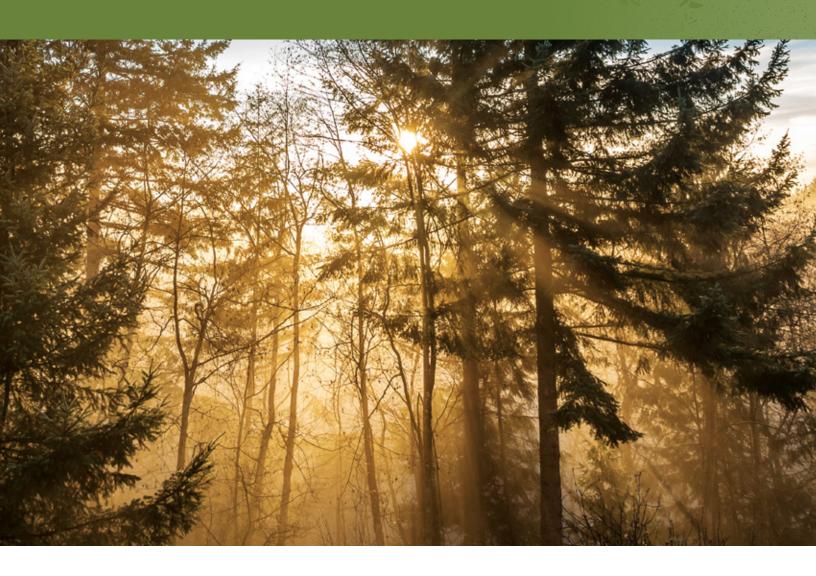
Accomplishments Report





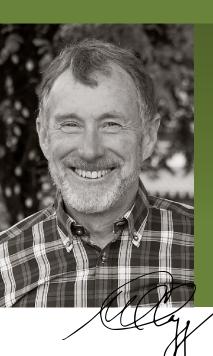




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Message from the Chair



"Over the past 3 years, the Forest Enhancement Society has become a valued asset of the B.C. government, delivering services that are important to British Columbians."

Wayne Clogg, FESBC Board Chair

We are pleased to provide this Accomplishments Report to share the work accomplished through the Forest Enhancement Society of B.C. (FESBC).

The work we do is made possible through the collaborative work of our Society, with proponents who gain access to funding and do the hard work, and through the Ministry of Forests, Lands, Natural Resource Operations and Rural Development, who set the priorities for which we align our purposes for the health of our forests.

Together, we are all working to contribute to the achievement of B.C. government priorities including:

- Increasing participation of First Nations in the forest economy
- Assisting with wildfire recovery efforts and risk reduction
- Contributing to the achievement of climate change targets
- · Improving habitat for wildlife
- Improving the recovery of fibre
- Adding to the environmental sustainability of B.C.'s natural resources

Given our modest beginnings in 2016, I am very proud of FESBC's achievements to 2018. Throughout this Report, you'll learn about the many projects province-wide contributing to the advancement of environmental and resource stewardship of B.C.'s forests.

I want to personally express my sincere thanks to our Board Directors and the staff at FESBC. Together, they have advanced the Society a long way forward and this would not have been possible without their hard work and commitment.

Message from the Minister

"The Forest Enhancement Society of B.C. has collaborated with its partners and the government to fund numerous projects that benefit communities, the forestry sector and First Nations. Together, we're helping to build a strong and sustainable economy that supports jobs throughout British Columbia."

The Honourable Doug Donaldson, Minister of Forests, Lands, Natural Resource Operations and Rural Development

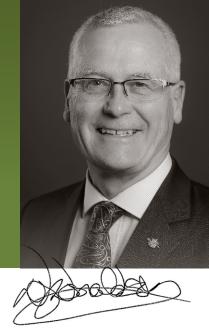


The Forest Enhancement Society of British Columbia plays a crucial role in our efforts to maintain a sustainable and resilient forest sector, especially in light of the extremely active wildfire seasons that we experienced in 2017 and 2018.

The B.C. government has invested \$235 million in the society since 2016. In 2018 alone, the society awarded \$134 million for 71 projects to support wildfire risk reduction, reforestation, forest rehabilitation and wildlife habitat restoration, and to raise public awareness of the FireSmart program.

The economic benefits generated by the society's programs greatly exceed the cost of running them. The work that's been funded so far has created over \$230 million in economic activity and over 1,400 full-time-equivalent jobs in British Columbia. To date, about 30% of the projects supported by the society have been led by First Nations proponents or have had significant First Nations participation, with 49 projects valued at \$44 million.

The work done by the Forest Enhancement Society of British Columbia has helped restore damaged forests and ecosystems, and is supporting forestry workers, communities and First Nations throughout the province.



About FESBC

HISTORY OF FESBC

On February 26, 2016, the B.C. Government announced the formation of FESBC with initial funding of \$85 million and a five-member Board of Directors to oversee the establishment of the Society and the delivery of its purposes. The B.C. Government announced additional funding of \$150 million for the Society in early 2017 focussed on advancing environmental stewardship through achieving carbon benefits and contributing to meeting climate change targets.

FESBC VALUES

The core values FESBC speak to who we are, as opposed to what we do. They are enduring, never changing over time and are independent of historic, current or future events.

Safety. We believe in safe, responsible and productive work environments.

Stewardship. We believe in a strategic approach to stewardship that balances environmental, economic, social, cultural and First Nations values while helping to ensure responsible and sustainable use of B.C.'s forests for the lasting benefit of British Columbians.

Working Collaboratively. We believe that working collaboratively with our partners in a transparent manner will substantially extend our ability to enhance B.C.'s forests.

Open and Proactive Communication. We believe open, proactive communication is critical to our success.

Science-Informed Decision Making. We believe that the management of B.C.'s forests relies on sound science and the guidance of professionals, while at the same time we also respect the value of traditional knowledge.

Accountability. We believe in managing with integrity and fiscal prudence in a manner that ensures accountability to the public, our funders and our partners.

Excellence. We believe that a culture of organizational excellence, continuous improvement and professionalism is essential in maintaining the trust of the public and our partners.

GOOD GOVERNANCE

The FESBC Board of Directors play a key role and are responsible for ensuring FESBC is successful and achieves its mandate. Under the BC Societies Act, FESBC Directors must "manage, or supervise the management of, the activities and internal

About FESBC

affairs of the Society." In carrying out their responsibilities, Directors must adhere to two legal duties.

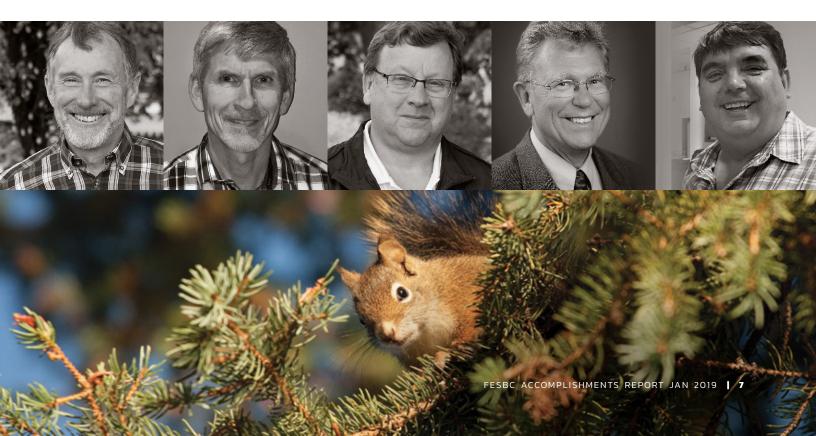
- 1) Fiduciary Duty: the duty of directors to act in the best interests of the Society.
- 2) Duty of Care: requires Directors to exercise the care, diligence and skill that a reasonably prudent person would exercise in making decisions. Sound governance ensures that Directors can meet the standards required under the duty of care.

FESBC BOARD

The Board is led by Wayne Clogg, Chair of the Board and fellow Directors: Brian Banfill (Financial Chair), Jim Snetsinger (Vice-Chair and Secretary), Dave Peterson (ADM), and Keith Atkinson (Member-at-Large), pictured below.

FESBC STAFF

The staff team is led by Steve Kozuki, Executive Director, and fellow team members: Gord Pratt (Operations Manager), Dave Conly (Operations Manager), Ray Raatz (Operations Manager), Kathy Dupuis (Office Manager), and Aleece Laird (Communications Liaison).



