



AMENDMENT TO RLCA BY-LAW No. 1

REDSTONE LAKE COTTAGERS ASSOCIATION (RLCA)

APPROVED BY DIRECTORS MAY 27, 2018

PROPOSED FOR APPROVAL BY VOTING MEMBERS OF RCLA JULY 14, 2018

Background to Changes

- ▶ The Association was incorporated in 1961
- ▶ By-Law Number One of the Association passed July 29, 1961 (the “By-Law”) set out the rules for governance of the Association
- ▶ 57 years later and it’s time for an update...
- ▶ Ontario has proposed but has not yet passed significant changes to existing not-for-profit legislation
- ▶ Some changes to the existing *Ontario Corporations Act* as it applies to not-for-profit corporations were made and came into effect late last year and early in 2018 allowing for interim updates to the By-Law

Changes to the Bylaw include provisions...

- **Good Standing:** To clarify that exercise of members' rights require membership in good standing
- **Policies:** To permit the board of directors to pass policies
- **Membership Coordinator:** To formalize the Membership Coordinator position
- **Qualified Member Applicants:** To set out clear and detailed membership requirements
- **General and Associate Members:** To describe the relationship between G & A
- **Membership and Fiscal Year:** To create a membership year and change the timing of the fiscal year (*both years are the same*)
- **Members' Meetings:** To provide detail on the work that may be completed at meetings
- **Audit:** To permit the members to exempt the Association from audit
- **Notice:** To update the notice provisions to reflect current technology
- **Protection:** To codify provisions respecting limitation of liability, insurance & indemnities

Section A of Amendment Section 2 of By-Law No. 1 Board of Directors (1 of 15)

ORIGINAL:

- ▶ Directors must be general members

AMENDED:

- ▶ Directors can be associate or general members
- ▶ Directors must be members in good standing

Section B of Amendment Section 4 of By-Law No. 1 Quorum and Meetings, Board of Directors (2 of 15)

ORIGINAL:

- ▶ Notice of meetings shall be given by telephone or telegraph at least one day before or by mail at least two days before

AMENDED:

- ▶ Notice of meetings shall be given as set out in paragraph 25 at least one Business Day before
- ▶ Directors may participate in meetings by telephonic or electronic means
- ▶ Directors can enact Policies as long as the Policies do not conflict with the Governing Documents of the Association

Section C of Amendment Section 9 of By-Law No. 1 Officers of Association (3 of 15)

ORIGINAL:

- ▶ Membership Coordinator not listed as an officer

AMENDED:

- ▶ Membership Coordinator is created as a position
- ▶ Membership Coordinator is a mandatory officer of the Association

Section D of Amendment Section 11 of By-Law No. 1 Duties of Secretary (4 of 15)

ORIGINAL:

- ▶ Secretary prepares and gives all notices to members and directors
- ▶ Secretary maintains all written records of the Association

AMENDED:

- ▶ Secretary prepares and gives notices only to directors
- ▶ Secretary maintains all written records of the Association except records kept by Membership Coordinator and records kept by Treasurer

Section E of Amendment

New Section 12A of By-Law No. 1

Duties of Membership Coordinator

(5 of 15)

ORIGINAL:

- ▶ Membership Coordinator not a position described in By-Law

AMENDED:

- ▶ Membership Coordinator:
 - ▶ keeps all membership records
 - ▶ reports to board of directors on membership matters
 - ▶ prepares and gives notice to members, as directed by board

Section F of Amendment Section 16 of By-Law No. 1 Membership

(6 of 15) Amendments (Part 1 of 3):

- ▶ Minimal detail re: membership in original By-Law
- ▶ General member and associate member categories of membership remain
- ▶ Qualified applicants for membership will be accepted: (a) Person with ownership interest in Qualified Property; (b) at least 18 years of age; (c) agrees to abide by Governing Documents; and (d) submits an application
- ▶ Qualified Property now includes Pelaw Lake, Burdock Lake and Bitter Lake in addition to Redstone Lake and Little Redstone Lake
- ▶ One general member and unlimited number of associate members for each Qualified Property; only general members vote
- ▶ Membership is not transferable

Section F of Amendment Section 16 of By-Law No. 1 Membership

(6 of 15) Amendments (Part 2 of 3):

- ▶ Provisions set out for disciplinary action of a member with right of member to address issue before board
- ▶ All rights of all members of the same Qualified Property are suspended, including the right to vote, if the annual membership fee for a year is not paid by September 30th for that year of membership (*9 months after due date*)

Section F of Amendment Section 16 of By-Law No. 1 Membership

(6 of 15) Amendments (Part 3 of 3):

- ▶ Membership terminates as follows:
 - ▶ General membership and related associate memberships terminate if annual membership fee for a year for the general member is not paid by June 30th of the year following the applicable year of membership (*18 months after due date*)
 - ▶ Membership terminates if member provides notice of resignation
 - ▶ Membership terminates when member ceases to have a property interest in a Qualified property
 - ▶ Membership terminates on death of member
 - ▶ Membership terminates if applicable legislation provides for termination
- ▶ An associate member can become a general member if termination other than for termination due to non-payment

