



**2024 SPECIAL RESOLUTIONS  
ANNUAL GENERAL MEETING  
TUESDAY, 2 JULY 2024**

**Notice of Special Resolution to amend the Rottnest Channel Swim Association Constitution**

**Introduction:**

It is good practice for not-for-profit associations to periodically review their governance arrangements to ensure their Constitution is fit for purpose and that the Committee of the Association is following contemporary governance standards. This allows the Association to conduct its affairs effectively and with the appropriate processes and accountability in place.

The Rottnest Channel Swim Association has recently completed a governance review and has proposed several amendments be put to members at the 2024 AGM. Members will be asked to consider, and if thought fit, pass the following Special Resolutions.



## **Special Resolution 1: Sources of Funds and Application of Income**

### **Background**

Modern governance standards emphasise the importance of transparency and accountability in financial management.

Associations Incorporation Act 2015 section 5(1) provides that an association is not eligible to be incorporated under the Act if it is formed or carried on for the purpose of securing pecuniary profit for its members from its transactions, and section 5(3) of the Act provides details about when an association is not ineligible under section 5(1) of the Act.

Act Requirements – Powers of Incorporated Association - Under section 14 of the Act the Association may do all things necessary or convenient for carrying out its objects or purposes.

This clause outlines the integrity of the Rottnest Channel Swim Association's financial management. It ensures that funds are used appropriately, supports transparency and accountability, and aligns financial practices with the Association's objectives.

### **Notice of Special Resolution 1:**

Notice is hereby given of a Special Resolution to amend the Rottnest Channel Swim Association Constitution to include the following new Rule 6:

#### **Clause 6 Sources of Funds and Application of Income**

- (1) The funds of the Association may be derived from entrance fees, annual subscriptions, donations, fundraising activities, grants, interest and any other sources approved by the Board.
- (2) The property and income of the Association must be applied solely towards the promotion of the objects.
- (3) Except as prescribed in this Constitution:
  - (a) no part of that property or income may be paid or otherwise distributed directly or indirectly, to any member.
  - (b) no remuneration or other benefit in money or money's worth shall be paid or given by the Association to any member who holds any office.
- (4) Nothing contained in rules 6(2) or 6(3) shall prevent payment in good faith of or to any member of any Affiliated Association:
  - (a) the payment in good faith to the member as reasonable remuneration for any services provided to the Association, or for goods supplied to the Association, in the ordinary course of business; or
  - (b) the payment of interest, on money borrowed by the Association from the member, at a rate not greater than the cash rate published from time to time by the Reserve Bank of Australia; or
  - (c) the payment of reasonable rent to the member for premises leased by the member to the Association; or
  - (d) the reimbursement of reasonable expenses properly incurred by the member on behalf of the Association.



## **Special Resolution 2: Affiliate Member**

### **Background:**

The inclusion of the Affiliate Membership category is common practice with not-for-profit associations. Inclusion diversifies the membership base, which can bring in fresh perspectives and innovative ideas. This diversity can enhance the strategic direction and operational effectiveness of the Association, ensuring it remains dynamic and responsive to changing needs and opportunities.

Adding the clause for Affiliate Members provides a formal mechanism to engage and collaborate with a broader range of supporters, enhances resource availability, increases visibility, and strengthens the Association's governance and community ties. This strategic inclusion aligns with contemporary best practices in not-for-profit governance, ensuring the Rottnest Channel Swim Association can effectively leverage external support to achieve its objectives.

### **Notice of Special Resolution 2:**

Notice is hereby given of a Special Resolution to amend the Rottnest Channel Swim Association Constitution to include the following new Rule 7(1)(e):

#### **Clause 7 (1)**

- (e) Affiliate Member - a body corporate that supports the objects of the Association and is approved by the Board of the Association.



### **Special Resolution 3: Subscriptions of Members of the Association**

#### **Background:**

Changing to the proposed membership fee structure enhances flexibility, efficiency, predictability, and responsiveness in financial management. It aligns with contemporary governance practices, reduces administrative burdens, and ensures that the Association can better meet its financial needs and strategic goals while providing clarity and consistency for its members.

