

MINUTES OF THE 127TH ANNUAL GENERAL MEETING OF MEMBERS OF CITY TATTERSALLS CLUB

Date and Time:

Tuesday, 23rd May 2023 at 6pm

Location:

Cellos Dining Room, Castlereagh Boutique
Hotel, Level 4, 169 Castlereagh Street
Sydney, 2000

ATTENDEES

#	FIRST NAME	LAST NAME	M#
1	Abrahan	Aguilan	14308
2	Aimee	Kuipers	14301
3	Albert	Hammond	10704
4	Alejandro	Catalan	2489
5	Alessandra	Alvaro	1044
6	Anna	Beresford	4599
7	Annette	Mathews	51696
8	Aravin	Ambalavanar	80865
9	Arihiro	Yamada	3456
10	Biden	Mackey	100999
11	Brian	Patterson	4356
12	Carl	Dumbrel	9058
13	Chris	Naylor	8905
14	Christine	Kazub	81328
15	Christopher	Foye	1993
16	Claudia	Strohmeyer	72739
17	David	McGill	9509
18	Denise	Fischer	49862
19	Dennis	Brown	10174
20	Dennis	Tritt	9968
21	Dianne	Di Cristo	14298
22	Dino	Bertini	1043
23	Donald	Mould	17628
24	Elliot	Yancy	10706
25	Fiona	Campbell	7279
26	Frederick	Geddes	17051
27	Garry	McIlwaine	11325
28	Geoffrey	Coffill	11020
29	Geoffrey	Donnelley	59036
30	Geoffrey	Kirkby	5056
31	George	Gela	3181
32	George	Barakat	16395
33	Gordon	Phillips	6223
34	Graham	Malkior	7887
35	Greg	Scarra	11686
36	Helen	Vrataric	63822
37	Ibrahim	Ibrahim	8523
38	Ivon	Rees	20063
39	Jack	Regan	2554

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40	James	Holt	13590
41	James	Cox	5600
42	Janice	Hammond	62345
43	Jason	McClelland	14300
44	Jeanette	Morgan	58124
45	Joseph	Zammit	340
46	John	Mogan	2362
47	John	Elliot	64714
48	John	Hill	5904
49	John	Hitchen	14833
50	John	Drysdale	2289
51	Jorge	Valenzuela	88030
52	Joseph	Nakat	5633
53	Joseph	Oroszvari	12941
54	Josh	Landis	12701
55	Juan	Montesinos	16167
56	Judith	Foley	21861
57	Julian	McGrath	2299
58	Julianne	Campion	7265
59	Ken	Smith	80344
60	Lachlan	Firmstore	14296
61	Lachlan	Smith	14297
62	Leandra	Iyaloo	14307
63	Lesley	Taylor	51442
64	Luke	Edmonds	8140
65	Marguerite	Field	59450
66	Marianne	Alexander	51496
67	Mark	Hourigan	15937
68	Mark	Dalley	12596
69	Mark	Hewitt	10015
70	Martin	Berry	37789
71	Matt	Kayrooz	5812
72	Matt	Fox	1582
73	Matthew	NG	88258
74	Maura	Dempsy	76355
75	Michael	Sterndale-Smith	11004
76	Michael	Nolan	6243
77	Michael	Holt	8285
78	Miran	Chung	2997
79	Nathan	Riley	6562
80	Oliver	Gausen	88130
81	Patrick	Mcvicar	4926
82	Paul	Bernasconi	33311
83	Paul	Jeronimo	13279
84	Paul	Di Cristo	7266

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85	Paul	Cavallaro	12227
86	Peter	Ryan	27890
87	Peter	Delaney	2989
88	Peter	Georgeson	16350
89	Peter	Lee	468
90	Raymond	Poh	10805
91	Reginald	Tozer	18621
92	Rob	Sharma	21447
93	Robert	Saville	61
94	Robert	Kirby	882
95	Robert	Clifton-Smith	91165
96	Roderick	Faulkner	94337
97	Roger	Manning	2910
98	Russell	Cook	337
99	Selliah	Kalyanakumar	92601
100	Scott	Bennetts	7
101	Shand	Swadling	16381
102	Shermal	De Silva	63786
103	Stephen	Mathews	3313
104	Steven	Autrey	73408
105	Steven	Flippence	2107
106	Takeshi	Yamada	1257
107	Terence	King	7383
108	Theo	Tsakonas	4273
109	Thomas	Hall	51196
110	Tony	Murawski	104336
111	Vanessa	Hurley	11667
112	Victor	Pineiro	13032
113	Walter	Ganz	20036
114	William	Eggerking	32172
115	William	Chapman	6222
116	Yamila	Veloz	98220
117	David	Mcllwaine	60280

