="list-style-type: none"> February 2019
3.2.3	Foster a culture of clear communication with the relevant committees of the EMSRG affiliates to ensure that any grievances	<ul style="list-style-type: none"> Facility Manager 	<ul style="list-style-type: none"> EMSCC 	<ul style="list-style-type: none"> December

	are presented so they can be addressed immediately.		<ul style="list-style-type: none"> ● Affiliates 	2017
3.2.4	Implement an effective and transparent feedback service through the EMSRG website with clear KPI's around response times / methodology and actions.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC 	<ul style="list-style-type: none"> ● December 2017

3.3 Ensure that the EMSCC exhibits sound management practices in relation to EMSRG and affiliate operations

Task		Person Responsible	Support	Date
3.3.1	Acquire and implement relevant software systems for continuous process improvement (i.e. bookings, finance & POS software) and allow for accurate data management.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC ● City of Marion 	<ul style="list-style-type: none"> ● March 2018
3.3.2	Establish effective reporting templates that can be measured against specific financial and operational targets.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC ● City of Marion 	<ul style="list-style-type: none"> ● March 2018
3.3.3	Ensure all EMSRG affiliates undertake sound management and financial practices in line with those utilised by the EMSCC and provide copies of all relevant financial and operational reports on an annual basis to the EMSCC for review	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC 	<ul style="list-style-type: none"> ● January 2018
3.3.4	Ensure clear processes around the formalization of annual business plans, budgets, measurable KPI's and long term strategic plans.	<ul style="list-style-type: none"> ● Facility Manager 	<ul style="list-style-type: none"> ● EMSCC ● City of Marion 	<ul style="list-style-type: none"> ● March 2018

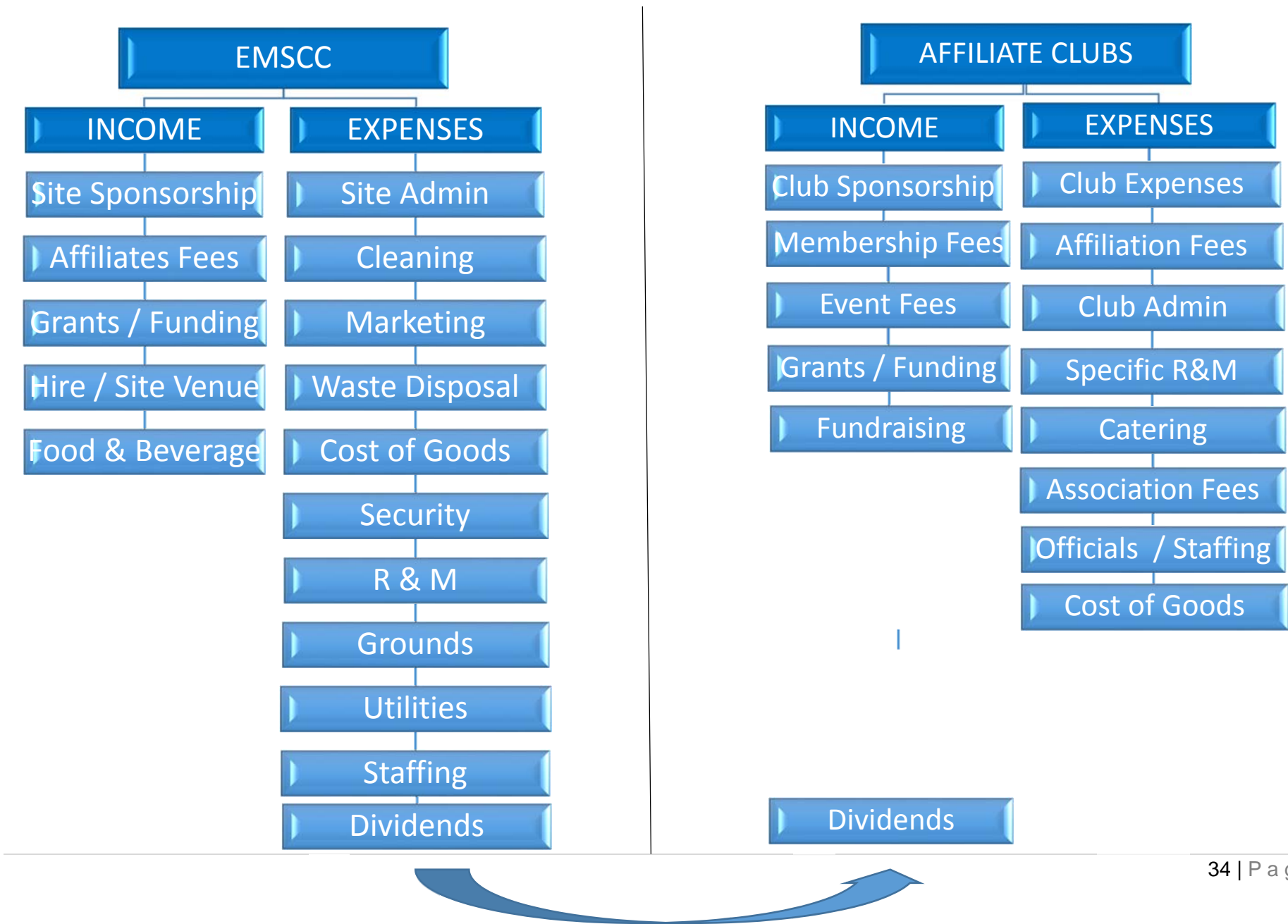
12. Financial Model

As per the Management Model for the redeveloped EMSRG, the accompanying Financial Model represents a significant shift for both the EMSCC and the existing affiliates. Primarily, the delivery of all food and beverage services with the exception of items sold through the canteen, BBQ's or fundraising events sanctioned by the EMSCC will be undertaken by the EMSCC.

