



Valemount Community Forest Co. Ltd. General Partner of the
Valemount Community Forest Limited Partnership
Annual General Meeting **2020**
Overview of 2019

Valemount Community Forest

As of January 1, 2019, we have divided into 2 operating companies. Both companies are Limited partnerships. The new companies separate the forest activities from the Industrial lands. All the work is not yet complete but we are moving closer to completion.

2019 Financials:

- We have a total revenue of \$7.0 million
- Total expenses of \$6.9 million
- Total net earnings for 2019 of \$129,940.
- Falling markets, poor weather conditions and the loss of Canfor, Vavenby and Interfor, Adams lake as wood purchasers has very negatively affected our business.

2019 Highlights:

- VCF has two community forest licences and a small forest licence.
 - o K2T has a cut of 48,000m³/year
 - o K5Q has a cut of 47,000m³
 - o FL A93987 has a cut of 2300m³/year and will be operated mostly in Carrier Lumber operating areas in the Robson Valley.
 - o Total cut per year of just over 98,000m³
- VCF has harvested a total of roughly 80,000m³ during 2019 from both community forests licences utilizing 4 different logging contractors. All local.
- We have completed a forest inventory and ecosystem mapping for the new community forest area K5Q. The annual allowable cut increased from 35,000 to 47,000m³/year. The total cost of the project is \$250,000. We received two grants for this project totaling \$120,000.
- We have completed a LIDAR study for all of the VCF areas. This LIDAR tool will help us reduce costs and increase efficiency and quality of our road and block development. The total cost of this project is roughly \$150,000.
- We purchased woodlot 277 in the Robson Valley for \$160,000 during the summer of 2018. We are working on silviculture surveys, brushing and have started a forest inventory and management plans.
- We planted 350,000 trees on logged blocks in 2019.
- We invested money into the Dave Henry main access roads over the past year. We have installed a bridge at 9.2km, blasted rock at 8km, re-established road to the back and have completed surveys for two future bridges. Total cost of over \$350,000.



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- Our forest fire preparedness plans have not moved as quickly as we had hoped but we are making progress. We are starting harvesting on 5 blocks in the Valemount to Tete Jaune area in June of this year. These blocks were identified in the Fire Preparedness plans and by the local fire crew as high risk stands.
- Local contractors completed the vast majority of this work and include: loggers, truck drivers, road builders, road maintenance contractors, scalers, surveyors, tree planters, slashers and road and block development contractors. Roughly 35-40 local contractors.
- This past winter we harvested up the Dave Henry, West canoe, Westridge and Swift Creek. The Westridge and Dave Henry areas are leading spruce and balsam stands set for export to markets in Prince George. The West Canoe and Swift Creek areas are wood planned for local manufacturing.

Recreation:

- We are finding greater use of our operating areas due to the increased quality of the road systems.
- We are extremely happy to see the 5-Mile recreation area doing so well, it's a great success story. Well done VARDA and all the people associated that helped. The bike runs are drawing people from all over and have had a big impact on the tourism economy. We are happy to support them.
- We are working with YORA in upgrading roads and establishing new trails.

Staff:

- The VCF LP has a total of 4 full time staff members.
- With the increased activity of the industrial park and of our increased harvesting and operations we needed more feet on the ground. We have a nice crew loaded with of experience, local commitment and energy.

Notes:

The VIP LP has no staff directly and is managed by the VCF LP.
Craig Pryor, Manager of the VCF LP and VIP LP completed company overview.