

SUSTAINABILITY TOGETHER



THE FRASER BASIN COUNCIL
ANNUAL REPORT

2001 - 2002



Fraser Basin Council

**Annual Report &
Financial Statement
April 1, 2001 - March 31, 2002**

Fraser Basin Council Annual Report, 2001 - 2002

The Fraser Basin Council's fifth Annual Report provides an overview of the mandate and structure of the Council, highlights from the Council's first five years, a summary of the Council's activities over the past year, and audited financial statements for the 2001/2002 fiscal year, April 1, 2001 through March 31, 2002.

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Message from the Chair...



It has been a year since I was appointed Chair of the Fraser Basin Council. In that time I have learned much about the Council and its activities, and even more about the dedicated people throughout this province who make it work.



The Council is indeed a unique organization, one that brings together individuals from all orders of government, as well as from the private sector and civil society to solve problems and seize special opportunities within the Fraser River Basin. Working with this broad partnership, the Council applies a new model of collaborative leadership and governance that is inherently open, informed, inclusive and flexible. In all of its work, the Council remains impartial, transpartisan, independent and non-political in its primary role as advocate for a sustainable Basin.



From those whose actions enrich the Basin, I have learned about many important issues within the regions - from the threat of another great Fraser River flood throughout the Basin and questions about whether our water is safe to drink, to concerns about invasive plants in the Cariboo-Chilcotin and closure of a waterborne debris capture facility in the Fraser Valley.

We all recognize that our Fraser River Basin - which stretches from its headwaters in the Rockies to its delta in Richmond - is one of the most diverse and magnificent places on this planet. We also know that we have the people to match its magnificence and its promise, as well as its challenges.



This annual report not only highlights Fraser Basin Council activities over the past year, but also chronicles five years of commitment by the Council and its partners to advance sustainability throughout the Basin. The Council is proud of the track record that it and its partners have forged since 1997, and it intends to build upon this legacy.

Looking ahead, the Council faces many challenges and has identified many opportunities. Over the next few years, the Board of Directors has selected five key themes for special attention:



1. Strengthening Communities: working with all orders of government to advance the sustainability of local communities and, particularly in the Interior of the province, advance economic sustainability.

2. Fraser Fish and Fisheries Together: exploring the willingness of groups with an interest in the future of Fraser River fish and fisheries to work together to ensure that salmon, sturgeon and other powerful icons of the Fraser - as well as the life that is linked to them - endure and are sustainable.

3. Protecting People and Property from the Next Great Flood: working together to mitigate the human and economic costs to all British Columbians of the next big Fraser River flood that scientists predict will occur some time in the next 60 years.



4. Measuring Progress Towards a Sustainable Fraser Basin: developing and applying sustainability indicators to measure key trends in the Basin and to inform the decisions and actions of Basin residents and organizations.

5. Enhancing Aboriginal – Non-Aboriginal Collaboration: helping aboriginal and non-aboriginal communities to work together in support of a sustainable future.

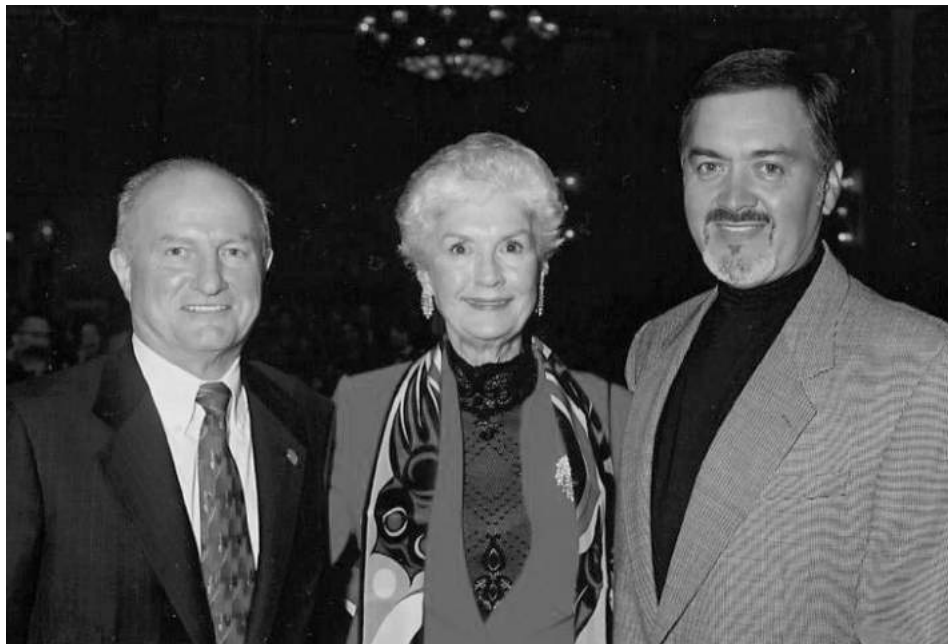
The more I learn about sustainability, the more I realize how connected everything is, including each of the five priority themes listed above as well as the many local and regional initiatives throughout the Basin. I have also come to appreciate how much the residents of this special place care about the Fraser River's ecosystem, and how committed they are to enrich and protect it for the benefit of ourselves and future generations. And finally, I have gained a new understanding that we must focus our limited resources to ensure that the investments we are making today to advance social, economic and environmental sustainability are sound, and will result in a better future for all those who live in the Basin.

It has been a privilege to work with the Fraser Basin Council and I look forward to the coming year as we further advance our Basin's sustainability.

Sincerely,



Jack Blaney
Chair



The Fraser Basin Council welcomed Jack Blaney, past President of Simon Fraser University and Senior Fellow at the Morris J. Wosk Centre for Dialogue, as new Chair of the Council in September 2001. Pictured here (L-R) are Incoming Chair Jack Blaney, BC Lieutenant-Governor and former FBC Chair Iona Campagnolo and Council Vice-Chair Roy Mussell.



The Fraser River Basin

The Fraser Basin, the area drained by the Fraser River and its many tributaries, is of great environmental, economic and social value. The Basin covers more than 25% of BC's land area and is home to 2.7 million people. Economic activities in the Basin contribute 80% of the province's gross domestic product and 10% of Canada's gross national product. Its forests cover nearly three times the area of New Brunswick, and its farms, ranches and orchards comprise half of all BC's agricultural lands. There are eight major producing mines, as well as some of the province's - and the world's - most spectacular natural beauty and recreational opportunities.

The Basin also boasts one of the world's most productive salmon river systems, supporting five salmon species and 57 other species of fish, including steelhead and sturgeon. The Fraser and its tributaries comprise BC's most productive waterfowl breeding and overwintering area, and the mouth of the river in particular is recognized as a globally significant estuary. Hundreds of species of birds, reptiles, amphibians and mammals, not to mention plants and insects, form the basis of the Basin's diverse ecosystem.



For thousands of years, the Basin has been home to aboriginal peoples including the Halquameelem, Hun Qui Min Um, Nlaka'pamux, Secwepmec, Stl'atl'imx, Tsilhqot'in, Carrier and Okanagan speaking First Nations. The sustainability of both aboriginal and non-aboriginal communities in the Fraser Basin is critical to the long-term health of the Basin as a whole.

In 20 years, the population in the Fraser Basin is expected to reach 3.8 million. It is an enormous challenge to manage this growth in ways that enhance the Basin's social, economic and environmental health and wealth. Addressing this challenge is an important responsibility and an urgent priority for all of us.





Fraser Basin Council

Working together to ensure the Fraser Basin is a place where social well-being is supported by a vibrant economy and sustained by a healthy environment - a true reflection of sustainability.

In the Spring of 1997, the Fraser Basin Council was established as a not-for-profit organization. The Council's mandate is to ensure that the decisions we make now about how we live, work and play in the Fraser Basin will protect and advance its social, economic, and environmental sustainability into the future.

The Council may have officially come into existence with the signing of the Charter for Sustainability on February 27, 1997, but the encounter that crystallized concern over the health of the Fraser River and the Basin it drains took place more than twelve years ago. Gordon Campbell, then Mayor of Vancouver, and John Backhouse, then Mayor of Prince George, challenged each other to "clean up their parts of the (Fraser) River". The joint challenge was itself recognition that making progress towards sustainability for the whole Fraser River Basin would require a collaborative effort all along the River and across all jurisdictions.

