

Draft Minutes of KTC Board Meeting
October 25, 2023
7:00-9:00 p.m.
In person at the KTC Clubhouse

Present: Julius Breza-Boski, David Corrigan, Tracey Corrigan, Jeff Elwood, Abby Lincoln, Donna Lounsbury (Chair), Nadia McCarthy, Taco Meuter, Simon van der Plas, Gary Wilson (Secretary), Asia Zolnierczyk (arrived 7:20 p.m.)

Regrets: Alma Thayer

Donna opened the meeting at 7:05.

Agenda approved.

Minutes from September 20, 2023 approved.

President's report

Donna thanked Bob for his work on bringing the KTC by-laws into compliance with the Not-for-Profit Corporations Act, 2010 (ONCA).

She also reported on the September 29 meeting with Chloe Wilson and Karen Peters presenting recommendations of the Operational Workload Committee. The options raised will be discussed over the next several months in order to reach a decision about hiring a club manager next year.

Review of KTC bylaw amendments (Bob Godard) (report attached)

Bob described changes to our by-laws that the Governance committee has drafted in consultation with the Queen's Law Business Clinic to bring them into compliance with the new Ontario legislation. Discussion followed, including how to have them ratified by the members at this year's AGM.

Nominating committee

Moved by Donna, seconded by David that the following members be approved to be elected at the 2023 AGM. **Carried**

Officer positions (two year terms): Abby Lincoln for Vice-President, Taco Meuter for Treasurer
Member at Large (two year terms): Tracey Corrigan, Asia Zolnierczyk, Peta Bailey, and Luka Stevanovic

It was hoped someone would be nominated for the one member-at-large position either before or at the AGM.

Donna reported she visited Ongwanada to inspect our meeting room there and was pleased with the set-up to support our hybrid meeting. Final arrangements would be confirmed at a second meeting before Nov. 22.

Whether we need paper ballots for voting as opposed to a show of hands will need further consideration.

2023 Tournament Report (Julius) (attached)

Julius said fees for tournaments might be slightly adjusted next year. Also, the date for the 2025 KTC Cup will be after Victoria Day, and Junior tournament at the end of August will be on a Saturday with the following Sunday as a backup.

Julius will make any needed changes to the tournament calendar.

Programs (Jeff) (attached)

Jeff led a discussion about how to balance camp offerings among full day, morning and afternoon to satisfy demand. Fees might have to be adjusted to maintain revenue, but along with the usual considerations KRC now has to be added.

It's well recognized camp registration has to be as early in the new year to allow parents to schedule their kids' summer activities.

Conor will have to be consulted about the best way to handle higher skilled campers to keep them interested and advancing.

All instructors this season were certified, something the club should try to maintain. Compensation for instructors, including complimentary memberships, was also discussed.

Operational Workload Committee (Donna)

Donna summarized the recommendations of the committee. To deal with overwork of some directors, a club manager should be hired to take over many of the duties now weighing down Board members: supervising stewards, overseeing facilities, managing CourtReserve.

A complete job description should be written with pay at around \$40,000 for 40 hours, April to September. The position would be for only one year only to see how it works out.

A second recommendation is to hire a bookkeeper. While a job description is being prepared, the treasure should be paid on an interim basis.

Board approval of these positions will probably be made in January. Other suggestions:

- directors serving on only one committee, as either member or chair
- Board should concentrate on core activities to avoid time-consuming less important activities

Financial committee (Taco) (report attached)

Taco reported little change from September's numbers. Lessons continue to do well. Profit for the season is now almost \$69,000, helped considerably by around \$30,000 in government wage subsidy.

By raising our rates across the board 5 % next year should mean we can meet the added costs of possible new paid positions as well as paying down our mortgage and still turn a profit.

Taco led a discussion about a possible convenience fee for payment for the club's goods and services. As his report pointed out, we're charged 3.37% by credit card companies for the use of their cards, which amounts to a considerable cost. Others pointed out credit card use is so prevalent it should be considered a cost of doing business.

Moved by Tracey, seconded by Abby that a convenience fee should not be added to the cost of KTC goods and services paid with a credit card. **Carried.**

Membership report (attached)

Next meeting: November 15.

