

Centennial Pool Commission
Meeting Minutes

28 March 2017

Present: N. Koroluk, K. Lansdowne, R. Hilland, C. Thommason, J. Kyle, C. Nygaard, J. Cole

Meeting commenced at 5:30 pm at the School Board Office.

1. Regional District Strategic Priorities

Item (1) - Russ and Nicola will talk to Ken to get technical details on pool liner and email this information to the rest of the Commission.

Items (2) to (6) - The Commission will work on the consultation process (Item 4) and grant application (Item 5) after the design and engineering study has been completed. Russ and Nicola will meet with Ken.

2. Policy/Bylaw Review

Bylaw 474 - Does the CCRD have a bylaw in that covers vandalism on Regional District Property?

Motion: That Bylaw 474 be adopted as presented.

Hilland/Cole:Passed

Policy A-12(b) - The Pay Scale table has to be readjusted to reflect the new minimum wage of \$10.85.

Motion: That the Base Rate for Junior Aquatic Leader be changed to \$10.85 and the Base Rates for the other positions each be adjusted upward by \$.60.

Nygaard/Lansdowne:Passed

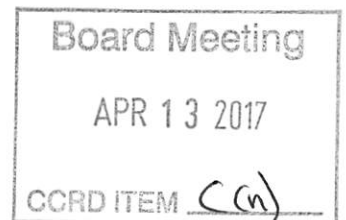
Policy A-12(c) - The word "Wage" should be eliminated from the title of the Policy. The first two sentences in Item 3 should be replaced by "Reimbursement for out-of-town course expenses must be preapproved by the Commission. Staff will be reimbursed for up to 50% of the course fee to a maximum of \$500."

Motion: That the wording of Policy A-12(c) be revised as stated above.

Kyle/Nygaard:Passed

3. Hiring Committee - Carol, Nicola and Janice are available, with Joan as standby.

Meeting adjourned at 7 pm



Next meeting Tuesday, 18 April at 5:30 pm at the School
Board Office

DIRC -1st meeting of 2017

March 23, 2017

Members present: Kathy Sereda (ksereda@hotmail.com), Rhonda Orobko, Ramona Gossen, Krista Roessingh

Other attendees: Mary Leslie, Vikki Ellis

1. Review of bylaw

- Proposed changes: Include a better explanation of financial limitations. For example, can the DIRC provide funds for events that other organizations, for example DICDA (Denny Island Community Development Association) or DILDO (Denny Island Ladies Dance Organization), are involved in? Can DIRC accept donations (in kind or cash)?
- Number of members and appointment of CCRD rep: All agreed that CCRD rep. should remain on the board for accountability, and number of members should be minimum 7 to ensure that meetings can be held regularly with enough members at each meeting for quorum.
- Number of meetings to miss before being kicked off should be 3 instead of 2 since we are all volunteer and some members often have work commitments out of town.
- Should not have to get approval for expenses over \$500 when they are already in the approved budget.

2. Budget

- \$2000 in budget for storage area. Can this go towards a building addition at the Community Hall that DICDA is already planning in order to add a storage area for DIRC?
- Leave \$2000 in the budget so that new members coming in have some discretion vis-à-vis the prior committee's budget proposal, or allow the new committee to amend the budget.

3. Gym equipment and use

- Rowing machine, bench, and free-weights are wanted by SW gym. They can be relocated to the Shearwater gym so long as all community members have free access. In exchange Shearwater will install shelving in the Community Centre kitchen within one month.
- Discussion around reorganizing gym equipment to make room for CCCC office space in community centre.

4. Community hall rentals

- Events that are open to the public are covered under DIRC's rental
- Private events should pay rent separately
- Propose to DICDA posting a calendar in foyer so people can reserve for regular and special event use



5. Communication strategy for residents

- Pamphlet – Rhonda will work on. Include instructions for applying for funding and eligibility criteria.
- Gmail account for public correspondence – Ramona will monitor and forward emails to other members
- Rhonda will be phone contact

6. Appointments

- Chair: Rhonda Orobko
- Secretary/treasurer: Krista Roessingh with assistance from other members

7. Easter

- Krista can order good quality chocolate, prizes.
- Saturday night: breakfast for dinner, easter bonnet decorating and parade, need more volunteers. Put up a poster for volunteers – clean-up, crafts, set-up crews.

8. Ideas for events/workshops

- Regular DIRC sponsored events: Easter, fun run, Hallowe'en, dump clean-up or Family Day
- Yoga retreat
- Band
- Tent
- Comm. garden



CENTRAL COAST REGIONAL DISTRICT

DATE: April 06, 2017
TO: Chair Alison Sayers and Board of Directors
FROM: Donna Mikkelson, Acting Chief Administrative Officer
SUBJECT: Emergency Management – Appointment of Deputy Coordinator

RECOMMENDATION: That Russel Snow be appointed as the Deputy Emergency Program Coordinator for Denny Island pursuant to section 3.3 of the CCRD Emergency Measures Regulatory Bylaw No. 325, 2000

DISCUSSION

The CCRD Emergency Measures Bylaw specifies that the board of directors shall appoint two deputy coordinators: one each from the communities of Ocean Falls and Denny Island. The Ocean Falls position has already been filled, and the Denny Island position has been vacant for some years.

Russel (Rusty) Snow is a qualified candidate having experience in emergency management training and assurance. He is currently the Safety Officer for Shearwater Resort and Marina.

Respectfully Submitted,

Donna Mikkelson, Acting CAO

Board Meeting
APR 13 2017
CCRD ITEM C(6)



263

CENTRAL COAST REGIONAL DISTRICT

TO: Donna Mikkelson, Acting Chief Administrative Officer
FROM: Cheryl Waugh, Assistant Emergency Program Coordinator
DATE: April 6, 2017
SUBJECT: Emergency Program Report

Recommendation: That the Emergency Program Report dated April 6, 2017 be received.

- The Emergency Executive Committee has not yet had a meeting.
- A Request For Proposals to update the Bella Coola Valley, Ocean Falls and Denny Island/Bella Bella Emergency Plans has been advertised. The closing date is April 10, 2017.
- The Deputy EPC for Ocean Falls will be making a request for sandbags from Emergency Management BC (EMBC) to have a supply transported from Richmond by scheduled barge in preparation for seasonal flooding. In accordance with CCRD policy, priority utilization of sandbags and sand during a flood event are meant to protect critical public infrastructure.
- Kerr Wood Leidal Consulting Engineers requested completion of a floodplain survey to assist with a project associated with the National Building Codes.
- PreparedBC, in association with EMBC, provided a sampling of various emergency publications available to order and be delivered free of charge. Their goal is to make preparing for emergencies as easy as possible by providing resources to share with residents so we can be well on our way to a prepared community. To date, the following publications are available to order: *Household Preparedness Guide, Emergency Kit Supply Card, Neighbourhood Preparedness Guide, Prepare For Your Pets, Guide for Apartments, Condos and Townhomes, Resources for People with Disabilities, FireSmart Homeowner's Manual, Guide for Tourism Operators, Emergency Plan for Tourism Operators, Tsunami Preparedness High Ground Hike, One Step At A Time Disaster Recovery* and *Master of Disaster* plans, bookmarks and stickers. *Master of Disaster* is a program geared towards grade six students to help them learn about hazards in British Columbia and what it means to get and be prepared. The program is available at no cost and is voluntary within the curriculum but school districts must ask for it. These guides are also available online at www.gov.bc.ca/PreparedBC
- On March 28th Environment and Climate Change Canada provided an integrated seasonal climate bulletin for British Columbia and the Yukon via a webinar. This included a winter weather review, spring flooding outlook, fire season and spring seasonal outlook. It was no surprise that this past winter was colder than normal. Near-normal temperatures and conditions are expected

Board Meeting
APR 13 2017
CCRD ITEM CC9

going into spring and summer but it is too early to assess current fuel moisture conditions to forecast the wildfire season. There is a hint of an early, warmer-than-normal summer with *El Nino* influences predicted for the fall. Avalanche Canada is an excellent resource for weather forecasting and can be found online at www.avalanche.ca

- Two staff members participated in the EMBC/JIBC (Justice Institute of BC) webinar, *Community Lessons Learned: Flooding*. Although some of us may feel we could write the book on this subject, the presentations were very informative and were made by a councillor from the Tseshah Nation in Port Alberni and the Emergency Program Coordinator from the Squamish-Lillooet Regional District. First Nations training and assistance is now available thanks to a service provision agreement with the province, through EMBC, INAC (Indigenous & Northern Affairs Canada) and the federal government. Funding is via INAC and can cover training, tsunami sirens, signage, satellite phones, etc. These funds are often underutilized and may provide opportunity with our First Nations partners in progressing emergency management and preparedness. Background on the agreement can be found at: <http://engage.gov.bc.ca/govtogetherbc/consultation/first-nations-emergency-management-services-agreement/>
- The Government of Canada recently rolled out the Federal Flood Ready Initiative. Take the online quiz at www.canada.ca/en/campaign/flood-ready and find out more about overland flooding and preparing your home. Don't wait for the water!
- The UBCM (Union of BC Municipalities) announced new funding for emergency preparedness it will be administering to enhance the resiliency of local governments and their residents in responding to emergencies. The *Community Emergency Preparedness Fund* is part of a multi-million dollar announcement from the Ministry of Transportation & Infrastructure. The fund will be supported by a \$32 million contribution and will include funding for emergency operations centres and training, emergency social services, evacuation route planning, flood risk assessment, floodplain mapping, flood mitigation plans and structural mitigation. More information will be forthcoming as the funding streams and program materials are developed.
- Funding similar to that of the UBCM already exists with the *National Disaster Mitigation Program (NDMP)*. The *NDMP* was established in 2015 to reduce the impacts of natural disasters on Canadians by focusing investments on significant, recurring flood risk and costs and advancing work to facilitate private residential insurance for overland flooding. Projects are funded under a 50% cost-share model with the federal and provincial governments. The four funding streams are Risk Assessments, Flood Mapping, Mitigation Planning and Investments in Non-structural and Small Scale Structural Mitigation Projects. The deadline for provinces to submit project proposals is October 31, 2017 for 2018-2019 funding.



