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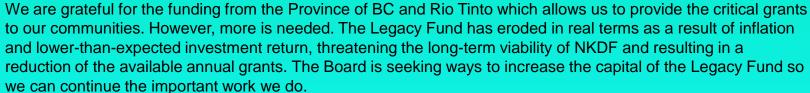
Looking Forward

# Message from the Chair

This past year has been an interesting one for everyone. With the Covid-19 pandemic causing hardship for many businesses, and projects being put on hold, cancelled, or revised, it has put a strain on both the economy and the mental health of the people in our communities. This, together with our dwindling legacy fund, has made this year particularly challenging.

We all know it takes extraordinary efforts to expand and diversify our region's economy during the best of circumstances. The conditions of the past year have served to clarify the importance of the role that NKDF plays in the region. Community is at the heart of all that we do. Economic development encompasses more than just jobs. It is about quality of life, health, and social and recreational opportunities. We are pleased to provide the necessary support and funding to assist our communities to achieve economic growth and stability.

NKDF supports Indigenous communities, local governments, non-profit organizations, and dedicated volunteers. I have said it before and I will say it again, volunteers are the backbone of our Northern rural communities. I am thankful for the tireless work they do, and I encourage more and particularly younger people to get involved and volunteer!



We are confident that the Province of BC and Rio Tinto will want to continue to work together around the common goal of strengthening our region.

I am honoured to serve on the NKDF Board. Despite the challenges of the past year, the future for our region is bright. We have all the essential ingredients needed to create a vibrant and resilient economy in the communities impacted by the creation of the Nechako Reservoir. With a strong, sustainable legacy fund, NKDF will continue to fulfill its mission.

I would like to thank our Management Team and the Board of Directors for their commitment to NKDF, which, in spite of adversity, has contributed to making 2020 successful and 2021 a year to look forward to.



