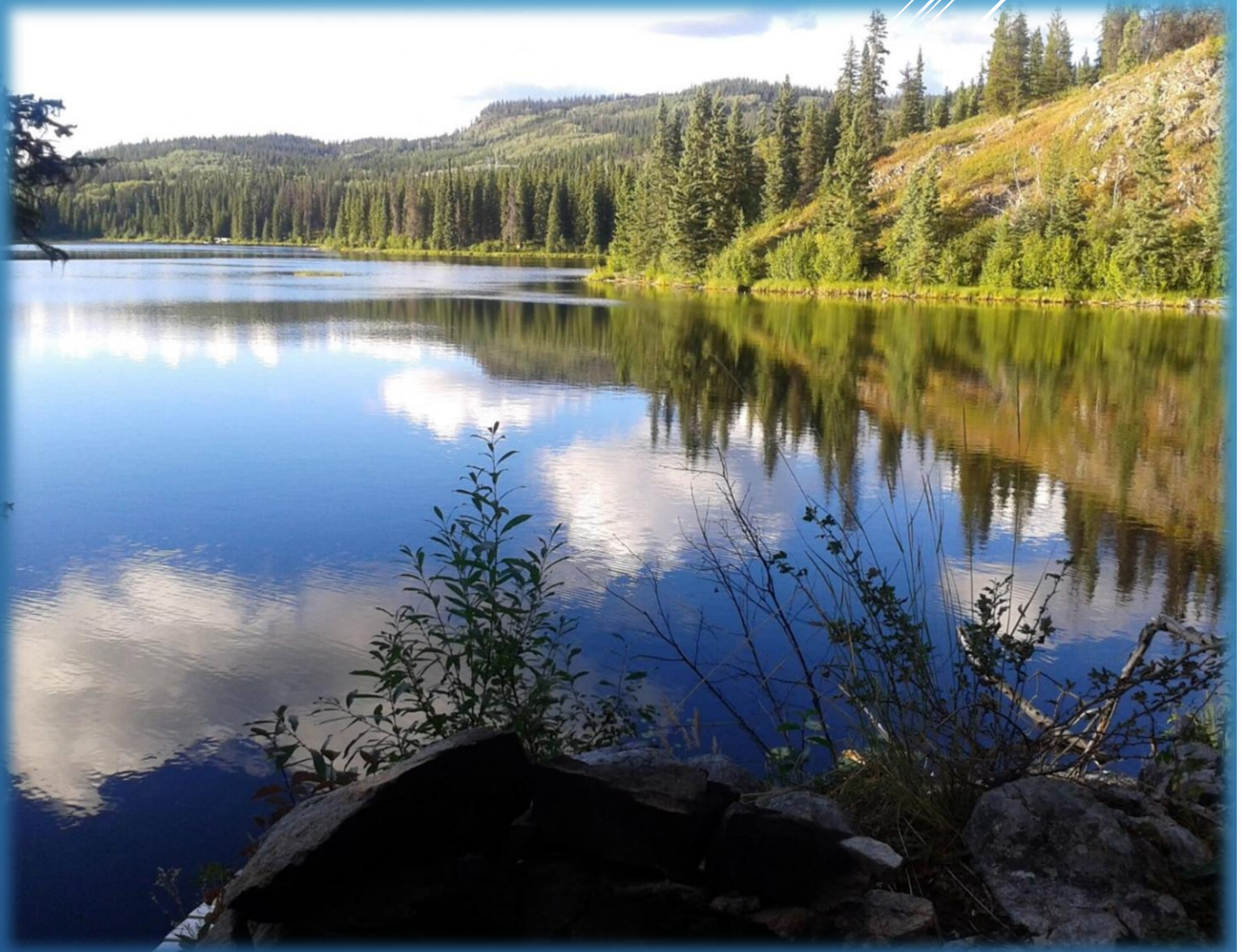


COMFOR MANAGEMENT SERVICES LTD.



ANNUAL REPORT

November 1st, 2018 to October 31st, 2019



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ComFor Management Services Ltd.

Corporate Data



Office Location: 153 Francois Lake Drive
P.O. Box 788
Burns Lake, B.C. V0J 1E0
Telephone: (250) 692-7724
Email: info@blcomfor.com
Website: www.blcomfor.com

Staff: Frank Varga, General Manager
Ron Harrison, RFT Area Supervisor
Michaela Collier, GIS Analyst
Colleen Piper, Executive Assistant/Accounting
Reg Blackwell, Equipment Operator

Auditors: Edmison Mehr, Chartered Accountants Smithers

Bank: Royal Bank of Canada, Burns Lake Branch

Board of Directors:

| | |
|------------------------------|---|
| Crystal Fisher, President | <i>(Member of the Public at Large)</i> |
| Tara William, Vice President | <i>(Wet'suwet'en First Nation)</i> |
| Johnny Janzen, Secretary | <i>(Member of the Public at Large)</i> |
| Lloyd Adams, Director | <i>(Burns Lake Band)</i> |
| Jeff Brown, Director | <i>(Office of the Wet'suwet'en Hereditary Chiefs)</i> |
| Paul Davidson, Director | <i>(Member of the Public at Large)</i> |



COMFOR MANAGEMENT SERVICES LTD.

