

**ADELAIDE HILLS COUNCIL MEETING**  
**Tuesday 21 January 2014**  
**CONFIDENTIAL AGENDA BUSINESS ITEM**

**Item:** 17.1

**Originating Officer:** Tim Piper, Director Corporate Services

**Responsible Director:** Tim Piper, Director Corporate Services

**Subject:** Lobethal Recreation Ground Sports Club Inc Proposal

**File No:** 07.36.1

**SMP Goal:** Goal 1.2 Community Participation

**SMP Key Issue:** 1.2.4 Provide safe, inclusive and accessible community facilities.....through collaboratively working with....other agencies.

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1. **Lobethal Recreation Ground Sports Club Inc Proposal – Exclusion of the Public**  
07.36.1

**Moved Cr**  
**S/- Cr**

**Pursuant to section 90(2) of the Local Government Act 1999 the Council orders that all members of the public, except:**

- **CEO, Andrew Aitken**
- **Director Engineering & Assets, Tim Hancock**
- **Director Strategy & Development, Marc Salver**
- **Director Corporate Services, Tim Piper**
- **Director Community & Customer Service, David Waters**
- **Manager Governance & Risk, Lachlan Miller**
- **Minute Secretary, Pam Williams**

**be excluded from attendance at the meeting for Agenda Item 17.1: Lobethal Recreation Ground Sports Club Inc. Proposal.**

**The Council is satisfied that, pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information in that the financial position of the Lobethal Recreation Ground Sports Club Inc. will be disclosed.**

**In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.**

**The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information may be detrimental to its ongoing operations.**

## **2. Lobethal Recreation Ground Sports Club Inc Proposal – Confidential Item**

### **2.1 SUMMARY**

Council has received two requests from Lobethal Recreation Ground Sports Club Inc (“the Club”) as follows:

1. to defer capital payments on its outstanding self-servicing loan until the conclusion of the loan term in July 2017
2. to provide assistance and support in re-structuring the Club’s freehold land titles and subdividing to create a new freehold title to be sold for development by June 2017 to provide funds to repay all capital and interest in full.

The Club advises that without Council's assistance in this regard it will be unable to service its existing loan commitments and will have no alternative but to cease operations and close. This would leave Council solely responsible for resolving the situation (managing the recreation ground and clubhouse), and for settling the remaining \$125k balance on the self-servicing loan.

Staff have prepared a recommendation which would enable Council staff to work with the Club and report back to Council on a regular basis against clearly defined mileposts so that the situation can be managed and resolved over the next three and a half years.

### **2.2 GOVERNANCE**

#### **➤ Strategic Management Plan**

Goal 1.2 Community Participation 1.2.4 *Provide safe, inclusive and accessible community facilities.....through collaboratively working with....other agencies.*

#### **➤ Legislation**

Not applicable

#### **➤ Sustainability**

- Economic
- Social
- Environmental
- Governance

➤ **Budget**

Potential budget impacts are outlined in the Discussion section of this report. If the proposed scheme is successfully completed, Council's costs will be limited to staff time. Cashflow will be impaired until 2017, when interest and capital should be recovered.

The worst case impact for Council is a \$125k debt write off plus the ongoing staff costs to resolve the resulting situation.

➤ **Consultation**

Not applicable.

## 2.3 BACKGROUND

In 2002 the Club negotiated a \$200k self-servicing loan with Council to part fund the construction of its new club rooms located on the Lobethal Oval. The loan provided half of the construction cost, with the balance met by a \$200k grant from the Office of Recreation and Sport.

The details of the loan were tailored to suit the circumstances of the Club at that time: the fixed interest rate was 7.3% and the term was fifteen years with capital repayments of \$114k and then a final "balloon" capital repayment of \$86k in 2017. The Club enjoyed a large membership and thriving bar sales, which generated sufficient funds to make six monthly repayments of \$9,585 each January and July.

In order to provide additional security for the loan, the Club granted Council a mortgage over its freehold title which comprises the larger part of the Lobethal Sport and Recreation Grounds.

