

LAC DU BONNET

COMMUNITY DEVELOPMENT CORPORATION

BY-LAW NO. 1/2019

Being a by-law to establish the Lac du Bonnet Community Development Corporation, in accordance with the provisions of Part XXI of *The Corporations Act*, R.S.M. 1987, C.C225.

Be it enacted and it is hereby enacted as a by-law of the Lac du Bonnet Community Development Corporation (hereinafter called the "Corporation") as follows:

Article 1: HEAD OFFICE

- 1.01 The registered office of the Corporation shall be located at the Rural Municipality of Lac du Bonnet with a physical address of #4187 – PR 317, and a mailing address of P.O. Box 1288 Lac du Bonnet, Manitoba, R0E 1A0.

Article 2: NAME

- 2.01 The name of the Corporation shall be Lac du Bonnet Community Development Corporation.
- 2.02 The Corporation is registered with the Province of Manitoba as a share-capital corporation.

Article 3: BOUNDARIES

- 3.01 The Corporation shall operate within the geographic boundaries delineating the Rural Municipality of Lac du Bonnet.

Article 4: MISSION

- 4.01 The Corporation shall operate exclusively for the sole purpose of fostering social and economic development in the Rural Municipality of Lac du Bonnet.

Article 5: DEFINITIONS

- 5.01 **Shareholder:** For the purpose of the Corporation, the Rural Municipality of Lac du Bonnet will be the sole shareholder or owner of the Corporation.
- 5.02 **Board of Directors:** A Board of Directors, elected through processes identified in this by-law, is authorized to carry out corporation business on behalf of the shareholder.

Article 6: SHAREHOLDER

- 6.01 The Rural Municipality of Lac du Bonnet will be the sole shareholder or owner of the Corporation.
- 6.02 There will be one class of shares referred to as “common shares”.
- 6.03 A maximum of one share shall be issued.
- 6.04 No shares shall be transferred to any person or agency.
- 6.05 The Shareholder shall have the right to supersede Board decisions or operations if improprieties that could put the Corporation at risk are suspected, such as legal, financial or statutory liabilities.

Article 7: SHAREHOLDER AND PUBLIC MEETINGS

- 7.01 An Annual Shareholder Meeting will be held yearly in September.
- 7.02 Notice of at least four weeks shall be given prior to the Annual Shareholder Meeting.
- 7.03 Additional Shareholder Meetings may be called at the wish of the Board Chairperson or the Shareholder providing minimum written notice of two days is given to each Voting Member and Board Chairperson.
- 7.04 Quorum for a Shareholder Meeting will be a minimum of three voting members.

- 7.05 Each council member is entitled one vote at the Annual Shareholder Meeting and at additional Shareholder Meetings.
- 7.07 The Reeve or Deputy Reeve will act as Chairperson for the Shareholder Meeting(s).
- 7.08 Current Board Directors may attend the Annual Shareholder Meeting but are not entitled to vote.
- 7.09 The Board of Directors will host an Annual Community Development Corporation Meeting prior to the Annual Shareholder Meeting.
- 7.10 Public notice of at least four weeks shall be given prior to the Annual Community Development Corporation Meeting.
- 7.11 Additional public Community Development Corporation Meetings may be called at the wish of the Board of Directors or the Shareholder, providing minimum written notice of two weeks is given to the Shareholder and to the general public.

Article 8: BOARD OF DIRECTORS

- 8.01 **Composition of the Board:** The Board of Directors shall be composed of a minimum of three (3) and a maximum of eleven (11) members. The greatest possible effort will be made to include qualified representation from six (6) Priority Organizations and Members at Large as follows:
 - a) Rural Municipality of Lac du Bonnet Representatives (two members)
 - b) Town of Lac du Bonnet Representative
 - c) Lac du Bonnet and District Chamber of Commerce Representative
 - d) Lac du Bonnet Airport Authority Representative
 - e) Eastman Tourism Representative
 - f) Brokenhead Ojibway Nation Representative
 - g) Members at Large (Four)
- 8.02 **Qualifications:** Directors must possess the skills and expertise to meet the desired complementation as set out by the Corporation and defined in the Business Plan. Preference shall be given to directors who are a resident and/or ratepayer of, or a person who owns and operates a business within the Rural Municipality of Lac du Bonnet.
- 8.03 **Term of Office:** The term of office for Directors shall be two years. No Directors shall serve for more than five consecutive terms.
- 8.04 **Nomination Committee:** The Nomination Committee will consist of three Board members that are approved by resolution of the Board to serve in this capacity for the amount of time

identified in the resolution. The Nominations Committee seeks out suitable candidates to run for election to the Board of Directors and provides candidates with information about the Corporation, the Board of Directors, and the election process. The Nominations Committee also identifies potential candidates from the Board of Directors for Executive Officer positions (Chairperson, Vice-Chairperson, Secretary, Treasurer). The Nominations Committee provides a slate of candidates and position sought to the CDC Chairperson prior to the corresponding election.