Assistant Emergency Program Coordinator

268



**CENTRAL COAST REGIONAL DISTRICT
OPERATIONS DEPARTMENT
MARCH 2017
TRANSPORTATION REPORT**

TO: Donna Mikkelson, Interim CAO
CC: Board Chair Alison Sayers and Board Members
DATE: April 6, 2017
FROM: Ken McIlwain, Operations Manager
SUBJECT: Transportation Monthly Report

RECOMMENDATIONS:

1. **THAT the March 2017 Transportation Report be received.**

Board Meeting
APR 13 2017
CCRD ITEM C(r)

**TRANSPORTATION
MARCH 2017 HIGHLIGHTS**

1. Grant funding is now in place for the obstacle removal and airport rehabilitation project at the Bella Coola Airport. \$95,175 is being provided by Northern Development Initiative Trust and a further \$280,525 by the provincial government through the BC Air Access Program.

To date, the following works have been completed:

- Hiring of contract project manager;
- Completion of an environmental assessment and recommendations;
- Meetings with Nuxalk Nation Chief Councilor and Stewardship Office to discuss project and seek official support;
- Hiring of mapping contractor to supply digital mapping and GIS support for the project;
- Completion of mapping and integration of obstacle limitation survey;
- Engagement with private landowners regarding obstacles located on private property;
- Preparation and submission of applications for a Forestry Licence to Cut and an amendment to CCRD's existing Licence of Occupation at Snootli Creek Regional Park;
- Field work to identify operational challenges;
- Engagement with Pacific Coastal Airlines to determine most limiting obstacles for scheduled service;
- Meetings with Transport Canada to clarify airport standards and corrective actions required to bring aerodrome into compliance with TP312 regulations;
- Field work portion of Archeological Overview Assessment and CMT survey; and

- Legal survey and marking of private property boundaries in the vicinity of proposed operations.

The project is expected to be primarily complete by late fall, with the exception of field prep and seeding etc. which will likely have to wait until spring of 2018.

There are a series of paths through the Snootli Creek Regional Park that are not part of the official Big Cedar Trail. These paths receive regular use by local residents walking dogs or riding horses. There are a number of cottonwood trees that have been identified as obstacles in the vicinity of these paths. These trees need to be removed. Effort will be made to leave the forested area as intact as possible. A selective removal process will be used where possible, subject to Worksafe BC regulations around timber felling. Appropriate signage will be installed warning the public of any operations underway. Notices will also be posted in the Coast Mountain News and local social media to keep the public informed of activities under way.

2. A new window has been ordered for the north side of the terminal building at Bella Coola Airport.
3. Installation of a new electrical panel in the Denny Island Airport Terminal Building is complete and BC Hydro energized it to finish the project.
4. Denny Island Airport Commission is advertising for sealed bids on a brushing contract for the Denny Island Airport.

Respectfully submitted,



Ken McIlwain, RPF
Operations Manager

CENTRAL COAST REGIONAL DISTRICT
BYLAW NO. 474

Being a bylaw to repeal the Centennial Pool Regulation Bylaw No. 460, Centennial Pool Rates and Charges 2016 and replace with Bylaw 474 Centennial Pool Rates and Charges 2017.

WHEREAS the Board of Directors of the Central Coast Regional District is authorized, by section 225 of the Local Government Act, 2015 and section 122 of the Community Charter to exercise powers by bylaw or resolution, and accordingly.

AND WHEREAS the Board may fix and charge fees for admission or use of the Centennial Swimming Pool;

AND WHEREAS it is deemed necessary to amend these fees from time to time;

NOW THEREFORE, the board of directors for the Central Coast Regional District, in open meeting assembled, enacts as follows:

1. Bylaw 460 cited as the "Centennial Pool Rates and Charges No. 460, 2016." is hereby repealed.
2. The Centennial Swimming Pool is hereby authorized to be open during such periods as are specified hereunder:

May 1ST to September 30TH; seven days a week, 7:00 am to 9:00 pm.

3. The admission fees and user rates as set out hereunder are hereby authorized and fixed for the Hagensborg Centennial Swimming Pool:

General Admission Fees:	Per Swim:	
Preschool (under 7)	\$ 2.75 3.00	GST not applicable
Youth (7-14)	\$ 3.00	GST not applicable
Adults (15 -59)	\$ 4.00	Includes GST
Seniors (60 and over)	\$ 3.00	Includes GST
Family (2 adults and 4 youth)	\$ 14.00	Includes GST

Monthly Pass Fees:	Per Month:	
Preschool (under 7)	\$ 30.00	GST not applicable
Youth (7-14)	\$ 30.00	GST not applicable
Adults (15-59)	\$ 40.00	Includes GST
Senior (60 and over)	\$ 30.00	Includes GST
Family (2 adults and 4 youth)	\$ 140.00	Includes GST

Season Pass Fees:	Per Season	
Preschool (under 7)	\$ 60.00	GST not applicable
Youth (7-14)	\$ 60.00	GST not applicable
Adults (15-59)	\$ 80.00	Includes GST
Senior (60 and over)	\$ 60.00	Includes GST
Family (2 adults and 4 youth)	\$280.00	Includes GST

Board Meeting
 APR 13 2017
 CCRD ITEM E(a)

CENTRAL COAST REGIONAL DISTRICT
POLICIES

269

A-11 - Distribution of Board Meeting Minutes

Preamble: It is deemed prudent to define the distribution of the draft regular monthly board meeting minutes to individuals and agencies to allow for maximum consistency and to ensure the broadest circulation possible.

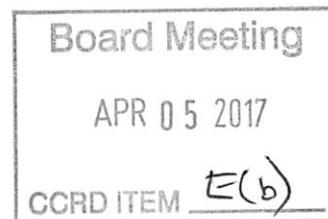
Policy: Copies of draft minutes are distributed via email or mail to the following as a matter of courtesy and no charges are forwarded:

Electoral Area Directors (5)
Alternate Electoral Area Directors (5)
Central Coast Chamber of Commerce
Commission and Committee Chairs
Government Agent - Bella Coola
Gwa'sala - 'Nakwaxda'Xw Council
Heiltsuk Tribal Council
Nuxalk ~~Administration~~ Nation
Hagensborg Improvement District
Ocean Falls Improvement District
Oweekeno-Kitasoo-Nuxalk Tribal Council
RCMP - Bella Coola Detachment
Vancouver Island Regional Library - Bella Coola
Wuikinuxv Tribal Council

Draft Minutes are posted to the website at www.ccrd-bc.ca and on CCRD Facebook Page

Persons, upon request, may receive the draft minutes by email. The CCRD will email, annually in the month of January, a request for confirmation from those receiving minutes by email that they wish to continue to receive draft minutes.

Date: August 9, 1994
Amended: December 7, 2005
Amended: June 14, 2012
Amended: September 12, 2013
Amended: September 11, 2014
Proposed Amendments: April 13, 2017



CENTRAL COAST REGIONAL DISTRICT
POLICIES

A-12(b) - Centennial Pool – Pay Scale

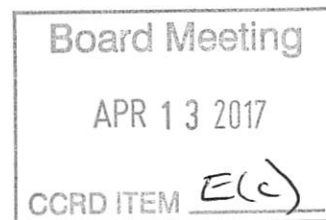
Policy:

1. The pay per hour for each staff member will be determined by the attached chart.
2. Proof of current awards in the form of certificates or cards, etc. must be supplied by staff to qualify for a given pay level.
3. If status goes up during a pay period, the rate of pay changes on the first day of the next pay period.

Clarification:

1. Past experience will be determined by the Pool Commission. The number of hours worked or volunteered and the type of work experience will receive due consideration. Thus, records of volunteer hours worked must be made available as appropriate.
2. An employee may receive a wage that is lower than the suggested base rate if that employee has less than the minimum qualifications (i.e. 15 years of age with only bronze medallion) but in any case, no employee will receive a wage which is lower than the provincial minimum wage.
3. First Aid is defined as :
LSS Aquatic Emergency Care, or
Standard First Aid, or
Emergency First Aid.
4. “Interim” award cards may be acceptable in the determination of hourly rate.