About the Report

This Accomplishments Report describes the Forest Enhancement Society of B.C.'s (FESBC) initiatives and expenditures and reports on its approved projects and activities.

In its second full year, the Society continued to develop and build on its accomplishments, governance, administrative systems and communications to help deliver its mandate in both an efficient and effective manner.

FIFTH INTAKE OF PROJECT APPLICATIONS GENERATES INCREDIBLE RESPONSE

A new and comprehensive Application Guide was developed in 2018 to assist potential project proponents in developing their funding applications. The Society conducted a fifth intake in late 2018 with \$63 million of potential funding available for deployment. A total of 130 applications were received requesting a combined \$119 million for projects throughout the province. Of the 130 applications, 45 were received from First Nations organizations who requested a combined \$38 million.

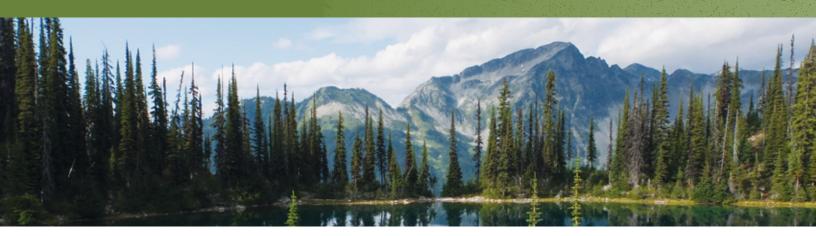
In 2017, FESBC received and reviewed 219 proposals submitted during two separate intake opportunities that year. Projects were evaluated against the Society's selection criteria for wildfire risk reduction, wildlife habitat restoration, forest rehabilitation and creating carbon benefits. Of the proposals received in 2017, FESBC allocated over \$153 million to 112 projects across all regions of the province, with \$99 million allocated to projects in the Cariboo Region, a region severely impacted by wildfires.

ENHANCING COMMUNICATION AND ENGAGEMENT

Staff oversaw the expansion of the FESBC website www.fesbc.ca and the development of an electronic application intake portal for project applications called Forest Enhancement Society Information System (FESIMS). FESIMS supports application submissions and provides a more robust and responsive project management and reporting tool allowing for deeper and more meaningful communication between FESBC, proponents and project partners.

The FESBC staff continue to improve processes for project proposal review, work with proponents to help deliver previously approved projects, and continue to expand communication regarding the purposes of the society and opportunities for eligible applicants. Frequent media coverage of FESBC-funded projects has resulted in a significant increase of awareness of FESBC by the forest community, stakeholders and the public.

Strategic Direction + Alignment



STRATEGIC DIRECTION

Mandate letters to FESBC from the Minister of FLNRORD provide specific direction: By working with FLNRORD, First Nations, communities, stakeholders and others ensure:

- within the scope of FESBC capacity, engage in wildfire recovery, wildfire risk reduction and mitigation activities which are effective and coordinated with other wildfire recovery efforts; and
- the success of the Provincial Forest Carbon Initiative by providing a focus on activities that are consistent with Federal and Provincial climate change goals and eligible for recovery of funds under the Low Carbon Economy Leadership Fund.

FESBC is committed to the achievement of these key priorities.

ALIGNMENT WITH PROVINCIAL GOVERNMENT PRIORITIES

FESBC's operations, which extend to all parts of the province, help support the Government in delivering on its three key commitments to British Columbians:

- 1. Making life more affordable
- 2. Delivering the services that people count on, and
- 3. Building a strong, sustainable economy that supports jobs in every region of the province.

As of publication (Jan 2019), FESBC has received 349 applications in five rounds of proposal intakes from all regions of the province, allocating a total of \$163 million with approximately another \$63 million to be allocated in 2019.

It is anticipated that the FESBC Board will continue to receive and evaluate a similar cross-section of projects with an emphasis on projects focused on wildfire risk mitigation and the reduction of greenhouse gases. The Board determines which proposals best achieve FESBC's purposes and Government priorities, while ensuring value for money.



Accomplishments

Collaboration with Leaders Province-Wide

FESBC is a trusted, knowledgeable partner and delivers by achieving partnership agreements with leaders like Habitat Conservation Trust Foundation, Union of BC Municipalities, First Nations Emergency Services Society and the BC Fire Smart Committee, FLNRORD Low Carbon Economy Leadership Fund and FPInnovations. The Society has strategically entered into numerous project agreements with community forests, local governments, First Nations, woodlots, licensees, post-secondary institutions, FLNRORD and others.



"FESBC supports community forests to conduct wildfire risk reduction, stand rehabilitation and carbon management. Managing over 1.5 million hectares of B.C. public land, community forests have made long-term commitments to environmental and resource sustainability. FESBC is a key strategic partner in moving forward on these commitments."

Jennifer Gunter, Executive Director, BC Community Forest Association

Benefits That Do Good

FESBC has provided significant benefits associated with program delivery.

FIRST NATIONS INVOLVEMENT

FESBC endorses the recommendations of the Truth and Reconciliation Commission and its calls to action as well as the implementation of the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP). Up to 2018, 30% of projects funded by FESBC are led by First Nations proponents or have significant First Nations participation including 49 projects valued at \$44 million. Both First Nations proponents and FESBC have a great interest in the enhancement of B.C.'s forests.

A FUTURE FOR B.C. WILDLIFE

Many habitats province-wide have been improved for wildlife such as mountain cariboo, sheep, grizzly, bats, grouse, and numerous other species. Working collaboratively with HCTF has expanded FESBC's capacity in this area.

Accomplishments

MEETING CLIMATE CHANGE TARGETS

FESBC is assisting both the Provincial and Federal governments in meeting climate change targets through the Forest Carbon Initiative (FCI) to advance implementation of eligible projects under the Low Carbon Economy Leadership Fund (LCELF). Up to 2018, FESBC has allocated \$97 million to 25 projects where carbon sequestration or emission reduction was the primary purpose.

WILDFIRE RECOVERY EFFORTS

Reforestation or enhanced fibre utilization of fire-salvaged timber contribute to wildfire recovery efforts and contribute to the Province's FCI. To date, FESBC has allocated approximately \$37.5 million to 93 projects where wildfire risk reduction/ mitigation is the primary priority. Tree planting in areas that otherwise would not be reforested improves ecological and hydrological functioning, as well as timber supply for future generations.



"Our nursery members are world leaders in tree growing practices and stand ready to help grow the hundreds of millions of trees that will result from FESBC sponsored initiatives. This forest restoration work will provide economic benefits, help restore critical wildlife habitat and support climate change mitigation efforts."

Elizabeth Engelbertink, President, Forest Nursery Association of B.C.

The Value of Careful Investment

As a Society guided by a conscientious Board of Directors and experienced forest professionals, FESBC has demonstrated value for money. While many historic project -level administration costs are commonly 10%, FESBC projects are consistently below the 10% threshold. Of a \$247 million of total expenditures over 5 years, FESBC administration cost are forecasted at 2.3%, plus 2.4% for PricewaterhouseCoopers and 1.8% for FLNRORD for an aggregate total of 6.5%.

Accomplishments

Economic Benefits for B.C.

Economic benefits of FESBC funding greatly exceed costs. Funding deployed up to 2018 creates over 1,400 full-time equivalent jobs in B.C.

FESBC ECONOMIC CONTRIBUTION

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PROGRAM	EXPENDITURES	TOTAL OUTPUT	TOTAL GDP	TOTAL HOUSEHOLD INCOME	TOTAL GOV'T REVENUE	TOTAL EMPLOYMENT
Wildfire Reduction	37.5	52.8	26.5	19.8	5.4	327
Improving Damaged Forests	24.4	34.3	17.2	12.8	3.6	213
Wildlife habitat Improvement	0.9	1.4	0.6	0.5	0.14	9
Fibre Recovery	3.2	4.5	2.3	1.7	0.47	28
Forest Carbon Mgmt.	97.1	136.8	68.6	51	14.1	846
TOTAL	163.1	229.8	115.2	85.8	23.71	1423

NOTE except for employment, the numbers stated above are in the millions, and does not include monies allocated to other granting organizations such as HCTF and UBCM.