Cindy Shelford, Chair



# 2020-2021 At a Glance

\$307,101

15

Dollars Granted for New Projects

Each \$1 invested by NKDF leveraged an additional

\$3.38

**\$11,716,126**Since Inception

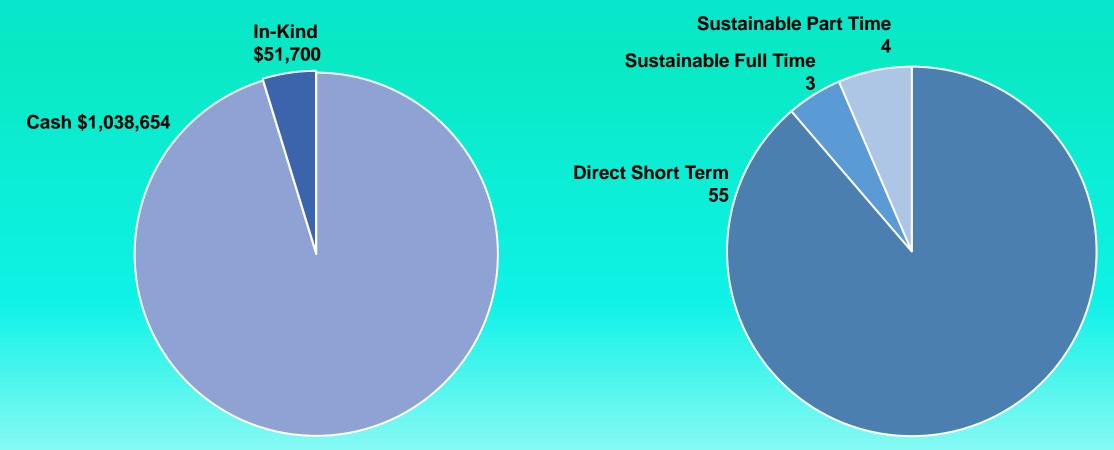
391 projects

## 2020-2021

# **Impacts**

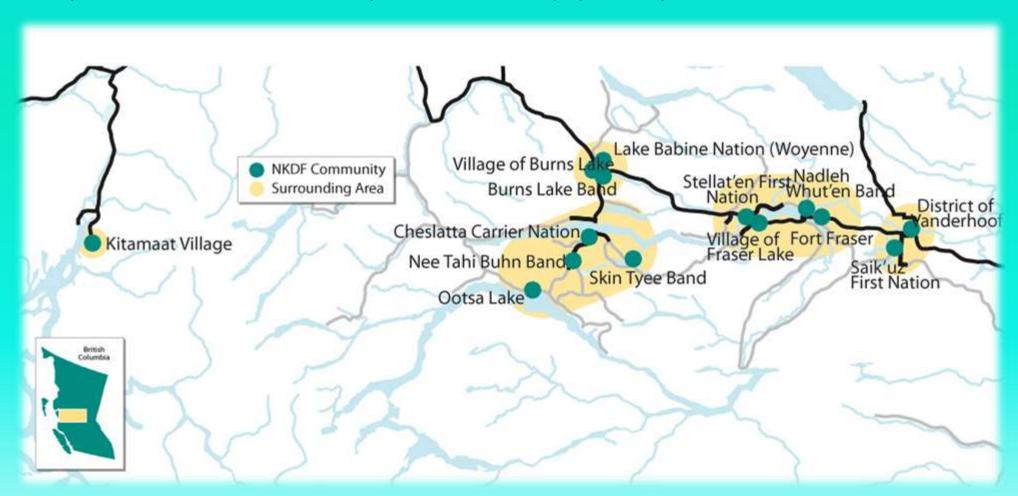
\*Project Funding Secured by Recipients in Addition to NKDF Grant Funding of \$307,101

\*Jobs Created



## Investment Area

The Nechako-Kitamaat Development Fund Society's funding programs are designed to support sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir.



# Guiding Principles

### community building

community health

Job Creation and Enhancement

Community Economic Development

NKDF will invest in community economic development projects and/or programs that are supported by the community, as long as they do not subsidize private businesses.

Creating new jobs and enhancing existing jobs are priorities of NKDF.

community development

community stability

Sustainable Employment

A priority of the Fund will be to support long term employment - both full time and seasonal.

social and economic recovery

## Criteria

NKDF supports projects that address one or more of the following key aspects of economic and community development:

#### Infrastructure

Infrastructure that strengthens the local and regional economy and increases the ability of local business to compete in the marketplace such as airports or communications infrastructure. Infrastructure that contributes to a healthy and economically vibrant downtown including downtown revitalization and lighting. Infrastructure that attracts tourism and/or resident attraction including cultural infrastructure, museums, heritage sites, and parks.

Recreational infrastructure that encourages resident attraction and retention, along with increased opportunities for recreation and sports tourism including trail networks, exhibition grounds, and sports fields.

Infrastructure projects that improve the condition of an asset that contributes to community development including community halls.



## **Human Development**



Photo credit First Nations Education Foundation - Haislakala Rapid Word Collection workshop

Projects that provide skills training that enables people and organizations to increase employment, economic activity, and capacity. Types of projects include job skills training and workshops and courses for volunteers and small business owners.

### Planning and Research

Projects that provide the background information and pre-planning required to make decisions about future investments. Types of projects include feasibility studies, market research, needs assessments, surveys, strategic plans, and tourism plans.

## Promotion and Brokering

The process of building new organizations, partnerships and markets. Examples: marketing plans and joint ventures.

**Skin Tyee Band** 

Stellat'en First Nation

**COVID-Response Recovery** 

**Haisla First Nation** 

14 organizations each received \$2,000 to use as they deemed most appropriate to assist local communities and businesses through the pandemic.

**Cheslatta Carrier Nation** 

Lake Babine Nation (Woyenne)

**Vanderhoof Chamber of Commerce** 

**Burns Lake Band** 

**Southside Economic Development Association** 

**Burns Lake and District Chamber of Commerce** 

**Nadleh Whut'en Band** 

Regional District of Bulkley Nechako Area D (Fort Fraser)



**Village of Fraser Lake** 

**Nee Tahi Buhn Band** 



The funds were spent in a variety of ways. Examples include:

- Purchasing gift certificates from local businesses which were dispersed as prizes for trivia and social media contests.
- Purchasing the supplies needed by community members to remain safe while leaving the community for medical appointments, shopping, and other activities This includes hand sanitizers, gloves, and masks.
- Installing updated business kiosk signage along the highway.



## Bandshell Haisla Nation Council



To adapt the arts to COVID 19, Haisla Nation Council will construct a Bandshell on the waterfront, in conjunction with a new Youth Centre, supporting safe delivery of the arts in outdoor spaces. Primarily for use by the youth, the arts performed in the bandshell will include traditional Haisla dancing, drumming, singing, story-telling, and other tradition-based art forms. Additionally, the youth will present artworks in video, electronic music, holograms, animations, and other non-traditional media including modern dance and spoken word. Traditional and modern performance will be brought together in a fusion that represents the future of Haisla arts. The youth are stewards of tradition while also forging new ground in the performing arts, which will be one of the pillars of a growing economy in the north.

## Southside Fire Apparatus Regional District Bulkley Nechako

A new fire truck was purchased for the Southside Volunteer Fire Department. This infrastructure purchase provides the equipment needed to support community stability and is used by The Southside Volunteer Fire Department to respond to structural fires, in addition to grass and wildland fires.



