

# 2014-2015 Operating Plan



Community Futures Development Corporation of Stuart Nechako  
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**1.0 IDENTIFICATION AND CONTACT INFORMATION**

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**2.0 DESCRIPTION OF THE CFSN REGION**

**2.1 Geographic Information:**

Community Futures Development Corporation of Stuart Nechako (CFDC-SN) is a federally incorporated (1995) not-for-profit organization operating from offices in Vanderhoof, British Columbia in the Stuart Nechako Region of north central BC, 95 km west of Prince George. The staff of CFSN serves the three municipalities of Fort St. James, Fraser Lake and Vanderhoof, and First Nations communities of Nad’leh Whuten, Nak’azdli, Saik’uz, Stellat’en, Takla, Tl’azt’en and Yekooche and as well as the unincorporated communities throughout the Stuart Nechako Region.

See Map of Region in [Appendix B](#).

**2.2 Demographic Information:**

The Stuart Nechako is a sub-region of the Regional District of Bulkley Nechako and is home to 16,255 people living in small towns, rural settings, remote and First Nation communities. The largest community is the District of Vanderhoof followed by the District of Fort St James and the Village of Fraser Lake. The sub-region of the Regional District of the Bulkley Nechako is called the “Stuart Nechako.” Our sub-region has seen tremendous growth in population, far exceeding the projected regional average of 0.1%. Furthermore, the number of people actually in the region, working on major project construction, is not captured by census data.

**The District of Vanderhoof**, (2011 pop. 4,480), located 97 km west of Prince George at the junction of Highways 16 and 27, is the regional service centre. Vanderhoof 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 St. John Hospital.

The District of Fort St James (2011 pop. 1,691) is located on Highway 27 along the southern shores of Stuart Lake 2006. Fort St James is a service centre for the smaller communities and remote residences scattered through the northern Stuart Nechako area. Fort St. James benefited from the expansion of the Endako Mine and construction on BC’s first new major metal mine in 15 years, the Mount Milligan Mine development. Road access to the mine, which is located in the Cariboo Development Region, is via Fort St. James.

**Figure 2.2.1. Population of the Stuart Nechako Region’s Communities and Region**

Communities - Urban and Rural Population	2006	2011	2006-2011% change
Regional District Bulkley Nechako*	38,243	39,208	+2.5%
District of Vanderhoof	4,064	4,480	+10.2%
Electoral Area F “Vanderhoof Rural”	3,137	3,702	+18.0%
District of Fort St James	1,350	1,691	+25.3%
Electoral Area C “Fort St James Rural”	1,355	1,429	+5.5%
Village of Fraser Lake	1,113	1,167	+4.9%
Electoral Area D “Fraser Lake Rural”	1,682	1,734	+3.1%
First Nations Communities	1,817	1,952	+6.92%
<b>Subtotal Urban &amp; Rural Stuart Nechako</b>	<b>14,518</b>	<b>16,155</b>	<b>+11.28%</b>

**Village of Fraser Lake** (2011 pop. 1,167), the third largest community in the Stuart-Nechako Region, sits at the southwest end of Fraser Lake. The economy and population depends heavily on forestry and mining, and to a lesser degree, on tourism. The 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.

**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 and one rest stop.

**Fort Fraser** (pop. 1,354 in 2011) is one of the oldest settlements in British Columbia, located on the Yellowhead Highway, 44 km 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 km 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<sup>2</sup> 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 is 6,865 (2011), with an 11.2% increase since 2006. These geographical areas incorporate the total First Nations Indian Reserves proper that have 1,952 registered band members (2011).

The electoral areas of the Stuart Nechako region, 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.”

**2.2.2 First Nations Communities Description, Location and Population Stats\***

<i>First Nations Communities Total On Reserve</i>	2006	2011	% change 2006-2011	Notes About Community
<i>Nak’azdli First Nation</i>	495	534	+7.9%	Main community adjacent to Fort St. James; 16 reserves on 1,458 hectares
<i>Tl’azt’en First Nation</i>	375	409	+9.1%	Main communities north of Fort St. James; 49 reserves on 2,785 hectares
<i>Saik’uz First Nation</i>	384	332	-13.5%	Main community south of Vanderhoof; 10 reserves on 3,235 hectares
<i>Takla Lake First Nation</i>	131	183	+39.7%	Main community at Takla Landing; 17 reserves on 809 hectares
<i>Nadleh Whu’ten Nation</i>	153	201	+31.4%	Main community on Nautley Reserve near Fort Fraser; 7 reserves on 969 hectares
<i>Stella’ten First Nation</i>	186	205	+10.2%	Main community on Stellaquo Reserve; 2 reserves on 851 hectares
<i>Yekooche First Nation</i>	93	88	-5.4%	Main community on Stuart Lake (Fort St. James area); 4 reserves 380 hectares
<b>Total Population Registered BC</b>	<b>1,817</b>	<b>1,952</b>	<b>6.9%</b>	<b>Stats 2011</b>

\*Source: BC Stats, 2011 Census Total Population Results Indian Reserves web pages, <http://www.bcstats.gov.bc.ca/StatisticsBySubject/Census/2011Census/PopulationHousing/IndianReserves.aspx>

