



2017 ANNUAL REPORT

Presented at the Annual General Meeting,
April 10, 2018.

President's Report

I am very pleased to present the 2017 Annual Report for Bella Coola Community Forest Ltd.

First off, I would like to acknowledge Oran Hoppe, who is retiring from the board and forestry contracting. For decades, Oran has worked tirelessly for economic development in the valley and he has been a driving force behind the Community Forest since the beginning. He will be missed but we wish him all the best for a happy, long lived and deserved retirement.



Despite some setbacks, 2017 was a financially successful year for the Community Forest. All of our timber inventory was sold by year end and the net income was \$291,797. The majority of this profit resulted from the high quality timber from our logging in the Noosgulch valley.

We had planned to do more logging in East Salloompt but start of road building was delayed until fall due to an

- Highlights (2016 includes Camp 2 Bay)

	2017	2016	2015
Employment – md	1,037	2488	1,725
local	84%	95%	88%
Harvest – m ³	8,384	36,904	21,337
Local sales – m ³	760	954	1,708
Area harvested - ha	18.7	59.0	44.5
Roads built -km	1.4	4.3	3.7
Maintained -km	31	27.7	30
Trees planted	10,485	54,360	26,295
Gov' Fees & tax -	\$101,354	\$25,959	\$99,410
Contractor Pay - \$	1.39 mil	2.25 mil	1.90 mil
Local	69%	85%	71%

active northern goshawk nest located near the road right-of-way. To ensure adult goshawks don't abandon their young, noise is restricted in the area and this delayed road construction until the fledgelings were old enough to leave the nest. Two goshawk chicks were successfully reared but it did affect local employment and reduced our production.

The extraordinary fire season also caused some operational delays, but compared to the rest of the Province we were very fortunate that our forest was left unscathed. We monitor fire hazard conditions closely and take a low risk approach to curtailing operations. We have made additional investment in fire fighting equipment which is available to help fight urban interface fires, should they occur in the Bella Coola valley.

Looking ahead, 2018 appears promising as wood markets remain strong and economic indicators are positive. The US housing market continues to improve and the demand for cedar remains strong. Likewise, Asian markets continue to grow. Accordingly, we have a busy year ahead of us and our crews will start work as soon as winter snow conditions allow.

On behalf of the Directors, thank you for your continued support as we work for economic development in Bella Coola.

Rod Krimmer, President



Goshawk fledgling

*Photo courtesy
Harvey Thommasen*

activities. We launched our website: bccfl.com. Please check it out and provide comments.

BCCFL Board of Directors

The Board is very much involved in directing the management of the Community Forest. The 2017/18 Board consisted of Rod Krimmer, President; Ed Willson, VP; Troy Gurr, Treasurer; Oran Hoppe, Barry Brekke, Wayne Bittner and the Bella Coola Resource Society designated Director was Neil Osborne.

Operations

Safety & Environment: 2017 was another safe year for the Community Forest. Safe Certification was retained in 2017 and there were no significant environmental issues to report.

Operations: Logging operations started in the East Nusatsum where we finished the block we started in 2016. Then we moved to Noosgulch which was completed in July. In the fall, crews were busy building road in Salloompt. This is the most challenging road construction we have undertaken and it will be completed in spring, 2018.

The coming year's operations will be at Glacierview, East Salloompt and south east Nusatsum. Beyond that, we will be focusing additional development in the West Nusatsum



and Nookliklonic. Engineering will also take place in the Nosseseck Valley (Green Bay) in North Bentinck Arm.

Silviculture: Approximately 10,500 trees were planted using an outside professional contractor that teamed up with some local workers wanting to learn how to do it.

To reduce slash fuel, roadside piles were burned in the fall and we are completely caught up with our required burning.

Community: We conducted a public survey and 130 people responded. It is clear that we need to communicate and engage the community more regarding forest management and our



Summarized Financial Statement

The following summary is from the year-end financial report prepared by PMT Chartered Accountants.

Summarized Income and Retained Earnings

	Dec 31,	2017	2016
Revenue		\$1,815,902	\$2,412,437
Direct cost		1,350,796	2,248,508
Gross Profit		465,106	163,929
Gen Expense		167,834	224,123
Income from Ops		297,272	(60,194)
Other Income		34,640	8,707
Income Before Tax		331,912	(51,487)
Tax (recovered)		40,115	(16,127)
Net Income (loss)		291,797	(35,360)
Earnings start of year		171,432	258,634
Net Pd/Accrued divs		(24,086)	(41,912)
Retained earnings End of year		<u>439,143</u>	<u>\$171,432</u>

Summarized Balance Sheet

	Dec 31,	2017	2016
Current Assets		980,148	1,077,715
Other Assets		155,322	147,138
Assets		<u>\$1,135,470</u>	<u>\$1,224,853</u>
Current Liabilities		231,211	\$593,297
LT debt & liability		146,990	158,061
Liability		<u>\$443,321</u>	<u>\$819,976</u>
Share capital		253,006	253,006
Retained Earnings		439,143	151,871
Shareholder Equity		<u>692,149</u>	<u>404,877</u>
		<u>\$1,135,470</u>	<u>\$1,224,853</u>