

**MINUTES OF THE 181st ANNUAL GENERAL MEETING
OF THE MELBOURNE CRICKET CLUB
HELD IN THE MEMBERS DINING ROOM, M.C.G.,
ON WEDNESDAY 15 AUGUST 2018 AT 8PM**

1 WELCOME

The Chairman Mr. Steven Smith welcomed members to the Annual Meeting and formally declared the meeting open.

He read out the notice of the meeting and welcome Life Members, Mr. John Cain, Mr. Bruce Church, Mr. David Meiklejohn and Mr. Bob Lloyd. He also acknowledged former members of the Committee, Mr. Stephen Spargo, Mr. Peter Mitchell and Ms. Jane Nathan. He then acknowledged Mr. Tim Wallace from Ernst and Young, the Club's auditors and Mr. Grant Rowlands from Ashurst, legal advisors to the Club. He then acknowledged Mr. Bernie Szentirmay from KPMG, the Club's auditors and Mr. Grant Rowlands from Ashurst, legal advisors to the Club.

Introductions were given to Committee members Mr. Charles Sitch, Mr. Mark Smith, Ms. Sally Macindoe, Mr. James Bennett, Mrs Clare Cannon, Mr. Adrian Anderson, Mr. Christian Johnston, Mr. Peter King, Ms. Karen Wood (Vice President), Mr. Michael Happell (Vice President), Mr. Michael Andrew (Treasurer) , Mr. Fred Oldfield (Vice President) and Mr. Ted Baillieu.

Next, he introduced CEO Mr. Stuart Fox and members of the Senior Leadership team, Mr. Scott Butler (GM - Membership and Heritage), Mr. Gerard Griffin (GM-Venue & Event Services), Mr. Clive Driscoll (GM - Finance and Business Development), Ms. Donna Price, (GM – People & Culture), Mr. Rey Sumaru (GM - IT and Innovation), Ms. Jen Watt (GM- Commercial Operations & Partnerships) and Mr. Peter Wearne (GM - Facilities), as well as Mr. Mark Anderson (Club Manager), Ms. Sue Wilkinson (Director, Emergency Management, Safety and Security) and Mr. Stephen Philp (Customer Service Manager).

The Chairman outlined the order of proceedings would be:

- Response from CEO to outstanding Member Questions from last AGM
- Chairman's Report
- Treasurer's Report
- CEO Report
- Elections of Committee Members and Office Bearers
- General Business

2 ANNUAL MEETING

Moving to the formal matters contained in the agenda papers, that had been circulated as required in the Rules, he advised the minutes of the previous Annual General Meeting held on 16 August 2017 had been signed by himself as a true and accurate record and asked the CEO, Mr. Fox, to respond to matters raised and recorded on those minutes.

- Users of the new MCC Beaumaris facility- The President to speak about the facility in more detail later in the meeting.
- MCC functions in regional areas- A future visit is being prepared, to take place potentially in 2019 with an aim to hold these every two years. Exact details to be advised.
- Collection of visitors passes- In response to a query as to why members cannot both purchase and collect visitor passes from the same area, Mr. Fox noted that it is simply too difficult to sell passes from a window where other activities are taking place. Members are encouraged to purchase tickets prior to matches where possible.

- Availability of AGM minutes for members- last years' minutes are available for viewing on the MCC website, with this meetings minutes to be added shortly.
- A member has emailed the President and CEO directly with questions which have been answered offline.
- Suggestion of an official members' forum- members are surveyed regularly, particularly around the member match day experience, and are invited to give feedback. The feedback is collated with management looking at the key issues raised. 2 forums were held over the past week on some of these issues, and this practice will continue.

Returning to the business of the meeting, the President highlighted the following matters from the Annual report as being of importance to the Club:-