It is not clear how the final \$86k was planned to be funded, but given the number of residential blocks created in the immediate vicinity in the preceding years, it seems likely that either a further subdivision or a refinanced loan at a new (hopefully lower) rate of interest were envisaged.

By 2006, and again in 2007, the Club's capacity to make the repayments had been seriously impaired by falling memberships and reduced bar takings. The Committee wrote to Council and requested additional time to spread the January repayment across March, April and May in each year, which was granted. After that the Committee set out to develop new income streams and preserve the Club's viability. During 2008 to 2012 it secured additional bookings and catering income through events such as cycling and dog shows, which preserved its capacity to make loan repayments in that period. Despite this, the reduction in the Club's core activities, and particularly bar takings, severely reduced operating surpluses and led the current Committee to the conclusion that it cannot now afford the prescribed repayments until 2017.

The Club Treasurer initially contacted a ward Councillor in September 2013 and several discussions were held with senior Council staff thereafter. The July 2013 repayment was not made until 6 January 2014, when the Treasurer also wrote to the Mayor with the Club's proposal, set out in the letter in Appendix 1.

## 2.4 DISCUSSION

The Club has made a proposal to Council in two parts. Firstly it has requested that Council forego the prescribed capital repayments and accept interest only for the remaining term of the loan. Secondly it has requested Council's assistance in undertaking a subdivision at the Jeffery Street boundary of the recreation ground so that a residential block can be created and sold to raise the funds required for full and final repayment in 2017.

### *Request to pay interest only under the original loan agreement*

The request to forego capital repayments would require Council to make those repayments to the LGFA under the associated loan, effectively on behalf of the Club. The seven instalments commencing at \$5k and increasing to \$6.2k would total \$39.3k over the period and so the cumulative interest cost to Council would be \$3,947 at the (currently lower) overdraft rate. Whilst the Club proposal does not specifically mention this additional cost to Council, it does include a commitment to pay interest on unpaid principal, and discussions with the Committee so far have indicated that they would expect to meet any extra interest costs incurred by Council in this way.

Council would still receive funds from the Club to meet all interest repayments to the LGFA on the original loan at 7.3% (\$4.2k reducing to \$3.1k). However, this will effectively leave Council with a liability for the remaining original "principal" frozen at \$125k (the opening balance for 2014) until the Club makes its final full repayment in 2017. From the original schedule this would be \$88.7k, to which should be added the \$39.3k repaid by Council and the additional \$3,947 interest incurred by Council as above. This is important because it means that the Club will need to be able to repay nearly \$132k in 2017 from the proceeds of a block which it presently values at approximately \$140k before the costs of subdivision.

Based on the Club's performance over the last five years and the financial projections which it has prepared, it is not unreasonable to assume that it can afford to make the decreasing six monthly interest repayments from now until 2014, but on an operating basis the margin for error is not great. To achieve the proposal will require a good, if not a best case, scenario for the Club.

### *Request to assist in subdividing a block at the Jeffery street boundary*

As mentioned in the background above, this self-servicing loan was originally arranged at the end of a period of redevelopment around the Lobethal Sports and Recreation ground which had seen several new blocks created around its perimeter. New residential subdivisions were created along both Jeffrey Street and Golflinks Road during the 1990's, and this proposal would extend the houses along Jeffery Street by one, and close off the Club's access to the ground from that side.

The situation is a complex one, exacerbated by the proposed subdivision falling outside the Town Boundary and into the Watershed (Primary Production) Zone – Lobethal Surrounds Policy Area. The major constraint which this introduces is that no new titles can be created in that zone. Hence the Club's proposal could not proceed unless it can secure an additional title from within the same zone to transfer and create the new subdivision.

Rather than attempt to solve the entire conundrum within this report, it has been established that Council is the most likely source of such a title, and that suitably unencumbered and "available" titles may exist. Noting that such titles could potentially have a market value in excess of \$100k at present, it is also the case that other factors (including Council strategy) could render them effectively valueless in the case of community use land.

