

## **MEMORANDUM**

To The Members, Lake of Bays Association

From The Board of Directors

Date June 2023

Subject **Member Approval to (1) Confirm Amended and Restated By-Law No.1, and (2) Reduce the Size of the Board of Directors from 18 to 13, at the Annual and Special Meeting**

At a recent meeting of the Board of Directors, the directors approved a new Amended and Restated By-Law No. 1 to replace the current By-Law No.1 in its entirety, and resolved to reduce the size of the Board from 18 to 13. At this year's Annual and Special Meeting of Members, the members will be asked to approve 2 resolutions to confirm and approve these changes. This memo sets out the background to and rationale for these changes.

### **Amended and Restated By-Law No. 1**

LOBA's original By-law No.1 was put in place when LOBA was established in 1978. Having been considered out of date for many years, the original By-Law No. 1 was modernized and an Amended and Restated By-Law No.1 was passed by the directors in December 2016, and confirmed by the members at the annual general meeting in July 2017. Since then, the new Ontario Not-For-Profit Corporations Act (the "NPCA") has come into force (on October 19<sup>th</sup>, 2021), and LOBA is now required to bring its governing documents into compliance with the NPCA.

The new Amended and Restated By-Law No. 1 reflects updated terminology and standards consistent with the NPCA, and includes a number of amended or added provisions to both account for explicit NPCA standards as well as good governance practices thereunder. The following are the primary areas where amendments have been made:

1. The NPCA has instituted new definitions for certain key terms, and these changes have been reflected in amendments and, where appropriate, removal of existing terms – see for example s.1.1, "ordinary resolution" and "special resolution".
2. The NPCA has established various legal frameworks for the greater use of electronic, counterpart, and remote, as the case may be, completing of governance tasks and activities. Changes have accordingly been made to extend electronic signature capabilities in accordance with law, as well as to address meetings and voting held remotely, alongside other similar amendments – see for example newly added ss. 2.5 and 2.6 regarding counterpart signing and electronic documents, ss. 6.4, 10.6, and 10.7 regarding meeting by electronic means, and ss.10.13.4 and 10.14.4 regarding electronic and absentee voting conditions.
3. As the NPCA allows for officers to be directors by virtue of their office, provisions were added to account for LOBA's practice of automatic appointment of the immediate past-president as a director – see for example ss. 4.4 and 7.6 regarding the office and ex officio directorship of the past-president.
4. The process required for approving by-law creation, changes, and repeal was amended for consistency with the default rule in the NPCA – see for example ss. 13.1 and 13.2.

5. For a number of provisions, language was amended to generally ensure consistency with the language and standards of the NPCA – see for example ss. 3.2, 4.2, 10.1, 10.8 and 11.1.

### **Fixing the Board Size at 13**

In addition, and as part of the strategic planning process and governance review of LOBA's corporate structure, the Board determined that a reduced Board size of 13 would provide for more effective operations and governance, allowing the Board the ability to act more effectively, and will enable the members to ensure that the best candidates are brought forward to join the Board and act as directors.

The by-law provides for 12 directors to be elected by the members on a rotation – director terms are 3 years, with 4 directors up for election or re-election every year. The other director will be the immediate Past-President, who, by being the President, will automatically be a director when they become the Past-President.

### **Member Resolutions**

At the annual and special meeting of the members to be held on Saturday July 8<sup>th</sup>, 2023, there will be two resolutions presented for approval by the members, as set out below:

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#### **Amended and Restated By-Law No. 1**

WHEREAS the current Amended and Restated By-Law No. 1 of Lake of Bays Association was approved by the directors and confirmed by the members in July 2017 (the "Current By-Law");

AND WHEREAS at a recent meeting of the directors, the directors approved Amended and Restated By-Law No. 1 (the "New By-Law") to replace the Current By-Law in its entirety;

AND WHEREAS the members have determined to confirm this New By-law in the form as approved by the directors;

NOW THEREFORE BE IT RESOLVED THAT:

1. Amended and Restated By-Law No. 1, a by-law regulating the business and affairs of Lake of Bays Association, a copy of which was made available to all members prior to this meeting, is hereby confirmed as a by-law of Lake of Bays Association.

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#### **Reduction of the Number of Directors**

WHEREAS pursuant to Amended and Restated By-Law No. 1, the number of directors of Lake of Bays Association may be determined from time to time by special resolution;

AND WHEREAS the members have determined to fix the number of directors at 13;

NOW THEREFORE BE IT RESOLVED THAT:

1. the number of directors of Lake of Bays Association is hereby fixed at 13.
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