Nellian Lake Gazebo

Burns Lake Snowmobile Club

On the Northwest shores of Nellian Lake, a day site will be established including construction of a gazebo, picnic tables, and fire rings that will provide recreational opportunities to all residents. Building Resilience & Adaptation in Agriculture-Responding to Insect Pests Nechako Valley Regional Cattlemen's Association

Farmers in the local area have experienced widespread losses due to insect damage. The goal of this project was to monitor and identify pests and provide farmers with the skills needed to enable timely and accurate decisions on appropriate interventions. Two educational field events and insect pest id and monitoring took place, however, due to restrictions imposed by COVID-19, entomologists were unable to travel to the area in order to provide information on planning and treatments.





For more information on the Nechako Regional Cattlemen's Association visit <a href="http://www.nechakocattlemens.com/">http://www.nechakocattlemens.com/</a>

Village Connector
Burns Lake Mountain Biking
Association

The Burns Lake Mountain Biking Trails at Boer Mountain are heralded as one of the most sustainable trail networks in the world and attract international riders and media.

Two additional trails will be developed through this project. A village connector trail allowing for easier and safer bike access from Burns Lake and for the Lake Babine Nation community of Woyenne to the mountain trails and an up-track trail to the top of Boer Mountain. This is a three- year project that will complete in 2023.

For more information on the Burns Lake Mountain Biking Trails visit http://www.rideburns.ca/

# Haislakala Language Revitalization First Nations Educational Foundation



Photo credit First Nations Education Foundation - Haislakala Rapid Word Collection workshop



View a documentary of the Haisla Nation Council Rapid Word Collection https://youtu.be/d2IY3T0hUw4

The First Nations Education Foundation, in collaboration with Haisla Nation Council, and the remaining fluent speakers of the Haisla language, will record and curate stories, teachings, words and phrases with the goal of creating a comprehensive written and spoken digital language archive.

# Lighting Upgrade Lake Babine Nation

Named after the late Margaret Patrick, the first elected female chief of Lake Babine Nation, The Margaret Patrick Memorial Centre community hall has served as one of the main facilities in Burns Lake and surrounding areas for large-scale events including potlatches, weddings, memorials, and a variety of social and community functions. This project replaced current lighting throughout the building with energy efficient LED lighting.

## Refuelling Station Lakes District Airport Society

An automated refueling station will be installed at the Baker Airport. The automated refueling station will ensure safer and faster services, increase efficiency, and reduce refueling wait times thereby increasing the community's capacity to respond to emergencies.



#### Vanderhoof Menshed Society

The Vanderhoof Menshed Society provides a workshop facility and tool base, and enables men at different life stages to share time together in a supportive environment and provides opportunities to learn and improve skills through sharing of expertise. Items are donated to the Menshed by community members who are downsizing or simply cleaning house. The Society members offer a service to residents to pick up items and repair and refurbish them for resale.

## **Storage Containers**

Two storage containers were set up for storage of materials required for projects, allowing for increased display in the main building of the refurbished items that are for sale.

## **Building Upgrades**

The Vanderhoof Menshed Society recently purchased the building they operate their workshop and storefront from. Through this project energy efficient LED lighting fixtures were installed and windows replaced with energy efficient models.



## **Heating Efficiencies**

Old heating systems in place in the Menshed store front and workshop building were replaced with energy efficient models, to reduce the climate footprint and reduce costs, allowing the Menshed to continue serving the community.



## Fraser Lake Arena Ammonia Safety Upgrade Village of Fraser Lake

Components of the ammonia refrigeration system at the Fraser Lake Arena were replaced and a new water treatment system for the closed-circuit cooling system installed, resulting in continued arena operations in a safe and efficient manner with reduced power consumption. Through the pandemic, youth sports practice were able to continue in the facility, providing some normalcy for youth during this time.