**Nadleh Whut’en First Nation** (formerly Fraser Lake), has 412 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).

**Nak’azdli Band** (formerly Necoslie) has approximately 1,695 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.) An economic development agreement signed between the Province & Nak’azdli First Nation supports economic opportunity and provides greater certainty for the Mount Milligan Mine project over the life of its operation. Among the benefits Nak’azdli First Nation will receive a share of the mineral tax from Mount Milligan Mine, representing what is expected to be approximately \$24 million over the life of the mine. <sup>1</sup>

<sup>1</sup> Province of BC Press Release, Ministry of Aboriginal Relations and Reconciliation, Economic Development Agreement signed with Nak’azdli First Nation, web page accessed on February 3, 2013, [http://www2.news.gov.bc.ca/news\\_releases\\_2009-2013/2012ARR0011-000842.htm](http://www2.news.gov.bc.ca/news_releases_2009-2013/2012ARR0011-000842.htm)

**Saik'uz First Nation** (formerly *Stony Creek*) has approximately 863 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 First Nation has one reserve within the District of Vanderhoof called Noonla Reserve that is adjacent to the CN Rail Line and Highway 16.

**Stellat'en First Nation** (formerly *Stellaquo*) has approximately 417 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.

**Takla Lake First Nation** has approximately 644 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).

**Tl'azt'en Nations** (formerly *Stuart-Trembleur*) has approximately 1,524 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 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. Tache is the location of the administration, elementary school, daycare, health and RCMP offices.

**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). There are 214 band members of which 93 live on reserve (2006) which is a 31% increase from 71 in 2001. The Yekooche First Nation Agreement-In-Principle (stage five) was officially signed on August 25, 2006, and is negotiating a treaty settlement with the British Columbia Treaty Commission six-stage process.

## 2.3 Economic Challenges and Opportunities

### 2.3.1 Forestry

The forestry industry is optimistic and lumber prices are predicted to remain high; wood manufacturers that survived the downturn are well-positioned to take advantage of this recovery. However, the skilled worker shortage may worsen as mills and logging camps increase their activity to meet global lumber demand. This may ultimately hamper mill capacity, business viability and major project development in the region. Further, a potential future lumber supply constraint - as salvageable pine beetle-infested wood begins to run out - is also concerning, particularly for the region's "super-mills" that were built over capacity. The improved softwood lumber market prompted a rebuild of the Babine Forest Products, which when burned to the ground put 250 employees out of work.<sup>2</sup>

"Meanwhile, forestry giants Canfor and West Fraser announced closure of two interior sawmills next year because of the pine beetle epidemic has gutted their timber supply."<sup>3</sup> At least 225 direct jobs will be lost in Houston and another 209 people will lose their jobs in Quesnel. Additional losses will occur in the supply chain: loggers, truckers and related businesses.

<sup>2</sup> Institute of Chartered Accountants of BC, "Live, Work, Invest in BC. 2013 Regional Check-Up: Nechako Development Region," <http://www.bccheckup.com/bccheckup.php?cat=85>

<sup>3</sup> The Vancouver Sun, "Interior B.C. sawmills closed as beetle epidemic erodes supply: Canfor, West Fraser exchange timber rights to keep two other mills open," by Gordon Hoekstra, October 24, 2013.



### 2.3.2 Mining

Upgrades and expansions at the Endako (\$650 million) and Huckleberry (\$201 million) mines and new development at Mount Milligan (\$1.4 billion) increased regional employment and local spending. Mineral exploration expenditure in the Skeena and the Omineca mining regions reach another record high, increasing by 54% to reach \$448.5 million in 2012 - a reflection of expectations that the global markets's demand for commodities will persist.

However, weak molybdenum prices, lower-than-anticipated grades, and productivity issues with respect to the new equipment on the recently completed Endako expansion resulted in temporary staff cut-backs. The development of NewGold's Blackwater Project may be delayed due to soft gold prices.

The Mount Milligan mine north of Fort St. James has shifted from construction to operations, with 350 workers needed during operations - most of which they will try to hire from the local area. The mine has established man-camp and residences on-site rather than employees being housed in either Fort St. James or Mackenzie. The load-out facility and trucking is via Mackenzie. Nevertheless, the Nechako Development Region lead the way in the number of business incorporations with the rising demand for business services in Vanderhoof as the hub (32.3% increase), and not a single business filed for bankruptcy in 2012.

### 2.3.3 Construction

Given the magnitude of major project development underway in 2012, the region's construction industry had another good year. The demand for construction workers is projected to increase over the coming years. However, routine construction trades struggle to compete with the high wages offered by the major projects and mining industry. Tradesmen prefer the ease of working as a skilled employee rather than starting their own business, requiring the import of non-local firms. On the ground, employment in the industry is likely higher than regional employment numbers indicate because temporary and camp-based workers are not reflected in the local Labour Force Survey numbers.

A shortage of construction workers and skilled construction contractors may result in delays in the start of new projects in the region, including the construction of residential housing (see section 2.3.x). Additionally, a substantial skills mismatch between employer demand and the local supply of labour is also contributing to some pockets of high unemployment in the region, particularly Aboriginal communities.

