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## SETTING LAKE COTTAGE OWNERS ASSOCIATION INC. BY-LAWS

Approved by General Membership, Setting Lake, date

A by-law that directs the administration and operation of Setting Lake Cottage Owners Association Inc.

### 1. PREAMBLE

Setting Lake Cottage Owners Association Inc. is a non-profit corporation registered in Manitoba.

### 2. INTERPRETATION

#### 2.1. Definitions

- 2.1.1. Gender references include all genders.
- 2.1.2. AGM means Annual General Meeting.
- 2.1.3. Association means Setting Lake Cottage Owners Association Inc.
- 2.1.4. Board means the Board of Directors that manages the Association's affairs.
- 2.1.5. By-laws means the rules that direct the administration and operation of the Association.
- 2.1.6. Chair means an individual who presides over an official meeting of the Association.
- 2.1.7. Corporation means the entity incorporated under the Manitoba Corporation Act as Setting Lake Cottage Owners Association Inc.
- 2.1.8. Director means an individual who serves on the Board of Directors.
- 2.1.9. Member means a Member in Good Standing; being an individual or group of individuals who lease or own land in the Setting Lake Cottage Subdivision and have paid the current cottage levy.
- 2.1.10. Road Representative means a Member elected or appointed to the Board of Directors to represent the general interests of cottage owners on a specific access road.
- 2.1.11. Special Resolution means a resolution that is passed by a two-thirds of votes cast.
- 2.1.12. Subdivision means the area contained within the boundaries Setting Lake Cottage Subdivision, specifically properties on Roads 1, 2, 3, and 4, the areas within the boundaries of the landfill, and the boat launch.

### **3. STATEMENT OF PURPOSE**

The purposes of the Association are:

#### **3.1. Advocacy/Liaison**

3.1.1. To advocate for and promote the interests of Setting Lake cottage owners;

3.1.2. To represent the interest of cottage owners on matters that affect them by liaising with provincial and federal governments, the RCMP, Manitoba Hydro, telecommunications providers, other agencies, and businesses that serve the subdivision.

#### **3.2. Services**

3.2.1. To provide basic services, including but not limited to roads and landfill maintenance, and fire protection within the Subdivision.

#### **3.3. Environmental Protection**

3.3.1. To encourage environmental stewardship;

3.3.2. To encourage responsible cottage ownership.

### **4. MEMBERSHIP**

#### **4.1. Eligibility**

4.1.1. Individuals who own or lease land in the Subdivision and have paid the most recent annual cottage levy and any debt owed to the Association are eligible for membership.

4.1.2. Membership is not transferable.

#### **4.2. Membership Fee**

4.2.1. The membership fee is the annual cottage levy, which is approved by the membership at the AGM and collected and held in trust by the Province of Manitoba.

4.2.2. The annual membership fee is due on the date prescribed by the Province of Manitoba.

#### **4.3. Membership Year**

4.3.1. The membership year is from January 1 to December 31 of any given year.

4.4. Membership ceases upon:

- 4.4.1. The death of a Member;
- 4.4.2. A Member no longer owning or leasing property at Setting Lake.

**5. RIGHTS AND PRIVILEGES OF MEMBERS**

5.1. A Member is entitled to:

- 5.1.1. Receive notice of general and special membership meetings and board meetings;
- 5.1.2. Attend meetings, including Board meetings;
- 5.1.3. Vote at general membership meetings;
- 5.1.4. Be nominated and hold office, if over the age of eighteen (18).

5.2. Member's rights and privilege suspension

- 5.2.1. A Member's rights and privileges will be suspended for non-payment of the annual cottage levy on the renewal date of any given year.

**6. GOVERNANCE AND MANAGEMENT OF THE ASSOCIATION**

6.1. The administration and operation of the Association is carried out by the Board of Directors.

6.2. Composition of the Board

- 6.2.1. The Board will consist of no fewer than three (3) or more than fourteen (14) Directors.
- 6.2.2. A Director may hold more than one office.

6.3. Powers and Duties of the Board

- 6.3.1. Managing the affairs of the Association;
- 6.3.2. Making policies for managing and operating the Association;
- 6.3.3. Maintaining accounts and financial records of the Association;
- 6.3.4. Maintaining and protecting the Association's assets;
- 6.3.5. Evaluating the need for new or expanded facilities and/or services;
- 6.3.6. Planning, organizing, directing and monitoring projects so that funds are available, and projects proceed on schedule and within budget;
- 6.3.7. Paying expenses for operating and managing the Association;
- 6.3.8. Promoting the Association;
- 6.3.9. Transferring records and property to its successor Board following each AGM.