153 Francois Lake Drive, P.O. Box 788
Burns Lake, B.C. V0J 1E0
(250) 692-7724
info@blcomfor.com

Mission Statement

Comfor Management Services Ltd. (CMSL) and subsidiary (**Burns Lake Community Forest Ltd.**) manage and operate the Community Forest K1A License Agreement in a safe, profitable, and innovative manner that enhances the forest resource while respecting the principles of integrated use, environmental stewardship, and public consultation. The corporation's harvesting, silviculture, and forest management activities provide benefits for the Province of British Columbia, the Village of Burns Lake, First Nations partners, all residents of the Lakes Timber Supply Area, and local and regional wood processing facilities in a sustainable manner.

Values

- 1. Safety**
- 2. Profitable**
- 3. Innovative**
- 4. Enhance the forest resource**
- 5. Integrated use**
- 6. Environmental stewardship**
- 7. Public consultation**
- 8. Benefits to the Province, Village, First Nations, and residents**

Guiding principles

1. Safety will be the highest priority for BLCF, its employees, contractors, and consultants while conducting work for and on behalf of BLCF. In addition, the safety of the public will be paramount within the BLCF tenure area.
2. BLCF will pursue opportunities to realize the best return from timber harvesting, provide sufficient revenue to pay for management of the CF and provide a financial return to the Province, shareholders, stakeholders, and the community.

3. BLCF, in conducting its communication, planning, operational, and silviculture activities, will seek innovative approaches and solutions to these activities.
4. BLCF will strive to continually enhance all forest resources, including timber, wildlife, cultural recreational, aquatic, and aesthetic within the community forest area.
5. BLCF, while conducting its activities, will strive to consider and incorporate other forest uses within the community forest area.
6. BLCF will incorporate sound science-based information recommendations in its forest management activities.
7. The province, First Nations, local governments, stake holders and the community will be consulted regarding proposed activities within the community forest area.
8. Taxes, royalties, rents, disbursements, donations, and other benefits will be distributed to the province, local government, shareholders, stakeholders, and the community from the profits generated from the community forest. Goods, labour, and services will be sourced from the local area to the extent it is available and cost effective to do so,

Vision

CMSL will be the top performing community forest in British Columbia:

- In operating safely and profitably,
- In providing benefits to **the province**, our shareholders, partners, **First Nations** and residents of the Lakes Timber Supply Area,
- In providing opportunities for local employment to residents and First Nations,
- In increasing forest productivity in an **innovative** and environmentally sustainable manner,
- In supporting opportunities for integrated use,
- In ensuring the public and stakeholders are provided with opportunities for input into how the community forest is managed in an open and transparent manner.



To the residents of the Lakes District:

As the Mayor of Burns Lake, I look forward to receiving the Annual Report from Comfor Management Services Ltd. Burns Lake Comfor is an integral part of our ability as a community to have greater control over the industry that drives our economy. Through locally managed community forests, we benefit from direct employment, funding support for local events and organizations, in addition to a portion of the earnings flowing directly to the municipality to fund essential projects.

I would like to thank the Board of Directors of Comfor Management Services for their commitment to serving the community. As we move into a new phase in the forest industry, we need to change practices to ensure that forests are healthy and vibrant, that communities are protected from wildfire and that the sector remains an economic powerhouse. The burden to apply innovative practices and advocate for necessary changes will be significant, and as the Board of Directors, you will be at the forefront of shaping these changes.

2020 will be an important year for the forest industry in the Lakes TSA. I believe that Comfor Management Services Ltd. is well-positioned to play a crucial role in stabilizing and, eventually, growing our local forest industry. I look forward to working with the Community Forest Board of Directors to achieve the goals set out in the strategic plan. On behalf of the Village of Burns Lake Council, we wish the board and staff for Comfor Management Services Ltd. the very best in the coming year!

Sincerely,

A handwritten signature in blue ink, appearing to read "Dolores Junk", written over a circular blue stamp or seal.

Dolores Junk

Mayor Village of Burns Lake

www.burnslake.ca

Phone: 250-692-7587
PO Box 570
Burns Lake, BC V0J 1E0





Burns Lake Community Forest Ltd.

Your Community-Owned Forest Company

General Manager's Report

On behalf of the board of directors, I am pleased to present this report regarding the activities and operations of Burns Lake Community Forest Ltd. (BLCF) from November 1, 2018, to October 31, 2019.

The community forest agreement area consists of 92,278.8 hectares of Crown land. From this total, just over 62,000 ha is part of the timber harvesting land-base from which BLCF harvested 160,794 m³—supplying saw logs to Babine Forest Products Ltd., Decker Lake Forest Products Ltd., Pacific Timber Ltd.,



| | |
|-----------------------------|------------------------|
| Annual Allowable Cut (AAC): | 225,000 m ³ |
| Harvested | 160,932 m ³ |
| Four-Year-Cut Control | 900,000 m ³ |

The AAC was reset for BLCF as of May 1, 2016, to 225,000 m³ per year, 900,000 m³ for the period, until 2020. We completed extensive wildfire hazard abatement works with the support of Forest Enhancement Funding in the amount of \$599,877.32.