Meeting adjourned at 9:15.

Memo

From: Bob Goddard, Chair, KTC Governance Committee.
To: KTC Board of Directors
Date: October 24, 2023
Re: **Report on the KTC Bylaw Revisions Project.**

Introduction

As a reminder, the impetus for this project is the coming into force of the Ontario Not-for-Profit Corporations Act (ONCA). Our bylaws need to comply with the new Act by October 19, 2024. The Governance Committee was tasked with making this happen. Added to this, the Governance Committee decided to conduct a general review of all of our bylaws, to allow for the possibility of making changes where we have discretion under ONCA.

KTC retained Queen's Business Law Clinic (QBLC) to help us with this project. Late yesterday (October 23rd), the proposed final version of the revised bylaws was approved of by QBLC's review counsel. Unfortunately, given the 11th hour completion of the review process, I have not yet put the final version in the "before and after" format that will be useful for Board members. Nevertheless, below I have summarized where we have arrived.

I have noted where the changes relate to ONCA. The reader will see that some changes are minor, whereas other reflect choices adjudged to be best suited to KTC's needs.

Updating and tightening language and definitions

- In accordance with ONCA, the applicable term for our constating document is now "Articles of Incorporation", which can be shorted to "Articles." Accordingly, throughout the bylaws "Articles" is now used instead of "Letters Patent."
- References in the bylaws to the Annual General Meeting (AGM) has been replaced with the broader label "Meeting of Members." This makes clear that the rules for meetings of that kind (i.e., meetings for which the voting members have a right to attend) have general application.
- We cleaned up some inconsistencies in the language as it relates to adult age thresholds, i.e., the existing version of the bylaws made some references to persons "over 18" and other references to persons "at least 18". We have made sure all such references now specify the age threshold as "at least 18."
- We also provided specificity on the age threshold to be a "Voting Member" of club, such that definition will now read:

Voting Members ("**Voting Members**") shall be individuals at least 18 years of age on the date that the season begins, who have registered with the Corporation and paid all applicable dues, meaning the "early bird rate" or regular rate for an annual membership commencing April 1 and ending March 31 the following year. Individuals acquiring a fall membership are not Voting Members and cannot become Voting Members until the following club season.

- Bylaw 2.1 sets out the classes of membership. We have amended this to specify that membership is not available to firms, partnerships, or corporations. We decided against including any provision to allow mid-stream changes to a person's class of membership. Furthermore, we decided against including a provision that would allowed for front end prorated memberships, but we have left in the existing ability for a member to request a full or partial refund.

- When referencing the cost of memberships, the word “dues” has replaced “fees.” “Fees” is still used to refer to other revenue collection, such as payment for a guest.
- Bylaw 5.9(d) deals with the Board’s power over “Remuneration of Agents and Employees”. We added “Contractors” to the list.

Relocating, or duplicating certain content in the Articles of Incorporation

ONCA requires that the Articles of Incorporation include certain content that, although stated in our bylaws, were never stated in our Letters Patent. To comply with ONCA, the specified contents can either be duplicated in the Articles or relocated to the Articles. This resulted in the following changes.

- To comply with ONCA, we will now include in the Articles our statement of the number of directors we allow. This statement will also remain in the bylaws.
- To comply with ONCA, we will now include in the Articles our statement setting out the Membership Classes. This statement will also remain in the bylaws.
- To comply with ONCA, we will now include in the Articles our statement of Members’ Rights. This statement will also remain in the bylaws.
- To comply with ONCA, we will now include in the Articles a statement setting out our plans for distribution of property upon dissolution. There will be some minor changes to this provision, which reflect that fact that we anticipate being a “Public Benefit Corporation”, as defined in ONCA, for the foreseeable future.¹ Identical provisions for dissolution will remain in the bylaws.

Other changes re Articles

- To be consistent with ONCA, our “mission” is now referred to as a “statement of purposes”, rather than “objects” (i.e., updating the label that was previously used in the Letters Patent).²
- At the recommendation of QBLC, our Articles are now to include a statement specifying that, when we engage in “Purposes of a ‘Commercial Nature’ (i.e., profit making purpose), it is done consistently with our NFP status.