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APOLOGIES

Laurie Coy #1577, Kevin Smith #286, Charles Anscombe #6528, Diane Anscombe #48107, William Hurley #7389, Bob Little #10934, Amanda McLaughlin #11075, Ray Dib #9, Glenn Riley #64520, Ian McLennan #14491, Annette Niven #77521

QUORUM

The quorum at all Annual General Meetings is thirty Voting Members.

With 117 members present, the Chairman confirmed a quorum and declared the meeting opened at 6:10pm

WELCOME

The Chairman welcomed all members present to the 127th Annual General Meeting and acknowledged the traditional owners of the land.

INTRODUCTIONS

The Chairman noted all but one Director and the club's auditors KPMG were present.

APPROVAL OF MINUTES

The Chairman requested the minutes of the 126th Annual General Meeting held on Tuesday, 24th May 2022, which have been accessible on the club's website and also in printed form as part of the members' information pack, be approved by members as tabled.

Moved by: George Barakat #16395

Seconded by: Tom Hall #51196

Carried Unanimously.

ELECTION RESULTS

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The Chairman announced the results of the 2023 Election of Directors under the Triennial Rule and informed members that the results have been made available on the club's website. A copy of the election result in printed form was also included in the members' information pack.

The following candidates were therefore elected unopposed:

Group 1 (3 Year Term)

1. Brian Patterson
2. Christopher Foye

CHAIRMAN'S ADDRESS

[Below is a copy of the Chairman's address to members](#)

It was always expected the year our club left Pitt Street would be an extremely difficult one because of the serious disruption that would necessarily accompany that move.

2022 was the year of the move and it was hugely difficult, not just because of that expected disruption.

In many respects, 2022 was the perfect storm.

- First and foremost, because of the relocation of our club and the associated disruption.
- But also because of a raft of unexpected opposition to our relocation plans that substantially delayed the opening of The St James causing substantial loss.
- Also, the covid aftermath kept CBD foot traffic low for much of the year.
- And finally, the prevailing economic conditions generally; inflation, high interest rates, and cost of living pressures all serving to keep consumer confidence down.

The overall result was a substantial trading loss of \$4.3 million.

Of course, steps have been and are being taken in this current year to try to arrest the losses, but it's no easy task.

Gaming revenue remains down, and gaming continues to exist in an increasingly challenged space.

If it wasn't clear several years ago, its abundantly clear now that our club cannot hope that gaming will prop up a raft of other loss-making activities as it has done in the past.

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The activities of our club of the future must be sustainable ‘across the board’ if it is to have any chance of long-term survival.

As you all know, the development has now commenced. But it has commenced in a climate of alarmingly increasing construction costs, building company failures, supply chain difficulties, high interest rates, and falling CBA commercial property values.

It’s an extraordinary time to be doing a development.

Tonight’s last three resolutions ask members to give the Board the authority to enable it to deal with the endless challenges being thrown up by the development. Like a company board, our club’s Board needs the agility and flexibility to move quickly to respond to the many changes occurring and to avail itself of commercial opportunities that may arise, whilst always observing its fiduciary duty to act in the best interests of the club and its members.

If you vote in favour of the resolutions, it will be a vote of trust in the Board.

Each member of the Board is absolutely committed to the success of our role. We will make decisions giving primary importance to the long-term survival and viability of our club.

Our CEO Marcelo Veloz and his management team continue to work tirelessly for the benefit of our club and its members.

It is the most difficult time to be the CEO of City Tattersalls Club, but we have the right person in the role.

I thank Marcelo and all the CTC staff for their efforts in 2022, as I do our Directors for their commitment and dedication.

APPROVAL OF FINANCIAL REPORT & BALANCE SHEET

The Chairman requested the Financial Report and Balance Sheet provided to members via the club’s website and through the Annual Report be approved as tabled and called for a mover and seconder.