Adopted: September 13, 2000
Amended: November 02, 2005
Amended: October 12, 2006
Amended: July 07, 2011
Amended: November 10, 2011
Amended: June 14, 2012
Amended: May 9, 2013
Amended: May 14, 2015
Proposed Amendment: April 13, 2017



CENTRAL COAST REGIONAL DISTRICT
POLICIES

271

Position	Minimum Age	Minimum Qualifications	Base Rate	Preferred Qualifications
Manager	19	<ul style="list-style-type: none"> • Supervisory skills • Computer skills • Relevant Experience 	\$18.600	<ul style="list-style-type: none"> • NLS-pool • CPR-C] • Standard first aid or equivalent • WSI or LS • Manager experience • Pool Operators Certificate or equivalent experience
Head Guard	18	<ul style="list-style-type: none"> • NLS-pool • CPR-C • Standard first aid or equivalent • Pool Operators Certificate or equivalent experience • Relevant Experience * 	\$16.600	
Guard	16	<ul style="list-style-type: none"> • Bronze Cross • CPR-C • Standard first aid or equivalent • Relevant Experience * 	\$14.600	<ul style="list-style-type: none"> • NLS-pool
Head Instructor	18	<ul style="list-style-type: none"> • Bronze Cross • CPR-C • Standard first aid or equivalent • WSI • LSI • Relevant Experience* 	\$16.600	
Instructor	16	<ul style="list-style-type: none"> • Bronze Cross • CPR_C • Standard first aid or equivalent • WSI or LSI • Relevant Experience * 	\$14.600	
Aquatic Leader	15	<ul style="list-style-type: none"> • Bronze Cross • AWSI • CPR-C • Standard first aid or equivalent 	\$11.825	
Jr. Aquatic Leader		<ul style="list-style-type: none"> • Bronze Medallion 	\$10.2585 (minimum wage)	
Volunteer		<ul style="list-style-type: none"> • Bronze Medallion 	Honorarium	

CENTRAL COAST REGIONAL DISTRICT
POLICIES

272

- Increments: Pool Related certification will be awarded \$0.25 per proof of certification to a maximum of \$2.00
- Increments: Experience \$0.25 will be awarded for each year of paid experience at a pool to a maximum of \$2.00
- * Relevant Experience will be determined by the pool commission at time of hiring.
- OFA 2 and 3 will be increased by the industry standard.

273

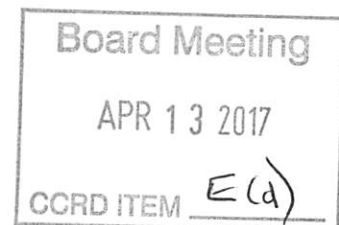
CENTRAL COAST REGIONAL DISTRICT
POLICIES

A-12(c) - Centennial Pool ~~Wage~~ Payment During Training

Policy

1. Staff will be paid at their allocated rate per hour for attending pre-season orientation sessions and for in-service meetings during the operating season.
2. Staff will not be paid wages for time spent at training or for upgrading their credentials.
3. ~~For courses supplied out of town, staff will be reimbursed for 50% of the course fee to a maximum of \$500 on successful completion of the course. Transportation costs will be reimbursed at 50% of cost to a maximum of \$300.~~ Reimbursement for out-of-town course expenses must be pre-approved by the Commission. Staff will be reimburse for up to 50% of the course fee to a maximum of \$500.00 Living expenses will be reimbursed to staff at \$30 per day to a maximum of \$300. Staff is required to submit an expense account to the Pool Commission for their approval.

Adopted: September 13, 2000
Amended: November 02, 2005
Reviewed: November 2011
Amended: June 14, 2012
Amended: April 14, 2016
Proposed Amendments: April 13, 2017



CENTRAL COAST REGIONAL DISTRICT
POLICIES

274

A-24 - Policy Development and Review

Preamble: To establish a process for the development and review of policies which encourages frank and open discussion and which ensures uniformity, inclusiveness, effectiveness and relevance of organizational policies to ensure accuracy and relevancy.

Policies will provide a clear and consistent focus for the administrative staff to manage the affairs of the Board.

Policy:

1. **Introduction**

Policies are high level documents that provide guidance and consistency to the organization for the conduct of all Regional District business. Policies are developed for those matters that seem to be coming to the Board with frequency and appear to follow a similar pattern.

The Policy Manual is divided into the following sections:

Section 1 (A) Administration Section 2 (E) Executive
Section 3 (F) Finance Section 4 (P) Planning

2. **Policy Development Procedure**

- a) Frequency of issues and concerns may be identified by a member of the board of directors, staff, commissions or the public and shall be brought to the board of directors meeting for discussion.
- b) Issues to which the board of directors has given consideration will be referred to staff for information collection/research.
- c) Once information has been collected, staff will report back to the board of directors in the form of a report/briefing paper or a draft recommended policy.
- d) The final policy will be reviewed and adopted by the board of directors.

3. **Policy Review Procedure**

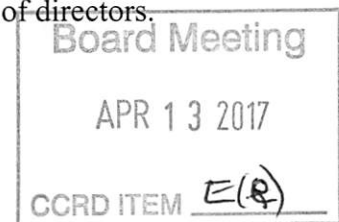
Policy review and evaluation is an on-going process. Policies will be brought forward to the board of directors for review and relevance on a rotating schedule that will cover all policies within the Policy Manual at minimum of every three years. Policies requiring earlier amendments will be put forward for board consideration, on an as-needed basis as necessary.

Policy Manual Updates will be circulated to each Policy Manual holder and other personnel or affiliates following adoption by the board of directors.

Date Adopted: September 8, 2011

Amended: April 10, 2014

Proposed Amendment: April 13, 2017



CENTRAL COAST REGIONAL DISTRICT
POLICIES

275

A-28- Proclamation/Declarations

Preamble: To provide direction to staff and the public on handling requests for proclamations/declarations.

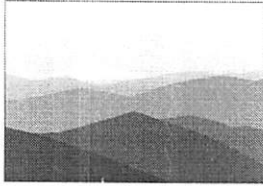
Policy: To eliminate unnecessary administration of proclamation requests where there is no statutory authority, the Central Coast Regional District will not issue proclamations and/or declarations.

Date Adopted: November 10, 2011

Reviewed: April 10, 2014

Reviewed: April 13, 2017





The Coast Sustainability Trust II

Eric van Soeren, Trustee

730 Walker's Hook Road
Salt Spring Island, B.C. V8K 1N5

Phone: 250-537-1533
Cell: 250-526-0533
Fax: 250-537-1534
Email: eric@vansoeren.net
www.coastsustainabilitytrust.com

March 1, 2017

Frank Johnson
Central Coast Regional District
PO Box 52
Bella Coola, BC
V0T 1C0

RECEIVED

MAR 14 2017

Central Coast Regional District

Dear Frank Johnson,

Re: The Coast Sustainability Trust II (CST II) – 2016 Annual Report

Enclosed for your information is a copy of the CST II - 2016 Annual Report.

Thank you for your continued support and involvement in the CST II. Please feel free to contact me if you would like to discuss anything in the report or the CST II in general.

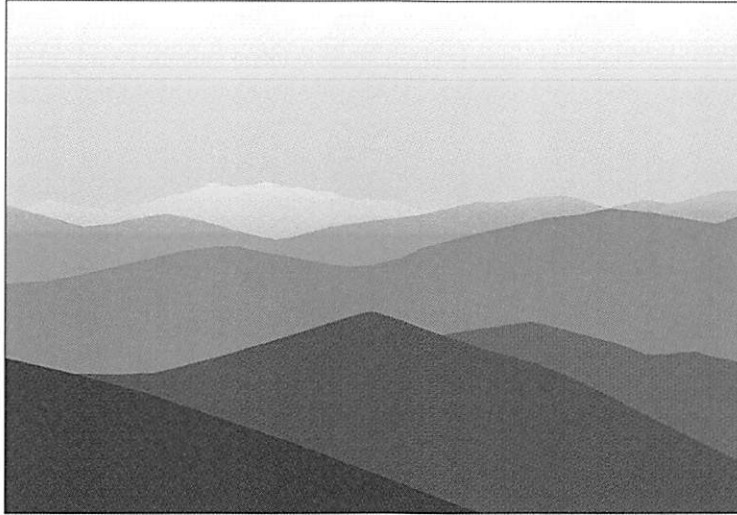
Yours truly,

Eric van Soeren
Trustee

encl.

Board Meeting
APR 13 2017
CCRD ITEM F(a)

The Coast Sustainability Trust II



**December 31, 2016
Annual Report**

**Trustee
Eric van Soeren**

The Coast Sustainability Trust II

Report of the Trustee

The Coast Sustainability Trust (CST) was established in late March 2002. Its purpose was to mitigate any adverse impacts arising from government land use planning decisions related to the Land and Resource Management Plan (LRMP) process in the Central Coast, North Coast, and Queen Charlotte Islands/Haida Gwaii (the Specified Area), and to help the coastal forest industry, coastal communities and First Nations become more sustainable.

On March 31, 2007 the CST was terminated by operation of the Trust Deed that created it. At that time the Advisory Board decided to roll the CST into the Coast Sustainability Trust II (CST II). As of December 31, 2016, the CST II consists of four funds, with the following balances:

1. A **Community Matching Fund** for civic communities and First Nations that have been negatively affected by provincial government land use decisions related to the LRMP process. As of year-end, the Community Matching Fund account contained \$1,004,487.
2. An **Ecosystem Based Management (EBM) Adaptive Management Fund**, whose primary purpose is to fund successful implementation and management of an Adaptive Management program that supports the goals of EBM. As of year end the Ecosystem Based Management Adaptive Management Fund account contained \$581,069.
3. An **Ecosystem Based Management Matching Fund**, for communities, First Nations, workers and contractors that may be negatively affected by the implementation of Ecosystem Based Management. As of year-end, the EBM Matching Fund account contained \$775,001; and
4. A **Landscape Reserve Planning Fund**, whose primary purpose is to fund the development and implementation of Landscape Reserve Planning by First Nations that supports the goals of EBM within the Plan Area. As of year-end the Landscape Reserve Planning Fund account contained \$15,818.