From this challenge came the Fraser River Cities Coalition. Then in 1992, the federal and provincial governments established what proved to be the predecessor organization to the Council, the Fraser Basin Management Board. The Board was charged with developing a strategic plan for the sustainability of the Fraser Basin. The plan the Board created evolved into the *Charter for Sustainability* that identified the need for a new, independent entity to implement the Charter. That new entity became the Fraser Basin Council.

The Council was founded on the belief that a more effective, potent and sustainable kind of leadership emerges when diverse interests coalesce around core values, and when consensus and joint action are chosen over confrontation and inaction.

To achieve its goals, the Council acts as an impartial, trusted facilitator operating under a unique model of collaborative governance. Under this model, the four orders of Canadian government (federal, provincial, local and First Nations), the private sector and civil society work together as equals to overcome conflict, find common ground, make informed and responsible decisions, generate long-term solutions to complex issues, and enhance sustainability "on the ground". This model is the first of its kind in Canada and has served as an example for other organizations in the Basin, throughout the province, nationally and internationally.

The Council's 36 member Board of Directors represent all regions of the vast and diverse Fraser River Basin. Decisions, which are reached by consensus, require a commitment among Directors or project team members to not only learn the facts of any one issue, but also to learn and understand how different experiences, feelings and values can influence the interpretation of a given set of "facts".

The Council has helped change the approach to managing the entire Basin by focusing on new ways of doing business that address the need to integrate the social, economic and environmental dimensions of sustainability. In addition, the Council considers the needs of the entire Basin rather than those of any single jurisdiction, interest, organization or individual.

The Council fulfills its mandate by working with the vision, principles and goals articulated in its *Charter for Sustainability*. The Charter is not a legally binding document, but rather a good faith agreement among all those with interests in the Basin to work collaboratively toward a more sustainable future. To ensure that the Council has a local presence and is addressing issues of real concern from all parts of the Basin, it has established Regional Committees and offices in each of the Basin's five sub-regions - Upper Fraser, Cariboo-Chilcotin, Thompson, Fraser Valley, and Greater Vancouver, Squamish, Pemberton.



FRASER BASIN COUNCIL MARKS FIVE-YEAR MILESTONE

Since its establishment, the Fraser Basin Council (FBC) has played an important role in finding enduring, workable solutions to many difficult sustainability challenges and in some cases, resolving entrenched conflicts that began as long as fifty years ago. The departure of Founding Chair Iona Campagnolo and the arrival of current Chair Jack Blaney, coupled with the Council's fifth anniversary in June 2002, provide a natural opportunity to take stock of the Council's accomplishments.

One of the Council's principal strengths has been its ability to bring people together to solve complex problems and longstanding conflicts. Over the past five years, the Council has worked with all orders of government including First Nations, community and environmental groups, business and industry on a wide range of important issues, including:

- **Nechako River Watershed** – FBC helped resolve 50 years of conflict over water management in the Nechako River Watershed and facilitated broad agreement on how to improve the health of the watershed.

"The (Nechako/CWRF) Project has incredible environmental enhancement, but also can provide some long-term economic stability in the valley and upstream in the Cheslatta area."

– Mike Robertson, Senior Policy Advisor,
Cheslatta Indian Band

- **Britannia Mine Remediation** – FBC brought regulatory agencies, property owners and the public together to set the course for a solution to North America's largest point source metal pollution problem at the site of the former Britannia Mine.

- **Fraser Basin Sustainability Indicators** – FBC initiated research and consultation to reach broad consensus on a set of indicators that will be used to track and report on progress toward a sustainable Basin.

"...let me reiterate to you how impressed I am with the work of the Fraser Basin Council. The Council's approach to creating multi-stakeholder cross-jurisdictional partnerships in order to foster increased awareness and adoption of sustainable development practices in the Fraser River Basin is innovative and admirable."

– The Honourable Herb Dhaliwal, P.C., M.P.,
Minister of Natural Resources Canada, Senior
Minister Responsible for British Columbia

- **Fraser River Integrated Flood Hazard Management** – FBC raised awareness, promoted inter-jurisdictional cooperation and developed a collaborative course of action with priorities to help minimize the threat of a major Fraser River flood.

- **Regional Debris Management** – FBC helped prevent severe property damage and potential loss of life by ensuring the sustained operation of a critical waterborne debris capture facility and developing an ongoing debris management plan.

"(The Flood Control and River Management) initiative is necessary in order to coordinate the in-kind contributions from participating federal, provincial, regional, municipal and First Nations governments, and will provide lasting benefit to many regions and communities at risk to flooding."

– Sieb Swierstra, Former Chair, Lower Mainland
Municipal Association, Flood Control and
River Management Committee

- **Nutrient Management** - FBC facilitated the development of a plan to protect water quality and the viability of agriculture through enhanced management of manure and fertilizer in the Fraser Valley.
- **Shuswap Lake Water Quality** - FBC worked with citizens and local government to address deteriorating water quality in Shuswap and Mara Lakes.
- **Aboriginal Policy Institute** - FBC helped facilitate the creation of the Aboriginal Policy Institute to enhance meaningful participation of aboriginal people in policy-making with federal and provincial agencies.

"The Fraser Basin Council has had unprecedented success at involving the regulatory agencies on (the Britannia Mine) project and in facilitating a public review process that has brought us closer than ever before to solving this environmental nightmare."

- Susan Gimse, Former Chair, Squamish-Lillooet Regional District

"The benefits from attending the (Sustainable Community Economic Diversification) Roundtable ... started as soon as I got back. The information I gained and the contacts that were made were little short of miraculous."

- Karen Andrews, Co-Chair, Cariboo Economic Action Forum

- **Drinking Water Review** - FBC chaired the independent Drinking Water Review Panel, appointed by the provincial government to evaluate and make recommendations on ways to strengthen the Drinking Water Protection Act.
- **Controlling Invasive Plants** - FBC facilitated a collective call to action to curtail the growing problems of non-native weeds and other invasive plants which are impacting natural ecosystems throughout the Basin.



The Fraser Basin Council bid adieu to its Founding Chair, Iona Campagnolo in September of 2001. Ms. Campagnolo, who inspired so many with her passion for sustainability and her faith in the Council's model for collaborative governance, shortly thereafter was installed as the first woman to serve as British Columbia's Lieutenant-Governor.

"The (State of the Fraser Basin) Conference ... brought forward many ideas and strategies to provide the information and guidance needed to bring sustainability to the Fraser Basin. It is conferences such as these that allow a large number of people to come together and work towards a common goal."

- Richard Prokopanko, Director, Corporate Affairs, Alcan

ORGANIZATIONAL STRUCTURE








■ The Board of Directors

The Fraser Basin Council's Board of Directors is comprised of thirty-six individuals who reflect the broad diversity of people living in the Fraser Basin. Twenty-two Directors are appointed by the four orders of government: three by the federal government, three by the provincial government, one by each of the eight regional districts in the Basin, and one by each of the Basin's eight First Nations language groups. The remaining fourteen Directors are non-governmental representatives appointed by the Council – citizens from all walks of life. These fourteen include two representatives from each of the Basin's five geographic regions, one Basin-wide representative for each of the three dimensions of sustainability (economic, social and environmental), and an impartial Chair.

The Council's Board of Directors undertakes all of its business through both standing and task committees and makes all of its decisions by consensus. When consensus cannot be reached, the Council's bylaws outline a process for facilitating decision-making.

The following is a list of the Directors who served on the Council during the 2001/2002 fiscal year. (Please note that the list includes more than thirty-six Directors because it includes all those Directors whose terms ended or began part way through the year.)

