



**Wetzin'kwa Community Forest Corporation  
Board of Directors Meeting  
November 26<sup>th</sup>, 2018  
"Old Church" Smithers**

**Present:**

David de Wit, Gary Hanson, Colin MacLeod, Lorelei Smaha, Steve Howard, Christine Bruce

**In Attendance:**

Jay Baker – General Manager, Crystal Trembelas – Recording Secretary, Dave Louwse – Operations Manager, Michael Mehr – Accountant (Edmison Mehr), Susan Brookes, John Knight, Brant Dhalie, Steve Osborn, Bob Mitchell, Anne Yanciw, Norma Stumborg, Crystal Nelligan, Dave Stevens, Greg Brown, Chris Howard.

**Call to Order:**

Co-chair, David de Wit, called the meeting to order at 12:32pm welcoming everyone to the 2018 Wetzin'kwa Annual General Meeting. Acknowledgement was given to the Wet'suwet'en and the Gitdumden territory on which Smithers resides, specifically Casyex which is Grizzly House Territory.

At this time David invited everyone to help themselves to the provided lunch, after which the meeting would proceed.

**Agenda:**

The proposed agenda was reviewed:

- David motioned to approve the agenda
  - None opposed

MOTION CARRIED

David shared a brief history on the meaning of "Wetzin'kwa" as well as the structure of the Board along with an overview of the core values with reference to the website; [www.wetzinkwa.ca](http://www.wetzinkwa.ca). He then took the time to say thank-you to all of those who remain engaged with the ongoing operations such as Board members, contractors, shareholders and support staff.

At this time the Directors on the Board took the time to introduce themselves to those in attendance.

David invited Jay Baker to present the General Manager's Report.



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### **General Managers Report:**

Jay welcomed the group, thanking everyone for taking the time to attend the AGM. Jay then presented the General Manager's Update for 2017/2018 as per the attached Annual Report, with a brief overview of each section. The group was invited to ask any questions at that time or at the end of the meeting.

- Steve Osborn - Smithers Cross Country Ski Club; expressed his gratitude for all of the work WCFC has done to help the club maintain the trails around the community stating it is working together that keeps the trails open for the community to enjoy.
- Bob Mitchell inquired if WCFC surveys stands which have been declared free growing.
  - Jay responded; stands harvested by WCFC, the oldest stands are only now being declared free-growing, however informal surveys have been observed on stands that were inherited with the land based tenure which were harvested by other licensees.
- Bob expressed his concern with the lack of sub-alpine fir that has been planted in the last year according to the planning depicted in the Annual Report.
  - Jay responded assuring that although this year there were no sub-alpine fir planted, the understory of most harvested stands is sub-alpine fir. Although not actively managed currently, the focus of harvesting and planting at this time is to focus on where pine was and to replace what was lost.

### **Grant Program:**

Gary shared details on the WCFC Grant Program as described in the attached report, as well as the Board's role in the process of selecting grants, with the largest impact happening during the grant review period in June of every year. The Board meets and spends a day discussing each individual grant assessing the benefit and feasibility within the community. All grants are rated based on specific criteria and from those ratings monies are given out until all monies are exhausted. In 2018 WCFC was able to increase the amount available from \$150,000 to \$250,000 to fund the wide variety of projects within the community. Approx. \$1.75 million has been awarded to grant applicants as well as over \$740,000 gifted to the stakeholders since 2007.

### **Year-End Financial Review: (Presented by Michael Mehr of Edmison Mehr)**

Michael presented the Year-End financials which were pre-approved by the Board for this AGM at the October 2018 Board Meeting.

- Susan Brooks – When improving utilization, donating firewood etc. How is that expressed in the financials?
  - Jay responded informing the group that those types of expenses are for the most part considered additional harvesting expenses. There are some



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exceptions for instances where WCFC is paid directly for delivering requested materials (Telkwa and Pinnacle Pellet), which were revenue in revenue out scenario's to contractors; a cost neutral situation.

- Chris Howard – Is there any way of gaging the economic viability of the usage of loads that you sent away? Pinnacle Pellet for example.
  - Jay confirmed at this point, most small scale salvage is experimental such as Pinnacle, which usually results in a cost neutral situation, however, also provides much information as to what types of materials are available on the land base which in turn helps reduce the amount being burned as slash.

Colin expanded on the reserves set aside and the purposes of those reserves as outlined in the financial statement of the annual report. Wetzin'kwa was organized with the expectation to continue operations when the income levels might not be as expected or unforeseen loss occurs so the community can still continue to benefit.

- Bob Mitchell - Could this fund be used to do more work within the Demo Forest
  - Colin explained that the reserve fund is to be used within the community forest boundaries to enhance stewardship in anyway.
- Steve Osborn – Has the fund been or being used?
  - David de Wit added that the reserve fund is a fund that is re-balanced at the end of every fiscal year to maintain that availability for projects and unforeseen costs.
- Dave Stevens – What is the target amount for the Legacy fund?
  - Colin confirmed the current \$3 million was the targeted amount.
- Dave Stevens – Addressed to Jay/Michael re: Note 10 on page 14 of the financial statement (Financial Instruments and Risk Management). Are you aware of other organizations that carry climate changes and explicit financial risk on their statements. A concern with the effects of global warming and climate change creating risks such as drought and fire as seen all over the province were expressed.
  - Michael Mehr confirmed there are no such coverages as of yet, although it has been a topic of discussion in the industry. The Board agreed reviewing options for coverage and financial planning preparing for global warming and climate change is something to consider in future decision.
- Greg Brown – A question to the Board on our current investments and marketable securities with the BVCU inquiring if there are any groups in the community or region that have expressed interest in investing into more local business' to leverage equity and build up the community and region. If none are



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interested/available, a suggestion was made for local community forest groups to combine monies together to fund research on ways for such options to exist.

- Michael Mehr responded briefly recalling past discussions on ways to find a body in which more local sustainable investments can be fostered; however no such initiatives have been brought forward with any success.
  - Colin added this exact topic has come up in other discussions even at the BCCFA conference on ways community money can be invested back into the community rather than investing abroad. However the challenge is finding a comparable return with the security currently sustained with other investments.
  - David added a suggestion for a way of alternative thinking; with the current grant program, legacy and reserve funds, these investments are used to fund projects and initiatives within the community. Instead of investing monies into local businesses and hoping for a comparable return, the money is invested at a higher rate of return and then alternately invested back into the community.
- John Knight – Asked the Board their thoughts on climate change.
    - David shared his view on climate change encouraging all of the need for being resilient and adaptable, acknowledging the presence of climate change and how it will or can affect our communities. The topic is considered in many Board discussions with concern for the community at heart.
  - Chris Howard – Question to the Board on the ethics of the marketable securities and if it is frequently monitored.
    - David responded assuring the group of WCFC awareness of community concerns with certain companies and agreeance to not support such companies as a part of the Core Values.
  - Susan Brookes took this time to thank the Board for all of their hard work and dedication to keeping the best interest of the communities at heart. Many good word have been spoken from many people about WCFC.

David thanked everyone for attending the 2018 AGM and for the questions and comments presented.

### **Wrap Up**

The next meeting date is scheduled for January 21<sup>st</sup>, 2019.

### **Meeting Adjourned**

The meeting adjourned at 1:53pm.