



# TLC The Land Conservancy

Meeting: ANNUAL GENERAL MEETING  
Date: Saturday, November 29, 2014  
Time: 1:00 pm  
Location: Michele Pujol Room, Student Union Building, University of Victoria.  
Voting members present: 67

## Motions:

- i) **Motion:** Grant Thornton Appointed as auditor. Moved by Briony Penn. 2nd Ann Underhill. Carried.
- ii) **Motion:** TLC will formulate a Plan of Arrangement under CCAA that adheres to the greatest extent possible the guiding principles:
  - a) Protects TLC properties as fully as possible
  - b) Pays off debt to the fullest extent possible. Properties that must be sold should bring fair prices not necessarily the highest price.  
2nd Mel Lehan  
Carried
- iii) **Motion:** Moved by Walter Meyer zu Erpen to extend the meeting. 2nd Marion Cummings.  
Carried.

## 1. CALL TO ORDER:

Meeting Called to order 1:10pm. 67 members present.

**Board Present:** Briony Penn, Frances Pugh, Bill Pearce, Fred Newhouse, Mel Lehan, Tom Watson

**Director of Operations:** John Shields

**2. APPROVE/AMEND AGENDA:** Switch Treasurer's Report from item 10 to Item 6 to accommodate Grant Thornton Staff. Briony Penn moves approval of the amended agenda. 2nd Ann Underhill. Agenda approved.

**3. WELCOME/INTRODUCTIONS (Briony Penn)** – Recognition of The Nature Conservancy of Canada and Nature Trust of BC. DIP lenders, Frances Sloan-Sainas. Also recognizing Scott and Nitty Harris who have recently retired from TLC, and John Shields, Director of Operations for TLC. Thanks to the membership for your support in difficult times and recognizing the efforts of TLC's small staff.

**4. MINUTES (Frances Pugh)** - Noted by Frances Pugh that it has been 2 years since the last AGM due to the CCAA process. Frances Pugh moves that the AGM minutes of November 3, 2012 be adopted. 2nd Walter Meyer zu Erpen. Carried.

## 5. TREASURER'S REPORT (John Shields)

The position of Treasurer has not been filled. Joan Tarrant (Treasurer) left BC for a position in Alberta. The Director of Operations offered the report of Grant Thornton under Notice to Reader format. The last audit was in 2011. A formal audit over 3 years for TLC would be prohibitively expensive at this time. This 2013/2014 financial report carries the weight of all the losses accumulated by TLC over the past decade.

Bob Broder from Grant Thornton has reviewed the work of TLC staff –checked opening and closing balances.

Two principles have guided TLC since the AGM 2 years ago:

- i) Pay the creditors to the fullest extent possible
- ii) In keeping with TLC's mandate, protect the properties as much as we can.

The court has appointed a monitor with the responsibility to look at every penny spent by the organization. The Board and staff under CCAA cannot engage in any financial or spending activity without the knowledge and approval of the Monitor. The report accurately reflects the acknowledgment of TLC's obligation to the debt levels that we carry and the fact that we are responsible for the administration of TLC funds.

Members expressed concern over: continued high costs of operation, pay-out of Keating Farm Co-op shares, long term debt restructuring and high rates of interest (under CCAA the organization can't pay one debtor ahead of another).

**Motion:** Grant Thornton Appointed as auditor. Moved by Briony Penn. 2nd Ann Underhill. Carried.

John Shields moves the 2014 financial statement and financial report be received. 2nd Bill Boyd. Carried.

