

**MacMillan Bloedel
Weyerhaeuser**

Retired
Salaried
Employees
Club

<http://mbwrsec.club/>

**Minutes of the 39th Annual General Meeting of the
MacMillan Bloedel Weyerhaeuser Retired Salaried Employees Club
Held at Nanoose Place, 2925 Northwest Bay Road, Nanoose Bay, British
Columbia on Wednesday, May 2, 2018**

at 12:30 p.m.

(165 members in attendance)

Charlie Burrell, President, called the meeting to order and welcomed all attendees to the Club's 39th Annual General Meeting.

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Charlie then asked for a moment of silence for those members who had passed away during the year.

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Charlie acknowledged all the Directors who were a tremendous help to him and who had served the members well throughout the year, including those who served on the Executive or as volunteer Committee members.

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He then welcomed new members who were attending their first meeting and invited them to stand and identify themselves. There were no members attending from outside the Province.

Charlie also acknowledged the father and son team of Tom and Ron Boag present at the meeting. Tom Boag and his wife were celebrating their 73rd wedding anniversary.

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Charlie then noted the importance of bringing in new members because the paid membership has been dropping steadily for the past 3 years. He surmised that the Club might survive up to another 10 years.

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Charlie said that, as a Society, the Club is required to hold one annual business meeting per year. These meetings are rotated amongst our three locations and this year the formal business meeting was being held in Nanoose Bay.

BUSINESS MEETING

Charlie Burrell called the Business Meeting to order and noted that proper and timely notice had been given and that a quorum was present.

Approval of Minutes

Charlie Burrell proposed that a reading of the minutes of the previous annual meeting be dispensed with as those minutes were posted on the website in June 2017 and circulated in July 2017 and asked for a Motion to approve those minutes.

UPON MOTION duly moved and seconded, IT WAS RESOLVED THAT the minutes of the 2017 Annual General Meeting of the MacMillan Bloedel Weyerhaeuser Retired Salaried Employees Club be approved. CARRIED

Treasurer's Report

Charlie Burrell then called upon Don Miller to give the Treasurer's and Auditor's reports.

Don Miller reported that the Club's finances show a surplus of \$1,459 for 2017 but the surplus is due to a one-time donation which overshadows the underlying issue of declining member revenues.

The donation of \$2,000 from the Kamloops retirees club is for financial help with the ongoing civil lawsuit. Without this donation, the Club incurs a loss of \$542 for the year.

Key income numbers in our 2017 financial statements:

- Total income for December YTD (including the \$2,000 donation) was \$9,805 and exceeds expenditures of \$8,347, giving a surplus of \$1,459.
- Bank balance at December 31 - for 2017 was \$31,096 compared to \$29,646 in 2016.
- Term deposit balance for Dec YTD 2017 is \$6,252 – up \$9 from last year. Pretty small but at least still positive.
- Fixed income is a tough place to earn returns. Earned interest on the bank balance and term deposit for the year was \$14.
- The cloud on the horizon continues to be the trend in paid-up members. Since 2015, we have lost 132 paying members. Members totalled 779 in

2017 compared to 852 in 2016 and 911 in 2015. Over that period the decline in membership has impacted our top line revenue by about \$1,200 and resulted in the Club now operating below breakeven. An increase in Club dues to \$15 starting in 2019 will help us get back into the black.

Key numbers on the cost side of the ledger:

- Meeting expenses including hall rental, food services, mailing and printing, totalled \$8,347 which is about the trend of past years.
- We have mentioned the civil lawsuit several times. To date, it has centered on defining the class, or who the plaintiffs are for legal action going forward. Unfortunately, the Court has dismissed a large part of the class presented. This judgment may attract costs. The Court has yet to rule on this issue. In previous meetings the Club has agreed to support the lead plaintiff if damages are awarded. As a contingency measure, we allocated \$4,000 (\$2,000 from Kamloops and \$2,000 from our Club) and to date have spent \$1,250, leaving \$2,750 for this purpose. The remaining group in the class action will go forward and be immune from costs.
- Turning to the budget for 2018, a deficit of \$5,250 is apparent if all proposals currently on the table are finalized. These costs include: \$2,750 for further liability from the Civil Lawsuit (total cost, if any, not yet determined by the Court); possible revenue shortfall of \$1,500, which will have to come out of surplus. The Club has agreed to support the Canadian Federation of Pensioners with a donation of \$1,000. Finally, the Club bursary for a VIU second-year student studying in the Forest Resources Technology program will be renewed in 2019.