The EMSCC will also oversee areas previously undertaken by affiliates in their relevant buildings such as site sponsorship, group bookings and venue hire. All these revenues will be directed towards the EMSCC who will then distribute to affiliated clubs on a dividend model as outlined on page 39.

Accordingly, the EMSCC will also pick up certain expenses related to the facility, which were previously the responsibility of affiliates with a clubhouse including areas such as waste disposal, cleaning, security and repairs and maintenance (not undertaken by the City of Marion). It should be noted that due to the specialized nature of the curating of the bowling greens the costs for this have remained within the Edwardstown Bowling Clubs financials as an operating expense and has also been taken into account when evaluating overall affiliate dividend percentages. These expense lines will be distributed by the EMSCC to affiliates, based on a usage model as outlined on page 41

The following page outlines the roles and responsibilities of the EMSCC and the Affiliated Clubs, as a result of the new Management Model being proposed with detailed explanations provided.



Edwardstown Memorial Sports Community Club (EMSCC) Responsibilities

INCOME

1. **Site Sponsorship** – the EMSCC will charge a nominal fee for advertising rights around the site including football oval and bowling greens – this includes both grounds and buildings the relevant affiliates can then purchase a “spot” or a combination of in a discounted package whereby they can set their own fee structure with the club receiving 100% of proceeds. All sponsorship must be approved by the EMSCC before final execution to ensure compatibility with EMSCC sponsorship guidelines. All installation and removal will be at the cost to the club. Clubs will retain the right to seek advertising for uniforms and club equipment (excluding buildings or EMSCC assets) with 100% of proceedings going to the club.
2. **Affiliate Fees** – income derived from affiliate clubs in the form of but not limited to rent & any associated outgoings such as rates, Emergency Services Levy etc...if applicable.
3. **Utilities** - income derived from the split of utility usage which is on-charged to affiliates on a to be determined pro rata basis
4. **Hire / Venue** – income derived by the hire of the site by external user groups including but not limited to corporate hire, community groups, training and social events. This includes oval and green hire.
5. **Food & Beverage** – income derived from the sale of drinks, food & other consumables in the facilities food service areas. This also includes any food served in satellite areas, which were prepared in the facilities food service areas.
6. **Grants / Funding** – income derived by the EMSCC by the way of grants from external funding bodies such as the ORS, City of Marion or other. Having the EMSCC apply for grants does not in any way exclude clubs for applying for external funding except whereby the leasing agreement requires the club to notify the EMSCC in the first instance.

EXPENSES

1. **Administration Costs** – Costs incurred by the EMSCC in relation to the operations of the site these include but are not limited to Banks Fees, Accounting Fees, Printing & Stationary, Telephone & Internet and Postage
2. **Cleaning** – Costs incurred by the EMSCC for the cleaning of the facility including toilet blocks and immediate surrounds.
3. **Marketing** – Costs incurred by the EMSCC in potential relation to advertising of services available within the facility excluding direct advertising of affiliate events and status unless under prior agreement with the EMSCC.
4. **Waste Disposal** – Costs incurred for the disposal of waste from the site. This excludes disposal of any specific items belonging to the club that requires disposal which will be undertaken at the club's expense unless agreed to prior with the EMSCC.
5. **COGS** – or Cost of Goods sold accounts for any items purchased by the EMSCC intended for resale within the facility. This includes but is not limited to foods stuffs & beverages.
6. **Security** – Cost incurred for the monitoring and associated running of the sites security systems – this includes any call outs, changes to master key systems etc...

7. **Grounds** - Costs incurred and payable by the EMSCC for the upkeep of the relevant grounds of the site – dependent on the nature these costs may be passed directly onto relevant club for payment.
8. **Repairs & Maintenance** - Costs incurred for the repair and maintenance of items in and around the facility, which do not fall under the Defects Liability Period of the new build, or the roles and responsibilities as outlined in the Head Lease agreement.
9. **Building Insurance** – Cost incurred for the insurance of the facility which may be passed onto the affiliates on a yet to be determined pro rata basis for payment.
10. **Utilities** – Costs incurred by the EMSCC for utility usage on the site which may be passed onto affiliates on a yet to be determined pro rata basis for payment.
11. **Dividends** - Discretionary payment made to affiliates by the EMSCC at a nominated time sourced from the operating surplus of the site. The frequency and terms of these dividends will be at the sole discretion of the EMSCC.

Affiliate Responsibilities

INCOME

1. **Membership Fees** - Income derived from the affiliate clubs from membership fees payable by their members and associates for membership to corresponding club
2. **Specific Sponsorship** - Income derived by the clubs from sponsorship or contra agreements that fall outside of those outlined in *POINT 1 of EMSCC Income*. This may include but is not limited to cash or contra agreements, naming sponsorship or other of items such as uniforms or club specific assets.
3. **Grants / Funding** – Income derived by the clubs from application to external funding bodies, such as City of Marion and ORS. Clubs applying for asset improvement or anything related to infrastructure will need to get the support of the EMSCC.
4. **Fundraising** - Income derived by the club from any activities to raise funds for their relevant club – this may include external sausage sizzles, raffles or the like. Clubs may be required to notify the EMSCC of any events occurring on site.
5. **Canteen / BBQ's** – Income derived from the sale of goods in the oval canteen, which will be operated by the affiliates relevant to seasonal usage. Any limitations on the sale of items will be confirmed by the EMSCC. All income will go to clubs who will manage their own stock and operations of the area under any relevant guidelines as set out by the EMSCC.
6. **Event Fees** – Any income derived by the clubs for admission to any events run by the clubs. These fees are not limited to sporting events and may include fees the clubs wish to on-charge to members for events such as awards nights.
7. **Dividends** - Discretionary payment made to affiliates by the EMSCC at a nominated time sourced from the operating surplus of the site. The frequency and terms of these dividends will be at the sole discretion of the EMSCC.
8. **Other** – Income derived from sources not aligned with any of the above headings including profits from sale of uniforms, merchandise, peak body subsidies, come 'n try events etc...