Section G of Amendment Section 17 of By-Law No. 1 Dues (7 of 15)

ORIGINAL:

- ▶ Dues payable May 1st each year
- ▶ No membership year described
- ▶ Membership fee of \$2.50 for general members and \$1.00 for associate members
- ▶ Secretary to notify of membership fee 60 days in advance with suspension of members if not paid on time

AMENDED:

- ▶ Dues payable by Jan 1st each year
- ▶ Membership Year: Jan 1st to Dec 31st
- ▶ Membership fee set by board and confirmed by members; not payable by associate members
- ▶ Membership Coordinator to notify of membership fee by Nov 1st for the following year
- ▶ Suspension for non-payment now in Section 16

Section H of Amendment Section 18 of By-Law No. 1 Annual and Special Meetings of Members (8 of 15)

ORIGINAL:

- ▶ Meetings held any where in Ontario
- ▶ Members may transact any business
- ▶ Notices of meetings shall be given by mail at least 7 days before

AMENDED:

- ▶ Meetings held in Haliburton County
- ▶ Members to be given financials in advance (5 Business Days)
- ▶ Description of type of business to be transacted at meetings
- ▶ All business to be transacted must be proposed in advance and listed on agenda
- ▶ Notice of meetings shall be given as set out in paragraph 25 at least 10 days before unless notice is waived
- ▶ 1/10th of all members may in writing requisition meeting to be held

Section I of Amendment Section 21 of By-Law No. 1 Voting Members (9 of 15)

ORIGINAL:

- ▶ Only general members entitled to receive notice of meeting and entitled to vote at meetings where business concerns general policy
- ▶ Only members with all dues paid entitled to vote
- ▶ Proxy holders must be members
- ▶ Detailed provisions on voting by show of hands or if demanded, by a poll as Chairman directs

AMENDED:

- ▶ All members entitled to receive notice of meetings;
- ▶ Only general members in “good standing” can vote: being in compliance with Governing Documents and not suspended
- ▶ Proxy holders must be members in good standing
- ▶ Simplified provisions on voting by show of hands or as Chairman reasonably directs

Section J of Amendment Section 22 of By-Law No. 1 Auditors (10 of 15)

ORIGINAL:

- ▶ Auditor shall be appointed at each annual meeting of members
- ▶ Auditor shall complete a report upon the balance sheet and whether the balance is a full and fair balance sheet

AMENDED:

- ▶ Accountant may be appointed at each annual meeting of members to complete an audit or do a financial review
- ▶ Accountant, if appointed, shall complete an audit or review engagement
- ▶ No accountant shall be appointed at an AGM if the members by extraordinary resolution exempt Association from such appointment

Section K of Amendment Section 23 of By-Law No. 1 Financial Year (11 of 15)

ORIGINAL:

- ▶ Fiscal year ends April 30th each year

AMENDED:

- ▶ Fiscal year is January 1st to December 31st each year, except transition year for 2018

Note: CRA has approved fiscal year end change

Section L of Amendment Section 25 of By-Law No. 1 Notice (12 of 15)

ORIGINAL:

- ▶ Notices may be given personally, telegraphed or mailed
- ▶ If notice is mailed, it is deemed to have been served at the time “when the same was deposited in a post office or public letter-box”

AMENDED:

- ▶ Notices may be given personally, sent by courier, mail, facsimile, email or other electronic means
- ▶ Deemed delivery:
 - ▶ Personally/courier—delivery date or next Business Day if not delivered on a Business Day
 - ▶ Mail—3rd Business Day following mailing date
 - ▶ Facsimile, email or other electronic means—on the day of transmission if before 5:00 p.m. EST on a Business Day; if not, then on 1st Business Day after transmission

Section M of Amendment *New* Section 29 of By-Law No. 1 Limitation of Liability (13 of 15)

ORIGINAL:

- ▶ *Silent*

AMENDED:

- ▶ No director, officer or committee member is liable for the acts of any other, as long as they have complied with the Act and the Governing Documents and exercised their powers and performed duties in accordance with the Act

Section M of Amendment *New* Section 30 of By-Law No. 1 Indemnification (14 of 15)

ORIGINAL:

- ▶ *Silent*

AMENDED:

- ▶ Directors, officers, committee members, volunteers and employees (and all formers) are indemnified for costs, etc. incurred in a law suit arising out of RLCA duties, and for all other costs in connection with their duties, except for gross negligence or wilful misdeed

Section M of Amendment *New* Section 31 of By-Law No. 1 Insurance (15 of 15)

ORIGINAL:

- ▶ *Silent*

AMENDED:

- ▶ Board can purchase and maintain directors and officers' insurance, commercial general liability insurance and such other types of insurance determined reasonably necessary by the board

QUESTIONS?