In summary, the value of Club assets at year-end 2017 is as follows:

- Bank balance as of December 31, 2017 was \$31,096.
- Term deposit was \$6,252.
- The Club holds 8 Weyerhaeuser shares at a book value of \$220.
- These assets, in total, are valued at \$37,568 and are largely cash (the exception being the Weyerhaeuser shares).

Don Miller reported that Ron Anderson, the Club auditor, had reviewed the statement of income and expense and reported the financial information is presented fairly and consistent with prior years. Don also said that Ron Anderson will be retiring as Club auditor this year.

There being no questions on the financial statements as presented, Don said he would like to move that the statement be adopted as read.

UPON MOTION duly moved and seconded, IT WAS RESOLVED THAT the Treasurer's and Auditor's reports be approved CARRIED

Nomination and Election of Directors

Charlie Burrell then called upon Bob De Clark, Past President and Chairman of the Nominating Committee, to give his report and proceed with the formal nominations.

Bob De Clark said that two Directors – Jim Whiteside and Nancy Blair – were retiring from the Board this year and thanked them for their service.

He stated that the Club Constitution provides for twenty Directors, each elected for a two-year term. Each year ten Directors are elected.

The following nine Directors have one year remaining on their current two-year term:

Bill Cornwall	Daryl Cunnington
Georgina Lorette	Bob McFadden
Jon Pillsbury	Tony Sudar
Mary Jane Walker	Nicky Watson
Dale Wright	

Bob De Clark said it is proposed that Iain Donaldson from Parksville be elected to a one-year term to fill the vacancy left by Jim Whiteside.

The Nominating Committee recommends that the following be elected to a two-year term:

Charles Burrell	Robert De Clark
Chris Leach	Gary McCaig
Donald Miller	Joy Miller
Sid Norman	Michael Rushby
Douglas Telford	

Bob De Clark said it is proposed that Richard Ringma from Nanaimo be elected to a two-year term to fill the vacancy left by Nancy Blair.

After calling for further nominations three times and hearing none, Bob De Clark asked for a Motion and a Secunder to elect the incoming slate of Directors as recommended by the Nominating Committee.

UPON MOTION duly moved and seconded, IT WAS RESOLVED THAT the report of the Nominating Committee be accepted AND THAT Charles Burrell,

Robert De Clark, Chris Leach, Gary McCaig, Donald Miller, Joy Miller, Sid Norman, Richard Ringma, Michael Rushby and Douglas Telford be elected for a two-year term (2018/2019, 2019/2020); AND THAT Iain Donaldson be elected for a one-year term (2018/2019). CARRIED

Charlie Burrell said that the new Board would be electing the Officers for the coming year.

Proposed Increase in Annual Membership Dues

Charlie Burrell explained that, given increasing costs in tandem with declining paid-up membership the Board, at its last meeting on March 6th, 2018, had voted to request approval of the members to increase the annual dues from \$10.00 per member in B.C. (\$5.00 outside B.C.) to \$15.00 per member across the Board commencing on January 1, 2019.

Charlie then called for a Motion to ratify that decision,

UPON MOTION duly moved and seconded, IT WAS RESOLVED THAT the annual membership dues of the Club be increased from \$10.00 per member in B.C. (\$5.00 outside B.C.) to \$15.00 per member across the Board commencing on January 1, 2019. CARRIED

Special Resolution – Constitution and Bylaws

Charlie Burrell said that Mary Jane Walker had done a fantastic job updating the Club's Constitution and Bylaws to be consistent with the new B.C. Societies Act which came into effect on November 28, 2016. They were made available on the Club's website on April 5, 2018.

Your Board of Directors recommends the approval of the following Special Resolution to amend our Constitution and Bylaws. It requires approval of not less than three-quarters (3/4) of the members present.

WHEREAS the new B.C. Societies Act came into effect on November 28, 2016;

AND WHEREAS the Directors deem it prudent to repeal the existing Constitution and Bylaws of the Club on transition under the new Societies Act;

RESOLVED AS A SPECIAL RESOLUTION THAT, effective on transition under the new Societies Act, the existing Constitution and Bylaws of the Club be repealed and the form of Constitution and Bylaws presented to the Members at this Annual General Meeting be adopted as the Constitution and Bylaws of the Society. CARRIED

Charlie Burrell then declared the Business Meeting concluded.

GUEST SPEAKER

As there was no guest speaker in Nanoose, Charlie Burrell reported on the talk given the previous day at the Vancouver meeting by Fred Dzida, President, Weyerhaeuser Canada and Vice-President, Canadian Timberlands.

