Columbia Basin Trust (CBT) exists to strengthen the well-being of the Columbia Basin. But we can’t achieve this alone.

Rather, we bring together people, groups, communities and governments, encouraging collaboration and partnerships in order to identify and address local priorities. We also partner with many organizations that have similar goals and complementary strengths.

For example, we help fund affordable housing, assist residents in receiving career-related education and training, support projects that protect our water and environment, help develop opportunities for youth and support communities as they strive to reach their goals. We also bring people together to discuss key issues, gather and disseminate information to assist in decision-making processes and offer additional resources as required.

“Through collaboration and partnerships, we work closely with Basin residents and communities to identify and address local priorities—strengthening our region and shaping its future by working together.”

GARRY MERKEL, CBT BOARD CHAIR

In order to fund these activities, we invest in opportunities located in the region on behalf of Basin residents, such as power projects, real estate and business loans. Thanks to the continued strong financial performance of these investments, we’re able to provide a record amount of support for the second year in a row. Fiscal year 2011/12 will see $17 million in new funding—the largest allocation in CBT history and a 13 per cent increase over last year’s budget.

We look forward to continuing to work with people like you to shape our future together.

Look inside to discover a few of the ways in which we are shaping our future together.
Our theme, “Shaping Our Future Together,” reflects CBT’s role in helping to bring people, governments and communities together and in encouraging collaboration and partnerships.

Message From the Chair and CEO

In 2010/11, CBT collaborated with residents, local governments and communities around key issues in order to shape our collective future in the Basin.

CBT’s ability to support these collaborative efforts and partnerships is due to the continued strong performance of its Investment Program, which enabled CBT to increase its financial commitment to residents over the previous fiscal year. In 2010/11, CBT disbursed a record $11.2 million in direct funding benefits and made a further $2.6 million in new commitments that had not been disbursed by year-end. In addition, $26.6 million in new funds was invested in the Waneta Expansion Project (WAX) during the year, and a further $5.7 million was committed to investments in Basin businesses.

PERFORMANCE RESULTS
CBT continued to experience strong financial performance in 2010/11. Total revenues increased to $28.4 million, up from $26.1 million in 2009/10, the majority of which can be attributed to Power Projects revenues. Each of CBT’s three categories of investment exceeded their annual performance benchmarks. The Private Placements return of 8.32 per cent and the Power Projects return of 8.15 per cent were both higher than their 8 per cent targets. Market Securities generated an annual return of 10.10 per cent, well above its 6 per cent benchmark.

HIGHLIGHTS
In October 2010, CBT and Columbia Power Corporation (Columbia Power) announced the formal signing of an agreement with Fortis Inc. (Fortis), which allowed WAX to move forward. Construction has commenced on this $900-million hydroelectric development located downstream from the existing Waneta Dam, south of Trail. The project will bring benefits to local communities, including the creation of over 400 jobs during the four-and-a-half-year construction period, the provision of approximately $200 million in wages and benefits and the purchase of local goods and services. To appropriately balance the exposure to project risks with the size of the partners, Fortis holds a 51 per cent share of the project, Columbia Power a 32.5 per cent share and CBT a 16.5 per cent share.

Another significant event was the 2010 Columbia Basin Symposium. Hosted every three years, the Symposium seeks to engage residents active in their communities to discuss the future of the Basin, while also exploring current issues. Nearly 300 people from around the Basin attended the three-day event in Revelstoke.

CBT and Selkirk College partnered to establish the Columbia Basin Rural Development Institute, which will promote and support informed planning and decision-making in the Basin through region-specific information and applied research. In consultation with Basin residents, CBT established its Strategic Priorities for 2011 – 2015 and developed and delivered a number of initiatives consistent with these priorities. For example, a partnership with the BC Non-Profit Housing Association links communities and organizations to experienced affordable housing consultants. In partnership with the Government of Canada and the Province of BC, CBT committed $425,000 to the overall capital costs of 114 units in seven Basin communities under the Seniors’ Rental Housing initiative. CBT’s Summer Works Program was expanded, with funding increased to allow 30 additional students to be hired. The program provides Basin small businesses with wage subsidies to hire high school and post-secondary students in entry-level or career-related employment.

CBT sought extensive input to prepare its Youth Initiatives Strategic Plan for 2011 – 2016, which identifies issues for CBT to address and potential roles CBT can play over the next five years. Working collaboratively with CBT’s Water Smart Initiative, 22 local governments in the Basin undertook a comprehensive assessment of their local water systems and water consumption data and have started to draft Water Smart Action Plans and set local water conservation targets. The goal is to reduce Basin-wide gross annual community water consumption by 20 per cent by 2015.

CBT will continue to focus efforts to support community projects aimed at reducing carbon emissions through programs and initiatives such as Carbon Neutral Kootenays. CBT remains committed to reducing carbon emissions in its own corporate operations.

FUTURE OUTLOOK
CBT will continue to take steps to understand current needs and issues in communities, add new value to the efforts of Basin residents and have a unique impact on well-being in the Basin.