Jack Blaney	Chair, Fraser Basin Council, Vancouver
Roy Mussell	Vice-Chair, Fraser Basin Council, Skwah First Nation, Chilliwack
Deborah Abbott	Executive Director, Nlaka'pamux Nation Tribal Council, Lytton
Susan Anderson Behn	Communications Consultant, Moccasin Telegraph, Hope
Dorothy Argent	Past Chair, Salmon River Watershed Roundtable, Salmon Arm
Parm Bains	President, Westberry Farms, Abbotsford
Lillian Bayne	Regional Director General, Health Canada, Vancouver
Dennis Brown	Special Advisor, BC Rural Development Office, Burnaby
Iona Campagnolo	Former Chair, Fraser Basin Council, Vancouver
Nolan Charles	Councillor, Musqueam Indian Band, Vancouver
Ervin Charleyboy	Chair, Tsilhqot'in National Government, Williams Lake
Caroline Cordonier	Economic development Officer, Salmon Arm Economic Development commission, Salmon Arm
Jack Delair	Rancher, Hope
Bruce Drake	Executive Director, Industry Canada, Vancouver
George Ferguson	Director, Fraser Valley Regional District, Abbotsford
Ron Hawkins	Retired, Former Forest District Manager, Ministry of Forests, McBride
Cheeying Ho	Executive Director, Smart Growth BC, Vancouver
Colin Kinsley	Chair, Regional District of Fraser-Fort George, Prince George
Valerie Kordyban	Co-Owner, Carrier Lumber, Prince George
Dennis Lapierre	Director, Columbia Shuswap Regional District, Salmon Arm
Ruth Madsen	Director, Thompson Institute, Kamloops
Arthur Manuel	Tribal Chair, Shuswap Nation Tribal Council, Kamloops
Ben Marr	Former Regional Manager, Greater Vancouver Regional District, Vancouver
Darlene Marzari	Artist, former MLA, provincial Minister and City Councillor, Vancouver

Marie Mervyn	Rancher, Alkali Lake Ranch, Alkali Lake	
Michael O'Brien	Vice-President, Strategic Planning and Legal Services, Vancouver International Airport Authority, Vancouver	
Jon O'Riordan	Deputy Minister, Ministry of Sustainable Resource Management, Victoria	
Gary Paget	Executive Director, Planning and Governance, Ministry of Community Aboriginal & Women's Services	
Bob Patterson	Mine Superintendent, Gibraltar Mines Ltd., 150 Mile House	
Bob Peart	Executive Director, Canadian Parks & Wilderness Society, Vancouver	
Jerry Petersen	Director, Bulkley-Nechako Regional District, Vanderhoof	
Joe Post	Director, Thompson-Nicola Regional District, Merritt	
Harold Prince	Vice Tribal Chief, Carrier Sekani Tribal Council, Prince George	
Mike Retasket	Member, Shuswap Nation Tribal Council, Cache Creek	
George Saddleman	Chair, Upper Nicola Indian Band, Merritt	
Barbara Sharp	Director, Greater Vancouver Regional District, North Vancouver	
Robert Smillie	Medical Doctor, Kamloops	
Pablo Sobrino	Area Director, Lower Fraser River, Fisheries and Oceans Canada, Delta	
Pam Tattersfield	Director, Squamish-Lillooet Regional District, Britannia Beach	
Wendy Turner	Member, Fraser River Coalition, Vancouver	
Steve Wallace	Director, Cariboo-Chilcotin Regional District, Quesnel	
Morgan Wells	Band Councilor, Mount Currie Band, Mount Currie	
Jim Wild	Director, Corporate Facilities, Fisheries and Oceans Canada, Vancouver	
Brian Wilson	Director, Environmental Protection Branch, Environment Canada, North Vancouver	
Bill Young	Consultant, Bill Young Forest Management Ltd., 150 Mile House	

■ Fraser Basin Council Staff

David Marshall	Executive Director	
Natalie Bandringa	Assistant Regional Coordinator, Thompson	
Jessica Bratty	Project Coordinator	
Laura Brend	Administrative Assistant, Council Operations & Information Technology	
Joan Chess	Regional Coordinator, Upper Fraser	
Phil Hallinan	Regional Coordinator, Thompson	
Cheri Hamilton	Administrative Assistant, Financial Administration	
Maggie Julian	Assistant Project Coordinator	
Jennifer Krotz	Assistant Regional Coordinator, Thompson	
Steve Litke	Project Coordinator	
Bob Purdy	Director of Corporate Development and Regional Coordinator, Greater Vancouver, Squamish, Pemberton	
Marion Robinson	Regional Coordinator, Fraser Valley	
Kathi Smith	Fund Development Coordinator	
Jim Vanderwal	Project Coordinator	
Gail Wallin	Regional Coordinator, Cariboo-Chilcotin	
Maureen Young	Coordinator, Board Operations & Communications	



REGIONAL HIGHLIGHTS 2001-2002

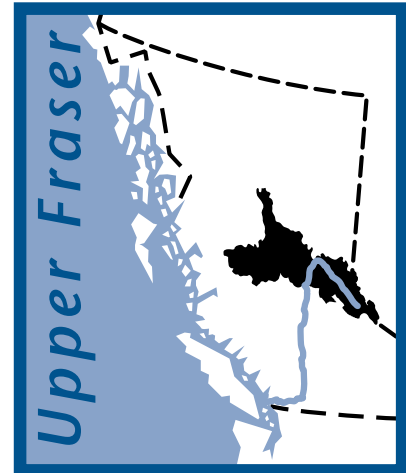
UPPER FRASER

■ Directors

Ron Hawkins
Colin Kinsley
Valerie Kordyban
Jerry Petersen
Harold Prince

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FEATURE PROJECT

■ Nechako Watershed Council (NWC)

For the past 50 years, concerns about the development of the Nechako River to generate hydroelectricity for Alcan's smelter in Kitimat have generated tremendous controversy over the management of the Nechako, a major tributary of the Fraser. This resulted in decades of entrenched positions and strained relationships amongst those involved.

In June 1998, the Fraser Basin Council helped establish the Nechako Watershed Council (NWC), a multi-interest group with First Nations, business, community and government representation. The NWC has accomplished much towards its goal of developing a Nechako water management plan that incorporates socially, economically and environmentally viable solutions to the longstanding conflicts in the watershed. For six years, FBC (and its predecessor the Fraser Basin Management Board) continued its crucial role in facilitating the resolution of Nechako water management issues. In 2001, the FBC concluded its work with the Nechako Environmental Enhancement Fund (NEEF) Management Committee with the announcement of the Committee's decision for a Cold Water Release Facility (CWRF) to be constructed at the Kenney Dam as the primary means of downstream enhancement. Building the CWRF is seen as the single most important way of resolving almost all of the issues, while meeting environmental, social and economic interests and supporting the sustainability of the Nechako Watershed.

"...the FBC was instrumental in establishing the Nechako Watershed Council (and) since then, has continued to provide valuable support to the NWC in its efforts in finding long-term solutions to issues identified in the Nechako Watershed."

- Henry Klassen, Chair, Nechako Watershed Council

During 2001/2002, FBC continued to work with the NWC as it prepared a CWRF Work Plan in cooperation with its provincial and corporate partners. As a result of these efforts, the provincial government and Alcan BC have each committed to providing \$100,000 per year for the next three years to implement Phase 1 of the CWRF Work Plan. With assistance from FBC,



NWC members together with the provincial Water Management Branch are also working to develop optimal flow regimes that would be possible to implement after the proposed CWRP has been constructed.

OTHER HIGHLIGHTS

■ Building Sustainable Economies – Upper Fraser Regional Forum

In April 2000, FBC's Upper Fraser Region hosted a forum in Prince George - *Toward A Sustainable Economy for the Upper Fraser Region*. The event provided an opportunity for local business and community leaders to explore how the principle of sustainability might be applied to the region's economy and businesses.

Featured speaker, Rob Macintosh of the Pembina Institute for Appropriate Development and Green Planet Communications, outlined steps to sustainable economies and businesses. These include recognizing natural capital, improving eco-efficiency, practicing industrial ecology, measuring and reporting Genuine Progress Indicators (GPI) rather than Gross Domestic Product (GDP), emphasizing community-based solutions, and reforming international trade and stock and currency regulations. Panelists described their experiences as business owners and/or consultants applying sustainability principles to their operations on a daily basis.

Contact Regional Coordinator Joan Chess for copies of reference materials from the event.

■ Chilako Watershed Council

The Fraser Basin Council has continued to support the efforts of rural residents and agency staff to improve the riparian area of the Chilako River and help address residents' concerns about flooding. The successful efforts of the Chilako Watershed Council (CWC) received national recognition this year when it received the Countryside Canada Environmental Stewardship Award from the Canadian Federation of Agriculture at its Annual General Meeting in Halifax. Mr. Karl Wicki, a long time Chilako rancher, accepted the Award on the group's behalf. FBC staff is helping the group develop a watershed management strategy that will incorporate the results of several studies and the residents' plans for restoration work at various sites.

■ BC Rivers Day

The FBC worked with community volunteers and staff from various government agencies to organize the first annual Rivers Day Music Festival, held in Prince George in late September 2001 to celebrate BC Rivers Day. The event featured Bill Henderson, the former lead singer from the band *Chilliwack*, as well as several local musicians, educational displays and children's activities. The organizers estimated that over 1000 residents attended the event.