Excellence in Enhancement

FESBC has achieved high levels of operational excellence, accountability, and customer service.

"In 2018, wildfire risk reduction projects were supported by FESBC at four of B.C.'s ski areas on Crown land and at Barkerville, B.C.'s largest provincial heritage site. FESBC funding has enabled us to reduce the risk and supports us and site operators to ensure we can support the values of these important areas in B.C.'s social and community fabric persisting into the future."

Jennifer Goad, Executive Director, Mountain Resorts and Heritage

Key Partnerships + Collaborative Efforts

HCTF AND THE CRI PROGRAM

FESBC announced a renewed and expanded agreement with the Habitat Conservation Trust Foundation (HCTF) and committed to contributing up to \$2.5 million for projects to improve forested habitat for wildlife.

In addition to the co-funded projects below, in 2017 government ministries were included as eligible proponents. This includes collaboratively working with the newly developed Community Resiliency Investment (CRI) Program, a new provincial program intended to reduce the risk and impact of wildfire to communities in B.C. through community funding to support priority fuel management activities on provincial Crown land.

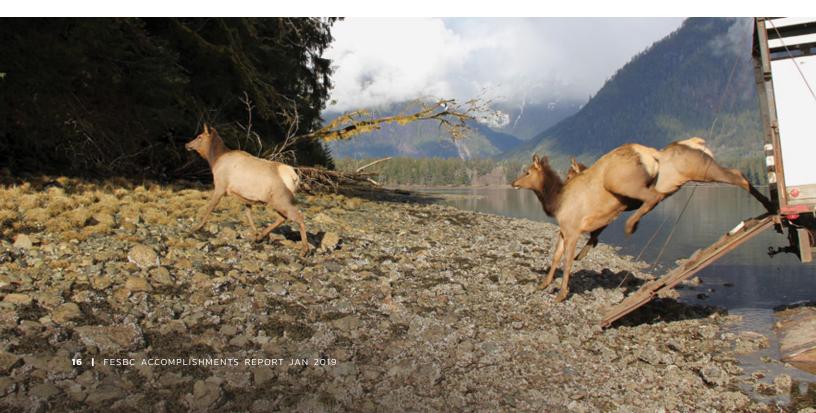
2017-18 FESBC AND HCTF CO-FUNDED PROJECTS

PROJECT NAME	REGION	TOTAL
Assessing Cougar Density in the Cariboo Region Through Non-Invasive Survey Techniques	Cariboo	\$ 48,601
Ecology of Small Mammals in Post-Fire and Salvage-Logged Landscapes	Cariboo	\$ 77,407
High Lake Grassland and Open Forest Restoration Pilot	Cariboo	\$ 2,930
Recreation and Land Use Impacts on South Chilcotin Mountains Wildlife	Cariboo	\$ 5,000
Restoring Ungulate Habitat Through Clumpy Spacing	Cariboo	\$ 76,446
Sheep Flats Ecosystem Restoration	Cariboo	\$ 36,500
Boundary Restoration and Enhancement Program	Kootenays	\$ 137,831
Bull River Bighorn Sheep: Herd Health and Movement Dynamics	Kootenays	\$ 12,000
Diversifying MPB Clearcuts for Small Mustelids: Green-tree Retention, Debris Piles, and Enhanced Riparian Habitats	Kootenays	\$ 29,000
Elk Valley Rocky Mountain Bighorn Sheep Inventory	Kootenays	\$ 11,000
Enhancing Wolf Monitoring in the Kootenay Region	Kootenays	\$ 5,000
Enhancing Wolf Monitoring with Bioacoustics in the East Kootenays	Kootenays	\$ 32,055
Improving Mountain Caribou Calf Survival through Maternal Penning in the Revelstoke Area	Kootenays	\$ 30,000
Invasive Plant Management on Bighorn Sheep Winter Ranges	Kootenays	\$ 61,000
Kootenay Mule Deer Survival Monitoring	Kootenays	\$ 40,800
Longevity of Woody Debris Habitat Structures for Prey Species of Furbearers: Ghost-towns or Viable Habitat	Kootenays	\$ 20,000

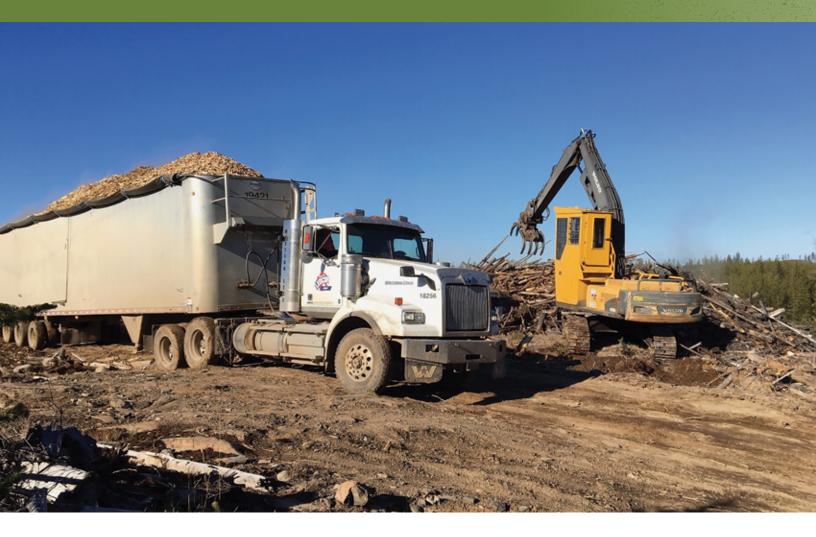
PROJECT NAME	REGION	TOTAL
Maintenance of Furbearers and Prey Species on Large Clearcut Openings Using Linear Piles of Woody Debris	Kootenays	\$ 30,000
Monitoring White-tailed Deer to Support Adaptive Caribou Management	Kootenays	\$ 36,640
Predicting Grizzly Bear Foods – Huckleberries Across the Kootenays	Kootenays	\$ 33,560
Quantify Rates and Mechanisms of Grizzly Bear Mortality	Kootenays	\$10,000
Quantifying and Enhancing Pest Services Provided by Bats to the BC Timber Industry	Kootenays	\$ 5,000
West Kootenay Mule Deer Habitat Restoration	Kootenays	\$ 33,775
Conservation of Threatened Raptors on the Sunshine Coast	Lower Mainland	\$ 14,700
Improving Goshawk Conservation by Addressing Knowledge Gaps in the South Coast	Lower Mainland	\$ 80,000
Improving Wildlife Habitat in Logged and Fire-Damaged Coastal Forests	Lower Mainland	\$ 44,800
Sustaining Mesocarnivore Populations and Habitat in the Lower Mainland Watersheds	Lower Mainland	\$ 33,088
Wolverine (Gulo gulo) Movements, Home Range and Habitat Use in a Human Dominated Landscape, South Coast	Lower Mainland	\$ 45,425
Determining the Value of Post-fire Landscapes for American Marten	Okanagan	\$ 83,006
Mule Deer Response to Wildfire and Habitat in Southern British Columbia	Okanagan	\$ 95,585
South Okanagan Similkameen Conservation Program (SOSCP) Habitat Conservation Delivery	Okanagan	\$ 28,500
Assessment of Habitat Alteration on Caribou Ranges in Northern BC	Omineca/Peace	\$ 14,440
Boreal Caribou Habitat Restoration in the Liard River Basin	Omineca/Peace	\$ 110,574
Chase Caribou Herd Response to Extensive Habitat Alterations - Year 2	Omineca/Peace	\$ 69,999
Effects of Habitat Alteration on Caribou Forage Lichens	Omineca/Peace	\$ 48,836
Enhancing Caribou Survival Within the Klinse-Za/Scott Herds	Omineca/Peace	\$ 136,898
Fish and Wildlife Habitat Enhancement in the Omineca Region	Omineca/Peace	\$ 5,000
Forage Response to Prescribed Fire in the Northern Rockies: Implications for Stone's Sheep and Elk - 7 Years Later	Omineca/Peace	\$ 69,778
KlinseZa/Scott East Caribou Maternal Pen Health Evaluation	Omineca/Peace	\$ 24,436
Mule Deer Monitoring in the Prince George area	Omineca/Peace	\$ 3,000
Sharp-tailed Grouse Population and Lek Habitat Monitoring	Omineca/Peace	\$ 29,741
Testing Approaches to Restore Habitat For Caribou	Omineca/Peace	\$ 5,000
Wolf Predation Risk to Moose in North-Central B.C.	Omineca/Peace	\$ 174,048
Clarifying Problematic Distributions and Habitat Use of Amphibians At Risk in Southwestern B.C. Using Environmental DNA Methods	Provincial (multi-region)	\$ 43,789
Determining Factors Affecting Moose Population Change: Assessing Calving and Survival Rates	Provincial (multi-region)	\$70,000
Determining Factors that Affect Survival of Moose in Central B.C.	Provincial (multi-region)	\$ 150,516
Developing a Prophylactic Probiotic Approach for Reducing White-Nose Syndrome Severity in Bats	Provincial (multi-region)	\$ 52,131