One focus will be supporting collaboration and partnership between communities. Where interest in working together is developing, either between neighbouring communities or within a community of shared interests, CBT is prepared to facilitate and provide support for collaboration. CBT is also committed to enhancing community participation in project decision-making, so that communities are determining how best to advance their priorities.

CBT is committed to act as an information resource for Basin residents and local governments to increase their awareness and understanding of the Columbia River Treaty (CRT), and to help prepare the region to effectively engage in formal consultations with senior levels of government on the future of the CRT.

ACKNOWLEDGEMENTS
CBT’s achievements are a testament to the contributions of our dedicated partners, advisory committees, staff and Board members, and of the Basin residents who engage with us and care for the communities they live in—helping us shape our future together and strengthen our communities. Their passion and dedication to this organization, and to the people of this region, have helped create a lasting legacy in the Basin.

We thank you all.

Garry Merkel, CBT Chair
Neil Muth, CBT President and CEO
Supporting Informed Planning and Decision-Making in the Basin

CBT is evolving its State of the Basin Initiative by partnering with Selkirk College to establish the Columbia Basin Rural Development Institute (RDI). The RDI will help the Basin prepare and adjust to change, ensuring communities and organizations have access to timely, relevant knowledge and support in its use.

The RDI will:
- monitor and report on conditions and trends;
- research issues that impact communities and the region; and
- ensure this knowledge is broadly shared and understood so it can be applied to real situations and lead to real solutions.

Initial priorities include enhancing online access to data and information, building relationships inside and outside the region, establishing research priorities and preparing for future releases of State of the Basin reports.

“Thank you for the stimulating Symposium. It was my first one and allowed me to get a good sense of what people in the Basin care about... I think many people went home wanting to do more in their communities.”

PARTICIPANT, 2010 COLUMBIA BASIN SYMPOSIUM

Bringing People Together Around Key Issues

Nearly 300 people from communities throughout the Basin attended the 2010 Columbia Basin Symposium in Revelstoke, October 22 to 24, 2010. Entitled “Shaping Our Future Together: Take Action, Build Partnerships, Strengthen Communities,” the event engaged key leaders and residents active in their communities to collectively look toward the future of the Basin, while also discussing and addressing some of today’s key issues. The Symposium included several facilitated sessions covering economic development, alternative energy, community engagement and building resilient organizations.

In addition to the sessions, delegates were introduced to an innovative regional future scenario planning process as a way to begin a conversation about the Basin’s future. Attendees were encouraged to consider the key drivers that will shape the Basin and how their responses to them could lead to very different, but likely, future scenarios for the region.

To maintain momentum on the conversations started in Revelstoke, CBT looks forward to supporting communities and regions in developing visions and plans that help identify specific actions they can pursue in order to create strong, resilient futures.

www.cbt.org/2010symposium

“As CBT looks to the future and the roles it can play to support community development, we anticipate being part of discussions in the Basin about how to foster regional collaboration and partnerships between communities. We hope residents will continue to share their views and stay connected with this and other CBT initiatives.”

SABRINA CURTIS, CBT DIRECTOR, PLANNING AND DEVELOPMENT

“We are honoured to partner with Selkirk College to build on complementary goals and existing assets in order to generate a better understanding of our region and provide support for communities to make informed decisions about their futures.”

NEIL MUTH, CBT PRESIDENT AND CEO

Strategic Priorities Renewed

Clear priorities help CBT decide how to best use our resources, and help ensure residents understand how those resources are used to fulfill our mission. Being responsive to community and regional needs is how CBT approaches its work in the Basin. The Strategic Priorities for 2011 – 2015 form part of the Columbia Basin Management Plan (CBMP). The CBMP also includes CBT’s Charter, which guides all of CBT’s activities in the long term.

www.cbt.org/strategicpriorities

Below and right: Basin residents gathered at the 2010 Columbia Basin Symposium to collectively discuss the future of our region.
Facilitating Community Interaction

Research has shown that a key component of community building is related to the opportunities community members have for social interaction. With this fact in mind, CBT has supported a number of projects and initiatives throughout the Basin that enhance and increase opportunities for interaction.

Through CBT’s Community Development Program, nearly $1.5 million in funds were committed to such projects in 2010/11, encouraging community building throughout the region.

One project is taking place in Elkford, which has limited facilities to host community and social events. In order to address this need, Elkford secured funding—including a $300,000 grant from CBT—toward a new community centre that will offer improved amenities for the entire community. The new building, located on the previous site of Elkford Elementary School, will also eventually house a museum that will highlight the rich and diverse history of Elkford.

Another project is taking place in Golden. The 62-year-old Golden Civic Centre was built by volunteers after World War II, with original wood trusses from the Columbia River Lumber Company circa 1911. Scheduled for completion in 2011/12, 100 years later, the hall will be fit for a new life cycle as Golden’s only dedicated performing arts and culture centre.

“Our community’s commitment to and engagement in arts, culture and heritage activities fuels a deep sense of pride and makes Golden a better place in which to live and visit. Rebirthing the Civic Centre is a community dream come true.”

