

## Report to Council

<b>Report Title:</b>	Saugeen Municipal Airport Revised Corporate By-Laws		
<b>Prepared By:</b>	Fiona Hamilton, Director of Legislative and Legal Services (Clerk)		
<b>Department:</b>	Clerk's		
<b>Date:</b>	January 10, 2023		
<b>Report Number:</b>	CLK2023-01	<b>File Number:</b>	C11CL
<b>Attachments:</b>	Proposed Saugeen Municipal Airport Revised Corporate By-Laws		

### Recommendation:

That the Council of the Municipality of Brockton hereby approves Report Number CLK2023-01 – Saugeen Municipal Airport Revised Corporate By-Laws, prepared by Fiona Hamilton, Director of Legislative and Legal Services (Clerk) for information purposes and formally request that the Saugeen Municipal Airport Commission consider formal comments from the member Municipalities for formal comment prior to any approval by the Commission; and further that the report and resolution be provided to the Municipality of West Grey and the Town of Hanover for their consideration.

### Report:

#### Background:

The *Not-for-Profit Corporations Act, 2010*, S.O 2010, c. 15 (“the Act”) came into effect on October 19, 2021 and required organizations that were previously constituted under certain parts of the previous *Corporations Act*, R.S.O 1990 c. C.38 to review and potentially revise their governing by-laws to comply with the Act within a three year transition period.

The Saugeen Municipal Airport (the “SMA”) is one of these organizations and also a local board of the municipalities of Brockton, West Grey and the Town of Hanover. The SMA hired a law firm to review and recommend updated governing by-laws. The proposed draft SMA by-laws have been attached to this report after being initially presented at the SMA meeting in October.

According to the Act, once the SMA Commissioners approve the new by-laws, the by-laws must then be confirmed, repealed or amended by the members of the SMA (which includes Brockton, West Grey and Hanover) at the next meeting of the members (which may not occur until the next annual general meeting, if a member did not call a meeting earlier).

While this process will ensure Brockton would eventually have an opportunity to comment, the by-laws could have been operational for some time before that next meeting of Members occurred. To be more efficient

and mindful of legal costs, Brockton Council may wish to request some changes to these by-laws prior to the adoption by the SMA, and further encourage Hanover and West Grey to endorse changes as well.

**Analysis:**

Overall, the updated by-laws provide additional clarity and ensure compliance with the Act. However, there are some provisions that should be reviewed to also reflect the requirements in the *Municipal Act, 2001* for local boards.

Some of these proposed revisions are as follows:

- 1) The Board should not have the ability to amend the financial year end, as doing so could interfere with the municipal auditing process and timing by which the municipalities would need to file the Financial Information Return with the Ministry of Municipal Affairs and Housing.
- 2) While section 2.02 provides a welcome definition of the membership of the SMA, the Board should not be permitted to add new members without the municipalities consent, or terminate the membership of a municipality, particularly given that the operations and capital investment in the facility has been funded by those ratepayers for many years;
- 3) Recommendation that the number of Directors be limited to 5 with 3 representatives from the municipalities to be consistent with the ratios in place prior to the departure of Arran-Elderslie;
- 4) Many of the provisions around notice to the Directors or Members should be revised to ensure that proper notice of meetings is also being posted publicly and remain open to the public – while this is not required under the Act, it is an additional requirement because the SMA is a local board. Similarly, meetings of the Members, as municipalities, cannot allow for restricted attendance.
- 5) Given the financial implications to the three municipalities, any meeting of the members should require the attendance of all three entities to establish a quorum.

Once the By-laws have been amended, the next steps to update the SMA governance documents should be a revised Members agreement and updated cost-sharing arrangement.

As noted above, the new by-laws are an important component of proper governance of the SMA. However, as the SMA is funded by the three municipalities that must remain accountable and transparent to their residents, ultimate control over the asset must remain within the municipalities.

**Strategic Action Plan Checklist:**

What aspect of the Brockton Strategic Action Plan does the content/recommendations in this report help advance?

- |   |     |
|---|-----|
| • Recommendations help move the Municipality closer to its Vision                       | N/A |
| • Recommendations contribute to achieving Heritage, Culture, and Community              | Yes |
| • Recommendations contribute to achieving Quality of Life                               | N/A |
| • Recommendations contribute to achieving Land Use Planning and the Natural Environment | Yes |
| • Recommendations contribute to achieving Economic Development                          | Yes |
| • Recommendations contribute to achieving Municipal Governance                          | Yes |

## **Financial Impacts/Source of Funding:**

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

Brockton has not yet received the 2023 allocation, but has been advised that there was a deficit by the SMA in 2022.

### **Reviewed By:**



Trish Serratore, Chief Financial Officer

---

### **Respectfully Submitted by:**



Fiona Hamilton, Director of Legislative and Legal Services (Clerk)

### **Reviewed By:**



Sonya Watson, Chief Administrative Officer