



Kaslo and District Community Forest Society

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March 1, 2018

Special Resolutions to be considered by the 2018 KDCFS AGM

Our by-laws have to be brought into line with the new BC Societies Act. As well, our old by-laws made no mention of contacting members (for giving notice of meetings, etc.) by email. So the Board of Directors will be presenting an updated set of by-laws to the AGM, as a package. A 2/3 majority is necessary to pass the changes. Right now we are working with a lawyer on them, and will present them here, and by either email or Canada Post to each member.

A. Submitted by Andy Shadrack: (Adding a by-law, so a 2/3 majority is required to pass.)

“I was asked to seek nomination for election to the KDCFS Board in the spring of 2017 and shortly thereafter was advised that the Society had an approximately \$450,000 silvicultural fund deficit, a fund which is used to meet part of our obligations to keep our forest licence. Below I set out a bylaw designed make future Boards accountable for the way in which they manage accrual of such funds:

- a. The bylaw gives the Board of Directors the right to create and set accrual rates for funds and increase those accrual rates
- b. The Board, however, can only decrease funds with the agreement of the membership an at AGM
- c. On a temporary basis the Board of Directors may borrow from the accrued funds, but must report to the members it has done so and at what rate it will pay the borrowed funds back.

The clause that restricts the ability of a future Board of Directors to lower the accrual rates without approval of the membership, allows the members to seek a professional opinion as to whether the Board of Directors will maintain sufficient funds to meet our silvicultural and road building obligations, etc.

The clause that allows the Board of Directors to temporarily borrow accrued funds on a temporary basis, allows the Board to use existing assets for ongoing maintenance of operations without being forced to go to the bank to borrow funds, but by requiring the Board to inform the members of that decision to borrow internal funds allows the members to exercise better oversight over the financial actions of the Board:

The Board of Directors may, from time to time, accrue certain funds for the purposes of silviculture, road building, and for other matters related to forestry, set at so many dollars (\$) per cubic meter of wood scaled.

1) Rates so set for each individual fund shall be reported as part of the annual financial statement at the AGM and the accrual rate may not be lowered without approval of the members at the next AGM.

2) In accordance with 47 and 49 of these bylaws the Board of Directors may deem it necessary, from time to time, to temporarily borrow some of these accrued funds; the amount borrowed and the rate of repayment back into that fund shall be reported to the members for their consideration at the next AGM.

B. Submitted by Jeff Mattes: (Changing a by-law, so a 2/3 majority is required to pass.)

- #1 – Whereas greater efficiency would be realized and filling vacancies would be less onerous on Kaslo & District Community Forest Society;
Therefore be it resolved that the Bylaws be amended to reduce the total number of directors from nine (9) to five (5)

- #2 – Whereas any reporting requirement to the Village of Kaslo and Regional District of Central Kootenay will be undertaken by the Managers for Kaslo & District Community Forest Society;
Therefore be it resolved that the Bylaws be amended to have all positions for the Board of Directors be elected positions and further that they be elected by the membership at the Annual General Meeting of the Society

Uploaded to the KDCFS website on March 1, 2018.