Trust Administration

A Trustee and a five-person Advisory Board administer the CST II. The Advisory Board consists of one representative for the coastal forest industry, one for the Truck Loggers Association, one for the Steelworkers, one for the provincial government and one for communities.

Community Matching Fund (CMF):

The immediate objective of the Community Matching Fund is to provide funding to projects in civic and First Nations communities impacted by the LRMP process. Funding can be directed to First Nations and civic communities in the Regional Districts of Skeena-Queen Charlotte, Central Coast, Comox Valley, Strathcona and Mount Waddington, and the portions of the Kitimat-Stikine Regional District that are included in the North Coast LRMP planning area. Funds address local adjustment priorities, needs, opportunities and solutions. Projects must have community and preferably regional support and should result in:

- Regional and community strategic planning;
- Strategic investments with expected long term economic benefits; and

- Reduction of reliance on conventional forestry based activities to alternative and sustainable economic activities.

The following guiding principles are to be applied to projects being submitted to the CMF for consideration:

- Helps in developing a regional and community economic development strategy, if no current plan exists.
- Helps diversify the local economy, without adversely affecting the economies of neighbouring communities.
- Has tangible long-term direct economic benefits, including employment creation or enhancement.
- Promotes sustainable development within the region.
- Demonstrates broad based community support.
- Is consistent with the community's Community Economic Development Strategy.
- Leverages a minimum of an equal amount of unencumbered private or public sector dollars, except for smaller projects, which may be supported by as much as three quarters of the first \$50,000 by the CST when no other matching funds are available.
- Does not request funding for activities that can be covered by other existing programs.
- Is environmentally sound and does not cause unsustainable pressure on natural resources.

Types of Matching Fund Assistance

- Funding assistance for communities is available for a variety of activities, including regional planning, infrastructure development and marketing.
- Assistance is in the form of grants made directly to civic communities, First Nations or entities such as not for profit societies or associations that are formally supported by civic communities or First Nations.
- No funding will be provided to privately owned for profit operations.

Following are the objectives of the Ecosystem Based Management Adaptive Management Fund (EBM-AM):

- To invest in the Central Coast, North Coast and the Haida Gwaii plan areas (EBM-AM Plan Area).
- To fund the successful implementation and management of an Adaptive Management program that supports the goals of Ecosystem Based Management within the EBM-AM Plan Area.
- To fund projects in an Annual Work Plan approved by the Coastal First Nation and the Nanwakolas EBM Forums and the Provincial Government EBM representative.
- To invest in and support EBM-AM, and other specific uses as directed by the Donor.

Following are the objectives of the Ecosystem Based Management Matching Fund (EBM-MF):

- Originally, the same as for the Community Matching Fund, but in addition, workers and contractors that may be affected by provincial government land use decisions related to EBM are also potentially eligible for mitigation payments.
- During 2011 the CST Advisory Board decided to utilize the EBM-MF as follows:

- \$1,000,000 was set aside for forest worker training
- \$2,000,000 was allocated to the CMF, and then allocated equally to the five Regional Steering Committees
- The balance was to be used to provide matching to funds received from the BC Forestry Revitalization Trust II to provide mitigation to workers and contractors in Haida Gwaii that were negatively impacted by the implementation of EBM. All that mitigation was completed during 2014.
- Currently the balance in the EBM-MF is to be used as matching funds for forest worker training.

Following are the objectives of the Landscape Reserve Planning (LRP) sub trust:

- To invest in the Central Coast and North Coast plan areas (LRP Plan Area).
- To fund the successful development and implementation of landscape reserve planning that supports the goals of EBM within the Plan Area.
- To provide regional capacity for First Nations in the LRP Plan Area to develop landscape reserve plans that provide for concurrent progress on ecological integrity and human well being objectives.

Fund Term

The CST II will be wound up when all funds have been disbursed, or when the remaining funds are insufficient to justify continued operation of the CST II. If that happens, the Trustee will transfer the remaining balance to one or more entities that have a mandate similar to that of the CST II, on condition that the transferred CST II funds will be used in a way that is consistent with the purpose of the CST II.

Distributions to Beneficiaries

Community Matching Fund

The Advisory Board of the CST approved the creation of 5 Regional Steering Committees (RSCs), based on a combination of Regional District and LRMP area boundaries. These RSCs were established to determine how Community Matching Funds would be allocated. Representation on the RSCs consists of 50% First Nations nominees, and 50% civic community nominees. The RSCs review proposals received directly from communities or First Nations in their area, or from entities supported by those communities or First Nations.

The five RSCs represent the Comox Valley, Strathcona, Mount Waddington, and Central Coast regional districts, and the North Coast and Haida Gwaii. During 2015 the Comox Strathcona, the Mount Waddington and the Haida Gwaii Regional Steering Committees were disbanded because the funds allocated to those areas had been or are about to be disbursed. Following is an indication of activity with the RSCs to date:

**Status of Community Matching Fund funding requests
As at December 31, 2016**

Regional Steering Committee	Total Project Size	Amount Requested of CST	Rejected by CST or abandoned by applicant	Amount still under consideration by CST	Number of Approved Projects	Amount approved by CST	Amount disbursed by CST
Central Coast	\$27,636,742	\$7,066,220	\$3,196,640	\$500,000	63	\$3,369,580	\$3,342,080
Comox Strathcona	\$59,593,292	\$14,249,419	\$10,149,585	\$0	47	\$4,099,833	\$4,099,833
Mount Waddington	\$114,245,547	\$10,620,075	\$6,520,075	\$0	56	\$4,100,000	\$4,078,171
North Coast	\$74,734,810	\$10,470,565	\$5,795,566	\$475,000	42	\$4,100,000	\$3,817,000
QCI Haida Gwaii	\$60,832,006	\$8,258,769	\$4,158,769	\$0	57	\$4,100,000	\$4,100,000
Total:	\$337,042,397	\$50,665,047	\$29,820,634	\$975,000	265	\$19,769,413	\$19,437,083

Types of Projects Approved for Community Matching Fund Assistance

In order to stimulate economic activity, each RSC considers and approves projects that fit into the strategic priorities of their area or, if no formal strategic priorities have been developed, projects that clearly fall into the range of initiatives that likely will be included. The types of projects vary to some extent by the chosen strategic direction of each RSC. Following is a table that shows the type of projects approved for CST funding support:

Regional Steering Committee	Total Project Size	Amount approved by CST	Nature of Approved Project					
			Agriculture & NTFPs	Aquaculture & processing	Forestry	Infra-structure	Planning	Tourism
Central Coast	\$16,888,297	\$3,369,580	\$87,501	\$757,090	\$130,854	\$1,042,144	\$698,146	\$753,845
Comox Strathcona	\$32,987,254	\$4,099,833	\$12,500	\$1,137,000	\$0	\$824,000	\$190,500	\$1,935,833
Mount Waddington	\$41,567,183	\$4,100,000	\$91,400	\$292,111	\$15,000	\$1,652,856	\$39,500	\$2,009,133
North Coast	\$42,383,360	\$4,100,000	\$36,667	\$980,120	\$50,000	\$1,038,856	\$38,640	\$1,955,717
Haida Gwaii	\$47,482,958	\$4,100,000	\$200,549	\$274,060	\$162,398	\$1,836,754	\$165,232	\$1,461,007
Total:	\$181,309,052	\$19,769,413	\$428,617	\$3,440,381	\$358,252	\$6,394,610	\$1,132,018	\$8,115,535

Percent of Approved Amounts

2.2% 17.4% 1.8% 32.3% 5.2% 41.1%

Employment Impact of CST Funding

Following is a table which displays the employment impact of CST funding. The numbers are based on a combination of information submitted in the original applications, quarterly reporting as the project proceeded, and results of a survey taken of recipients of CST funding after the projects were completed. Numbers shown are actual employment or contract positions and have not been reduced to full time equivalents. Spin off jobs were not included as, especially in the case of tourism, the provision of high speed internet and long range planning, they are very difficult to estimate.

Regional Steering Committee	Full time Jobs while Project Active	Part time Jobs while Project Active	Full time Jobs when Project Completed	Part time Jobs when Project Completed
Central Coast	41	136	268	266
Comox Strathcona	84	249	202	209
Mount Waddington	86	268	180	222
North Coast	153	151	181	93
Haida Gwaii	217	259	100	119
Total:	581	1,063	931	909

Landscape Reserve Planning (LRP) sub trust

The CST II disbursed a total of \$735,000 to two First Nation organizations, the Nanwakolas Council, and the Coast First Nations, during 2009. No funds were disbursed from 2010 to 2016, so the balance of the original \$750,000 contribution to the CST, less administrative costs, plus earned interest, for a total of approximately \$16,000, remains in the LRP sub trust account

Ecosystem Based Management Matching Fund Account

The purpose of the EBM Matching fund is to help mitigate the negative impacts of the implementation of Ecosystem Based Management on forest workers, contractors and both civic and First Nations Communities.

