

## NOTICE OF SPECIAL GENERAL MEETING

25<sup>th</sup> September, 2020

**NOTICE** is hereby given that a Special General Meeting of **MCCRAE YACHT CLUB INC.** (ABN 91 736 526 581) (**McCYC**) will be held on **Sunday 18<sup>th</sup> October 2020** at 16.00 hours (4.00pm).

The SGM will NOT be held in a format requiring members to attend in person. It is intended the meeting will be held via Electronic means, for the purpose of this notice, the place of the meeting will be the location at which the Chair (The Commodore) will be present.

The following zoom link and password details are provided to enable you to join the Special General Meeting.

Join Zoom Meeting

<https://us02web.zoom.us/j/3655204976?pwd=d0tOQ1pwY3piT1lXalBwNmRxUIVTQT09>

Meeting ID: 365 520 4976

Passcode: 0690

We encourage you to join the meeting using the zoom link prior to 16:00 hours (4.00pm) to address any technical issues that may arise.

The nature of the business of the meeting shall be:

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1. Opening and welcome by the Commodore
  2. Apologies and proxies
  3. Notices of motion
    1. Motion as set out in Annexure A is moved as an ordinary resolution.
  4. Close of Meeting
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It is important to note that only members who have renewed and paid their membership for the 2020/2021 season and are 18 years of age or over may vote either by attending the meeting in person or by proxy.

Apologies and proxies must be notified to the Secretary by: (i) lodgement at the McCYC administration office; or (ii) email ([admin@mccraeyc.com.au](mailto:admin@mccraeyc.com.au)), no later than **4.00pm Friday 16<sup>th</sup> October 2020**.

Mark O'Brien  
Secretary  
McCrae Yacht Club Inc.

## ANNEXURE A

### Notices of Motion for which Notice is given in accordance with Rule 13.2(e) of the Club Rules

The following is moved as an ordinary resolution:

#### **Motion:**

**THAT** members approve the General Committee to spend up to an additional \$80,000 for the Lift and Club House project with the total project budget not to exceed \$300,000.

#### **Explanation**

The Club embarked on a development project, largely underwritten by a grant from the Commonwealth Government, that would provide lift access to the upper deck, the provision of disabled toilets and change room facilities and allow for a reconfiguration of the main entrance to the club building together with an expansion of female toilets and change room facilities.

#### **Background**

The Club successfully applied for a grant of monies under the 'Community Sport Infrastructure 2018' grant program and received the sum of \$147,000. These monies were to be spent on the project, with completion projected for 20 June 2020.

In the 2019 AGM the then General Committee submitted a proposal for the expenditure of \$170,000 on the total project, seeking approval for an additional \$23,000 over the Commonwealth Grant funds. In the 2020 AGM the General Committee requested the members consider a motion for the provision of an additional \$50,000. These motions were passed and the project proceeded with an expenditure authority level of \$220,000.

#### **Project Planning changes**

Subsequent to the 2020 AGM, the General Committee received advice that additional works would be required to satisfy building planning requirements and for a planning permit to be issued.

## **Conduct of Project**

It has become clear to the General Committee the internal controls, including financial reporting, were inadequate for a project of this nature. The recognition of these deficiencies gave rise to growing concerns at the likely financial outcomes.

In an effort to more fully understand the implications of the commitments, the General Committee substantially reinforced the financial capability of the Club by appointing Ian Cunningham as a Director and Treasurer supported by Richard Nicholson, both of whom are qualified accountants. A detailed review of commitments has been completed and it is now evident the project will exceed in a material way, the combined expenditure authority levels approved at the 2019 and 2020 Annual General Meetings.

The General Committee anticipates the current costs of the project, delivered to the standard presented to Club members at the past Annual General Meetings, will now be in the vicinity of \$292,000. Full details of the revised projected expenditure and the reasons for the reporting deficiencies will be outlined at the Special General Meeting.

The General Committee is not aware of any likely expenditure in excess of \$292,000 for the project completion, however is seeking approval for an amount in excess of the current estimated costs to allow flexibility, should some unexpected and critical issue emerge in the completion of the works.

Notwithstanding these revised projections, the Club's financial position is sound and we have the required funds available to complete the project.

## **Deficiencies in Approach**

The General Committee has realised there have been significant deficiencies in its processes and has taken action to remediate them and is aggressively taking action to save money in the remaining project costs while working with the construction contractor to minimize the impact of building variations.

The General Committee are in unanimous support of this resolution.

Proposed: Scott Cunningham  
Seconded: Jon Knorr

**ANNEXURE B**

I, ....., BEING A VOTING  
MEMBER OF MCCRAE YACHT CLUB INC. HEREBY APPOINT:

..... TO VOTE ON MY  
BEHALF AT THE SPECIAL GENERAL MEETING TO BE HELD ON SUNDAY 18th OCTOBER,  
2020.

SIGNED: .....DATE:...../...../2020