6.4. Election/Appointment and Term of Office

- 6.4.1. Directors will be elected from among Members at the AGM.

- 6.4.2. The term of office will be two (2) years from the AGM at which a Director was elected.
- 6.4.3. Retiring Directors are eligible for re-election.
- 6.4.4. Directors will take office at the end of the AGM at which they are elected.
- 6.4.5. The Board may appoint a Member to fill a vacancy for the unexpired portion of the term.
- 6.4.6. A Director may resign from office by giving written notice. The resignation will take effect on the date the Board accepts the resignation.
- 6.4.7. The Board will consider a Director who fails to attend two (2) consecutive meetings without reasonable, justifiable cause to have abandoned his position.

#### 6.5. Removal with Cause

- 6.5.1. The Board may, by a simple majority vote at a special board meeting called for that purpose, remove a Director before the end of his term for one of the following reasons:
  - 6.5.1.1. Failure to abide by the Bylaws.
  - 6.5.1.2. Acting or failing to act in a manner that is harmful to the Association.

### **7. MEETINGS OF THE BOARD**

#### 7.1. Requirements

- 7.1.1. The Board of Directors will hold at least six (6) meetings each year.
- 7.1.2. The President, or in his absence, the Vice President will call Board meetings.
- 7.1.3. The President, or in his absence, the Vice President will call a Board meeting if two (2) Directors make a written request stating the business of the meeting.
- 7.1.4. The President, or in his absence, the Vice President, will preside as Chair.
- 7.1.5. The Chair will give Directors fourteen (14) days notice of Board meetings.
- 7.1.6. The Board may waive notice by unanimous consent.
- 7.1.7. Meetings of the Board are open to Members but only Directors may vote.
- 7.1.8. The Board will hear any person who wishes to make a submission, ask a question, or register an objection on his or her own behalf or on behalf of others.
- 7.1.9. Members may participate in a discussion when invited to by the Board.
- 7.1.10. The Chair, with the consent of the Board, may adjourn a meeting and bring forward unfinished business to the next meeting.
- 7.1.11. The Chair is not required to give notice to finish the business of a meeting that is adjourned if the time and place of the second meeting is announced at the original meeting.

#### 7.2. Quorum

- 7.2.1. A majority of Directors present at any Board meeting constitutes a quorum.

7.2.2. The Board must not transact any business unless a quorum is present.

### 7.3. Failure to Reach Quorum

7.3.1. The President will adjourn a meeting if a quorum is not present within one-half (1/2) hour.

7.3.2. The meeting will be rescheduled to the same time and place the following week.

7.3.3. Directors present at the second meeting constitute a quorum.

### 7.4. Electronic/Virtual Meetings

7.4.1. In exceptional circumstances, Directors may participate in meetings remotely.

### 7.5. Voting

7.5.1. Each Director, including the Chair, has one (1) vote.

7.5.2. Voting will be by show of hands.

7.5.3. A simple majority of votes (fifty plus one) means a motion is carried.

7.5.4. There will be no proxy voting.

7.5.5. The Chair will not have a second or casting vote in the case of a tie vote.

7.5.6. A tie vote means a motion is defeated.

### 7.6. Conflict of Interest

7.6.1. A conflict of interest will not prevent a Member from serving as a Director.

7.6.2. A Director with a conflict of interest must remove himself when the Board takes actions or decisions that he may benefit from directly or indirectly.

7.6.3. The Director's withdrawal must be recorded in the minutes.

7.6.4. Directors who have or could reasonably be seen to have a conflict of interest must declare it when they are nominated for office, or if already serving on the Board, when the Director recognizes the conflict.

7.6.5. Funds must not be payable or otherwise made available for the personal benefit of a Member.

## 8. COMMITTEES OF THE BOARD

### 8.1. Committees

8.1.1. The Board may establish committees as required.

8.1.2. The Board will determine the scope of a committee's work.

8.1.3. A Director will serve as Chair of each committee.

8.1.4. The Chair will determine the composition of the committee.

8.1.5. Individuals will be selected for their expertise and need not be Members.

### 8.2. Committee Accountability

- 8.2.1. Each committee will:
  - 8.2.1.1. Record and distribute minutes to committee members.
  - 8.2.1.2. The Chair will present a report of activities at each Board meeting.