BLCF generated the following employment hours by hiring local contracting companies to harvest 100 per cent of BLCF's fibre, as well as two seasonal equipment operators for road maintenance:

| | |
|-------------------|--------------------------------------|
| Logging | 45,201 |
| Hauling | 45,910 |
| Road building | 8,750 this includes road maintenance |
| Silviculture | 18,500 |
| Forest management | 4,250 |

Approximately 122,611 hours of employment were generated by the community forest this fiscal year.

2018/2019 was a very busy fiscal year for BLCF. We successfully maintained our Forest Stewardship Council Certified and SAFE Company Certification. We fully implement the efforts of hazard abatement on Boer Mountain. We continued our work and efforts on the Mountain Pine Mitigation.

Over 1.2 million seedlings were planted by a local contracting company, consisting of a species mix of spruce, pine, Douglas fir and western larch. This technique is used to enhance the resilience of a plantation to the risk of insects, disease and fire resilience.

Burns Lake Community Forest continued its efforts to seek public input into the proceedings of the community through attending local events and activities.

Comfor Management Services Ltd. (Comfor) held its fifth annual Public Information Open House while also hosting a BBQ on July 25th, 2019. It was a very successful event which close to 300 community members attended. The open house is held annually to meet Community Forest Agreement K1A requirements, as well as to provide an opportunity for the community to meet the directors and staff. Because open and transparent governance is a commitment of the Community Forest, an opportunity was also provided to present the operational Landscape Fire Management Plan and learn about operations, as well as the vision and mission for the future of the community forest

Frank Varga, General Manager, Crystal Fisher, President and BLCF Staff handed out balloons, tree seed kits, and community forest information at BLCF's Lakes District Annual Fall Fair booth. A continuation of our efforts for community engagement. 90 surveys were completed and BLCF was pleased with the diversity of perspectives and number of responses regarding activities. The information was valuable to the Board of Directors as they worked to set a strategic vision for long-term sustainability.

Burns Lake Community Forest sponsors and attends the Annual Business Excellence Awards showcasing our commitments to support local businesses, economic development, and diversification in the Lakes District. In 2019 BLCF was proud to receive the Resource Industry Award.

Frank Varga General Manager hosted a field tour of the operation activities for hazard abatement at Boer Mountain.

BLCF BBQ trailer unit continues to be popular and has proven to be a valuable resource for community groups to use, for events, fundraisers, and Sports Day.





Burns Lake Community
Forest Ltd.

Current 5 Year Plan
Target Areas

LEGEND

- Year 1 Blocks
- Year 2 Blocks
- Year 3 Blocks
- Year 4 Blocks
- Year 5 Blocks
- Deferred Blocks
- LCM
- PR Visual Zone
- Retention Visual Zone
- OGMA

Other Features

- K1A Boundary
- Unharvested K1A Blocks
- Harvested K1A Blocks
- Hydro Line
- Pipe Line
- K1A Road Permit Roads
- Other Licensee Blocks
- Lakes

Survey: Northern Interior
Zone: 14
Timber Supply Area: 14 (Lakes)
Inventory Region:
Priority 22 (Harvesting)
Forest Inventory Zone II
7000 Burns
200m Road 15
Watercourse: Abies
Elevation: 1300-1320 011 0' 2' 0" 2' 22' 223
121 121 305 30 009 006



Date: 17/05/2018
Drawn by: Mrs. Ward
Burns Lake Community Forest
153 Franco's Lake Drive
Burns Lake, B.C.
V1J 1C5

Phone: 250.252.7724 Ext. 206
Fax: 250.466.7707

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Meters



Burns Lake Community Forest Ltd.

Donations Policy Report 2018 /2019

The Burns Lake Community Forest Ltd. Donations Committee approved all donations, to October 31, 2019, fiscal year that met Donations Policy 2017-2018-01 criteria.

\$214,145.80 was donated to local education, service clubs, outdoor recreation, recreation facilities, sports teams, and events in the Lakes Timber Supply Area.

The Lakes District Art Council received \$10,000 for the 2019 Arts Season.

BLCF provided funding to many local sports groups this fiscal year including North Central Pitbulls, Burns Lake Snowmobile Club, Dayee Yez Hockey Youth Program, Burns Lake Youth Soccer, Burns lake Ladies Fastball, Burns Lake Mountain Biking Association, Burns Lake Paintball Association, Bulkley-Lakes-Nechako Zone 11 BC Senior Games, Spirit North Biking Program, and Burns Lake Minor Hockey Association.

Supporting local mental health and disaster response we provided \$,1600.00 to the First Responders Cafe Society for program expansion - a group of volunteers that help in times of disaster and emergency response. A donation for \$5,000.00 went to the Burns Lake & District Seniors Society for the Burns Lake & District Healthcare Facility Commemorative Wall. Burns Lake Public Library received \$6,214.00 towards Library Update Literacy, The Animal Friendship Society received \$5,000.00 towards the completion of the Dog Park. Lakes District Fall Fair received \$11,000.00 towards the construction of Fair Grounds building. The Burns Lake Beacon Theatre received \$100,000.00 towards major structural repairs required to be able to keep the theatre open.





Funding was also provided to many school projects such as LDSS 91 Graduation Support, LBN Youth Group Program, Literacy Outreach – WOW Bus Reading Program, Wet'suwet'en First Nation Annual Education Awards Day, and a Scholarship was awarded to a deserving student.

The Chamber of Commerce received \$5,000.00 for the printing of Tourism Booklets and \$2,000.00 towards the Business Excellence Awards Evening and \$500.00 for Canada Day celebration.