Without pre-judging the issue, this report recommends that Council could beneficially authorise staff to explore the possibility in conjunction with the Club and report back to it with a further recommendation in due course.

### Summary and conclusions

Whilst preferable to the Committee's alternative suggestion (effectively, to close the Club and hand everything back to Council to manage, with no further repayments between now and 2017) it is important to recognise the relatively marginal nature of this proposal.

In financial terms, the first request to defer capital repayments to Council will allow the Club to continue to service the loan from its ongoing operations and allow it time to arrange a plan for full and final repayment. However, based on current information, the capacity to meet all interest costs and associated costs will require a good or best case scenario. Slight adverse variations to several of the underlying assumptions could each leave an ultimate shortfall once the scheme has been completed.

Conversely, in non-financial terms, the adverse effects upon Lobethal and its surrounding communities should the Club cease to operate would be considerable. If the Planning and Development constraints can be negotiated such that one more residential block is created, this would appear to be a minor effect in comparison.

Additionally, Council would have to resume full responsibility for managing the sports grounds and presumably the clubrooms, which would incur substantial extra costs on top of absorbing the \$125k liability to the LGFA. Clearly this situation is going to absorb considerable amounts of staff time to resolve over the next few years, and so the choice for Council is whether to commence that with or without the assistance of the Club, and with or without the Lobethal recreation grounds occupied and operational.

## **2.4A OPTIONS**

Council appears to have a range of options available to it, which can be summarised as follows:

1. Council could ignore both requests from the Club, and instead commence recovery proceedings in respect of the original loan agreement. Followed to its natural conclusion, this would almost certainly result in the closure and liquidation of the Club. Responsibility for the recreation grounds and clubroom would then default back to Council, there would be no other parties contributing to the \$125k still owed to the LGFA, and the Lobethal Community would lose its recreational hub for a period of time, possibly indefinitely.
2. Council could agree to the reduced interim repayments sought by the Club but refuse to assist in constructing a scheme to enable the final repayment to be met. This would push responsibility back on to the Club and its Committee and increase Council's financial risk.

3. Council could assist with the second request to explore and facilitate a subdivision, but reject the first and insist on full ongoing repayments under the original loan. Whilst limiting Council's short term financial risk, this would also increase the likelihood of the Club becoming insolvent in the meantime, and so the long term outcome is probably similar to option 1, doing nothing.
4. Council could agree to both requests in principle, working constructively with the club to achieve a best case outcome in the long term. If taking this option it is important that Council identify all hidden and potential costs and take them into account. Further discussion will be necessary to ensure that the Club bears such costs where appropriate, but Council should be prepared to absorb "in-house" costs (e.g. staff time) in securing the survival of the Club where, by doing so, it avoids the far greater costs which it would incur in the event of the Club's failure.

## 2.5 RECOMMENDATION

### **That Council:**

1. **Notes the requests of the Lobethal Recreation Ground and Sports Club contained in its letter of 6 January 2014 addressed to the Mayor.**
2. **Resolves to accept only interest repayments as defined in the schedule to the loan agreement of 15 July 2002 for the period from 15 January 2014 to 15 July 2017 (i.e. eight payments totalling \$30,928.52).**
3. **Will accrue interest at the then current overdraft rate on the capital repayments it makes to the LGFA from 15 January 2014 to 15 January 2017 (i.e. seven payments totalling \$39,286.67) and recover that cost from the Club in addition to the final instalment payable on 15 July 2017.**
4. **Authorises staff to work with the Lobethal Recreation Ground and Sports Club Committee to prepare a potential title transfer scheme facilitating a subdivision at the Jeffery Street boundary to be sold by the Club before July 2017, and report back to Council with the proposed scheme by July 2014.**

## 2.6 APPENDICES

- (1) Letter from Lobethal Recreation Ground and Sports Club, 6 January 2014
- (2) Statement of Cashflows for LRGSC, 2011-2016
- (3) Original Loan agreement with LRGSC dated 15 July 2002
- (4) Estimated Deferred Interest Calculation on Capital Instalments, 2014-17

