

Overview of 2020

Valemount Community Forest Limited Partnership

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. We hope that the joint working group can bridge the remaining issues.

2020 Financials:

- We have a total revenue of \$10.2 million
- Total expenses of \$9.1 million
- Total net earnings for 2020 of \$1.19 million
- Total net earnings for 2019 was 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 for 2019.
- In 2020 increasing markets, increased logging and less expenditures led to an increased year end.

2020 Highlights:

- VCF has two community forest licences a woodlot and a small forest licence.
 - o K2T has a cut of 48,000m³/year
 - o K5Q has a cut of 47,000m³/year
 - o FL A93987 has a cut of 2300m³/year and will be operated mostly in Carrier Lumber operating areas in the Robson Valley.
 - o Woodlot 0277 has a cut of 2243m³/year
 - o Total cut per year of roughly 100,000m³
- VCF has harvested a total of roughly 100,000m³ during 2020 from both community forests licences utilizing 3 different logging contractors. All local.
- VCF also harvested just under 20,000m³ from its forest licence. Most of this harvesting was directed at fire smarting the Valemount to Tete Jaune area.
- We have completed forest inventories and LIDAR for all of the VCF areas. This new information gives us modern up to date information that allows us to make informed responsible decisions.
- New investment will be directed into our older plantations to ensure that they are growing at a rapid pace. Brushing and spacing will help to maximize growth. This work will increase local employment and allow us to offer work at times of the year that are generally quieter. This will allow us to offer work more consistently through out the year to the benefit of local workers
- We purchased woodlot 277 in 2018. We have submitted a forest inventory, management plan and cutting permit. We hope to have all approvals this fall and harvest our first block late 2021.

- We planted roughly 330,000 trees on logged blocks in 2020.
- We invested money into the Dave Henry main access roads over the past couple years. 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.
- We are starting the same road re-establishment of the Yellowjacket drainage in 2021. The spruce beetle that has damaged the Hugh Allen and Ptarmigan may be headed towards the Yellowjacket and we need road access to be able to respond to the threat.
- We harvested 5 blocks identified as forest fire preparedness threats to the community in 2020. These blocks were planted in spring 2021.
- Local contractors completed the vast majority of this work and include: loggers, truck drivers, road builders, road maintenance contractors, scalers, surveyors, tree planters, slashers, brushers and road and block development contractors. Roughly 35-40 local contractors.
- This past winter we harvested up the West canoe, Westridge, Packsaddle and Swift Creek. The Westridge areas are leading spruce and balsam stands set for export to markets in Prince George. The West Canoe, Packsaddle and Swift Creek areas are wood planned for a mix of export and local manufacturing.
- Currently we are harvesting up the West Canoe.

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 storey. 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.
- The 5-Mile Road fix is underway and expected to be completed within a week's time. This project is funded by a grant from NDIIT with 30% of costs covered by VCF LP. Total cost of project is roughly \$70,000. \$21,000 directly from VCF.
- 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.
- Betty Hardy has been with the VCF for the past 8 years and controls the finances for the company.
- With the increased activity of the Industrial Park and of our increased harvesting and operations we need more feet on the ground. We have a nice crew loaded with of experience, local commitment and energy.