DEAN MCKERRACHER, MAYOR, DISTRICT OF ELKFORd

“Shaping our future together by contributing to community spaces and places, engaging residents active in their communities and facilitating collaboration and partnerships.”

An artist’s sketch of the new Golden Civic Centre.

Effective Public Participation

Does an open house work? A coffee klatch? How do you get community members involved? Learn more about effective community engagement by viewing the inspiring video and other resources—researched and compiled by CBT in partnership with Fraser Basin Council, Smart Planning for Communities—at:

www.cbtor.org/cdp

“It’s like all of us joining together in a living room, and sitting down like a family, and sharing ideas and thoughts.”

MAUREEN MCEACHEN, COMMUNITY PARTICIPANT IN THE ST. MARY’S STRATEGIC PLAN

St. Mary’s Band Administration

COMMUNITY VISION SESSION
FEB 10 5 830

St. Mary’s is one of the communities highlighted in CBT’s new community engagement video.

Upgrades to Sanctuary House

Every day after school, up to 25 pre-teens spend time at Trail’s Sanctuary, a drop-in centre run by the Generation to Generation Society. The building that houses the centre—purchased by the Society in 2006 with CBT support—also contains six apartments offered to low-income adults and out-of-town people accessing the hospital in Trail. In 2010, CBT helped the Society renovate Sanctuary House with $100,000 to put toward mechanical upgrades. Asbestos was removed from the heating pipes and new insulation was added, which has created a healthier environment and noticeably increased the amount of heat reaching the apartments. The upgrade also includes replacing old galvanized water lines, susceptible to cracking and leaking, with copper piping, replacing old plumbing fixtures and increasing the water line to the building from ½” to 4”.

www.sanctuarytrail.org

“The Board of the Society had been actively seeking funding for this project for two years prior to CBT, Teck Metals and the City of Trail coming together to fund the mechanical upgrade. It has improved the quality of the water and its delivery to our tenants and ensures the integrity of the mechanical system for years to come.”

BARBARA GIBSON, CHAIR, GENERATION TO GENERATION SOCIETY, TRAIL
Strengthening Basin communities by offering a range of programs that support groups, individuals, and projects and events of all sizes.

Residents’ Priorities a Focus

Basin communities will continue to support priority projects thanks to CBT’s five-year recommitment to its longest-running programs—the Community Initiatives and Affected Areas Programs (CIP/AAP). CBT also implemented a new annual minimum of $30,000 CIP/AAP combined funding per partner area, to a Basin-wide total of $3.6 million annually.

www.cbt.org/cipaap

Tour the Basin’s Culture

From artists’ studios and museums to cultural centres and heritage sites, you’ll find many myriad ways to immerse yourself in local culture during the Columbia Basin Culture Tour. The tour is a project of the Columbia Kootenay Cultural Alliance, which administers and manages CBT’s Arts, Culture and Heritage program.

August 13 and 14, 2011
www.cbculvertour.com

Aboriginal Gathering Places

Aboriginal students at College of the Rockies (COTR) and Selkirk College will find support and a place to gather once construction is complete on the colleges’ Aboriginal Gathering Places. The spaces—being built thanks in part to a $400,000 contribution from CBT—will enhance culturally relevant support for current and future Aboriginal students, as well as allow others to learn about Aboriginal culture. COTR’s space, located at its Cranbrook campus, is starting to take shape, with students in the timber framing, carpentry, welding, plumbing and electrical programs working on the building. At Selkirk’s Castlegar campus, the frame of the building is up, the interior is being developed and landscaping will soon occur. The opening ceremony will take place this fall.

www.2011brigade.org

Paddling the Path of Our History

A brigade of voyageur canoes are travelling from Invermere to Astoria, Oregon, from June 3 to July 15, 2011, to celebrate the 200th anniversary of explorer David Thompson’s historic route to the Pacific Ocean. Over 150 paddlers are taking part in the 1,600-kilometre journey during the 2011 David Thompson Columbia Brigade, funded in part by a $29,500 contribution from CBT. CBT funds are being used to develop resources like a geocache project, educational projects and activities, a documentary video and hand-painted community banners that will travel along the route.

www.2011brigade.org

“Canada is a nation built on rivers and lakes. These were the first highways, the heritage corridors of trade and exploration. The brigade validates our collective ties to the water and landscapes of the Columbia Basin, reminding us that we are as much residents of the watershed as that of our respective communities.”

ROSS MACDONALD, COMMITTEE LEAD, 2011 DAVID THOMPSON COLUMBIA BRIGADE

www.cbt.org/ycsa

www.cbt.org/ccsa
Long-term Environmental Stewardship

The Basin is home to an abundance of natural resources, critical habitats and diverse species. CBT is engaging residents and communities in the long-term stewardship of our natural resources and supporting them to take action to meet environmental challenges.

CBT’s Environmental Initiatives Program (EIP) provides support to community-initiated and -supported environmental projects that aim to reduce the impacts humans have on local and regional ecosystems. It includes a small grants stream geared at projects under $10,000, and a large grants stream for projects up to $20,000.

CBT has committed over $600,000 each of the last two years to support efforts of the residents of the Basin to develop and deliver environmental projects that make a difference in their communities. Examples from 2011/12 include environmental education programs delivered by Friends of Mount Revelstoke and Glacier, water monitoring by the Slocan Lake Stewardship Society, a cattle barrier project by Hawkins Creek Stewardship and a grizzly bear management project delivered by the BC Conservation Foundation.

Over the past 10 years, CBT has provided approximately $4.5 million in funding for environmental conservation, restoration, stewardship and education projects across the Basin. The program’s efforts have resulted in the restoration of over 560 hectares of open forest and the creation of 93 wildlife habitat trees. A number of species are benefiting, including the red-listed Lewis’s woodpecker.

Shaping our future together by focusing on the environment and building an understanding about water issues.

Ten Years of Building Knowledge and Caring for the Environment

Over the last decade, more than 30,000 West Kootenay residents—most of them school-aged children—have learned about the life cycle of Kokanee salmon and the importance of ecosystem conservation and restoration through the Kokanee Salmon School Program, thanks in part to support from CBT.

The program was developed by Ecosense Interpretive, and has received a number of facelifts over the years to keep it fresh and relevant to the generation of students that have benefited from the experience.

The program is delivered by professional teachers, naturalists and environmental educators, and takes place each fall at the Kokanee Creek Spawning Channel off the west arm of Kootenay Lake. Hands-on activities educate participants about the salmon life cycle, biology and interconnectedness of all life, while encouraging a sense of environmental stewardship.

“I went through the Kokanee Salmon School Program as a student, and was so taken with it that I decided I wanted to become involved with it on a different level. I am now one of the program interpreters—proof that CBT-supported programs like these leave a lasting impression.”

NICK SHAVE, PARK INTERPRETER, KOKANEE SALMON SCHOOL PROGRAM

CBT is helping support restoration work in the Rocky Mountain Trench in southeastern BC.

The Rocky Mountain Trench Restoration Program recently won an award from the Land Trust Alliance of BC for its outstanding work on the Dutch-Findlay range unit, located south of Fairmont Hot Springs in the Upper Columbia Valley. The project is a partnership that includes private land owners, local conservation organizations and the provincial government, with support from CBT. The program’s efforts have resulted in the restoration of over 560 hectares of open forest and the creation of 93 wildlife habitat trees. A number of species are benefiting, including the red-listed Lewis’s woodpecker.

“Restoring Wildlife Habitat—and Winning Awards

These restoration projects help sustain the native plants and wildlife that are fundamental to the environmental health and resilience of the Rocky Mountain Trench. The Nature Conservancy of Canada applauds CBT’s commitment to supporting on-the-ground conservation projects in the Dutch-Findlay range and beyond.”

HILLARY PAGE, STEWARDSHIP COORDINATOR, NATURE CONSERVANCY OF CANADA

Data Collection to Ensure Sustainability

Previously, there was no information on the state of the burbot fishery in the Koocanusa Reservoir. As this was once a traditional fishery for the Ktunaxa people, the Tobacco Plains Indian Band undertook a survey with CBT support between Kikomun Creek and Tobacco Reservoir. As this was once a traditional fishery for the Ktunaxa people, the Tobacco Plains Indian Band undertook a survey with CBT support between Kikomun Creek and Tobacco Reservoir. As this was once a traditional fishery for the Ktunaxa people, the Tobacco Plains Indian Band undertook a survey with CBT support between Kikomun Creek and Tobacco Reservoir. As this was once a traditional fishery for the Ktunaxa people, the Tobacco Plains Indian Band undertook a survey with CBT support between Kikomun Creek and Tobacco Reservoir.

The data collection to ensure sustainability. CBT supports projects like these that encourage the long-term stewardship of our natural resources.
Is Water Important? Ask a Grade 8 Student

Launched in fall 2010 to grade 8 science students at six Basin schools, CBT’s Know Your Watershed program will be offered to 12 schools across the Basin this coming year.

“Through this education initiative, CBT is helping the youth of the Basin understand the importance of water to our way of life in this region,” said Neil Murth, CBT President and CEO. “We want students to start thinking about where their water comes from, how it’s used and where it goes.”

Know Your Watershed is free for participating schools, supplements the Grade 8 science curriculum and is tailored to individual communities. Two classroom sessions and a full-day field trip—which include educational games, stream sampling and municipal water facility tours—offer students a first-hand understanding of water in their communities.

Students are then encouraged to take what they learn and apply it outside the classroom through water stewardship action projects, such as implementing new water conservation habits at home or organizing water-related events at school or in the community.

CBT is committed to working with Basin residents to improve their understanding of and involvement in water issues. Know Your Watershed is one of several water stewardship projects funded and delivered by CBT. Learn more, and view a video about Know Your Watershed, at: www.cbt.org/water

Ambassadors Educate About Water Conservation

This summer, Water Smart Ambassadors are going door to door in 12 Basin communities to help residents find ways to reduce outdoor water use.

This is one of the ways CBT is working with Basin residents to improve their understanding of and involvement in water issues in the Basin. Twenty-two communities have signed the Water Smart Charter, demonstrating their commitment to working with each other and CBT to reduce water use in the Basin. The goal of Water Smart is to reduce community water use across the Basin by 20 per cent by 2015.

A Water Smart Team is providing support to help participating communities develop and monitor community-specific Water Smart Action Plans. CBT will provide up to $10,000 per community in matching funding to support the implementation of the plans.

www.cbt.org/watersmart

“Are we so pleased to be involved with the Water Smart Initiative and encourage all residents to participate and find out more about how they can save water and make a difference.’

DEE CONKLIN, MAYOR, VILLAGE OF RADUM HOT SPRINGS

Helping Communities in a Changing World

Basin communities are changing and so is the world around them. Adapting to changes like climate change involves identifying and preparing for potential impacts like an increased threat of wildfires or floods. CBT is supporting Basin communities to adapt and be resilient to such changes through its Communities Adapting to Climate Change Initiative. CBT has helped support five communities to complete adaptation action plans and is currently focusing on helping these communities implement their plans. CBT will be engaging more Basin communities in this process in the coming year, as well as continuing to work with Basin residents to help them understand the potential effects of climate change in the Basin.

www.cbt.org/climatechange

Basin-wide Watershed Management

In spring 2011, 65 people, including Basin residents and representatives from local watershed groups and local and provincial governments, gathered in Nelson for Water Ways: A Forum on Water Governance. The forum was hosted by the Columbia Basin Watershed Network (CBWN), one of several water stewardship projects funded and delivered by CBT. Participants gained a better understanding of collaborative water governance, how it is applied and why it’s important in effective water stewardship. They also discussed the essential tools for water governance and how CBWN could support members to address water governance in the Basin. Learn more about CBWN and find out what it takes to become a member at: www.cbwn.ca

David Lapp, Engineers Canada, and Kristin Aasen, Project Coordinator, work on the Castlegar Adaptation Project.
The Columbia River Treaty

The Columbia River Treaty (CRT) is an inter-national agreement between Canada and the U.S. for the joint development, regulation and management of the Columbia River in order to coordinate flood control and optimize electric energy production on both sides of the border.

WHAT IS THE COLUMBIA RIVER TREATY?

Canada and the U.S. were facing two major challenges in the Columbia River Basin after World War II. In addition to an increasing population, the “unwanted” Columbia River was causing periodic and sometimes devastating flooding. Simultaneously, an upswing in the economy increased the need for energy sources.

In order to meet these challenges, the two countries ratified the CRT in 1964. Under the CRT, Canada agreed to build three storage dams in Canada: Hugh Keenleyside, Duncan and Mica. The CRT also allowed the U.S. to build Libby Dam in Montana, which created the Kootenai Reservoir that flooded back into Canada.

WHY WAS THE CRT SIGNED?

The CRT was agreed to by the Province of BC and the Canadian and U.S. federal governments. In the U.S., only the President can make decisions on international treaties, based on the advice and consent of the Senate. In Canada, any substantive changes would require federal and provincial government involvement. The Province has committed to undertake consultations with affected stakeholders and Basin residents around potential changes to the CRT.

WHAT'S BEING LOOKED AT?

In Canada, any substantive changes would require federal and provincial government involvement. The Province has committed to undertake consultations with affected stakeholders and Basin residents around potential changes to the CRT.

In 1948, disastrous floods on the Columbia River destroyed a community of 16,000 people, affected 10,000 families and thousands of hectares. Today, BC, and many British Columbia communities, credits the Columbia River Treaty for its ability to coordinate flood control and optimize electric energy production on both sides of the border.

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Communities and Youth Engagement

CBT acknowledges that effectively engaging youth requires working with them in the context of their communities. This involves engaging communities and their young residents in more strategic ways and providing them with the necessary resources and financial support.

In 2010/11, CBT worked with the City of Castlegar to develop a comprehensive youth strategy intended to improve the lives of young people in Castlegar. BC Healthy Communities, which has supported other communities in the province with similar projects, was contracted to help in this process.

Through this partnership and community consultation, the strategy developed is expected to provide concrete data that will assist the City in developing future policy and programming priorities, help define the role of the City in supporting meaningful youth participation and identify assets and gaps in current services and opportunities for youth under 18.

Quotes from the 485 youth ages 13–18 surveyed for their comments for the Castlegar Youth Engagement Report, displayed at an open house to review the results.

“CBT takes an active role in developing opportunities for young people in the Basin. The new Youth Initiatives Strategic Plan will help us focus our efforts as we develop and deliver new youth programming to meet our goals over the next five years. At the same time, CBT will remain flexible in considering opportunities as they arise.”

WAYNE LUNDBERG, CBT DIRECTOR, YOUTH INITIATIVES

CBT’s Youth Advisory Committee, a group of local youth volunteers, adjudicates the grant applications.

In Valemount, for example, youth are undertaking two projects: one that involves hosting an event similar to the TV show “The Amazing Race,” and another that will address violence in relationships by helping young people develop emotional intelligence around social justice issues.

Two additional projects are taking place in Invermere, spearheaded by the leadership class of David Thompson Secondary School. The I Am Beautiful workshop will promote self-esteem and confidence for grade seven girls, while the Breakfast Program will provide breakfast to local middle school students.

“We are excited to have this opportunity to get our youth involved in leadership roles. Great things happen when youth get involved in supporting and creating community events.”

DAN KENKEL, PRINCIPAL, VALEMOUNT SECONDARY SCHOOL

From providing breakfast to fellow students to hosting an adventure race, young people in the Basin are shaping the future of their communities with support from CBT’s Columbia Basin Youth Grants (CBYG) program.

In fiscal year 2010/11, the program funded 23 projects from around the Basin with a total of $116,400. The grants support youth-led projects that directly benefit Basin youth (ages 15 to 29) and involve young people in project development, planning and implementation.

“Shaping our future together by engaging communities and their youth, encouraging youth development and offering youth grants and programming.”

Members of CBT’s Youth Advisory Committee adjudicate applications to the Columbia Basin Youth Grants program. Clockwise from left to right: Zeb Hansell, Fruitvale; Laura Archer, Golden; Tyler Perepolkin, South Slocan; Zachary McClean, Golden; Miranda de Groot, Cranbrook; Matt Fontes, Castlegar; Missing: Kiraya Briel, Nelson.

CBT’s current SCRATCH magazine is full of articles, poems, photos and tidbits. Pick it up on stands throughout the Basin or in any CBT office.

www.scratchonline.ca/mag
Impressive Number of Basin Non-profits Receive Assistance

Seven Basin non-profit organizations received assistance from Enterprising Non-Profits (enp) in early 2011 for social enterprise projects—the highest number since CBT has partnered on the program. Through this partnership, Basin non-profits are able to access technical support in building business ventures that help them further their objectives and be more financially sustainable.

www.enterprisingnonprofits.ca

“Enterprising Non-Profits has supported us in many ways. We now have a worthwhile exercise and methods to assist us in sustaining our non-profit society.”

VICTORIA PAGE, BOARD CHAIR, AND RACHEL KING, STORE MANAGER, VILLAGE ARTS SOCIETY, INVERMERE

“Because of enp’s excellent one-on-one support and financial support, our co-op has very good start-up information that will no doubt ensure our success. We are predicting we will be opening our store in late summer 2011.”

BEVERLEY DARNELL, ORGANIZER, BURTON COMMUNITY CO-OP

Addressing the Need for Child Care

CBT recognizes that a number of families throughout the Basin are not able to access affordable and high-quality child care. In discussing child care with Basin residents, CBT found that major challenges relate to affordability, access, qualified staff, quality and sustainable funding.

CBT has the ability to provide grants to new child care projects through its Community Development Program (CDP). Reflecting the priority of child care in Basin communities, CBT recently developed new guidelines for child care projects applying to CDP so that communities have clear and consistent information about how to access grants.

Recognizing that funding for child care centres is only one part of addressing child care needs in Basin communities, CBT will continue to explore other avenues of support.

SPARWOOD TAKES ADVANTAGE

Sparwood is one community that is taking advantage of the new guidelines to create child care services where none existed.

When the community’s previous child care centre closed, the local demand for day care became readily apparent. The Society for Kids Care—Elk Valley proposed a new centre, which CBT is supporting with $50,000. CBT’s contribution will be used to renovate the new facility (previously the Mountain View School) to safely accommodate preschool children and help pay for staff training.

www.cbt.org/cdp

Helping Provide Affordable Housing

One of CBT’s goals is to assist communities in effectively dealing with affordable housing issues and to support new housing initiatives. In partnership with the governments of Canada and BC, CBT committed $425,000 to the overall capital costs of eight affordable housing sites in the Basin, for a total of 114 units, under the Seniors’ Rental Housing initiative. Projects are complete with $50,000. New facility (previously the Mountain View School) pay for staff training.

www.cbt.org/social

“This is a unique opportunity for CBT to be involved in the creation of a significant number of housing units, particularly in rural locations within the Basin.”

GARRY MERKEL, CBT BOARD CHAIR

www.thekoop.ca

Beverley Darnell, Organizer, Burton Community Co-op

Garry Merkel, CBT Board Chair.
Shaping our future together by facilitating student employment, strengthening small businesses and helping over 4,000 people receive education and training.

Subsidizing Summer Employment

CBT’s Summer Works Program is full for a second year. Launched as a pilot program in spring 2010, the program encourages businesses to provide summer employment for high school and post-secondary students by providing up to eight dollars per hour in wage subsidies for entry-level and career-related positions. Upon an evaluation of the pilot year, CBT committed additional funds—$500,000 total, up from $390,000 last year—to the continuation of the program for 2011/12. Another change to the program was an earlier start date to better accommodate the needs of employers and post-secondary students. In the last two years, CBT has supported small business to create 245 summer student jobs in the Basin.

Basin Residents Take Training to Help Secure Employment

CBT has supported its Training Fee Support (TFS) program with over $2.6 million in funding over the last 10 years—and has helped over 4,000 people receive education and training. When Misty St. Peter decided to take action toward securing a financial future for herself and her daughter, she applied for CBT’s TFS program. For the past 10 years, TFS has supported access to short-term education or training that helps Basin residents adapt to meet immediate employment needs. The program allows each eligible unemployed or underemployed resident to access up to $800 in a lifetime.

Basin Businesses Strengthened

One thousand, one hundred and fifty—this is how many businesses have accessed and benefited from CBT’s Business Basin Advisors (BBA) program since it was launched in 2000. Created to build economic capacity in Basin communities by strengthening and supporting existing businesses, the program provides free, one-to-one, confidential business counselling and assessment services to small- and medium-sized businesses throughout the Basin. Over the past decade, CBT has supported this program with over $2.9 million. Spectrum Home & Family Care in Nakusp is one such business. Feeling growing pains, its management turned to BBA’s West Kootenay advisor Deanne Monroe to help develop the internal structure the organization needed to grow. Manager Barbara Maye worked alongside Monroe to improve everything from customer and employee contracts to financial tracking and projections, allowing the business to come away with the tools needed to restructure and expand.
In the 2010/11 fiscal year, CBT returned a record $11.2 million in direct funding benefits to Basin communities, up from $10.9 million in 2009/10, and continued to experience strong financial performance, with total revenues increasing to $28.4 million in 2009/10.

The majority of the increase in revenues was attributed to revenues received from the three hydroelectric power projects in which CBT is a fifty-fifty partner with Columbia Power. Total power revenues increased to $23 million from $21 million in 2009/10. This resulted in an 8.15 per cent annual return, stronger than the 7.69 per cent return realized in 2009/10.

The Statement of Operations (below left) reflects the discount of $12.2 million in this year’s net income. This discount will be fully recaptured on an annual basis over the next 10 years.

CBT remains in a strong financial position and in fiscal year 2011/12 has committed $17 million in new funds available to deliver economic, environmental and social benefits to residents of the Basin.

CBT’s Private Placements portfolio generated an annual return of 8.32 per cent, relatively unchanged from the return realized in 2009/10. This portfolio consists of investments in both Real Estate, which include CBT’s ownership interest in seniors’ facilities located in the Basin, and Business Loans.

CBT’s diversified Market Securities portfolio continued to experience growth and recorded $575,000 in realized revenues and a $949,000 unrealized gain. The market value of this portfolio at the end of the fiscal year was $16.6 million. The return remained strong at 10.10 per cent.

In October 2010, all the deferred development costs and expansion rights related to the Waneta Expansion Project were sold to the Waneta Expansion Limited Partnership in exchange for a $72 million, non-interest-bearing Promissory Note (Note) to the Waneta Expansion Power Corporation (owned fifty-fifty by CBT and Columbia Power).

The Note has been discounted to reflect its current present value at March 31, 2011. CBT’s portion of the face value of the Note is $30.2 million, and its portion of the present value of the Note is $18 million. The Statement of Operations (below left) reflects the discount of $12.2 million in this year’s net income. This discount will be fully recaptured on an annual basis over the next 10 years.

CBT remains in a strong financial position and in fiscal year 2011/12 has committed $17 million in new funds available to deliver economic, environmental and social benefits to residents of the Basin.

CBT was established by the Columbia Basin Trust Act (1995) and has two core functions: to invest capital and manage the assets of CBT, and to spend the income earned from CBT’s investments to deliver benefits to the Basin.

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**Financial Review and Forecast**

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**Consolidated Statement of Financial Position**

(As at March 31, 2011)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets</td>
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<tr>
<td>Current</td>
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<td>Current</td>
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<td><strong>Total</strong></td>
<td>$538,324</td>
<td>$543,708</td>
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**Consolidated Statement of Operations**

(For the year ending March 31, 2011)

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<thead>
<tr>
<th></th>
<th>2011</th>
<th>2010</th>
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<tbody>
<tr>
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<td>Operating Expenses</td>
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<td>Discount on Promissory Note</td>
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<td>Excess of Revenue Over Expenses</td>
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<td>$12,870</td>
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</table>

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**THE TOTAL OF CBT’S INVESTMENTS:**

**429 MILLION DOLLARS**

This is allocated to three major categories: Power Projects, Private Placements and Market Securities.

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**CBT’s Annual Report**

CBT’s Annual Report provides detailed information on our investments and report on performance, as well as audited financial statements.

To receive a printed copy, drop into any CBT office or call 1.800.505.8998.
Helping Residents Access the Services They Need

Like many Basin communities, the Creston Valley has been struggling to attract and keep physicians. Osprey Medical Offices Ltd. was formed to address this issue by making sure there is clinic space available in the community for doctors looking to relocate there. With the aid of financing supplied by CBT, the business is renovating a retiring doctor’s clinic in the Creston Valley Mall to be able to accommodate two or more doctors, is upgrading its computers and software and is equipping the clinic with supplies. It is also retaining the current doctor’s staff. The end result will be a medical clinic incoming doctors can readily move into and set up practice in—making physician recruitment for the community that much easier.