### 2.3.4 Agriculture:

The report named "*Forage Production and Export Potential in BC's Central Interior - Final Report, December 2013*" by Allen Dobb Consulting (December 2013)<sup>4</sup> provides excellent detail on the business opportunity most recently finance by CFSN in 2013-2014 fiscal year. Some of the findings are printed here.

Most export markets require high quality hay. Timothy, the other major forage export crop, is used mostly for dietary fibre in Japan and Korea. The export hay market has grown with the global increase in shipping container traffic, and government policies in some importing countries to increase milk production. In the Middle East changes in water policy have eliminated irrigated alfalfa production, so replacement forage needs to be imported to sustain livestock industries. Japan is the largest importer of forage, at over 2.3 million tonnes, followed by S. Korea, UAE, China and Taiwan.

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<sup>4</sup> Allen Dobb Consulting, "*Forage Production and Export Potential in BC's Central Interior - Final Report, December 2013*," Allen Dobb Consulting, Victoria, BC.

[www.farmwest.com/sites/default/files/images/ads/BCFC%20Forage%20Production%20and%20Export%20Potential%20rev%20Feb2014.pdf](http://www.farmwest.com/sites/default/files/images/ads/BCFC%20Forage%20Production%20and%20Export%20Potential%20rev%20Feb2014.pdf)

Transportation and logistics are key parts of the forage processing and export industry. The main objective of forage processing (densification) is to reduce transportation costs. The Port of Prince Rupert serves as the main corridor for forage export out of the Central Interior. Product pricing faces stiff competition from the Ports of Long Beach and Los Angeles (CA) - the lowest shipping rates on the west coast. Early efforts from the two processing units in Central BC show that production improvements are being made to increase both the volume and quality required to meet return-on-investment. Continued support in the business development of this new export product has been identified in the above named report:

- (1) Develop a hay export strategy for the Central Interior to capitalize on opportunities, minimize weaknesses and develop strategies to deal with threats.
- (2) Support value chain development and facilitate information transfer between processors and producers.
- (3) Provide support for co-operative adaptation - create access to low interest loans, or pursue rental/lease arrangements for large-square balers.
- (4) Create export marketing seminars to increase producer and processor knowledge of the industry.
- (5) Support development of simple but robust decision-support tools for business and production planning.

### **2.3.5 Tech Sector:**

With the promise of extending or improving high-speed internet access to rural and remote areas, CFSN is viewing that the technology sector improvements hold the greatest potential in terms of accelerating the region and create conditions for our northerly businesses to succeed in the global market. By combining the opportunities developed by the allocation of funds in the most recent federal government budget, and the “Province of BC’s commitment to support commercialization and adoption of technology”<sup>5</sup> including the support of regional technology sectors; the Prince George and area sector council is under development and CFSN will plan to participate and be proactive in the areas that are aligned with regional opportunities.

### **2.3.6 Retail Sector:**

This sector locally is suffering from tight margins and increasing overhead. The retail businesses in the region have aging owners/operators that are in higher numbers looking to exit the business either through sale or closure.

### **2.3.7 Available Housing Stock (Rental and Purchase):**

Another challenge that faces our region is a shortage of housing; most prominently for new workers to the area and seniors. This is most prominent in the lack of senior’s housing. Presently Vanderhoof and Fort St. James are developing housing studies to determine how to address this need. One solution may be the development of senior’s housing co-ops. Fort St. James currently has a group forming to establish a senior’s housing co-op.

Huge jumps in real-estate prices have been previously unprecedented all across the region, led by Kitimat, at 25.66%. There is little (or no) rental vacancy making it hard to house the new skilled employees to the area. The housing construction industry, should one be able to start, are expected to struggle to attract and keep workers.

## **2.4 External Challenges and Opportunities Impacting CFSN**

### **2.4.1 Long-term funding:**

One year funding cycles are stifling CF’s long-term planning. Micro-projects and one-offs can be planned with one year funding, however longer term projects like CFSN’s Innovation Centre Project and Crowdfunding project will require three to five year funding cycles in order to be successful.

### **2.4.2 New Uses of Non-Commercially Viable Timber:**

Utilizing standing dead timber is going to be vital to both forest health and the forest economy recovery in as

<sup>5</sup> Ministry of Jobs, Tourism and Innovation, “British Columbia’s Technology Strategy: Building BC’s Economy,” <http://www.bcjobsplan.ca/wp-content/uploads/TechnologyStrategy2012.pdf>

early as 2015. The region has already experienced the closure of large sawmills and the trend will continue, according to some experts. CFSN will be active in discussing the development of alternative uses of the wood fibre no longer suitable for sawmilling. An alternative that CFSN is interested in pursuing is the production of activated charcoal used in water filtration, with global export market sales.

For several years CFSN has taken the position locally that Charcoal should be investigated as a potential product to be made from wood fibre unsuited for the current wood products. In partnership with Innovation Central Society CFSN will participate in the development of a feasibility study on Charcoal as an industry. The purpose of the study is to establish the value for a number of charcoal products (including activated charcoal used in water filtration) and demand. Activated Charcoal is a product with significant promise as it is used in water filtration. Using a product derived from wood waste to clean water has a tremendous brand potential for the region.

### **2.4.3 Contractor development & support in the creation of commercial and residential real estate development:**

Support the development of accredited contractors. CFSN has provided business counselling to one new contracting company this year but there is opportunity in the region to establish more businesses in this sector.