**3. Lobethal Recreation Ground Sports Club Inc Proposal – Period of Confidentiality**  
07.36.1

**Moved Cr**  
**S/- Cr**

**That having considered Agenda Item 17.1 in confidence under section 90(2) and 90 (3)(d) of the Local Government Act 1999, the Council, pursuant to section 91(7) of that Act, orders that the documents, reports and minutes pertaining to this matter, including discussions and considerations, be retained in confidence until the negotiations are complete, but not longer than 12 months, pursuant to section 91(9).**

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# **Appendix 1**

*Letter from Lobethal Recreation Ground and  
Sports Club, 6 January 2014*

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# Lobethal Recreation Ground Sports Club Inc

PO Box 137 LOBETHAL SA 5241

President: Michael Stanbury

Ph: 0414 664 132

Secretary: Nicole Sziller

Ph: 08 8389 7179

Treasurer: David Fechner

Ph: 08 8389 6237

ABN 63 134 669 827

To,  
Mayor Spragg,  
Mr Mayor,

## BACKGROUND

In 2002 the Lobethal Recreation Ground obtained a loan of \$200,000 from the Adelaide Hills Council @7.5% interest for 15 years. This loan and interest rate were fixed and couldn't be changed even if interest rates went down or if we wished to pay extra off our principle.

Whilst back in those days the repayment of \$9,500 every 6 mnths could be met, the operations at the club have changed with the main source of income bar takings being drastically affected by the new tougher drink driving laws and the clubs decision to participate in the Good Sports Programme for the responsible consumption and serving of alcohol.

## PROBLEM

Because of this change in the income situation we are finding it extremely hard, if not impossible, to meet our loan repayments and would definitely be in no position to repay the lump sum of \$85,000 due in July 2017. We as a committee have tried over the last 5yrs numerous different ways to generate extra outside income, with extra catering, hiring our club for outside functions eg: the largest dog show outside the Adelaide Royal and the Bicycle SA Odyssey.

Unless council can give us some assistance then this club will have to close it's doors and the 5 sporting clubs, plus local dog owners exercising their dogs, that utilise this facility, football, netball, cricket, tennis and polocrosse, who have an excess of 550 players(this includes Jnrs), living in the Lenswood, Lobethal, Kenton Valley, Springhead and Charleston area would have to rely on the council taking over and maintaining this facility so they could continue playing their sport, WHICH WE AS A COMMITTEE REALLY DON'T WANT TO HAPPEN.

## OUR SUGGESTED SOLUTION

We as a committee have started to draw up a plan so as we can meet our financial commitments, but as I said before, we need some help from the council. 1) Between now and July 2017, instead of the full loan repayment every 6mths we pay the interest only. We believe we can meet this commitment without great concern. 2) In July 2017 we pay the \$85,000 plus all the unpaid principle between now and then.

Your question is "If they can't meet the payments now, how are they going to meet this larger sum in 2017?". This brings us to the other area we would like council assistance. We have a block of land, behind the tennis courts, worth approx \$140,000, that we could sell giving us the required lump sum to fully pay back the council, but our problem is that this block is slightly outside the town boundry, so we need another title (which we can't afford to buy) or a slight re-aligning of the town boundry to allow us to sell this block.

## COUNCIL SUPPORT

If the council could help us with another title or re-align the town boundry we could sell this block and it would allow us to meet our financial commitment to the council, generate extra income for the council through council rates, on this block, that at the present they don't get, and as you can see from the attached figures, without the loan commitments the Recreation Ground is more than capable of running and maintaining itself, as it has in the past, without council assistance.

We hope the council will look favourably on these requests, as you can see our plan is to eventually totally meet our commitments but need another plan other than the one in place at the moment.

We invite you as a council to meet with us anytime and would be more than happy for any or all of you to come to our facility to look at the block or anything else you want to see or discuss.