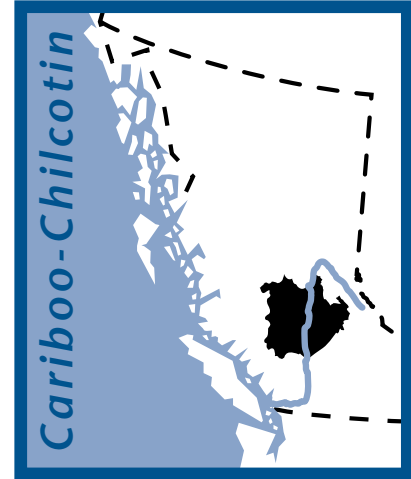
CARIBOO-CHILCOTIN

■ Directors

Ervin Charleyboy
 Marie Mervyn, succeeded by Robert Patterson
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■ Staff

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FEATURE PROJECT

■ *Weeds Know No Boundaries*

Following the Board of Directors' field trip to the Cariboo-Chilcotin Region in June 2001, the Board recommended that the Region consider action to assist in the struggle to minimize the impact of noxious weeds on the natural ecosystems and help to protect local economies and community viability. "Noxious weeds" - or "invasive plants" - are plants that are not natural to the local ecosystem but are invading or displacing local plant species.

Working with a local committee comprised of representatives from the Ministry of Agriculture, Food and Fisheries, Ministry of Forests, the Cariboo Regional District, Grasslands Conservation Council of BC and the Cariboo Cattlemen's Association, the Fraser Basin Council organized and co-hosted a symposium – *Weeds Know No Boundaries...working together to improve weed management for tomorrow*. The event was designed to encourage discussion and develop recommendations that would help to effectively and efficiently manage invasive plants in the future.

"What I liked best about this symposium was the fact that many stakeholders were brought together to discuss an important issue which traditionally has been addressed in an almost haphazard manner."

- Symposium Attendee

Over 100 participants with diverse backgrounds from throughout the province attended and discussed the present and future concerns around invasive plants. Local and provincial governments, First Nations, industry, the agricultural community and citizens all agreed on the need to work more closely together to minimize the negative economic and social impacts of these non-native, invasive plant species. The symposium resulted in the full endorsement of a province-wide noxious weed management strategy and the establishment of a multi-party steering committee to guide its development. The symposium recommended that FBC facilitate the establishment of this critical committee to develop a clear action plan for a province wide strategy.

Contact Regional Coordinator Gail Wallin for symposium proceedings.

OTHER HIGHLIGHTS

■ Quesnel Sustainability Indicators Pilot Project

A number of communities have recognized the usefulness of developing sustainability indicators as a tool for measuring their progress toward meeting community sustainability



goals. Recognizing the Fraser Basin Council's expertise in developing sustainability indicators for the Fraser River Basin as a whole, the community of Quesnel and the Ministry of Community, Aboriginal and Women's Services invited the Council to facilitate the development of a set of sustainability indicators for Quesnel. This initiative was one of four pilot projects that took place across the province. A local project team, made up of individuals from organizations across the community including economic, social and environmental interests provided guidance and input into the selection of a set of 21 indicators. The final report was completed in the spring of 2002.

Contact Regional Coordinator Gail Wallin for copies of the report or check the Council's website: www.fraserbasin.bc.ca

■ Caribou Management

The population of the eastern mountain caribou is recognized as needing special management to help ensure that the sub-species population is sustainable. To help increase public awareness of Caribou and related management concerns, the Fraser Basin Council facilitated a broad-based panel to encourage public discussion and invite recommendations for protecting these animals. The panel brought representatives from the forest industry, environmental groups, guide outfitters, snowmobilers and recreationists together to identify possible volunteer actions. The panel identified what actions recreationists, community organizations, industry and governments can take to help ensure the viability of the local population. A key message was the need to work cooperatively together in planning and in the field to minimize negative impacts on the Caribou herd.

■ Grasslands Tour

The Cariboo Chilcotin region hosted the Fraser Basin Council to a tour of the important grasslands around the Williams Lake area. The Council produced a background report on how the unique ecosystem influenced the local history, culture and economies. The day long event attracted the highest Board attendance to date as they viewed the management challenges of maintaining healthy grasslands for the future. As a result of the tour, the Council committed to considering action around the need to work together to reduce the impacts of weeds on this key ecosystem. This culminated in the *Weeds Know No Boundaries* symposium. Since the tour, the same information has been used as a reference source for other agencies.



"(The Fraser Basin Council) is doing a good job bringing various governments, industry and public agencies together"

- Information Session Attendee

■ Information Sessions

The Cariboo-Chilcotin Region continued its efforts to increase understanding on sustainability issues in this region. Regional staff worked with other local organizations to improve awareness of issues facing lakeshore residents, water quality and cooperative approaches to resolving community issues. The

Council initiated the development of an information series for waterfront residents on environmentally and economically sound practices for water edge management. This preliminary phase will be expanded in 2002. The FBC provided public information at local events such as the major Salmon Festival in Horsefly and the Williams Lake River Days celebration. FBC staff also provided support to volunteer organizations, local governments and citizens who were working towards sustainable solutions for fish enhancement, solid waste management, cooperative governance and other local concerns. The FBC has received requests to continue this role as a facilitator for sustainable actions for the future.



THOMPSON

■ Directors

Deborah Abbott
 Dorothy Argent
 Dennis Lapierre
 Joe Post
 Art Manuel, succeeded by Mike Retasket
 George Saddleman
 Robert Smillie, succeeded by Caroline Cordonier
 Morgan Wells



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Natalie Bandringa
 Jennifer Krotz



FEATURE PROJECT

■ Shuswap Lake Library, Map and Database Project

Have you ever wondered how a regional district determines or assesses the land's natural value when subdivisions are proposed? Often it can only rely on public hearings and anecdotal knowledge of its staff and other government agencies. In the case of the Columbia Shuswap Regional District, local planners and citizens felt that these sources of information were inadequate.

When an opportunity arose through a partnership between the former Ministry of Environment, Lands and Parks and Fisheries and Oceans Canada to place a Habitat Steward with the Fraser Basin Council's Thompson Region, the Regional District worked with FBC staff to research and compile extensive data and other relevant information on the Shuswap and Mara Lakes. The challenge was in identifying information sources, designing a tool that would encourage all parties to share their information and making it accessible to all. Phase One has been completed and Phase Two - expanding the knowledge base by gathering information on tributaries that feed the lakes - is now underway.

Contact Regional Coordinator Phil Hallinan for more information.

OTHER HIGHLIGHTS

■ Building A Stewardship Ethic

The Fraser Basin Council has been actively working with the Thompson-Nicola Regional District (TNRD) to assist them in building a stewardship ethic. In 2000, the TNRD adopted a Regional Growth Strategy (RGS) to implement sustainable planning policies for the region. In



"Can you just pass along how proud I have been to work with you on this project. I think it has done the CSRD...a lot of good and has shown what cooperative efforts can bring."

- Dennis Lapierre, Chair, Columbia Shuswap Regional District

further application of RGS, the TNRD embarked on the South Thompson Settlement Strategy (STSS) specifically targeting the geographic area experiencing the most growth pressure. The FBC has contributed and played an active role in the STSS Intergovernmental Advisory Committee and the Working Committee. The FBC's work focused on public consultation and sharing information with and gathering data from various governmental agencies. The goals were to build relationships amongst the four orders of government, share information, and develop and implement policies. The FBC's contribution helped ensure that the STSS Policy Document (adopted by the TNRD Board of Directors later in 2002) will be sustainable. The FBC has also contributed to a number of other short and long-term stewardship planning projects with the TNRD.

FRASER VALLEY

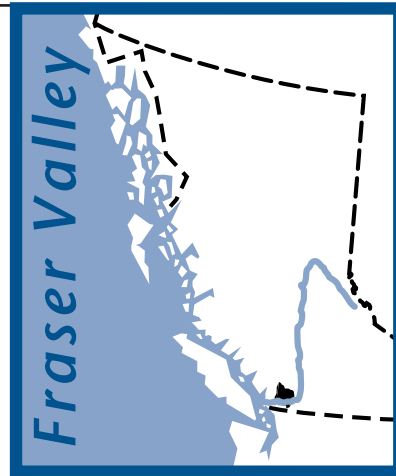
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 Parm Bains
 Roy Mussell
 George Ferguson

■ Staff

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FEATURE PROJECTS

■ Business Environmental Pledge Programme

The Business Environmental Pledge Programme (BEPP) was initiated in Abbotsford based on a model used in Whatcom County in the State of Washington. The primary goal of BEPP is to improve the health of the internationally significant Abbotsford-Sumas Aquifer. Abbotsford businesses together with the City of Abbotsford and the Chamber of Commerce have formed the BEPP Committee to develop and implement the Programme. The BEPP Committee asked the Fraser Basin Council and Community Futures of the South Fraser to facilitate and implement BEPP in Abbotsford. The concept is for businesses to “pledge” to undertake actions to benefit the ecosystem. “Pledged” businesses will be recognized in a number of ways, including regular exposure in local media.