### **2.4.4 New Tech Section:**

In addition CFSN is exploring the opportunity to obtain a 3D Printer to demonstrate the technology in the region and allow open access to the equipment by individuals to pursue product development and short run manufacturing. The particular equipment to be secured will be in the price range that an entrepreneur can afford so that CFSN can work towards developing a cottage industry cluster featuring this technology.

### **2.4.5 Agriculture Hay Pressing:**

Two new hay pressing plants producing animal feed for export have operated during the year. CFSN supported this industry by providing a loan for a pellet mill to process the waste from hay pressing operations into hay pellets also for export. This will provide another revenue stream for the hay pressing operation. An unintended consequence of these export operations may be a higher local price for hay to the farmers which could lead local cattle producers facing higher costs of operation. CFSN will monitor this situation to determine if there is a negative impact.

### **2.4.6 Commercialization of Ideas:**

CFSN wishes to address this issue through partnerships with Innovation Central Society and others with the development of an Innovation Centre which provides business services and mentoring to individuals as required. An example of the type of clusters that can be developed includes the emerging Educational Products Group CFSN is taking a lead role in establishing. Through our involvement with the School District 91 Business Company the Stuart Nechako region has connections relating to education in China. Through an initiative by CFSN a group is forming to explore the production of educational content as an export item. E-Bus exists in Vanderhoof - experts in online education.

### **2.4.7 Financial Planning and Management/Local Retail Sector Support**

- CFSN is working with local business owners in introducing cash flow management tools to assist business owners in their planning.
- CFSN is committed to support Buy Local Campaigns and programs in the region.
- Junior Achievement: CFSN will continue its support of the Junior Achievement in local high schools. In addition CFSN will be introducing Junior Achievement in First Nations communities. The pilot for this project will be done in partnership with the Nak'azdli Band in Fort St. James. The objective is to improve financial literacy and provide youth with exposure to operating a business.



**2.4.8 Business Succession Planning:**

CFSN has adopted the Venture Connect Program (in relationship with the Vancouver Island CF’s) which assists business owners in preparing their businesses for sale.

**2.4.9 Mobilizing Local Capital/Pilot Project in Crowdfunding:**

CFSN is using new technology developed to establish crowdfunding platforms to create a site where local people can support local projects. This site will be open to non-profits and other causes that do not contravene Securities regulations. Should the Securities regulations be amended to allow for a crowdfunding exemption to allow for business investment CFs will be in a good position to support crowdfunding as a method to mobilize local capital. I have scaled the project so that it could be adopted province wide by all CFs should the pilot prove successful.

**3.0 DESCRIPTION OF THE ORGANIZATION**

**3.1 Vision and Mission**

**VISION:** “To contribute and support a robust, diversified economy and healthy sustainable communities.”

**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 Description of the organization**

<b>3.2.1</b>	<b>Board structure and committees</b>	<p>The CFSN Board of Directors is currently made up of six members; as many as five additional directors can be added to the board at any time in the future. Directors, at this time, represent the communities of Cluculz Lake, Vanderhoof, Fraser Lake and Fort St. James.</p> <p>The Board meets quarterly to determine the overall direction, monitor achievement of goals and objectives and policies of CFSN and maintains several working committees that deal with the following areas of focus:</p> <ol style="list-style-type: none"> <li>1. Executive Committee</li> <li>2. Business Loans Committee</li> </ol> <p>Sub-committees and steering committees are struck from time-to-time to undertake specific projects and initiatives. The Chairperson, members of the Board, business experts and community volunteers from the region are encouraged to participate on our committees and sub-committees.</p>
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3.2.2	Organizational structure, i.e. units, areas of responsibilities	<p>The current full-time staff compliment at CFSN consists of a two staff that 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.</p> <ul style="list-style-type: none"> <li>• <b>General Manager</b> - reports directly to the Board of Directors and is responsible for overall CF operations;</li> <li>• <b>Business Analyst</b> - responsible for business development and loans;</li> <li>• <b>Financial Support Officer</b> - responsible for bookkeeping, accounts and budget administration;</li> </ul> <p>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.</p>
3.2.3	Office locations and coverage of communities (i.e. offices, part time staffing in other communities)	<p>Main Office: Vanderhoof, BC.</p> <p>From Vanderhoof the staff of CFSN travels out to the three municipalities of Fort St. James, Fraser Lake and Vanderhoof, and the seven First Nations communities of Nad'leh Whuten, Nak'azdli, Saik'uz, Stellat'en, Takla, Tl'azt'en and Yekooche as well as the unincorporated communities throughout the Stuart Nechako Region.</p>
3.2.4	Planned staff & board training	<p>CFSN is working with CF Fraser Fort George and CF Nadina is planning to hold Board training sessions in March 2014 where Board members will meet and benefit from the training and orientation sessions and networking.</p> <p>Staff are currently engaged in Community Economic Development certificate training (SFU).</p>
3.2.5	Subsidiaries and related entities listed	NIL

**3.3 Staff**

Staff	Position	Core Staff (WD) *	Phone Extensions	Year Hired
Graham Stanley	General Manager	100%	250-567-5219	2003
Janine Payne	Financial Support Officer	100%	250-567-5219	1998
Tammy Lyell	Business Analyst	100%	250-567-5219	2012

**3.3.1 Describe any challenges related to staff retention, recruitment and training.**

- It is becoming more difficult to find qualified staff due to labour shortages in the region. As an example CFSN advertised for a CED position (25 hours per week) and only received one application. Attracting suitable employees is currently a challenge for all businesses in the region, in part due to the lack of available housing for new residents (home purchase or rentals).
- CFSN staff have requested flexible work schedules. CFSN believes that flexible hours of work is part of the future work environment and will be developing a plan to allow this practice in the new fiscal year.