- The MCC extended its agreement with the AFL, meaning that the Grand Final to be played at the MCG until the year 2057. This guarantees the long term content which allows for the redevelopment of the Ground, including a renovation or rebuild of the Great Southern Stand. It also gives all members the right to continue to attend Grand Finals for another couple of decades.
- Security continues to be the number 1 priority- Sue Wilkinson and Gerard Griffin continue to review all procedures. Ms Wilkinson is a renowned expert in this area and is leading the Club's work on many strategies, including the Vehicle Mitigation strategy, in close consultation with Victoria Police. This all assists in the goal for the stadium to be one of the safest in the world.
- The Provisional Membership category and impact on amenities continues to be monitored. At present this is minimal, with only 57% of Provisional membership offers being taken up and the average attendance at matches being just under 1,000. As promised a full assessment will be undertaken once the milestone of 30,000 is reached- based on current level of impact it is believed that it could go up to 50,000 but this would only occur slowly and with careful consideration. The first priority is to ensure that the duration of time that individuals are on the waiting list is not too long.
- The replacement of all cards over 10 years old has taken place and this project allowed the team to introduce the MCC Plus+ program, where members can load funds on their card and use it to purchase food and beverages within the Reserve. To date, 110,000 members have the new card and over 57,000 have activated the card, with 19,000 using the card- this figure far exceeded the initial KPI. This is assisting the Club with speed of service and understanding what products and services members want on a match day. So far, it has been extremely successful and management will continue to look at rebates and offers that can form part of the program.
- The Club is considering the options for the long term use of MCC Kew, with consultants engaged to do a report. The intention is for the site to remain a sporting facility and the Club is looking at ways to make the site vibrant and viable for members and their guests. Updates will be provided to members once the report is complete.
- The MCC sporting facilities at Beaumaris Secondary College were opened officially in June and provide exceptional facilities for use by the Club and the community. Outside of school hours, the facilities will be used by MCC Cricket's Mens and Womens teams, with MCC Lacrosse using the Multi Purpose Pitch for training and matches. The site is also home to the new MCC Womens Football team, the MCC Demons, who have performed well in their first season. The Club is currently in discussions with Beaumaris Football Club, Beaumaris Soccer Club and Beaumaris Cricket Club, along with some other community organisations, for them to use the site when not required by the school or the MCC Sporting Sections
- The Cricket pitch is a focus for the Club, with the pitch for the Ashes Test having not produced the desired level of bounce, pace or deterioration and was therefore disappointing. The Club is committed to rectifying this and earlier this year organised a focus group of approx. 15 stakeholders including curators

from across Australia and New Zealand, as well as industry experts and representatives from Cricket Australia to look at how to address the problem, as it does appear to be a problem for several other drop-in pitches across the country. Whilst it is a long term project, there are some short term measures that can be put in place this summer including renovations of the wicket nursery and the ability to experiment with some practice wickets. The new curator, Matt Page is considered one of the best young curators in the country and the Club is confident that he can produce the desired wicket. Cricket Australia has allocated the MCG 3 Sheffield Shield matches prior to the Boxing Test which will allow the Curator to test out various wicket compositions prior to that important match

- The Club is fortunate to have a very talented management team, which has been recognised with a number of awards being won by the Club across a variety of different areas- being awarded Innovator of the Year at the Green Sport Alliance Awards for the food dehydrator which converts food waste into mulch, the Customer Service Organisation of the Year at the Australian Service Excellence Awards for the CARE project (which is still ongoing), the Best Achievement in Venue Management at the Australian Event Awards and in partnership with Siemens, the Best Commercial Energy Efficiency Project at the National Energy Efficiency Awards due to reducing our energy usage by 20% thanks to the introduction of LED lighting and other measures. This process is only half way through so is very pleasing.

The President thanked the CEO and the management team for their extraordinary effort over the past year. He also thanked Mr. Steve Bracks, Chair of the MCG Trust and his fellow Trustees for their support over the past year, particularly in relation to the AFL agreement.

The President also extended his gratitude to his fellow Committee members, acknowledging that the Committee has a significant responsibility in running a venue that is so deeply loved, to ensure that it is the best that it can be. He stated that all the Committee members are talented and hardworking, and importantly care about the Club and the Ground, and thanked them for their time, effort and intellect.

The President declared his report concluded.

The Chairman formally moved that the Annual Report and Financial Statements be approved, and introduced the Treasurer, Mr. Michael Andrew, to second the motion and present the Treasurer's Report.

3 TREASURER'S REPORT

Mr. Andrew thanked the Chairman and took pleasure in presenting the consolidated statements for the MCC for the year ending 31 March 2018, and highlighted the following-

- Financially, the Club has had a very successful year, recording a profit of approximately \$8.9m against a budget of \$6.5m.
- Interestingly, revenue and costs have both grown by 6%.
- One of the major positive factors in the revenue have been the success of the Richmond Football Club which has helped fill the Reserve and was part of the reason that the MCG hosted 4 finals last year. With other tenant Clubs performing strongly this year as well, the Club is expecting another successful finals series. Another factor was the Ashes Test, which drew a large crowd over 5 days.
- The Big Bash continues to attract different demographics and good crowds, and the Brazil v Argentina soccer match also drew a large crowd.