Together with Community Futures of the South Fraser, the FBC is facilitating the implementation of BEPP. The Programme involves a partnership of local gravel industries, BASE, VanCity Savings and Credit Union, the City of Abbotsford, Abbotsford Chamber of Commerce, Rempel Bros., BC Hydro, Community Futures of the South Fraser, Fraser Valley Regional District, Western Economic Diversification, Environment Canada and many others. Community Futures administers the Hazardous Toxic Waste Reduction component while FBC provided overall coordination of BEPP.



Within two months of establishing the Programme, BEPP has attracted 21 businesses from many different sectors within the community. The goal is to help create changes in business management practices that benefit the ecosystem while also demonstrating economic viability, and to develop a model of cooperation on sustainability-related activities in the Fraser Valley that can be exported to other communities in the Basin.

“BEPP is a model of how the business community can take part in ensuring that our environmental legacy is secured.”

- Fiona Harris, Advertising Manager,
Abbotsford News



Contact Regional Coordinator Marion Robinson for more information or see the Council's website: www.fraserbasin.bc.ca.

OTHER HIGHLIGHTS

■ Fraser River Management Plan: Hope to Mission

In recent years, there has been growing conflict over the management and use of in-river gravel contained in the “gravel reach” of the Lower Fraser River, from Hope to Mission. Gravel movement and build-up in some areas of the river reduces the ability of local communities to protect themselves from floods and affects commercial navigation. The removal or movement of in-river gravel, however, have implications for fish habitat as well as in-river infrastructure such as bridges, pipelines and protection of riverbanks.



To address this complex issue, the Fraser Basin Council brought together all interested parties to facilitate the development of a plan that would guide decision-making toward social, environmental, economic and institutional sustainability in this important part of the Fraser River. The resulting plan developed by the Fraser River Management Plan (FRMP) Steering Committee defined the location, timing and quantity for potential gravel removals in order to focus efforts on flood, erosion and navigation hazards, while avoiding impacts to habitat. From January to March 2001, this plan was tested by government in their decision-making on applications for gravel removals. Based on the lessons learned during the testing phase, the FRMP Steering Committee developed a proactive strategy for 2001/2002 that identified the need for at least \$28.6 million in dyking improvements, and recommended that gravel removals in six sites be considered - up to 350,000 cubic meters of material annually.

“A management plan that addresses habitat concerns, flood hazard management and commercial gravel extraction needs to be put in place.... The (Fraser Basin) Council is well positioned to undertake a key role in facilitating inclusive planning discussions and consultations.”

- Charles Littledale, Regional Manager,
British Columbia Assets and Land
Corporation



Government agencies encountered challenges in implementing this proactive approach, particularly in gaining federal approvals under the Canadian Environmental Assessment Act which requires that the impacts on traditional uses by aboriginal people be fully assessed. To assist in finding a resolution to this issue, FBC is bringing together representatives from First Nations, federal and provincial governments to develop collaborative management principles.



Contact Project Coordinator Jim Vanderwal for more information at 604-488-5359 or jvanderwal@fraserbasin.bc.ca.



■ Nutrient Management Action Plan

Non-point source pollution to soils and water from manure and fertilizers in the Fraser Valley increases the risk to human health, livestock and crop production and has major impacts on the viability of agriculture. Over the past two years the Fraser Basin Council brought together and worked with the Nutrient Management Action Plan Working Group that is made up of farmers, commodity group representatives and government agencies to facilitate the development of a *Nutrient Management Planning Strategy*.

■ Sustainability and Agriculture

Since the completion of the *Nutrient Management Planning Strategy* in May 2001, FBC has facilitated dialogue on many agricultural issues. For example, FBC has provided information, tours and access to local and national groups regarding the rural/urban interface challenges and opportunities, enhanced communications between agriculture and urban communities, and taken part in major agricultural conferences.



“The Fraser Basin Council is playing an important role in bringing together diverse interests to proactively address a very important and difficult issue. This is a useful process.”

– Steve Thompson, Executive Director,
BC Agricultural Council

■ Social Sustainability

The Fraser Basin Council Fraser Valley Region has provided facilitation to:

- The District of Mission’s Community Justice Council. The focus has been to develop a Crime Prevention Plan using social development models. This Plan is now complete and the Justice Council acts as an Advisory to the City as well as receiving delegations on District-wide issues. The community-building actions are collaborative and use asset-based approaches.
- Abbotsford Coalition for Social Development: FBC was asked by key stakeholders to facilitate this diverse group through the initial forming stages and the development of the Terms of Reference. This initial phase is now complete.

■ Watersheds and Ecosystems

The Fraser Basin Council:

- Continues to support the Mission of Streams: the corporate/community partnership to support stream stewardship.
- Supported the Fraser Valley Regional Watersheds Coalition.
- Assisted members of the Mission Tree Protection Management Task Force to develop a tree protection by-law.
- Took part in the Abbotsford Air Quality Initiatives Group.
- Continued dialogue with Genstar Development Corporation regarding sustainability components in their development proposals.
- Networked with fish habitat interests such as the Aboriginal Fisheries, Sto:lo Nation Environmental Conference.
- Supported Fraser Valley Regional District interests in solid waste management and also FVRD interests in wildlife protection.
- Provided a watching brief regarding the proposed 660 megawatt power plant in Sumas Washington (SE2), and provided information and assistance to First Nations regarding the National Energy Board hearings on SE2.



GREATER VANCOUVER, SQUAMISH, PEMBERTON

■ Directors

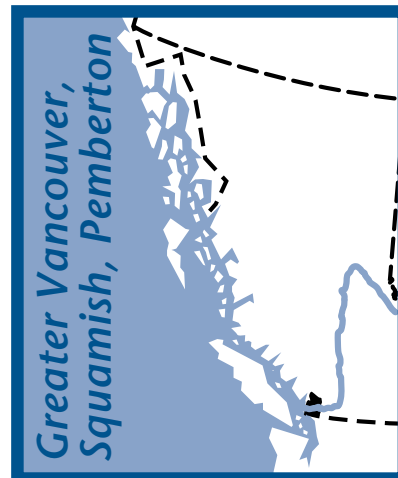
Nolan Charles
Ben Marr
Barbara Sharp
Pam Tattersfield
Wendy Turner, succeeded by Cheeying Ho



■ Staff

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FEATURE PROJECT

■ Greater Vancouver Regional District Sustainable Region Initiative

The Greater Vancouver Regional District (GVRD) Sustainable Region Initiative (SRI) provides a planning framework, a vision and an action plan for Greater Vancouver that embraces economic prosperity, community well-being and environmental integrity. The Fraser Basin Council is contributing to the SRI in a number of ways, including:

- Assembling a group of experienced local leaders to provide advice to senior GVRD staff as the SRI is developed.
- Participating as a member of the SRI Partners Committee to help ensure that the SRI fully integrates all three dimensions of sustainability.
- Chairing an internal GVRD staff Committee examining the governance aspects of the SRI.

Contact Regional Coordinator Bob Purdy for more information on the SRI or check out the GVRD website:

<http://www.gvrd.bc.ca/sustainable/index/asp>.

OTHER HIGHLIGHTS

■ The Changing Face of the Lower Fraser River Estuary Symposium

In Spring 2002, the Fraser Basin Council and a community organization, the Fraser River Coalition, partnered with the Fraser River Estuary Management Program and the Greater Vancouver Regional District to co-host a symposium entitled *The Changing Face of the Lower Fraser River Estuary*. More than 120 people attended the event, including representatives from regional, provincial, federal and First Nations governments, community organizations, university researchers and industry. Participants discussed recent physical, biological and institutional changes in the Fraser River Estuary, and the implications of these changes for sustainability in the region. The topics included the potential effects of changes in relative sea level arising from

“Collaborative leadership is a hot topic in management circles these days and is central to the approach to governance being explored in the GVRD’s Sustainable Region Initiative (SRI). Fraser Basin Council staff have helped shape the SRI process through advisory committees, conferences, partnership building and participation in strategic planning sessions. They have been critical to the early success of the Initiative.”