Yours truly,

David Fechner,

Treasurer LRGSC

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**Appendix 2**  
*Statement of Cashflows for LRGSC, 2011-2016*

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**LOBETHAL RECREATION GROUND SPORTS CLUB**

**STATEMENT OF CASH FLOWS**

	ACTUAL INCOME FIGURES FOR YEAR ENDED			PROJECTED INCOME FIGURES FOR YEAR ENDED			COMMENTS
	FEB. 2011	FEB. 2012	FEB. 2013	FEB. 2014	FEB. 2015	FEB. 2016	
<b>Income</b>							
Affiliation Fees	\$4,522.73	\$5,181.82	\$5,181.82	\$5,200	\$5,200	\$5,200	
Bar Takings	\$98,586.34	\$91,351.69	\$81,847.39	\$94,000	\$96,000	\$96,000	
Catering	\$8,309.55	\$10,858.18	\$11,171.37	\$11,700	\$12,500	\$13,000	
Sundry Fundraising, Donations & Interest	\$15,091.10	\$26,806.72	\$14,390.62	\$15,000	\$16,000	\$17,000	
Clubroom Hire	\$2,145.45	\$1,400.00	\$2,318.18	\$1,900	\$2,000	\$2,400	
Membership Subscriptions	\$9,322.73	\$3,745.45	\$3,859.12	\$4,400	\$4,400	\$6,000	
<b>TOTAL CASH FROM ORDINARY ACTIVITIES</b>	<b>\$137,977.90</b>	<b>\$139,343.86</b>	<b>\$118,768.50</b>	<b>\$132,200</b>	<b>\$136,100</b>	<b>\$139,600</b>	
<b>Less: Expenses</b>							
Accounting and Audit	\$180.00	\$180.00	\$200.00	\$400	\$450	\$500	
Bar	\$44,554.67	\$44,143.69	\$44,422.97	\$49,200	\$52,000	\$54,000	
Catering	\$7,755.66	\$7,550.15	\$7,303.78	\$11,000	\$11,000	\$11,000	
Cleaner & Grounds Curator Payments	\$9,227.05	\$8,469.09	\$8,440.90	\$10,300	\$10,500	\$11,000	
Club Bar Takings Percentages Disbursed	\$5,487.47	\$7,087.29	\$5,195.01	\$3,000	\$5,000	\$5,000	
Supplies - Kitchen & Cleaning Consumables	\$1,199.08	\$2,301.27	\$2,432.57	\$4,300	\$4,500	\$5,000	
Electricity & Gas	\$11,651.60	\$12,929.13	\$16,954.37	\$17,200	\$9,000	\$8,000	Showing effect of solar panels
Emergency Services Levy	\$148.59	\$153.18	\$152.73	\$160	\$180	\$200	
Freight	\$849.00	\$771.18	\$617.35	\$650	\$675	\$700	
Honoraria	\$3,865.00	\$3,365.00	\$4,015.00	\$3,600	\$4,000	\$4,000	
Insurance	\$7,129.23	\$6,879.77	\$7,623.64	\$8,400	\$9,000	\$9,500	
Equipment Replacements	\$5,750.06	\$5,406.59	\$7,227.22	\$6,000	\$6,000	\$6,000	
Repairs & Maintenance	\$12,245.27	\$16,275.84	\$7,910.78	\$9,000	\$10,000	\$10,500	
Security	\$763.71	\$1,067.78	\$660.71	\$680	\$700	\$720	
Sundry Operating Costs	\$3,714.94	\$1,703.48	\$665.56	\$1,700	\$1,800	\$1,900	Raffle ticket books bought in 2011 for \$2,000
Telephone	\$715.12	\$803.22	\$857.71	\$880	\$900	\$920	
Waste Removal	\$771.45	\$576.00	\$578.00	\$580	\$600	\$620	
Water Rates	\$1,891.00	\$1,318.00	\$1,776.90	\$2,400	\$2,500	\$2,500	
<b>TOTAL CASH USED IN ORDINARY ACTIVITIES</b>	<b>\$117,898.90</b>	<b>\$120,980.66</b>	<b>\$117,035.20</b>	<b>\$129,450.00</b>	<b>\$128,805.00</b>	<b>\$132,060.00</b>	
<b>PROFIT (LOSS) FROM ORDINARY ACTIVITIES</b>	<b>\$20,079.00</b>	<b>\$18,363.20</b>	<b>\$1,733.30</b>	<b>\$2,750.00</b>	<b>\$7,295.00</b>	<b>\$7,540.00</b>	
<b>ADD: CASH FROM BORROWINGS</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1,000.00</b>	<b>\$23,000</b>	<b>\$0</b>	<b>\$0</b>	
<b>LESS: CASH USED FOR LOAN REPAYMENTS &amp; CAPITAL PURCHASES</b>							
Loan Repayments - Council	\$19,140.00	\$19,140.00	\$19,140.00	\$19,140.00	\$19,140.00	\$19,140.00	
Loan Repayments - Solar Panels	\$0.00	\$0.00	\$0.00	\$1,880	\$5,640	\$5,640	
Capital Purchase - Solar Panels	\$0.00	\$0.00	\$0.00	\$23,000	\$0	\$0	
	\$19,140.00	\$19,140.00	\$19,140.00	\$44,020.00	\$24,780.00	\$24,780.00	
<b>PROFIT (LOSS) FROM OTHER ACTIVITIES</b>	<b>(\$19,140.00)</b>	<b>(\$19,140.00)</b>	<b>(\$18,140.00)</b>	<b>(\$21,020.00)</b>	<b>(\$24,780.00)</b>	<b>(\$24,780.00)</b>	
<b>NET CASH FROM (USED IN) ALL ACTIVITIES</b>	<b>\$939.00</b>	<b>(\$776.80)</b>	<b>(\$16,406.70)</b>	<b>(\$18,270)</b>	<b>(\$17,485)</b>	<b>(\$17,240)</b>	