Resolution: For the members to receive and approve the Financial Report, Balance Sheet, and Statement of Accounts for the period ending 31st December 2022.

Moved by Gary McIlwaine #11325

Seconded by John Hitchen #14833

Carried Unanimously

APPROVAL OF AUDIT REPORT 2022

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The Chairman requested the Audit Report be approved as tabled.

Resolution: For members to receive and approve the Auditor's Report for the year ended 31st December 2022.

Moved by Stephen Mathews #3313

Seconded by Michael Sterndale-Smith #1104

Carried Unanimously

MATTERS FOR DISCUSSION AND FINANCIAL QUESTIONS

There was one letter received highlighting various financial questions from Member Michael Nolan. The CEO answered the questions raised by Mr Michael Nolan via a written response.

AMALGAMATION

The CEO noted the club pursued an amalgamation opportunity with Dural Country Club, however CTC was not successful.

MANAGEMENT REPORT

The Chief Executive Officer presented his report to members in line with requirements under the CTC Rules.

Hard copies of the CEO's presentation were issued to all members present and uploaded to the City Tatts website.

RESOLUTIONS TO BE APPROVED BY MEMBERS

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RESOLUTION 1: LIFE MEMBERSHIPS

The Chairman put to the members to grant City Tattersalls Club Life Membership to 99 members who had maintained Gold Membership for 40 consecutive years. He then asked for a mover and a seconder.

Moved by John Hitchen #14833

Seconded by Judy Foley #21861

Carried Unanimously

The Chairman thanked members for the approval and congratulated the new Life Members of the club.

RESOLUTION 2 – HONORARIUM

That the members hereby approve:

(a) The payment of the following honorariums to Directors of the club (plus the superannuation contributions payable by the club under legislation) for services as directors of the club from the Annual General Meeting held in 2023 until the Annual General Meeting to be held in 2024:

(b) Such honorariums to be paid on a pro-rata basis if a Director only holds office for part of the term.

(c) The members acknowledge that the benefits in (a) above are not available to members generally, but only to those who are Directors of the club.

Moved by Steven Autrey #73409

Seconded by Lesley Taylor #51442

Carried Unanimously

RESOLUTION 3 – EXPENSES

That the members hereby approve:

(a) the payment or reimbursement by the club of the following benefits to the Directors to support them in the performance of their office and duties:

- reasonable food and refreshments, parking, and communication and information technology.
- director education and training (including memberships) in connection with representation of the club, or attendances (including with partner, where the Board deems appropriate) at events, professional conferences and seminars, or on study tours (including where the Board deems appropriate, internationally).

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- reimbursement of out-of-pocket expenses reasonably incurred by a director in travelling between his or her usual residence or a place of work and the club's premises for the purposes of attending any meeting of the Board or a Board Committee (including taxi fares and where appropriate and the circumstances permit, reimbursement for motor vehicle use on a mileage basis at the rates approved by the Australian Taxation Office as reasonable for taxation purposes, air fares, and overnight accommodation and associated expenses).

(b) The members acknowledge the benefits in (a) above are not available to members generally, but only to those who are Directors of the club.

Moved by George Geha #3181

Seconded by Michael Sterndale-Smith #1104

Carried Unanimously

RESOLUTION 4 - FITNESS CENTRE MEMBERSHIPS

To approve complimentary gym membership for their services provided to the fitness centre:

- Brian Adams
- Matthew Kayrooz
- John Lawler
- Patrick McVicar
- Anthony Russo
- Glenn Riley

Moved by Steven Autrey #73409

Seconded by Robert Kirby #882

Carried Unanimously

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Before dealing with Resolutions 5 & 6, the Chairman reminded members that these had been available for members to review via the club's website, the notices of Annual General Meeting and General Meeting shared with members via EDM, and now in their printed packs.

PROPOSED RESOLUTION 5 - CHANGES TO THE AIRSPACE DEVELOPMENT APPROVALS GRANTED BY MEMBERS AT THE SPECIAL MEETING HELD IN 2015.