– Johnny Carline, Chief Administrative Officer, GVRD



climate change, recent trends in wildlife and fish populations, and regional planning, research and monitoring programs. The day concluded with a vision for the future of the estuary proposed by Moura Quayle, Dean of UBC's Agriculture Sciences. The event helped set the stage for more informed and inclusive dialogue and cooperative action to enhance the sustainability of this globally significant estuary.

Symposium Proceedings are available online at www.fraserbasin.bc.ca.

■ Britannia Mine Remediation and Community Development

The Britannia Mine, which operated from 1902 to 1974, has been described by Environment Canada as "the largest single point source metal contamination problem in North America". Acid Rock Drainage (ARD) effluent from the mine severely impacts marine life in Howe Sound,

"The Estuary Symposium achieved a great balance between science, policy, decision-making and citizenry. Thanks!"

- Susan Haid, GVRD

including some 4.5 million salmon that migrate up the eastern side of Howe Sound each year. ARD, combined with contaminated soil and sediments at the site of the former mine, pose a significant obstacle to the long-term economic and social development of the Britannia area.

Since 1998, the Fraser Basin Council has played an instrumental role in bringing the Britannia Mine remediation issue to the public's attention. FBC, acting as catalyst, facilitator and conflict resolution agent, has also encouraged cooperation among all orders of government, the private sector and the community toward developing a socially, economically and environmentally viable future for the town of Britannia Beach and the surrounding area.

The federal and provincial governments, with the support and encouragement of FBC, have negotiated a settlement agreement with past owners of the mine who will contribute \$30 million into a cleanup fund in exchange for release from future liabilities with the mine site. Remediation activities are now underway at the site. To complement these cooperative efforts, FBC, with the encouragement of the Squamish-Lillooet Regional District, submitted an application in March 2001 to the Canada - BC Infrastructure Works Program for \$13.7 million in public and private funds to finance construction of an ARD treatment plant at Britannia. Construction of the treatment plant represents a key cornerstone of the pollution cleanup efforts at Britannia.

FBC also has assisted residents in the community of Britannia Beach, a former company town, to build the capacity and organizational structure necessary to identify and consider options for achieving long-term tenure. Following initial support from the FBC, the Britannia Beach Residents for Tenure Society has been formed to provide a formal vehicle for investigations and discussions regarding tenure.

■ Improving Competitiveness of Basin Businesses

In Spring 2002, the Fraser Basin Council co-hosted a workshop in Vancouver with federal government partners and the National Round Table on the Environment and the Economy to present ways that businesses can help ensure their long-term sustainability through minimizing

"I really appreciated the discussion and debate - I think these events are where much learning and understanding can be achieved. Thanks for the Symposium!"

- Margot Daykin, City of Richmond

energy use, reducing waste production and enhancing purchasing, product design and reporting practices. The FBC will continue to raise awareness of sustainability principles and practices among the region's businesses through other FBC projects and through its participation on an interagency Eco-efficiency Partnership Steering Committee.





BASIN WIDE HIGHLIGHTS

■ Chair

Iona Campagnolo, succeeded by Jack Blaney

■ Directors

Lillian Bayne, succeeded by Bruce Drake

Dennis Brown, succeeded by Bruce Sampson

Ruth Madsen, succeeded by Bob Peart

Darlene Marzari

Michael O'Brien

Jon O'Riordan

Pablo Sobrino, succeeded by Colin Masson

Suzanne Veit, succeeded by Gary Paget and

then Alan Osborne

Brian Wilson, succeeded by Athana Mentzelopoulos



■ Staff

David Marshall

Jessica Bratty

Laura Brend

Cheri Hamilton

Steve Litke

Jim Vanderwal

Maureen Young



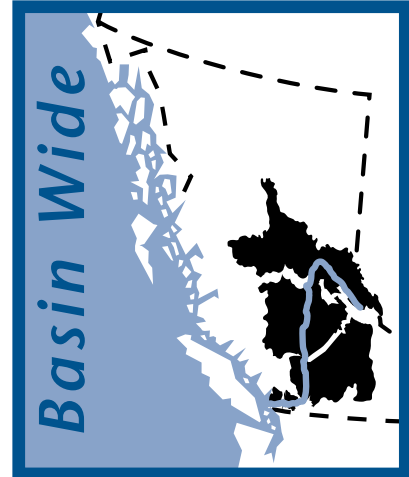
HIGHLIGHTS

■ Sharing Information to Strengthen Rural Communities

In 2001/2002, the Fraser Basin Council completed Phase Two of a three-part initiative aimed at improving community sustainability in rural areas. Phase One included the completion of an inventory of BC projects that focus on building economically vibrant, sustainable communities. Phase Two, a follow-up to the inventory initiative, involved documenting 40 case studies that reflect the *Lessons Learned* from projects across BC where sustainability issues have been addressed in local communities. Both resources are available in electronic or print form (www.fraserbasin.bc.ca). Phase Three, which will focus on linking communities to expand the transfer of this knowledge and experience, will be undertaken in early 2003. This will include hosting a provincial dialogue session to exchange information and to develop a better ongoing and sustainable communications network for rural communities.

In addition, the Council co-hosted the *Rural Communities/Rural Vision* conference in April 2001 at Silver Star near Vernon. Over 250 attendees participated in this event during which communities shared and discussed challenges facing their communities. Participants greatly appreciated the opportunity to increase communication among rural organizations and across interest areas. A copy of the conference results is available.

FBC continues to liaise with other key organizations and agencies on rural issues in BC and across Canada. FBC staff are working to increase the communications network in BC and with other provinces to share the transfer of relevant information. At the National Rural Conference in PEI (April 2002), FBC was invited to provide input to the development and formation of a



National Rural Network. FBC continues to use its background in bringing together all perspectives to build an inclusive and effective network.

Contact Regional Coordinator Gail Wallin for more information at 250-392-1400 or gwallin@fraserbasin.bc.ca.

■ Regional Debris Management

The Fraser Basin Council continues to help resolve debris management issues, air quality problems and funding uncertainty associated with the Fraser River Debris Trap, a critical waterborne debris facility situated near Hope, BC.

When the FBC first became involved in the debris management issue in 1998, the Debris Trap was about to be decommissioned due to a funding shortfall. Recognizing the urgency of the situation, FBC ensured that traditional and new partners provided the funding necessary to keep the Debris Trap operating during the 1999, 2000, 2001 and 2002 Fraser River spring freshets. Had the Trap failed to operate during these years, enough woody material to fill up to 13 Canadian football fields to a depth of three meters would have flowed downstream each year. This may have resulted in millions of dollars of damage to vessels and infrastructure, destruction of sensitive fish habitat, interference with navigation, loss of recreational enjoyment of waterways and beaches, and possibly even loss of life.

While ensuring funds were in place to operate the Debris Trap, FBC staff worked with government and non-government organizations to facilitate development of a Regional Debris Management Strategy for the lower Fraser River and Strait of Georgia. The Strategy includes a number of strategic research programs and partnership-building efforts focused on finding economically, environmentally and socially acceptable methods of processing captured wood debris. To date, large quantities of wood debris have been disposed of through open burning, a practice that is no longer acceptable. The recent rise in energy costs combined with the emergence of innovative technologies for biomass energy production offer potential solutions for the debris utilization challenge.

With technical, facilitation and secretariat support from the FBC, the Interim Operating Committee of the Debris Management Partners Group has submitted a multi-year business plan for the Debris Trap. This plan articulates how open burning of the debris will be economically eliminated, and how the facility can become financially self-sufficient through the development of a “green power” generation plant at or near the Trap.

Contact Greater Vancouver Regional Coordinator Bob Purdy for more information at 604-488-5355 or bpurdy@fraserbasin.bc.ca.

■ Fraser Basin Sustainability Indicators

As part of the Fraser Basin Council’s mandate to report on progress toward sustainability of the Basin, the FBC initiated the development of a set of sustainability indicators for the Basin. Sustainability indicators are important tools that can be used to monitor and report on progress towards sustainability, raise awareness about sustainability issues, influence behaviour and inform decision-makers about the implications of their decisions with respect to sustainability. As part of this process, FBC developed a *Sustainability Indicators Workbook* and an on-line survey, and held regional workshops to enable Basin residents and organizations to assist in identifying priority sustainability issues and selecting appropriate indicators.

