



UNIVERSITY
NEIGHBOURHOODS
ASSOCIATION

BOARD OF DIRECTORS MEETING
January 15th, 2019
Bylaw Working Group Update

The Working Group (“WG”) met on January 2nd and 9th, 2019. It reviewed the draft bylaws that were put before the 2017 UNA AGM (held in January, 2018) but not passed by the members of the UNA (the “2017 Draft Bylaws”). The WG also considered several bylaw amendments that were not included in the 2017 Draft Bylaws, particularly those relating to the composition of the Board of Directors.

In conjunction with the bylaw amendments proposed in this report, the Neighbours’ Agreement will require consequential amendments. That process is part of the mandate of the WG and will be addressed by the WG following the review of this Report by the Board and in accordance with any further directions from the Board.

This report outlines the recommendations of the WG as of the conclusion of its meeting on January 9, 2019.

BOARD COMPOSITION

1. All directors to be UNA members and to be elected by UNA members.

Rationale:

The current bylaws provide for one director to be appointed by the AMS, and two directors to be appointed by UBC. The proposal is to remove all appointed directors.

A fundamental aspect of democracy is absent with a mix of appointed and elected directors. The UNA is tasked by the Neighbours’ Agreement with providing municipal-like services to the residents of the University Neighbourhoods. It is an anomaly for an entity with such a mandate not to be governed by the residents for whom the services are provided.

Comment:

The WG recommends that UBC appointed directors transition from their current role as voting directors to “observers” (see UBC Observers section, below) to take effect upon the filing of the operative bylaws. To achieve this, in addition to amendments to the bylaws, it will be necessary to make substantive amendments to the Neighbours’ Agreement, a process that requires the agreement of both the UNA and UBC.

The WG further recommends that, with the AMS director ceasing to be a member of the Board, the UNA create a formal channel of communication with the AMS to facilitate the discussion of mutual interests

2. Increase the number of directors to 6 provided that the Board may increase the number to 7 and provided further that, once increased to 7, the Board may not subsequently reduce that number

Rationale:

The current number of directors is 8. With the AMS and UBC representatives no longer being directors, there is a need to increase the number of directors while at the same time recognizing that the total number of directors should be determined in relation to the demands on the Board. The WG decided that a reasonable number is 6 or 7.



3. Remove the provision limiting the number of directors from any neighbourhood to 3.

Rationale:

There is no indication that such a limit is needed to deal with differences between neighbourhoods. All directors owe a fiduciary duty to the UNA as a whole and are elected on that basis.

UBC OBSERVERS

1. UBC will have the right to appoint two representatives, to be called “observers”, to attend Board meetings, including closed and in camera meetings.

2. The Board may, by resolution, exclude the observers from attending any portion of a closed or in camera meeting that involves consideration of a matter for which UBC may be adverse in interest to the UNA.

Comment:

Whether a simple majority resolution will suffice for this purpose or whether the resolution must be approved by 2/3 of the directors present at the meeting remains to be determined.

3. The UNA will provide the observers with notices of all board meetings and with all documents prepared for board meetings, other than documents relating to any matter for which it can reasonably be anticipated that the observers will not be permitted to be present when the matter is considered.

4. The observers will have the right to participate in board discussions, except any discussion for which the meeting chair decides otherwise.

Rationale:

It is recognized that the UBC appointed directors bring essential expertise (currently in planning and finance) to the Board and provide the UNA with the perspective of UBC on issues of mutual importance. The recommendation is to retain access by the Board to that expertise and perspective but to acknowledge that the right to vote is not required to maintain and foster the mutually supportive relationship between the UNA and UBC.

Comment:

UBC is of the view that not having voting directors on the board increases its risk. Therefore, it will require modifications to the Neighbours’ Agreement to balance the perceived increased risk. The WG has discussed these modifications with UBC on a preliminary basis. The modifications will include, in particular, safeguards for UBC relating to the UNA budget and UNA expenditures, since UBC has ultimate responsibility for the application of the Neighbourhood Levy.