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## **Appendix 3**

*Original Loan agreement with LRGSC dated 15  
July 2002-2016*

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**ADELAIDE HILLS COUNCIL**

and

**LOBETHAL RECREATION GROUND & SPORTS CLUB  
INC.**

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**LOAN AGREEMENT**

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CEIR 7

17 JUL 2002

# LOAN AGREEMENT

**AGREEMENT** dated the 15<sup>th</sup> day of July, 2002

**BETWEEN** **ADELAIDE HILLS COUNCIL**  
of 28 Main Street  
Woodside in the State of South Australia  
(hereinafter known as “the Council”)

**AND** **LOBETHAL RECREATION GROUND & SPORTS CLUB INC.**  
of Golf Links Road, Lobethal in the State of South Australia  
(hereinafter known as “**LRGSCI**”)

**1. THE LOAN**

**LRGSCI** has requested to borrow the sum of **two hundred thousand dollars (\$200,000)** and the Council has agreed to lend to **LRGSCI** the sum of **two hundred thousand dollars (\$200,000)**. The loan is a Debenture Loan with a fixed interest rate of 7.30% repayable in accordance with the attached schedule over a term of 15 (fifteen) years on a 20 year repayment basis.

**2. REPAYMENT OF THE LOAN**

**LRGSCI** will agree to repay to the Council the Loan in accordance with the terms and conditions of this agreement.

**3. REPAYMENT**

**LRGSCI** agrees to repay to the Council **nine thousand five hundred and eighty four dollars and fifty four cents (\$9,584.54)** according to the attached schedule. Council will forward an account to **LRGSCI** for \$9,584.54 every six months over the term of the Loan.

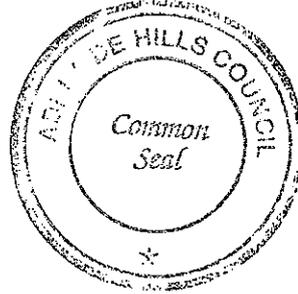
**4. LATE PAYMENT INTEREST**

- 4.1 At the option of the Council interest may be charged on the Loan if the settlement referred to in Clause 3 above has not been completed by the instalment dates on the attached schedule.
- 4.2 The rate of interest shall be the rate charged by the Local Government Finance Authority for debentures, on a date that the Council chooses to levy such interest. Interest shall be calculated daily on the outstanding loan balance.