Weyerhaeuser is concentrating its efforts on three main businesses:

- Timberlands
- Wood Products
- Real Estate and Resources

Their Head Office at Federal Way has been sold and they have moved to a state-of-the-art building in downtown Seattle.

Safety is the core value of the Company. They are proactive rather than reactive in that hazards are found and fixed and near misses are investigated like lost time accidents. Sixty percent of their operations are accident-free but their goal is for “zero” accidents. All employees take a personal safety pledge. Fatigue management is a priority, e.g. long-haul truck drivers wear a FitBit to monitor fatigue.

There are opportunities for young people to join the industry as 50% of their employees are eligible to retire within the next 5 years. They must attract and retain a new generation. Succession planning and leadership training (front line supervisors) are priorities. The resource sector is having some trouble attracting employees against other industries. There is a shortage of specialty people like tradesmen and log truck drivers. Retirees are asked to spread the word amongst their families that the forest products industry is in need of new talent.

There are no major environmental issues. All Woodlands divisions are I.S.O. certified. Climate change thresholds are being met but are different from Province to Province. They have a challenge of ‘30 x 30’, i.e. 30K tonnes of carbon emissions out by 2030.

They are striving for operational excellence (OPEX), i.e. continuous improvement.

Housing starts are very strong (1.3 million in U.S.). Lumber sales and prices are rising. All mills are operating at 100%. Earnings are up but they are being cautious as history tells them a downturn will come.

NAFTA/softwood lumber agreements are the next to be settled but they are currently fixated on the auto industry. Therefore, softwood lumber is at a standstill until NAFTA is complete in three to five years. Tariffs are in place which drive up prices for consumers.

Mills are spending lots of capital, e.g. Princeton - \$35-40 million and Grand Prairie under review for more capital. They are well-positioned for the future but want to be 'black at the bottom'.

Peripheral issues:

- Species at risk – caribou recovery strategy is competing with wolf management
- Mountain pine beetle is down to less than 10% of the harvest in the B.C. Interior
- Tall wood structures – B.C. has approved 6-storey buildings constructed of wood
 - 100 - 6-storey buildings would equal production from one sawmill
 - An excellent business to grow the domestic market

There is a lack of rail capacity as priority is given to wheat, coal and oil.

In answer to a question about funding of our pensions, Fred said he monitors 8 pension plans and signs reports each month. He said our plan is 100% funded and well-managed. There is a continuous focus on interest rates, return on equity and mortality

PRESIDENT'S REPORT

President, Charlie Burrell, reported as follows:

Increase in Membership Dues

An increase in annual membership dues from \$10.00 per year (\$5.00 outside B.C.) to \$15.00 across the board, effective January 1, 2019, was approved by a resolution of members during the Business meeting.

Civil Claim – Retiree Medical Benefits

Unfortunately, the action of the Advantages Subclass (about two-thirds of the retirees) was summarily dismissed. However, the rest of the class was certified, including all MB, Saskfor and Weyerhaeuser retirees who retired before 2010, did not elect the Advantages Plan, were impacted by the unilateral reduction of benefits and were not covered in the initial legal action settled in late 2014.

All of the proceedings to date are immune from costs except the costs of the summary judgment application with respect to plaintiff Gordon Nickel from the Weyerhaeuser Kamloops group. We may be requested to assist in these costs. Therefore the MBWRSEC Board approved to spend up to \$2,000 and the Kamloops retiree group matched that amount to \$4,000. To date, we have spent \$1,250, leaving a balance of \$2,750.

Canadian Federation of Pensioners (CFP)

The CFP, of which MBWRSEC is a member, and Charlie Burrell and Gary McCaig are Directors, has established a war chest to continue to pressure the Federal Government on better protection of Defined Benefit pension plans in bankruptcy and creditor protection. CFP directly represents over 250,000 retirees across Canada and is now working closely with CARP's (Canadian Association of Retired Persons) new Vice-President of Advocacy, Wanda Morris. MBWRSEC contributed \$1,000 towards the CFP fund which, to date, has raised over \$120,000.

Bursary – Vancouver Island University

In 2015, it was suggested that, as the Club finances had been showing a healthy surplus, the Board consider disbursing some of these funds. Joy Miller mentioned a bursary for a student studying forestry at a post-secondary institution in an area of B.C. where MB formerly had operations. This would be a way of keeping the MacMillan Bloedel name alive. As a result, the Directors (and members by a show of hands at the 2016 Annual General Meeting) approved a 3-year commitment to finance a bursary at Vancouver Island University for a student who has successfully completed the first year of the Forest Resources Technology program and wishes to enter second year leading to a Diploma and who requires financial support. At the Board meeting in March 2018, the Directors voted to extend the bursary for another 3 years – 2019, 2020, and 2021 – at \$1,000 per year.