- In terms of costs, Security is a large overhead and although some costs are covered by the AFL and Cricket, the Club still shoulders the bulk of it. Utility costs are also up.
- The Pavilions in the Park facility introduced for the Ashes Test was an added expense but has been introduced to improve speed of service and as a member benefit.
- There was increase in administration costs with one factor being an overlap between the old and new CEO's for a short period of time and some retirements, as well as a significant redundancy.
- Yarra Park is a troubling situation for the Club which has become a cost centre for due to the car park being unable to be opened for some matches. There is a lot of thought and discussion being given as to how revenue can be increased, in part to help the Club mitigate some of the maintenance costs for the Park.
- A significant cost was the Card project, however this is considered to be an important exercise for the Club for security and amenity purposes.
- In relation to the balance sheet, the Smart Stadium project was completed which will provide better services to members. The PA project is underway which will be a benefit to members.
- Some debt was able to be retired over the past year with some \$39m able to be paid down. Some budgeting is taking place over the next year to reduce this down by another \$20m.
- Paying down debt is important considering there are 4 big capital expenditure projects coming up over the next year- the NSM Refresh, the re-furbishment of the Cricket wickets, increased security measures and the PA system.
- On the 1st April 2019, financial conditions with the AFL will change so the Club need to ensure it is ready for this.

Mr. Andrew seconded the motion to adopt the Annual Report and Financial Statements, and invited members to ask any question in relation to the Club's finances.

Mr. David Mullholland (Member No. 087181) congratulated the MCC on repaying approximately \$40m of debt and thanked the Club for listening to his concerns raised at the last AGM in relation to a break fee. Mr. Mullholland enquired as to how the Club will continue to pay down its debt going forward.

Mr. Andrew thanked Mr. Mullholland for his question and stated that the Finance team needs to determine whether there is a better cash return for having funds in the bank and accruing interest as opposed to having to pay not only the interest payments but a break free fee on any payments. The Club is aiming to be debt free by approximately 2026 which takes into account the AFL payments and the Club wishes to be accumulating cash before undertaking any major rebuilds.

Mr. Mullholland also expressed concern that depreciation appears to be outpacing capital additions by \$21m.

Mr. Andrew answered that depreciation does not reflect the total cost of how much capital is put in as some items that depreciate, such as a stand, is not replaced every year.

Mr. Mullholland also asked as to whether the Treasurer can provide to members the executive remuneration figures, as they are not disclosed in the Annual Report.

Mr. Andrew noted that the figures for the top 5 employees have been included in the Annual Report and that the Club is complying with required accounting practices in this regard.

Mr. Mullholland also enquired as to the lack of basic breakdown for employee expenses.

Mr. Andrew advised that he is happy to provide this to Mr Mullholland offline.

Mr. Campbell Lomax (member no. 63594) stated his pleasure at the new deal with the AFL and enquired as to what the financial implications of this deal will be for the Club, particularly in relation to giving greater returns to tenant Clubs, including the new tenant Clubs.

Mr. Fox answered that it depends on how many games clubs will play at the Ground, but that in general tenant clubs will be \$290,000 better off per match. There is an incentive pool for tenant clubs to increase their crowd numbers. Attendances are budgeted for prior to each season but this can fluctuate due to factors such as weather and how teams are performing at that stage of the season.

Mr. Lomax thanked Mr. Fox for his answers.

As there were no further questions Mr. Andrew put the motion to adopt the Annual Report and Financial statements which were passed unanimously.

The Chairman thanked Mr. Andrew and the MCC Finance team for their hard work.

4. CEO'S REPORT

Mr. Fox began by showing a highlights video of the past year at the MCG and thanked Ms. Watt for her working in putting it together.

Referring to the past year, Mr. Fox highlighted the following-

- The launch of the membership card and loyalty program, led by Mr. Butler and his team, has been very successful.
- The customer service program continues to be the Club's key focus with the CARE program into its third year.
- The IT and innovation team have launched a new app which is designed to provide information to members and fans attending the Ground on a match day around areas such as public transport, food and beverage etc.
- Waitime, a queue management system that uses AI to help direct patrons to shorter queues is currently being trialled.
- Private tours have been launched.
- The hospitality strategic plan has been finalised which will help inform this vital area of the business.
- The Club has secured new events for Yarra Park, with three to be announced shortly.
- A coproate social responsibility community support framework has been developed.
- Environment and sustainability continues to be a focus.
- There was a record attendance at Open Day.
- The Club continues to support big community events such as Sleep at the 'G, Big Freeze and the Pink Lady match
- The Club also continues to strengthen its key partnerships with organisations such as the State Government, Visit Victoria and the AFL.
- Match attendance has averaged over 51,000, with this season so far tracking at 53,000 which is the highest average in 7 years.
- Over 121,000 people attended the 2017 AFL Grand Final last year to see Richmond take the flag.
- International soccer and State of Origin continue to attract large crowds. Its' vital for the Ground to continue to attract these big events.
- Boxing Day Test well attended, with 88,000 attending day 1 and over 262K attending overall.
- Pavilions in the Park was set up for the Test to provide an additional food and beverage venue for members and to reduce congestion at the existing bars. It has

received good reviews and the Club is currently exploring whether to have it again for the upcoming Test against India.