Burns Lake Rotary Club received \$2,000.00 for the 2018 Rotary Auction.

The Bulkley Valley Research Center received \$5,000.00 for the Northern Wildfire Workshop.

Cops for Cancer received \$2,000.00 for Tour De North Ride – RCMP Burns Lake Detachment.

Wet'suwet'en First Nation Band received \$3,000.00 for their annual Elder/Youth Golf Charity Event.

B. L. Native Development Corp. received \$1,000.00 for their June 2019 National Indigenous People's Day Celebration.

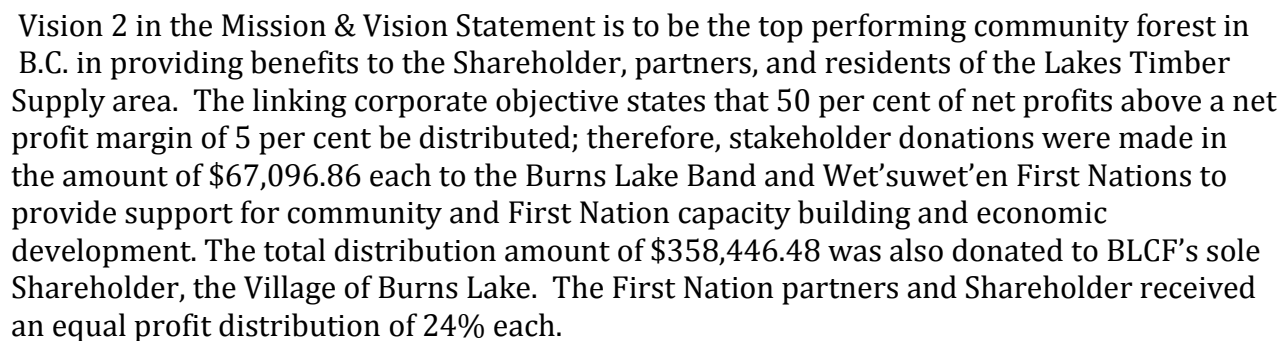
Lakes Outdoor Recreation Society received \$3,500.00 for Recreation Site Maintenance.

Community Cancer Care Team received \$2,000.00 for the 8th Annual Chip Run.

\$2,000.00 was donated to the Regional District of Bulkley Nechako Northern Emergency Support Service Training.



K1A boundary area pictured below with 5-yr development planning



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Burns Lake Community Forest Ltd. Donation Report