¹ “Public Benefit Corporation” is a subcategory of not-for-profit corporations. Pursuant to ONCA, a not-for-profit corporation is required to be declare themselves to be a Public Benefit Corporation in certain circumstances, for example, if they have received a threshold amount of money from government (for example, summer employment subsidies). Dissolution of a Public Benefit Corporation must abide a more stringent process, so we want to change our stated plan to conform to that process.

² The wording will remain the same.

Embracing modern communication, and the elimination of voting by proxy

- During the Covid-19 pandemic, most of KTC's meetings (of various kinds) were by zoom. KTC should fully embrace this and other modern communication technologies, so we recommend removing the ability to vote by proxy. Simply put, electronic communication has rendered obsolete provisions for proxy voting, given that almost everyone will be able to participate in, and vote at meetings regardless of their location. To give the above effect, we have substituted the phrase *telephonic or electronic means* everywhere that previously spoke of proxies.
- Current bylaw 6.6 states that a Board member can participate in a Board meeting remotely only if all the other Board members consent. We changed to this to allow for remote participation so long as a majority of Board members agree to it. Related to this, mimicking the language of ONCA, we now require that the remote means of participation be simultaneous and instantaneous, not just adequate, which was the standard previously stated.

Tightening of checks and balances

- Bylaw 1.6 (formerly 1.7) deals with the Execution of Documents (for example, contracts). It previously allowed for such with the signature of two Directors. We made this slightly more stringent by requiring that one of the two Directors must be an Officer.
- To comply with ONCA, QBLC advised us to include the following add on sentences to bylaw 3.3, which deals with notice of meetings:

The information provided on the notice will include the time, place and the telephonic or electronic means that will be made available for the meeting, including, if applicable, instructions for voting by such means at the meeting.

- Current bylaw 9.1(b), re Conflicts of Interest currently reads:

A Director who is in any way directly or indirectly interested in a contract or transaction, or proposed contract or transaction, with the Corporation shall fully disclose the nature of the interest, and refrain from attending any part of a meeting of Directors or vote on any resolution to approve any such contract or transaction.

Given that the language of ONCA requires a more stringent process, we will be following QBLC's recommendation and change (b) to:

A Director who is a party to a material contract or transaction or proposed material contract or transaction with the corporation; or is a director or an officer of, or has a material interest in, any person who is a party to a material contract or transaction or proposed material contract or transaction with the corporation, shall disclose to the corporation or request to have entered in the minutes of meetings of the directors the nature and extent of his or her interest. The disclosure must be made either at the meeting at which a proposed contract or transaction is first considered, at the first meeting after he or she becomes interested, or at the first meeting after he or she becomes a director. Following the disclosure, he or she is refrained from attending any part of a meeting of Directors or voting on any resolution to approve any such contract or transaction.

Bylaws 9.1(a) and 9.1(c) will remain the same.

Expanding the Board's discretion and ability to delegate.

- Bylaw 1.7 (formerly 1.8) deals with the process for hiring and contracting. It previously stated that all such activities require prior Board approval. We changed it to allow the Board to delegate some of these powers, with an eye to urgent needs, such as an onsite emergency. However, there is a requirement that the Board later ratify the contract.
- Regarding bylaw 2.5, which relates to the process for disciplinary action, the current bylaw sets out timelines for submissions, but does not provide a mechanism for extending those timelines. To allow for some flexibility, we added the following two sentences: *Where the member is unable to submit the written submission within the response deadline, the member must submit a request to the board to extend the deadline. The Board has absolute discretion in granting an extension to the response deadline.*
- We amended bylaw 5.9(a)(ii) 5 to make it clear that the Board can delegate down some of its power to sanction members, for example, allowing a manager to implement routine discipline for booking infractions.
- Normally the President, if present, will chairs all meetings. Bylaw 6.4 will be modified to allow the President to delegate their position as chair of a Board meeting, despite being present at that meeting.