**3.4 Board of Directors**

Name	Position on Board	Geographic Area of Representation	Year Joined Board	Appointed by Municipality and/or Band Council
Randy Turcotte	Chair	Fraser Lake	2012	No
Charles Hutchinson	Treasurer	Vanderhoof	2013	No
Kathleen Akeroyd	Secretary	Vanderhoof	2013	No
Michael Reed	Director	Vanderhoof	2012	No

**3.5 Board of Directors Governance**

3.5.1	<p>Does the CF have a formal process to ensure your Board is representative of the community (geographic, age, gender, skill set, and perspective).</p> <ul style="list-style-type: none"> <li>• If yes, describe your process in detail.</li> <li>• If no, what are your plans to put this in place in 2014-15.</li> </ul>	<p>The Board of Directors Governance work will be a priority for CFSN in the coming fiscal year. The work planned is as follows:</p> <p>(1) <u>March 2014</u>: Working with CF Nadina and CF Fraser Fort George to hold a multi-organizational Board Training Session for the purposes of capacity development, director training and networking between key management and directors.</p> <p>(2) <u>May 2014</u>: In combination with the learning from the March sessions, CFSN will hold internal Board Governance sessions to address capacity development and modernization of 3.5.1 through 3.5.5. Draft One of these policies and procedures will be developed out of these sessions. The key areas of development will be:</p> <ul style="list-style-type: none"> <li>*Directors-Officers Liability</li> <li>*Fiduciary Duty</li> <li>*Governance Essentials</li> <li>*Human Resources Management &amp; Planning</li> <li>*Risk Management</li> <li>*Strategy and Planning</li> </ul> <p>(3) <u>September 2014</u>: The Board will meet to continue Governance Development and created Draft Two of policies and procedures.</p> <p>(4) <u>November or December 2014</u>: The Board will finalize the policy and procedure work related to Governance in combination with the annual Strategic Planning session.</p>
3.5.2	<p>Do you have a formal Board recruitment and retention strategy?</p> <ul style="list-style-type: none"> <li>• If yes, describe your strategy in detail.</li> <li>• If no, what are your plans to put this in place in 2014-15.</li> </ul>	
3.5.3	<p>Do Board members receive a comprehensive orientation regarding board responsibilities, programs and services, and administrative procedures?</p> <ul style="list-style-type: none"> <li>• If yes, provide details of what is included and frequency.</li> <li>• If no, what are your plans to put this in place in 2014-15.</li> </ul>	
3.5.4	<p>Do your by-laws include provision for length of board service and rotation of board members?</p> <ul style="list-style-type: none"> <li>• If yes, what is the maximum length of board service allowed?</li> <li>• If no, what are your plans to put this in place in 2014-15.</li> </ul>	
3.5.5	<p>Does your policy related to conflict of interest require your staff and board members to sign a Code of Ethics Oath / Conflict of Interest Statement / etc?</p>	
		<p>Conflict of Interest Statement is complete.</p> <p>This statement will be reviewed in the Board Governance 2013-2014 work sessions, and may be expanded to included Code or Oath of Ethics.</p>

**4.0 PLANNING AND POLICIES**

**4.1 Strategic Priorities**

The date of Community Futures Stuart Nechako’s annual strategic planning session was **November 29, 2013**

Refer to the Strategic Priorities Table in Appendix A.

**4.2 Inclusivity**

Promoting the inclusion and participation of all community members fully and effectively in the local and regional Socio-Economic Development is a core value of CFSN. Where applicable, strategies will target exclusive sectors that we provide (e.g. Aboriginal people, Women, Youth, Disabled Entrepreneurs, Francophones, Social Enterprise clients, and others that are identified from time to time).

**4.2 Governance and Accountability**

CFSN will undertake a significant development program for board members in the spring and fall of 2014 including: networking and board training, board recruitment, capacity development, and modernization of policies and procedures.

Meanwhile, community and partnership networking will continue through our activities with the communities, entrepreneurs, school children, and finance and industry partners. This past year at the 2013 Provincial AGM, CFSN was recognized with the group of Northern CF’s for the “Award for Excellence and Innovation” for the free self-titled publication. The publication was deemed so successful a repeat effort will continue in 2014.

CFSN has maintained a top-rate website where the operational plan is posted in a “public version.” Current events and news items are posted as well. In 2014-2015 the website content will be refreshed.

Additionally, an Annual Report to the Community for the Year Ended 2013/2014 will be produced in the spring of 2014 in accordance with the template to be supplied by WD.

The following documents have been updated and supplied to the WD Officer.