November 1, 2018 ~ October 31, 2019

| Date: | Donated to: | Reason | Amount |
|--------------|---------------------------------------|---|----------------------|
| 07-Nov-18 | Wet'suwet'en First Nation | Elders/Youth Christmas Dinner | \$ 400.00 |
| 22-Nov-18 | Burns Lake Band | Christmas Dinner | \$ 750.00 |
| 21-Nov-18 | Burns Lake Rotary Club | 2018 Rotary Auction | \$ 2,000.00 |
| 07-Dec-18 | Burns Lake & District Seniors Society | B.L. & District Healthcare Facility Commemorative Wall | \$ 5,000.00 |
| 14-Dec-18 | North Central Pitbulls | Tournament Expenses | \$ 5,000.00 |
| 31-Jan-19 | Burns Lake Snowmobile Club | Cold Smoke Drags | \$ 1,000.00 |
| 05-Feb-19 | Lakes District Arts Council | 2019 Arts Season | \$ 10,000.00 |
| 28-Feb-19 | Chamber of Commerce | Tourism Booklets | \$ 5,000.00 |
| 20-Feb-19 | Bulkley Valley Research Center | Northern Wildfire Workshop | \$ 5,000.00 |
| 01-Mar-19 | OWFN | Donation Support - 50,000 | |
| 04-Mar-19 | LDSS 91- Grad Class | Graduation Support | \$ 1,000.00 |
| 08-Mar-19 | Dayee Yez Hockey- Youth program | First Nation Youth Hockey Program | \$ 1,500.00 |
| 08-Mar-19 | LBN Youth Program | Gov trip | \$ 2,500.00 |
| 09-Mar-19 | Literacy Outreach | Wow Bus Reading program | \$ 4,500.00 |
| 18-Mar-19 | Public Library | Library update literacy | \$ 6,214.00 |
| 04-Apr-19 | Burns Lake Chamber | Canada Day | \$ 500.00 |
| 14-Apr-19 | First Responders Café | Program Expansion | \$ 1,600.00 |
| 14-Apr-19 | Animal Friendship Society | Dog park | \$ 5,000.00 |
| 16-04-2019 | Burns Lake Show & Shine | Car Show | \$ 500.00 |
| 18-04-2019 | LDFA | Fair Grounds building | \$ 11,000.00 |
| 05-Aug-19 | Burns Lake Youth Soccer | Youth Activity- Club Donation | \$ 5,000.00 |
| 30-May-19 | Cops for Cancer | Tour De North Ride for Cancer _RCMP Detachment Bl | \$ 2,000.00 |
| 30-May-19 | Woodlot AGM | AGM Sponsorship | \$ 2,000.00 |
| 06-Jun-19 | WFN Golf Charity Event | Elder/Youth Charity Fund Raiser | \$ 3,000.00 |
| 19-Jun-19 | Burns Lake Native Development Cor | June 21/19 National Indigenous People's Day Celebration | \$ 1,000.00 |
| 02-Jul-19 | Burns Lake Ladies Fastball | Tournament Fee Sponsorship & Team Shirts | \$ 950.00 |
| 04-Jul-19 | Burns Lake Mountain Biking Assoc. | Big Pig Mountain Biking Festival | \$ 500.00 |
| 05-Jul-19 | Lake Outdoor Recreation Society | Recreation Site Maintenance | \$3,500.00 |
| 08-Jul-19 | Community Cancer Care Team | 8th Annual Chip Run | \$ 2,000.00 |
| 15-Jul-19 | Burns Lake Paintball Association | Airsoft Rental Equipment & Safety Gear | \$ 5,576.80 |
| 17-Jul-19 | Wet'suwet'en First Nation | Annual Education Awards Day | \$ 1,500.00 |
| 24-Jul-19 | District Chamber of Commerce | Business Excellence Awards Evening | \$ 2,000.00 |
| 25-Jul-19 | Bulkley-Lakes-Nechako Zone11 | BC Senior Games | \$ 350.00 |
| 12-Aug-19 | Spirit North Biking Program | Purchase of Mountain Bikes | \$ 5,000.00 |
| 16-Aug-19 | Lake Babine Nation | 21st Annual General Assembly | \$ 175.00 |
| 23-Aug-19 | The Terry Fox Foundation | Annual Terry Fox Event Francois Lake Hall | \$ 500.00 |
| 23-Aug-19 | Carrier Sekani Tribal Council | 2019 Annual General Meeting Assembly | \$ 500.00 |
| 30-Sep-19 | Community Safety Net | Burns Lake District Drug Safety Project | \$ 1,260.00 |
| 30-Sep-19 | Scholarship | Braden Puglas | \$ 1,000.00 |
| 03-Oct-19 | Ducks Unlimited Canada | Supporting Fundraising Dinner | \$ 250.00 |
| 09-Oct-19 | BL Minor Hockey Association | BL Bruins Female Rec Hockey Team - ice rental etc. | \$ 2,720.00 |
| 15-Oct-19 | Burns Lake Fire Training Society | Property Donation-Fire Training \$58,500.00 | |
| 23-Oct-19 | Rotary Radio Auction | 4 Commerce Gift Certificates and Cash Donation | \$ 2,000.00 |
| 31-Oct-19 | Regional District of Bulkley Nechako | Northern Emergency Support Service Training -Conferen | \$ 2,000.00 |
| 31-Oct-19 | Burns Lake Beacon Theatre | Major Structural Repairs | \$ 100,000.00 |
| 31-Oct-19 | Burns Lake Fire Fighters Association | 49th Annual Bonspiel - purchase of draw prize | \$ 900.00 |
| TOTAL | | | \$ 214,145.80 |

Total amount donated to the community this reporting period.

Provincial Community Forest Agreement Program Objectives and Strategies

The Community Forest Agreement illustrates specific program objectives. The following illustrates how Burns Lake Community Forest Ltd. (BLCF) will adhere to these provincial community forest agreement objectives:

1. Objective: Provide long-term opportunities for achieving a range of community objectives, values, and priorities.

BLCF will operate in a manner that encourages forest and forest resource sustainability and that enables forestry and tourism to prosper and attract new investment. BLCF will conduct operations in a manner that provides sufficient habitat of the quality required to support healthy fish and wildlife populations.

2. Objective: Diversify the use of and benefits derived from the community forest agreement area.

BLCF will promote diverse economic opportunities through profit sharing. Community-based initiatives will be supported with the profit from timber harvesting and utilization of other land-based harvesting.

3. Objective: Provide social and economic benefits to British Columbia.

BLCF will utilize the full allocated AAC, maintain a sustainable timber supply and manage the Community Forest area in a manner that promotes long-term forest health.

4. Objective: Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values.

BLCF will practice environmental stewardship by identifying and using the most current best management practices with which to operate the community forest. BLCF will seek opportunities to advance knowledge through experience and education and will seek out alternative or innovative approaches to forest management.

5. Objective: Promote community involvement and participation.

BLCF will operate in a transparent manner to strengthen relationships with government, local area residents, and First Nations. BLCF will encourage community awareness and participation in community forest activities and opportunities.

6. Objective: Promote communication and strengthen the relationship between Aboriginal and non-Aboriginal communities and persons.

BLCF has committed to a business environment that is transparent and open to the participating communities' collaboration and input. BLCF will implement management practices that conserve and protect cultural values. BLCF will strive to reach decisions on important matters on the basis of consensus.

7. Objective: Foster innovation.

BLCF will seek opportunities to advance knowledge through experience and education. BLCF supports community efforts to develop comprehensive training, and education programs that would contribute to innovative forest management.

8. Objective: advocate forest worker safety

BLCF advocates for worker safety by using contractors with demonstrated and documented safe work practices and will include SAFE certified contractors.

Burns Lake Community Forest Ltd. is committed to meet the provincial Community Forest Program Objectives for the use of and the benefits of the stakeholders within the CFA area.