# Fraser Lake Disability Door Assists Village of Fraser Lake

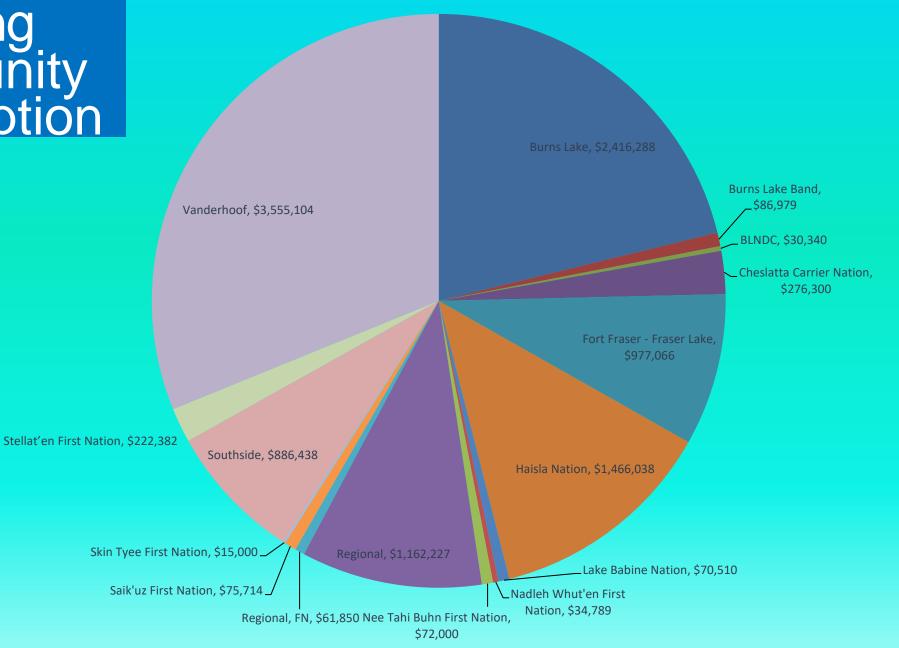


Through this project, the Village of Fraser Lake will install automatic door openers, closures, and universal accessible buttons at the Fraser Lake Recreation Complex and Municipal Office to facilitate easier access and provide a welcoming atmosphere for individuals of diverse abilities.

## Tourist Information Book Burns Lake & District Chamber of Commerce

In May of 2020 funding was approved to assist the Burns Lake and District Chamber of Commerce to produce the 2020 Tourist Information Book to promote outdoor recreational opportunities and local business in and around Burns Lake. As the pandemic unfolded, it became apparent that tourism would not look the same as previous years. As a result, this project was subsequently cancelled.

# Total Funding by Community Since Inception



#### **Strategic Priority Successes**

"Prioritize support for projects that aid in COVID economic recovery measures."



The past year was defined by COVID-19. Communities were faced with cancelling long standing community events including Fall Fairs and Exhibitions. The impact of closures of recreation facilities, community halls, and restaurants were felt by everyone. Now, more than ever, it is important to build resilience in local communities.

In order to support the communities, assist with social and economic recovery, and help businesses navigate the changing landscape, the Board dispersed \$28,000 as part of a one-time grant. One organization in each of the nine First Nation Communities, three Municipalities, and two rural regions in the NKDF service area were selected to receive funding, with the intention that recipients spend the funds as they could best help local businesses and the economy.

The following organizations each received \$2,000: Vanderhoof Chamber of Commerce, Saik'uz First Nation, Regional District of Bulkley Nechako Area D (Fort Fraser), Village of Fraser Lake, Stellat'en First Nation, Nadleh Whut'en Band, Burns Lake and District Chamber of Commerce, Lake Babine Nation (Woyenne), Burns Lake Band, Southside Economic Development Association, Cheslatta Carrier Nation, Nee Tahi Buhn Band, Skin Tyee Band, Haisla First Nation.



#### **Strategic Priority Successes**

"Follow through on the recommendations from the Economic Impact Report."

The Board established a
Recommendations Committee that
worked diligently over the past year to
implement the nine recommendations
identified in the Economic Impact
Report conducted in 2019.

This past year four of the nine recommendations were implemented, with a fifth recommendation (pursuing additional capital) being turned over to the Committee to Increase Capital.

The Committee looks forward to working in the upcoming year to implement the remaining recommendations.

1. Clarification of the organization's mission with respect to the types of projects eligible for support.

The program guidelines were updated to provide applicants clarification on the types of projects eligible for funding. The updated Program Guidelines can be viewed at

https://www.nkdf.org/how-to-apply/program-guidelines

#### 2. Revision of the timeline for project reporting

Previously, a final report was due at the end of the project. Now, a simplified Project Completion report is due when the project completes.

For projects receiving \$20,000 or more in funding, an additional follow-up report is due one year after the project completes, to allow recipients more time to gather data on the impacts of projects.

- 3. Revision of the economic benefits sections of both the Application Form and Final Report forms and,
- 4. add simple, "checkbox-style" questions relating to specific desirable measures.

The application form was updated and turned into a fillable .pdf form.

The feedback has been positive so far and we hope this change simplifies the grant writing process for applicants.