Airspace Development

To consider and if thought fit, pass the following resolution, despite and in addition to the consents and approval already given by the members on 8th December 2015, 31st July 2020 and 22nd November 2021:

- 5.1 The members give CONSENT to the Board in the name of the Chairman, on behalf of and for the purposes of the Club, to amend the DMA, the plans for the new club premises (including the facilities to be made available to members) or any other document entered into by the Board in the name of the Chairman in connection with the Project (**Project Documents**), as the Board may consider necessary, and in the best interest of the club and its members.
- 5.2 The members give CONSENT to the Board in the name of the Chairman, on behalf of and for the purposes of the club, **to borrow and/or raise** an amount of up to \$76,000,000 (annually adjusted), including funding costs, from a financier approved by the Board in its discretion, through one or more facilities, with or without security over any or all of the lands or other assets of the club, and to redraw, repay, or refinance those facilities for the purpose of any one or more of the following:
 - (a) constructing, improving, repairing, renovating, rebuilding, and/or fitting out the premises of the club in accordance with the DMA (as amended), the plans approved by the Board (as may be amended from time to time); and/or
 - (b) paying the development costs of the club incurred in respect to the Project.
- 5.3 The members give CONSENT to the Board in the name of the Chairman, on behalf of and for the purposes of the club, **to expend funds** of the club now or in the future accruing or accumulating up to a maximum amount of \$76,000,000 (annually adjusted), and excluding costs incurred to date to construct, improve, repair, renovate, rebuild, and/or fit-out the new club premises in accordance with the DMA (as amended) and the plans approved by the Board (as may be amended from time to time).
- 5.4 The consent given by members under this resolution **is subject to the club**:
 - (a) **retaining** its interest in those parts of the Pitt Street premises which it is entitled to retain under its agreements with the Developer in respect of the Project (including the DMA) but **excluding** the 194 Pitt Street building, which the club aims to sell to reduce overall debt levels; and

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(b) not buying other real property unless it obtains the approval of members.

The Chairman informed members that this was an important resolution, a resolution that may have members wanting to speak against the motion and others in favour of it. The Chairman noted the importance of setting some rules that will enable the effective delivery of those views. The Chairman then suggested limiting the numbers of speakers to two in favour and two against the motion, each with a maximum speaking time of four to six minutes.

The Chairman reminded members that everyone in the room was a member of the club, with many also being friends. Hence the importance of being respectful when speaking about the motion and for the audience to also be respectful of the speaker.

The Chairman then moved to inform members that after each speaker had finished presenting their views, he would call for members to vote. To the extent that the votes were close, an official count would be held, which may require members to hold their hands and or stand to ensure the votes were counted effectively and to determine a majority vote.

As the Chairman went onto ask for a mover and a seconder of the motion, Life Member Michael Nolan #6243 asked to propose an amendment to the proposed resolution. Mr Nolan went on to note that as he understood it, the Board was hoping members would approve both resolutions, but it is the intention of the Board to only act on one of the resolutions. Mr. Nolan further added that as he understood it, the introduction of section 5.4(b) of the proposed resolution was so that the members were **NOT** approving the expenditure of \$136 million dollars, instead \$76 million dollars under resolution 5 or \$60 million dollars under resolution 6.

Mr. Nolan then noted it would be clearer for members if proposed resolution 5.4 (b) could be amended to have the words "*held at a later date*" added to the resolution.

After some discussion on the proposed amendment to the resolution and comments raised by Life Member Michael Nolan and Life Member Robert Kirby #882, a motion was put to the meeting proposing that resolution 5.4 (b) be amended to read as follows:

5.4 (b) "not buying other real property unless it obtains the approval of members at a general meeting of members held at a later date".

The Chairman then asked for a mover and a seconder.

Moved by Robert Kirby #882

Seconded by Michael Nolan #6243

Motion carried.

Having received approval from members to amend the resolution and having clarified for the benefit of members that the Board could NOT borrow \$136 million under both resolutions, but only \$76 million dollars under resolution 5, or \$60 million under proposed resolution 6, the Chairman asked if anyone wanted to speak for or against proposed resolution 5 as amended.

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Member Helen Vrataric #63822 raised some general concerns about the disposal of property, which were immediately identified to refer to resolution 6 not resolution 5.

There being no members wishing to speak against resolution 5, the Chairman then asked for all those in favour to raise their hands. With a clear majority of those present raising their hands in favour of resolution 5, the Chairman declared the **motion carried**.