GUIDING PRINCIPLES

BLCF will be guided by the following principles to ensure the Community Forest will meet the stated objectives:

BLCF commits to manage the forest on the basis of integrated resource management following the objectives of the Lakes North and Lakes South Sustainable Resource Management Plans ("SRMP"). This philosophy is expected to improve the quality of life for the people of the community. We will continue to strive toward compatible management of our timber and non-timber resources.

The community forest commits to a business environment that is transparent and open to the participating communities' collaboration and input.

BLCF commits to higher levels of cooperation and communication with local private land owners and First Nations. This level of communication is anticipated to optimize the identification of educational opportunities, forest health concerns, and overall management.

SOCIAL, ECONOMIC, AND BROAD RESOURCE MANAGEMENT GOALS

BLCF will follow an integrated resource management approach with an emphasis on creating employment opportunities involving a variety of forest resources. Management strategies will adhere to the following social, economic and broad resource management goals to benefit residents of the community of Burns Lake and the province:

Social

Encourage community stability by promoting diverse economic opportunities. Provide mechanisms for building community awareness and participation in community forest activities and opportunities that bring the various communities together. Encourage education opportunities in the forest industry with local colleges.

Economic

Fully utilize the harvesting opportunities granted under the CFA in a manner that is sustainable. Provide and promote opportunities for a range of forest and non-timber forest products.

Broad Resource Management

Manage the Burns Lake Community Forest in a manner that is guided by the Lakes North and South SRMPs to promote long-term forest health, protection of forest diversity, provide sufficient habitat required to support healthy fish and wildlife populations, and protect water quality.

BLCF strategy sets the foundation for meeting the following provincial community forest agreement program objectives.





BURNS LAKE COMMUNITY FOREST LTD.

Reporting Period: November 1, 2017, to October 31, 2018

C: Completed ON: Ongoing IP: In Progress

SAFETY: Safety will be the highest priority for BLCF, its employees, contractors, and consultants while conducting work for and on behalf of BLCF. In addition, the safety of the public will be paramount within the BLCF tenure area.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|---|---|--|---|--------|
| Zero loss time for employees and contractors. | #14 Forest Worker Safety | Advocate forest worker safety | Maintain a safety program for company employees. | ON |
| | | | Ensure all active roads are signed and road channels clearly marked. | ON |
| | | | Ensure all "active hauling " signs are kept current. | ON |
| | | | Encourage all contractors and consultants working on behalf of the BLCF to be SAFE Certified. | ON |
| | | | Incorporate an "active hauling" warning on the BLCF website. | ON |
| | | | Status: All safety commitments are being met and are ongoing. | |

BLCF ensures all activities on the community forest are undertaken in a safe manner. All safety plans are updated and reviewed annually, as well as regular safety meetings conducted. Zero time was lost due to accidents for employees and contractors this reporting period. BLCF is now Safe Certified.

PROFITABLE: BLCF will pursue opportunities to realize the best return from timber harvesting, provide sufficient revenue to pay for management of the CF, and provide a financial return to the Province, shareholders, stakeholders, and the community.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|-------------------------------|---|--|--|--------|
| Net profit margin of 5%. | #2 Total Economic Activity | Provide economic and social benefits to B.C. | Continue to use an annual operational plan. | ON |
| Return on equity of 20%. | #5: Cut Control | | Develop and revise five and ten-year-plans based on information from a spatially-explicit forest estate modelling tool such as Patchworks. | IP |
| | | | Explore new market opportunities for saw logs, bioenergy fibre, and pulp logs. | IP |
| | | | Revise the harvesting and marketing strategy for the era when harvesting priorities will shift away from salvage. | C |
| | | | Status: All commitments are underway. | |

BLCF manages the community forest in a manner to produce a continuous flow of logs and revises the harvesting strategies, as necessary, due to the changing operating conditions. BLCF had a profit from operations of \$801,957 this reporting period. \$282,693 in stumpage revenue was provided to the government, \$358,446.48 was distributed each to the Shareholder and First Nations partners, and \$291,349.62 was donated to the community this fiscal year.

INNOVATIVE: BLCF, in conducting its communication, planning, operational, and silviculture activities, will seek innovative approaches and solutions to these activities.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|---|--|--|---|--------|
| Increase the amount of volume that is currently below utilization of all species by 50% over the amount in 2013 within 5 years. | #6: Distribution of Log Sales | Foster innovation. | Build analytical forest-level to design a secondary salvage program and a fibre value model for marketing. | C |
| | | | Develop and implement a Mountain Pine Beetle Mitigation (MPB) Project for the community forest. | IP |
| | | | Assess the impact of MPB attack on biodiversity. | ON |
| | | | Identify areas with the highest biodiversity value or potential to focus protection and recovery programs. | C |
| #8 Economic Diversification | Explore options to improve market opportunities. | | IP | |
| | Explore innovative ways to access timber in scenic areas. | | C | |
| | Explore utilization of deciduous to meet timber and non-timber resource values. | | C | |
| | Use improved data such as LiDAR for operational planning and to improve inventory information. | | C | |
| Increase enhanced silviculture treatments a minimum of 200 hectares per year within 5 years. | #16: Management of Sensitive Areas | | Develop silviculture regimes to include understory-protection harvesting, climate change, forest-health factors, and non-timber values. | ON |
| | | | Explore opportunities for extension work with other community forests. | ON |
| | | | Update resource inventories. | C |
| | | | Achieve and maintain Forest Certification. | ON |
| Harvest a minimum of 100 hectares of non-timber harvesting landbase in 5 years. | #17 Forest Stewardship | | Develop a more complete and current set of indicator species to identify options to meet biodiversity objectives. | IP |
| | | | Modify silviculture regimes to address forest management changes in the community forest. | IP |
| | | | Encourage diversity of tree species and age classes across the landscape. | C |
| | | | Status: All commitments are underway. | |

BLCF completed acquisition of Lidar flights of the Community Forest and is currently collecting and analyzing the data. All other projects are currently either completed or ongoing.