The Advisory Board of the BC Forestry Revitalization Trust II (BCFRT) agreed to provide matching funds to the CST EBM Matching Fund to allow workers and replaceable contractors on Haida Gwaii to receive mitigation for the negative impacts of EBM on them. All 11 of the replaceable contractors and all 35 of the employees that were identified as having been negatively impacted by the implementation of EBM on Haida Gwaii have received the mitigation for which they were eligible, with total mitigation paid out of \$5,139,318.

The CST II Advisory Board agreed that up to \$200,000 per RSC could be used to match with industry, First Nations and/or civic communities to provide training for people in the harvesting side of the forest industry. Twenty training initiatives worth \$774,557 have been approved. Of those, approvals of \$168,348 were abandoned or were completed under budget, resulting in net approvals of \$616,110. Funds for all but one of the net approvals to December 31, 2016 have been disbursed, with only one totaling \$2,462 outstanding. The

Trustee continues to have discussions with several other contractors, First Nations and licensees that plan to develop training programs specific to the needs of their operations, and the employees they have or intend to hire.

Eco-system Based Management Adaptive Management (EBM-AM)

Effective March 31, 2009 a new sub-trust called the EBM Adaptive Management sub trust was created. Its goal is to invest in the Central Coast, North Coast and the Haida Gwaii plan areas by:

1. funding the successful implementation and management of an Adaptive Management program that supports the goals of Ecosystem Based Management;
2. funding projects in an Annual Work Plan approved by the Joint Land and Resource Forum; and
3. investing in and supporting Adaptive Management, Ecosystem Based Management, and other specific uses as directed by the donor.

Five contracts totaling \$139,449 have been signed related to EBM. All of those projects have been completed, and three came in under budget. Disbursements of \$129,234 have been made in previous years. There was no activity in this fund during 2016. The balance of the funds allocated to the EBM AM sub-trust remains available for future projects.

Conclusion:

Four of the five RSCs have now allocated all of their available Community Matching Funds to specific projects, and substantially all of the funds for three of the RSCs have been disbursed and the Regional Steering Committees disbanded. The Trustee continues to solicit new proposals and to distribute funds to the intended beneficiaries of the active accounts, according to the Distribution Objectives of the Declaration of Trust that established the CST II, and the Guidelines of the donor directed sub-trusts. The Trustee also continues to solicit EBM Matching Fund applications for Forest Worker Training matching funds, and the EBM AM sub trust is ready to fund more projects as they are developed. The donor is considering how to apply the remaining Landscape Reserve Planning Account funds.

Overall, CST activity is expected to continue at a slow to moderate pace for the next year.

The Coast Sustainability Trust II
Financial Statements
December 31, 2016

The Coast Sustainability Trust II

Contents

For the year ended December 31, 2016

	<i>Page</i>
Independent Auditors' Report	
Financial Statements	
Statement of Financial Position.....	1
Statement of Operations.....	2
Statement of Changes in Net Assets.....	3
Statement of Cash Flows.....	4
Notes to the Financial Statements.....	5

Independent Auditors' Report

To the Trustee of The Coast Sustainability Trust II

We have audited the accompanying financial statements of The Coast Sustainability Trust II, which comprise the statement of financial position as at December 31, 2016, and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of The Coast Sustainability Trust II as at December 31, 2016 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian Accounting Standards for Not-for-Profit Organizations.

Richmond, British Columbia

February 28, 2017

MNP LLP

Chartered Professional Accountants


The Coast Sustainability Trust II

Statement of Financial Position

As at December 31, 2016

	2016	2015
Assets		
Current		
Cash	11,886	40,777
Investments - current portion (Note 6)	1,383,240	1,598,023
	1,395,126	1,638,800
Investments (Note 6)	994,095	1,044,998
	2,389,221	2,683,798
Liabilities		
Current		
Accounts payable and accruals	9,003	12,438
Due to related party (Note 7)	3,843	2,896
	12,846	15,334
Net Assets		
Restricted	2,376,375	2,668,464
	2,389,221	2,683,798

Approved by the Trustee



Trustee

The Coast Sustainability Trust II
Statement of Operations

For the year ended December 31, 2016

	<i>Landscape Reserve</i>	<i>EBM-AM</i>	<i>EBM- Matching Fund</i>	<i>Community Matching Fund</i>	2016	2015
Revenue						
Interest income	253	6,965	8,632	13,155	29,005	43,034
Expenses						
Audit fees	-	68	3,967	4,514	8,550	12,520
Bank charges and interest	200	200	305	320	1,025	1,115
GST/HST expense <i>(Note 9)</i>	-	15	1,096	1,054	2,164	3,351
Disbursements to beneficiaries <i>(Note 10)</i>	-	-	55,675	219,299	274,974	852,335
Office	-	-	-	454	454	443
Professional fees	-	-	184	-	184	157
Project analysis <i>(Note 7)</i>	-	-	-	4,928	4,928	8,800
Travel	-	-	-	-	-	892
Trustee fees <i>(Note 7)</i>	-	220	13,420	15,180	28,820	44,440
	200	503	74,647	245,749	321,099	924,053
Deficiency of revenue over expenses	53	6,462	(66,015)	(232,594)	(292,094)	(881,019)

The accompanying notes are an integral part of these financial statements

The Coast Sustainability Trust II
Statement of Changes in Net Assets

For the year ended December 31, 2016

	<i>Landscape Reserve</i>	<i>EBM-AM</i>	<i>EBM- Matching Fund</i>	<i>Community Matching Fund</i>	2016	2015
Net restricted assets, beginning of year	15,765	574,607	841,016	1,237,081	2,668,469	3,549,488
Deficiency of revenue over expenses	53	6,462	(66,015)	(232,594)	(292,094)	(881,019)
Net restricted assets, end of year	15,818	581,069	775,001	1,004,487	2,376,375	2,668,469

The accompanying notes are an integral part of these financial statements

The Coast Sustainability Trust II
Statement of Cash Flows
For the year ended December 31, 2016

	2016	2015
<hr/>		
Cash provided by (used for) the following activities		
Operating		
Deficiency of revenue over expenses	(292,094)	(881,019)
Changes in working capital accounts		
Accounts payable and accruals	(3,430)	358
Due to related party	947	(9,109)
	<hr/>	<hr/>
	(294,577)	(889,770)
Investing		
Proceeds on disposal of investments	265,686	916,439
	<hr/>	<hr/>
Increase (decrease) in cash resources	(28,891)	26,669
Cash resources, beginning of year	40,777	14,108
	<hr/>	<hr/>
Cash resources, end of year	11,886	40,777
	<hr/>	<hr/>

The accompanying notes are an integral part of these financial statements

1. PURPOSE OF THE TRUST

The Coast Sustainability Trust II (the "Trust") was established by Declaration of Trust dated March 27, 2007.

On April 30, 2007, all assets and liabilities, contingent and otherwise, of the predecessor trust, The Coast Sustainability Trust (the "Predecessor Trust") were transferred to the Trust.

Pursuant to Order in Council No. 258, approved and ordered on March 28, 2002, Forest Renewal B.C. made a payment of \$35,000,000 to the Predecessor Trust. The funds were to be used to:

- a) implement short term mitigation measures for workers, contractors, communities and First Nations on whom the Land and Resource Management Plans ("LRMP") in the Central Coast, North Coast and the Queen Charlotte Islands - Haida Gwaii had negative impacts; and
- b) to mitigate the longer term impacts of implementing these plans.

During prior years, the Predecessor Trust made all required short-term mitigation payments to workers and contractors.

During prior years, the Predecessor Trust received \$254,000 in donor-directed funds to be used for Ecosystem Based Management related Land Use Planning ("EBM-LUP Subtrust") in the Predecessor Trust geographical areas and \$145,000 in donor-directed funds to be used for Economic, Scientific and Adaptive Management Development and Planning ("ESAMDAP Subtrust"). These funds were to be distributed pursuant to specific donor instructions. The Trustee administered the distribution of the funds and prepared the related funding agreements. In accordance with the terms of the EBM-LUP Subtrust and the ESAMDAP Subtrust, these funds were not to be co-mingled with other funds of the Predecessor Trust.

The Trust Deed that created the Predecessor Trust stipulated that it was to terminate on March 31, 2007, and allowed the Trustee two years from that date to determine the disposition of any remaining funds. In anticipation of the termination of the Predecessor Trust, all the Advisory Board and Regional Steering Committee members as well as all First Nations, organized communities and Regional Districts that were potential beneficiaries of the Predecessor Trust, were asked to comment on the disposition of remaining funds. The unanimous response was that the Predecessor Trust should be rolled over into a new trust with similar guidelines to the Predecessor Trust, with certain changes.

The Trustee considered submissions made by various representatives of beneficiary groups and the Advisory Board, and decided to implement the following changes:

1. The maximum possible contribution of the Trust to any specific Communities Matching Fund project was increased from \$100,000 to \$250,000; and
2. The Trust may contribute up to 75% of the first \$50,000 of any specific Communities Matching Fund project's costs, instead of the prior maximum of 50%.

The EBM-LUP and the ESAMDAP Subtrusts were rolled into a new Ecosystem Based Management Working Group ("EBMWG") Subtrust effective April 30, 2007. An additional \$620,000 was received from the Province of British Columbia to fund the EBMWG in a prior period, and a further \$1,024,320 was received from the Province of British Columbia in a prior year. The EBMWG Subtrust was discontinued in a prior year, and the remainder of the funds were transferred to the Ecosystem Based Management Adaptive Management ("EBMAM") Subtrust.