Incorporation Documents	Last Updated
Articles of Incorporation and Association	January 24, 2013
Bylaws	January 24, 2013

Policies Related To:	Date Policy was last updated
<b>Investment Fund Management</b> Please include: <ul style="list-style-type: none"> <li>• Appeals and redress mechanism</li> <li>• Loans in excess of \$150,000 (if applicable)</li> </ul>	January 24, 2013
<b>Conflict of Interest</b>	January 24, 2013
<b>Board of Directors</b> (policy for appointment/selection, terms of office, etc	January 24, 2013

**5.0 PERFORMANCE INDICATORS**

5.1 Performance target information is required for the coming fiscal year for the following indicators:

Community Futures Stuart Nechako: Group 2

2014-2015 Performance Indicators	Group 2 Targets	CFSN Targets
<i><b>Strong rural community strategic planning and implementation</b></i>		
# of local and regionally-based community strategic plan(s) developed and/or updated during the year		3
# of partners engaged in community strategic planning		10
Total # of community based projects (MPS**)	2	5
Total \$ value of the community based projects		\$37-million
\$ leverage value of community based projects		\$15-million
# of partners engaged in community-based projects		10
<i><b>Rural access to business development services</b></i>		
# of businesses created, maintained, or expanded through business services		4
Amount leveraged through business services		\$200,000
# of business training session participants (MPS**)	400	400
# of business advisory services (MPS**)		
<i><b>Rural access to capital and leveraged capita</b></i>		
\$ value of loans (MPS**)	\$600,000	\$600,000
# of loans (MPS**)	8	8
Amount Leveraged through Lending (EDP and non-EDP)		\$500,000
# of Projects/Initiatives that align with GOC/WD priorities <i>(Does not get entered into TEA)</i>	2	2



**5.2 Community Based Projects (aligns with WD’s Community Economic Growth program area):**

**5.2.1 “Vanderhoof and Region” Community Foundation Development Support**

CFSN will work in a supportive role to begin the development of a Vanderhoof/regional Community Foundation, leveraging the leadership and foundational experience of The Prince George Community Foundation. The Foundation will facilitate philanthropy by partnering with donors to build permanent endowment funds that support community projects.

**5.2.2 Innovation Centre/Technology Centre –“3-D Printing Prototype”**

The purpose for the Innovation Centre is to introduce new technologies and business structures to the region and to support development of the technology sector in the region. The first element of the Innovation Centre will be the acquisition of a demo-3D Printer to demonstrate the technology in the region and allow open access to the equipment by individuals to pursue product development and short run manufacturing. The particular equipment to be secured will be in the price range that an entrepreneur can afford so that CFSN can work towards developing a cottage industry cluster featuring this technology.

**5.3 Alignment with Government of Canada and WD Current Priorities**

	<b>CFSN Strategy Aligning with WD &amp; Government of Canada Priorities</b>	<b>Planned Project/Initiative (2 - 3 sentences)</b>	<b>How will you measure project/initiative outcomes?</b>
<b>WD Goal #1 Business Productivity and Growth: Improving business productivity and furthering the development of long-term economic growth through access to business and financing services and the adoption of innovative business technologies, process and practices.</b>			
1	Support businesses and initiatives to address productivity issues and/or adopting innovative business technologies, processes, and practices	#1 - 3-D Printer Introductory Community Sessions to introduce the technology opportunities to the communities #2 - Forge pellet mill - to innovate and make use of waste that does not meet feed forage specs for export. Forage pellets for fuel to existing customers in Japan and Korea.	<ul style="list-style-type: none"> <li>No. of community sessions</li> <li>No. of participants</li> <li>Advisory services and client reports on progress.</li> </ul>
<b>WD Goal #2 Technology Commercialization: Developing and bringing new technologies to the marketplace.</b>			
2	Support businesses and initiatives that can bring new technologies to Canadian and global markets	Establish an “INNOVATION CENTRE” to introduce new technologies and create a space to foster collaboration between the region’s businesses	<ul style="list-style-type: none"> <li>No. businesses advisory services and feasibility plans</li> </ul>
<b>WD Goal #3 Trade and Investment: Enhancing access to international markets and attracting foreign direct investment in Western Canada.</b>			
3	Assist businesses to enter into global markets	Venture Connect - partnership with CF on Vancouver Island to sell businesses to foreign entrepreneurs (foreign direct investment)	<ul style="list-style-type: none"> <li>No. businesses sold to foreign entrepreneurs</li> </ul>
<b>Other GOC Priorities: WD will advise if there are additional/new priorities that may align with CF activities.</b>			
4	Other Government of Canada Priorities	Nil at this time.	