In preparation for the release of its first *Fraser Basin State of Sustainability Report* at the State of the Fraser Basin Conference in January 2003, FBC continued development of a set of





Sustainability Indicators for the Fraser Basin. Funding support was received from Western Economic Diversification Canada. During 2001/2002, FBC staff conducted research on indicator data quality, availability and sources; developed and refined the list of indicators for the Fraser Basin; and facilitated workshops and advisory committee meetings to solicit feedback from partners and other stakeholders. A set of 16 indicator themes has been identified for the final report, which will be released in January 2003.

Contact Project Coordinator Steve Litke for more information at 604-488-5358 or slitke@fraserbasin.bc.ca.



■ Integrated Flood Hazard Management

A catastrophic Fraser River flood would result in severe social, economic, and environmental impacts including risk of injury and loss of life, damage to private and public property, temporary loss of infrastructure and community services, business disruption, and numerous impacts to water quality as well as fish and wildlife habitat.

Scientists predict that there is a one-in-three chance that the Fraser River will experience a flood of 1894 or 1948 proportions within the next 60 years. Such a flood nearly occurred in 1999 when a greater volume of water passed through the Fraser Valley in the spring and summer than during the last great flood in 1948. Only a cold spring and a slow melt of the snow pack prevented the potential disaster.



This year, the Fraser Basin Council continued its long-standing efforts to support and facilitate a consensus-based process to strengthen and enhance an integrated approach to flood hazard management in the Fraser River Basin. The Joint Program Committee, established in 1998 as part of this process, includes representatives from 35 federal, provincial, local and regional agencies and organizations. FBC provided coordination, facilitation, administration, secretariat and research functions in support of the Joint Program Committee and its subcommittees.



Highlights of this year's efforts included preliminary development of a public education and outreach program comprised of the following:

- Information brochure and PowerPoint presentation on flood-proofing solutions.
- Lower Fraser River floodplain map and educational brochure.
- Presentations on flood hazard management for local governments.
- Web-based flood hazard information.
- Newsletter article in the publication *Fresh Outlook*.
- Interview by the Weather Network on Fraser River flooding and climate change.

These educational activities and products were initiated in the 2001/2002 fiscal year and in some cases were implemented the following year.



Other flood-related initiatives in which the FBC and the Joint Program Committee have been involved include:

- Assisting in the preparation of a five-year work plan with recommended methods and specifications for developing detailed floodplain maps and models for the lower Fraser River.
- Completing Phase I of an updated assessment of economic vulnerability for a large Fraser River flood event. This Phase included a review of best available information, an analysis of alternative methodologies, and a detailed work plan to implement the assessment in Phase II. Phase II will involve the selection of the preferred methodology, data collection and analysis, and modeling of economic vulnerability by applying the preferred methodology.

Contact Project Coordinator Steve Litke for more information at 604-488-5358 or slitke@fraserbasin.bc.ca.



■ BC Climate Exchange

In Spring 2002, the Fraser Basin Council was selected to host a Public Education and Outreach “Hub” for Climate Change in BC, subsequently renamed the BC Climate Exchange. The purpose of the initiative is to promote learning about climate change and support the work of business, government and community organizations engaged in public education and outreach on this important sustainability issue. Similar hubs are being developed across Canada under the federal Climate Change Action Fund. Partners in this initiative include the federal Climate Change Action Fund and the BC Ministry of Water, Land and Air Protection.

Contact Project Coordinator Jim Vanderwal for more information at 604-488-5359 or jvanderwal@fraserbasin.bc.ca.

■ Drinking Water Review Panel

In September 2001, Fraser Basin Council’s Executive Director David Marshall was appointed Chair of the Independent Drinking Water Review Panel. This Panel was appointed by Water, Land and Air Protection Minister Joyce Murray to review the Drinking Water Protection Act and make recommendations to government on the completeness, effectiveness and efficiency of the Act that was passed in April of 2001. The nine-member panel, representing medical, environmental, industry and government interests submitted its final report in February 2002.

Contact David Marshall, Executive Director, Fraser Basin Council for more information at 604-488-5357 or dmarshall@fraserbasin.bc.ca. The final report is available on our website: www.fraserbasin.bc.ca

■ Sustainable Fish and Fisheries Initiative

Fish, fisheries and their habitat are enduring symbols in the Fraser Basin. There is a sense, however, that their future is imperiled, in part because Fraser River fish and fisheries are undergoing significant change. Some of the challenges threatening the social, economic, and environmental sustainability of Fraser fish and fisheries include declines in fish abundance and diversity, habitat damage or destruction, changes in harvesting methods, changing roles and responsibilities of management agencies, and altered lifestyles for groups and communities whose work and history are linked to fishing.

There have been numerous efforts to address these challenges but, despite considerable work and much goodwill, they have never been fully successful. This is partly because they have never been developed collectively. Clearly, a comprehensive and integrated sustainable fish and fisheries strategy is needed to guide managers, policy makers, users of the resource and other interests to achieve lasting solutions. It is time to bring together all those with an interest in the future of Fraser fish and fisheries and craft a new approach for the future.

The Sustainable Fish and Fisheries Initiative, also called Fraser Fish and Fisheries Together, aims to develop a new and collaborative approach to sustainable management of fish, fish habitat and fisheries throughout the Fraser Basin. The first step in the project is to find out whether and how diverse groups could work together. If agreement on how to work together is secured, then the Fraser Basin Council and its partners will facilitate a process of dialogue to identify common ground and objectives to achieve sustainability in Fraser fish and fisheries.

Contact Project Coordinator Jessica Bratty for more information at 604-488-5361 or jbratty@fraserbasin.bc.ca.





Financial Statements of
FRASER BASIN COUNCIL SOCIETY
Year ended March 31, 2002



■ FRASER BASIN COUNCIL SOCIETY

AUDITORS' REPORT TO THE MEMBERS

We have audited the statement of financial position of Fraser Basin Council Society as at March 31, 2002 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding fiscal year.

K P M A L L P

Chartered Accountants
Vancouver, Canada
May 31, 2002

■ FRASER BASIN COUNCIL SOCIETY



Statement of Financial Position


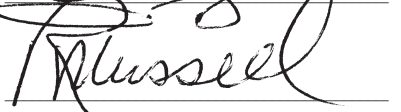
March 31, 2002 and 2001

	2002	2001
Assets		
Current assets:		
Cash and cash equivalents	\$ —	\$ 343,737
Restricted cash (note 3)	537,631	438,106
Project and other receivables (note 4)	595,257	560,952
Prepaid expenses	11,544	7,588
	<u>1,144,432</u>	<u>1,350,383</u>
Capital assets (note 5)	15,168	19,377
	<u>\$ 1,159,600</u>	<u>\$ 1,369,760</u>
Liabilities and Net Assets		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 116,999	\$ 78,738
Deferred revenue (note 6)	219,633	515,723
Current portion of obligation under capital leases (note 7)	6,130	9,626
Funds held in trust (note 3)	476,799	438,106
	<u>819,561</u>	<u>1,042,193</u>
Obligation under capital leases (note 7)	205	6,335
Net assets:		
Invested in capital assets	15,168	19,377
Sustainability Fund	208,520	—
Unrestricted	116,146	301,855
	<u>339,834</u>	<u>321,232</u>
	<u>\$ 1,159,600</u>	<u>\$ 1,369,760</u>

Commitments (note 8)

See accompanying notes to financial statements.

Approved on behalf of the Board:

 Director
 Director



■ FRASER BASIN COUNCIL SOCIETY

Statement of Operations

Years ended March 31, 2002 and 2001

	2002	2001
Revenue:		
Government contributions:		
Federal	\$ 350,000	\$ 470,000
Provincial	350,000	348,000
Municipal	330,461	328,395
Project revenue	914,228	482,373
State of the Fraser Basin Conference	—	118,165
Interest	25,930	30,450
Donations	3,915	—
Other	1,886	1,153
	<u>1,976,420</u>	<u>1,778,536</u>
Expenses:		
Projects:		
Outreach	—	471
Basinwide	826,580	493,372
Regional	482,135	410,892
State of the Fraser Basin Conference	—	81,395
Communications	84,400	67,342
Board operations	115,706	118,384
Administration	402,935	361,320
Amortization of capital assets	15,975	13,623
Goods and Services Tax	30,087	25,730
	<u>1,957,818</u>	<u>1,572,529</u>
Excess of revenue over expenses	<u>\$ 18,602</u>	<u>\$ 206,007</u>

See accompanying notes to financial statements.

