

## Agenda – Cortes Community Forest AGM - May 22, 2022

1. Welcome, Review and motion to accept minutes of last year's AGM and motion to accept the agenda – Mark Braatan – 5 minutes
2. President's Report – Carrie Saxifrage – 9 minutes
3. Presentation on community forest volume modeling by Andrea Lang, RPF – 30 minutes
4. Treasurer's Report – Maureen Williams – 5 minutes
5. Local Employment and Adding Value to our Wood: Challenges and Opportunities – 30 minutes
  - Hannu Huuskonen - woodworker
  - Aaron Ellingsen – miller
6. Operations Update – Mark Lombard - 10 minutes
7. Elections to the Board of Directors – Andy Ellingsen – 10 minutes
8. Questions and Answers

## How Much the Partnership Logs

We have three partial retention harvests and two harvests that look more like clear cuts.

They all have advantages and disadvantages.

The important point here is that so far we have cut less than 20% of the Mean Annual Increment on average per year.

- Using 5 m<sup>3</sup>/ha/year, the 3,870 hectares of the community tenure grows 19,350 m<sup>3</sup> new wood each year.
- 20 % of that is 3,870 m<sup>3</sup>/year
- Our harvests average out to 3,500 m<sup>3</sup>/year, including the most recent one “VON1”

We use 5 m<sup>3</sup>/hectare/year to represent our MAI. Over the long term, it may be 6 m<sup>3</sup>/hectare/year for naturally regenerated sites.

- All of the profit from CF operations go to islanders, 50% to the Klahoose, 50% to the Co-op
- Employment by the Partnership goes preferentially to Islanders when possible.
- Islanders have first selection of wood to buy on island at market prices.

# Threading the Needle

- Partnership - We want to be good Partners. The Klahoose First Nation is a great partner.
- AAC - The Provincial Annual Allowable Cut is 13,600 m<sup>3</sup>. That is the amount we are expected to log each year.
- Log dump - For VON 1, barging logs cost \$19.62/m<sup>3</sup>. Using the log dump to tow cost \$7.66/m<sup>3</sup>. That is a \$12/m<sup>3</sup> difference. Prior to VON 1, with normal prices, no log dump and small operations, there was on average a \$33/m<sup>3</sup> profit on harvested wood.
- Financial Viability - Prior to VON 1, the Partnership's forest manager did not want to invoice his salary for reasons of financial viability. After VON 1, we will be able to pay his back salary and be on stable footing going forward.
- Support - Some people don't necessarily like or even support the harvest levels required for financial viability.

**Through the efforts of both boards of directors and the hard work of our forest manager, so far we have successfully threaded the needle.**

- **Local management of 28% of the island for local benefit**
  - All of the financial benefits from CF operations go to islanders, 50% to the Klahoose, 50% to the Co-op
  - Employment by the Partnership goes preferentially to Islanders when possible.
  - Islanders have first selection of wood to buy on island at market prices.

Two desired outcomes from this meeting:

First, that we all take up the challenge of building and supporting value-added industries.

If the Community Forest can significantly enrich islanders, it will be by providing to entrepreneurs high quality wood on a reliable basis.

The initiative lies within the community. The Co-op cannot make successful value added businesses appear.

It will help those who can. We are open to ideas from our members and we may have some money soon.

One thing we are doing is creating and promoting the Community Forest brand.







Reconcile

Sustain

Grow

Wood from our  
Community Forest:  
wood from a completely  
unique source!