

SECHELT COMMUNITY PROJECTS INC.
(the “Corporation”)

**MINUTES OF REGULAR MEETING OF THE BOARD OF DIRECTORS HELD ON MONDAY,
AUGUST 13, 2018 AT 09:00 A.M. AT THE SUNSHINE COAST COMMUNITY FOREST
CONFERENCE ROOM, SECHELT, B.C.**

PRESENT: Craig, Geoff Greenfield, Tony Moonen, Peter
(Directors) Paddison, Michael Rudland, Elise Suddes, Kathleen

ALSO PRESENT: Lasser, Dave - Operations Manager Macdonald, Muguette - Administrator

Call to Order

The meeting was called to order at 9:10 a.m.

1.0 Adoption of Agenda

The agenda was reviewed and adopted.

2.0 Election of Chair/President

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that Geoff Craig would be appointed as Chair and President. Motion carried.

3.0 Election of Officers

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED J Michael Paddison be elected Vice-Chair for the 2018-2019 term. Motion carried.

4.0 Committee Selections for 2018 - 2019

Due to the reduced number of Directors serving on the Board this year the Nominations and Governance committees will be managed at the board level.

The following committee appointments were made:

Executive:	Geoff Craig, Michael Paddison, Peter Moonen, Kathleen Suddes
Audit:	Geoff Craig, Michael Paddison, Tony Greenfield
SCCF Legacy Fund:	Peter Moonen, Elise Rudland, Kathleen Suddes and Russ Jones from the public

Each committee will plan an initial meeting to select chairs, review Terms of Reference and set meeting schedules for the term

5.0 Minutes

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the minutes of the meeting of June 11, 2018 be received and approved without change. Motion carried.

6.0 Operations Manager's Report

The Operations Manager's Report was received and discussed.

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Operations Manager's Report be received and approved with amendment. Motion carried.

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that we fund an Urban Interface Fire presentation meeting up to \$12,000. Motion carried.

7.0 Finance

7.1 Review of the 2018 Q2 financial reports.

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the Financial Report of the first quarter of 2018, as prepared by TCG Chartered Professional Accountants, be received and accepted. Motion carried.

8.0 Other Business

8.1 Changing in Signing Authority

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that the following new directors' names be added to the list of authorized signatories: J Michael Paddison, Elise Rudland and Kathleen Suddes. Motion carried.

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that Muguette Macdonald is an authorized signatory. Motion carried.

8.2 Public Opinion Poll

We have consulted with the District of Sechelt communications director and proposed to fund a 500-person telephone poll as part of their community engagement process.

MOTION:

UPON MOTION DULY MADE AND SECONDED IT WAS RESOLVED that we fund a public opinion poll for up to \$32,000 by Innovative Research Group. Motion carried.

8.3 Recognition Lunch

Will hold lunch in recognition of the leaving Directors and Linda Harris on a Monday in September or October. Date to be determined.

8.4 Scholarship

To consider offering a scholarship to be explored more at the next meeting.

9.0 **Next Meeting**

The next regular meeting of the Board of Directors is to be determined based on availability.

10.0 **Adjournment**

The meeting was adjourned at 12:11PM.

Board of Director's Meeting
August 13, 2018

Operations Report

1. Harvesting
 - a) As of the end of July:
 - log inventory is now all sold, but we hadn't received payment for final for 3 booms
 - final payment approx \$230K will be here on Mon Aug 13th
 - total volume harvested/sold was 28,480 m³
2. Sechelt Band
 - a) nothing new from the Band
 - b) awaiting feedback on FSP, FMP and fertilization project
3. Wilson Creek Monitoring
 - a) have received the draft of DaveBates final report on information gathered to date;
 - we'll review and provide feedback and then get the Final report sent out
4. Sechelt Communications Plan
 - a) had a good meeting with Greg and Julie on July 27th
 - b) waiting for Greg to send final questions and budget \$
5. In Progress
 - a) FSP - advertised on June 22nd and 29th.
 - b) FMP - advertised on June 22nd and 29th.
 - c) 60 day public review and comment period for both ends on August 22nd
 - d) we haven't received any feedback yet from SIB, DoS, SCR D or Trails Society on FSP/FMP
 - e) we have a public mtg planned for Thur. August 16th at Botanical Garden
 - this will be an FSP explanation mtg
 - in addition, we'll provide a proposed harvesting cut block plan for 2018-2025
 - this will have a 60 day written comments period from Aug 16 - Oct 16
6. Engineering
 - a) Chartwell planning is progressing, but we'll see what kind of feedback we get for harvest plan
 - b) field work is ongoing
7. Wormy Lake
 - a) Wormy Lake trail project complete; 4 benches installed
 - b) Sign work almost complete: 2 done, 2 more to do
 - c) other projects also being looked at within the CF
 - have asked for a plan from trail builders, mainly in Halfmoon Bay area
 - will go through the referral/approval process with SIB and MOF
 - plan to build in 2018/2019
 - d) invasive "broom" is a problem at Wormy.
 - I've contacted Steve Marsh to get it cut down and piled; inspect this week
8. Urban Interface Fire Plan
 - a) working on a public meeting for September
 - b) discussion