### 8.3. Committee Meetings

- 8.3.1. The Chair will call committee meetings.
- 8.3.2. The Chair will inform committee members of the date, time and place seven (7) days before the scheduled meeting.
- 8.3.3. Committee members may waive notice by unanimous agreement.

### 8.4. Quorum

- 8.4.1. A majority of committee members present at a meeting is a quorum.
- 8.4.2. A committee will not transact any business unless a quorum is present.

### 8.5. Voting

- 8.5.1. Each committee member, including the Chair, has one (1) vote.
- 8.5.2. Voting will be by show of hands.
- 8.5.3. A simple majority of votes (fifty plus one) means a motion is carried.
- 8.5.4. There will be no proxy voting.
- 8.5.5. The Chair will not have a second or casting vote in the case of a tie vote.
- 8.5.6. A tie vote means a motion is defeated.

## 9. GENERAL MEMBERSHIP MEETINGS

### 9.1. Meetings

- 9.1.1. The President, or in his absence, the Vice President will preside as Chair.
- 9.1.2. If neither the President nor the Vice President is present fifteen (15) minutes after the scheduled meeting time, Members present may choose a Chair from those present.
- 9.1.3. The Board will give Members fourteen (14) days notice of meetings, providing the date, time, place, and the draft agenda.
- 9.1.4. Business to be transacted must be included in the draft agenda.
- 9.1.5. The Chair, with the consent of Members, may adjourn a meeting and bring forward unfinished business to the next meeting.
- 9.1.6. The President must call a general meeting when fifteen (15) percent of Members make a request in writing.
- 9.1.7. The AGM will be held in May at a time and place determined by the Board.
- 9.1.8. The Board will give Members twenty-one (21) days notice of an AGM, specifying the date, time and place of the meeting, the draft agenda, and background information regarding matters that require a Special Resolution.



- 9.1.9. The proceedings of a meeting shall not be invalidated by the non-receipt of notice by a Member.
- 9.1.10. A Member must notify the Board in writing of any matter he wishes to raise at an AGM no later than fourteen (14) days before the meeting.

## 9.2. AGM Agenda

- 9.2.1. The AGM agenda will address the following items:
  - Adoption of agenda
  - Adoption of the minutes of the last AGM
  - Directors' Annual Reports
  - Treasurer's report setting out the Association's financial position, including a balance sheet and income statement
  - Election of the Board of Directors
  - Consideration of matters specified in the notice of meeting
  - Discussion of issues brought forward by Members

## 9.3. Voting

- 9.3.1. There will be one Voting Member for each owned or leased property. For clarity, if a property has more than one (1) Member, only one (1) may be designated as the "Voting Member".
- 9.3.2. A vote may be cast by a cottage owner or a family member over the age of eighteen (18).
- 9.3.3. There will be no proxy voting.
- 9.3.4. Voting will be by show of hands.
- 9.3.5. A simple majority of votes (fifty plus one) means a motion is carried.
- 9.3.6. The Chair has the right to vote.
- 9.3.7. The Chair does not have a second or casting vote in the case of a tie vote.
- 9.3.8. If there is a tie vote, the motion is defeated.

## 9.4. Quorum

- 9.4.1. Twenty-five (25) Voting Members constitute a quorum.
- 9.4.2. The Association must not transact business unless a quorum is present.

## 9.5. Failure to Reach Quorum

- 9.5.1. The President will adjourn the meeting if a quorum is not present within one-half (1/2) hour.
- 9.5.2. The meeting will be rescheduled to the same time and place the following week.
- 9.5.3. Members present at the second meeting constitute a quorum.

## **10. FINANCIAL AND ADMINISTRATIVE MATTERS**

### **10.1. Fiscal Year**

- 10.1.1. The fiscal year is the period from April 1 in any year to March 31 of the following year.

### **10.2. Record Keeping**

- 10.2.1. The Association will maintain printed copies of Articles of Incorporation, Corporation Act Annual Returns, by-laws, minutes, financial records, and other key documents held on computers.
- 10.2.2. Each Director will maintain and have custody of records for his portfolio.
- 10.2.3. The Board will publish minutes of meetings and the Bylaws on its website.
- 10.2.4. A Member is entitled to inspect books and records at any AGM.
- 10.2.5. The Board may make information that it deems appropriate available to the public through the Association's website or other media.

### **10.3. Financial Reporting**

- 10.3.1. The Board will present an annual budget of estimated revenues and expenditures that reflects its operating plan for the year ahead for membership approval at the AGM.
- 10.3.2. The Treasurer will present a written year-end report including a balance sheet and income statement showing the Association's financial position at each AGM.