TERM OF OFFICE OF DIRECTORS

Increase the length of a term from 2 years to 3 years and reduce the maximum number of consecutive terms from 3 to 2.

Rationale:

In municipal government, terms are 4 years. A 2-year term is rather short. A 3-year term provides one more year for directors to optimize their effectiveness.

Comment:

To implement the change of term, the WG will draft specific bylaws to deal with a transition period. These transition bylaws will include:

- (a) That directors elected in January, 2018 will have their term extended by one year.*
- (b) That directors elected in 2019 will serve a term of 2 years.*
- (c) That directors elected for the first time in 2019 and are re-elected in 2021 may run for re-election in 2024 to serve a third term of 3 years.*

ADDITIONAL TERM TO FILL VACANCIES

In the event there are too few candidates running for the office of director to fill all the vacancies in any election year, incumbent directors who have served the maximum number of terms may stand for re-election.

Rationale:

The WG is of the view that it is better that an incumbent director serve an additional term in office than that the Board be left to operate with a reduced number of directors.

TIMING OF AGM AND ELECTIONS

- 1. The AGM shall be held within 6 months of the UNA's year end, that is, not later than September 30th, on a date to be determined by the Board.**
- 2. Subject to the transitions provisions, elections for all 6 (or 7 – see above) directors shall be held every 3 years commencing 2021 and shall be concluded no later than November 30th of the election year.**
- 3. The election in an election year shall be held after the AGM in that year and shall be concluded no later than November 30th of that year.**
- 4. The terms of the elected directors will begin at the beginning of the first Board meeting following the election.**



Rationale:

The Societies Act requires that financial statements presented to an AGM be for a period that ends not more than 6 months prior to the date of the AGM. The year end of the UNA is March 31st. Accordingly, for practical purposes (to avoid the time and expense needed to prepare financial statements in addition to those prepared in connection with the year end), the UNA's AGM should be held no later than September 30th. The summer is not a good time to hold AGMs as many members of the UNA are away.

By separating the AGM and holding elections in either October or November every three years, the process is more cost-effective and gives residents the opportunity to vote for a slate of candidates.

QUORUM FOR BOARD MEETING

The quorum to transact business at a Board meeting shall be a majority of directors then in office.

Rationale:

The current bylaws permit the directors to determine the quorum to transact business at a Board meeting and provide that if they do not do so, the quorum is a majority of the directors then in office. The WG is of the view that the Board should not have any discretion to set the quorum.

MEMBERSHIP IN THE UNA

The WG is of the view that the current requirements for being a member of the UNA – namely that the person be a minimum of 18 years of age and a resident of a University Neighbourhood – are appropriate. However, the WG is also of the view that the UNA has an obligation to more effectively communicate to residents how one becomes a UNA member and the rights that are thereby acquired.

DIRECTOR STIPEND

The WG is of the view that bylaw 6.13 of the 2017 Draft Bylaws is appropriate.

The UNA Finance Manager will be instructed to review the COLA formula to determine whether it can be more specific.



SECONDING MOTIONS

1. **Amend the first clause of s. 4.11 of the 2017 Draft Bylaws to require that a resolution proposed at a general meeting must be seconded.**

2. **In s. 7.5 of the 2017 Draft Bylaws, delete the reference to seconding motions.**

EXPULSION OF MEMBERS

Remove bylaw 2.6 of the 2017 Draft Bylaws.

Rationale:

Expulsion of a member would terminate the member's right to vote in UNA elections. That would be harsh and undemocratic.

DISSOLUTION OF UNA

The WG is of the view that bylaw 15.2 of the 2017 Draft Bylaws is appropriate. That bylaw provides for the disposition of the UNA's assets if the UNA ceases to exist.

ELECTION OF DIRECTORS

This WG is of the view that Section 5.0 of the 2017 Draft Bylaws is appropriate.

Respectfully submitted

Terry Mullen, Chair