

Explanatory Statement for Constitutional Amendments

26 August 2024

1. Introduction

This document serves as an explanatory statement for the Special General Meeting of the Mornington Peninsula Masters Swimming Club Incorporated, scheduled to consider and vote on proposed amendments to the Club's Constitution. These amendments are intended to update and refine the governance framework, ensuring alignment with current legal requirements, best practices in club management, and the evolving needs of our membership.

The amendments are detailed in the attached clean and marked-up copies of the Constitution dated 26 August 2024. The marked-up copy highlights all changes made to the original Constitution, while the clean copy presents the final version for adoption. This statement provides an in-depth explanation of the rationale, implications, and specific changes proposed.

2. Background, Rationale, and Implications of the Amendments

Upon review, several areas of the original Constitution were identified as requiring clarification, expansion, or revision. The proposed amendments are designed to achieve several key objectives that are expected to have the following positive impacts on the governance and operations of the Club:

- **Enhancing Governance:** The amendments aim to improve the governance structure to ensure it is robust, transparent, and capable of effectively supporting the Club's activities. This includes ensuring that decisions are made transparently and accountably, which is critical for maintaining the trust and confidence of the members.
- **Increasing Operational Efficiency:** By streamlining administrative processes, such as membership management, financial oversight, and meeting procedures, the amendments are intended to enhance efficiency and reduce potential disputes or ambiguities. This will help the Club operate more smoothly and respond quickly to the needs of its members.
- **Promoting Inclusivity and Member Engagement:** The proposed changes clearly define different classes of membership and articulate the rights and responsibilities of members. This fosters an environment where all members can participate meaningfully and feel valued, regardless of their background, abilities, or level of involvement in the Club.
- **Future-Proofing the Club:** The amendments incorporate provisions that allow the Club to adapt to future challenges and opportunities, ensuring it remains vibrant and responsive to members' needs. Additionally, by ensuring legal compliance and protecting the Club from potential legal risks, the amendments enhance the Club's credibility and position it for long-term success.

3. Detailed Analysis of Proposed Amendments

3.1. Terminology change

The term "*Association*" has been replaced by "*Club*" throughout the document. This change reflects a deliberate shift towards terminology that members and the broader community more commonly understand. The use of "*Club*" helps reinforce the identity and purpose of our organisation, making the document more accessible to all members.

3.2. Expansion of Club Purposes and Adoption of Gender-Neutral Language

The original purpose of the Club, which focused on promoting the sport of swimming and supporting members in their pursuit of fitness, friendship, and fun, has been expanded to explicitly include the promotion of an inclusive environment (Rule 2). This reflects the Club's commitment to ensuring that all members feel welcome and valued, regardless of their background, abilities, or gender identity. As part of this commitment, the Constitution has been updated to adopt gender-neutral language, replacing phrases like "his or her" with "their" and "he or she" with "they."

These changes are designed to make the document more inclusive and reflective of the diversity of our membership, fostering a culture of inclusivity that aligns with broader social values and legal obligations. By modernising the language and expanding the Club's purposes, the Club aims to create a welcoming environment for all members and ensure that its governance documents are aligned with best practices.

3.3. Membership Structure and Rights

- **Rule 4 - Defined Terms:** New definitions have been introduced to clarify key terms, ensuring consistency in interpretation throughout the Constitution. These include:
 - **Financial Member:** A member who joins the Club as their primary club and is also a member of Masters Swimming Victoria and Masters Swimming Australia.
 - **Life Member:** A member recognised for exceptional service to the Club, granted by special resolution.
 - **Non-Swimming Member:** A member who participates in Club activities without engaging in swimming.
 - **Second Claim Member:** A member for whom the Club is not their primary club, with limited rights compared to Financial Members.
- **Rule 8 - Membership Eligibility:** It has been clarified that any person 18 years of age or older is eligible for membership of the Club, consistent with the age requirements of Masters Swimming Victoria and Masters Swimming Australia.

- **Rule 14 - Classes of Membership:** The revised Constitution introduces multiple classes of membership, each with clearly defined rights and responsibilities:
 - **Financial Members:** Full rights within the Club, including voting at general meetings, standing for election to the Committee, and participating in all Club activities.
 - **Life Members:** Exempt from paying annual subscriptions and retain full membership rights.
 - **Non-Swimming Members:** May vote at general meetings, stand for election to the Committee, and participate in all Club activities except swimming at events or training sessions.
 - **Second Claim Members:** Hold primary membership with another club and join as secondary members without voting rights or the right to be elected to the Committee.