Provisions dealing with financial matters

- Bylaw 4.1 speaks to what we do with our cash on hand. As previously worded, this bylaw restricted us to placing it in a "bank", i.e., singular. This has been amended to open it up some, to state:

The Board shall by resolution from time to time designate the banks and other financial institutions or credit union, so long as they have

deposit insurance, in which the money or Guaranteed Investment Certificates shall be placed for safekeeping. The execution of banking transactions equal to or greater than ten thousand dollars (\$10,000.00) requires the signatures of two Officers.

- Also note, whereas the current version of the bylaws required a “sign off” by “two Directors”, we will now require the signature of “two Officers.”
- With respect to bylaw 4.3, which deals with the year-end evaluation and presentation of financial reports, we decided to eliminate the option of “review engagements”, which are less thorough than an audit. This is consistent with the reality that we have had audits for many years now, and will likely be required to have them for years to come, as it is expected that in most years we will operate as a Public Benefit Corporation, as defined by the ONCA.
- By-law 8.2 (d) was changed such that Directors’ Insurance “shall” be acquired, i.e., it is to be obligatory.

Maintaining provisions directed at the role of a Past-President (bylaws 5.1 to 5.4)

The current provisions were drafted with an expectation that the outgoing President would remain on the Board. But for certain reasons there has been confusion under the current bylaws as to whether that person would be an exception to the 12-board Member maximum, or was to be one of the 12 Board members. QBLC proposed a modification to make it clear that the Past-President would be a 13th member, but if they did not serve, the maximum would be 12. It was also agreed that the bylaw will be written such the Past-President could remain for a year only if both of two conditions were satisfied - that the Past-President wanted to remain, and there was a supermajority of 70% of Board members in favour of it.

All of the above rendered bylaw 5.3 superfluous, so it was removed.

Miscellaneous

- Bylaw 1.6 was removed. It related to the Corporate Seal. We don’t use a Corporate Seal and have no plan to do so. Also, a reference to the Corporate Seal in bylaw 1.7 was removed.
- QBLC recommended adding the following bylaw, as 2.4, and we accepted this recommendation:

Effect of Termination of Membership

Subject to the Articles, upon any termination of membership, the rights of the member, including any rights in the property of the Corporation, automatically cease to exist.

- According to current Bylaw 5.4, which will now be 5.3, the Board may appoint additional Directors for a limited term, provided that the number of additional Directors appointed does not exceed 1/3 of the number of Directors elected by the Voting Members at the previous annual meeting. This ability of the Board to appoint Directors is separate from the ability of the Board to fill vacancies on the Board. We have now made clear that this provision is a tool to be used only under circumstances where, at the conclusion of an election at the annual Meeting of Members, the Voting Members are not able to fill all of the Director positions, i.e., for want of candidates.

2023 Tournament Report

Changes implemented

- New draw format/scheduling
 - No more A/B/C/D draws. Draw folds back in on itself on the consolation side.
 - Less manual work during tournament by automating next matches. Only scores need to be entered.
 - Schedule of play is separate, easier to know when next match is to be played.
 - Ensuring that no one plays more than 2 matches a day.
 - Had a draw printout for mixed doubles and doubles, singles only had virtual draw available.
 - Setting expectations that Thursday matches will be more regular.
 - Main draw quarterfinals and semi finals to be played in Saturday.
- Draw committees
 - Only Dave and Julius for Mixed doubles. Didn't recruit in advance.
 - Doubles and Singles had multiple volunteers along with Dave and Julius. Some wanting to be part of the process, others to observe.
 - KTC cup, only had Dave and Julius, didn't require more since there were no seedings.
- Other changes
 - More email communication to participants about scheduling.
 - No "ad" scoring was introduced to consolation matches to speed up matches.
 - Consistent prizes got a lot of participants excited.

Tournaments

- Mixed doubles
 - To avoid having multiple draws, for double losing teams we decided to have them play one match more, since we guarantee 3 matches. This

received negative feedback, and some teams did not like the match being treated as an exhibition and nothing to fight for.