“When we thought of setting up a medical clinic in Creston, CBT immediately came to mind. The possibility of matching a social need in the community with a business opportunity seemed like a perfect fit with CBT. Since then we have found CBT staff to be extremely flexible and easy to deal with in helping us bring this idea to reality.”

KEN GADICKE, CO-OWNER, OSPREY MEDICAL OFFICES LTD., CRESTON

Investing in Basin-based Businesses

“CBT invests in opportunities like power projects and Basin businesses in order to generate a predictable, sustainable and appreciating income stream. In addition to providing financial benefits, many of CBT’s investments promote social, economic and environmental well-being in the Basin.”

JOHNNY STELBERY, CBT VICE PRESIDENT, INVESTMENTS

ATCO Wood Products (ATCO) and Cowan Office Supplies (Cowan’s) are both local, family-owned businesses that approached CBT when conventional lenders were unable to provide them the financing solutions required for their business needs.

Located in Fruitvale, ATCO is a leading producer of softwood veneers and related by-products. For over 50 years, rail has been its primary distribution method, and it has been the sole user of the rail line between Fruitvale and Columbia Garden, south of Trail. CBT provided financing to assist with the purchase of this International Railroad Systems (IRRS) Shortline Railroad. The acquisition secured an important mode of transportation to the company’s primary customers in the United States.

Cowan’s has been operating in the Nelson and West Kootenay area for more than 38 years, offering office supplies and equipment to both the retail and commercial sectors. CBT provided financing to assist with a transition in the ownership group, as well as a reorganization of finances. The company’s shareholders now have a common vision for success and a management team capable of realizing this vision.

www.cbt.org/investments

“The financing provided by CBT was a key factor in the successful acquisition of the IRRS Shortline Railroad. Its support of this important purchase will help ensure the success of ATCO Wood Products well into the future.”

SCOTT WEATHERFORD, CEO, ATCO WOOD PRODUCTS LTD. & INTERNATIONAL RAILROAD SYSTEMS, FRUITVALE

“Dealing with CBT was great. They are very flexible and accessible and really took the time to assess our needs and work with us to achieve them.”

PAUL COWAN, CO-OWNER, COWAN OFFICE SUPPLIES, NELSON

www.cbt.org/investments

“CBT helps ATCO purchase a rail line and related equipment.”

CBT’s Statement of Investment Policies and Procedures provides a framework for the Investment Program, while at the same time allowing for flexible decision-making. This is an advantage to CBT when quality investment opportunities are presented that may not otherwise meet the more structured criteria of conventional lenders.
Waneta Expansion Project Flows Along

People travelling south on Highway 22A from Trail may have noticed the area has become a hub of activity from the construction of the 335-megawatt Waneta Expansion Project (WAX). This project will see the construction of a second powerhouse to share the hydraulic head created by the existing Waneta Dam. It is a joint venture between Fortis Inc. (51 per cent), Columbia Power Corporation (32.5 per cent) and CBT (16.5 per cent).

Construction, which began in October 2010, is proceeding and the project is currently on schedule. Berm construction is complete, and other major construction activities at this time include intake and powerhouse excavation, work in the powerhouse area to provide access for the excavation of the power tunnel and ongoing landscape reclamation.

The project will bring significant benefits to local communities, including the creation of over 400 jobs during the four-and-a-half-year construction period, the provision of approximately $200 million in wages and benefits and the purchase of local goods and services.

“WAX is the third project undertaken by Columbia Power and CBT. Their previous projects include the construction of Arrow Lakes Generating Station and Brilliant Expansion, both near Castlegar. They also jointly own Brilliant Dam, which was purchased in 1996.

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A Legacy for People and Communities

CBT serves the residents of the Canadian portion of the Columbia River Basin. Working closely with people who live in the Basin, CBT assists communities in addressing their needs by:

- providing resources and funding;
- focusing on local priorities and issues;
- bringing people together around key issues;
- providing useful, credible, accessible information;
- encouraging collaboration and partnerships; and
- seeking ongoing input from Basin residents.

Advice From Residents Like You

One way CBT remains accountable to Basin residents is through the use of its advisory committees, which provide advice on how CBT delivers benefits to the region. CBT has three advisory committees in its core areas of social, economic and environment, plus two program advisory groups that provide advice on youth and water initiatives. Committee members play an important role in providing community perspectives, sectoral expertise and strategic advice on CBT’s activities and priorities.

Our Board of Directors

CBT’s 12-member Board of Directors must be residents of the Basin. The five regional districts and the Ktunaxa Nation Council each nominate one director and the Province nominates the other six directors.

Join Us at Our AGM

Learn more about CBT and meet our staff and Board of Directors at CBT’s next Annual General Meeting.

September 23, 2011, Kaslo

www.cbt.org