EXPENSES

1. **Affiliation Fees** – expenses payable by clubs in the form of but not limited to rent & any associated outgoings such as rates, Emergency Services Levy etc...if applicable.
2. **Specific Repair & Maintenance** – Costs incurred by the club for the repair & maintenance of any club specific assets that do not fall under the responsibility of either the City of Marion or the EMSCC. Such items may include but are not limited to lawnmowers, football or bowls equipment or bicycles etc...in relation to the Bowling Greens it is proposed that the Bowling Club will retain management of the Green keeping with the final responsibility for payment of this service to be evaluated upon completion of the financial modelling with options being input from the Bowls, Board and the City of Marion or a combination of these groups.
3. **Administration Costs** - Costs incurred by the clubs in relation to the operations of their club. These items include but are not limited to Banks Fees, Accounting Fees, Printing & Stationary, Telephone & Internet and Postage.
4. **Catering** – Cost incurred by the club for the catering of events whether from internal or sources. The EMSCC may reserve the right to prohibit external food to be brought onto the site.
5. **COGS** - or Cost of Goods Sold includes costs for any items purchased by clubs intended for resale. This includes but is not limited to foods stuffs & beverages for the canteen, sausage sizzles, uniforms, club merchandise or other.
6. **Association Fees** – any costs incurred by the relevant clubs pertaining to being a member of any relevant sporting, peak or industry body such as but not limited to Bowls SA, Cricket SA etc...
7. **Officials / Umpires** – costs incurred by the clubs in relation to but not limited to umpire or player payments, coaches, consultants, trainers, guest speakers etc...
8. **Other** – costs not falling into any of the above categories including but not limited to items such as trophies, transport costs covered by the club, advertising & purchase of equipment.

Edwardstown Soldiers Memorial Oval Financial Modelling

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
REVENUE	Bar Sales	157,336	161,269	165,301	169,434	173,670	178,011	182,462	187,023	191,699	196,491	1
	Food Sales	84,720	86,838	114,009	116,859	119,781	122,775	125,845	128,991	132,215	135,521	2
	Site / Venue Hire	73,826	98,526	100,989	103,514	106,102	108,754	111,473	114,260	117,116	120,044	3
	Water Recovery	5,779	5,923	6,072	6,223	6,379	6,538	6,702	6,869	7,041	7,217	4
	Sponsorship	6,400	6,720	7,056	7,409	7,779	8,168	8,577	9,005	9,456	9,929	5
	Affiliates Rent	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118	6
	Affiliates Utilities	13,100	14,017	14,998	16,048	17,171	18,373	19,660	21,036	22,508	24,084	7
	Affiliates Security	1,684	1,726	1,769	1,813	1,858	1,905	1,952	2,001	2,051	2,102	8
	Affiliates Cleaning	11,700	11,993	12,292	12,600	12,915	13,237	13,568	13,908	14,255	14,612	9
	Facility Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398	10
TOTAL REVENUE		451,045	485,924	523,871	537,819	552,172	566,944	582,148	597,801	613,918	630,515	
EXPENSE	Bar Purchases	51,217	52,497	53,810	55,155	56,534	57,947	59,396	60,881	62,403	63,963	11
	Food Purchases	42,360	43,419	57,005	58,430	59,890	61,388	62,922	64,495	66,108	67,760	12
	General Bar Expenses	19,634	20,125	20,628	21,144	21,672	22,214	22,769	23,339	23,922	24,520	13
	Cleaning	23,400	23,985	24,585	25,199	25,829	26,475	27,137	27,815	28,511	29,223	14
	Waste Disposal	2,970	3,044	3,120	3,198	3,278	3,360	3,444	3,530	3,619	3,709	15
	Repairs / Equipment	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122	16
	Marketing	15,998	16,398	16,808	17,228	17,659	18,100	18,553	19,017	19,492	19,979	17
	Rent (to City of Marion)	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839	16,235	18
	Utilities	26,200	28,034	29,996	32,096	34,343	36,747	39,319	42,071	45,016	48,168	19
	Public Liability Insurance	4,549	4,663	4,779	4,899	5,021	5,147	5,275	5,407	5,543	5,681	20
	Administrative Expense	9,305	9,538	9,776	10,020	10,271	10,528	10,791	11,061	11,337	11,621	21
	Security	3,367	3,451	3,537	3,626	3,717	3,809	3,905	4,002	4,102	4,205	22
	Staff	86,493	88,655	90,872	93,144	95,472	97,859	100,305	102,813	105,383	108,018	23
	Facility Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398	24
TOTAL EXPENSE		390,993	401,947	425,757	437,751	450,139	462,938	476,165	489,838	503,978	518,603	
TOTAL PROFIT/(LOSS) EMSCC (A)		60,051	83,978	98,114	100,069	102,033	104,006	105,984	107,963	109,941	111,913	
Community Value Subsidy from City of Marion		40,000	20,000	10,000	0	0	0	0	0	0	0	
Amount Available for Distribution (A+B)		100,051	103,978	108,114	100,069	102,033	104,006	105,984	107,963	109,941	111,913	