- There was a grievance over seedings, feeling that there was sabotage.
- Doubles
 - To refrain from going back to A/B/C/D draws participants remained in one consolation draw.
- Singles
 - Reintroduction of 55+ categories resulted in a mens over 55+ , with 12 participants.
 - Having 55+ mens reduced the number of participants in the mens open category, preventing us from having to potentially need matches to start on Wednesday.
- KTC Cup
 - Round robin format continued from last year. One large group allowed for everyone to play everyone.

Future

- At the start of the season/tournaments there was skepticism about new format and changes that were made. As tournaments unfolded participants were relatively happy with the changes.
- We asked for feedback and were receptive to making adjustments in each subsequent tournament. We will continue to welcome feedback and involvement from the members and tournament participants to make the tournaments better each time.
- We will be looking to get more volunteers or utilizing stewards more during the tournaments for score entering, questions as they come up, etc.
- 55+ divisions will be used going forward for singles.

Programs Committee

Summary of committee discussions recommendations, and actions:

1. **Club Championships and Tournament Report** -
 - Julius has provided and distributed a thorough summary and evaluation of this season's tournaments and club championships, including changes made to this season's events, and improvements and suggestions for next season. Great report Julius!
2. **Junior Camp and Advanced Junior Program for 2024**
 - Some early discussions have begun at the Executive level about possibilities for implementing a more advanced stream of junior programming for the 2024 season. Considerations and discussions will be examined along with input from Conor Casey. There is agreement between the Executive and Conor that there is demand and need for

some form of an advanced Junior stream, whether it is within the Junior Tennis Camp framework or as a standalone program. Planning and execution to be discussed with Conor in the coming weeks and months.

3. Adult and Junior Clinics -

- September clinics were all fully subscribed and ran into the first two weeks of October. These were the last advertised set of clinics for the 2023 season. We've seen lots of return participants, which obviously reflects well on their satisfaction with the programming this season. Conor has continued to stay fairly busy through the months of October with his own private, semi-private, and group lessons.

Finance Committee

Recent Events:

- In addition to the CSJ advance of \$25,508 in August, we received another \$2,709, for a total of \$28,217. This is less than the \$34,000 granted. In future we should match the ask to likely deliverables.
- Paid off the variable rate portion (\$20,000) of the mortgage.
- Developed a first draft of a 10-year plan to time capital projects and debt repayments within a framework of changing operations (e.g. hiring a manager)
- Delivered the 2023 books to our auditors, who will complete their testing by the end of the month and deliver the audited statements the week of November 13.

Membership

In the end, membership revenues were marginally up from last year, with higher rates compensating for fewer couple and family memberships.

Finances

Our current finances appear healthy, but we have to be careful as seemingly innocuous decisions can have a major impact on the bottom line, our wages have recently undergone a (steep) increase that is not expected to slow down, we have yet to measure the impact of the KRC, and we have to either pay off or refinance our loan in January 2027, when interest rates are likely much higher.

Ongoing and upcoming issues for 2023:

- a. Putting together a ten-year capital project plan that will summarize expected capital expenditures related to courts and facilities, and their financing. We can expect to repair the hitting wall next year, and possibly sprucing up the walkway into the club as well. We expect to refurbish the back courts in

2025, and to maintain a court painting schedule where courts are attended to every 7 years. These essential expenditures have to be made, against a backdrop of possible major changes to our operational structure.

- b.** We are looking at implementing a convenience fee for people who use the online credit card payment facility: these payments cost 3.37%, which implies over \$10,000 in credit card fees if most sales are processed via credit card.

Membership Committee:

There were no new events to report on for September.

The KTC Cup was reported on by Julius.

Considerations for next year

New Members:

- an open house for new members early in the season - send out invitations via email to new members
- possibly make Switch Doubles a beginner event

Socials

Reduce the number of socials provided by the board and move to a member initiated / club supported model.

- provide 2-3 socials for after tournaments and 1 meal during the day for the other tournament A Greek dinner and 1 nicer bbq which would involve a larger amount of the budget- When budgeting for food, consider the budget for 4 tournaments as opposed to individual per tournament food budgets.
- Ask for volunteers to organize the socials

A more comprehensive handbook style report will be completed for future membership committees to refer to.