2. BENEFICIARIES OF THE TRUST

The beneficiaries of the Trust are:

- a) municipalities and unincorporated areas located in certain Regional Districts;
- b) any band (as defined by the Indian Act) located in specified geographical areas; and
- c) any other person or entity appointed by the Trustee as beneficiary in accordance with the Declaration of Trust.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations as issued by the Accounting Standards Board in Canada and include the following significant accounting policies:

(a) Restricted Fund Method

The Trust employs fund accounting, using the accrual method of accounting for transactions. The Trust's net assets consist of \$2,376,375 (2015 - \$2,668,469) in contributions, including investment income earned on those contributions, that are subject to the externally imposed restrictions contained in the Declaration of Trust. The restrictions stipulate that the resources be maintained in the Trust until required for qualifying disbursements to the Trust's beneficiaries (see Note 1 and Note 2).

The Trust comprised the following funds during the year:

i) Community Matching Fund ("CMF")

This fund is used to provide assistance to communities and First Nations that have been negatively affected by provincial government decisions related to the Land and Resources Management Plan ("LRMP") process in the specified areas. Funds can only be disbursed from the Trust if they are matched at a minimum of a 25%/75% basis, for the first \$50,000 of any specific project's costs, and 50%/50% basis thereafter, with unencumbered funds from sources other than the provincial government.

ii) Ecosystem Based Management Matching Fund ("EBMMF")

The amount initially allocated to this fund was \$5,000,000 of the original \$35,000,000 paid by Forest Renewal B.C. to the Predecessor Trust. This amount grew to \$5,618,431 in prior years, but no funds were disbursed until 2011. During that year the Trustee, on the advice of the Trust's Advisory Board, allocated the EBM Matching Fund as follows:

1. \$2,000,000 was allocated to the Community Matching Fund, to be allocated equally among the 5 Regional Steering Committees;
2. \$1,000,000 was set aside to support training for forest workers. That amount was further allocated equally among the 5 Regional Steering Committee areas; and
3. The balance is to be used to match \$2,767,713 in matching funds that was received from the BC Forestry Revitalization Trust II in order to provide mitigation to forest workers and replaceable logging contractors in Haida Gwaii that were negatively impacted by the implementation of EBM, and to pay related administrative expenses to facilitate this mitigation.

iii) Ecosystem Based Management Adaptive Management ("EBMAM") Subtrust

This donor directed subtrust is to be used to provide funding for certain projects in the Plan Area, defined as the Central Coast, the North Coast and the Queen Charlotte Islands - Haida Gwaii. The projects are intended to support the successful implementation and management of an Adaptive Management ("AM") program that supports the goals of EBM within the Plan Area. The fund is also to be used to provide funding for projects approved by the Coastal First Nations and the Nanwakolas EBM Forums and the EBM representative of the Province of British Columbia.

iv) Landscape Reserve Planning ("LRP") Subtrust

This donor directed subtrust is intended to fund certain projects in specific Central Coast and North Coast areas. The subtrust is intended to fund landscape reserve planning supporting the goals of EBM within the specific areas and to provide for First Nations that are members of the JLRF in the specific areas the capacity to develop landscape reserve plans.

The Trustee allocates administration expenses among these funds and subtrusts based on the level of activity.

3. **SIGNIFICANT ACCOUNTING POLICIES, cont'd**

(b) Revenue Recognition

Investment income is recorded as received or receivable, if the amount to be received can be reasonably estimated and collection is reasonably assured.

The Trust uses the restricted fund method of accounting for contributions, which are recognized as revenue in the appropriate restricted fund when received.

(c) Allocation of Expenses

The trust allocates certain of its general support expenses by identifying the appropriate basis of allocating each component expense, and applies that basis consistently each year.

(d) Cash

Cash includes balances with banks and short-term investments with maturities of three months or less.

(e) Investments

Investments consist of Canadian provincial government bonds, GIC's and public company bonds. Investments are carried at amortized cost, less any impairment.

(f) Use of Assumptions and Estimates

The preparation of financial statements, in conformity with Canadian generally accepted accounting principles, requires the Trustee to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying disclosures. Although these estimates are based on the Trustee's knowledge of current events and actions the Trust may undertake in the future, actual results may differ from the estimates. These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in excess of revenues and expenses in the periods in which they become known.

(g) Financial Instruments

The Trust recognizes its financial instruments when the Trust becomes party to the relevant contractual provisions. All financial instruments are initially recorded at their fair value including financial assets and liabilities originated and issued in a related party transaction with management. Financial assets and liabilities originated and issued in all other related party transactions are initially measured at their carrying or exchange amount in accordance with CICA 3840 Related Party Transactions.

The Trust subsequently measures cash at fair value. All other financial assets and liabilities are subsequently measured at amortized cost. The carrying value of financial assets and liabilities reflected in the statement of financial position approximate their respective fair values.

4. MATCHING FUNDS

The Matching Fund portions of the Trust are to be used to fund certain community and industry initiatives to mitigate adverse impacts from Land and Resources Management Plan ("LRMP") decisions and Ecosystem Based Management ("EBM") in specified areas.

Any disbursements from the Communities Matching Fund ("CMF") are required to be matched on at least a 25%/75% basis for the first \$50,000 of any project, and on a 50%/50% basis thereafter, and on at least a 50%/50% basis for all Ecosystem Based Management Matching Fund ("EBMMF") projects, with unencumbered funds from sources other than the provincial government. The Trustee and his Advisory Board prepared guidelines with respect to the CMF and the EBMMF in accordance with the directives in the Trust Deed that created the predecessor trust.

a) Community Matching Funds to Mitigate the Effects of LRMP

In accordance with the Trust's guidelines, the Trustee solicited the formation of Regional Steering Committees ("RSC's") representing each of the five distinct geographical areas covered by the Trust. Each RSC is responsible for reviewing and approving proposals presented to the Trustee for funding. During the year, the cumulative disbursements of three RSC's reached the maximum allocated amounts. Accordingly, the RSC's for Comox Strathcona, Mount Waddington and Queen Charlotte Islands - Haida Gwaii were disbanded.

The remaining two RSC's were active during the current year and certain funds were disbursed or committed. The maximum amounts of funds allocated to each of the five RSC's were as follows:

Central Coast RSC	4,100,000
Comox Strathcona RSC	4,100,000
Mount Waddington RSC	4,100,000
North Coast RSC	4,100,000
Queen Charlotte Islands - Haida Gwaii RSC	4,100,000
	<u>\$20,500,000</u>

The above allocations are prior to any disbursement of funds.

b) EBM Matching Funds to Mitigate the Effects of EBM

The balance of the EBMMF, after allocating \$1,000,000 to Forest Worker training and \$2,000,000 to the CMF was to be used to match \$2,767,713 in matching funds that were received from the BC Forestry Revitalization Trust II in a prior year. After providing mitigation to forest workers and replaceable logging contractors in Haida Gwaii that were negatively impacted by the implementation of EBM, paying for Forest Worker training, and paying for the administrative expenses to facilitate this mitigation and training support, a balance of approximately \$320,000 will remain. The Trustee will request direction from the Advisory Board on how to employ those funds.

5. DONOR DIRECTED FUNDS AND SUBTRUSTS

For donor directed subtrusters, the Trustee performs an administrative and managerial function only over the funding process and does not get involved in the funding decisions. This applies to the EBM Adaptive Management subtrust and the Landscape Reserve Planning subtrust.

The donors establish the process to give instructions to the Trustee. The Trustee prepares funding agreements in accordance with the instructions, subject to certain approvals. The Trustee is not required to evaluate requests for releases of funds, but is entitled to rely on instructions as long as they are given in accordance with the process established by the donors.

The Trustee monitors the cumulative amounts of funds released for each project to ensure that the cumulative amounts disbursed do not exceed the total amounts authorized.

The Coast Sustainability Trust II
Notes to the Financial Statements
For the year ended December 31, 2016

6. INVESTMENTS

	2016	2015
Fixed income investments		
Canadian provincial government bonds	1,886,766	1,326,579
Public company bonds - chartered banks	239,884	885,721
GIC's	250,684	430,721
	2,377,334	2,643,021
Less: current portion	1,383,240	1,598,023
	994,095	1,044,998
Non-current portion	994,095	1,044,998

7. RELATED PARTY TRANSACTIONS

During the year, the Trust made payments to the Trustee, Mr. Eric van Soeren, for services rendered.

	2016	2015
Payments to Trustee	33,748	53,240
	3,843	2,896
Balance due to Trustee	3,843	2,896
Amount due to Trustee is unsecured, non-interest bearing and due on demand.	3,843	2,896

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount, which is the amount of consideration established and agreed to by the related party.

8. INCOME TAXES

The Trustee is of the opinion that the Trust is either a non-profit organization or a public body performing a function of government and is therefore not a taxable entity. In order to confirm the predecessor Trust's status for income tax purposes, the Trustee applied to the Canada Revenue Agency (the "CRA") for a ruling during a prior year.

Although the Rulings Directorate of the CRA declined to provide a ruling in writing, the Trustee was advised verbally that the predecessor Trust was a holder of a power of appointment granted by the Government of the Province of British Columbia and accordingly, was exempt from income tax as a quasi-governmental agency administering a government program. The Trustee is of the opinion that the tax treatment for the Trust will be the same. In the prior year the Trustee received a Notice of Assessment confirming that the Trust was not subject to Income Taxes.