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Line	Comment
1	Combined sales figures of beverages from the Edwardstown Bowls Club and Edwardstown Football Club and provision of additional sales. Assumption is that club usage would not see a decrease.
2	Combined sales figures of food from the Edwardstown Bowls Club and Edwardstown Football Club and provision of additional sales. Assumption is that club usage would not see a decrease. Canteen, BBQ or fundraising revenues are not represented in EMSCC revenues, as they will remain with the clubs.
3	Represents combined revenue by the EBC, EFC and Community Hall. All these groups will continue in the new facility with the exception of the dance classes due to lack of sprung floorboards. Additional revenues are provided based on 28 hours of rental hire per week at a rate of \$40 per hour.
4	Water recovery
5	Represents income payable to the EMSCC from site sponsorship only around the EMSCC facility. The Board will sell advertising space at a substantially reduced rate to clubs who can then sell the space for whatever price they can achieve keeping the proceeds.
6	Speculated rental figure charged by the City of Marion is \$13,000p.a with the EMSCC responsible for 50%. The dividends model highlights the dividends breakdowns for all affiliates.
7	Utilities have been forecast at \$26,200 p.a. with the EMSCC responsible for 50%. The dividends model highlights the dividends breakdowns for all affiliates.
8	Site security has been forecast at \$3,367 p.a. with the EMSCC responsible for 50%. The dividends model highlights the dividends breakdown for all affiliates
9	Site cleaning has been forecast at \$23,400 p.a. with EMSCC responsible for 50%. The dividends model highlights the dividends breakdown for all affiliates
10	Payment from the City of Marion attributed to wages and on costs for the Facility Manager
11	Combined expenses figures attributed to beverage delivery represented as 33% of sales
12	Projected expenses derived from sales of meals represented as 50% of sales.
13	Combined existing expenses attributed to cost associated with running of the EFC & EBC bar. A single provider of services may result in some efficiencies however the existing costs have been used for forecasting.
14	Forecasted figure for the cleaning of the new facility
15	Forecasted figure for the waste disposal services for the new facility
16	Forecasted figure for the Repair and Maintenance of auxiliary items within the facility that are the responsibility of the EMSCC
17	Forecasted cost for costs associated with Marketing of the facility
18	Forecasted rental payable to the City of Marion
19	Forecasted cost for Utilities
20	Forecasted cost for Public Liability Insurance payable by the EMSCC
21	Cost associated with EMSCC administration
22	Costs associated with the provision of security services for the building (monitoring, patrols etc...)
23	Costs associated with payment of staff not undertaken by volunteers
24	Costs associated with the salary wages and on costs for the Facility Manager.
27	Total operational expenses for the EMSCC
28	Total EMSCC surplus after all expenses are paid
29	Proposed council subsidy paid to the EMSCC to assist in attaining operational surpluses to all affiliates after dividends are allocated.
30	Surplus available for distribution to affiliates and EMSCC based on the dividends model.

12. Dividends Model for Distribution

First Year Model

With the implementation of the new Management Model, the EBC & EFC will experience a decrease in their main income revenues streams consisting of Food & Beverage delivery, which will now be undertaken by the EMSCC. With this model, the two clubs will show a proposed net operating deficit of approximately \$35k respectively as outlined in the table below.

The provided first year budget, distributions and council subsidy have been established to ensure the EBC & EFC as with other clubs are not at any disadvantage and can operate in the same financial position as previous to the new Management Model implementation. The EMSCC will retain 10% of all earnings in the first year to allow them to establish a cash reserve for future use as the business dictates. It is agreed by Council and the EMSCC, that dividend payments will occur every 3 months to assist clubs in relation to cash flow and budgeting. This will also allow clubs time to transition to new facility and establish strategies in regards to the proposed dividend model, which is proposed to take effect after 12 months of operations.

Amount Available for Distribution (A+B)		100,052
EMSCC	10%	10,005
Football*	42%	42,022
Bowls*	45%	45,023
Cycling	1.5%	1,501
Cricket	1.5%	1,501
Total Allocation	100%	100,052
Net surplus / deficit position after new management model		
Football P/L		-35,501
Bowls P/L		-34,486
Net surplus/(deficit) position after distribution of surplus		
<i>Football Club</i>		6,521
<i>Bowling Club</i>		10,537
2015/16 EOFY positions		
<i>Football Club</i>		6,151
<i>Bowling Club</i>		10,239

The assumption is made that existing clubs will continue utilization of the facility at current levels to ensure the amount available for distribution would be achieved as outlined in the provided financial forecast.

Second Year Model and onwards

A Financial Model based largely on rewards for contributions will be introduced after 12 months of operations whereby clubs will be directly reimbursed for income generation and expense savings directly related to club activities undertaken on the site. These areas can be summarised as below:

- Income in relation to bar and food sales from the facility, which are directly attributed to the club.
- Volunteer hours contributed to the ESMRG facility outside of their normal scheduled club activities such as community events or public meal times.
- Income generated in relation to venue or site hire, which can be directly attributed to the relevant club.
- Donations or in kind support which does not fall under the listed categories however are deemed by the EMSCC as a redeemable contribution to the facility.

These areas will be monitored by Point of Sale software and Financial reports and calculated by the EMSCC on a quarterly basis and will form the dividend model to be utilised moving forward. The first year model allows all affiliates to begin the transition in an equal financial position whilst the second year onward modelling directly rewards the clubs for effective governance, community contributions, utilization of the facility and their respective volunteer management plans – a user reward system which also meets the primary goal of the integrated facility model underpinning the project.

Food & Bar Sales

Existing clubs such as the EBC & EFC utilise their respective facilities as an essential service to their members in regards to food and drink service, which forms an essential part of the respective clubs culture, history and social benefits of being a member of these clubs. This is to continue as normal in the new facility with their existing volunteers continuing to serve behind the bar as volunteers during these periods. These times will be classed as business as usual and represent what the club already provides its members with the only difference being that meal delivery during these times will be delivered by the EMSCC. During these times, all sales relating to the relevant club will be allocated via the Point of Sale (POS) software, which can then capture accurately the contributions the relevant clubs are making in these areas.