- The Test saw Alistair Cook pass the record for the highest score at the Ground.
- The WWE and Bon Jovi are coming up in the next few months, with events chosen carefully to help fill the stadium. For example the WWE is expected to bring over \$20m into the state economy and helps build overseas exposure of the Ground. The turf is being protected during these events as best as possible. The staff are very excited about hosting and working on these events. Crowd expectations for both of these events are 70,000-80,000.
- The T20 World Cup in 2020 is coming to the Ground, with the Womens Final being held here in March. The Club is working with Visit Victoria to try and break the world record for the highest attendance at a women's sporting event. In relation to the Mens, 6 matches will be held at the Ground, including the Final which will be beamed across the world.
- The Club is working with the State Government and other key stakeholders on the MCG Precinct Masterplan which will provide an important framework for work over the next 20 years in the area.
- Customer Service is front and centre of all the Club does, it is something the management team is extremely passionate about. Customer service data is collected around 15-17 times a year and shows that satisfaction ratings are steadily increasing.
- Recycling has been a big focus for the team, both for environmental and money saving purposes. 83% of waste is currently being recycled and over 180 million litres of water is recycled through the water recycling plant which is used in the park.
- The ticketing services tender has just been awarded to Ticketek which is a key contract for the Club and customers. Ticketek have brought some great events to the Ground and the Club will work closely with them and other key partners over the next few years on the gate of the future project.
- Function highlights include the Bradman Luncheon, the Norm Smith Oration, the Members Dinner, the Grand Final lunch, the Test breakfast, Comedy nights, chef dinners and the Brownlow Dinner (which is now balloted). These events continue to be very popular and thank you to the Functions team for their efforts.
- Special Interest Groups continue to meet regularly and have great functions.
- The 14 Sporting Sections continue to flourish.
- The Museum is a key focus for the Club, with over 150,000 people coming through annually and tours departing every 15 minutes. The volunteers are a massive part of this success and do a brilliant job in welcoming visitors to the Ground.
- The NSM Refresh project is a significant one, with the State Government providing a \$5m grant. It is hoped that the bulk of the work will commence mid 2019 with the aim to have the redeveloped museum open in time for the T20 World Cups.

Mr. Fox thanked everyone for their contribution to the Club, including the volunteers, members, corporate partners, suppliers, contractors, committee members, staff, the management team, the MCG Trust and the State Government.

6. ELECTION OF OFFICE BEARERS

The Chairman welcomed Mr. Tim Jones from Corp Vote, the organisation which has run the voting process.

The Chairman handed over to Ms. Karen Wood for the first appointment.

6.1 Election of President

Ms. Wood announced as there had been no other nominations, Mr. Steven Smith has been re-elected President. Ms. Wood noted that it will be Mr. Smith's last election and proposed that he be thanked for his many years of service to the Club, with the members offering a round of applause.

Ms. Wood then handed the meeting back to Mr. Smith.

6.2 Vice President/Treasurer

The Chairman announced that Mr. Michael Happell had been re-elected unopposed as Vice President and Mr. Michael Andrew had been re-elected unopposed as Treasurer.

6.3 Committee/Auditor

There were four candidates, including three standing for re-election for the three vacancies on the MCC Committee. Over 9,000 members voted with the majority being online. The Chairman noted that this is above average for a private Club but encouraged more members to vote.

The Chairman took pleasure in announcing that:

Mr. James Bennett (8,299 votes), Mr. Ted Baillieu (7,487 votes) and Mr. Christian Johnston (7,317 votes) had been duly re-elected and congratulated them accordingly. He noted candidate Mr. John Mugavin (5,226 votes) and thanked him for making his nomination.

The Chairman then announced the appointment of KPMG as Club auditors for the next 12 months.

7. GENERAL BUSINESS

7.1 Questions

Mr. David Mullholland (member number 7280) asked when the MCC Plus+ card will be available on mobile phones.