PROJECT NAME	REGION	TOTAL
Effects of Human Disturbances on Female Wolverines	Provincial (multi-region)	\$ 44,100
Fisher Habitat Conservation - Field Trials and Forestry Training	Provincial (multi-region)	\$ 55,745
Fisher Habitat Conservation - Provincial Extension Program	Provincial (multi-region)	\$ 28,770
Got Bats? BC Community Outreach, Conservation and Citizen Science Project	Provincial (multi-region)	\$ 77,804
Monitoring and Protecting B.C.'s Bat Diversity Prior to White-Nose Syndrome	Provincial (multi-region)	\$ 54,579
Rattlesnake Populations: Response to Land Management Regimes and Historical Changes	Provincial (multi-region)	\$ 39,441
Assessing Impact on Moose Winter Habitat by Poplar and Willow Borer	Skeena	\$ 38,485
Moose Fund: Skeena Moose Enhancement Project	Skeena	\$ 36,800
Moose Winter Range Willow Browse Enhancement	Skeena	\$ 4,980
Restoring Whitebark Pine Ecosystems to Enhance Subalpine Bear Habitat	Skeena	\$ 74,724
The Response of Caribou Terrestrial Forage Lichens to MPB, Forest Harvesting and Fire in the East Ootsa and Entiako Areas	Skeena	\$16,800
Fisher Artificial Reproductive Den Box Study	Thompson - Nicola	\$ 76,150
Thompson Burn Program	Thompson - Nicola	\$101,200
Thompson Region Bighorn Sheep Collaring Project	Thompson - Nicola	\$ 24,300
Estimating Cougar (Puma concolor vancouverensis) Populations on Northern Vancouver Island using DNA Mark-Recapture Techniques	Vancouver Island	\$ 36,152
Evaluating Furbearer Populations on Southern Vancouver Island	Vancouver Island	\$ 34,020
West Coast Roosevelt Elk Augmentation and Recovery Project	Vancouver Island	\$ 30,000

Information based on Dec 2018 data.



Summary of Funded Activities



Projects funded by FESBC are province-wide in scope and are funded based on meeting key selection criteria including:

- Consistent with FLNRORD strategic priorities.
- Focused on the delivery of treatment activities.
- Able to meet FESBC goals and strategic priorities and address one or more FESBC purposes.
- Activities to be completed on provincial Crown land and able to receive authorization from the Crown.
- Consistent with local FLNRORD district and regional land management planning priorities and Integrated Investment Plans.

The following is a listing of current funding by region and an allocation of funds by FESBC purpose, as of Dec 2018.

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
WILDFIRE RISK REDUCTION					
Esdilagh Development Corporation	?Esdilagh Approved Primary Fuel Breaks	DQU	?Esdilagh	?Esdilagh (Alexandria Band)	\$ 2,000,000
District of 100 Mile House	Woodlot 577 Fire Mitigation Action Plan	DMH	100 Mile House		\$ 12,800
100 Mile Development Corporation	100 CF K2W Fire Mitigation Action Plan	DMH	100 Mile House		\$ 60,000
Zanzibar Holdings Ltd	Meadow Lake / Lac La Hache Wildfire Mitigation/Rehabilitation	DMH	100 Mile House		\$ 200,000
Barkerville Historic Town & Park governed by The Barkerville Heritage Trust	Barkerville Historic Town Wildfire Fuel Treatment	DQU	Barkerville		\$ 168,000
Rocky Mountain Trench Natural Resources Society	Duck Pasture	DRM	Elko		\$ 213,400
Burns Lake Community Forest Ltd.	Burns Lake Community Forest Fire Break Phase 1	DND	Bulkley Nechako RD, Burns Lake		\$ 223,214
FLNRORD Stuart/Nechako	Fire Hazard Reduction by Utilization of Waste	DSN	Bulkley Nechacko (RDBN) (Fort St. James)		\$ 299,450
Burns Lake Community Forest Ltd.	Boer Mountain Fire Mitigation	DND	Burns Lake		\$ 338,298
Canim Lake Indian Band	South Canim Fire Management Planning	DMH	Canim Lake Indian Band (near 100 Mile House)	Tsq'escenemc (Canim Lake Indian Band)	\$ 29,024
Eniyud Community Forest Ltd.	Eniyud CF Tatla Lake Wildfire Fuel Treatment Plan	DCC	Cariboo RD (near Anahim Lake)	Alexis Creek First Nation	\$ 606,075
Alkali Resource Management Limited	Ground truth of Alkali Lake Fuel Treatment Areas	DCC	Cariboo RD (near Williams Lake)	Esk'etemc First Nation (Alkali Lake Indian Band)	\$ 13,000
B.A. Blackwell & Associates Ltd.	Fuel Prescription Pilot - Borland Valley	DCC	Cariboo RD (near Williams Lake)		\$ 90,000
B.A. Blackwell & Associates Ltd.	Borland Valley Operational Fuel Treatment Project 2017	DCC	Cariboo RD (near Williams Lake)		\$ 46,500
West Fraser Mills Ltd.	Anahim Lake Fuel Break	DCC	Cariboo RD (near Williams Lake)	Tl'etinqox (Anaham) and Ulkacho First Nations	\$ 445,000
Eniyud Community Forest	Ground truth of Proposed Fuel Treatment Areas for Tatla Lake	DCC	Cariboo RD	Tŝi del del (Alexis Creek First Nation)	\$ 12,500
Tolko Industries Ltd.	Joe Rich Wildfire Threat Reduction	DOS	Central Okanagan RD (near Kelowna)		\$ 500,000
Davies Wildfire Management Inc	Big White Interface Fuel Break Treatments	DOS	Central Okanagan RD, Kelowna		\$ 515,760
Clinton and District Community Forest of BC Ltd.	Clinton Landscape Level Fire Mitigation	DMH	Clinton		\$ 110,350
Rocky Mountain Trench Natural Resources Society	Smoke Emissions Monitoring Trial for Sloop Burning	DRM	Cranbrook		\$ 25,000