Both the EMSCC and Council are aware that several checks and balances will be required in relation to stock control, data entry and “leakage” to ensure the figures captured are a true representation of the clubs contributions. The Board will then generate a report showing gross sales minus any costs associated with the delivery of those services such as Purchases, Cost of Goods and Staff which will be provided to the EMSCC

with a gross profit figure. This figure can then be broken down by the EMSCC to represent clubs financial contributions, which will form the dividend to be paid back to the club from the EMSCC surplus.

Volunteer Hours

A main focus of the proposed facility is to engage with sections of the community and the offering of services such as meals to the public and community events that currently do not exist. To undertake these activities the EMSCC will incur costs which have been budgeted for in the Financial Forecasts however where possible the clubs have the opportunity to provide volunteers such including bar staff to facilitate these events. As such, the EMSCC will experience decreased costs, the savings of which will be directed to the contributing club and form a further opportunity for the club to achieve additional income streams whilst serving the ESMRG facility as a whole.

The reimbursed hours are proposed to align with the task being undertaken. For example if a club is supplying a bar attendant for a function the reimbursement will be in line the award rate for the position supplied. For general volunteers for BBQ's etc., a nominal rate will be proposed in consultation with the clubs to form a standardised schedule of rates.

Venue / Site Hire

Again, a main focus of the proposed business plan is to increase venue hire to be representative of a major income line for the EMSCC. Largely this will be the responsibility of the Facility Manager however, bookings coming in as a direct result of the clubs' involvement will be financially rewarded by the EMSCC providing the clubs with a further income line whilst meeting the objectives of the ESMRG.

The reimbursement levels, whether 50% or 100% of the booking will be negotiated with the club by the Facility Manager, who will be able to establish whether the booking was from word of mouth, marketing, direct club referral or any other source.

Donations or In Kind support

Clubs who provide the ESMRG or EMSCC with goods or in kind support that is of direct benefit as judged by the EMSCC, will also be eligible for further dividend payments. This may include goods received by club sponsors or prizes received that are donated to the EMSCC for use by the facility as a whole. The reimbursement for these proposed items will be undertaken on a case by case basis by the Facility Manager.

How it works

As indicated below the information provides a sample dividend utilizing the methodologies previously outlined. For reference, the budget table provided shows the first year budget as provided in the 10-year forecast highlighting the income and expenditure in relation to food and bar service delivery providing a surplus of \$61K. The EMSCC through POS reporting will be able to determine what clubs contributed to the achievement of this figure, which the EMSCC can then divide accordingly among the contributing clubs minus the EMSCC holding a 10% retained earning position.

Budget	
Bar Sales	157,336
Food Sales	84,720
Revenue Total	242,056
Bar Purchases	51,217
Food Purchases	42,360
Staffing Costs	86,493
Expenses Total	180,070
Total	61,986

Dividend	%	Food / Bar Sales	Volunteer Hours	Donations	Venue Hire	Total
EMSCC	10%	\$ 6,199		\$ -		\$ 6,198.60
EFC	45%	\$ 27,894	\$ 5,720.00	\$ 400.00		\$ 34,013.70
EBC	40%	\$ 24,794	\$ 88.00	\$ -	\$ 4,975.00	\$ 29,857.40
SCC	3%	\$ 1,860	\$ 308.00	\$ 2,500.00		\$ 4,667.58
SRC	2%	\$ 1,240	\$ 704.00	\$ 75.00		\$ 2,018.72
	100%	\$ 61,986				

The volunteer hour payments will be made from the savings made by the EMSCC from the staffing costs expense line and tracked through the POS software. Donation and venue hire will be paid from the retained earnings figure (10%) as outlined in the above table at the discretion of the EMSCC upon confirmation by the Facility Manager.

This model also allows for the introduction of further affiliates in the future allowing further growth of the site as they bring more business to the ESMRG with associate knock on growth effects, which benefit the site and community as a whole. It also requires the clubs to not only be invested and contribute to the facility in relation to utilisation, but also allows the clubs to attain long-term sustainability through the additional income stream opportunities afforded to them.

These opportunities come on top of the clubs' abilities to further consolidate their financial position by the optimisation of their existing income streams including raffles, fundraising, funding opportunities and effective cost controlling.

Model for payment of ESMRG related expenses

The below table represents the proposed model to split expenses (represented annually) payable by the EMSCC which will be apportioned between the EMSCC and Affiliates, with the EMSCC responsible for the majority share of expenses incurred due to the nature and majority of activities undertaken by the group. These are base expenses, and further expenses may be incurred by the club for items that directly relate or are the responsibility of the affiliates, including but not limited to, utility costs for the use of oval lighting, breakages or damages incurred as a direct result of use by an affiliate, or additional venue hire for events not covered in the groups sub-lease agreement with the EMSCC.

It must be noted, these figures are projections only and may experience a decline when contracts are put in place. For example, the rental figure is an estimate provided by Maloney's based on the estimated market value of the site post works, with the City of Marion's new leasing and licencing policy applied to this estimate to obtain an estimated rental figure that City of Marion will charge the EMSCC. The utilities, security and cleaning figures have been provided by KPMG in initial financial modelling for the facility. If any savings are obtained in these areas upon commissioning, then the figures payable will decrease accordingly.

Attachment G – Expenses Split

Entity	%split	Rent	Utilities	Cleaning	Security	Total
EMSCC	50	\$6,500.00	\$13,100.00	\$11,700.00	\$1,683.50	\$32,983.50
Football	25	\$3,250.00	\$6,550.00	\$5,850.00	\$841.75	\$16,491.75
Bowls	21	\$2,730.00	\$5,502.00	\$4,914.00	\$707.07	\$13,853.07
Cycling	1.5	\$260.00	\$524.00	\$468.00	\$67.34	\$1,319.34
Cricket	1.5	\$260.00	\$524.00	\$468.00	\$67.34	\$1,319.34
	100	\$13,000.00	\$26,200.00	\$23,400.00	\$3,367.00	

Subsidy Requirements

The 10-year forecast indicates the lack of a Council subsidy by year 4 of operations whereby site optimisation and utilisation will reach near capacity and then evolve into a standard growth / maintenance pattern.