**6.0 FINANCIAL**

**6.1 Budget Forecast and Cash Flow (WD Core Funding) Requirements**

**Community Futures Development Corporation of Stuart Nechako**  
**2014/2015 OPERATING PLAN**

**Operations Budget (Total Operations)**

	<i>1ST Quarter Apr-Jun</i>	<i>2nd Quarter Jul-Sep</i>	<i>3rd Quarter Oct-Dec</i>	<i>4th Quarter Jan-Mar</i>	<i>TOTAL</i>
<b>CASH RECEIPTS - REVENUES</b>					
Total WD Contribution**	79,007	79,007	79,007	79,007	316,028
Other Federal Funds					-
Other Provincial Funds					-
Other Revenue	2,517	2,517	2,517	2,513	10,064
Other Revenue					-
Interest Transferred from Investment Funds	5,059	5,059	5,059	5,059	20,236
<b>Total Revenues</b>	<b>86,583</b>	<b>86,583</b>	<b>86,583</b>	<b>86,579</b>	<b>346,328</b>

	<i>1ST Quarter Apr-Jun</i>	<i>2nd Quarter Jul-Sep</i>	<i>3rd Quarter Oct-Dec</i>	<i>4th Quarter Jan-Mar</i>	<i>TOTAL</i>
<b>CASH DISBURSEMENTS - EXPENDITURES</b>					
Wages and Benefits	66,588	66,588	66,588	66,588	266,352
Insurance, Occupancy & Maintenance	11,700	6,650	7,950	9,050	35,350
Office expense	666	666	666	666	2,664
Advertising & Promo	540	540	540	540	2,160
Equipment Purchase Lease	759	759	759	759	3,036
Printing & Reference Materials	45	235	75	-	355
Telephone & Fax	4,380	1,770	1,770	1,860	9,780
Computer Supplies & Maintenance	150	150	150	150	600
Professional Development	300	300	1,800	300	2,700
Travel & Accommodation	3,380	1,320	4,480	1,320	10,500
Professional Services	600	8,500	-	1,500	10,600
Fees, Dues & Licenses	1,131	305	325	470	2,231
Special Projects	-	-	-	-	-
<b>Total Expenditures</b>	<b>90,239</b>	<b>87,783</b>	<b>85,103</b>	<b>83,203</b>	<b>346,328</b>

Surplus or Deficit	(3,656)	(1,200)	1,480	3,376	-
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**6.2 Investment Fund Cash on Hand**

6.2.1	Do you have adequate funds to meet your investment fund targets?	Yes
6.2.2	<p>Is at least 75% of your investment fund invested in (disbursed or committed) Small and Medium Size Enterprises or deposited into your provincial investment pool?</p> <ul style="list-style-type: none"> <li>If not, what are your plans to address this issue in 2014-15 (additional lending, provincial investment pools, etc)?</li> </ul>	<p>No</p> <p>(1) Participate in the Northern BC Trade Finance Group and the resulting loan syndications</p> <p>(2) Participate in Provincial Loan Pools where applicable</p>

**6.3 Opportunities for Collaboration and Cost Efficiencies**

Collaboration and Cost Efficiencies Planned/Under Discussion	
1	Working with other CFs to determine the most cost efficient method of holding meetings.
2	Working with CFs on a province wide marketing campaign.
3	CFSN will be exploring flexible work schedules for staff along with using part-time staff to assist in the development of community projects, and other special project work as assigned.
4	CFSN in partnership with Innovation Central Society to establish an “Innovation Centre” in Vanderhoof. This project may lead to CFSN relocating to be a tenant of the proposed “Innovation Centre” which will provide ongoing support.
5	CFSN provides a digital package of business plan development and cash-flow guides to clients in a portable format on a branded USB stick.
6	The Northern BC Trade and Finance Group has proven to be an effective collaborative tool in increasing the reputation of CF’s to consider applications for larger loans while managing the risk across the group portfolio.

**APPENDIX B: MAP OF SERVICE AREA FOR CFSN**





**APPENDIX C: STRATEGIC PRIORITIES TABLE FOR 2014-2015**

Strategic Goals	Long-Term/ Short-Term Strategy	Short-Term Activities	Targets/Indicators
<b>1. Business Productivity &amp; Growth</b>	Support businesses that are finding ways to address productivity issues	<ul style="list-style-type: none"> <li>• Provide one-on-one business counseling</li> <li>• Promote Bizshift Loan</li> <li>• Campaign to provide capital to address productivity issues for small business</li> <li>• Establish micro-business support network providing one-on-one and group support</li> </ul>	75 instances of business advisory services
		<ul style="list-style-type: none"> <li>• Deliver small business training courses by video conferencing</li> <li>• Work with CNC to develop workshops to provide contractors with skills needed to work on large projects</li> </ul>	20 participants in business training provided
		<ul style="list-style-type: none"> <li>• Promote Bizshift Loan Campaign</li> <li>• Participate in the Northern BC Trade Finance Group to provide capital through loan syndication</li> </ul>	2 loans approved
		<ul style="list-style-type: none"> <li>• Promote Bizshift Loan Campaign</li> </ul>	\$200,000 value of loans approved
	Support business in the adoption of innovative business technologies, processes and practices	<ul style="list-style-type: none"> <li>• Provide one-on-one business counseling</li> <li>• Promote Bizshift Loan</li> <li>• Campaign to provide capital for new technologies</li> </ul>	10 instances of business advisory services
		<ul style="list-style-type: none"> <li>• Deliver small business training courses by webinar</li> <li>• Introduce 3D Printing technology in the Region as a new business opportunity</li> <li>• Develop initiative to establish an innovation centre in Vanderhoof to serve the Stuart Nechako Region</li> <li>• Support the “Beyond the Market” initiative in their development</li> </ul>	15 participants in business training services
		<ul style="list-style-type: none"> <li>• Promote Bizshift Loan Campaign</li> <li>• Participate in the Northern BC Trade Finance Group to provide capital through loan syndication</li> </ul>	2 loans approved
		<ul style="list-style-type: none"> <li>• Promote Bizshift Loan Campaign</li> </ul>	\$100,000 value of loans approved
		<ul style="list-style-type: none"> <li>• In partnership with PGNETA. participate in Opportunities in Forestry program for First Nations individuals</li> <li>• Participate in Nak’azdli Band food forum in which they are developing a strategic plan for the Band operated farm.</li> </ul>	2 First Nation community projects



