



Special Resolution 1

Special Resolution to Amend the Rules of Association

Resolution: Amendment to Section 35 – Term of Office

Background: The Board of Directors of Variety WA proposes an amendment to the current wording of the Rules of Association regarding the tenure of Board Members. The current tenure following election is for one year, and the proposal is to amend this to two years, with 50% of the Board to be elected annually. A detailed rationale for this change is attached to this resolution.

Current Wording (Section 35):

- (1) The term of office of a board member begins when the member – (a) is elected at an annual general meeting or under sub-rule 36(3)(b); or (b) is appointed to fill a casual vacancy under rule 38.
- (2) Subject to rule 37, a board member holds office until the positions on the board are declared vacant at the next annual general meeting.
- (3) A board member may be re-elected for 6 consecutive one year terms before having to retire for a minimum of two years unless the board member is co-opted by the board after 6 years in which case the maximum term is 10 consecutive years.

Proposed Amendment (2 year Board Terms): (see proposed Special Resolution)

Amended Wording (Section 35):

- (1) The term of office of a board member begins when the member – (a) is elected at an annual general meeting or under sub-rule 36(3)(b); or (b) is appointed to fill a casual vacancy under rule 38.*
- (2) Subject to rule 37, a board member holds office until the date of the second annual general meeting held after their appointment at which time their position is declared vacant.*
- (3) A board member may be re-elected for **3** consecutive **two** year terms before having to retire for a minimum of two years unless the board member is co-opted by the board after 6 years in which case the maximum term is 10 consecutive years.*

(see marked up version of Rules of Association with the Notice of Meeting)

Transition Period: It is noted that there will be a period of transition to allow the new tenures to take effect. This will require 50% of the Board and Office Holders to be elected for a period of two years, and the remaining 50% for a period of one year. It is proposed that the Chair (Chief Barker) and Secretary are elected for two years, and the positions will be re-elected in 2026, again in 2028 and then every other year following. The Deputy Chair and Treasurer will be elected for one year, and the positions re-elected in 2025, and then 2027 and every other year following. Those Board Members who are ranked as odd numbers (1, 3, 5, etc) in the 2024 election will be elected for a period of two years and the position will be next elected in 2026 and then every other year. Those ranked as even numbers (2, 4, 6 etc) will be elected for a period of one year, and the positions will be vacant in 2025 and then every other year.

Resolution Approval: This Special Resolution is proposed for approval at the General Meeting in accordance with the requirements of the Associations Incorporations Act 2015 and the Association's Rules of Association.

For the Special Resolution to pass, a three-fourths majority of the votes cast by members present and eligible to vote is required.

Special Resolution 1 (2 year Board Terms)

That the Proposed Amendment (2 year Board Terms) to Section 35 of the Rules of the Association as identified in this Notice of Meeting be approved by the members of the Association and the Secretary of the Association to promptly lodge such documents as required by Section 30 of the Act.

Rationale for Extending Board Member Term from One Year to Two Years

Purpose:

This document outlines the reasoning for extending the term of service for Board members from one year to two years to enhance governance continuity and overall organizational effectiveness.

Background:

Currently, Board members are elected to serve one-year terms. While this structure ensures regular turnover and the injection of fresh perspectives, it also presents challenges in maintaining continuity and stability within the organization. A shorter term often leads to frequent changes in Board composition, which can disrupt strategic planning, governance, and long-term initiatives.

Challenges with One-Year Terms:

- 1. Lack of Continuity in Leadership:**

A one-year term limits a Board member's ability to gain deep familiarity with the organization's operations and long-term strategies. As members often require time to fully understand the complexities of the role, frequent turnover can hinder the organization's progress, particularly for strategic initiatives that span multiple years.

- 2. Disruptions in Governance:**

Regular changes in the composition of the Board can lead to inconsistencies in governance practices and decision-making. With short terms, Board members may not have sufficient time to follow through on critical governance issues, leading to a lack of continuity in policies and decision-making processes.

- 3. Increased Onboarding Efforts:**

Every time a new Board member joins, the organization invests significant time and resources into onboarding and orienting them. This process is repeated annually under the current structure, placing an administrative burden on the organization and reducing the time available for strategic oversight.

Benefits of Extending the Term to Two Years:

- 1. Improved Continuity and Stability:**

A two-year term will allow Board members to contribute more meaningfully by providing them with the time needed to gain a deeper understanding of the organization's goals, challenges, and opportunities. This extended tenure would ensure smoother transitions between leadership changes and provide greater consistency in governance.

- 2. Better Strategic Planning and Follow-Through:**

Many strategic initiatives, such as fundraising campaigns, community outreach programs, and long-term financial planning, span multiple years. A two-year term would allow Board members to see projects through to completion, enhancing accountability and improving outcomes.

- 3. More Effective Collaboration and Relationship Building:**

Board members need time to build effective working relationships with fellow

members, executive staff, and stakeholders. A longer term provides the necessary time to foster these relationships, which are crucial for collaborative decision-making and the overall success of the organization.

4. **Reduced Administrative Burden:**

By extending the length of service, the organization would reduce the frequency of Board elections and onboarding processes. This reduction in turnover allows the organization to focus more on key governance responsibilities and less on administrative tasks related to Board transitions.

Conclusion:

Extending the term of Board members from one year to two years will strengthen the organization's ability to execute long-term strategic initiatives, ensure greater stability and continuity in leadership, and enhance overall governance effectiveness. This extension will allow Board members to develop a deeper understanding of the organization and its mission, ultimately contributing to improved outcomes and a stronger foundation for future growth. There will be no changes to the current rules regarding overall length of service and maximum term lengths.

We recommend the adoption of this change to support the organization's long-term objectives and to ensure a more stable and effective governance structure.