
Church Annual General Meetings During COVID-19

The restrictions on mass gatherings during the Coronavirus (COVID-19) outbreak have implications for churches who are unable to hold an annual general meeting (AGM). The CPD sought advice from our lawyer, who responded with the advice below.

For any questions or clarification, please contact the District Office by at 604-372-1922 or erink@pacificdistrict.ca.

Unincorporated Churches

At the AGM, there are to be written reports, the presentation of audited/reviewed financial statements and the appointment of an auditor/reviewer for the upcoming year. Unfortunately, there is no stated flexibility in the Model Church Bylaws (MCB) with respect to the date. There are three possible solutions:

1. Use the Quorum Rules to Hold a Meeting with Virtually No Attendees

Under the MCB, if a meeting were to be held and no one attended because of lack of quorum, it can be rescheduled for 1 to 10 days later, and then the active members at the meeting constitute a quorum. If only a few active members show up at the rescheduled meeting, it would still be a valid AGM for the purposes of the MCB.

There are a couple of problems with this:

- a) While this may be technically compliant with the bylaw, it does not meet the governance intent of the bylaws, namely, to have good communication and accountability with the congregation;
- b) If you do hold an AGM, it has to be properly communicated and the church cannot tell people not to come; to do so would risk invalidating the effort entirely.
- c) It risks people showing up to the AGM, which could put the church in contravention of the [Provincial Health Officer order](#).

2. Delay the AGM

This would be in contravention of the MCB; however, the local church is unincorporated. Its internal organization is not subject to the requirements of the *Societies Act* as the Canadian Pacific District is the incorporated society. The constitution and bylaws of the local church might be considered by some as a form of agreement among the active members of that congregation, but it is otherwise not enforceable under the *Societies Act*.

A delay would be a technical breach of those bylaws. However: (a) I think it is unlikely in these unique circumstances that anyone in the congregation would take any form of legal action; and (b) there would be the defence of illegality since to hold an AGM at which people gathered would be in violation of a binding order of the Provincial Health Officer of BC.

If a church chooses to delay the AGM, it can hopefully communicate that through email with members. It could also still distribute the audited/reviewed financial statements and reports that would have been distributed at or for the AGM in order to keep members informed. This wouldn't be a substitute for a meeting but would minimize any complaints that the local church was not doing everything it could to meet the governance intent of the bylaws.

3. Hold a Virtual Meeting

The MCB say nothing about a virtual meeting. However, a virtual meeting is permitted under the *Societies Act* unless a society's bylaws specifically preclude it. Section 83 of the *Societies Act* states:

Participation in general meeting by telephone or other communications medium

83 (1) Unless the bylaws of a society provide otherwise, a person who is entitled to participate in a general meeting may do so by telephone or other communications medium if all of the persons participating in the meeting, whether by telephone, by other communications medium or in person, are able to communicate with each other.

(2) Subsection (1) does not obligate a society to take any action to facilitate the use of any communications medium at a general meeting.

(3) If one or more members of a society vote at a general meeting in a manner contemplated by this section, the vote must be conducted in a manner that adequately discloses the intentions of the members.

Since they are unincorporated entities, this provision does not technically apply, but I don't see any reason why a local church couldn't hold a virtual meeting using the same guidelines. The meeting materials should be distributed electronically or by mail before the meeting and should provide instructions for attending at and participating in the meeting by electronic means.

The local church would have to ensure that everyone attending can communicate effectively with everyone else. There also has to be a voting process that allows the chair to understand the will of those attending. The risk is that some church members may not be able to attend.

Separately Incorporated Churches

Local churches that are separately incorporated under the *Societies Act* have their obligations set out in their particular bylaws.

Unless they have incorporated the requirements of the Model Church Bylaws as to when AGMs are held, the *Societies Act* only requires that they hold the AGM in each calendar year (s.71). That means they can be much more flexible with timing (again, unless their own bylaws have more stringent requirements).

Even then, if an AGM becomes impossible, the registrar of companies can allow an AGM to be held before March 31 of the following year. In June of 2020, the registrar of companies gave societies the option to delay their annual general until no later than November 1 of the following calendar year. That decision has not yet been revoked as of the date of this memo.

Additionally, unless their bylaws expressly do not allow them to hold an electronic meeting, s.83 of the *Societies Act* (quoted above) allows them to do so. Even if their bylaws preclude an electronic meeting, the provincial government has issued a ministerial order allowing corporate meetings to be held electronically during the pandemic. This ministered order remains in effect as of the date of this memo.

The same guidelines referenced above apply:

- The meeting materials should be distributed electronically or by mail before the meeting and should provide instructions for attending at and participating in the meeting by electronic means.
- They have to ensure that everyone attending can communicate effectively with everyone else.

There must be a voting process that allows the chair to understand the will of those attending.