

### Information on upcoming extraordinary general meeting

On 28 June, the RACGP will hold an extraordinary general meeting (EGM) to ask members to authorise Board Director remuneration from 1 July 2022 to 30 June 2023 (FY 2022–23).

The resolution under consideration is: **To remunerate the RACGP's Directors for performing the services of Directors up to a total of \$1,185,000 for the 2022–23 financial year (1 July 2022 to 30 June 2023).**

#### Why do we need an EGM?

Historically, Board remuneration covered the 12-month period between RACGP AGMs. In 2021, the RACGP decided to align Board remuneration with the financial year (July–June), rather than the 12 months between AGMs.

At the 2021 AGM, we asked you approve two resolutions:

- Resolution 3 asked you to approve Board remuneration from November 2021 to 30 June 2022 (ie the seven months between the AGM the end of FY 2021–22).
- Resolution 4 asked you to approve Board remuneration from 1 July 2022 to 30 June 2023 (ie FY 2022–23).

Resolution 3 passed, allowing us to pay the Board until 30 June 2022.

Resolution 4 did not pass, which means **we cannot pay the Board for their services beyond 30 June** due to the gap between the end of FY 2021–22 and the next AGM in November 2022.

We cannot wait until the 2022 AGM to settle this issue because, without member approval of this resolution at an EGM, our Board members, including the President, won't be paid for five months.

#### Why did some members vote against Resolution 4 at the 2021 AGM?

We received feedback that some members felt the wording of Resolutions 3 and 4 was too similar, making it difficult to determine what we were seeking approval for. Some members may have interpreted the two resolutions as a 'double up' in Board remuneration, rather than coverage for a gap created by the change to the remuneration period. It may also have been interpreted as a pay rise for the Board, whereas in fact Board remuneration for 2022–23 will not increase beyond CPI.

Resolution 4 was essentially the same resolution we present at each AGM – to remunerate the Board for a period of 12 months (which now aligns with the financial year).

#### Is this a special resolution?

No, the resolution for consideration at the EGM is an ordinary resolution, as it was at the 2021 AGM and as are all resolutions regarding annual Board remuneration.

#### How much will Board members be paid for FY 2022–23?

The total remuneration figure of \$1,185,000 includes \$988,188.84 for 14 Directors and a contingency of \$196,811.16 (20%). This contingency covers new activity such as the co-opting of a Director for the new RACGP Northern Territory faculty.

Board remuneration will not increase beyond CPI of 2.5%. Approval of the resolution at the EGM simply means the RACGP is authorised to pay the Board beyond 30 June 2022.

If you have any further questions, please email [generalmeetings@racgp.org.au](mailto:generalmeetings@racgp.org.au)

Kind regards,



**Paul Wappett**  
CEO