9. GOODS AND SERVICE TAXES/HARMONIZED SALES TAXES

The Trustee has obtained advice from the CRA that the Trust will not be able to recover any Input Tax Credits.

207

The Coast Sustainability Trust II
Notes to the Financial Statements
For the year ended December 31, 2016

10. COMMITMENTS

The Trustee works closely with the RSC's to solicit funding proposals for projects which meet the Trust's guidelines. Upon acceptance of a proposal, the Trustee enters into a funding agreement with the potential recipient. The agreement ordinarily confirms the Trust's commitment for certain disbursements, the expected timing of the disbursements and the criteria for the release of funds.

	2016	2015
The Trust had made disbursements and had committed to make disbursements out of the Communities Matching Fund as follows:		
Committed to beneficiaries, contingent on availability of matching funds	332,330	651,629
Disbursed during the year	219,299	765,019
Disbursed during prior years by the Predecessor Trust and the Trust	19,217,784	18,452,765
	19,769,413	19,869,413

The Trust had made disbursements out of the Ecosystem Based Management Matching Fund as follows:

Committed for forest worker training purposes	2,462	-
Disbursed for forest workers training purposes during the year	55,675	87,316
Disbursed during prior years	5,697,291	5,609,975
	5,755,428	5,697,291

11. FINANCIAL INSTRUMENTS

The Trust, as part of its operations, carries a number of financial instruments. It is management's opinion that the Trust is not exposed to significant interest, currency, credit, liquidity or other price risks arising from these financial instruments except as otherwise disclosed.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. Changes in market interest rates may have an effect on the cash flows associated with some financial assets and liabilities, known as cash flow risk, and on the fair value of other financial assets or liabilities, known as price risk. The Trust is exposed to interest rate risk primarily related to their fixed income investments, as disclosed in Note 6. However, the Trust intends to hold all of its fixed income investments to maturity therefore the exposure to interest rate risk is mitigated.



Central Coast Chamber of Commerce, PO Box 40, Denny Island BC, V0T 1B0 - Web: www.dennyislandbc.ca Email: ccccexec@gmail.com

6 April 2017

Honourable Peter Fassbender
Minister of Community,
Sport & Cultural Development
PO Box 9056 Stn Prov Gvt
Victoria, BC V8W 9E2

Dear Sir,

Re: Request for consideration of structural changes to the Central Coast Regional District (CCRD) and assistance in exploring the move of Denny Island to the Regional District of Mount Waddington (RDMW)

It is the understanding of the Central Coast Chamber of Commerce (CCCC) and the Denny Island Community Development Association (DICDA) that the recently released *CCRD Service Delivery & Governance Study, Final Report* ("the Report") is currently under your review, with feedback from the Ministry of Communities, Sport and Cultural Development expected this month.

The community of Denny Island, located in Area A of the Central Coast Regional District, where the above-mentioned organizations are based, participated actively in the feedback collection process carried out by the Report's independent consultants at the end of 2016. Therefore, it is our hope that you will be able to take this communication into account during the review of the Report and subsequent deliberations on possible changes needed in our Regional District.

On January 30, 2017, we received your letter regarding our ongoing complaint pertaining to Gas Tax funding allocations and expenditures in the CCRD, which for over a decade have almost exclusively benefitted Bella Coola, a single community in our vast Regional District (please see p.4, *Fig. 1. CCRD's 2005-2015 Community Works Fund Expenditures*¹). In response to your suggestions, we can confirm that we have both approached the CCRD in search of possible solutions on numerous occasions, and we have brought Community Works Fund (CWF) and Strategic Priorities Fund (SPF) eligible projects to the CCRD Board table². Regrettably, our efforts have been fruitless, as the stated priorities of the CCRD are entirely in the Bella Coola Valley (please see p.5, *Fig. 2. CCRD's 2017 Strategic Priorities and Goals*, as presented at the CCRD Board meeting on February 9).

¹ Data compiled by the Central Coast Chamber of Commerce based on annual CWF reports obtained from the CCRD.

²Apr 14, 2016: Delegation at CCRD Board meeting to request explanation on CCRD's Community Works Fund expenditures 2005-2015, and explore solutions towards balanced allocations.

Apr 14, 2016: Delegation at CCRD Board meeting to request financial assistance to establish waste reduction initiatives on Denny Island.

June 9, 2016: Delegation at CCRD Board meeting to request amendment of CCRD's Policy F16 in relation to Community Works Fund expenditures as a solution towards balanced allocations.

Oct 20, 2016: Delegation at CCRD Board meeting to request financial assistance to establish drinking water system on Denny Island.

Board Meeting
CCRD ITEM F(b)

While Area A receives almost no attention or investment by the CCRD, it is responsible for 31.4% of the CCRD's tax income (please see p.5, *Fig. 3. CCRD: Assessed Property Value & Tax Contribution by Area, 2016*). We expect and have the right to have our needs considered by the government that collects and utilizes our tax monies. The glaring discrepancy amongst the assessed values in the region serves to aggravate the situation (please see p.5, *Fig. 4. CCRD Converted Assessment*). It is unfair that the Area A residents and businesses who contribute the greatest amount of taxes to the CCRD obtain so little in exchange for their funds³.

The *CCRD Service Delivery & Governance Study* recently submitted for your review offers clear testimony of the long-lived angst and discomfort experienced by many Denny Island residents, which reached a peak in October 2016, when the CCRD decided not to proceed with a scheduled Area A by-election despite receiving by-election nomination documents from Ana Santos, a candidate from Denny Island. Although nomination documents were accepted as complete by CCRD's Chief Election Officer, the by-election was cancelled as her original documentation was declared to have arrived by mail one business day late and there were no other candidates.

Despite receiving a petition from a majority of Area A residents requesting Ms. Santos' appointment, the CCRD Board instead appointed Frank Johnson, a resident from the community of Oweekeno⁴. We believe the CCRD acted in bad faith in deciding not to appoint Ms. Santos, a critic of the CCRD, despite her having the support of the majority of Area A residents, and despite her being the only by-election nominee.

Unfortunately, the majority of Area A residents live in the community of Denny Island, and there are no transportation links with Oweekeno village. As a result, Denny Island residents and businesses now face the consequences of non-existent communication and zero engagement with their appointed representative.

The lack of established transportation routes within our present CCRD and the prohibitive cost of chartered air travel mean that Denny Islanders are negatively affected by lack of access to local government representatives and staff, and by very limited means of participation in local government affairs. The resulting feeling of isolation from the CCRD is mildly alleviated by the community's volunteer efforts to review and distribute CCRD related information. Nonetheless, this is no replacement for much needed two-way communication and support which our Regional District is failing to provide.

In addition, the transportation corridors along the Outer Central Coast run north-south (including for medical and business support services, e.g. Community Futures), compelling Denny Island residents to look for alternatives and consider what-if scenarios. We have met, recently and informally, with representatives of the Regional District of Mount Waddington (RDMW) to discuss a potential move of our community to this region. We have been pleased to find the RDMW open to this discussion.

Our Request

While the structure of the CCRD has undergone some changes since its creation in 1968, the drawing of its external and internal area boundaries remains very problematic and does not correspond with community identities or transportation corridors. This is detrimental to many businesses and residents in the Regional District, who find themselves without the services and the support, monetary or otherwise, expected from their local government, and are therefore unable to improve the quality of life of their communities and contribute positively to the well-being of their region.

³ For instance, Area A's contribution to planning services is highlighted in the *CCRD Service Delivery & Governance Study, Final Report, p.26*
⁴ A petition containing a total of 107 signatures from the Area A communities of Denny Island and Ocean Falls was submitted to the CCRD prior to the appointment.

The CCRD Restructure Study carried out in 1993 offered constructive recommendations. If implemented, they might have delivered the boundary adjustments needed to achieve better balance of area, assessment base and servicing capability between the Outer Coast and Bella Coola⁵.

In the general interests of our current Regional District, we respectfully request that the recently released *CCRD Service Delivery & Governance Study* is taken as an opportunity to fix a system that has long been broken. In the specific interests of our community of Denny Island, we respectfully request your assistance in exploring the possibilities of Denny Island's permanent move to the Regional District of Mount Waddington pursuant to the *Local Government Act*, RSBC 2015, c 1, s. 43(c). Accordingly, please provide us with any and all Ministry policies regarding the s. 43(c) process. Please also provide us a point of contact in the Ministry so that we can develop a working group.

We thank you for your time and attention. This is a very important matter for our community, our region, and our province, and we look forward to hearing from you at your earliest convenience.