The figures provided in the Financial Forecast are conservative in nature with the real possibility in the event of exceeding goals and controlling expenses that the EMSCC could close the gap in regards to a subsidy requirement earlier than year 4. However, it must be highlighted that the Council subsidy as outlined in the first year forecast (\$40K), aims to represent a figure whereby the dividends available for distribution are sufficient to ensure the Football and Bowls clubs obtain a similar financial position as before the installation of the new management model, with the newly proposed dividend model kicking in at year 2, whereby the Council subsidy decreases to nil by year 4.

Operational Subsidy

The EMSCC has cash reserves of approximately \$40K for use as an operational subsidy once services at the EMSRG begin. The need for a further Council funded input will be required to enable the EMSCC to operate solvent in initial months until its cash flows are sufficient to sustain its operations. It is proposed that the City of Marion will make available an overdraft facility up to \$55K to access as required. The agreement surrounding this will be detailed and included in the head lease between EMSCC and the City of Marion.

Fixtures, Fittings and Equipment

The budget for the project provides for the provision of the base building. Many aspects of the FF&E fit out have no provision in the existing budget apart from a nominal allocation of \$70K for Audio Visual requirements. For commissioning of the facility areas, the following areas need to be funded:

- Utensils, plates, cups, glasses, carafes etc...
- Applicable table setting equipment (salt shakers, napkins, tablecloths, table numbers etc...)
- Computers, keyboards and associated POS software for function areas and hardware for server room
- All kitchen related utensils such as pots, pans, mixers, knives etc...
- Food & Trolleys

The utilisation of existing items from the EFC & EBC has been investigated. However due to the informal nature of the food and bar service currently on offer, the acquisition of these items would not be the preferred direction to take although some items including shelving have been identified as suitable. Through consultation with the clubs, allowing them to sell these items would be the preferred option for both the EMSCC and the clubs.

A costed amount of \$135k has been provided to cover the costs of the required non-base fit out which is not covered in the existing project budget. As such, it is proposed that Council funds this fit out and retains ownership of all items.

13 Transition Phase

This section provides an update of the preliminary transition plan, which updates the key steps and activities in relation to both (i) an establishment phase to set up the governance, strategy and plans and (ii) a growth phase in relation to the first two years of operations for the new governance and management model.

Essential elements of the establishment phase have been completed or are in the process of completion as detailed below:

Task	Responsibility	Status
<i>Establishment and endorsement of a new constitution for the EMSCC</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • Completed
<i>Recruitment of the Committee of Management for the EMSCC including establishment of advisory groups for design and transition.</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • Completed
<i>Consultation with existing user groups and community</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • Ongoing
<i>Establish detailed transition plan to be implemented upon commencement of buildings works scheduled for December 2017</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • October 2017
<i>Development of draft head lease agreement, modernized and aligned with the City of Marion's Land and Property Lease and License policy and framework.</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • November 2017
<i>Development of sub lease agreements and licenses</i>	<ul style="list-style-type: none"> • EMSCC 	<ul style="list-style-type: none"> • December 2017
<i>Development of EMSRG Business Plan and Strategic Plan</i>	<ul style="list-style-type: none"> • CoM • EMSCC 	<ul style="list-style-type: none"> • Completed

The Transition Plan will be an essential document, which will ensure all sporting clubs and user groups are aware of how the physical transformation of the site will occur, and detail any potential impact on existing operations with alternate solutions clearly outlined and agreed upon. It is noted that there should be minimal impact on existing operations in relation to the construction of the new building, as clubs will still be able to utilise their existing facilities to a large degree or have contingency arrangements in place through the Transition Plan that will allow them to keep operating.

Essential elements of the Transition Plan will include but are not limited to:

- *Decommissioning and handover timelines for the three buildings earmarked for demolition from the incorporated bodies to the City of Marion to facilitate demolition.*
- *Contingency plans for relocation or accommodation as a result of non-availability of regular facilities due to construction.*
- *Establishment of a communication plan for affiliates and user groups with clear guidelines and contact processes to be used during the construction period.*
- *Traffic restriction plans to existing onsite parking areas for user groups and affiliates.*
- *Transfer of existing liquor licenses from existing clubs to the EMSCC.*
- *Club handover of all essential memorabilia such as honour boards that are to be installed within the new facility.*
- *Commissioning timelines and induction processes for all affiliates and user groups.*

There are many club specific areas surrounding the wind up of operations in their existing clubrooms that will be the prime responsibility of the clubs. These include the run-down of food and beverage stock, sale of non-essential items that will not be housed in new facility such as tables, chairs and various fixtures, fittings and equipment, storage of memorabilia and the cessation of existing suppliers and contractors specific to the relevant clubs such as cleaners, food suppliers, technicians and security.

Although this responsibility will lay with the clubs, the EMSCC and City of Marion will provide support as required to facilitate these operations.

Establishment / Growth Phase

The establishment and growth phase has been estimated as a two-year period. The specific goals for the ESMRG within the first 12 months are outlined in the Goals and Objectives section of this document and as achieved will meet all initial requirements to see through the transition phase.

Long-term plans for the facility including Strategic Plans will be the responsibility of the EMSCC to formulate with the assistance of City of Marion as required. The immediate long-term goal of the site would focus on the gradual reduction of the need for City of Marion to provide an operational subsidy to the EMSCC. This will be achieved through effective facility management and increasing the diversity of programs and services on offer to drive revenue growth.