■ FRASER BASIN COUNCIL SOCIETY



Statement of Changes in Net Assets

Years ended March 31, 2002 and 2001

	Invested in capital assets	Sustainability Fund	Unrestricted	Total 2002	Total 2001
Balance, beginning of year	\$ 19,377	\$ —	\$ 301,855	\$ 321,232	\$ 115,225
Excess (deficiency) of revenue over expenditures	(15,975)	—	34,557	18,602	206,007
Invested in capital assets	11,766	—	(11,766)	—	—
Transfers	—	208,520	(208,520)	—	—
Balance, end of year	\$ 15,168	\$ 208,520	\$ 116,146	\$ 339,834	\$ 321,232

See accompanying notes to financial statements.



■ FRASER BASIN COUNCIL SOCIETY

Statements of Cash Flows

Years ended March 31, 2002 and 2001

	2002	2001
Cash provided by (used in):		
Operations:		
Excess of revenue over expenses	\$ 18,602	\$ 206,007
Amortization of capital assets	15,975	13,623
Decrease (increase) in non-cash working capital:		
Project and other receivables	(34,305)	(341,209)
Prepaid expenses	(3,956)	(2,375)
Accounts payable and accrued liabilities	38,261	(36,009)
Deferred revenue	(296,090)	137,718
Funds held in trust	38,693	301,642
	(222,820)	279,397
Investments and financing:		
Purchase of capital assets	(11,766)	(12,870)
Payments on capital leases	(9,626)	(8,075)
Restricted cash	(99,525)	(301,642)
	(120,917)	(322,587)
Decrease in cash and cash equivalents	(343,737)	(43,190)
Cash and cash equivalents, beginning of year	343,737	386,927
Cash and cash equivalents, end of year	\$ —	\$ 343,737

Cash and cash equivalents are defined as cash and short-term investments with maturities less than ninety days from inception, excluding restricted cash.

See accompanying notes to financial statements.

■ FRASER BASIN COUNCIL SOCIETY



Notes to Financial Statements

Years ended March 31, 2002 and 2001

1. Operations:

The Fraser Basin Council Society (the "Society") was incorporated under the Society Act of British Columbia on June 3, 1997. Its mandate is to advance sustainability of the Fraser Basin and monitor implementation of the *Charter for Sustainability*. The *Charter for Sustainability* is designed to maintain and enhance social, economic and environmental sustainability of the Fraser Basin. The Society is the successor to the Fraser Basin Management Program, which operated pursuant to a five year government agreement between the years 1992 to 1997. The Society qualifies as a registered charity under the Income Tax Act and, accordingly, is exempt from federal and provincial income and capital taxes.

2. Significant accounting policies:

(a) Basis of presentation:

These financial statements are prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations as prescribed by the Canadian Institute of Chartered Accountants.

(b) Revenue recognition:

The Society follows the deferral method of accounting for contributions. Externally restricted contributions are deferred and recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income is not restricted and is recognized as revenue when earned.

(c) Sustainability Fund:

Transfers to the Sustainability Fund from unrestricted net assets are restricted through Board approval. The Society intends to create an endowment fund to generate income for future operations. The funds restricted by the Board are currently available for use under certain circumstances as determined by the Board.

(d) Capital assets:

Capital assets are recorded at cost less accumulated amortization. Amortization is computed over the assets' estimated useful lives on the following bases and at the following annual rates:

Asset	Basis	Rate
Computer equipment	Straight-line	3 years
Office equipment	Straight-line	5 years



■ FRASER BASIN COUNCIL SOCIETY

Notes to Financial Statements

Years ended March 31, 2002 and 2001

2. Significant accounting policies (continued):

(e) Use of estimates:

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results may ultimately differ from these estimates.

3. Restricted cash/funds held in trust:

Restricted cash represents sustainability funds and funds held in trust. Funds held in trust represent the excess of funding received from the government and private sources over disbursements made in respect of specific projects. The Society acts as an agent only to collect funds and make disbursements with respect to these projects, and accordingly, related revenue and expenditures have not been included in the financial statements of the Society. During the year, the Society received funds totaling \$516,925. Disbursements of funds during the year in respect of these projects, including amounts received in prior years, totaled \$478,232. The balance of funds held in trust consists of the following:

	2002	2001
Log Debris Management	\$ 456,974	\$ 393,878
Policy Development Institute	—	43,888
Cheslatta Watershed study	14,618	340
Noxious Weeds Trust	5,207	—
	\$ 476,799	\$ 438,106

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Notes to Financial Statements

Years ended March 31, 2002 and 2001

4. Project and other receivables:

	2002	2001
Federal agencies		
Agriculture and Food Canada	\$ 94,305	\$ —
Department of Fisheries and Oceans	103,086	9,518
Environment Canada	25,000	25,000
Health Canada	50,000	170,000
Indian and Northern Affairs Canada	—	36,000
Natural Resources Canada	3,825	50,000
Parks Canada	—	10,000
Transport Canada	24,890	—
Western Diversification Office	180,000	10,000
Provincial agencies:		
Province of British Columbia	43,750	—
Ministry of Community, Aboriginal and Women's Services	7,500	—
Ministry of Community Development	—	5,000
Ministry of Environment, Lands and Parks	—	86,795
Ministry of Forests	—	95,000
Ministry of Health	48,030	5,000
Ministry of Transportation and Highways	—	20,000
Fraser River Marine Transportation	—	10,000
Municipalities and Regional Districts	2,801	18,376
Other	12,070	10,263
	\$ 595,257	\$ 560,952

5. Capital assets:

	2002		2001	
	Cost	Accumulated amortization	Net book value	Net Book value
Computer and office equipment	\$ 53,316	\$ 38,148	\$ 15,168	\$ 19,377

6. Deferred revenue:

(a) The changes in deferred revenue related to expenses of future periods are as follows:

	2002	2001
Balance, beginning of year	\$ 515,723	\$ 378,005
Amounts received during the year related to future periods	154,352	504,650
Amount recognized as revenue in the year	(450,442)	(366,932)
Balance, end of year	\$ 219,633	\$ 515,723



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Notes to Financial Statements

Years ended March 31, 2002 and 2001

6. Deferred revenue (continued):

(b) The balance of deferred revenue at March 31 consists of the following:

	2002	2001
Indian and Northern Affairs Canada	\$ 50,000	\$ 100,000
Ministry of Environment, Lands and Parks	—	350,000
Other	169,633	65,723
Total deferred revenue	\$ 219,633	\$ 515,723

Deferred revenue is to be used for operations and specified programs that are expected to be completed in fiscal 2003. Specified programs include research and co-ordination initiatives related to Gravel Management, YVR Video, Britannia Mine, Thompson Stewardship, Airshed Management, Climate Change, Business Environmental Pledge Program, Rural Development Database, and Fisheries Strategy.

7. Obligation under capital leases:

The Society has entered into capital leases for computer hardware and office equipment. The leases range from a period of 35 months to 39 months at implicit interest rates of 12.5% to 19.5% and will result in automatic title transfer at no additional cost to the Society at the end of the lease term.

Required repayments of principal over the next two years are as follows:

2003	\$ 6,130
2004	205
	\$ 6,335

8. Commitments:

The Society is obligated to make monthly rental payments of \$5,500 for office space under a five-year lease expiring June 30, 2006. The landlord has carried out improvements to the premises costing \$200,000 to accommodate the needs of the Society and it is a condition of the lease that the Society is liable to repay this \$200,000 should they vacate these premises prior to expiry of the lease term.

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Notes to Financial Statements

Years ended March 31, 2001 and 2000

9. Investment income:

Investment income earned, recorded in the statements of operations, is calculated as follows:

	2002	2001
Income earned on unrestricted resources	\$ 22,375	\$ 30,450
Income earned on restricted net assets	3,555	—
	\$ 25,930	\$ 30,450

10. Related parties:

During the year, \$9,000 (2002 - \$9,000) was paid from a trust account being held by the Society on behalf of an organization that was at the time in the process of registering as a not-for-profit society. The payment was authorized by the management of that organization to be paid to a consultant who was also serving at the time as a director of the Society. The consultant was acting at arms length from the Society to provide services to that new organization which has since obtained society status resulting in the funds in the trust account being transferred to the new society and the trust account being dissolved.

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