ENHANCE THE FOREST RESOURCE: BLCF will strive to continually enhance all forest resources, including timber, wildlife, cultural, recreational, aquatic, and aesthetic within the community forest area.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|--|---|--|---|--------|
| Improve forest productivity on the community forest by 10% in ten years. | #5: Cut Control | Diversify the use of and benefits derived from the cf area. | Undertake treatments on free-growing stands that increase forest health, reduce losses to pests and diseases, and/or improve timber quality in the future. | ON |
| | | | Maintain a basic silviculture program that complies with forest legislation and ensures prompt and appropriate restocking of productive forestland. | ON |
| | | | Identify options to enhance resources valued by the community. | ON |
| | | | Propose silviculture regimes to include understory protection harvesting and: *undertake a demonstration/trial area to test regimes; *identify candidate stands for understory protection harvesting and undertake sensitivity analysis to determine the impacts on timber supply; and *pending successful conclusion of understory protection trails and sensitivity analyses, undertake understory protection logging of candidate stands. | C |
| Salvage all remaining and available MPB stands within five years. | #7: Investments in Intensive Silviculture | Provide long-term opportunities for achieving a range of community objectives, values, and priorities. | Propose a silviculture regime to address non-timber values. | ON |
| | | | Take advantage of external funding for enhanced silviculture programs such as fertilization, improved resource inventories, or ecosystem restoration. | C |
| | | | Maintain a salvage program to remove and reforest as much of the MPB-impacted forest as possible. | C |
| | | | Maintain a basic silviculture program that complies with forest legislation and ensures prompt and appropriate restocking of productive forestland. | C |
| | | | Status: All commitments are underway. | |

BLCF planted over 1,250,000 seedling comprised of a mixture of 40/30/15/15 Spruce,Pine, Fir,Larch in the spring of 2019. We are scheduled to plant an additional 1,100,000 seedlings in the spring of 2020. Free Growing Surveys and stand monitoring are ongoing.

INTERGRATED USE: BLCF, while conducting its activities, will strive to consider and incorporate other forest uses within the community forest area.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|--|---|--|--|--------|
| Respond to comments received on plans within seven days. | #9: Community Accountability | Promote community involvement and participation. | Have a strong commitment to managing the land for all resource values. | C/ON |
| | | | Consult with forest users during operational planning and consider their needs. These users include guider outfitters, trappers, range tenure holders, mining tenure holders, oil & gas companies, and outdoor recreational use. | ON |
| | | | Continue to support local organizations in maintaining and improving recreation sites, trails, and access. | ON |
| | | | Explore developing a new web-based tool to improve the maps and resource information provided to the recreational users and the public by BLCF. | ON |
| Minimum of two public information meetings per year. | #10: Public Engagement | | Explore alternative visual landscape planning approaches and update the visual landscape database. | C/ON |
| | #12: Investments in Recreation | | Provide maps and engage with active trappers and guide outfitters, on the planned annual activities prior to September 1st of each year. | ON |
| | | | Use visual landscape planning principles and design in harvest planning. | C/ON |
| | | | Ensure public access is maintained. | C/ON |
| Status: All commitments are underway. | | | | |

BLCF continues to support the Lakes Outdoor Recreation Society by funding recreation site maintenance, as well as upgrades to sites within the community forest. BLCF also supports the Burns Lake Mountain Biking Association, Omineca Ski Club, Burns Lake Fire Training Society, Burns Lake Paintball Society, among many others in the community.

ENVIRONMENTAL STEWARDSHIP: BLCF will incorporate sound science-based information recommendations in its forest management activities.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|--|---|---|---|--------|
| Zero non-compliance with Forest and Environmental legislation. | #17: Forest Stewardship | Undertake community forestry consistent with sound principles of environmental stewardship that reflect a broad spectrum of values. | Given the impact of forest health factors, use forest management and harvest planning strategies that will sustain the long term productivity of the working forest while minimizing impact on non-timber resources including fish, wildlife, recreation, biological diversity, wilderness and water. | ON |
| | | | Encourage diversity of tree species and age classes across the landscape. | ON |
| | | | Protect biological diversity on the BLCF. | ON |
| | | | Explore ecosystem restoration in areas impacted by the MPB. | ON |
| | | | Complete wildlife habitat modeling for important species and modeling of rare and sensitive ecosystems for use in forest management. | C |
| | #18 Compliance with Environmental Standards. | | Explore alternative approaches to meet environmental protection. | ON |
| | | | Classify areas best able to meet biodiversity objectives using ecological mapping, wildlife habitat modeling, and updated forest inventories. Define biodiversity objectives that are both consistent with regional plans but specific to the BLCF boundaries taking into consideration the impacts of the MPB. | C |
| | | | Respond promptly to road-induced erosion in to in order to minimize environmental damage. | ON |
| | | | Explore funding sources and implementation of ecosystem restoration in areas impacted by the mountain pine beetle. | ON |
| | | | Improve the use of PEM in forest management planning. | ON/C |
| | | Improve stream inventory and classification. | C | |

All commitments are currently complete and ongoing or underway.