Financial Modelling Scenarios

In preparing the business plan, three financial forecasts were established to provide Council with a view of what the potential impact on Council, the EMSCC and the clubs could be in varied outcome scenarios. The 3 models proposed are summarized as below:

- Worst Case - where there is no uplift or increase in income generation on current levels.
- Minimal gains - whereby 70% of financial targets are met by year 3
- Optimal gains - whereby 100% of financial targets are met in year one & onwards.

Worst Case Scenario

This modelling represents a scenario where essentially no elements of the operational or financial targets of the project have been met. There are no additional bookings or hire opportunities, clubs have not contributed anything extra to the new facility in relation to income streams or growth targets and no new community events have materialized. Accordingly however the cost associated with delivering these initiatives such as staffing cost have also reduced. As outlined the clubs can continue operating however the Council contribution to meet the required surplus levels to meet the dividends model is significant and increasing on a perpetual ongoing basis with \$79K required in year one through to just under \$100K in year 10.

Minimal Gains

This modelling presents as scenario whereby 50% of targets have been met and there is only minimal growth through CPI occurring through to year 10. Again clubs can function and the Council subsidy required is less however again it is ongoing and increases on a perpetual basis without additional increases in revenues to eliminate the requirement for council to contribute. Year one would see a subsidy of \$40K through to \$50k in year 10.

Optimal Scenario

This preferred model highlight what council sees as an informed realistic budget based on informed budget forecasting and a clearly identified need analysis to meet the goals and objectives contained within. This model highlights the elimination of a Council provided subsidy by year 4 of operations through realized utilisation and optimisation targets and effective cost controls. The targets, both operational and financial are not a stretch and represent the realistic goal of reducing council subsidy requirements prior to the projected year 4 of operations.

**Edwardstown Soldiers Memorial Oval Financial
Modelling**
**Worst Case
Scenario**

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE	Bar Sales	123,536	126,624	129,790	133,035	136,361	139,770	143,264	146,845	150,517	154,280
	Food Sales	66,520	68,183	69,888	71,635	73,426	75,261	77,143	79,071	81,048	83,074
	Site / Venue Hire	15,328	15,711	16,104	16,507	16,919	17,342	17,776	18,220	18,676	19,143
	Water Recovery	5,779	5,923	6,072	6,223	6,379	6,538	6,702	6,869	7,041	7,217
	Sponsorship	6,400	6,720	7,056	7,409	7,779	8,168	8,577	9,005	9,456	9,929
	Affiliates Rent	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118
	Affiliates Utilities	13,100	14,017	14,998	16,048	17,171	18,373	19,660	21,036	22,508	24,084
	Affiliates Security	1,684	1,726	1,769	1,813	1,858	1,905	1,952	2,001	2,051	2,102
	Affiliates Cleaning	11,700	11,993	12,292	12,600	12,915	13,237	13,568	13,908	14,255	14,612
	Project Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL REVENUE		340,547	349,810	359,354	369,189	379,326	389,776	400,552	411,665	423,128	434,955
EXPENSE	Bar Purchases	51,217	52,497	53,810	55,155	56,534	57,947	59,396	60,881	62,403	63,963
	Food Purchases	42,360	43,419	44,504	45,617	46,758	47,926	49,125	50,353	51,612	52,902
	General Bar Expenses	19,634	20,125	20,628	21,144	21,672	22,214	22,769	23,339	23,922	24,520
	Cleaning	23,400	23,985	24,585	25,199	25,829	26,475	27,137	27,815	28,511	29,223
	Waste Disposal	2,970	3,044	3,120	3,198	3,278	3,360	3,444	3,530	3,619	3,709
	Repairs / Equipment	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
	Marketing	15,998	16,398	16,808	17,228	17,659	18,100	18,553	19,017	19,492	19,979
	Rent (to City of Marion)	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839	16,235
	Utilities	26,200	28,034	29,996	32,096	34,343	36,747	39,319	42,071	45,016	48,168
	Public Liability Insurance	4,549	4,663	4,779	4,899	5,021	5,147	5,275	5,407	5,543	5,681
	Administrative Expense	9,305	9,538	9,776	10,020	10,271	10,528	10,791	11,061	11,337	11,621
	Security	3,367	3,451	3,537	3,626	3,717	3,809	3,905	4,002	4,102	4,205
	Staff	15,000	15,375	15,759	16,153	16,557	16,971	17,395	17,830	18,276	18,733
	Facility Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL EXPENSE		319,500	328,667	338,145	347,948	358,091	368,589	379,457	390,713	402,374	414,459
TOTAL PROFIT/(LOSS) EMSCC (A)		21,047	21,143	21,209	21,241	21,235	21,187	21,094	20,952	20,754	20,496
Community Value Subsidy from City of Marion (B)		79,004	80,979	83,004	85,079	87,206	89,386	91,620	93,911	96,259	98,665
Amount Available for Distribution (A+B)		100,051	102,122	104,213	106,319	108,440	110,573	112,715	114,863	117,013	119,161