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Rocky Mountain Trench Natural Resources Society	Cranbrook Community Forest/ College of the Rockies Fuel Management Treatments	DRM	Cranbrook		\$ 78,100
Rocky Mountain Trench Natural Resources Society	Silver Springs Fuel Management Treatment	DRM	Cranbrook		\$ 70,000
Rocky Mountain Trench Natural Resources Society	Indian Springs North and South	DRM	Cranbrook	?aq'am (St. Mary's Indian Band)	\$ 44,995
Rocky Mountain Trench Natural Resources Society	Cranbrook East Prescriptions - Gold Creek 5 / South and West Cranbrook WUI	DRM	Cranbrook		\$ 50,000
Rocky Mountain Trench Natural Resources Society	Westview Estates Landscape Fuel Break	DRM	Cranbrook		\$ 56,320
Rocky Mountain Trench Natural Resources Society	Westview Estates Fuel Management	DRM	Cranbrook		\$ 69,962
City of Cranbrook	Feasibility Analysis of Intensive Fibre Recovery from WUI Treated Lands	DRM	Cranbrook		\$ 20,000
Rocky Mountain Trench Natural Resources Society	Sheep Mountain (Adjacent to Community of Elko)	DRM	Elko		\$ 126,000
First Nations Emergency Services Society	FireSmart Home Partners Home Ignition Zone (HIZ)	DFN	Fort Nelson	Fort Nelson First Nation	\$ 20,000
BC Parks - Kootenay	Champion Lakes Park Forest Fuels Management	DSE	Genelle / Fruitvale		\$ 200,000
West Boundary Community Forest	May Creek Wildfire Mitigation and Habitat Improvement Project	DSE	Grand Forks		\$ 131,000
Babine Lake Community Forest Society	Granisle Wildfire Mitigation	DND	Granisle		\$ 401,450
Wildlands Eco-Forestry Inc.	Dry Gulch Forest Management	DRM	Invermere	Shuswap Indian Band #605	\$ 498,360
Rocky Mountain Trench Natural Resources Society	Rushmere Ecosystem Restoration and fuel treatment	DRM	Invermere		\$ 24,000
Ministry of Environment - BC Parks	Rushmere Ecosystem Restoration and Fuel Treatment	DRM	Invermere		\$12,000
Kaslo and District Community Forest Society	KDCFS Wildfire Protection Plan	DSE	Kaslo		\$ 50,000
Columbia Basin Trust	Kootenay FireSmart Initiative	DSE and DRM	Kootenay- Boundary Region		\$ 10,000
Logan Lake Community Forest Corporation	Logan Lake Wildfire Risk Management Plan (WRMP)	DTR	Logan Lake		\$ 95,950
Weyerhaeuser	Merritt TSA Fuel Management Plan	DCS	Merritt		\$ 87,774
NAZBEC Limited Partnership	Nazko Mountain Pine Beetle Rehabilitation - Year 2	DQU	Nazko, CRD	Nazko First Nation	\$1,500,000
BC Parks - Kootenay	West Arm Park Fuel Reduction	DSE	Nelson, RDCK		\$ 96,000
Regional District of Central Kootenay	RDCK West Arm Planning	DSE	Nelson, RDCK		\$ 25,000
Rocky Mountain Trench Natural Resources Society	Westside Lake Community - Fuel Management	DRM	Newgate, RDEK		\$ 263,428

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Okanagan Nation Alliance	Syilx Stewardship in Fire Maintained Landscapes	DOS	North Okanagan RD	Syilx nation: Okanagan Indian Band, Osoyoos Indian Band, Penticton Indian Band, Upper Nicola Band, Upper and Lower Similkameen Indian Bands, and Westbank First Nation	\$ 131,740
Silver Star Mountain Resort	Silver Star Bridle Path Landscape Level Fuel Break	DOS	North Okanagan RD, Vernon		\$ 26,118
Agur Lake Camp Society	Fuel Management Treatments (Agur Lake Camp Society)	DOS	Okanagan Similkameen RD, Summerland		\$ 45,855
Agur Lake Camp Society	Agur Lake Fuel Management Prescriptions	DOS	Okanagan Similkameen RD (near Summerland)		\$ 8,800
Baldy Mountain Resort	Baldy Mt. Resort Phase 1 - McKinney	DOS	Okanagan Similkameen RD (near Penticton)		\$ 279,500
District of Peachland	Meadow Valley Road Landscape Level Fuel Break	DOS	Peachland	Okanagan Nation Alliance & Penticton Indian Band	\$ 39,065
Regional District Okanagan Similkameen	Ellis and Penticton Creeks Landscape Level Fuel Breaks	DOS	Penticton	Penticton Indian Band	\$ 77,475
Erafor Forestry Ltd.	Pilot Mountain Fire Abatement Project	DPG	Prince George		\$12,000
Prince George Woodlot Association	Ground Truthing and Prescription Development of High and Extreme Provincial Strategic Threat Analysis (PSTA)	DPG	Prince George Area		\$ 202,500
Harrop - Procter Community Cooperative	Procter Fuel Treatment Prescription	DSE	Procter		\$ 39,050
First Nations Emergency Services Society	Regional Prioritization and Engagement of First Nations for Developing and Implementing FEP	Various	Provincial	Various	\$ 50,000
Federation of BC Woodlot Associations	Provincial Strategic Threat Analysis on Woodlot Licences	DCC	Provincial		\$ 7,350
Evelyn Hamilton	Burning Questions: Reducing Risks Through Synthesis & Extension of Existing Information on Ecosystem Responses to Fire.	Various	Provincial		\$ 67,000
C&C Wood Products Ltd.	Quesnel Fire Fuel Treatment	DQU	Quesnel		\$1,000,000
Nazko Logging Limited Partnership	Fuel Reduction Around FN Communities - Fuel Management Prescriptions and Treatments	DQU	Quesnel	Nazko First Nation	\$ 553,500
Esdilagh Development Corporation Ltd.	The ?Esdilagh Fire Prevention & Mitigation Project	DQU	Quesnel	?Esdilagh (Alexandria Indian Band)	\$ 622,255
Regional District of Central Kootenay	Queens Bay Prescription	DSE	RDCK (near Balfour)		\$ 24,640
Regional District of Central Kootenay	Selous Creek Prescription	DSE	RDCK (near Nelson)		\$ 32,340
Regional District of Central Kootenay	Collaborative Planning	DSE	RDCK		\$ 50,000

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Regional District of Central Kootenay	RDCK West Arm Provincial Park Fuel Prescription	DSE	RDCK (near Nelson)		\$ 18,600
Cathro Consulting Ltd.	West Arm Park	DSE	RDCK (near Nelson)		\$ 57,592
Regional District of Central Kootenay	RDCK Kingsgate / Riondel	DSE	RDCK (near Balfour)		\$ 500,939
Regional District of Central Kootenay	Fuel Reduction Treatments in the RDCK - Kokanee, Canyon/Lister	DRM	RDCK (near Creston)		\$ 201,639
FLNRORD - Okanagan Shuswap District	Southeast Kelowna Landscape Level Fuel Break	DOS	RDOS (near Kelowna)		\$ 1,670,550
Rocky Mountain Trench Natural Resources Society	Strauss Road Fuel Management / Ecosystem Restoration	DRM	Regional District of East Kootenay, near Newgate		\$104,000
Rocky Mountain Trench Natural Resources Society	Quartz Lake	DRM	Skookumchuk, RDEK		\$ 64,000
Slocan Integral Forestry Cooperative (SIFCO)	Implementation of Landscape Level WUI Slocan Plan	DSE	Slocan		\$1,000,000
Slocan Integral Forestry Cooperative (SIFCO)	Slocan Valley Landscape Level Wildfire Protection Plan	DSE	Slocan		\$ 425,450
Wetzin'kwa Community Forest Corporation	WCFC Strategic Wildfire Hazard Mitigation Plan	DSS	Smithers	Wet'suwet'en Nation	\$ 72,000
Sqomish Forestry LP	Access Corridor Fuel Reduction Implementation	DSQ	Squamish Lillooet RD	Lil'wat First Nation and Squamish First Nations	\$ 421,740
B.A. Blackwell & Associates Ltd.	Sea to Sky District Access Fuel Treatments	DSQ	Squamish Lillooet RD		\$ 74,909
TNR Consulting	Comstock Fuel Management Project	DOS	Thompson Nicola RD (near Merritt)		\$ 327,703
SERNBc	VanJam Planning and Prescriptions	DSN	Vanderhoof		\$ 83,520
Cheakamus Community Forest	Whistler Fuel Reduction	DSQ	Whistler	Lil'wat and Squamish First Nations	\$ 668,438
Cheakamus Community Forest	W08-Fuel Reduction	DSQ	Whistler	Lil'wat and Squamish First Nations	\$ 388,850
FLNRORD Cariboo-Chilcotin Natural Resource District	Borland Valley Fuel Management Treatment	DCC	Williams Lake		\$1,000,000
Williams Lake Community Forest LP	WLCF Landscape Level Fuel Treatment	DCC	Williams Lake	T'exelcemc (Williams Lake Band)	\$ 407,911
Williams Lake Community Forest LP	Williams Lake Steep Slope Fir Bark Beetle	DCC	Williams Lake	T'exelcemc (Williams Lake Band)	\$ 773,772
Williams Lake Community Forest LP	Landscape Level Fuel Break Pilot	DCC	Williams Lake	T'exelcemc (Williams Lake Band)	\$ 322,693
Williams Lake Community Forest LP	Managing Douglas-fir Beetle on Steep Slopes Within Williams Lake Community Forest	DCC	Williams Lake	T'exelcemc (Williams Lake Band)	\$ 25,000