**5. BINDING AGREEMENT ON SUCCESSORS**

This agreement binds the administrators, successors and assigns of each party.

The Common Seal of the )  
**ADELAIDE HILLS COUNCIL** )  
was hereunto affixed in the presence of: )



.....  
**Mayor**

.....  
**Chief Executive Officer**

Signed on behalf of the )  
**LOBETHAL RECREATION** )  
**GROUND & SPORTS CLUB INC.** )

in the presence of: )

.....  
**Officeholder**

.....  
**Officeholder**

# ADELAIDE HILLS COUNCIL

Debenture Number: 14 - \$200,000 at 7.30% per annum

Twenty Nine Half- Yearly instalments of \$9,584.54

Final Instalment of \$88,696.22

For a term of 15 years on a 20 year repayment basis

Table showing repayment of Principal and Interest, etc.

Amount of Half -Yearly Instalment	Date of Payment of Half-Yearly Instalment	Principal Outstanding At Beginning of Each Half-Year	Portion of Half-Yearly Instalment Applied to Interest	Portion of Half-Yearly Instalment Applied to Principal
\$		\$	\$	\$
9,584.54	15/01/2003	200,000.00	7,300.00	2,284.54
9,584.54	15/07/2003	197,715.46	7,216.61	2,367.93
9,584.54	15/01/2004	195,347.53	7,130.18	2,454.36
9,584.54	15/07/2004	192,893.17	7,040.60	2,543.94
9,584.54	15/01/2005	190,349.23	6,947.75	2,636.79
9,584.54	15/07/2005	187,712.44	6,851.50	2,733.04
9,584.54	15/01/2006	184,979.40	6,751.75	2,832.79
9,584.54	15/07/2006	182,146.61	6,648.35	2,936.19
9,584.54	15/01/2007	179,210.42	6,541.18	3,043.36
9,584.54	15/07/2007	176,167.06	6,430.10	3,154.44
9,584.54	15/01/2008	173,012.62	6,314.96	3,269.58
9,584.54	15/07/2008	169,743.04	6,195.62	3,388.92
9,584.54	15/01/2009	166,354.12	6,071.93	3,512.61
9,584.54	15/07/2009	162,841.51	5,943.72	3,640.82
9,584.54	15/01/2010	159,200.69	5,810.83	3,773.71
9,584.54	15/07/2010	155,426.98	5,673.08	3,911.46
9,584.54	15/01/2011	151,515.52	5,530.32	4,054.22
9,584.54	15/07/2011	147,461.30	5,382.34	4,202.20
9,584.54	15/01/2012	143,259.10	5,228.96	4,355.58
9,584.54	15/07/2012	138,903.52	5,069.98	4,514.56
9,584.54	15/01/2013	134,388.96	4,905.20	4,679.34
9,584.54	15/07/2013	129,709.62	4,734.40	4,850.14
9,584.54	15/01/2014	124,859.48	4,557.37	5,027.17
9,584.54	15/07/2014	119,832.31	4,373.88	5,210.66
9,584.54	15/01/2015	114,621.65	4,183.69	5,400.85
9,584.54	15/07/2015	109,220.80	3,986.56	5,597.98
9,584.54	15/01/2016	103,622.82	3,782.23	5,802.31
9,584.54	15/07/2016	97,820.51	3,570.45	6,014.09
9,584.54	15/01/2017	91,806.42	3,350.93	6,233.61
88,696.22	15/07/2017	85,572.81	3,123.41	85,572.81

## MINUTES OF MEETING TUESDAY 18 DECEMBER 2001

HELD AT 36 NAIRNE ROAD WOODSIDE

**14.4.1 Morialta Barns – public consultation for leasing**  
P/2258

Moved Cr Bill Spragg  
S/- Cr Andrew Murray

LOST

1. That the matter of the lease be deferred until the January meeting to allow issues raised in the public consultation process to be addressed.
3. That Council authorises Mr Dixon access to the property in the interim to allow for minor drainage works and site assessment activities under various terms and conditions set by the Chief Executive Officer on the explicit understanding that there is no commitment from the Council with respect to the lease or costs of the work undertaken by Mr Dixon.

