

## **NOTICE OF SPECIAL GENERAL MEETING TO CONSIDER A SPECIAL RESOLUTION**

To: The Members of the Sointula Resource Centre

Please take note that a Special Resolution to approve amendments to the Constitution of the Sointula Resource Centre (SRC) will be presented for adoption at a Special General Meeting of Members on **March 24, 2025, 5:00 PM**. The meeting will be held **at 220B 2nd Street** (the SRC office).

The Special Resolution seeks approval of amendments to the purposes of the SRC as outlined in its Constitution in order to describe the SRC's current activities more accurately and make clear the charitable nature of these activities.

### **Background**

The Constitution was adopted in 2002. The purposes of the SRC identified in the Constitution have never been updated. However, the emphasis and scope of the SRC's programs have necessarily evolved over the past 23 years in response to:

- the changing needs of our community;
- shifts in the availability of information, services and resources from government agencies, other non-profit organizations and community groups; and
- broad changes in local and regional socioeconomic conditions.

The Constitution states that the purposes of the SRC are:

“(2) (a) “To provide improved access to information and resources for residents and non-residents alike;

(b) To provide and maintain a central location for the gathering and dissemination of information, products and resources of and to existing businesses, organizations and individuals;

(c) To participate and partner in the ongoing creation of positive sustainable economic, social and environmental conditions.”

The Special Resolution would update these purposes. The proposed amendments are intended to:

1) more accurately describe the current reality of the services provided by the SRC and its role in the Malcolm Island community. The updated description would give the community, visitors, donors, and government agencies a clearer understanding of the SRC's activities. The language proposed for adoption is less broad and vague than the existing text. It adds specificity regarding our programs, re-affirms our commitment to working in partnership with other groups, and adds a new purpose that recognizes our long-standing arts-related activities.

2) resolve ambiguity in the second purpose identified in the 2002 Constitution, which reads:

“(b) To provide and maintain a central location for the gathering and dissemination of information, products and resources of and to existing businesses, organizations and individuals;”.

This language opens the door to questions about whether the SRC engages in product marketing for businesses or directly promotes businesses or commercial enterprises. The SRC's relationship with local businesses is not commercial or directly promotional in nature. Local businesses use some of the services offered to the Malcolm Island community as a whole, including information exchange, office services for a fee equal to cost of the service (such as photocopying), and help in accessing governmental information. However, these activities do not amount to product marketing, business promotion or an economic development mandate for the SRC.

The SRC Board recently decided to submit an application for charitable status. Like most small community-based nonprofits, the SRC faces significant challenges in securing sustainable funding. Charitable status would allow the SRC to seek support from a broader array of funding sources.

The potentially misleading language in paragraph (2)(b) of the 2002 Constitution would likely be an obstacle to acceptance of the SRC's charitable status application. The Constitution will be reviewed together with our charitable status application. Inconsistencies between the two would be noted and cast doubt on whether the SRC's activities are "charitable" as defined by the Canada Revenue Agency and the courts.

The language in paragraphs (a), (c) and (d) of the proposed amendments implicitly recognizes that local businesses can access services provided by the SRC, without suggesting that the SRC engages in direct product marketing, business promotion or efforts to create economic development as such.

**The Board therefore proposes the adoption of the following Special Resolution. Approval requires a 2/3s majority vote of the SRC members present at the Special General Meeting (SRC Bylaw 3.8).**

## **SPECIAL RESOLUTION TO AMEND THE PURPOSES SET OUT IN THE 2002 SRC CONSTITUTION**

### **WHEREAS**

The Sointula Resource Center (SRC) is a pre-existing society as defined and governed by the Societies Act, SBC 2015; and

The SRC wishes to amend its purposes as stated in the Constitution of the SRC adopted in 2002 in order to better reflect the SRC's current activities and role in the Malcolm Island community and avoid any ambiguity about the charitable nature of its activities.

**THEREFORE, BE IT RESOLVED AS A SPECIAL RESOLUTION OF THE SRC:**

That the purposes of the SRC shall be described in its Constitution as:

- a) Facilitate access to community and governmental services and resources by providing information and technical assistance to the small, remote and rural community of Malcolm Island, British Columbia.
- b) Improve food security in the Malcolm Island community by operating a food distribution program and partnering with local groups to promote sustainable food security initiatives.
- c) Provide capacity-building and skills-development opportunities to underserved and vulnerable members of the Malcolm Island community by offering individualized support services and access to training in collaboration with non-profit groups and governmental agencies.
- d) Promote public appreciation of the work of local artists and community participation in local artistic events by offering exhibition space and providing support services to community partners involved in the arts.