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Cariboo Woodlot Association	Ground Truthing and Prescription Dev. of High and Extreme Provincial Threat Analysis	DCC	Williams Lake Area		\$ 199,500
Union of BC Municipalities	UBCM and SWPI Co-Funded Fuel Management Projects	DRM	Windermere	Akisqnuk First Nation	\$ 177,868
Lower North Thompson Community Forest Society	Rehabilitation of Legacy Forest Roads, Skid Trails, Landings and Slides	DTR	Barriere		\$ 20,650
Pinnacle Renewable Energy Inc.	Burns Lake Incremental Haul Program	DND	Bulkley-Nechako (RDBN) (near Burns Lake)		\$ 800,000
BCTS Babine	Marginal Sawlog Utilization Within the Bulkley TSA	DSS	Bulkley-Nechako (RDBN) (near Smithers)		\$80,000
Bonaparte Indian Band	Hat Creek Project	DTR	Cache Creek	Bonaparte Indian Band	\$ 56,000
FPInnovations	Feasibility of a Centralized Sortyard System for Increasing Fibre Utilization and Reducing Delivered Wood Costs	DCC	Cariboo RD (near Quesnel)		\$ 208,077
Nazko Logging Limited Partnership	Nazko - Pine treatment and fire hazard reduction	DCC	Cariboo RD (near Quesnel)	Nazko First Nation	\$ 394,800
Elhdaqox Developments Ltd.	Hanceville Fire Rehab	DCC	Cariboo RD (near Williams Lake)	Tl'esox (Toosey Indian Band) and Yunesit'in (Stone Indian Band)	\$ 894,625
Williams Lake Community Forest LP	Pre-commercial Thinning of Drybelt Fir	DCC	Cariboo RD (near Williams Lake)	T'exelcemc (Williams Lake Band)	\$ 79,000
FPInnovations	Evaluating the effectiveness of overstory removal treatments in the rehabilitation of low-value/uneconomic MPB stands	DCC	Cariboo RD (near Quesnel)		\$ 168,000
Central Chilcotin Rehabilitation Ltd.	ACFN/Tl'etinqox MPB Rehabilitation & Wildfire Risk Reduction	DCC	Cariboo RD (near Quesnel)	Tŝi del del (Alexis Creek First Nation) and Tl'etinqox (Anaham)	\$ 3,310,560
Forsite Consultants Ltd.	Thompson Rivers Landbase Rehabilitation	DTR	Kamloops Area		\$ 128,000
Forsite Consultants Ltd.	Cascades District Mountain Pine Beetle Rehabilitation	DCS	Merritt Area		\$ 158,000
Strategic Natural Resource Consultants Inc.	Improving Stand Value of Cw North Van Island	DNI	Mt. Waddington Road (near Port McNeill)	Quatsino and 'Namgis First Nations	\$ 384,050
Tolko Industries Ltd.	Cedar Hills Fire Rehab & Deer Winter Range Improvement	DOS	North Okanagan RD, Falkland		\$ 190,400
Tolko Industries Ltd.	TFL 49 MPB Pine Stand Rehabilitation Project	DOS	North Okanagan RD		\$ 413,277
Tabor Mountain Recreational Society	Tabor Mountain Strategic Plan and Implementation	DPG	Prince George		\$ 25,000
Skyline Forestry Consultants	Innovative Forest Harvesting and Renewal Treatments Across the Climatic Range of Douglas-fir - IDF Research	Various	Provincial		\$ 768,000

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
NAZBEC Limited Partnership	NAZBEC Mountain Pine Beetle Rehabilitation	DQU	Quesnel	Nazko First Nation	\$ 1,036,152
West Boundary Community Forest Inc.	Rock Creek Ecosystem Restoration Project (WBCF)	DSE	Rock Creek		\$ 23,000
SERNbc	Restoring Endangered Whitebark Pine Ecosystems in Skeena Region	Various	Smithers area		\$ 10,000
B.A. Blackwell & Associates Ltd.	Post Wildfire OGMA Rehabilitation	DSQ	Squamish Lillooet RD		\$ 159,970
FLNRORD Coast Mountains	Spacing of 2nd Growth Stands	DKM	Terrace		\$ 440,000
Terrace Community Forest LLP	Silviculture Strategy for Terrace Community Forest LLP	DKM	Terrace		\$ 29,800
SERNbc	Road Rehabilitation	DSN	Vanderhoof		\$ 332,602
SERNbc	Little Bobtail Planning and Prescriptions	DPG	Vanderhoof		\$ 98,504
SERNbc	Kenny Dam Wildfire Planning and Prescriptions	DSN	Vanderhoof		\$ 85,584
Ntityix Resources LP	West Kelowna Wildfires Rehabilitation Project	DOS	Westbank First Nation, Central Okanagan RD	Westbank First Nation	\$ 10,000
Williams Lake Community Forest LP	Fdi Density Spacing - Flatrock	DCC	Williams Lake	T'exelcemc (Williams Lake Band)	\$ 308,139
Esk'etemc First Nation (Alkali Resource Management Ltd.)	Esk'etemc Wildfire Risk Management	DCC	Alkali Lake	Esk'etemc (Alkali Lake Indian Band)	\$ 60,000
Alkali Resource Management Ltd.	Esk'etemc Mule Deer Habitat Restoration	DCC	Alkali Lake	Esk'etemc (Alkali Lake Indian Band)	\$ 6,518
Alkali Resource Management Ltd.	Mule Deer Winter Range Restoration	DCC	Alkali Lake		\$ 79,500
SERNbc	Northeast Region Linear Disturbance Restoration	Various	Fort St. John Area		\$ 303,050
Taan Forest	Haida Gwaii Enhanced Silviculture 2018	DQC	Haida Gwaii	Haida Nation	\$ 377,075
Xaxli'p Community Forest Corp.	Prescribed Burn in Xaxli'p Survival Territory - Phase 1	DCS	Lillooet Pavillion TNRD	Xaxli'p	\$18,026
Penticton Indian Band	Garnet Valley Enhancement - Ungulate Winter Range - Phase 1	DOS	Penticton Indian Band, Okanagan Similkameen RD (near Penticton)	SnPink'tn (Penticton Indian Band)	\$ 94,113
Penticton Indian Band FOREST CARBON	Garnet Valley Ungulate Winter Range Enhancement, Phase 2	DOS	Okanagan Similkameen RD (near Penticton)	SnPink'tn (Penticton Indian Band)	\$ 110,026
Lower North Thompson Community Forest Society	Forest Fertilization to Improve the Health, Growth, & Resilience within the Lower North Thompson Community Forest	DTR	Barriere		\$196,084