- 8.05 **Election of Directors:** An open public call for nominations for elected positions will be issued in writing at least four weeks prior to the Annual Shareholder Meeting where elections shall be held. A verbal call for nominations will be issued at the Annual Community Development Corporation Meeting. A list of nominees for Directors will be presented by the Board Chairperson. People nominated to serve on the Board must indicate their acceptance of the nomination **either in writing prior to the Annual Shareholder Meeting or verbally at the Annual Shareholder Meeting**. Each Candidate shall submit a written resume no less than two weeks prior to the elections. The resume should include what skills and expertise the Candidate will lend to the CDC based on the Business Plan. Each voting member is entitled to one vote and may vote to elect Directors. Election of Directors shall be by ballot, unless otherwise agreed, if nominations are greater than Director positions available.
- 8.06 **Appointment of Directors:** Appointments from the six (6) organizations must be made by resolution of the appointing agency and submitted to the Corporation prior to the Annual Shareholder Meeting. Appointments will be accepted on an individual basis through resolution **and majority vote by the voting members** at the Annual Shareholder Meeting. Each Candidate shall submit a written resume, no less than two weeks prior to the elections, along with the organization's resolution. The resume should include what skills and expertise the Candidate will lend to the CDC based on the Business Plan. Should an organization choose not to appoint a representative to the Board, written notice of such shall be provided to the Corporation prior to the Annual Shareholder Meeting, and an additional Director shall be elected to the Board.
- 8.07 **Removal:** A Directors forfeits their position due to:
- a) death;
 - b) written resignation;
 - c) becoming bankrupt or insolvent;
 - d) ceasing to meet Director qualifications;
 - e) found to be of unsound mind by a Medical Professional;
 - f) acting contrary to the best interest of the Corporation;
 - g) absent from three (3) consecutive Regular Meetings without Board approval;
 - h) breach of confidentiality;
 - i) conviction of offence punishable by imprisonment for five years or more;

- j) no longer the appointed designate from any agency listed in Article 8.03; or
- k) ceasing to meet the legal responsibilities of board members including duty of care, duty of skill, duty of due diligence, fiduciary duty, fiscal responsibilities, statutory responsibilities and regulatory liability.

- 8.08 **Vacancy:** Should a vacancy occur during the year; the Board shall fill the position by appointment with approval by Board resolution and majority vote. The newly appointed Board Director shall fill the position until the next Annual Shareholder Meeting and election process occurs.
- 8.9 **Remuneration:** Directors shall serve without remuneration. Directors shall be reimbursed for travel and other expenses duly incurred while on authorized business for the Corporation outside the Corporation boundaries. The travel will be reimbursed in accordance with rates and policies established by the Board.
- 8.10 **Conflict of Interest:** A Director is deemed to have a conflict of interest when a contract or transaction that the Corporation is involved with may directly or indirectly financially benefit the Director or a relation by blood or marriage. Directors are responsible to disclose any conflict of interest to the Board of Directors. All disclosures shall be in accordance with Section 115 of The Corporations Act. If the Board deems a Director to be in conflict of interest, or if the Director deems themselves to be in conflict of interest, said Director will abstain from related communications and shall not have a vote.
- 8.11 **Confidentiality:** Each Board Director must keep in confidence all business of the Corporation unless the Board deems the information to be made available to the public. Each Director is required to review and sign the Oath of Confidentiality for the Corporation once appointed or elected to the Board.

Article 9: BOARD RESPONSIBILITIES

- 9.01 The Board shall act as the administrative body representative of the Shareholder.
- 9.02 The Board shall provide continuity of information and oversee all aspects of the operation of the Corporation.
- 9.03 The Board shall be responsible for hiring and oversight of qualified staff necessary for the continued successful operation of the Corporation.
- 9.04 The Board shall draft the Budget, the Strategic Plan, the Annual Plan, and the Business Plan for approval of the Shareholder, and be accountable for the financial management of the Corporation.
- 9.05 The Board shall maintain active communication and partnership with the Shareholder and the residents, ratepayers and business owners of the Rural Municipality of Lac du Bonnet.
- 9.06 The Board shall formulate, enforce and follow by-Laws, policies and procedures to best operate and promote the welfare of the Corporation.

- 9.07 Directors shall act in the name of the Corporation as authorized by the full Board, Executive, Shareholder, or by some person to whom the Board has delegated this authority.
- 9.08 The Board may call on resource persons with special expertise to serve the Board **in a volunteer** ex-officio capacity as deemed necessary. The Board shall determine the ex-officio role(s) and length of time to serve through resolution.
- 9.09 The Board may appoint committees and designate actions to committees, Directors or staff to examine, consider and report on any matter.
- 9.10 Consistent attendance at Board Meetings is the responsibility of all Directors.