Sechelt Community Projects
Statement of Operations and Retained Earnings

For the period ended	Budget		Actual		Variance
	June 30, 2018	\$/M3	June 30, 2018	\$/M3	
Harvest Volume [Sold] (m3)	34,000		26,820		(7,180)
Logging Revenue	\$ 3,753,000	110.38	\$ 3,320,349	123.80	\$ (432,651)
Cost of Sales					
Amortization	0	-	-	-	-
Planning	39,600	1.16	100,110	3.73	60,510
Logging	1,818,310	53.48	1,690,398	63.03	(127,912)
Silviculture	109,200	3.21	94,209	3.51	(14,991)
Supervision and quality control	-	-	-	-	-
	1,967,110	57.86	1,884,717	70.27	(82,393)
Gross Margin	1,785,890	52.53	\$ 1,435,632	53.53	(350,258)
Interest and other income	15,784		12,569		(3,215)
	1,801,674		1,448,201		(353,473)
Expenses					
Administration					
Advertising and communications	1,600		4,581		2,981
Amortization	0		-		-
Bad Debts	0		-		-
Bank charges and interest	180		213		33
Board and committee costs	7,100		7,335		235
Contingency	23,960		-		(23,960)
Licences and Dues	12,910		4,480		(8,430)
Travel	4,500		5,033		533
Legal and audit	116,700		84,815		(31,885)
Management and administration	88,159		94,191		6,032
Office and miscellaneous	12,250		12,798		548
	267,359		213,445		(53,914)
Strategic Initiatives					
Community engagement	71,480		40,781		(30,699)
Forest Management	17,400		9,272		(8,128)
Research	10,000		6,551		(3,449)
	98,880		56,605		(42,275)
	366,239		270,049		(96,190)
Net income (loss) for the period	1,435,435		1,178,152		(257,283)
Retained earnings (period start)	1,847,032		1,847,032		-
Dividend	0		(750,000)		-
Retained earnings, end of period	\$ 3,282,467		\$ 2,275,183		\$ (1,007,283)

**Sechelt Community Projects
Balance Sheet**

As at	June 30, 2018	December 31, 2017
Assets		
Current		
Cash	\$ 2,652,412	\$ 2,451,393
Temporary Investments	-	-
Accounts Receivable	-	-
Prepaid expenses and WIP	-	12,735
Due from Broker	240,208	7,183
GST Receivable	-	7,118
Inventory	99,196	-
	2,991,815	2,478,429
Property and equipment	3,096	3,097
Investment in and advance to subsidiaries	2,965	2,961
Prepaid operational costs	66,159	113,715
Deferred licence acquisition costs	-	-
	\$ 3,064,035	\$ 2,598,201
Liabilities		
Current		
Bank indebtedness	\$ -	\$ -
Accounts payable and accrued liabilities	21,361	98,362
Accrued silvicultural costs	373,995	315,246
Accrued road deactivation costs	93,278	89,302
Advance from Broker	-	-
GST Payable	77,848	-
Dividend payable	-	25,890
	566,481	528,800
Shareholder's Equity		
Share capital	172,600	172,600
Contributed surplus	49,770	49,770
Retained earnings	2,275,183	1,847,032
	2,497,553	2,069,402
	\$ 3,064,035	\$ 2,598,201

Sechelt Community Projects
Statement of Cash Flows

For the period ended	Period ended June 30, 2018	Year ended December 31, 2017
Cash Provided by (used for)		
Operating activities		
Net income for the period	\$ 1,178,152	\$ 639,815
Item not affecting cash		
Amortization	-	774
Changes in working capital items		
Accounts receivable	-	20,673
WIP and prepaids	12,735	(12,735)
Inventory	(99,196)	-
Prepaid operational costs	47,556	42,583
Deferred licence acquisition costs	-	-
Accounts payable	(77,001)	27,675
Accrued silvicultural costs	58,749	33,404
GST payable	84,966	(3,917)
Accrued road deactivation costs	3,976	34,047
	1,209,937	782,320
Financing activities		
Advances from shareholder	-	-
Due from Broker	(233,025)	(498)
Payment of dividends	(775,890)	(125,890)
	(1,008,915)	(126,388)
Investing activities		
Purchases of property and equipment	-	-
Investment in and advance to subsidiary	-	-
Redemption of (increase in) term deposits	-	-
	-	-
Net Increase (decrease) in cash	201,022	655,932
Cash position, beginning	2,451,393	1,795,461
Cash position, end	\$ 2,652,415	\$ 2,451,393