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Pinnacle Renewable Energy Inc.	Forest Carbon - Not Burning Residuals	DND	Bulkley Nechako RD (Burns Lake)		\$ 93,496
Central Chilcotin Rehabilitation Ltd.	Central Chilcotin Rehabilitation Ltd Fire Hazard Reduction/Rehab	DCC	Cariboo RD (near Williams Lake)	Tŝi del del (Alexis Creek First Nation) and Tl'etinqox (Anaham)	\$14,000,000
C⊕C Wood Products Ltd.	Nazko Burnt Pine Salvage	DQU	Cariboo RD (near Quesnel)	Nazko First Nation	\$ 2,000,000
Central Chilcotin Rehabilitation Ltd.	Central Chilcotin Rehabilitation Ltd Douglas-fir Rehabilitation	DCC	Cariboo RD (near Williams Lake)	Tŝi del del (Alexis Creek First Nation) and Tl'etinqox (Anaham)	\$ 7,500,000
Forsite Consultants Ltd., Strategic Natural Resource Consultants Inc., Zanzibar Holdings Ltd, West Fraser Mills Ltd, Williams Lake Indian Band, SERNbc, Silverwood Natural Resource Consultants, Silvicon Services Inc.	2017 FCI Survey Project	DCC	Cariboo RD (near Williams Lake)	T'exelcemc (Williams Lake Band)	\$ 4,550,000
Terraforma Environmental	Road Rehabilitation in the Chilcotin	DCC	Cariboo RD (near Williams Lake)	Tl'etinqox (Anaham)	\$ 131,250
Zanzibar Holdings Ltd., Office Of the Chief Forester-FLNRORD	Cariboo Wildfire Forest Carbon Reforestation	Various	Cariboo RD (100 Mile House, Williams Lake, Quesnel)		\$65,000,000
Ntityix Resources LP	Trepanier Wildfire Rehabilitation	DOS	Central Okanagan TD (Peachland)	Westbank First Nation	\$ 116,023
Little Prairie Community Forest Inc.	Pine Recovery & Stand Rehabilitation	DPC	Chetwynd		\$ 500,000
The Cowichan Tribes	Riparian Restoration Project (Cowichan)	DSI	Cowichan Valley RD	Khowutzun (Cowichan Tribes)	\$ 300,894
SERNbc	North East Rehabilitation Program	DPC	Fort St. John Area		\$ 226,250
Arrow Transportation Systems Inc.	Incremental Haul	DKA	Kamloops		\$ 398,160
Pacific Bioenergy	McBride Community Forest - Grinding Roadside Residuals	DPG	McBride		\$ 726,000
Weyerhaeuser Company Limited	16 year Re-measurement of Grant Creek Spacing and Fertilization Trial	DOS	Okanagan Similkameen RD		\$ 53,000
Weyerhaeuser Company Limited	Fertilization TFL59 Phase 1	DOS	Okanagan Similkameen RD		\$ 113,640
Weyerhaeuser Company Limited	Fertilization TFL59 Phase 2	DOS	Okanagan Similkameen RD		\$ 966,040
University of British Columbia	Planning for Reforestation and Rehabilitation in Future Climates	Various	Provincial		\$150,000
Westland Resources Limited	Elevating Carbon Stewardship at the Block Level	Various	Provincial		\$90,000
University of British Columbia	Improved Volume & Carbon Decision Support for Fertilization Projects	Various	Provincial		\$ 30,000
Keefer Ecological Services	Supporting Range-wide Whitebark Pine Regeneration	Various	Provincial		\$ 180,950
FLNRORD-Forest Carbon Initiative, FLNRORD - Chilliwack Natural Resource District, Western Forest Products Inc., B.A. Blackwell & Associates Ltd.	Forest Carbon Fertilization Project	Various	Provincial		\$ 6,985,020
Weyerhaeuser Company Limited	Work Plan for Provincial Foliar Sampling Database	Various	Provincial		\$ 12,200

RECIPIENT	PROPOSAL NAME	FOREST DISTRICT	LOCATION	FIRST NATIONS	TOTAL APPROVED
Bulkley Valley Research Centre	Multiple Seedlots to Increase Carbon Sequestration	Various	Provincial		\$ 72,000
FLNRORD - Operations	Soil Carbon Stocks	Various	Provincial		\$ 50,000
NAZBEC Limited Partnership	Nazbec Quesnel Rehab	DQU	Quesnel	Nazko First Nation	\$ 2,677,000
Brinkman & Associates Reforestation Ltd.	Skeetchestn Forest and Riparian Restoration	DTR	Savona	Skeetchestn Indian Band	\$ 200,000
Bulkley Valley Research Centre	Skeena Region Whitebark Pines Seed Collection	Various	Smithers Area		\$ 60,000
Applied Mammal Research Institute	Thinning, Fertilization, and Carbon Sequestration	DOS	Summerland		\$ 38,484
FLNRORD - Forest Carbon Initiative, Western Forest Products Inc., B.A. Blackwell & Associates Ltd., Erafor Forestry Ltd., FLNRORD - Chilliwack Natural Resource District	Roads and Staging for Fertilization Application	Various	Various		\$ 1,211,070
FLNRORD - Forest Carbon Initiative, Western Forest Products Inc., B.A. Blackwell & Associates Ltd., Erafor Forestry Ltd., FLNRORD - Chilliwack Natural Resource District	Fertilization Application	Various	Various		\$ 309,614
Hedberg and Associates Consulting Ltd., silvicon Services Inc, Strategic Natural Resource Consultants Inc., Office Of the Chief Forester-FLNRORD, Forsite Consultants Ltd., FLNRORD-Forest Carbon Initiative, Erafor Forestry Ltd.	Provincial Forest Carbon Reforestation Project	Various	Various		\$15,000,000
Timberwest Forest Corp., Western Forest Products Inc., Strategic Natural Resources Consultants Inc., B.A. Blackwell & Associates Ltd.	2017 FCI Fertilization Surveys	Various	Provincial		\$ 343,466
Pacific Bioenergy	Forest Residual Grinding in Quesnel District	DQU	Cariboo RD (Quesnel)		\$ 1,456,758
BCTS Kootenay Business Area	Fibre Recovery in Baker Mt Road Area	DRM	Cranbrook		\$ 100,345
Logan Lake Community Forest	Logan Lake Community Forest Mountain Pine Beetle Rehabilitation	DTR	Logan Lake		\$ 715,000
Valley Carriers Ltd.	Use of a Slash Bundler for Biomass Recovery	DCS	Merritt		\$ 179,600
NAZBEC Limited Partnership	NAZBEC Development, Grinding & Sort Yard	DQU	Quesnel	Nazko First Nation	\$ 2,672,254
Red Mountain Resort	Run Glading Fibre Recovery	DSE	Rossland		\$ 38,500
Skeena Sawmills Ltd.	Biomass from Thinning Overdense Stands	DKM	Terrace		\$ 370,070
Ledcor Forest Products Partnership	Debris Pile Grinding DH922K	DTR	Thompson Nicola RD (near Merritt and Kamloops)		\$ 86,800

Financial Highlights

FESBC complies with all requirements associated with being a B.C. Government Financial Reporting entity. To establish a lean and efficient organization, FESBC has retained PricewaterhouseCoopers as a 3rd party delivery agent and has appointed KPMG as its auditor for two fiscal years.

Statement of Operations

	Budget	Mar 31, 2018 ¹	Dec 31, 2016 ²
REVENUES			
Deferred contributions			
recognized	\$ 33,725,025	\$ 12,819,504	\$ 570,131
Other	-	325	15,000
	33,725,025	12,819,829	585,131
EXPENSES			
Amortization	-	13,773	4,312
Grants issued	31,175,000	10,589,334	129,000
Grant administration	1,558,750	1,064,343	26,342
Occupancy	39,800	60,005	24,950
Office and general	28,419	53,649	19,478
Professional fees	89,850	206,647	178,667
Salaries and benefits	666,879	652,955	138,540
Travel and transportation	166,327	179,123	63,842
	33,725,025	12,819,829	585,131
Annual surplus	\$ -	\$ -	\$ -

¹ 15 month period from January 1, 2017 to March 31, 2018

² Period from incorporation February 16, 2016 to December 31, 2016

Financial Highlights

Statement of Financial Position

	Mar 31, 2018	Dec 31, 2016
FINANCIAL ASSETS		
Cash and cash equivalents	\$ 133,204,577	\$ 85,697,141
Investments	93,959,113	-
GST receivable	16,164	4,455
	227,179,854	85,701,596
LIABILITIES		
Accounts payable and accrued liabilities	59,371	108,975
Deferred contributions	227,165,657	85,619,692
	227,225,028	85,728,667
Net debt	(45,174)	(27,071)
NON-FINANCIAL ASSETS		
Tangible capital assets	27,410	21,007
Prepaid expenses	17,764	6,064
	45,174	27,071
Accumulated surplus	\$ -	\$ -

Approved by the Board



Wildfire Risk Reduction

Wildfire risk reduction and impact mitigation is accomplished by reducing and managing forest fuels around communities, physical infrastructure, wildlife habitat, emergency access and escape routes and planting trees to accelerate post-wildfire recovery.

A project in Ellis Creek, just outside of Penticton, is thinning the overstory. The site will realize a reduction in crown fuel quantity and continuity and significantly reduce the opportunity for the stand to support a crown fire. A prescribed burn will reduce existing surface fuels and the fuels from the thinning activity. The combined treatments will ensure any future wildfire within the stand will exhibit lower fire behavior. The resulting stand will be more fire resilient and won't support aggressive and intense crown fire. Trees retained on site will contribute to multiple values including wildlife, visual quality and carbon sequestration.

This area also contains critical bighorn sheep winter range habitat. Over time these grasslands have been eroded. Thinning the overstory will reduce stand density and enhance the grasslands. This will support winter browse, better site lines for predator avoidance, and better mobility through the stands.



Project Ellis Creek Phase 1, Thin and Prescribed Burn **Proponents** Regional District Okanagan Similkameen and City of Penticton Partners Okanagan Nation Alliance, Penticton Indian Band. B.C. Wild Sheep Society

"The work on this important project is possible because of FESBC and may not have been undertaken under any other funding program. The project has resulted in a collaborative working model between First Nations, provincial and local governments and the private sector and is being emulated on similar projects in the valley."

John Davies, RPF, Wildfire Management Specialist

Fibre Recovery

Woody biomass is left over after forest harvesting takes place. Forest operators have a legal obligation to reduce fire hazards after harvest and will often burn the woody biomass at road side. Part of the challenge in utilizing this biomass is economics - the value of the biomass is lower than the cost to ship it to a facility. FESBC supports using more fibre from B.C.'s forests when it makes sense to do so by transporting post-harvest woody debris to facilities that process secondary forest products such as pulp mills, pellet plants and co-generation electricity plants. In the Williams Lake area, salvage logging of forests damaged by wildfires in 2017 resulted in significant accumulations of road-side logging debris that will now be made available to biomass processing plants. Biomass is chipped and hauled to a plant rather than burnt to mitigate fire hazard. This project recovers fibre, provides carbon benefits by emissions avoidance and mitigates smoke emissions that would otherwise impact the adjacent community if piles were burned. Piles that cannot be

chipped will be retained as shelter habitat for fur-bearers and prey species.



Project Williams Lake Indian Band Fibre Recovery Project **Proponent** Williams Lake Indian Band

"We are proud to work in partnership with FESBC and proactively seek ways to address our biomass issue. Williams Lake Indian Band, Borland Creek Logging Ltd. and Sugar Cane Development Corp. have participated in the project creating employment and business opportunities. We proactively are seeking further opportunities to allow the community to continue working within the program."

Aaron Higginbottom, Senior Natural Resources and Economic Development Manager, Williams Lake Indian Band

Forest Carbon

FESBC contributes to achieving the Provincial and Federal government's climate change targets by growing more trees and planting forests on Crown land, fertilizing forests to make them grow faster to capture atmospheric carbon dioxide and using more wood from the forest by using fibre instead of burning it which potentially displaces fossil fuels

A FESBC funded forest carbon project is in the Cariboo Region, an area of the province severely impacted by the unprecedented scope and scale of the 2017 wildfires. The project involves the rehabilitation of fire-damaged areas by actively reforesting areas that would otherwise remain underproductive. By taking an active role in reforestation within these fire impacted areas, the Forest Carbon Initiative can account for and report out on the carbon benefits related to this project. This project supports the achievement of Provincial GHG reduction goals and the reforestation component of the Cariboo and Thompson Okanagan Restoration Plan.

Due to the scope and scale of wildfire impacts to young plantations, the treatments have been targeted to areas that do not require an overstory to be removed in order to conduct a reforestation treatment.



Project Cariboo Wildfire Forest Carbon Reforestation **Proponent** Office of the Chief Forester, FLNRORD

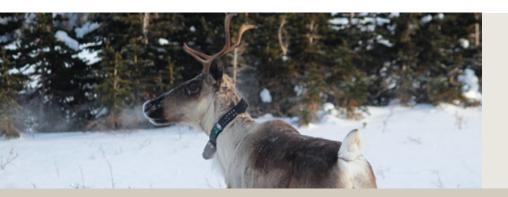
"FESBC is providing funding for the planting of 57 million seedlings on 35,000 hectares within the areas denuded by the 2017 Cariboo and Elephant Hill wildfires. These plantations are estimated to sequester at least 3.6 million tonnes of C02e by 2050."

Mike Madill, RPF, Forest Carbon Technical Advisor, Climate Change and Integrated Planning Branch

Wildlife Habitat Enhancement

B.C.'s forests provide many values, including wildlife habitat for animals. FESBC improves wildlife habitat by partnering with organizations like the Habitat Conservation Trust Foundation (HCTF) on a wide range of projects.

One FESBC/HCTF co-funded wildlife habitat enhancement project is the response to the extensive habitat alternations for the Chase caribou. Many populations of woodland caribou in BC are declining as a result of unsustainable predation, especially on calves, facilitated by habitat alteration. The Chase herd, estimated at 475 in 2009, was monitored intensively from 1999 to 2009, at a time when their biophysical environment was relatively stable. Since then, the Chase herd's range has undergone significant change (wildfire, mountain pine beetle, and salvage logging) and it is unclear how this population is responding to these damaged forests. The goal of this project is to assess the impacts of these recent habitat alterations on population stability and caribou behavior to better inform restoration activities. This project is one piece of a larger stewardship program lead by Tsay Keh Dene Nation, Chu Cho Environmental and Wildlife Infometrics that will blend science, traditional knowledge and active habitat management to ensure the resiliency of the herd.



Project Chase Caribou Herd Response to Extensive Habitat Alterations – Year 2

Proponent Habitat Conservation Trust Foundation

First Nations Involvement Tsay Keh Dene Nation

"In a time where wildlife habitat and populations are under increasing pressures, it's more important than ever that conservation dollars be invested wisely. This partnership is a great example of FESBC and HCTF leveraging their unique strengths toward the shared goal of protecting wildlife and habitat in B.C."

Brian Springinotic, CEO, HCTF

FESBC contributes to improving B.C.'s damaged or low-value Crown forests by creating conditions resulting in healthy and resilient forests that better provide the full range of values including timber supply.

A FESBC funded project in the North Island Central Coast Forest District in the Regional District of Mount Waddington is treating free-growing stands previously planted with high-value Western Red Cedar (Cw), which have filled in naturally with lower-value Western Hemlock (Hw) which is out-competing the Cw for growing space. The treatment includes pre-commercial thinning of Hw around individual Cw trees to increase the composition of Cw in the stand to enhance stand value. Western hemlock removed from the stand will decompose on the forest floor and provide additional nutrients to the soils. Once the stand tending has been completed, the Cw leading forest will be considered for future incremental investments in fertilization through the Forest Carbon Initiative or the Forest-For-Tomorrow programs. A fertilization investment would increase the trees' crown size and absorb additional carbon dioxide generating larger trees for future opportunities.



Project Improving Stand Value Opening - Cw Release in the North Island Central Coast Forest District

Proponent Strategic Natural Resource Consultants Inc.

First Nation Involvement Members of the Quatsino First Nation and 'Namgis First Nation

"As a professional forester, I'm proud to be making a strategic adjustment to this stand to promote the successful regeneration of high value culturally significant Western Red Cedar to ensure tomorrow's forest is diverse, healthy and capable of producing a wide range of ecosystem services for generations to come."

Jason Hutchinson, RPF, Strategic Natural Resource Consultants Inc.

Looking Forward

FESBC is well-positioned to continue the successful delivery of a carefullycrafted program of initiatives that serve the needs of British Columbians, now and into the future. This work is more important than ever, given that the forces of climate change, insect epidemics, and catastrophic wildfire events are impacting B.C.'s forests.

We as British Columbians are deeply inspired by forest enhancement because we see value in protecting communities from wildfire risk, reducing greenhouse gases, and improving wildlife habitat. We also know there are a multitude of additional co-benefits, including increasing First Nations participation in the forest economy, improving timber supply, increasing employment in rural economies, and increasing ecological sustainability.

FESBC has partnerships with many organizations throughout B.C. including the Union of BC Municipalities, numerous First Nations, Federation of BC Woodlot Associations, BC Community Forest Association, Habitat Conservation Trust Foundation, forest companies, and many, many others. These outstanding organizations, along with dedicated FESBC staff, are delivering projects that will provide benefits for generations to come.

Being a Crown Agency, FESBC is an arm of the B.C. government that very much complements the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD). FESBC and FLNRORD collaborate closely to serve the needs of British Columbians and in doing so, our strategic thinking is guided by long-term perspectives, on the scale of the life-span of trees or several human generations.

While we are very proud of our progress, we also know much more work remains to be done. With so many organizations, communities, and individuals working together and committed to forest enhancement, there is no doubt we will achieve our shared vision of enhanced forest resilience for the lasting benefit of British Columbia's environment, wildlife, forest health, and communities.

Steven F Kozuki, RPF

Steve Kozski

Executive Director

Forest Enhancement Society of B.C.



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