Sincerely,

CCCC-DICDA Board of Directors:

- President Ana Santos*
- Vice-President Mark Schlichting*
- Secretary Ramona Goossen*
- Treasurer Teresa Watling*
- Directors Daniel Bertrand, Fred Definney, Betty Hadley, Jim Hadley, Wendy Iglesias, Ingmar Lee, Doug Sharkey and Jean Wood*

- cc:*
- CCRD Acting CAO Donna Mikkelson*
 - CCRD Board Chair Alison Sayers*
 - CCRD Directors Richard Hall, Frank Johnson, Reg Moody and Samuel Schooner*
 - RDMW CAO Greg Fletcher*
 - Board Chair Andrew Hory*
 - MLA, North Coast, Jennifer Rice*

⁵ *CCRD, Restructure Study 1993-1994, p.58*

Figure 1. CCRD's 2005-2015 Community Works Fund Expenditures

YEAR	CCRD, CWF REVENUE (Community Works Funds, Gas Tax)	CCRD, CWF PROJECTS	CCRD, CWF EXPENDITURES (per project)	COMMUNITY	TOTAL EXPENDITURES	TOTAL UNSPENT FUNDS (inc. accrued interest)
2005	\$69,307.30	N/A	nil	N/A		\$69,350.83
2006	\$69,272.00	N/A	nil	N/A		\$140,254.00
2007	\$90,966.01	CCRD Refuse Disposal	\$59,605.00	Bella Coola	\$59,605.00	\$172,319.01
2008	\$101,053.14	Thorsen Creek Waste & Recycling	\$16,055.00	Bella Coola	\$56,513.69	\$216,458.46
		Lobelco Community Club, Hall Retrofit	\$15,897.00	Bella Coola		
		Bella Coola Harbour Water	\$21,430.69	Bella Coola		
		Centennial Pool Retrofit	\$3,531.00	Bella Coola		
2009	\$180,570.78	Denny Island Tourism & Enterprise Centre	\$15,000.00	Denny Island	\$21,945.71	\$374,659.53
		Lobelco Community Club, Ceiling Fans	\$4,291.41	Bella Coola		
		Centennial Pool Retrofit	\$3,654.30	Bella Coola		
2010	\$178,569.06	Bella Coola Harbour Water	\$10,902.00	Bella Coola	\$59,605.00	\$513,358.59
		Centennial Pool Upgrade	\$24,612.00	Bella Coola		
		Bella Coola Volunteer Firefighters Society, Community Hall Retrofit	\$1,242.00	Bella Coola		
		CCRD Digital Mapping	\$2,104.00	Bella Coola		
2011	\$178,554.08	Bella Coola Volunteer Firefighters Society, Community Hall Retrofit	\$1,236.50	Bella Coola	\$112,594.60	\$479,228.07
		CCRD Digital Mapping	\$655.27	Bella Coola		
		Fall 2010 Flood Damage Debris	\$10,439.55	Bella Coola		
		Repairs to Centennial Pool as a result of flood damage	\$24,769.28	Bella Coola		
		Purchase/Renovation of Office Building	\$147,000.00	Bella Coola		
		Bella Coola Valley Sustainable Agriculture Society - Land Availability	\$6,594.00	Bella Coola		
		Denny Island Community Water System	\$8,000.00	Denny Island		
		Lobelco Community Club, Hall Retrofit	\$4,000.00	Bella Coola		
		Bella Coola Harbour Authority, Public Toilet	\$10,000.00	Bella Coola		
		Repairs to Centennial Pool as a result of flood damage	\$32,509.26	Bella Coola		
2012	\$178,554.08	Nuxalk Hall Rehabilitation Project	\$50,000.00	Bella Coola	\$82,509.26	\$575,272.89
		Nuxalk Hall Rehabilitation Project	\$50,000.00	Bella Coola		
		Centennial Pool Upgrade	\$3,354.04	Bella Coola		
2013	\$178,494.18	Bella Coola Valley Sustainable Agriculture Society - Electric Fencing	\$4,358.28	Bella Coola	\$135,412.58	\$618,354.49
		CCRD Refuse Disposal	\$47,162.95	Bella Coola		
		Thorsen Creek Waste & Recycling	\$28,537.31	Bella Coola		
		CCRD Refuse Disposal	\$30,559.02	Bella Coola		
2014	\$289,310.97	Thorsen Creek Waste & Recycling	\$11,900.65	Bella Coola	\$58,248.25	\$670,923.03
		Shearwater Community Water	\$15,788.58	Denny Island		
		Thorsen Creek Solid Waste Infr.	\$43,641.93	Bella Coola		
2015	\$185,154.00	Walker Island Recreation Infr.	\$45,495.06	Bella Coola	\$89,136.99	\$763,395.00
			TOTAL SPENT IN BELLA BELLA =		\$0	
			TOTAL SPENT IN OCEAN FALLS =		\$0	
			TOTAL SPENT IN OWEEKENO =		\$0	
			TOTAL SPENT IN DENNY ISLAND =		\$38,788.58	
			TOTAL SPENT IN BELLA COOLA =		\$737,282.50	

Figure 2. CCRD's 2017 Strategic Priorities and Goals (extract from CCRD Board Meeting Agenda Package, p. 25)

The 2017 Strategic Priorities and Goals:		
Weight	Factor	Measure/Goal
40%	Airport Management Plan	<ol style="list-style-type: none"> Start Tree Clearing Project by 28 February 2017 – GRANT APPROVAL DEPENDENT <ol style="list-style-type: none"> Permitting, engineering, surveying – complete by 31 March 2017 Tendering Process – complete by 30 April 2017 Felling and Clearing Obstacles – complete by 30 September 2017 Level, rotovate and seed – complete after fire risk season or 1 December 2017 Engage in discussions with Nuxalk Nation regarding long term sustainability of Airport (hold 3-4 meetings during 2017) Develop options report for monitoring activities and airport (i.e. landing fees) – complete by 30 June 2017 Advocate with province for the airport access road to be paved as a priority (DEPENDENT ON A PAVING CREW COMING TO VALLEY IN 2017)
35%	Centennial Swimming Pool upgrade	<p>Complete the following steps by December 31, 2017:</p> <ol style="list-style-type: none"> Study alternative liner options. Replace if suitable cost effective alternative is identified: BOARD BUDGET APPROVAL DEPENDENT ITEM Complete pool tank conceptual design options and assist commission with public consultation if significant variation from existing tank: BOARD BUDGET APPROVAL DEPENDENT ITEM Complete full scale design and engineering detail cost estimates for the mechanical system and mechanical building and obtain Vancouver Coastal Health Approval; Conduct Public Consultation re: pool tank and mechanical options – assessing appetite for borrowing and willingness to pay; Submit Strategic Priority Fund grant application (or alternative grant combination) if a suitable pool tank replacement option and funding formula are arrived at by Board and Commission; and Begin collaborative engagement efforts to gauge interest in a new swimming pool facility (the start of the longer term possibility project).
25%	Official Community Plan	<p>Complete:</p> <ol style="list-style-type: none"> Terms of Reference by Spring 2017; Background research by Summer 2017; Community Workshops by Fall 2017; Mid-term report on OCP by December 31, 2017

Figure 3. CCRD: Assessed Property Value & Tax Contribution by Area, 2016

<p>AREA A (Denny Island, Ocean Falls, Oweekeno): Assessed property value: \$9,039,941 = 40.9% Tax contribution: \$207,812 in taxes = 31.4%</p>	<p>AREA D (Hagensborg): Assessed property value: \$4,126,472 = 18.7% Tax contribution: \$144,645 in taxes = 21.8%</p>
<p>AREA B (Bella Bella): Assessed property value: \$182,457 = 0.8% Tax contribution: \$3,956 in taxes = 0.6%</p>	<p>AREA E (Bella Coola, town site): Assessed property value: \$1,591,378 = 7.2% Tax contribution: \$55,783 in taxes = 8.4%</p>
<p>AREA C (Bella Coola Valley, upper end): Assessed property value: \$7,142,260 = 32.3% Tax contribution: \$250,357 in taxes = 37.8%</p>	

Figure 4. CCRD Converted Assessment

	Area A	Area B	Area C	Area D	Area E	Total
Total Converted Assessment	\$9,189,693	\$182,457	\$7,178,756	\$4,135,482	\$1,594,978	\$22,281,366
% of total	41%	1%	32%	19%	7%	100%
Residential Converted Assessment	\$3,527,320	\$111,690	\$6,208,198	\$3,385,423	\$617,425	\$13,850,056
Business Converted Assessment	\$1,722,521	\$13,122	\$426,349	\$518,015	\$942,319	\$3,622,326
Light Industry Converted Assessment	\$530,672		\$23,800	\$26,588	\$3,944	\$585,004

CCRD CAO

From: Central Coast Chamber of Commerce <cccexec@gmail.com>
Sent: April-06-17 8:20 AM
To: CSCD.minister@gov.bc.ca
Cc: 'CCRD CAO'; asayers@ccrd-bc.ca; 'Richard Hall'; fjohnson@ccrd-bc.ca; 'Reginald Moody-Humchitt'; 'Samuel Schooner'; 'Greg Fletcher'; 'Andrew Hory'; 'Rice.MLA, Jennifer'
Subject: Restructure of Central Coast Regional District, request
Attachments: CCRD Restructure, CCCC-DICDA request, 06Apr17.pdf

Dear Sir,
Please find attached our Request for consideration of structural changes to the Central Coast Regional District (CCRD) and assistance in exploring the move of Denny Island to the Regional District of Mount Waddington (RDMW). A hard copy of this letter will follow via regular mail.

Thank you for your time and attention. We look forward to hearing from you at your earliest convenience.

cc:
CCRD Acting CAO Donna Mikkelson
CCRD Board Chair Alison Sayers
CCRD Directors Richard Hall, Frank Johnson, Reg Moody and Samuel Schooner
RDMW CAO Greg Fletcher
RDMW Board Chair Andrew Hory
MLA, North Coast, Jennifer Rice

Regards,

Ana Santos, President
Central Coast Chamber of Commerce/Denny Island Community Development Association
Tel. 604.892.0305
www.dennyislandbc.ca

Board Meeting
APR 13 2017
CCRD ITEM F(a)