**Edwardstown Soldiers Memorial Oval
Financial Modelling**

Minimal Gains

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE	Bar Sales	157,336	161,269	165,301	169,434	173,670	178,011	182,462	187,023	191,699	196,491
	Food Sales	84,720	86,838	89,009	91,234	93,515	95,853	98,249	100,705	103,223	105,804
	Site / Venue Hire	73,826	75,672	77,563	79,503	81,490	83,527	85,616	87,756	89,950	92,199
	Water Recovery	5,779	5,923	6,072	6,223	6,379	6,538	6,702	6,869	7,041	7,217
	Sponsorship	6,400	6,720	7,056	7,409	7,779	8,168	8,577	9,005	9,456	9,929
	Affiliates Rent	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118
	Affiliates Utilities	13,100	14,017	14,998	16,048	17,171	18,373	19,660	21,036	22,508	24,084
	Affiliates Security	1,684	1,726	1,769	1,813	1,858	1,905	1,952	2,001	2,051	2,102
	Affiliates Cleaning	11,700	11,993	12,292	12,600	12,915	13,237	13,568	13,908	14,255	14,612
	Project Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL REVENUE		451,045	463,070	475,446	488,183	501,295	514,795	528,695	543,012	557,759	572,952
EXPENSE	Bar Purchases	51,217	52,497	53,810	55,155	56,534	57,947	59,396	60,881	62,403	63,963
	Food Purchases	42,360	43,419	44,504	45,617	46,758	47,926	49,125	50,353	51,612	52,902
	General Bar Expenses	19,634	20,125	20,628	21,144	21,672	22,214	22,769	23,339	23,922	24,520
	Cleaning	23,400	23,985	24,585	25,199	25,829	26,475	27,137	27,815	28,511	29,223
	Waste Disposal	2,970	3,044	3,120	3,198	3,278	3,360	3,444	3,530	3,619	3,709
	Repairs / Equipment	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
	Marketing	15,998	16,398	16,808	17,228	17,659	18,100	18,553	19,017	19,492	19,979
	Rent (to City of Marion)	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839	16,235
	Utilities	26,200	28,034	29,996	32,096	34,343	36,747	39,319	42,071	45,016	48,168
	Public Liability Insurance	4,549	4,663	4,779	4,899	5,021	5,147	5,275	5,407	5,543	5,681
	Administrative Expense	9,305	9,538	9,776	10,020	10,271	10,528	10,791	11,061	11,337	11,621
	Security	3,367	3,451	3,537	3,626	3,717	3,809	3,905	4,002	4,102	4,205
	Staff	86,493	88,655	90,872	93,144	95,472	97,859	100,305	102,813	105,383	108,018
	Facility Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL EXPENSE		390,993	401,947	413,257	424,938	437,006	449,477	462,367	475,696	489,481	503,744
TOTAL PROFIT/(LOSS) EMSCC (A)		60,052	61,123	62,189	63,245	64,289	65,318	66,328	67,316	68,278	69,208
Community Value Subsidy from City of Marion (B)		40,000	41,000	42,025	43,076	44,153	45,256	46,388	47,547	48,736	49,955
Amount Available for Distribution (A+B)		100,052	102,123	104,214	106,320	108,441	110,574	112,716	114,864	117,014	119,163

Optimal Scenario**Edwardstown Soldiers Memorial Oval Financial Modelling**

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
REVENUE	Bar Sales	157,336	161,269	165,301	169,434	173,670	178,011	182,462	187,023	191,699	196,491
	Food Sales	84,720	86,838	114,009	116,859	119,781	122,775	125,845	128,991	132,215	135,521
	Site / Venue Hire	73,826	98,526	100,989	103,514	106,102	108,754	111,473	114,260	117,116	120,044
	Water Recovery	5,779	5,923	6,072	6,223	6,379	6,538	6,702	6,869	7,041	7,217
	Sponsorship	6,400	6,720	7,056	7,409	7,779	8,168	8,577	9,005	9,456	9,929
	Affiliates Rent	6,500	6,663	6,829	7,000	7,175	7,354	7,538	7,726	7,920	8,118
	Affiliates Utilities	13,100	14,017	14,998	16,048	17,171	18,373	19,660	21,036	22,508	24,084
	Affiliates Security	1,684	1,726	1,769	1,813	1,858	1,905	1,952	2,001	2,051	2,102
	Affiliates Cleaning	11,700	11,993	12,292	12,600	12,915	13,237	13,568	13,908	14,255	14,612
	Project Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL REVENUE		451,045	485,924	523,871	537,819	552,172	566,944	582,148	597,801	613,918	630,515
EXPENSE	Bar Purchases	51,217	52,497	53,810	55,155	56,534	57,947	59,396	60,881	62,403	63,963
	Food Purchases	42,360	43,419	57,005	58,430	59,890	61,388	62,922	64,495	66,108	67,760
	General Bar Expenses	19,634	20,125	20,628	21,144	21,672	22,214	22,769	23,339	23,922	24,520
	Cleaning	23,400	23,985	24,585	25,199	25,829	26,475	27,137	27,815	28,511	29,223
	Waste Disposal	2,970	3,044	3,120	3,198	3,278	3,360	3,444	3,530	3,619	3,709
	Repairs / Equipment	2,500	2,563	2,627	2,692	2,760	2,829	2,899	2,972	3,046	3,122
	Marketing	15,998	16,398	16,808	17,228	17,659	18,100	18,553	19,017	19,492	19,979
	Rent (to City of Marion)	13,000	13,325	13,658	14,000	14,350	14,708	15,076	15,453	15,839	16,235
	Utilities	26,200	28,034	29,996	32,096	34,343	36,747	39,319	42,071	45,016	48,168
	Public Liability Insurance	4,549	4,663	4,779	4,899	5,021	5,147	5,275	5,407	5,543	5,681
	Administrative Expense	9,305	9,538	9,776	10,020	10,271	10,528	10,791	11,061	11,337	11,621
	Security	3,367	3,451	3,537	3,626	3,717	3,809	3,905	4,002	4,102	4,205
	Staff	86,493	88,655	90,872	93,144	95,472	97,859	100,305	102,813	105,383	108,018
	Facility Manager	90,000	92,250	94,556	96,920	99,343	101,827	104,372	106,982	109,656	112,398
TOTAL EXPENSE		390,993	401,947	425,757	437,751	450,139	462,938	476,165	489,838	503,978	518,603
TOTAL PROFIT/(LOSS) EMSCC (A)		60,051	83,978	98,114	100,069	102,033	104,006	105,984	107,963	109,941	111,913
Community Value Subsidy from City of Marion (B)		40,000	20,000	10,000	0	0	0	0	0	0	0
Amount Available for Distribution (A+B)		100,051	103,978	108,114	100,069	102,033	104,006	105,984	107,963	109,941	111,913