Charlie Burrell reported that, prior to the meeting in Vancouver, a very generous and grateful Club member had presented him with a cheque for \$3,000 to cover the cost of the bursary over the next 3 years. The donor wished to remain anonymous.

B.C. Pharmacare/B.C. Formulary

Charlie Burrell said that B.C. Pharmacare and the B.C. Formulary continue to confuse and upset our members who should ensure they understand their coverage and are on the B.C. Pharmacare program. He also urged members to write their MPs supporting the National initiative for a drug program and their MLAs to let them know who suffers when drugs are taken off the Formulary.

(Subsequent to the meeting, Charlie provided a list of “talking points” for small groups of Directors to take to appointments with MLAs in order to better understand how the system works and explain the consequences of their decisions on seniors.)

MSP Premiums

Charlie noted that MSP premiums for 2018 had been reduced by 50%. Many of our retirees have been paying 50% of the MSP premiums since 2010 plus 100% of all increases since that date. The Company contribution to the MSP cost was fixed at 50% of the 2010 premium. We must ensure that this year's reduction

goes in full to the retirees and that the Company's 50% contribution remains as based on the 2010 premium and is not recalculated based on the 2018 premium.

Constitution and Bylaws

Approval was given during today's Business Meeting to the Club's updated Constitution and Bylaws which conform to the new B.C. Societies Act.

Golf Tournaments

Charlie Burrell gave the following details:

The Vancouver Tournament is being held at the Country Meadows Golf Club on No. 6 Road in Richmond on Friday, September 14th. Vancouver Island and Powell River golfers are welcome to attend. Contact people are Doug Telford and Daryl Cunnington.

This year's Island Golf Tournament will be held at the Alberni Golf Club on Tuesday, September 4th. Lower Mainland and Powell River golfers are welcome to participate. Contact person is Charlie Burrell.

NOTE: We encourage teams to challenge for the Towill Trophy at the Alberni tournament and the Vic Mauro and Bob Swannell trophies at the Lower Mainland tournament. Prize donations would also be appreciated.

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Charlie Burrell asked the Directors to remain for a short information session following the meeting.

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There being no further business, UPON MOTION duly moved and seconded , IT WAS RESOLVED THAT the meeting be adjourned. CARRIED

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40th Annual General Meeting Dates – 2019

- Tuesday, May 7 – Vancouver
- Wednesday, May 8 – Nanoose
- Thursday, May 9 – Powell River (business meeting)

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**Minutes of the
Powell River Meeting
Thursday, May 3, 2018**
(50 members in attendance)

Charlie Burrell, President, welcomed everyone to the meeting and asked for a moment of silence for those members who had passed away during the year.

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Charlie acknowledged and thanked the Powell River Directors for their service throughout the year.

He then welcomed new members who were attending their first meeting and invited them to stand and give their name and division or department where they worked immediately prior to retirement. There were no members attending from outside the Province but a member who now resides on Vancouver Island was in attendance.

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Charlie Burrell noted that, as a Society, the Club is required to hold one annual business meeting per year. These meetings are rotated amongst our three locations and this year the annual business meeting was held in Nanoose Bay the previous day.

Charlie then called upon Don Miller to give the Treasurer's and Auditor's reports and Bob De Clark the Nominating Committee report.

(Please see the minutes of the business meeting in Nanoose at the beginning of this document for approval of the 2017 Annual General Meeting minutes; the Treasurer's/Auditor's reports; Nomination and Election of Directors; approval to increase annual membership dues; and the Special Resolution to repeal the existing Constitution and Bylaws of the Club and to adopt the new Constitution and Bylaws which have been updated to conform to the new B.C. Societies Act.)

Charlie Burrell said that the new Board would be electing the Officers for the coming year.

GUEST SPEAKER

In the absence of a guest speaker, Charlie Burrell reported on the talk Fred Dzida, President, Weyerhaeuser Canada and Vice-President, Canadian Timberlands, gave at the Vancouver meeting.

(Please see the minutes of the Nanoose meeting for a full report of Fred's speech.)