Article 10: INDEMNIFICATION OF DIRECTORS

- 10.01 Each Director of the Corporation, former Director of the Corporation or a person who acts or acted at the Corporation's request as a Director of a body corporate of which the Corporation is or was a member or creditor, and his heirs and legal representatives, shall be indemnified against all costs, charges and expenses, including an amount paid to settle an action or satisfy a judgment, reasonably incurred by him/her in respect of any civil, criminal or administrative action or proceeding to which he/she is made a party by reason of being or having been a Director or officer of the Corporation or body corporate.
- 10.02 The indemnification clause does not apply to costs or expense that are occasioned by willful neglect or default on the part of the Director.

Article 11: EXECUTIVE OFFICERS

- 11.01 The Officers of the Board, hereinafter referred to as the Executive, shall be the Chairperson, Vice Chairperson, Secretary, and Treasurer. One or more persons may hold any combination of the Secretary and Treasurer positions. The Economic Development Officer will attend Executive Meetings to provide support but will not have a vote.
- 11.02 The Executive shall be elected by the Directors at the Board Meeting immediately following each year's Annual Shareholder Meeting.
- 11.03 The Executive shall have the general power of administration to conduct the routine and emergency business of the Corporation without prior approval of the Directors on all matters in order to expedite the business of the Corporation.
- 11.04 Officers may remove themselves from office by submitting a written resignation or may be removed from office by a two-thirds majority vote of the Directors present at a Regular or Special Board Meeting.

- 11.05 In the case of death, resignation, retirement or removal from office of an Officer, all books, papers, vouchers, monies and other property of whatever kind in his/her possession or under his/her control belong to the Corporation shall be delivered to the Board.
- 11.06 Vacancies occurring in an office of the Executive between regular meetings shall be filled by election by the Directors for the unexpired portion of the term.

Article 12: DUTIES OF DIRECTORS AND OFFICERS

- 12.01 The predominant duties of all Directors shall be to monitor the effectiveness of the Corporation in achieving its stated objectives and to direct the operations of the Corporation.
- 12.02 **Chairperson:** It shall be the duty of the Chairperson to preside at all meetings of the Board and Executive. They shall regulate the order of business at such meetings by receiving and putting lawful motions. The Chairperson shall have voting privileges on all motions. The Chairperson, along with the Secretary shall sign all papers and documents requiring signature on behalf of the Corporation, unless another person is designated by the Board. The Chairperson shall present a report of annual activities at the Annual Shareholder Meeting.
- 12.03 **Vice-Chairperson:** The Vice-Chairperson shall act in the absence or inability of the Chairperson and shall assist the Chairperson as required.
- 12.04 **Secretary:** The Secretary shall ensure maintenance of all minutes, correspondence and written records required as per regulatory acts and statutes as well as corporate policies and procedures. The Secretary, along with the Chairperson, shall sign all papers and documents requiring signature on behalf of the Corporation unless otherwise stated by the Board.
- 12.05 **Treasurer:** The Treasurer shall ensure maintenance of financial records and accounts required as per regulatory acts and statutes as well as corporate policies and procedures. The Treasurer shall present an annual financial report and proposed budget at the Annual Shareholder Meeting.

Article 13: STANDING AND AD-HOC COMMITTEES

- 13.01 **Committee Formation:** The Board may establish both standing and ad-hoc committees as required and may delegate specific duties to standing and ad-hoc committees. The Board shall outline duties and terms of reference for each committee. Committees may include persons external to the Board with special expertise to assist in achieving and presenting informed recommendations to the Board.
- 13.02 **Executive Committee:** The Executive Committee will be deemed a standing committee of the Board. The Chairperson, Vice-Chairperson, Secretary and Treasurer as officers of the Board shall make up the Executive Committee. A meeting of the Executive Committee may

be called by any officer with two days' written notice. A majority of the Officers must be present to constitute a quorum for any Executive Meeting. A majority is defined as 50% plus one of the total number of current Officers.

Article 14: ECONOMIC DEVELOPMENT OFFICER

- 14.01 The Board may employ an Economic Development Officer to undertake work of the Corporation.
- 14.02 The Board will provide oversight to the Economic Development Officer as per regulatory acts and statutes as well as corporate policies and procedures.
- 14.03 The Economic Development Officer shall possess and exercise such powers and fulfill such duties as the Board shall determine as outlined in the Job Description.
- 14.04 The Board may assign any or all duties pertaining to the general control and management of the business affairs to the Economic Development Officer. The Economic Development Officer reports directly to the Board and the Chairperson is the liaison between the Board and the Economic Development Officer.
- 14.05 The Economic Development Officer shall conform to all lawful orders given to him/her by the Board and shall give the Board all information it requires regarding the affairs of the Corporation.
- 14.06 The Economic Development Officer must keep in confidence all business of the Corporation unless the Board deems the information to be made available to the public and is required to review and sign the Oath of Confidentiality for the Corporation upon hire.
- 14.07 All personnel hired by the CDC will be the responsibility of the Economic Development Officer, with input from members of the Executive Committee.