PUBLIC CONSULTATION: The province, First Nations, local governments, stakeholders, and the community will be consulted regarding proposed activities within the community forest area.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|--|---|--|---|--------|
| Respond to comments received on plans within seven days. | #9: Community Accountability | Promote community involvement and participation. | Maintain community representation on the BLCF Board of Directors. | C |
| | | | Maintain First Nations representation on the BLCF Board of Directors. | C |
| | | | Continually improve the BLCF website to incorporate more information and make it easier for the public and stakeholders to use. | C/ON |
| | | | Conduct at least one formal public meeting each year to inform the general public of the activities of the community forest. | C |
| | | | Continue to improve and provide consultation opportunities to the public on the management and operations of the BLCF. | C |
| Minimum of two information meetings per year. | #10: Public Engagement | Promote communication and strengthen relationships between | Provide an annual report on the BLCF performance to shareholders, stakeholders, First Nations, and the general public. | C |
| | | | Hold an Annual General Meeting as required by the articles of incorporation. | C |
| | | | Maintain a bulletin board in the local mall, weekly column in the local newspaper, and an "open-door" policy. | C |
| | | | Develop and maintain a Communications Strategy. | C |
| | | | Explore and implement developing a new web-based tool to improve the maps and resource information provided to the recreational users and the public by the BLCF. | ON |
| | #15: First Nations Involvement | Aboriginal and non-Aboriginal communities and persons. | Status: All commitments are complete / ongoing. | |

The six-member Board of Directors currently has three members of the community at large and one member of each the Burns Lake Band, Office of the Wet'suwet'en Hereditary Chiefs, and Wet'suwet'en First Nations. BLCF has a website, Twitter, and Facebook page, weekly Community Forest Corner newspaper ad, and a mall bulletin board. BLCF also hosts an Annual Public Information Open House to provide operational updates to the community.

BENEFITS TO THE PROVINCE, VILLAGE, FIRST NATIONS, AND RESIDENTS: Taxes, royalties, rents, disbursements, donations, and other benefits will be distributed to the province, local government, shareholders, stakeholders, and the community from the profits generated from the community forest. Goods, labour, and services will be sourced from the local area to the extent it is available and cost effective to do so.

| Corporate Objective Statement | British Columbia Community Forest Association Indicator | Province of B.C. Goals of the Community Forest Program | Management Plan 3 Commitments Appendix 10 | Status |
|--|---|---|---|--------|
| 10% of gross profit donated to community groups. | #1 Number of Jobs | Promote communication and strengthen relationships between Aboriginal and non-Aboriginal communities and persons. | Continue profit sharing to participating First Nations as per the Community Forest Agreement. | C |
| | | | Distribute a portion of the cf profits to the Village to support Community priorities when the financial performance warrants it. | C |
| | | | Support jobs for local residents and First Nations. | C |
| 50% of net profit above net profit margin distributed to shareholder and First Nations partners. | #3 Community Contributions | Promote community involvement and participation. | Support local mills whenever feasible by maintaining an inventory of logs "for sale" for local mills. | C |
| | | | Protect and respect the confidentiality of First Nations' cultural resources. | C |
| | | | Continue donations for local community organizations and functions. | C |
| 80% of contracts offered to First Nations | #4 Funds leveraged by community forest contributions. | Diversify the use of and benefits derived from the cf area. | Favor local suppliers, customers, consultants and contractors. | C |
| | | | Continue to pay stumpage, royalties, rents, and taxes as required under the statutes of the Province of British Columbia. | C |
| | | | Support the Provincial Government's agreement with Hampton Affiliates by offering timber to the local mill. | C |
| 80% of contracts offered to local contractors. | #11: Investments in education. | | Provide financial or in-kind support to local organizations and First Nations in support of developing the FireSmart program. | C |
| | | | Support First Nations and Community involvement in the governance and supervision of the BLCF through membership on the Board of Directors. | C |
| | | | Continue to provide opportunities for public recreational use at the current level and to explore opportunities for increase and enhancement in the future. | C |
| 80% of cost of goods sold sourced locally. | #15 First Nations Involvement | | Status: All commitments are complete / ongoing. | C |

As per Community Forest Agreement K1A that the First Nations partners receive 18 per cent of the after tax net profit from the audited financial statements, payments of \$291,349.62 were made to the Wet'suwet'en First Nation and the Burns Lake Band First Nation;

As per the Mission and Vision Statement objective to distribute 50 per cent of net profits above a net profit margin of 5 per cent to the First Nations partners, bonus payments of \$67,096.86 were made to Wet'suwet'en First Nation and the Ts'il Kaz Koh. Total distributions to equally to each \$358,446.48. A distribution was made in the same total amount of the partner payments to the Shareholder, the Village of Burns Lake, in the amount of \$358,446.48.

\$214,145.80 was donated to local service clubs, sports teams, and events.

100% of BLCF's fibre was harvested by local contractors and 85% of goods and services were purchased locally. BLCF also provided \$282,693 in stumpage revenue to the government.

