

MINUTES OF SIFCo ANNUAL GENERAL MEETING

May 12, 2011 Thursday 7-10 pm

SIFCo Office, Winlaw BC

7:05 pm

1. Meeting brought to order by Chairperson, Stephan Martineau.

Introduction of Chair and attendees.

Guests in attendance: Daren Tremaine (Red Mountain Rd.), Richard Burton (Red Mountain Rd.)

Regrets: Phil Larstone and Suzanne Schroyen.

Quorum ascertained.

Appointment of recording secretary, Christine Nichol.

2. Read and adopt Minutes from last year's AGM, read by Richard Burton.

No new business arising from Minutes.

Moved by Lisa Farr: that the Minutes be accepted as read.

Seconded by Sally Hammond.

Carried unanimously.

3. Ratify Agenda.

Moved by Madeleine Perriere: that Agenda be accepted.

Seconded by Brett Corrigan.

Carried unanimously.

4. Report from President.

Stephan presented a written report.

Key Points of Discussion:

Bruce questioned why no permits had been obtained to have on-hand should the market be viable for cutting in the near future. He expressed concern that MoF would not be seeing the volume that is required by the tenure. Stephan, Marc and Tom replied that the focus had been on developing the TSR so that SIFCo could ascertain a sustainable AAC based on scientific evidence. Permits are good for 4 to 5 years; Stephan commented that many licensees are not currently meeting cutting targets because of the economic climate; some have diversified their work (mills, value-added etc) to continue activity outside of cutting. Currently, the weak market favours cedar. Glen expressed concern that MoF may pressure for cutting the cedar in RMRA. All agreed that having permits on-hand may help in the future. The Staff could respond to this direction if that is what the Board desires but until now has been focused on developing the long-term, land-based plan. Community consultation is also required as permit application processes begin.

SIFCo must cut in the other three areas the co-op manages first, before returning to Red Mtn. SIFCo sales have been of logs to mills and a local log builder; grant projects have been part of the diversification strategy. The hope is that the TSR process will act as a tool to engage the local communities in planning.

Moved by Madeleine Perriere: that President's Report be accepted.

Seconded by: Glen Jordan.

Carried unanimously.

5. Report from Secretary/Treasurer.

Secretary/Treasurer, Lisa Farr, presented the Financial Report for the year ending January 31, 2011. The report included a written and anecdotal summary, and the year-end financials prepared by Maureen Muentner-Anderson, CGA. Lisa added that though this is the first year that SIFCo is showing a profit, conditions have not been met to disburse any of those profits to the community.

Moved by Madeleine Perriere: that the Financial Report be accepted.

Seconded by Marc Septav.

Carried unanimously.

Moved by Lisa Farr, on behalf of the Board of Directors:

“that the association waive the appointment of an auditor under Section #109 of the *Cooperative Associations Act* for the year ending January 31, 2012.”

Seconded by Moonbow.

Carried unanimously.

6. New Business.

Special Resolution (part 1) put forward by Bruce Charlton:

that the Rules of the Slocan Integral Forestry Cooperative be amended in Part 8, **DIRECTORS** Rule 67(2) should delete the words “the Board preceding” so that Rule 67(2) would read: “the numbers of Directors will be set by each Annual General Meeting and subject to Rule 67(1).”

Key Discussion Points: Bruce and Terri expressed concern that the process had become “closed in”; in their view this change would engage community members to be involved in SIFCo directly. Stephan explained that the current process was created to preserve the key role of the watershed based community groups and their commitment to the guiding principles under which SIFCo was created. Losing that focus could result in changes that affect organizational direction.

Special Resolution (part 2) put forward by Bruce Charlton that Part 9, **ELECTION, APPOINTMENT AND REMOVAL OF DIRECTORS** Rule 86 be amended by deleting “not” in the first sentence and by deleting the second sentence entirely so that Rule 86 would read: “A Director shall be required to vacate his directorship by reason of having entered into a contract, directly or indirectly with or done any work for the cooperative.”

Discussion Key Points: Bruce expressed concern that without a clear separation between the Board and the administrative and contracted staff, SIFCo was setting itself up for conflict of interest problems. He stated that he felt as a Board member that he must take a more active role and that he felt uncomfortable with some past situations with respect to conflict issues. Discussion ensued about balancing efficient function (and the staff’s ability to make decisions as needed) with Board involvement. The overlap of Board and staff positions does allow for more efficient operations and is allowable; it is common in the early years of organizational development for this to happen and is less costly to the Coop than hiring outside managers. It was acknowledged that there could be some areas that need improvement. The need for Board members to be cognisant of conflict situations and to step out of discussions and votes when appropriate was agreed upon by all. It was suggested that some development work may be needed to help the Board grow through this stage. The point was made that the system needs to be addressed so that it functions well, regardless of who is employed to run the day to day operations.

Moved by Madeleine Perriere: that a vote on Special Resolutions Part 1 and Part 2, be taken (rather than to decide by consensus) – 60% majority required to pass.

Seconded by Luce Paquin.

Part 1. Vote: in favour of the Resolution – 3; against – the remaining attendees

Part 2. Vote: in favour of the Resolution – 2; against – the remaining attendees

Special Resolution (Parts 1 and 2) were not passed.

7. Election/Appointment of Directors.

The current Board of Directors recommends that the Board continue to be comprised of 7 members.

The following Directors have one year left in their two year terms:

Stephan Martineau (appointed by EACT)

Luce Paquin (appointed by RMRA)

Phil Larstone (appointed by WWC)

Marc Septav (elected Director at large)

The following Directors have agreed to stand for another term:

Lisa Farr (appointed EACT)

Suzanne Schroyen (appointed WWC)

RMRA has one position open for them to fill.

Meeting adjourned at 10pm.