### **10.4. External Review of Financial Records**

- 10.4.1. The Board will appoint a qualified individual to review financial records at the end of each fiscal year.
- 10.4.2. The reviewer must not be a Director or related to a Director by blood, adoption, marriage or common-law relationship.
- 10.4.3. The reviewer will prepare a written report stating whether, in his opinion, the balance sheet and income statement represent an accurate view of the Corporation's financial affairs.
- 10.4.4. The Treasurer will present the reviewer's report at each AGM.

### **10.5. Annual Cottage Levy**

- 10.5.1. The Board will recommend the annual service levy rate to the Province of Manitoba based on anticipated annual operating costs, and maintaining a reserve fund for major expenses including, but not limited to, infrastructure repairs and equipment purchases.

## 10.6. Remuneration/Reimbursement of Expenses

- 10.6.1. No Director or committee member will be remunerated but may be reimbursed for reasonable out-of-pocket expenses incurred while engaged in the affairs of the Association.

## 10.7. Board Expenditure Authority

- 10.7.1. The Board has the authority to procure goods and services that are part of projects and initiatives identified in an annual budget and operating plan that the membership has approved, providing uncommitted funds are available.
- 10.7.2. Directors must seek approval of the Board, either through a regular or special meeting, email or emergency issue for expenditures that have not been identified in an annual budget and operating plan and that the membership has not approved.

## 10.8. Financial Signing Authorities

- 10.8.1. The Treasurer and other Directors that the Board determines will have financial signing authority for the Association's accounts.
- 10.8.2. The Treasurer and one other Director with signing authority must sign each cheque drawn on the Association's accounts, except as specified in Articles 10.8.4 and 10.8.5.
- 10.8.3. The Treasurer and one other Director must sign invoices that will be paid from the Province of Manitoba's trust fund.
- 10.8.4. No Director will sign a cheque that is payable to himself.
- 10.8.5. Directors who are related by blood, adoption, marriage, or common-law relationship, or where any other conflict of interest exists or could be seen to exist will not sign the same cheque.

## 10.9. Corporate Status

- 10.9.1. The Registered Office of the Corporation is Setting Lake, Road 2, Lot 6, R8N 1N2.
- 10.9.2. The Board may designate another Manitoba location. The location and the effective date must immediately be communicated to the Companies Office.
- 10.9.3. In accordance with the Corporations Act of Manitoba, the Association must file an Annual Return of Information and the appropriate fee.
- 10.9.4. Failure to file for two (2) consecutive years will result in the Corporation's dissolution.

## **11. AMENDING THE BYLAWS**

### 11.1. Amending the Bylaws

- 11.1.1. These Bylaws may be amended at an AGM by Special Resolution, providing that the Board has give Members twenty-one (21) days notice and provided details of proposed amendments and the rationale for them.

## **12. DISSOLUTION OF THE CORPORATION**

### 12.1. Dissolution of the Corporation

- 12.1.1. If the Association fails to elect the minimum of three (3) Directors required for a Manitoba non-profit corporation, the Director(s) elected to office must call a Special General Membership Meeting and attempt to fill vacancies.
- 12.1.2. If the Director(s) elected to office fail in their effort to recruit the minimum of three (3) Directors, they will file a Statement of Intent to Dissolve with Manitoba Companies Office.
- 12.1.3. If all Directors have resigned, or have been removed from office, and no replacement Directors are elected, an unelected Member will be deemed to be a Director to oversee the Corporation's dissolution.

## **13. DISSOLUTION OF THE ASSOCIATION**

### 13.1. Dissolution of the Association

- 13.1.1. The Association may dissolve itself by Special Resolution at a general membership meeting called for this purpose, providing the Board has give Members twenty-one (21) days notice providing details of the motion to dissolve and the rationale for it.

## **14. WINDING UP**

### 14.1. Winding Up

- 14.1.1. If the Association is dissolved, no Member will receive any of the Association's assets without purchasing them at fair market value.
- 14.1.2. If the Association is dissolved, the funds and assets remaining in the trust fund after the payment of its debts and liabilities will revert to the Province of Manitoba.
- 14.1.3. If the Association is dissolved, the assets held outside the trust are to be liquidated and distributed evenly between members in good standing.

These by-laws become effective on the date.

Original signed by Joe Correia  
President  
Setting Lake Cottage Owners Association Inc.