PROPOSED RESOLUTION 6 – APPROVAL TO BUY REAL PROPERTY

To consider and if thought fit, pass the following resolution:

Having noted:

- The significant downturn in the frequency of people attending the CBD since 2020, because of the flexible working from home arrangements that many office workers now have, and the impact this has had on trade on Thursdays and Fridays (which were our best trading days) across the club's venues.
 - The need for the Board of the club to have the authority and flexibility to optimise the value of its Pitt Street premises (including by sale of, or by entering long term leases/licences for the various levels of its Pitt Street premises) and seeking alternate venues elsewhere, either in or outside the CBD, and other more sustainable business and/or investment opportunities.
- 6.1 If the Board of the club decides to sell all or part of those sections of the Pitt Street premises which it is entitled to retain under its agreements with the Developer in respect of the Project (including the DMA), the members give CONSENT to the Board in the name of the Chairman, on behalf of and for the purposes of the club, to use the proceeds of that sale and/or borrow and/or raise an amount of up to \$60,000,000 (annually adjusted), from a financier approved by the Board in its discretion, through one or more facilities, with or without security over any or all of the lands or other assets of the club, and to redraw, repay, or refinance those facilities for one or more of the following purposes:
- (a) purchasing real property, either in or outside the Sydney CBD, as determined by the Board from time to time; and
 - (b) constructing, improving, repairing, renovating, rebuilding, and/or fitting out the premises on any real property acquired, as determined by the Board from time to time.

If the Board of the club decides to sell all or part of those sections of the Pitt Street premises which it is entitled to retain under its agreements with the Developer in respect of the Project (including the DMA), the members give CONSENT to the Board, in the name of the Chairman, on behalf of and for the purposes of the club to expend funds of the club now or in the future accruing or accumulating up to a maximum amount of \$60,000,000 (annually adjusted) to purchase real property either in or outside the Sydney CBD, as determined by the Board and/or to construct, improve, repair, renovate, rebuild, and/or fit-out the premises on any real property acquired, as determined by the Board from time to time.

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The Chairman asked for a mover and seconder.

Moved by Carl Dumbrell #9058

Seconded by Steven Autrey #73409

The Chairman asked if any member would like to speak against or for this resolution?

Member Helen Vrataric asked why the club is buying more property when talking about high interest rates and cost of living increases.

She suggested management should focus on making Pitt Street the best club in the city, and selling other properties that people don't go to like Boonoona, The Castlereagh, and The Barracks.

The Chairman noted Mrs Vrataric's comments and invited her to meet with the club's CEO to discuss her comments and concerns.

For the knowledge of members, the CEO informed members that the properties at The St James, The Barracks and The Castlereagh Club are leasehold properties, not owned by the club.

As a result of Mrs Vrataric's comments, **Life Member Michael Nolan** noted that if resolution 6 was enacted by the Board, it would be because the Board determines it is not practical to borrow \$76 million or that \$76 million may not be enough to finish the club because of rising prices. Resolution 6 enables the board to sell the 194 Pitt Street building to reduce the overall level of debt exposure.

For the benefit of members, the Chairman noted that the 194 building, is the old Merivale building which is going to be a separate stratum in the future.

Member Mark Hewitt spoke about the club needing to be futuristic and agile in its approach and added that the 194 building adds no value to the development and it should be sold.

Mr Hewitt further spoke about the mismatch of floor levels across the buildings and the inefficiency of some of the floors and noted that City Tatts should focus on preserving its original home at 198 to 200 Pitt Street which houses the Lower Bar. He said the club should get rid of any other levels as required to give the club the best debt-free future.

At the end of the discussion, the Chairman ask for all those in favour of the proposed resolution to raise their hands. With the majority of members present raising their hands in favour, the Chairman declared the **motion carried**.

GENERAL BUSINESS

Member Garry McIlwaine expressed his thanks to the Directors, CEO, and President of the Swimmers and Skiers Club Michael Sterndale-Smith for the sponsorship of his

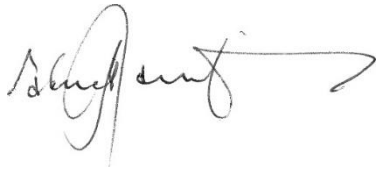
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grandson and requested that a document be included in the minutes, so everyone can see what he has achieved thanks to the support of the club.

Next meeting will be held on Tuesday, 28th May 2024 at 6pm.
Venue to be confirmed.

Meeting concluded at 7:00pm.

End of minutes.



Patrick Champion
Chairman of the Board