#### **Notice of Special Resolution 3:**

Notice is hereby given of a Special Resolution to amend the Rottneest Channel Swim Association Constitution as follows:

#### **Clause 11**

- To be removed:

##### **11. Subscriptions of Members of the Association**

- (1) The members shall from time to time at a general meeting determine the amount of subscription to be paid by each membership type.
- (2) Each member shall pay to the Executive Officer, within 90 days of a general meeting or such other date as the Board from time to time determines, the amount of the subscription determined under sub-rule 11(1).
- (3) A member is a financial member for the purposes of these rules if their subscription is paid on or before the relevant date fixed by or under sub-rule 11(2).

- Replaced with:

##### **11. Membership Fees**

- (1) The Board shall determine the annual membership fees and any levies payable to Members or any categories (or subcategory) of Members, together with the due date for payment of the membership fees.
- (2) The annual membership year for Members shall be determined by the Board from time to time.
- (3) Each member shall pay to the Executive Officer, or another person authorised by the Board to accept payments on behalf of the Association, within 90 days after the due date or such other date as the Board from time to time.
- (4) A member is a financial member for the purposes of these rules if their subscription is paid on or before the relevant date fixed by or under rule 11(3).



## **Special Resolution 4: Resignation of Members of the Association**

### **Background:**

The proposed change to clause 12 of the constitution aims to simplify and clarify the process of resignation of members of the Association. The current clause requires that a member delivers notice in writing of their resignation to the Executive Officer or a Director, but does not specify when the resignation takes effect. This could create confusion and ambiguity about the status and rights of the resigning member. The proposed clause states that a member may resign by giving written notice to the Executive Officer or a Director, and specifies that the resignation takes effect either when the notice is received or at a later time stated in the notice. This provides more certainty and transparency for both the resigning member and the Association. This change aligns with modern governance standards and best practices for voluntary associations.

### **Notice of Special Resolution 4:**

Notice is hereby given of a Special Resolution to amend the Rottneest Channel Swim Association Constitution as follows:

#### **Clause 12**

- To be removed:

#### **12. Resignation of Members of the Association**

- (1) Any member who delivers notice in writing of their resignation from the Association to the Executive Officer or a Director ceases on that delivery to be a member.
- (2) A person who ceases to be a member under rule 0 remains liable to pay to the Association the amount of any subscription due and payable by that person to the Association but unpaid at the date of that cessation.

- Replaced with:

#### **12. Resignation of Members of the Association**

- (1) Any member may resign from membership of the Association by giving written notice of the resignation to the Executive Officer or a Director
- (2) The resignation takes effect:
  - (a) when the Executive Officer or Director receives the notice; or
  - (b) if a later time is stated in the notice, at that later time.
- (3) A person who ceases to be a member under rule 12(1) remains liable to pay to the Association the amount of any subscription due and payable by that person to the Association but unpaid at the date of that cessation.



## Special Resolution 5: Executive Officer

### Background:

The proposed changes to the Executive Officer's role bring the position in line with modern governance practices, providing clear authority, responsibilities, and integration into the Board's processes. This enhances the EO's ability to manage and administer the Association effectively, ensuring better coordination, communication, and overall organisational efficiency.

### Notice of Special Resolution 5:

Notice is hereby given of a Special Resolution to amend the Rottneest Channel Swim Association Constitution as follows:

#### Clause 15

- To be removed:

##### **15. Executive Officer**

- (1) The Executive Officer shall:
  - (a) be entitled to attend and speak at Board meetings, notwithstanding the Executive Officer does not hold a position on the Board (and therefore is not entitled to vote at Board meetings);
  - (b) co-ordinate the correspondence of the Association;

- Replaced with:

##### **15. Executive Officer**

- (1) The Executive Officer shall:
  - (a) Be entitled to receive the agenda and minutes of, participate in and speak at Board meetings as an Ex-Officio member of the Board (and therefore is not entitled to vote at Board meetings);
  - (b) Subject to the Act, this Constitution and any directive of the Board, the Executive Officer has the power to perform all such things as appear necessary or desirable for the proper management and administration of the Association.
  - (c) Co-ordinate the correspondence of the Association;



## **Special Resolution 6: Terminology Changes**

### **Background**

Incorporating Affiliate Membership into the constitution is a strategic move to broaden our support base, enhance community ties, and ensure our governance framework is robust and inclusive. These changes will significantly benefit the Association by bringing in diverse resources and expertise, ultimately supporting our mission and objectives more effectively.

### **Notice of Special Resolution 6:**

Notice is hereby given of a Special Resolution to amend the Rottnest Channel Swim Association Constitution as follows:

Throughout the Constitution to correctly include the new membership category "Affiliated Membership" where appropriate.