- **Rule 13 - Voting Rights and Entitlements:** Voting rights are now clearly delineated, ensuring that only Financial Members, Life Members, and Non-Swimming Members can vote.

- **Rule 9 - Membership Application Process:** The application process has been aligned with current practice, requiring online submissions which ensures that all Financial Members are also members of Masters Swimming Victoria and Masters Swimming Australia.

- **Rules 18(1) and 47(2) - Register of Members:** The Secretary may arrange for Masters Swimming Australia to keep and maintain the register of members on behalf of the Club.

3.4. Annual Subscription and Fees

- **Rule 12 - Annual Subscription and Joining Fee:**
 - **Subscription Components:** The annual subscription is now divided into three components:
 - **Club Component:** Covers the Club's operational costs.
 - **State Component:** Determined by Masters Swimming Victoria, mandatory for all Financial Members.
 - **National Component:** Determined by Masters Swimming Australia, also mandatory for all Financial Members.
 - **Pro-rata Fees for New Members:** Ensures that new members joining partway through the financial year pay fees proportionate to their membership duration.

- **Reduced Fees for Non-Swimming Members:** Allows for reduced fees as determined by special resolution.
 - **Ceasing of Rights for Non-Payment:** Clarifies that membership rights cease under rule 17 if fees are not paid by the due date.
- **Rule 17 - Resignation for Non-Payment:** A member is automatically deemed to have resigned if they fail to pay their annual subscription by the due date. This ensures that only current members enjoy the rights and privileges of the Club.

3.5. **Committee Composition, Roles, and Election Procedures**

- **Rule 44 - Committee Composition:** The Club Coach, Club Captain, and Social Convenor are now specified as being Committee positions.
- **Rule 45(3) - Portfolio Duties:** Committee members may be required to hold specific portfolios as determined by the Committee. This change seeks to ensure that Committee members are accountable for particular aspects of Club operations, enhancing overall governance.
- **Rule 48(1)(d) - Financial Transactions:** The Treasurer's responsibilities include ensuring that at least two Committee members approve electronic banking transactions. This change reinforces the security and oversight of the Club's financial transactions.
- **Rules 51(1), 51(2) - Nomination Process:** The nomination process for Committee positions now requires the Secretary to request nominations at least 48 hours before the election. The Chairperson may call for additional nominations during the AGM if necessary.
- **Rule 52(1) - Election Process:** Separate elections must now be held at the AGM for the Committee positions of Club Coach, Club Captain, and Social Convenor.

3.6. **Meeting Procedures and Use of Technology**

- **Rule 35(3) - Use of Technology in Meetings:** The revised Constitution allows for the use of technology in conducting general meetings, enabling full participation for members who cannot be physically present.
- **Rule 62(3) - Participation via Technology in Committee Meetings:** Committee members can now participate in meetings using technology, provided they notify the Secretary in advance.
- **Rule 63(2) - Quorum Requirement for Committee Meetings:** The quorum for Committee meetings is now 40 per cent of the Committee members holding office and includes members participating via technology, ensuring that decisions made during these meetings are valid and representative of the full Committee.

3.7. Financial Management and Administrative Procedures

- **Rule 69(4) – Negotiable Instruments:** References to types of negotiable instruments not used by the Club have been removed.
- **Rule 74(1)(c) - Notice to Members:** Clarifies the method of providing notice, including the use of electronic communications.
- **Rule 74(3)(d) - Member Notice to the Club:** Specifies how members may give electronic notices to the Club, modernising the process to reflect current communication practices.
- **Rule 75(4) - Custody and Inspection of Records:** Clarified that the register of members is excluded from the records of the Club that a member may copy to protect the privacy of members.

3.8. Minor and Technical Amendments

The Constitution has also been revised to improve clarity and readability. These changes do not alter the substantive meaning of the rules but ensure that the document is easier to understand and interpret.

4. Conclusion and Next Steps

The Committee strongly recommends that members carefully consider the proposed amendments to the Constitution and participate in the Special General Meeting. These amendments are crucial for ensuring that the Club remains well-governed, responsive to members' needs and legally compliant. Adoption of these amendments will position the Club for future growth and success.

Members are encouraged to review the attached copies of the Constitution and come prepared to discuss and vote on the proposed amendments at the Special General Meeting. Your participation is vital for maintaining the Club's transparent and accountable governance.



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