# COMMUNITY FUTURES STUART NECHAKO

Fiscal Year: 2014-15  
OPERATING PLAN



Strategic Goals	Long-Term/ Short-Term Strategy	Short-Term Activities	Targets/Indicators
2. Technology Commercialization	Support business and initiatives that can bring new technologies to Canadian and global markets	<ul style="list-style-type: none"> <li>Provide one on one business counseling</li> <li>Promote Bizshift Loan Campaign</li> <li>Campaign to provide capital for technology advancement</li> </ul>	25 instances of business advisory services
		<ul style="list-style-type: none"> <li>Deliver small business training courses by webinar</li> </ul>	15 participants in training services
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Campaign</li> <li>Participate in the Northern BC Trade Finance Group to provide capital through loan syndication</li> </ul>	1 loan approved
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Campaign</li> </ul>	\$50,000 value of loans approved
3. Trade and Investment	Assist business to enter into global markets	<ul style="list-style-type: none"> <li>Provide one-on-one business counseling</li> </ul>	25 business advisory services
		<ul style="list-style-type: none"> <li>Work with local educators to develop a working group aimed at developing educational products for domestic and export use.</li> <li>Develop initiative to establish an Innovation Centre in Vanderhoof to serve the Stuart Nechako Region</li> </ul>	20 business training services provided
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Program</li> <li>Participate in the Northern BC Trade Finance Group to provide capital through loan syndication</li> </ul>	1 loan approved
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Program</li> </ul>	\$50,000 value of loans approved
4. Strategic Planning & Implementation	Strong rural community strategic planning & implementation	<ul style="list-style-type: none"> <li>Attend local Chamber of Commerce meetings</li> <li>Attend Official Community Planning Sessions</li> <li>Attend planning sessions for economic development organizations.</li> <li>Participate in local meetings regarding the proposed new campus for College of New Caledonia (Vanderhoof)</li> </ul>	24 events attended
		<ul style="list-style-type: none"> <li>Encourage community involvement in community planning</li> </ul>	10 partners engaged in community strategic planning
		<ul style="list-style-type: none"> <li>Work with local community organizations to assist in their capacity development</li> <li>Participate in local meetings regarding the proposed new campus for CNC</li> </ul>	5 community-based projects

# COMMUNITY FUTURES STUART NECHAKO

Fiscal Year: 2014-15

## OPERATING PLAN



Strategic Goals	Long-Term/ Short-Term Strategy	Short-Term Activities	Targets/Indicators
<b>4. Strategic Planning &amp; Implementation (continued)</b>	<b>Strong rural community strategic planning &amp; implementation</b>	<ul style="list-style-type: none"> <li>Participate in local meetings regarding the proposed new campus for College of New Caledonia specifically to support educational opportunities relating to technology</li> <li>At present there are 4 major community projects that the District of Vanderhoof is focusing on: (1) Sturgeon Hatchery (currently under construction) value: \$10M (2) New campus for the College of New Caledonia value: \$15M (3) A recreation centre featuring a community pool value: \$12M (4) A Community Centre for use by community groups/Arts Council: \$TBD</li> </ul>	\$37M value of community-based projects
		Participate in local meetings regarding the proposed new campus for College of New Caledonia specifically to support educational opportunities relating to technology	\$15M leverage value of community based projects
		Encourage community involvement in community planning	10 partners engaged in community-based projects
<b>5. Business Development Services</b>	<b>Rural access to business development services</b>	<ul style="list-style-type: none"> <li>Provide one-on-one business counseling</li> </ul>	\$\$ 100000 leveraged through business services
		<ul style="list-style-type: none"> <li>Deliver small business training courses by webinar</li> <li>Provide one-on-one training sessions</li> </ul>	25 participants in business training sessions
		<ul style="list-style-type: none"> <li>Provide one-on-one counseling</li> </ul>	200 instances of business advisory services
<b>6. Access to Capital and Leveraged Capital</b>	<b>Rural access to capital and leveraged capital</b>	<ul style="list-style-type: none"> <li>Promote Bizshift Loan campaign</li> <li>Develop partnerships with other lenders</li> </ul>	\$100000 leveraged through business services
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Program through a direct mail campaign</li> <li>Participate in the Northern BC Trade Finance Group to provide capital through loan syndication</li> <li>Develop Partnerships with other lenders</li> </ul>	\$200,000 value of loans approved
		<ul style="list-style-type: none"> <li>Promote Bizshift Loan Program through a direct mail campaign</li> <li>Develop partnerships with other lenders</li> <li>Establish a crowdfunding platform to mobilize local capital for local purposes</li> </ul>	\$500,000 amount leveraged through lending (EDP and non-EDP)