## 6. REPORT FROM DIRECTOR OF OPERATIONS (John Shields)

- i. Had hoped to have the Plan of Arrangement to present to the membership today. However, the timing is out of our hands. TLC was not able to present the plan to the court and because it will not be before the judge for approval before December 15th. We are not able to present it in detail to the membership to-day.
- ii. The organization must get out of CCAA (Company Creditor Arrangement Act) because the cost of the monitor, lawyers, court, and professional fees are unsustainable. This is the first land trust to ever be in the CCAA restructuring process in Canada. The board received advice to declare bankruptcy, and walk away. The board chose to enter into CCAA to pay creditors and protect properties. Land Trusts are not Corporations. There is no history about what the court can expect from the Land Trust or what the Land Trust can expect from the court. This process will define the history. TLC's principles of protection of properties and paying creditors can be in conflict with the Monitor's mandate.
- iii. Acknowledge Briony Penn, founding member. Briony accepted the position as Chair, and has provided incredible personal effort and commitment. Thank you Briony.
- iv. Recognition of staff efforts – 7 people in one office have replaced the resources of over 50 in 5 offices. TLC staff is remarkable.

## 7. COVENANT MONITORING REPORT (Sarah Anning)

- i) 93% of 230 TLC conservation covenants were monitored by TLC staff, volunteers, and TLC's partners this past year
  - ii) 272 volunteer hours were contributed to assist with covenant monitoring
  - iii) New covenant this year in Comox called McLaughlin Park – 4.5 hectares of ocean-front property donated to the regional district with covenants held by TLC and Comox Valley Land Trust.
  - iv) Cortez Island – Strathcona Regional District has purchased desirable parkland on Cortez Island. TLC holds covenants. A bio-blitz was done this year and discovered 5 different bat species, as well as BC species at risk.
  - v) Qualicum Heritage Forest – 50 acres held with Crown Properties Preservation Society – annual invasive species monitoring in old growth Douglas habitat.
  - vi) Invermere – prairie grassland habitat – badger burrow (about 200 breeding animals.) TLC monitors over 4200 hectares of land covered by conservation covenants.
- Briony Penn recognizes Andrew McKinnon and Sarah Anning – 2 people managing 48 properties. Acknowledge the Land Trusts and the help they have provided TLC.
- John Shields noted that TLC established, this year, a dedicated fund specifically for covenant monitoring. Marion Cumming reported fundraising efforts through garage sales and antique sales on ebay has raised \$290K for covenant monitoring. Never underestimate the power of a good idea. Marion Cummings offered to host a workshop to educate around selling antiques on E-Bay.

**9. QUESTION & ANSWER**

- Concern was expressed by members that they were unable to vote on the Plan of Arrangement
- Concern expressed for property covenants and trusts that involve being broken by insolvency process.
- Suggestion to transfer management of Sooke Potholes Campground to Sooke First Nations.
- Questions around long term debt
- Thanks to the board for the work and the receipt of a clear, detailed report of TLC operations.
- Fund-raising: \$1000 donation, also Environmental Visa points add up, monthly donations.
- What can people do to get covenants in place on properties?

**10. PLAN OF ARRANGEMENT**

Moved by Marion Cummings that:

**Motion:** TLC will formulate a Plan of Arrangement under CCAA that adheres to the greatest extent possible the guiding principles:

- a) Protects TLC properties as fully as possible
- b) Pays off debt to the fullest extent possible. Properties that must be sold should bring fair prices not necessarily the highest price.

2nd Mel Lehan.

Discussion: There are no final decisions from the Attorney General. The judge will make a decision based on the evidence.

The Board does not want to feel it has to sell even one property at the highest financial value and put at risk the covenant and purpose of trust. The property will be sold at the fairest value.

Point of Order that no notice was given the membership that this motion would be put forward at the AGM. However, this is not a motion involving constitutional or by-law changes, but a reaffirmation by the members and notice is not required. Section 7 of the Societies Act.

The Monitor at any time can convert his authority from monitor to trustee. This can be done at anytime if they feel the creditors are not being well served. An adverse charge will convert the process from a restructuring process to an insolvency process.

**Motion Carried.**

**Motion:** Moved by Walter Meyer zu Erpen to extend the meeting. 2nd Marion Cummings.

Carried.

**11. NEW/OTHER BUSINESS:** Board Members 2014/15 Briony Penn, Tom Watson, Bill Pearce, Fred Newhouse, Mel Lehan and Frances Pugh.

**12. ADJOURNMENT:** Moved by Tom Watson to adjourn. Meeting adjourned at 4:10pm