PRESIDENT’S REPORT

Please refer to the minutes of the Annual General Meeting in Nanoose at the beginning of this document for reports on the following:

- Increase in Membership Dues
- Civil Claim – Retiree Medical Benefits
- Canadian Federation of Pensioners
- Bursary – Vancouver Island University
- B.C. Pharmacare/B.C.Formulary
- MSP Premiums
- Constitution and Bylaws
- Golf Tournaments

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Charlie Burrell asked the Directors to attend a short information session following the luncheon.

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There being no further business, Charlie Burrell declared the meeting adjourned.

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At the luncheon following the Powell River meeting, Charlie Burrell presented Mary Jane Walker with a gift expressing the Club’s appreciation for all of the work she had done over the past year.

**Minutes of the
Vancouver Meeting
Tuesday, May 1, 2018
(100 members in attendance)**

Charlie Burrell, President, called the meeting to order and welcomed all attendees.

Charlie then asked for a moment of silence for those members who had passed away during the year.

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Charlie said he would like to acknowledge all the Directors who were a tremendous help to him and who had served the members well throughout the year, including those who served on the Executive or as volunteer Committee

members. He asked all Directors, Committee members and those who helped with today's meeting and luncheon arrangements to stand and be recognized – thanks to all! He also thanked Mary Jane Walker for continuing to do so much for the Club, including most recently updating the Constitution and Bylaws to comply with the new B.C. Societies Act.

He welcomed new members who were attending their first meeting and invited them to stand and give their name and division or department where they worked immediately prior to retirement. There were no members attending from outside the Province.

GUEST SPEAKER

Charlie Burrell introduced Fred Dzida, President, Weyerhaeuser Canada and Vice-President, Canadian Timberlands.

Fred thanked the Club for the opportunity to speak once again to our members.

(For a full account of Fred's speech, please refer to the minutes of the Nanoose meeting at the beginning of this document.)

Charlie thanked Fred and presented him with a small token of the Club's appreciation.

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As a Society, Charlie Burrell noted that we are required to hold one annual business meeting per year. We rotate this meeting amongst our three locations. This year the formal business meeting is being held in Nanoose on May 2, 2018.

Charlie then called upon Don Miller to give the Treasurer's and Auditor's reports and Bob De Clark the Nominating Committee report.

Don reported that Ron Anderson wished to retire as Auditor this year.

Bob De Clark noted that Nancy Blair and Jim Whiteside were retiring from the Board and thanked them for their service. He said he knew of two or three other Directors who planned to retire next year and urged members to seriously consider running.

(Please see the minutes of the business meeting in Nanoose at the beginning of this document for approval of the 2017 Annual General Meeting minutes; the Treasurer's/Auditor's reports; Nomination and Election of Directors; approval to increase annual membership dues; and the Special Resolution to repeal the existing Constitution and Bylaws of the Club and to adopt the new Constitution and Bylaws which have been updated to conform to the new B.C. Societies Act.)

PRESIDENT'S REPORT

Please refer to the minutes of the Annual General Meeting in Nanoose at the beginning of this document for reports on the following:

- Increase in Membership Dues
- Civil Claim – Retiree Medical Benefits
- Canadian Federation of Pensioners
- Bursary – Vancouver Island University
- B.C. Pharmacare/B.C.Formulary
- MSP Premiums
- Constitution and Bylaws
- Golf Tournaments

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Charlie Burrell asked the Directors to remain behind for a short information session.

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There being no further business, Charlie Burrell declared the meeting adjourned.

Prepared by: M.J. Walker
Reviewed by: Charlie Burrell, Bob De Clark, Bob McFadden, Don Miller, Tony Sudar

**WEYERHAEUSER KEY CONTACT INFORMATION, PLEASE REFER TO THE
WEYCO/MANULIFE CONTACTS UNDER THE PENSION & BENEFITS
TAB ON THE CLUB WEBSITE - OR THE YELLOW INFORMATION
SHEET INCLUDED WITH THIS YEAR'S AGM NOTICE PACKAGE**

REMINDER**2018 MBWRSEC GOLF TOURNAMENTS****Island**

Tuesday, September 4th
Alberni Golf Club

Further information:

Charlie Burrell – 250- 756-9676
or chasburrell@shaw.ca

Lower Mainland

Friday, September 14th
Country Meadows Golf Club

Further information:

Doug Telford - 604-266-9032
or douglasb_telford@shaw.ca
Daryl Cunnington –
604-325-2100
Or darylcunnington@gmail.com

NOTE: We encourage teams to challenge for the Towill Trophy at the Alberni tournament and the Vic Mauro and Bob Swannell trophies at the Lower Mainland tournament.