

Dear Members,

I am writing to advise you of the outcome of the ballot at the Special General Meeting held on 4 July and the actions that will flow from that meeting.

Results of the Ballot

Resolution 1 sought to compel the Board to convene another Special General Meeting at which all Board positions were declared vacant and a new Board elected. Of the total valid votes cast 18% were in favour while 82% were against and so this resolution failed.

Resolution 2 sought to empower the Board to proceed with the proposed merger with James Brown Memorial Trust (Kalyra). Of the total valid votes cast 86% were in favour while 14% were against and so this resolution succeeded.

I want to thank those members who braved the very cold conditions at Tatachilla on the night to listen to the debate and cast their votes in person. I also wish to commend the members for the polite and respectful way in which they listened and spoke at the meeting. Anyone who had a question or comment had an opportunity to speak and were listened to attentively. This is a credit to our community.

I wish to acknowledge and commend the work of the hospital and Tatachilla staff, and many volunteers, who gave up their time to organise the event, attend the reception desks and ensure that the meeting could proceed smoothly. In addition, I wish to thank Mr Ian Mostert, the hospital's External Auditor, and his team for their work in ensuring that the entire voting process was conducted impartially and fairly. It was extremely important that members could have confidence in the integrity and probity of the ballot.

Legal Action

I regret to say that very shortly before the meeting was due to commence a member lodged a Statement of Claim in the Magistrate's Court which asserted that there were various procedural or legal flaws in the process followed by the Board that rendered the ballot invalid and precluded the proposed merger with James Brown Memorial Trust (Kalyra).

The Board is of the opinion that it has diligently adhered to its constitutional and legal requirements. It has now referred the claim to its lawyers for their consideration.

I intend to keep members informed about this matter as it progresses.

Membership Renewals

Of the current membership of around 1000, most people have joined in the last 3 months. The constitution requires that membership be renewed from 1 July each year and provides a grace period of 3 months for members to pay the required fee (\$10 or \$5 for those eligible for a concession).

The Board believes that it is vital for members to remain part of the wider hospital community while the proposed merger takes place and, in particular, to both monitor and participate in the proposed consultation process to be conducted by Kalyra about the future use of the site. Active community involvement in this process will help ensure that the best possible outcome can be achieved.

Also, at the forthcoming Annual General Meeting to be held in October this year, at least 4 positions on the Board will be the subject of an election. The Board believes that it is absolutely vital that any new Board members are fully supportive of the proposed merger with Kalyra and so will strongly encourage members to vote for candidates who indicate that they will do so.

Next Steps

It is the Board's intention to now enter into formal negotiations with Kalyra about the arrangements to formalise the proposed merger. This will require both the disclosure of commercial in confidence information and, most importantly, agreement on the conditions the Board has outlined in relation to the preservation and protection of certain features of the site. These include the Volunteers' Op Shop, the Tsong Gyaou building, the Wellbeing Clinic and other lessees, the SA Ambulance Station, the War Memorial Gardens and the significant trees.

Given the significance of this change in the site's status I expect that it will take several months to finalise any agreement to the satisfaction of both parties.

Once agreement has been reached on the main conditions attached to the transfer of hospital assets, these will be made known to members.

In summary, the Board is very conscious that it has had to make difficult decisions that would upset some members. It therefore is very grateful that the huge majority of members have understood why those decisions were made and is supporting the Board to try to ensure that the hospital site continues to be used for worthwhile community purposes long into the future. This would be an outcome that honours the intentions of those who first built the hospital, whose primary motivation was the overall well being of the community.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Overland', written in a cursive style.

Chris Overland
Chair

July 2023