Article 15: BOARD MEETINGS

- 15.01 Dates, times and locations for all meetings shall be determined by the Board.
- 15.02 A minimum of four Board Meetings must be held within the fiscal year.
- 15.03 Written notice of meetings to Directors may be by e-mail, fax, mail or personal contact and notice must be provided no less than two weeks prior to the meeting.
- 15.04 In the absence of the Chairperson or Vice-Chairperson, the Directors present shall designate another Director to act as Chairperson for the meeting.
- 15.05 The first Board Meeting following the Annual Shareholder Meeting will include the election of officers.

- 15.06 Special Board Meetings may be called, as deemed necessary, by the Chairperson or any two (2) Directors. Written notice of at least two days must be given and receipt of notice must be confirmed by the Director calling the meeting.
- 15.07 The parliamentary authority for the conduct of business meetings of the Board shall be Roberts Rules of Order. This authority will be used, at the discretion of the Chairperson for the conduct of meetings, decisions of the Board and the resolution of disputes.
- 15.08 A member participating in a meeting conducted by means of a communication device which allows them to both hear and speak is deemed to be present at the meeting.

Article 16: BOARD MEETING QUORUM AND VOTING

- 16.01 A majority of the Board of Directors must be present to constitute a quorum for any meeting of Directors. A majority is defined as 50% plus one of the total number of Directors.
- 16.02 All resolutions placed before any meeting shall be moved and seconded prior to discussion.
- 16.03 Resolutions shall be decided by a majority of votes. All decisions shall be by a show of hands, unless a secret ballot is requested. Proxy votes will not be recognized.
- 16.04 Votes will not be recorded unless a request is made prior to any votes having been cast.
- 16.05 No abstentions from voting shall be allowed unless a Conflict of Interest is declared. The Director shall vacate the meeting during discussion and voting on conflict issues.
- 16.06 In the case of an equality of votes, a resolution shall be considered defeated.
- 16.07 Adjournment shall be by resolution, duly motioned and seconded.

Article 17: FINANCE

- 17.01 The fiscal year of the Corporation shall end on December 31 each year.
- 17.02 All purchase orders, cheques, contracts and legal documents, duly authorized by motion of the Board, must have two authorized signatures unless otherwise indicated.
- 17.03 A maximum of four authorized signers will be named for the Corporation at all times. An authorized signer must be a current Director or Economic Development Officer of the Corporation. Authorized signing authority must be granted through Board resolution.
- 17.04 The annual operating plan and budget shall be developed by the Board and presented to the Shareholder for review by November 30 each year. Final annual operating plan and budget approval shall be received at the Annual Shareholder Meeting.
- 17.05 The books of account shall be reviewed or audited annually. The Treasurer shall ensure that the books of account be audited as soon as possible after the fiscal year-end.

- 17.06 The books of account shall be open for inspection by the Shareholder. No one else shall have any right to inspect any account or book or document of the Corporation except as conferred by statute or authorization by the Board.
- 17.07 The Board may set aside sums as a reserve fund to meet appropriate contingencies. The Board may in its discretion, increase, reduce or abolish any reserve fund completely, or in part, and may transfer the whole or any part of the any reserve fund to surplus.
- 17.08 The Shareholder shall not be eligible to profit from the operation of the Corporation as stated in Part XXI of the Corporations Act. All losses and earning shall accrue to the Corporation for economic development in the Lac du Bonnet area.

Article 18: FORCE AND EFFECT

- 18.01 This By-Law shall come into force and effect on the day and year it is sanctioned at an Annual Shareholder Meeting of the Corporation.
- 18.02 Amendments to these By-Laws may be entertained at any Annual Shareholder Meeting. Proposed amendments must be presented in writing to the Shareholder at least one month prior to the Annual Shareholder Meeting. Two-thirds majority vote at the Annual Shareholder Meeting shall be deemed sufficient to amend the By-Laws.

Article 19: DISSOLUTION

- 19.01 Upon the dissolution of the Corporation, any assets remaining after payment in satisfaction of its debts and liabilities shall be transferred to the Rural Municipality of Lac du Bonnet pending permission from the Lieutenant Governor in Council.

AMENDED, PASSED AND ENACTED at an Annual Shareholder Meeting of the Lac du Bonnet Community Development Corporation held on September 21, 2021.

 Reeve, Rural Municipality of Lac du Bonnet

 Date

 CAO, Rural Municipality of Lac du Bonnet

 Date