Moved Cr Tim Potter  
S/- Cr Ian Bailey

Carried  
(320)

1. That Council proceed with negotiations with Mr Dixon with a view to establishing a lease for the Morialta Barns property (off Colonial Drive, Norton Summit)
2. That Council authorises Mr Dixon access to the property in the interim to allow for minor drainage works and site assessment activities under various terms and conditions set by the Chief Executive Officer.

**14.4.2 Lobethal Recreation Ground & Sports Club Inc**  
5/13/052

Moved Cr Bill Joyce  
S/- Cr George Healey

Carried  
(B321)

That Council:

1. borrows \$200,000 by way of a twenty year normal credit foncier loan with the Local Government Finance Authority
2. on-lends the \$200,000 to the Lobethal Recreation Ground and Sports Club Inc. under the conditions specified in a loan agreement between the Adelaide Hills Council and Lobethal Recreation Ground and Sports Club Inc
3. applies a mortgage over the land to cover the debt
4. authorises the Mayor and Chief Executive Officer to sign and seal the debenture documentation

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**Appendix 4**  
*Estimated Deferred Interest Calculation on Capital  
Instalments, 2014-17*

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**Estimated Deferred Interest Calculation on Capital Instalments, 2014-17**  
**Interest Incurred by Council to make Capital Repayments for Club**

**Original Loan Payment Schedules**

Instalment	Date	Principal	Interest	Capital
\$ 9,584.54	15/07/2013	\$ 129,709.62	\$ 4,734.40	\$ 4,850.14
\$ 9,584.54	15/01/2014	\$ 124,859.48	\$ 4,557.37	\$ 5,027.17
\$ 9,584.54	15/07/2014	\$ 119,832.31	\$ 4,373.88	\$ 5,210.66
\$ 9,584.54	15/01/2015	\$ 114,621.65	\$ 4,183.69	\$ 5,400.85
\$ 9,584.54	15/07/2015	\$ 109,220.80	\$ 3,986.56	\$ 5,597.98
\$ 9,584.54	15/01/2016	\$ 103,622.82	\$ 3,782.23	\$ 5,802.31
\$ 9,584.54	15/07/2016	\$ 97,820.51	\$ 3,570.45	\$ 6,014.09
\$ 9,584.54	15/01/2017	\$ 91,806.42	\$ 3,350.93	\$ 6,233.61
\$ 88,696.22	15/07/2017	\$ 85,572.81	\$ 3,123.41	\$ 85,572.81

**Summary**

Interest paid to LGFA, 2014-17 (#8 pmts)	\$ 30,928.52
Capital instalments paid to LGFA, 2014-17 (#7 pmts)	\$ 39,286.67
Final Capital payment due 15 July 2017	\$ 85,572.81
Total capital unpaid at 15 January 2014	<u>\$ 124,859.48</u>

**Estimated Interest Cost**

Paid by Council, not reimbursed	Interest calculated at
Principal Due	4.90%
\$ 9,584.54	\$ 234.82
\$ 5,027.17	\$ 123.17
\$ 10,237.83	\$ 250.83
\$ 15,638.68	\$ 383.15
\$ 21,236.66	\$ 520.30
\$ 27,038.97	\$ 662.45
\$ 33,053.06	\$ 809.80
\$ 39,286.67	\$ 962.52
	<u>\$ 3,947.04</u>

*paid 6 months late by Club*

*met by Club*

*met by Council, repaid by Club in 2017*

*met by Club*

*Risk born by Council until 2017*