The Chairman answered that the Club is constantly monitoring the evolving nature of technology in this area, along with electronic ticketing.

Ms. Amanda McNeill (member number 222935) asked about the strobe lighting that is used on a match day and enquired as to whether this can be amended to address the needs of those who suffer from neurological disorders. Ms. McNeill also congratulated the Club on the successful introduction of the new MCC Plus+ card, noting that she has found it very convenient.

The Chairman advised that the use of strobe lighting is managed by the AFL and that they are concisous of the issues that can arise from its use so do monitor it closely.

Ms. Kathleen Dillon (member number 72743) asked whether more can be done by the Club to support drought relief in the country, bearing in mind how many wonderful athletes from the country have entertained fans at the Ground over a number of years.

The Chairman noted that it was a good idea and that the Club is constantly looking at how it can do more to support the Community.

Ms. Norma Long (member number 20544) noted the importance of security on a match day but expressed her concern with the length of time it takes her to exit the ground on a match day as she relies on taxis and taxis are not able to come down to the turning circle due to security measures.

The Chairman asked Mr. Gerard Griffin to address this issue, with Mr. Griffin noting Ms. Long's point and advising that management is trying to get the message through to security that taxis are permitted at the turning circle. Management will reiterate the message.

Mr. David Mullholland enquired as to whether preferential voting could be introduced for the election of Committee and if it could be made clearer to members that voting periods have opened, perhaps using email and member newsletters.

The Chairman noted that the Committee is always happy to look at how election processes can be improved and do take on feedback, such as extending the word limit for candidate statements, and introducing online voting. Most members do appear to be aware of election dates but the Committee is happy to put these into newsletters and other communications. In terms of preferential voting, it is hard to know if this would improve the process but the Committee will consider any suggestions going forward.

Mr. David White (member number 95152) noted that he too has used the MCC Plus+ card and asked if the discount could be applied at the point of sale, rather than as a rebate back on to the card.

The Chairman asked Mr. Scott Butler to address this query, with Mr. Butler answering that management has worked with the caterers on the project and both parties consider the rebate to be a better way to reconcile transactions. The Chairman noted that the feedback has been taken on board and that the offers and methods of usage will continue to evolve over time.

Mr. Naymar Muhommed (member number 93526) raised his concern that those with family members who are Provisional members are unable to sit together on level 2 on match days for category 3 or higher matches, whilst visitors can pay for a ticket and get a balcony pass and suggested in the interest of fairness that the Club could allocate 50% of balcony passes on these days for Provisional members.

The Chairman noted that when the Provisional membership category was introduced, the Club had made a commitment that that it would not impact on the ability of members to purchase visitor tickets. The Club is still working through how to balance between the need to ensure amenities are not negatively effected but that Provisional members are able to get the best value from their membership. The Chairman thanked Mr. Muhommed for his suggestion and advised that it would be considered.

Mr. Stuart James (member number 55946) asked whether there could be an electronic board or something similar that would allow members to know who is on the interchange bench at any time during the match.

The Chairman answered that this falls under the responsibility of the AFL and that this suggestion would be sent onto them.

Mr. Don Wright (member number 98626) referred to the Queens Birthday match, advising that he had to wait 40 minutes to get a seat ticket on Level 2 and asked whether Management could considering allocating tickets in another way that would not disadvantage members as long wait times mean they can miss out on utilising dining options in the Reserve.

The Chairman thanked Mr. Wright and noted that it will be considered. Mr. Mark Anderson also noted that there are a number of operational challenges when allocating tickets on levels 2 and 3 and acknowledged that wait times on the Queens Birthday were longer than planned. The Club will continue to look at how best to allocate seating in a timely manner so that members can get timely access to the dining options in the Reserve.

Mr. Gavin Hassett (member number 25339) asked whether it will be a regular occurrence for the Ground to host 3 Shield matches or if these games had been allocated for this summer as a once off to trial pitches.

The Chairman answered that it appears to have been allocated this year by Cricket Australia so that the pitches can be trialled and that whilst the Ground is likely to host 3-4 a year, it is likely that holding 3 prior to Christmas is a one off.

There being no further questions the Chairman thanked everyone for their questions and feedback throughout the night.

The Chairman also noted that it is his last AGM as President and noted how quickly 4 years has passed. He asked that his appreciation for being given the opportunity to hold this position be noted, and thanked all the members and the Committee for their support over the years.

The Chairman then thanked everyone for their attendance, and declared the meeting closed.

SIGNEDCHAIRMAN

DATE:

