Operating Plan

FY 2008-2009

This plan has been approved and submitted by the Board for

Community Futures Development Corporation of Stuart Nechako

Address: PO Box 1078, Vanderhoof, British Columbia, V0J 3A0
Phone Number: 250-567-5219

On behalf of the Board

Feb. 10/08

Signature* *Preferably the Chair* **Date**

GEORGE WINTER

Name (Please print)

CHAIR

Title

On behalf of the CF Management

FEB. 10/08

Signature* **Date**

KEITH FEDERINK

Name (Please print)

MANAGER

Title

Date Plan Submitted to WD: **February 11, 2008**

1.0 ORGANIZATION: BASIC INFORMATION (ANNUAL)

1.1 Basic information:

CFDC Legal Name:	Community Futures Development Corporation of Stuart Nechako
Mailing Address:	PO Box 1078, Vanderhoof, British Columbia, V0J 3A0
Location Address:	2750 Burrard Avenue, Vanderhoof, BC
Phone Number:	(250) 567-5219
Fax Number:	(250) 567-5224
General E-Mail:	info@cf-sn.ca
Manager's Email:	gm@cf-sn.ca
Web site:	http://www.cf-sn.ca
Chairperson:	Mr. George Winter
Address:	52605 Guest Road, Vanderhoof, BC V0J 3A3
Chair's EMail:	gwinter@telus.net

1.2 List of Staff

Name	Position	Phone	% WD Core
Keith Federink	General Manager	(250) 567-5219	100
Trudy Vandelaar	Administrative Coordinator	(250) 567-5219	100
Graham Stanley	Business Analyst	(250) 567-5219	100
Janine Payne	Financial Support Officer	(250) 567-5219	100
Barry O'Brien	Project Coordinator	(250) 567-5219	0

1.3 Board of Directors

Name/Position	Committees	Representation
George Winter, Chair	Executive, Finance, Marketing, Business Loans	Cluculz Lake
Gene Mitran, Vice Chair	Executive, Marketing, Business Loans, Progress House, Finance	Vanderhoof
John Thobo-Carlsen, Treasurer	Executive and Business Loans, REDI, Seniors, Finance	Fort St James
Marjorie Gammond, Secretary	Executive, Marketing, Nechako Watershed Council, Finance	Fort Fraser, Fraser Lake
Mickey Bisanz, Director	Business Loans	Fraser Lake
Dave Wiebe, Director	Agriculture	Vanderhoof

2.0 DESCRIPTION OF ORGANIZATION

Community Futures Development Corporation of Stuart Nechako (CFDC-SN) is a federally incorporated (1995) not-for-profit organization governed by a volunteer Board of Directors made up of representatives from throughout the Stuart-Nechako region. Community Futures have recently undergone a branding planning session and our organization will be now known as Community Futures Stuart Nechako (CFSN).

2.1 Organizational Structure and Operations

- ***Board Structure and Committees***

  Our volunteer Board currently consists of six members with room for an additional six. There are representatives from the communities of Cluculz Lake, Fort Fraser, Fort St. James, Fraser Lake and Vanderhoof. Our Board of Directors meets monthly to determine the overall direction, focus and policies of CFSN.

  Our Committees consist of: ***Business Loans, Personnel, Marketing, Education*** and ***Finance***. Sub-committees and steering committees are struck from time-to-time to undertake specific projects and initiatives. Our chairperson, members of the Board and business and community volunteers from throughout the region are encouraged to participate on our committees and sub-committees. Our Board Chair and one of our other directors are also appointed members of the Board for the Stuart Nechako Regional Economic Development Society (REDI). As well as, our vice-chairperson has been appointed to the board of Progress House Boutique Manufacturing Incubator – Materials Testing Lab.

- ***Organizational Structure & Responsibilities***

  The current full-time staff compliment at CFSN consists of a **General Manager** who reports directly to the Board of Directors and is responsible for overall CF operations; an **Administrative Coordinator** who is responsible for office administration and reception; a **Business Analyst** who is responsible for business development and loans; **Financial Support Officer** who is responsible for bookkeeping, accounts and budget administration; and a **Project Coordinator** who is responsible for CFSN projects, assists with research projects and business analysis. All staff report directly to the General Manager while implementing action plans, projects and carrying out daily tasks. Full job descriptions for all positions are available upon request.

  In addition, temporary employees and/or sub-contractors are hired to implement specific projects that CFSN initiates. CFSN currently has one such on-call contractor to handle the technical aspects of the website maintenance and another for contract writing as required from time-to-time.

- ***Office Locations and Coverage of Communities***

  From offices in Vanderhoof the staff of CFSN serve the three municipalities of Fort St. James, Fraser Lake and Vanderhoof; the seven First Nations communities of Nad'leh Whuten, Nak'azdli, Saik'uz, Stellat'en, Takla, Tl'azt'en and Yekooche and numerous unincorporated communities throughout the Stuart Nechako Region.

- ***Staff and Board Training Plans***

Training will be provided to staff and board as opportunities become available. Having the video conferencing equipment in the CF office will increase instructional opportunities as well as facilitate peer group dialogue.

Board members and other volunteers see video conferencing as the perfect vehicle for delivering training modules and orientation sessions. They also recognize the potential opportunities to become more involved at a regional level – possibly participating on regional volunteer communities.

- ***Subsidiaries and Related Entities – None***
- ***Committed Long-Term Community and Government Partners***
  - Western Economic Diversification Canada (WD)
  - Nechako Kitamaat Development Fund Society
  - Service Canada
  - Stuart Nechako Regional Economic Development Society (REDI)
  - Regional District of Bulkley Nechako (Areas C, D & F)
  - District of Fort St. James
  - Village of Fraser Lake
  - District of Vanderhoof
  - Vanderhoof Chamber of Commerce
  - Fort St James Chamber of Commerce
  - Nak'azdli First Nation
  - Saik'uz First Nation
  - Takla Lake Band
  - Tl'azt'en Band
  - Yekooche Band
- ***Project Partners***

  Progress House
  - National Research Council's IRAP Program
  - CANMET Energy Technology Centre
  - Omineca Beetle Action Coalition (OBAC)
  - Saik'uz First Nation
  - Ministry of Small Business
  - School District #91
  - Centre for Applied Renewable Energy
  - Cascadia Institute
- ***Funding Partners***
  - Western Economic Diversification Canada (WD)
  - Western Economic Diversification Canada (WD) – CEDI funding
  - Nechako Kitamaat Development Fund Society
- ***Services Offered***
  - Business Loans Program
  - Business Development Counselling
  - Regional & Community Economic Development
  - Aboriginal Outreach Program
  - Community Access Point
  - Business Development Library
  - Meeting/Training Facilities
  - Video Conferencing Facilities

2.2 CFDC's Policies Related to Board of Directors, Investment Fund Management, Conflict of Interest

Reported on in 2007-08 and therefore next report will be filed in 2012 unless changes are made in the interim.

2.3 Service Area Description:

2.3.1 Demographic Information

The Stuart Nechako is a sub-region of the Regional District of Bulkley Nechako and is home to 14,860[1] people living in small towns, rural settings and remote communities, including seven First Nations. The largest centre is the District of Vanderhoof followed by the District of Fort St James and the Village of Fraser Lake. Prince George – located 97 km east of Vanderhoof – is the regional service centre for post-secondary education, government services and health care. The sub-region of the Regional District of the Bulkley Nechako called the Stuart Nechako, had a population decline of 12.9% from 2001-2006. Without the on reserve First Nation's population figures included, the population decline is one of the highest overall in the province at 15.6%. The other portion of the Regional District Bulkley Nechako (rural and urban) had some population increases in Burns Lake and Granisle and Electoral District E, but five out of six rural regions declined as well as the Town of Smithers (-3.6%), District of Houston (-11.6%) and the Village of Telkwa (-5.5%).

Continuing the trend of many decades, between 2001 and 2006 the population has become more urbanised, with 85.4% of the provincial population now living in urban areas, up from 85% in 2001, 82% in 1996 and 80% in 1991.[2]

Figure 1. Population of the Stuart Nechako Region's Communities and the Regional District Bulkley Nechako

Communities – Urban and Rural Population	(2001)	(2006)	% change
Regional District Bulkley Nechako*	40,856	38,243	-6.4%
* Inc. Indian Reserves Combined Population	3,000	3,117	+1.04%
Indian Reserve Population as % of total	7.4%	8.2%	-
District of Vanderhoof	4,390	4,064	-7.43%
Electoral Area F "Vanderhoof Rural"	3,384	3,137	-2.9%
District of Fort St James	1,999	1.355	-32.2%
Electoral Area C "Fort St James Rural"	1,715	1,665	-7.3%
Village of Fraser Lake	1,366	1,113	-18.52%
Electoral Area D "Fraser Lake Rural"	2,108	1,355	-19.7%
Subtotal Urban & Rural Stuart Nechako	***14,962***	***12,689***	***-15.19%***
First Nations Communities Total On Reserve	**(2001)**	**(2006)**	**% change**
Nak'azdli First Nation	469	495	+5.5%
Tl'azt'en First Nation	422	485	+13.0%
Saik'uz First Nation	413	384	-7.0%
Takla Lake First Nation	307	375	+22.1%
Nadleh Whu'ten Nation	200	153	-23.5%
Stella'ten First Nation	172	186	+8.1%
Yekooche First Nation	71	93	+31.0%
Subtotal First Nations On-Reserve	***2,054***	***2,171***	***+0.56%***
Total Population Stuart Nechako Region including on reserve First Nations	**17,016**	**14,860**	**-12.67%**

[1] 2006 Census Population Figures compiled from: BC Stats, Indian and Northern Affairs and Statistics Canada.
[2] BC Stats, http://www.bcstats.gov.bc.ca/data/cen06/c2006hl.asp.

The District of Vanderhoof, with a population 4,064 (2006), is located 97 kilometres west of Prince George at the junction of Highways 16 and 27, and is the main service centre for a wider population including the urban and rural populations of the area, as well as for Fort St James and Fraser Lake residents. The population for 2006 was estimated at more than 4,600 persons by BC Stats (and is reported in the previous annual report). The District declined in population by -7.4% from the 2001 census figures of 4,390. Vanderhoof is in the heart of the Nechako Valley and straddles the banks of the Nechako River flowing from Kenney Dam to the Fraser River. The landscape is the foundation of the forestry and agriculture industries that have dominated the economy since Vanderhoof's origins in 1926. Canfor's Plateau Mill is located within the boundaries of the district, as are a number of medium to small sawmilling operations and forestry related consulting firms. Vanderhoof is the home to regional government offices, School District 91 administration and the regional St. John Hospital.

The District of Fort St James is located on Highway 27 along the southern shores of Stuart Lake and had a population of 1,927 in 2001, and in 2006 was 1,355. This community has seen a decline in population of -29.7%. Fort St James is a service centre for the smaller communities and remote residences scattered through the northern Stuart Nechako area. Fort St James, founded in 1806 as a fur trading post, is the oldest established community west of the Rocky Mountains. The Fort St James National Historic Site commemorates the rich history of the fur trade, western North American exploration and the collaboration with the First Nations traditions and knowledge that is still an important part of the economy today in Fort St James.

The Village of Fraser Lake (population 1,113 in 2006), the third largest community in the Stuart-Nechako Region, sits at the southwest end of Fraser Lake. This community has had a population decline of 12.2% since 2001. The economy and population depends heavily on forestryand mining, and, to a lesser degree, on tourism. Placer Dome Canada Limited's Endako Mine (now owned and operated by Thompson Creek Mines Ltd.)has been a significant economic presence since operations began in 1965. The published mine reserves (January 1, 1995) of 117.6 million tones are enough for another 14-years mine life. Additional milling and processing services have been offered to Blue Pearl Mining Ltd. as they advance the development of Davidson molybdenum property near Smithers, B.C.

Cluculz Lake, just south of Highway 16 and 45 km east of Vanderhoof, lies within the Nechako portion of the Fraser River drainage. This sizable, deep lake is roughly 20 km long, is used by residents and visitors for recreation. Land use within the watershed includes lakeshore development, forestry and agriculture. There are 659 lakeshore lots, of which roughly 460 are known to have summer or permanent residences. The area includes one gated community, one convenience store, one rest stop, however, there is no lakeshore public camping available.

Fort Fraser (estimated pop. 950 in 2004) is one of the oldest settlements in British Columbia, located on the Yellowhead Highway, 44 kilometres west of Vanderhoof. The pioneer roots of the area's history date back to the fur trade, with the establishment here of a fur-trading post in 1806 by Simon Fraser. The town was built 4 kilometres east of the original site of Simon Fraser's fort, and is also the site of the last spike of the Grand Trunk Pacific Railway, driven on April 7th, 1914. The celebration is commemorated with a plaque marking the spot, and the railway is now the Winnipeg-Prince Rupert line of Canadian National (CN).

Manson Creek (pop. ~ 40) is located in the northern interior of British Columbia, 140 miles (225 km) north of Fort St. James and 125 miles (200 km) northwest of Mackenzie and McLeod Lake. Various deposits of gold placer can be found in the Manson Creek and surrounding area, as well as jade, rhodonite, jasper, and agate.

Germansen Landing (pop. ~ 25), located in the Omineca Valley, is approximately a 200-km drive north east of Fort St. James. The community consists of 25 year-round residents who live within a 20-mile stretch of road known as the Germansen Corridor. The Corridor is surrounded by the newly created Omineca Provincial Park.

Electoral Areas D (Fraser Lake Rural), C (Fort St James Rural) and F (Vanderhoof Rural) are three of the seven electoral areas of the Regional District of Bulkley Nechako, and with a land area of 35,419.92 km^2 account for about 48.2% of the total area of the Regional District. The landscape is mainly rugged with expansive forests dotted with lakes and rivers throughout. The lakeshores are home to many of the rural residents as well as second home owners from the region and from other parts of Canada. Agriculture is intensive around Vanderhoof, Fraser Lake and to a lesser degree south of Fort St James. The population of the three electoral rural areas in 2001 was 8,822, and as well these geographical areas incorporate the total First Nations Indian Reserves proper that have 5,194 registered band members (2001).

The electoral areas, and agriculture lands within municipal boundaries, are defined as “Subdivision A” by Statistics Canada with respect to Agriculture. The Nechako Agriculture region is located at the geographic centre of the Province of British Columbia. It lies within the fertile Nechako Valley encompassing 8.5 million acres (34,619 sq. km) within subdivision "A" in the Bulkley-Nechako Regional District. The agricultural sector according to Statistics Canada Census 1996 covers 295,554 acres deeded, rented or under lease, which represents approximately 3.5% of the total land area of the 8.5 million acres in subdivision "A."

2.3.2 First Nations Reserves and Population Stats

Nadleh Whut'en First Nation *(formerly Fraser Lake)***,** has 391 band members, and their main community is on Nautley Indian Reserve #1, near Fort Fraser, approximately 130 km west of Prince George (seven reserves in total on 969 hectares). The Nadleh Whut’en Band’s on reserve population has decreased by 23.5% from 200 members on reserve in 2001, dropping to 153 in 2006. Nadleh Whut’en First Nation is a member of the Carrier Sekani Tribal Council.

Nak'azdli Band *(formerly Necoslie)* has 1,560 band members, with 495 living on reserve in 2006, a 5.5% increase from 2001 (469 on reserve). The main community is on Nak'azdli Indian Reserve #1, adjacent to Fort St. James, approximately 45 km northwest of Vanderhoof (total of 16 reserves on 1,458.2 hectares.) Nak’azdli has three major forestry related enterprises, including the Tl’Oh Forest Products, and as many as 12 members that sub-contract to the forest sector. Nak’azdli Band is a member of the Carrier Sekani Tribal Council.

Saik'uz First Nation *(formerly Stony Creek)* has 817 band members and the main community is on Stony Creek Indian Reserve #1, approximately 15 km south of Vanderhoof (10 reserves on 3,235.7 hectares). Saik’uz has 384 members living on reserve in 2006, a 7.0% decrease from 2001 (413 members). Saik’uz First Nation has one reserve within the District of Vanderhoof called Noonla Reserve that is adjacent to the CN Rail Line and Highway 16. Saik’uz First Nation is a member of the Carrier Sekani Tribal Council.

Stellat'en First Nation *(formerly Stellaquo)* has 370 band members with 186 on reserve in 2006, 8.1% increase from 2001 when 172 lived on reserve. The main community is on Stellaquo (Stella) Indian Reserve #1, at the mouth of the Stellako River, approximately 150 km west of Prince George (total of two reserves on 851.5 hectares.) Stellat’en First Nation is a member of the Carrier Sekani Tribal Council. The Tribal Council head office is located at the administration offices of the Wet’suwet’en First Nation.

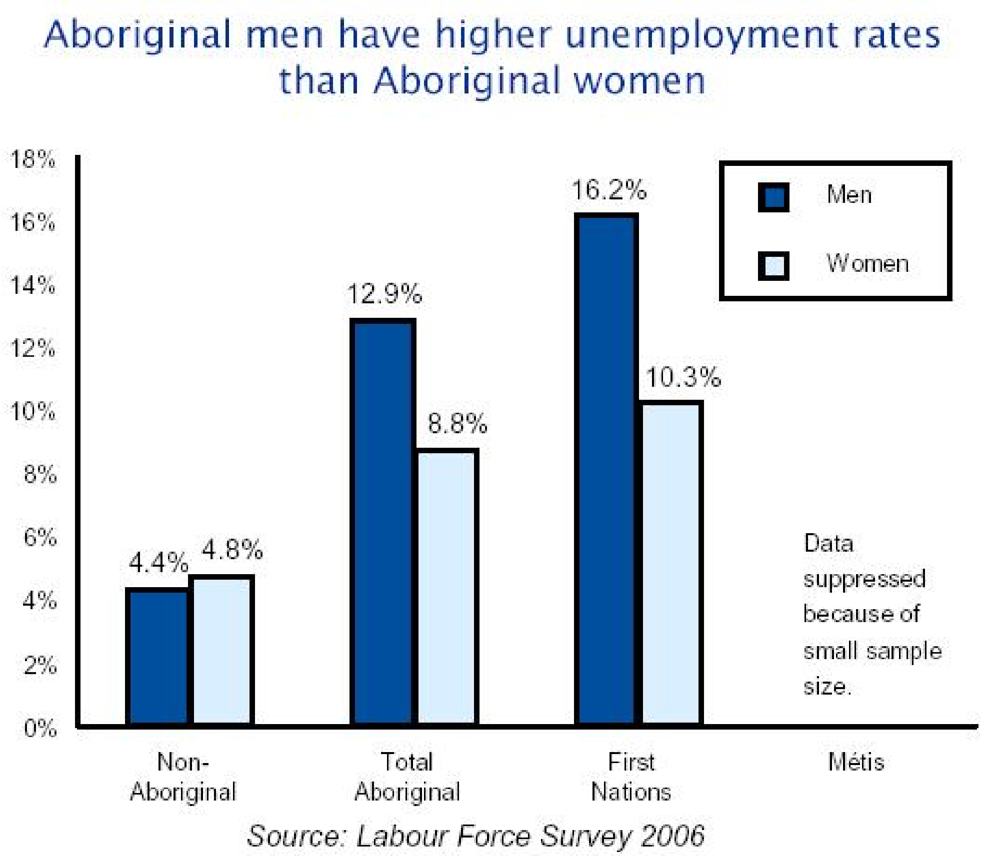
Takla Lake First Nation has approximately 650 band members and the main community is on North Takla Lake Indian Reserve #7, at Takla Landing on the east shore of Takla Lake, approximately 130 km north of Fort St James (total of 17 reserves on 809.4 hectares). Takla now has 375 members living on reserve, a 22.1% increase in on reserve population from 2001. It was created by the amalgamation of the Takla Lake and Fort Connelly bands in 1959. Takla Lake First Nation is a member of the Carrier Sekani Tribal Council.

Tl'azt'en Nations *(formerly Stuart-Trembleur)* has 1,399 band members and 485 are living on reserve in 2006, a 13.0% increase in on reserve population from the 422 residents in 2001. Most band members live on the Tache, Nancut and Pinchie reserves, approximately 50 km northwest of Fort St. James on the north shore of Stuart Lake (49 reserves on 2,785.7 hectares). The small settlements of Middle River on Trembleur Lake and Grand Rapids, along the Tache River between Stuart Lake and Trembleur Lake also belong to Tl'azt'en Nation. The main administrative offices are in Tache, as are the elementary school, daycare, Head Start, health and RCMP offices. Tl'azt'en Nation holds Tree Farm License 42 and operates a logging company, *Tanizul Timber*. It manages the John Prince Research Forest jointly with the University of Northern British Columbia. Tl'azt'en Nations is a member of the Carrier Sekani Tribal Council.

Yekooche First Nation is based 75 kilometers northwest of Fort St. James, British Columbia at the north end of Stuart Lake on Yekooche reserve and lands (about 6,340 hectares in size). Yekooche is a small community reserve. There are 225 bandmembers of which 93 live on reserve (2006) which is a 31% increase from 71 in 2001. Near to Yekooche are Babine, Cunningham and Whitefish Lakes. The Yekooche First Nation Agreement-In-Principle was officially signed on August 25, 2006.

The Aboriginal Labour Force study[3], now available on BC Stats, is integral to the CFSN strategic operating planning. With a declining non-Aboriginal population and an increasing (overall) Aboriginal population, based on fertility rates and in-migration to most reserves in the region, the ability to engage and participate in First Nations economic development, business formation and financing, and business counselling for the bands as business units themselves is important work for CFSN.

Figure 2. Aboriginal Labour Force Survey – Unemployment Rates Men/Women



3 Labour Market Characteristics of the Off-Reserve Aboriginal Population in BC, http://www.bcstats.gov.bc.ca/pubs/eet/eet0704.pdf

Education

The large gap in educational attainment between Aboriginal and non-Aboriginal people has been reduced, but there is still considerable room for improvement. In 2006, more than a quarter (27 percent) of the prime working aged (15–64) Aboriginal people in BC, excluding those who were still studying, did not have a high school diploma or a post-secondary credential. Only 6 percent of the Aboriginal population had a university degree, compared with 23 percent of the non-Aboriginal population.

The gender differences in educational attainment are also of interest. Aboriginal women living off-reserve have higher education levels than men. Seventy-six percent of Aboriginal women have completed high school or post-secondary education (including a university degree) compared with 71 percent of Aboriginal men. Comparable rates for the non-Aboriginal population are 88 percent and 86 percent for women and men respectively. Additionally, 23 percent of non-Aboriginal women and 22 percent of non-Aboriginal men have a university degree compared with 8 percent and 5 percent of Aboriginal women and men.

The educational attainment of Aboriginal women is higher than that of Aboriginal men. First Nations women living off-reserve have higher education levels than First Nations men. Seventy-five percent of First Nations women have completed high school or post-secondary education (including a university degree) compared with 65 percent of First Nations men. As shown below, Métis women are more likely to have completed post-secondary studies than their male counterparts—48 percent and 42 percent for women and men respectively.

Figure 3. Aboriginal Labour Force Survey – Off-Reserve Educational Attainment

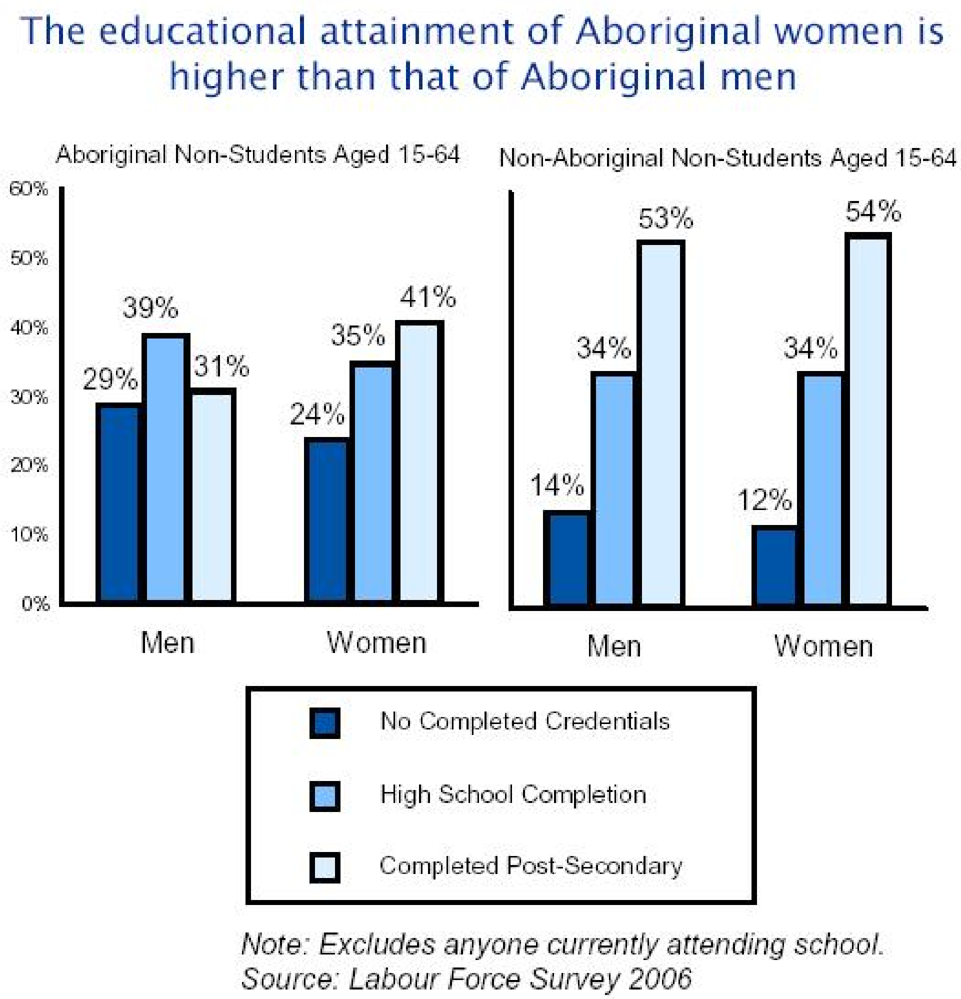


Figure 4. Employment gap measurement from Aboriginal Labour Market Survey

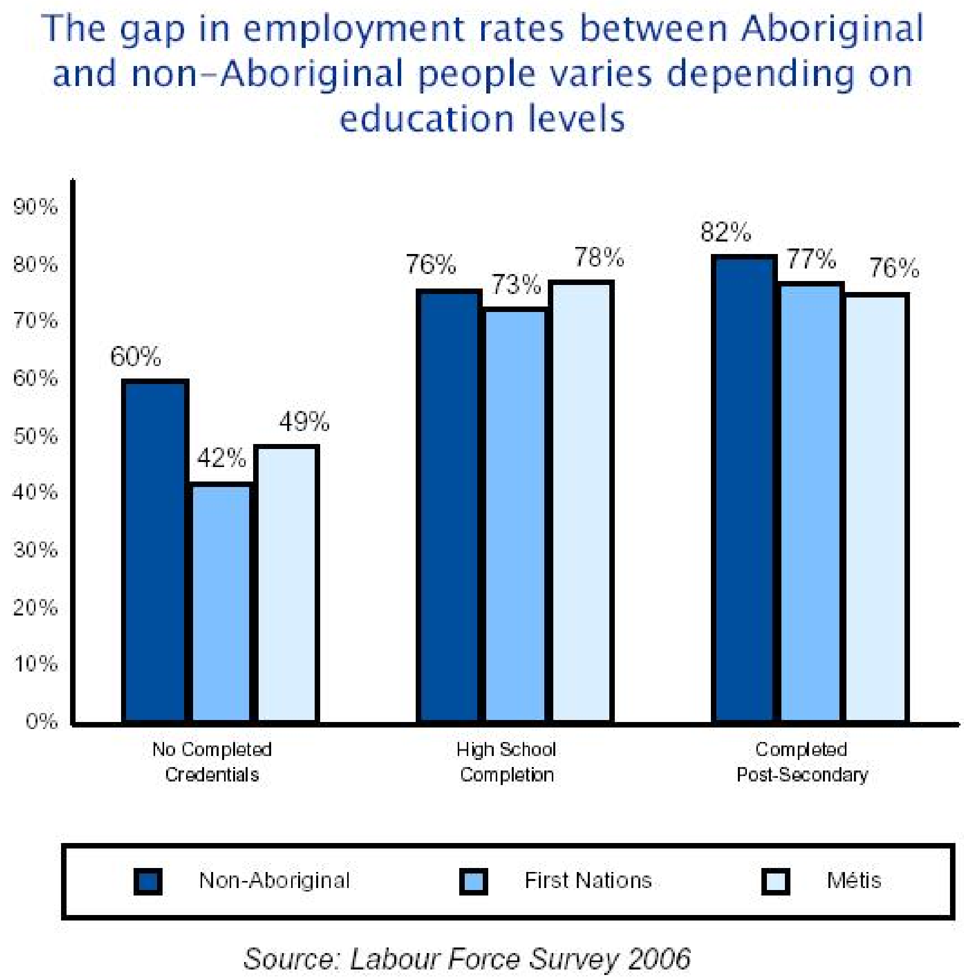
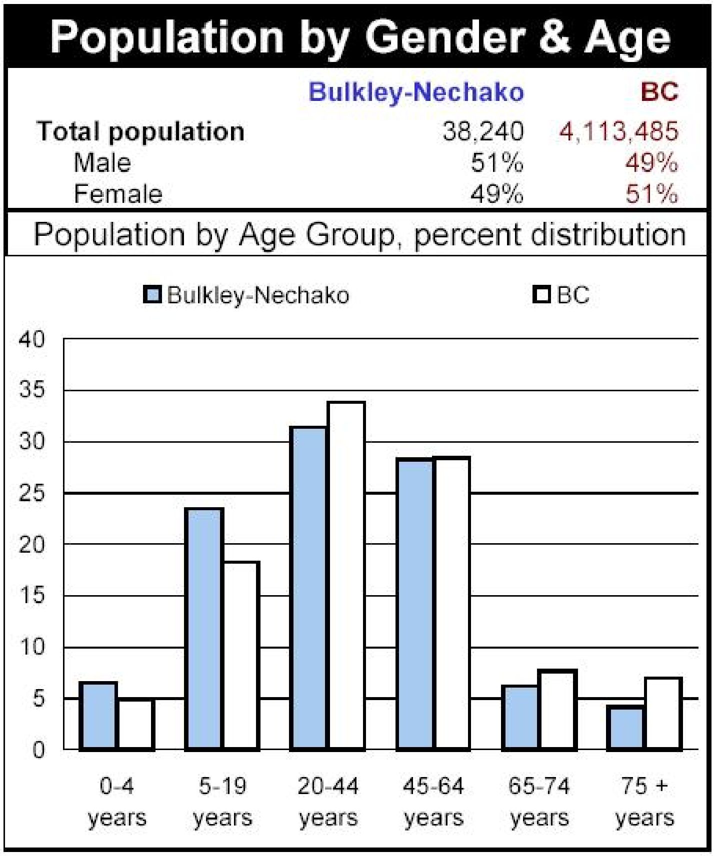


Figure 4. Age Distribution in Bulkley Nechako Regional District – 2006 Census

Area residents are generally younger than the BC average and this is confirmed again in the 2006 census. The sharp difference in the over 65 years age group is directly related to the quality of senior's care and housing, negligible public transportation, as well as ready access to specialist and geriatric medical services.

The Aboriginal population is much younger than the general population of the region and the province. Based on provincial averages, the average age of the Aboriginal population in 1996 was 25.5 years, 10 years younger than the average of 35.4 years in the general population. Children under 15 accounted for 35% of all Aboriginal people, compared with only 20% of Canada's total population. Children in this age group accounted for 38% of all Aboriginal people on rural reserves, the highest share for any geographical area, compared with 32% in census metropolitan areas. Over the next decade 60% of the first nation population will be prime working age (Prince, 2005).



2.3.4 Labour Force

Figure 5. Experienced Labour Force by Primary Industry (2005)

Primary Industry Participation	Vanderhoof	Fort St James	Fraser Lake	Subtotal	%	% BC
Agriculture, Food & Beverage	40	10	0	50	3.52%	3.0%
Logging & Forest Products	495	510	205	1210	85.21%	4.7%
Mining & Mineral Prod	55	0	105	160	11.27%	2.0%

From the total number of participants in primary industries in Vanderhoof, Fraser Lake and Fort St James over 85% are involved in logging or forest products manufacturing, 11% are involved in mining and mineral production and 3.5% are employed in agriculture. The final category, agriculture is most likely under represented by employment category, as most farmers in the region would be classified as self-employed or have family members working within a family operation that are not classified as workers.

The table below provides the breakdown of the labour force by industry (2001) for the three main communities of the region, and the percentages of each area for the Stuart Nechako Region aggregated. The limitation of this data is that it is a subset of the Bulkley Nechako Regional District, without the data from the First Nations communities or the rural areas. The socio economic analysis and considerations for the region are addressed in the next section of this report. These will be updated in 2008 when the new labour force data becomes available from the 2006 census.

Figure 6. Labour Force by Industry (NAICS) (2001) for Vanderhoof, Fort St James and Fraser

Labour Force by Industry (NAICS)	Vanderhoof	Fort St James	Fraser Lake	Subtotal	% Stuart Nechako	BC %
Total labour force	2,305	1,115	700	4,120		100
Industry – n/a	30	10	15	55		2.2
All Industries	2,275	1105	685	4,065		
Farms	15	0	0	15	0.37	1.9
Forestry and Logging	125	85	35	245	6.01	1.2
Support activities for forestry	55	25	10	90	2.21	0.5
Mining, Oil/Gas Extraction	25	0	105	130	3.19	0.7
Utilities	15	0	0	15	0.37	0.6
Construction	150	0	25	175	4.29	5.9
Manufacturing	60		0	60	1.47	9.6
Food manufacturing	25	10	0	35	0.86	1.1
Wood manufacturing	310	395	155	860	21.10	2.3
Wholesale Trade	60		0	60	1.47	4.1
Retail trade	305	120	85	510	12.52	11.6
Transport & warehousing	105	20	10	135	3.31	5.7
Figure 4. (continued next page)						
Labour Force by Industry (NAICS)	Vanderhoof	Fort St James	Fraser Lake	Subtotal	% Stuart Nechako	BC %
Info & Cultural Industries	15	10	10	35	0.86	3.1
Finance & insurance	70	15	0	85	2.09	4
Real Estate & Rental/Leasing	20	0	0	20	0.49	2.1
Professional, scientific/tech	80	10	15	105	2.58	6.8
Admin/support, waste mgmt	30	20	10	60	1.47	4
Educational services	275	90	95	460	11.29	6.9
Health care & social assist	180	85	25	290	7.12	9.9
Arts, entertainment, recreation	25	35	0	60	1.47	2.3
Accommodations/food services	130	50	55	235	5.77	8.3
Other service (excl public)	115	50	15	180	4.42	4.9
Public admin	85	85	45	215	5.28	5.6
Total labour force	2,275	1,105	695	4,075	100.00%	

2.3.6 Regional Employment Projections[4]

BC Stats, with the financial assistance of the Ministry of Advanced Education, developed the Regional Employment Projection Model (REPM), designed to project industrial and occupational employment in regions of the Province of British Columbia. The model projects employment at the Regional District level and then aggregates back up to the College Region for reporting purposes.

[4] BC Stats: http://www.bcstats.gov.bc.ca/data/lss/repm.asp.

Figure 7. Cariboo Region (Bulkley Nechako, Fraser Fort George and Cariboo Chilcotin) Projected Occupational Demand

Cariboo Development Region

Projected Annual Growth Rates in Occupational Demand

	Estimated Employment 2006	Estimated Employment 2011	Avg Annual % Chng Over 5 Years 2006 to 2011
I1 Occup. unique to forestry ops, mining, oil & gas extraction, fishing excl. labourers	1,720	1,820	1.2
I2 Primary production labourers	1,450	1,550	1.5
J0 Supervisors in manufacturing	570	580	0.3
J1 Machine operators in manufacturing	2,730	2,780	0.4
J2 Assemblers in manufacturing	510	610	3.7
J3 Labourers in processing, manufacturing and utilities	2,470	2,490	0.1

Broad economic profile for regional sectors[5]

Lumber: BC softwood lumber prices continued to drop (-8.0%) as producers of Interior (-14.6%) lumber received substantially less for their products than in November 2006, more than offsetting higher prices for Coastal lumber (+8.5%).

Wood Manufacturing: Sawmills and planing mills in the province produced 16.0% less lumber this October than in the same month last year. Mills in the Interior slowed their output by 11.0%, while production at coastal mills was down more substantially (-51.0%). Canadian lumber production slipped 10.9%, due to significant downturns in most of the nation's lumber producing provinces. Year-to-date, BC sawmills have accounted for over half of the lumber production in Canada.

Agriculture: The price BC farmers received for their agricultural commodities decreased (-2.6%) in October from the same month a year earlier**.** The Farm Product Price Index (FPPI) slipped to 105.0 (1997=100), hitting its lowest point since December of 2006. Substantial declines in the prices of livestock and animal products (-5.6%) counterbalanced a slight gain in crop prices (+0.8%), resulting in October's overall drop. BC's situation was similar to the national picture in that livestock and animal commodity prices fell (-4.6%), while crop prices climbed (+16.5%). However, the strength of the crop index more than offset weakness in livestock and animal products prices, such that overall, Canada's FPPI rose 5.1% in October.

Tourism: Nechako is a relatively small player in BC's tourism sector Nechako accounted for the smallest share of total room revenues (0.6%) in 2006, below that of other northern regions including North Coast (1.2%) and Northeast (4.0%). As a result, movements in Nechako revenues do not generally reflect the overall provincial averages. Nechako accounted for the smallest share of provincial room revenues in 2006.

In 2006, Nechako had the fewest number of accommodation properties (73) and rooms (1,365) in the province, comprising 3% and 1% of the BC total respectively. Close to four in ten (38%) properties were motels. As the Nechako region is a popular destination for fishing, close to one-third (30%) of

[5] BC Stats : http://www.bcstats.gov.bc.ca/releases/info2008/in0801.pdf

accommodations are fishing lodges.The region tends to underperform BC in terms of room revenue growth, but has outpaced the province in recent years From 1997 to 2006, annual room revenues in Nechako increased from approximately $9.3 million to $10.4 million (+11.8%), well below the provincial average (+57.4%). Returns at motels (+14.9%), which account for most of the region's room revenues, were also lower than the BC average (+39.8%).

2.3.7 Socio Economic Data

Socio-Economic Considerations
The RDBN is one of the least diversified and most vulnerable regions in the province, according to the Socio Economic Index produced by BC Stats (2004). Communities in the Fort St. James Forest District depend heavily on the forest industry. Forestry is responsible for 46% of basic employment and 39% of basic incomes in the district, with approximately 1,000 direct jobs in harvesting, processing, silviculture and non-rail transportation.

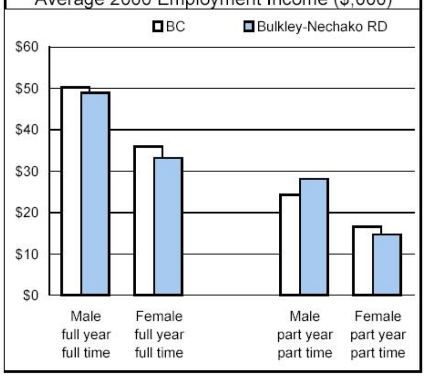
The Nechako Valley (Vanderhoof and Fraser Lake) has a strong dependence on forest industry jobs (39%). The region receives the lowest rank in the province for having a diversified economy and the highest rank for its dependence on the forest sector.

Figure 8. Income Levels - Regional District of Bulkley Nechako
The figure below indicates that local employment earnings for the region compared with the BC averages.

Employment Income in 2000

	Bulkley-Nechako RD	BC
With employment income	22,585	2,128,550
Worked full year, full time	41%	48%
Males	27%	28%
Females	14%	20%
Worked part yr or part time	56%	49%

Average 2000 Employment Income ($,000)



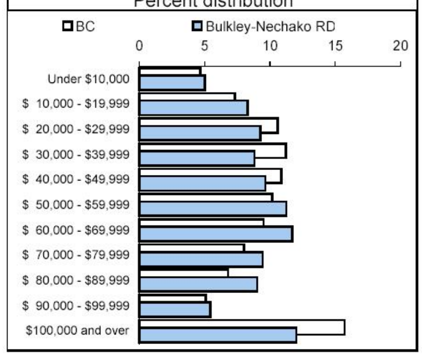
Total Income in 2000

	Bulkley-Nechako RD	BC
Composition of income	100.0%	100.0%
Employment income	82.6%	75.8%
Government transfers	10.9%	11.8%
Other	6.5%	12.4%
Median Total Income	$21,706	$22,095
Males, 15+ with income	$32,436	$28,976
Females, 15+ with inc.	$14,673	$17,546
Males 15+ with no income	525	66,745
Males 15+ with income	15,335	1,474,375
Under $10,000	20%	19%
$10,000 - $29,999	26%	32%
$30,000 - $39,999	11%	13%
$40,000 - $59,999	26%	20%
$60,000 and over	17%	16%
Average total income	$36,182	$36,256
Females 15+, no income	1,075	103,305
Females 15+ with income	13,825	1,516,140
Under $10,000	37%	29%
$10,000 - $29,999	39%	42%
$30,000 - $39,999	11%	13%
$40,000 - $59,999	10%	12%
$60,000 and over	3%	5%
Average total income	$19,590	$23,154

Family Income in 2000

	Bulkley-Nechako RD	BC
Average Family Income		
All census families	$61,675	$64,821
Couple families	$66,608	$70,033
Male lone-parent families	$42,785	$47,480
Female lone-parent fam.	$28,484	$33,829

2000 Family Income Groups, All Census Families
Percent distribution



The Socio-Economic Index has been calculated for the Stuart Nechako region, as part of the RDBN by BC Stats (2004) The Index model measures human economic hardship, crime, health, education, children at risk and youth at risk as indicators of social well-being of our community.

The RDBN overall ranks in the middle of the regions for health programs, but all other socio economic indicators are at second worst or worst indices, as follows:

- Economic hardship – second worst
- Educational concerns – second worst
- Children at risk – second worst
- Youth at risk – worst
- Crime – worst

Heavy dependency on the primary sector increases the vulnerability of this region to swings in economic cycles resulting in continued, and deeply felt, economic hardship.

2.3.8 SWOT Analysis Definitions for 2008/09:

Strengths: The organization's internal strengths are its resource and capabilities that can be used for a basis of developing a competitive advantage.
Weaknesses: The absence of a certain strength may be viewed as an internal weaknesses.
Opportunities: The external environment analysis may reveal certain new opportunities for growth.
Threats: Events/factors/trends in the external environment may present threats to the organization.

Strengths of Organization: • Current board members have been long serving and are passionate about the organization's goals and their roles, and are responsive to the organization's needs. • Core staff complement is made up of loyal employees that are long-standing community members. • Present board shown long-standing service commitment to CFSN. • Strong loan portfolio and asset management • First Nations relationships include loans, joint projects, business consulting and relationship building. • Good word-of-mouth advertising and networking has encouraged loan volumes, partnership opportunities. • REDI provided direct linkages to municipal and community leaders. • CF network (and WD network) provide excellent information sources and support for CFSN. • Solid relationships with small technology and contractor businesses/entrepreneurs in the area. • Relevant expertise in business planning and project leadership undertaking activities in mentorship and service for both new and established clients and community orgs.	**Weaknesses of Organization:** • Challenges in attracting new board and advisory committee members with key qualifications exist for various reasons. • Limited budget for travel to conferences and training for board and staff. • Volunteer recruitment is difficult in small communities with a few key individuals doing most of the work. • CFSN has not communicated service and program offering in a broad, inclusive, multiple medium fashion to-date. • Small in-house staff do not have sufficient internal capacity to make up for large deficits in community groups' capacities and institutional inertia, and thus few applications have been generated to optimize current funding opportunities (NDIT Grants - various), • Board and active membership doesn't reflect make-up of the communities it serves.
Opportunities in External Environment: • New uses for a changed forest landscape: (Bioenergy – wood pellets, charcoal, forest litter) • Agri-industry • Continued growth in funding pools related to MPB and economic diversification. • Port of Prince Rupert expansion • Prince George airport expansion, and Vanderhoof Airport improvements provide better access to area for new business attraction/expansion. • Future oil and gas opportunities in Nechako Basin. • Proposed Milligan Mine (northeast of Fort St James) in regulatory process could bring 350 jobs in construction for two years and 150 full time jobs thereafter for operations. • Changes in industry (consolidation) and employment provide potential opportunity for new business or self- employment growth and concurrent lending support from CFSN. • Pivotal changes are imminent in the region, and may provide engagement opportunities not seen previously in the history of the organization. • Inexpensive property for development, retirement, second home acquisition and vacation lifestyles. • Prince George CN Intermodal and Distribution Centre operational in Prince George	**Threats in External Environment:** • In rural areas Internet connectivity is non-existent/slow • Regional dependency on lumber manufacturing impacted severely by MPB. • Agriculture sector facing financial difficulties and succession planning challenges. • New primary resource industries (mining or oil/gas) will be years in development. • Political and community will for change is limited • Region is under-marketed and not well known as few organizations or businesses have websites. • Lack of strong regional and local leadership to develop community plans. • Historic lack of coordination, collaboration and communication in/from/between the region's communities. • Big banks tightening lending to local businesses in the area due to the MPB impacts (and lack of information to offset negative perceptions). • Region has shown limited uptake – funding grants for infrastructure – capacity, partnerships, visioning. • Institutional and societal inertia makes it difficult for CFSN to engage on important/current issues. • Trains will not stop between mid-USA and Prince Rupert • Ships difficult to access for back haul of locally manufactured products • Resource royalties leave the area rather than coming back to maintain or build new infrastructure

2.3.9 The Stuart Nechako Synopsis for 2007

2007 has been a transitional year in the Stuart Nechako Region as business has started to experience the tangible effects in their operations of the Mountain Pine Beetle epidemic and global forces in the marketplace. Regrettably many business owners had developed the consensus view that the local circumstances were somewhat insular due to announcements and speculation regarding resource extraction and major capital projects.

There has been much speculation regarding major capital investment and announcements thereof which included east / west pipelines to the ports of Prince Rupert or Kitimat, OSB plants slated for the Quesnel and Prince George areas as well as local announcements regarding multiple pellet plants using Pine Beetle wood to make pellet fuels for the European market. All of these projects have been cancelled or deferred due to a number of reasons, the most prominent being their long term viability.

As capital projects such as the expansion and refit of the CanFor Plateau mill were completed, the major forestry companies have announced a curtailment of capital projects during the current down market cycle in the lumber industry due to long- term uncertainty regarding the industry. The majors have proceeded with plans outlined in their operating statements to move towards inventory and harvest management strategies focused on reducing log inventories held at the mill site. While pursuing such a policy may well have a positive effect on their operations, much of the burden of interim financing the log inventory is passed onto the log harvesting operators. This situation over time will lead to a shake out of the small operators as, in the absence of some alternative financing vehicle for inventory these small operators will require strong balance sheets or cash reserves to finance ongoing operations.

With respect to small business finance as it relates to the log harvesting industry; the majority of operators in this industry are also the region's farm / ranching base as traditionally the proponents log in the winter/ summer and farm in the spring / fall.
The real difficulty is how the financing of the individual operators is securitized. In the Stuart Nechako Region many logging operations are secured by farmland, thus a downturn in logging also affects the areas' resident's ability to increase their farming activity. In short, many operators keep logging at a loss in real terms to pay existing mortgages in the hopes that they can keep their lands.

Information provided by Michelle Fehr, General Manager of the Vanderhoof Chamber of Commerce;

- Retail sales have remained relatively constant year over year, however a marked increase in the use of credit cards vs. debit cards / cash has been noted. Real estate sales remain stable in the view of the realtors with prices remaining stable.
- Tourism increased 11% year over year, gaining back some of the ground lost in 2005. It was noted that the number of tourists traveling to Alaska were down, but tourists from European countries appeared to have increased. It was also noted that more families including children appeared to be recorded in the tourist category.

The general consensus view moving forward experienced by our office and the Vanderhoof Chamber of Commerce is that many business people are taking a "wait and see" approach to their business investments in the region. At this time many options are being discussed, from resource extraction activities to bio mass opportunities, but local business people have not engaged in the development of these sectors, choosing to allow another to lead the way. At this time, this appears to be the prevailing view of the area with respect to business investment.

2.3.10 Current state of wood products / forest sector in Canada with a BC focus:

Canada's cost competitiveness in wood products is threatened from nearly every angle (Maness, 2006). The driving forces of changes for the forest sector in Canada with a BC focus are:

- **Industry Consolidation** – companies in BC have consolidated but are still small by international standards; declining wood supply in Interior will drive further consolidation; BC government has removed the appurtenancy clause from timber licenses.
- **Accelerating technological change** – interior sawmills are large, low cost and advanced but low Return on Capital Equipment and lack of access to additional wood supply have limited technological investment in secondary manufacturing; innovation is only modestly funded, unfocused and proprietary.
- **Emergence of alternate uses of wood –** potential competition for wood for energy or competition for energy used in the forest sector
- **End of low cost energy** – BC energy cost has to be viewed in a North American context; large industrial emitters will be liable for polluting emissions
- **Societal and environmental requirements** – BC government, industry, and environmental NGO's have been effective in placing BC forest management on a green footing; most companies are pursuing certification; treaty negotiations are inching forward; urban-rural divide is increasing; public image of forestry still poor but improving in some areas; support for workers and communities affected by mill closures of limited effectiveness.
- **Emergence of new competitors** – BC is experiencing strong competition from a number of relatively new sources, both indirectly and directly as Asia-Pacific trade flows are shifting; BC cannot continue to compete based on commodities as BC is a high cost production area and the margin on commodities is minimal; advanced competitors have implemented sectoral strategies which BC has not.

2.3.11 Global Factors Affecting the Northern Region of British Columbia

__Definition:__ "Central Interior Region" - encompasses the regions of Community Futures Nadina, Stuart Nechako, Fraser Fort George, North Cariboo and Cariboo Chilcotin

The Current Industry and Recent Job Losses

"The ongoing challenge for Western Canada is to reduce the region's reliance on primary resources."[6] The BC Central Interior is in the heart of a forestry and agriculture economy with a historic steady diet of US markets. The combination of the rise of the Canadian dollar value, the US new housing market slump and the US sub-prime mortgage meltdown on the heels of the years of softwood industry disputes, and the on and off closing of the US border to Canadian beef has led to sustained and deeply impacting disruptions to the BC Central Interior Region's economy. Further impacting the region's economy and adding to the hardship at the community level are the numerous small and medium sized enterprises (SMEs) that supply wood manufacturers with supplies and services like log harvesters, log truck drivers, machine shops, speciality trades and others.

So not unexpectedly, announcements of permanent closures and indefinite idling/shift reductions of sawmill operations in Terrace, Chetwynd, Mackenzie and Fort St James by Canfor, AbitibiBowater, Stuart Lake Lumber, West Fraser and Pope & Talbot have resulted in a loss of "1,900 direct jobs."[7] At a ratio of at least 1.5 indirect jobs for every direct job, this means an estimated 2,850 jobs are affected in the region. All companies cite the collapse of the U.S. housing market as the reason for their business management decisions.

The Status Quo and a Two-Track Economy: What's the Bottom Line?

Despite what appears to be continued losses in the forest sector, nearby local figures paint an optimistic and positive business outlook for the City of Prince George as reported in the "November Prince George Economic Activity Report."[8] Unemployment is lower than this time last year, housing prices and sales are strong and more than 25% above last year averages with housing starts up 5.7% over the same period last year. Building permit receipts total over $8.7 million for the year, with 75% of

[6] Western Economic Diversification Canada, "Report on Plans and Priorities 2007-2008."
[7] Hoekstra, Gordon. "Canfor closing Chetwynd Mill," Prince George Citizen, December 7, 2007.
[8] Initiatives Prince George, "November Prince George Economic Activity Report," October 2007.

that figure in new home construction. Both business license applications and passenger numbers at YXS were up slightly.

It is clear from these recent figures that Prince George has not yet been affected by the supply and service downturn from neighboring communities which it serves (Fort St James, Mackenzie and Chetwynd) and it is being buoyed by a few large capital projects locally including the construction of two new schools, the Northern Cancer Clinic, construction of the Cameron Street Bridge (to name a few of the major projects). The historic cycle, and the status quo mindset is for workers of the region to shift to local alternative commodity sectors for work temporarily (mining and oil and gas) or to hang on and wait for the “promised recovery” of the US housing market.

An added layer of hardship and complexity has been added to the landscape – and that is the loss of timber due to the mountain pine beetle attack. The large tracts of devastated forest stands and loss of merchantable stock, as well as undetermined environmental impacts, have forest companies, silviculture specialists, policy analysts, real estate professionals and all levels of government scrambling to mitigate impacts (social, environmental and economic) and look at the value of the forests in a new light.

But even the pine beetle is a small player on the global stage and cannot be blamed for our current dilemma. As Export Development Canada reports, this cycle of a global “two-track economy” is much bigger than the forest industry on northern British Columbia, and it will not end soon. The adjustments it fosters can be painful and there is no let up in sight.

“High and rising prices for metals, oil and food have put the global economy on two independent growth tracks. When this happens, resource sectors grow rapidly, generate new jobs and attract new investment. Meanwhile, sectors that use resources as inputs must restructure - adopt new technologies that are less resource-intensive and reduce workforces. Those sectors slow or stall – hence the reference to two growth tracks.

In Canada, the pressure to adapt to this two-speed world is being magnified by the appreciation of our currency, which accompanies rising resource prices. As commodity prices ease, so too should the Canadian dollar, but the continued two-track nature of the global backdrop will mean persistent strength in the loonie. Inflationary prices are likely. Divergent stresses will show up in a number of ways, not the least of which is the divergent pattern for Canadian export sales (+15% for agri-food and -2% for British Columbia as a whole).

The bottom line? Unless resource pricing goes into wholesale retreat, the pressure to adapt to a two-track global economy will persist for the next several years. Repositioning ourselves in international markets will be key to a successful adaptation.”[9]

The Repositioning Strategy for the Stuart Nechako Region

Too often, rather than diversifying our markets and looking for value-added services or products that can be adapted to international markets, the status quo and political realm shows that short-term job creation and “make work” priorities overwhelm international trade and investment opportunities in the trough of a down-cycle. This is a current reality in the Vancouver area, and Province of BC as a whole, with the preparations for the 2010 Winter Olympics.

Significant adaptations will be required in many of the political, economic, academic, cultural and social elements that have a bias to the status quo as we reposition ourselves in international markets. This project, in companion to the overall Initiatives Prince George economic development strategy, will take advantage of the significant time-limited opportunities before us in order to shape the long-term

[9] Stephen Poloz, “Canada’s Two-Track Economy to Persist,” Export Development Canada website, http://www.edc.ca/english/docs/ereports/commentary/publications_13909.htm, November 7, 2007.

economic diversification sustainability of the region. This project walks hand-in-hand with "WD's strategic investments in supporting development and diversification of the economy of Western Canada."[10]

Opportunity #1- The Asia Pacific Gateway and Northern Corridor

The multi-billion dollar private-public sector investments in the container facility at the Port of Prince Rupert, the Prince George CN Intermodal Facility and Distribution Centre and the current construction at the Prince George Airport bring the world to our doorstep. Never before has the combination of a competitive, uncongested location, the right infrastructure and a pressing need to act globally been before business, government and community leaders of the Prince George region.

Not only have new avenues for exporting goods directly to Asian markets potentially opened up to northern BC businesses, but the flood-gate of entrepreneurial opportunity has been created in the areas of linking to global supply chains, transportation and logistics infrastructure, as well as warehousing, repackaging, importing and exporting, shipping, finance, insurance and freight forwarding.

The current challenge for northern BC entrepreneurs is having access to the transportation system should be worked in here somewhere The limiting factor for the Stuart Nechako region is that the shipping industry is global. It is recognized that the region, with its narrow economy focus that has largely served only domestic markets or Canadian corporations and had a domestic transportation system, will need a multi-faceted support system to put us on the steep learning curve for global. "We have limited money and people available for research and commerce, not just on a local level, but on a national level. As a small economy, Canada needs to focus on areas of strength."[11]

The opportunities for the Stuart Nechako Region and the entire length of the Northern Corridor that is linked to the Asia Pacific will be grown by:

(1) Prioritizing and focusing on niche strategies in areas where we can be the global best – chosen carefully, based on quantitative evidence.

(2) Partnering with each other (small communities in the surrounding region) and global players in the transportation and logistics industry.

(3) Attracting foreign investment and providing our SMEs access to risk capital, and focus on bigger deals.

Opportunity #2: Value-Added Manufacturing and Innovation

It is one of the main strategic outcomes of WD for a "competitive and expanded business sector in Western Canada and a strengthened western Canadian innovation system." "In an increasingly competitive global economy, we must become better at turning our world-class knowledge into marketable goods and services. We must be more entrepreneurial and responsive to customer needs, whether they originate down the street or on the other side of the ocean. And we must pick our paths."[12] However, WD acknowledges that "western Canadian economies are challenged to position themselves competitively so they can benefit from new and emerging export opportunities."[13]

---

[10] "Western Economic Diversification Canada, 2007-08 Report on Plans and Priorities, pg. 8.
[11] The Conference Board of Canada, "Picking a Path to Prosperity: A Strategy for Global-Best Commerce, The Leaders' Roundtable on Commercialization," April 2006.
[12] Ibid, p.17.
[13] WED Plans and Priorities, p.11.

It is CFSN's vision to meet the challenge and act now on the opportunities and leveraging the climate of urgency before us, and in WD's words "hasten the transition to knowledge-driven industries."

(1) Supporting the uplift and diversification of the manufacturing sector to serve an expanded list of industries, increase government procurement and serve international markets.
(2) Nurture participation of SMEs in joint ventures, strategic alliances, trade or licensing agreements, foreign direct investment and in-bound investment attraction.

Opportunity #3: The Mountain Pine Beetle Ravaged Forests

As the world seeks out a less oil-dependent existence, strives to meet Kyoto Accord targets and engages in the green credit marketplace, all eyes are on the largest fibre basket in the world – in central British Columbia. The Mountain Pine Beetle disaster is an opportunity in disguise as it has brought British Columbia to the world stage of bioenergy research, investment, technology innovation and land management and sustainability policy discussions. No less than three international "bioenergy" investor delegations will be toured through the region in a three month span, just prior to the outset of this proposed "International Prince George" program.

Local SMEs are becoming world leaders in forest-based innovation, silviculture and log harvesting techniques, hydrology and resource sustainability best practices learned in the wake of the beetle attack and many stakeholders are pressing on governments for responsive policy development to address environmental sustainability, economic recovery of beetle-impacted communities and realizing future economic value from a changed landscape and the redefinition of wood fibre uses.

The development of a knowledge-based cluster and supply chain is underway in the Northern Corridor. "Engaging multiple stakeholders, including international investors, is challenging and resource intensive. Small businesses, in particular, have neither the resources nor the contacts to nurture market-based opportunities or establish trade links internationally. Yet in a global niche strategy, such links are imperative."[14]

2.4 Community Accountability

CFSN's operational results were reported and input sought from the public in, at a minimum, one open meeting annually held in the fall of each year.

The following public information is posted on our public web page and kept current:

1. CFSN's annual audited financial and annual report in either it's entirety or in a summary format or, at a minimum, a notice is posted on the partner's public website with information on the process the public may follow in order to gain access to this public information.

2. A current listing of the names of our organization's Board of Directors.

3. A summary description of our organization's corporate policy with respect to the appointment and/or election of members to its Board.

4. CFSN's operational plan and financials are circulated to Municipal and Band councils in the communities that we serve.

[14] Conference Board of Canada, "Path to Prosperity," p. 12.

3.0 VISION: *"A robust, diversified economy and healthy sustainable communities."*

3.1 Our Mission

As a regional organization that facilitates and supports community development, we will:

- *Help start and grow businesses.*
- *Foster community economic development initiatives.*
- *Nurture skill development and employment opportunities.*

3.2 Strategic Goals (Refer to Appendix 1 – Operating Plan for 2008/09)

1. Community Economic Development

1.1. CFSN pursues regional development opportunities.

1.2. CFSN works with the various industry sectors in the region to advance CED opportunities.

1.3. Communities, and the region as a whole, begin the long-term transition to a post-mountain pine beetle economy.

2. Investment Fund

2.1. All participants in the community have local access to a broad range of capital sources.

3. Business Services

3.1. Provide financial management and business administration skill development information to clients.

3.2. Continue a leadership role in small business development in the region.

4. Marketing & Visibility

4.1. CFSN is the "top of mind" organization for business and economic development support and assistance.

5. Administration & Management

5.1. Regular communications with the CFs in northern BC.

5.2. Staff and Board have the necessary skills and competencies to fulfill their roles effectively.

5.3. Diversified program funding ensures the long term viability of business services to our region.

5.4. Strategic plan development and review process is continual.

6. Other Services

6.1. Relationships are established with all communities in the region.

6.2. Infrastructure meets the needs of local industry and communities.

6.0 PERFORMANCE MEASUREMENT INDICATORS – 2008/09

6.1 Performance target/budget information is required for the coming fiscal year for the following 14 indicators:

Your performance targets will only be accepted if they have been entered into the PMT. Therefore, you must attach the "print out" of your CF's budget/targets for fiscal year 2008/2009 that your CFDC has inputted. Only the "Print-out" of your CF's budgets/targets will be accepted as part of your Operations plan. Other indicators contained in the PMT are for the internal use of your CFDC. If an indicator will not be used, please enter a target of "0".

	CFSN 2008/09 Proposed Performance Targets/Budgets	Targets 08/09
1	# Activities improving leadership and/or expertise	3
2	# Instances facilitating community involvement	1
3	# Partnerships developed/maintained	20
4	# Advisory services provided to clients	400
5	# Training sessions delivered	1
6	# Clients trained	12
7	# Total volunteers	47
8	# Total hours committed by volunteers	1,000
9	# Loans Approved	11
9A	# of EDP loans separately	1
10	$ Loans Approved	$ 475,000
10A	$ Value of EDP loans separately	$ 5,000
11	# Instances of increased community stability	2
12	# Instances of increased capacity in community organizations	5
13	# Jobs created/maintained/expanded	50
14	# Enhanced community service or facilities	3

6.2 Community Economic Development:

"Prince George Area" is defined as: – Stuart Nechako, North Cariboo and Fraser Fort George

6.2.1 CED Initiative #1: Progress House of the Stuart Nechako

Community Futures Stuart Nechako has taken an interest researching emerging biofuel energy opportunities to establish which technologies have merit as part of the response to the Pine Beetle Epidemic. In the early stages of our research it became apparent that while there was a growing interest in green energy development, the equipment to make such a transition possible was not readily available in the marketplace. This provided not only an additional opportunity, but a critical need for rapid commercialization if the region's interest in sustainable green energy was to become a reality. The Progress House Initiative, supported by Community Futures Stuart Nechako, is in part a response to this issue.

OVERVIEW OF PROGRESS HOUSE

As a not-for-profit enterprise, Progress House will be dedicated to service the needs of CAD/CAM technologists and machining and metal fabrications shops in the Greater Prince George area. It is, at root, born out of a sense of urgency created by the Mountain Pine Beetle Infestation in the region. This infestation, has inadvertently, created the opportunity to focus and realign the technical and human resources in this geographical area to take advantage of several opportunities in local, provincial and national machining and manufacturing sector as well as new opportunities in the international sector.

These new opportunities in manufacturing have arisen, as a much needed corrective to the decade and half old tide of manufacturing relocations to China mainly, with some relocations being directed to India and other Asian countries. In a November 29, 2007 airing of a television segment in the US Public Broadcasting Service (PBS), the focus was on the manufacturing revival in Michigan and Wisconsin, the so-called rust-belt states of the US mid-west. In these two segments, narrated by PBS journalist Norman Solman, Professor Dan Luria of the Michigan Manufacturing Technology Center and Professor Joel Rogers of the University of Wisconsin and the Center on Wisconsin Strategy demonstrate the solid fundamentals of a long term manufacturing revival provided the gap with lower-cost foreign competitors which, according to this segment, is now down to just 17 percent and could be largely eliminated with just two changes by U.S. manufacturers, namely research in to new materials and focusing on raising the multitasking skill sets and innovation by training of the workforce on the machining and fabricating shop floor. Mr. Rhandi Berth of the Wisconsin Regional Training Partnership has successfully placed hundreds of workers into machining and fabricating jobs after the required education and training upgrade. In the same television segment, Mr. Mike Klonsinski of the Wisconsin Manufacturing Extension Partnership focuses on the sea-change in US manufacturing towards “lean” manufacturing, which involves the pervasive use of robotics and smaller, boutique, manufacturing operations.15

The metals and composite based manufacturing sector, as envisioned in the Progress House Business Plan, would be the bedrock of a new socio-economic foundation which is significantly different from what has been the norm in the Greater Prince George area, namely the forestry based wealth extraction paradigm, of saw mills, pulp and paper mills, OSB mills and downstream integrated manufacturing in wood pellet mills and wood turning plants.

Metals and composite based manufacturing on their own, among the various sectors manifest in the Greater Prince George area, will become the gateway to a new economic future, one that will engage multiple constituencies, playing out over a vastly larger economic landscape and shift the focus of economic competition in north central B.C.

This transformation began as the full extent of the economic catastrophe that is the Pine Beetle infestation became evident over a period of time. Concurrently, as major players in the forest products industry and their advisers confront their dramatically altered prospects they will begin to explore and rank economic development alternatives that will assist them in weathering this severe economic downturn. There is substantial evidence that this process is well underway.

Basing itself on eliminating and surpassing that “17 percent” advantage enjoyed today by manufacturing shops in China, and to some extent in India, Progress House has devised a penta-play Business Plan. The five parts to this Business Plan are briefly:

1. CAD/CAM Service Bureau for Rapid Commercialization of Innovations in Biofuel Appliances
2. Greater Prince George Manufacturing Initiative
3. CAD/CAM Teaching and Research Facility based in Vanderhoof
4. Prototyping and Marketing Services to Manufacturing Shops in the Greater Prince George area including ISO certification
5. Mobilization of local capital for investment in local manufacturing.

[15] **(Please see transcripts of parts 1 and 2 of this PBS Television program at :** http://www.pbs.org/newshour/bb/business/july-dec07/globalization_11-28.html **and** http://www.pbs.org/newshour/bb/business/july-dec07/globalization_11-29.html)

Part 1. CAD/CAM SERVICE BUREAU FOR RAPID COMMERCIALISATION OF INNOVATIONS IN BIOFUEL APLIANCES

The specific applications of this “High Road” (this term is borrowed from the above mentioned television documentary programs) of manufacturing and innovation to north central British Columbia is the large scale availability of pine beetle infested biomass. This has presented innovators (including scientists, engineers, technologists, researchers, academicians and forestry entrepreneurs) with a series of choices entirely different from the wealth extraction paradigm which has dominated the Forestry sector in BC for some six decades. While that paradigm has developed into successful value added products from technologically and capital intensive sawmills, Fiberboard and pulp and paper mills, the predicate of extending this value chain, over time, has been the ready availability of fiber and the demands of the US and Canadian housing market. It is this vital fiber supply that is now in jeopardy in both declensions--from the volumes available, to harvesting costs. This sentence does not make senseThe pine beetle infestation has put paid to long term fiber supply. The slump in the US and Canadian housing market, while expected as a cyclical corrective, is now projected to be of much longer duration. This double blow to the long term economic viability of the timber related value added product chain has forced a much needed rethink of that entire paradigm.

The long term availability of pine beetle infested timber, along with timber logging residue (tops, branches and small diameter under-utilized wood) and fire burnt timber provides a base for developing a set of manufactured biomass appliances and specialty process chemical derivatives of woody biomass, which given a suitably equipped rapid prototyping center and associated materials testing facility may constitute the guarantee of successfully establishing a base for sustainable industrial development in the Greater Prince George Region.

The current picture of biomass fuels in the province of British Columbia is focused on wood pellet plants. Unfortunately, the viability of these wood pellets plants is in serious jeopardy, when the saw mills, to which these wood pellet plants are tied for supply of raw material, are shut down for long periods.

Clearly, wood pellet plants, driven by economic necessity, have to become portable and much more automated. In addition, woody biomass can also be turned into wood charcoal in modern, but portable, processing plants. Wood charcoal as biomass fuel is valued at approximately $150 per tonne. Wood charcoal has the advantage of being chemically processed further into higher value activated charcoal. The lowest researched price of high grade activated charcoal product was pegged at $1,000 per tonne at the plant gate. By extending this value chain further, the same wood charcoal can be developed into chemically processed derivative, namely, carbon composites. Carbon composites are a rapidly expanding and highly profitable market. Specifically, an 8 mil thickness of carbon composite “cloth”, which can be used for fabricating automobile
door panels or bus and RV body panels is valued at approximately $10,000 per tonne at the plant gate.

The sales volume of wood pellets and wood charcoal, as biomass fuels, suffer from a near absence of any commercially available, and ASME and API code compliant, appliances such as hot water heaters, low and high pressure steam boilers, steam engines, fluidized bed combustors, and steam based refrigeration plants. This means that, apart from a few hobbyists and experimenters, these biomass fueled appliances cannot be placed in the institutional, commercial and industrial setting. The lack of ASME and API code compliance directly results in lack of insurability. The immediate consequence of this lack of insurability is that no sales of such bio-fuel appliances can be consummated. This has the salutary effect of cutting off large volume and cost-effective manufacturing of same. These “Green Built” biofuel appliances need their design and manufacturing technologies to be intensely and rapidly brought up to ASME and API code compliance.

The proposed Progress House Boutique Manufacturing and Prototyping Incubator will assist entrepreneurs, businesses, innovators and NGO’s in the Greater Prince George area to use the facilities to address this specific need for rapid commercialization for biofuel appliance innovations. This service will be fee-based and related to solving problems while bringing these designs and manufacturing processes into ASME and API code compliance regime. This rapid access to code compliance technologies and processes, as part of a larger “Green Built” industrial development, would lead to securing a solid foundation in manufacturing and machining in the Greater Prince George area.

Part 2. GREATER PRINCE GEORGE MANUFACTURING INITIATIVE (GPGMI)

The Greater Prince George Manufacturing Initiative is born out of marketing research that the precision machine shops, metal fabricating and metal treatment shops in the Greater Prince George area do not receive any significant orders for machined and fabricated goods and services from two very large national and regional procurement groups. These two large procurements groups are as follows:

- The federal government’s four key ministries of Defence, Supply and Services—Public Works Canada, Department of Transport, Indian and Northern Affairs
- Oil and Gas exploration and drilling in north eastern BC

The demise of BC Rail and the eastern Canada concentration of procurement services by CN Rail has had deleterious effect on the procurement of machined goods in the Prince George area. The GPGMI, to be launched and executed by Progress House, is dedicated to remedy this very obvious shortcoming. By way of executing the necessary steps to overcome the complete lack of procurement, the GPGMI will give rise to upgraded precision machine shops that will take certification to ISO standards as the starting point to servicing regional, national and international needs for short run high value precision machine goods. This initiative will be fee-based to subscribing enterprises.

Part 3. CAD/CAM TEACHING, TESTING AND RESEARCH FACILITY BASED IN VANDERHOOF

Progress House intends to use the CAD/CAM service bureau facilities to assist in the teaching of CAD/CAM including rapid prototyping and pattern making at its Vanderhoof facilities. At this time no systematic teaching facilities for CAD/CAM exist in the Greater Prince George area. This is a very significant deficiency for the region and Progress House is well positioned to remedy it and add to other institution’s efforts to implement CAD teaching facilities. Through a Memorandum of Understanding (MOU) being negotiated with Natural Resources Canada’s CANMET Laboratories in Ottawa, Progress House will implement a fully equipped materials testing laboratory at its Vanderhoof facilities. The research effort will focus on the “Bio-Carbon” value chain, associated products and steam and hot water based appliances. Progress House, by virtue of this BP, will also focus on areas where intellectual property (IP), secured through research and testing, can be leveraged.

Part 4. PROTOTYPING AND MARKETING SERVICES TO MANUFACTURING SHOPS IN THE GREATER PRINCE GEORGE AREA INCLUDING ISO CERTIFICATION

The Progress House BP is focused on servicing the needs of manufacturing shops in the Greater Prince George area including taking a number of these enterprises to ISO certification. Rapid prototyping is an integral part of securing short-run high margin orders. This particular facility is readily available to southern Ontario precision machine shops, because of their foundational design as servicing the needs of the auto parts and aircraft parts industries. Unfortunately, the existing machine shops in the Greater Prince George area have grown up to service the needs of sawmills and pulp and paper mills where the requirements for rapid design change, exacting tolerances and multi-stage heat treatment are made prominent only by their absence. Progress House efforts in marketing the capabilities and special skills of area machine and fabricating shops is to fee based.

Associated Organizations to Progress House:

- **The Omineca Beetle Action Coalition (OBAC)** - The Omineca Beetle Action Coalition has taken an active interest in the Progress House project development and provides an avenue of communication to the communities and public at large. Progress House will work with organizations that can leverage the communications and understanding, like OBAC, to a wide and diverse audience within the region. Website: http://www.ominecacoalition.com

- **Cascadia Institute** - Cascadia Institute has taken an interest in the Progress House project as a deal flow generator for their investment activities through their associated organization, the Baron Financial Group.

- **CanMet Energy Network c/o Dr. Fernando Preto -** At the August 16, 2007 Progress House Committee meeting, an interest in adopting a memorandum of understanding between the CanMet Energy Laboratory and Progress House was discussed and an agreement to pursue such an alliance was encouraged. The draft agreement, awaiting presentation to the Board of Directors for approval, outlines a standard working relationship for the two organizations relating to their mutual interests in the commercial application of both fuels and appliances.

Future Affiliations are being sought between Progress House and the following organizations and specialists:

- **Centre for Applied Renewable Energy c/o David Blaney**
  CFAR is an NGO funded by the Ontario Provincial Government to research and promote green energy and industry initiatives within the Province of Ontario. Progress House will be entering into a memorandum of understanding with CFAR to collaborate on issues as far ranging as bio fuel appliance manufacture to carbon composite production strategies combining the interests of the automotive manufacturing industry and forestry for mutual benefit. Website: http://www.cfarhuron.ca.

6.2.3 CED Initiative #2: Aboriginal Community Capacity Enhancement Projects:

The ultimate strength of CFSN is to provide a bridge for First Nations to be included and engaged in regional economic activity. For example our current involvement in a manufacturing incubation organization and an organization working on expanding a slaughter house in the region will allow CFSN to help promote First Nation communities partners in the ventures. The benefit of this will be that apprenticeships and training, investment, business and other opportunities can become more available to First Nations communities. CFSN is well positioned to continue refer clients who have common business interests between the First Nations and other communities. The clients have and will include those involved in business, band, and other governments, educators and many other organizations in the communities.

CFSN's capacity was increased through the project, as was our understanding of First Nation's culture and how the cultural differences affect business activities. CFSN realizes that First Nation's communities need to progress under their own timeline but that the community at large from youth to elders will determine the business development process.

Currently, many of the First Nations business leaders have left the local area and the potential for mentorship and capacity building that could be shared within local communities has been lost. This problem is not unlike many rural communities in Canada, including Non-first Nations communities.

CFSN will continue to assist to develop and improve the relationship with First Nations communities. Initiatives that we are working on are the establishment of a trading house that could have the opportunity to link first nations with other businesses in the region, and hire a First Nations person to practice economic development for CFSN and mentor future EDO's in regional First Nations communities.

In addition, CFSN will continue to work towards presenting the case to establish First Nations Economic Development Corporations to serve their respective communities, acting as an interface to economic development activity between First Nation and other communities. CFSN will also work on continuing to arrange partnerships between First Nations Bands and CFSN.

CFSN has an enduring commitment to be a force for positive development and is well positioned to continue work towards the stated goals of economic sustainability for First Nation Communities in the area we serve and the following are the major projects in this area of community economic development for the operational year 2008/09:

1. Establish Community Economic Development Corporations

Establish a community economic development infrastructure where the practitioners are located in the respective communities with the resources and network to engage the local stakeholders in economic visioning and strategies.

The most desirable strategy would be to develop the capacity within the community through a comprehensive mentoring process, building success and confidence simultaneously.

Such infrastructure should be mandated to look for made in community solutions to the economic issues that they face and should steward the First Nation Society that it serves to achieve the nature and pace of economic evolution in concert with other community priorities.

With respect to stable market development, procurement strategies by all levels of governments could be reviewed with a view to achieving the goal of developing a sustainable business culture for First Nation communities. Such an initiative could be provided to the respective communities as one of the services of an economic development corporation. Failing the establishment of a government procurement strategy to synthesize a stable market upon which to develop industry, an alternative approach such as the establishment of a “trading house” or some facsimile of a “Board of Trade” may be required. Without it, we are effectively asking individuals to not only develop the capacity to start and operate new enterprises, but also to develop skills of strategic market intelligence and advanced marketing communications simultaneously. Without some structure for market support, development of self-determining industry in the First Nation context in our area is less sure.

2. Mentoring, Civil Administration and Civil Engineering

Continue to work on helping to establish basic physical infrastructure needs of the communities in the region. These include emergency services, possible green energy production to assist in off diesel conversions of the electrical production in remote communities and degrading infrastructure related to water management. Such issues also create frustration in the communities and are an obstacle to economic development.

3. Promoting multi-community collaboration

Achieved through programs designed to foster such arrangements and scaled to provide significant mutual benefit. Collaboration could include sharing business knowledge, education and training so that resources are pooled and mentorship is utilized. First Nations communities continue to be daunted by a lack of financial resources and capacity. By working together with surrounding communities, resources can be maximized. Activities that bring the communities together to plan and coordinate capacity building would benefit all of the communities.

4. An alternative approach to developmental lending practices to First Nation entrepreneurs

As a business culture will be built on a series of individual successes, creating the conditions, which reduce business failure, is a fundamental part of any strategy.

Loan monitoring and delinquency control needs to be re-thought in the context of what is trying to be achieved, that being the economic success of the business and the First Nations individual. Trying to apply what is considered traditional portfolio control measures in a non-traditional circumstance should not confuse the ultimate objective. The primary opportunity provided to an economic development lender through a client's account delinquency should be viewed as an opportunity for mentorship rather than an analysis of portfolio exposure and a potential for account resolution.

Economic development lenders, due to their structure, have the luxury of not being tied to a structure of time schedules and deadlines when it comes to developing a business culture in First Nation Communities. Patience is one of an economic development lender's best tools.

5. Retool the current "First Nation Development Industry"

Senior government can have a major impact on the effectiveness of individuals, organizations and agencies involved in First Nation Community development by incentivizing and supporting the transition of the current paradigm from one of consultation to one of mentorship. The mid to long-term benefits of such a shift would lead to a constant process of capacity building.

7.0 FINANCIALS for 2008/09 OPERATING PLAN

2008/2009 Operations Budget (Total Operations)

	1ST Quarter Apr-Jun	2nd Quarter Jul-Sep	3rd Quarter Oct-Dec	4th QuarterJan-Mar	TOTAL
CASH RECEIPTS - REVENUES					
Total WD Contribution**	77,457	77,458	77,458	77,458	309,831
Other Federal Funds					
Other Provincial Funds					-
Other Revenue	7,956	19,201	7,397	16,983	51,537
Other Revenue					-
Interest Transferred from Investment Funds	5,391	5,391	5,392	5,392	21,566
Total Revenues	92,060	100,456	90,577	99,841	382,934

	1ST Quarter Apr-Jun	2nd Quarter Jul-Sep	3rd Quarter Oct-Dec	4th QuarterJan-Mar	TOTAL
CASH DISBURSEMENTS - EXPENDITURES					
Wages and Benefits	73,317	73,317	73,317	73,317	293,268
Insurance, Occupancy & Maintenance	7,824	5,844	6,764	11,344	31,776
Office expense	1,220	1,830	1,830	2,440	7,320
Advertising & Promo	1,500	1,500	1,500	1,500	6,000
Equipment Purchase Lease	758	758	758	758	3,032
Printing & Reference Materials	179	265	158	35	637
Telephone & Fax	1,592	1,728	1,728	1,864	6,912
Computer Supplies & Maintenance	552	552	552	552	2,208
Professional Development	900	2,500	900	1,898	6,198
Travel & Accommodation	2,600	5,100	2,600	5,100	15,400
Professional Services	-	7,416	-	-	7,416
Fees, Dues & Licenses	362	1,240	140	1,025	2,767
Special Projects	-	-	-	-	-
Total Expenditures	90,804	102,050	90,247	99,833	382,934

Surplus or Deficit	-	-	-	-	-

1. Community Economic Development							
Strategic Goal	**Long term/ Short Term Strategy**	**Short Term Activities for Fiscal Year 2007/08**	**Targets/ Indicators for Fiscal Year 2008/09**	**Evaluation/ Measurement**	**Target Group(s)**	**Achieved/ Completed in Fiscal Year**	**Analysis/ Discussion of Variances**
1.1CFSN actively pursues regional development opportunities.	1.1.1 Develop partnerships with & provide services that add value to organizations in the region that share common CED goals.	1.1.1.1 Add value to new & existing alliances & initiatives	N/a	A1) $ invested in CED or BD projects B14) $ leveraged from CED or BD projects B26) # other volunteers leveraged B27) # volunteer hours C32) # increased capacity in community orgs C33) # instances development of economic stimuli	Communities, sectors, ED orgs, EDOs		
		1.1.1.2 Liaise w/ & provide support to communities & CED officers/orgs	5 instances	B28) # marketing activities C31) # instances facilitating community involvement C32) # instances capacity in community orgs	CED orgs, EDOs, communities		
		1.1.1.3 Assist communities to implement initiatives & access funding	8 projects	A1) $ invested in CED or BD projects B7) # new CED or BD projects or events B14) $ leveraged from CED or BD projects/ events B25) # Social Enterprise clients served	Communities		
1.2 CFSN actively works with the various industry sectors and communities to advance CED opportunities.	1.2.1 Work with communities to assist in creation of community socio-economic and/or development plans, corporations.	1.2.1.1 Be available to assist in formation of Development Corporations.	1 instances	B25) # Social Enterprise clients served B31) # instances facilitating community involvement C33) # instances development economic stimuli	First Nations communities		
1.3 Communities, and the region as a whole, begin the long-term transition to a post-mountain pine beetle economy.	1.3.1 Play a greater role in being a key resource for all sectors in growth and diversification.	1.3.1.1 Meet w/ key stakeholders to learn current & potential needs, issues, policies & initiatives that CF can support.	1 exercise	B10) # community planning exercises undertaken B14) $ leveraged from CED or BD projects C31) # instances development economic stimuli	All sectors		
		1.3.1.2 Respond to the needs of regional planning groups.	4 groups	C31) # instances facilitating community involvement C32) # increased capacity in community orgs	All sectors		

2. Investment Fund								
Strategic Goal	**Long term/ short term strategy**	**Short Term Activities for Fiscal Year 2007/08**	**Responsibility**	**Targets/ Indicators for Fiscal Year 2008/09**	**Evaluation/Measurement**	**Target Group(s)**	**Achieved/ Completed in Fiscal Year**	**Analysis/ Discussion of Variances**
2.1 All participants in the community have local access to a broad range of capital sources.	2.1.1. A proactive approach in research, information sharing and project identification on behalf of CFSN to create real solutions on the ground in the region's small and rural communities.	2.1.1.1 Inform the community of programs & services that are available.	Staff	240 info services	B16) # clients served B17) # advisory services provided to clients B18) # information services provided to clients B19) # website information services provided to clients B20) # training sessions delivered B21) # clients trained B22) # persons with disabilities served B23) # aboriginal clients served B24) # youth clients served	Clientele		
		2.1.1.2 Identify and access funding from other sources (including additional loan capital).	Board/Staff	N/a	A1) $ invested in CED or BD projects B14) $ leveraged from CED or BD projects	Board/BLC		

3. Business Services								
Strategic Goal	**Long term/ short term strategy**	**Short Term Activities for Fiscal Year 2007/08**	**Responsibility**	**Targets/ Indicators for Fiscal Year 2008/09**	**Evaluation/ Measurement**	**Target Group(s)**	**Achieved/ Completed in Fiscal Year**	**Analysis/ Discussion of Variances**
3.1 Provide financial management & business administration skills training to clients.	3.1.1 Core skills in business management will be developed in individuals through one-on-one counselling, workshops or interactive means.	3.1.1.1 Commercialize Board Game that teaches cash flow management.	Staff	1 project	B27) # volunteer hours	BD or CED clientele		
		3.1.1.2 Assist Business Owners in developing Business Skills.	Business Analyst	50 instances	B21) # clients trained	SME's		
3.2 Continue a leadership role in small business development in the region.	3.2.1 Help all communities in the region establish commerce ready organizations, businesses, joint ventures or similar, by the provision of loans and leveraged funds.	3.2.1.1 Identify potential projects, proponents with projects and funding needs.	Staff	12 projects	B10) # community planning exercises undertaken B16) # clients served B17) # advisory services provided to clients B18) # information services provided to clients B28) # marketing activities C31) # instances facilitating community involvement	Communities		
		3.2.1.2 Establish and meet lending target.	Business Analyst	$500,000 (loans) $2 million (leveraged)	A1) $ invested in CED or BD projects B13) $ leveraged through lending activities B14) $ leveraged from CED or BD projects or events B15) $ leveraged from BD clients	Loan clientele		

4. Marketing & Visibility								
Strategic Goal	**Long term/ short term strategy**	**Short Term Activities for Fiscal Year 2007/08**	**Responsibility**	**Targets/ Indicators for Fiscal Year 2008/09**	**Evaluation/Measurement**	**Target Group(s)**	**Achieved/ Completed in Fiscal Year**	**Analysis/ Discussion of Variances**
4.1 CFSN is the "top of mind" organization for business and economic development support and assistance.	4.1.1 Implement the marketing plan, using a phased approach in a manner that reaches all publics and stakeholders (audiences).	4.1.1.1 Invite feedback on planning goals as set out in strategic plan.	Board/Staff	1 instance	A4) # hours committed by board members B28) # marketing activities C36) # instances increased CFSN org capacity	All audiences		
		4.1.1.2 Promote lending programs.	Board / Staff	1 marketing activity	A4) # hours committed by board members B18) # information services provided to clients B19) # website information services provided to clients B28) # marketing activities	All audiences		
		4.1.1.3 Expand utility and comprehensiveness of CFSN website.	Webmaster/ Staff	N/a	A4) # hours committed by board members B19) # website information services provided to clients	All audiences		
		4.1.1.4 Provide workshop(s) and open houses to inform on programs, services and current opportunities.	Staff/Board	1 event	B8) # on-going CED or BD projects or events B28) # marketing activities	All audiences		
		4.1.1.5 Participate in other organization's trade shows, open houses, public meetings & presentations.	Staff/Board	3 events	B28) # marketing activities	All audiences		
		4.1.1.6 Grow the Board's effectiveness in grassroots promotion of programs	Board Website	N/a	A4) # hours committed by board members B14) # leveraged from CED or BD projects or events B28) # marketing activities C35) # instanced of increased community stability C36) # instances of increased CFSN org capacity	All audiences		
		4.1.1.7 Recruit from community at-large for new Board member applications.	Board	N/a	A3) # board members A4) # hours committed by board members B28) # marketing activities C36) # instances of increased CFSN org capacity	All audiences		
		4.1.1.8 Recruit from community at-large for Advisory/ Steering Group committee members.	Board	N/a	A3) # volunteer board members A4) # hours committed by board members B26) # other volunteers leveraged B27) # volunteer hours B28) # marketing activities C36) # instances of increased CFSN org capacity	All audiences		

4. Marketing & Visibility

Strategic Goal	Long term/ short term strategy	Short Term Activities for Fiscal Year 2007/08	Responsibility	Targets/ Indicators for Fiscal Year 2008/09	Evaluation/Measurement	Target Group(s)	Achieved/ Completed in Fiscal Year	Analysis/ Discussion of Variances
		4.1.1.9 Make available all CFSN financial statements, policies, procedures, governance documents and reporting to stakeholders and the public.	Staff/Board	N/a	B18) # information services provided to clients B19) # web site information services provided to clients	All audiences		
		4.1.1.10 Report out to the community.	Staff/Board	4 instances	B18) # information services provided to clients B19) # web site information services provided to clients B28) # marketing activities	All audiences		

5. Administration & Management

Strategic Goal	Long term/ short term strategy	Short Term Activities for Fiscal Year 2007/08	Responsibility	Targets/ Indicators for Fiscal Year 2008/09	Evaluation/Measurement	Target Group(s)	Achieved/ Completed in Fiscal Year	Analysis/ Discussion of Variances
5.1Regular communications with CF's in northern BC.	5.1.1 Develop periodic check-ins for sharing of best practices, networking, and partnering opportunities.	5.1.1.1 Partner with other CF's on a project-by project basis.	Staff	1 project	C32) # instances increased capacity in community orgs C36) # instances increased CFSN org capacity	Other CF's		
5.2 Staff and Board have the necessary skills and competencies to fulfill their roles effectively.	5.2.1 Develop and implement staff/ board training plan to ensure internal human resources are capable of meeting goals and objectives.	5.2.1.1 Participate in CFDA Board training & development modules	Board	1 project	C36) # instances increased CFSN org capacity	Board		
		5.2.1.2 Report active projects to Board.	Manager	Monthly	C36) # instances increased CFSN org capacity	Board		
		5.2.1.3 Conduct internal review of Loan Portfolio	Manager	Annually	C36) # instances increased CFSN org capacity	Board, WD, Funders		
		5.2.1.4 Conduct Privacy Policy Audit	Manager/ Privacy Policy Officer	Annually	C36) # instances increased CFSN org capacity	Board, WD, Funders		

5. Administration & Management								
Strategic Goal	**Long term/ short term strategy**	**Short Term Activities for Fiscal Year 2007/08**	**Responsibility**	**Targets/ Indicators for Fiscal Year 2008/09**	**Evaluation/Measurement**	**Target Group(s)**	**Achieved/ Completed in Fiscal Year**	**Analysis/ Discussion of Variances**
5.3 Diversified program funding ensures the long-term viability of business services to our region.	5.3.1 Research and obtain other funding sources to supplement core funding for services, programming, CED or BD projects, and physical facility requirements.	5.3.1.1 Research and obtain other funding sources to supplement core funding.	Board / Staff	Ongoing	B14) $ leveraged from CED or BD projects/events B15) $ leveraged from BD clients B25) # social enterprise clients served C34) # enhanced community services or facilities C35) # instances increased community stability C36) # jobs created/maintained/expanded	Staff/Board		
		5.3.1.2 Investigate the need & viability of relocating the office /purchase building	Manager/ Board	Ongoing	C34) # enhanced community services or facilities	Staff/Board		
5.4Strategic plan development and review process is continual.	5.4.1 Implement and report on strategic plan measurable inputs, outputs and outcomes.	5.4.1.1 Annual self-assessment of the organization	Board/Staff	Complete self-assessment process by September 30	C36) # instances increased CFSN org capacity	Board/Staff		
		5.4.1.2 Annual strategy planning sessions with Board and staff.	Board/Staff	Hold Strategic Planning session by October 31	C36) # instances increased CFSN org capacity	Board / Community		
		5.4.1.3 Monitor & evaluate the progress made against Operations Plan.	Board	Quarterly review	C36) # instances increased CFSN org capacity	Board		
		5.4.1.4 Measure outcomes and achievements and variances as they occur.	Staff	Quarterly review	C36) # instances increased CFSN org capacity	Staff/Board		

6. Other Services								
6.1 Relationships are established with all communities in the region.	6.1.1 Involve members from all communities on committees and in projects that are of benefit to them and have sustainability for the long term.	6.1.1.1 Develop feasibility for First Nations Trading House strategy.	Staff	Preliminary report to Board by Sept. 30/08	C33) # instances development of economic stimuli C35) # instances increased community stability	First Nations communities		
		6.1.1.2 Develop feasibility for First Nations Economic Development Corporations.	Staff	Preliminary report to Board by Sept. 30/08	C33) # instances development of economic stimuli C35) # instances increased community stability	First Nations communities		
		6.1.1.3 Link up current project opportunities with best practices and regional benefits.	Staff	1 instance	C35) # instances increased community stability	Communities or NPO's or industry sectors/ clusters		
6.2Infrastructure in the region meets the needs of local industry and the communities	6.2.1 Work with other organizations to help address regional infrastructure gaps and priority needs.	6.2.1.1 Assist stakeholders to determine gaps, needs and tangible solutions for infrastructure projects deemed to have a high priority.	Board/ Staff	On-going	B9) # projects/activities providing leadership/expertise B14) $ leveraged in CED or BD projects/events C34) # enhanced community services or facilities C36) # jobs created/maintained/expanded	Communities		