Download the updated application form here <a href="https://www.nkdf.org/how-to-apply/application-forms">https://www.nkdf.org/how-to-apply/application-forms</a>

#### **Strategic Priority Successes**

"To create a business plan to facilitate efforts to increase the capital and investment returns for NKDF programs."

As a result of inflation and lower-than-expected investment returns, the Legacy Fund has eroded in real terms, reducing the amount of NKDF funding available for grants. Additional funding is sought at this time to increase the capital base of the Legacy Fund and to supplement the grants distributed each year to ensure NKDF can continue to provide critical support to local communities.

In September, The Board retained Amanda Wright Management Consulting to build on the work of the economic impact study conducted previously and develop a Business Case.

Additional funding is sought at this time from Rio Tinto and the Province of BC to increase the capital base of the Legacy Fund and/or to supplement the grants distributed each year to ensure NKDF can continue to provide critical support to local communities.

A Business Case was submitted to Rio Tinto, requesting a one-time cash payment of \$2.3M to top up the legacy fund.



#### **Ongoing funding**

NKDF is seeking support from the BC Government and Rio Tinto to restore the annual grant value to intended levels.

A second Business Case was submitted to the Ministry of Finance and Ministry of Jobs, Economic Recovery and Innovation requesting a review of the Legacy Fund investment portfolio with the aim of increasing returns and a lump sum of \$2.3M from the Province to help close the gap in the legacy fund.

A Business Case was submitted to the Ministry of Jobs, Economic Recovery (JERI) and the Ministry of Forests, Lands, Natural Resource Operations (FLNRO) and Rural Development requesting a portion of the water license revenues paid annually by Rio Tinto to the Province of BC from use of water from the Nechako River be re-distributed to NKDF as ongoing annual funding in the amount of \$750,000.

We look forward to furthering the dialogue on these requests in the coming year.

#### **Strategic Priority Successes**

"To canvas communities and organizations to solicit feedback and determine the effectiveness of NKDF programs and potential new initiatives and measure success."

In a typical year, the NKDF Board of Directors rotates Board meetings throughout the investment area, tours projects, attends grand openings and cheque presentations, and meets with organizations, volunteers, First Nations and local government representatives.

This past year was defined by virtual meetings and adherence to provincial health orders in order to keep both Directors and communities healthy and safe.

The NKDF Board prides itself on having a broad range of Directors from across the investment area and relies on the local knowledge of Directors. Each Board meeting begins with a community lens. This is an opportunity for Directors to share challenges, needs, and successes of their community. Updates this past year also included the impacts of COVID on communities, the people, non-profits and local business.

The Board relies on the knowledge of local Directors and believes that Directors brought the heart, spirit and mood of the communities to every decision this year.

We look forward to returning to the communities and meeting with community members in person once again when it is safe to do so.

## **Board of Directors**

The NKDF Society is governed by a northern-based Board of government appointed Directors who live in the investment area and represent a range of skill sets and interests. Board seats during the past year were held by:



Cindy Shelford, Chair Burns Lake



Doris Fraser, Secretary/Treasurer Kitamaat Village



Greg Goodwin, Province of BC Victoria



Lianne Olson, Rio Tinto Vanderhoof



Tom Clement Vanderhoof



Kathie LaForge Vanderhoof



Carolyn Leigh Vanderhoof



Jamie Neilson Fraser Lake



Mike Robertson Southside

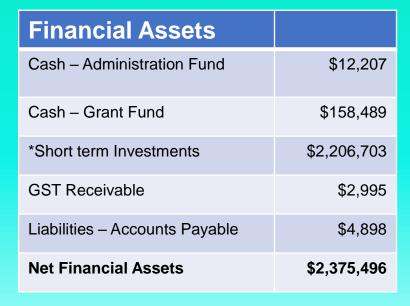


Outgoing Director
Danielle De Kay, Rio Tinto

# Financial Highlights

Revenue	2020-2021
Contribution Agreement Funding - Province of BC	\$500,000
Investment Income	\$91,474
Total	\$591,474

Expenses	2020-2021
Administration Expenses	\$95,307
Special Project – Economic Impact Study	\$12,590
Special Project – Business Case Development	\$25,584
Grant Payments	\$542,857
Total	\$676,338



\*Short term investments consist of investments classified as held-for-trading. NKDF short term investments are held with Phillips Hager and North (PHN).

Combined assets: The balance of the original \$15 million dollar contributions from Rio Tinto and the BC Government (managed by BCI) had a fair market value in the amount of \$13,993,531 at March 31, 2021.

**Annual Audit:** The annual audit of the NKDF was completed in May 2021 by Edmison-Mehr Chartered Accountants (Smithers). The audited statements are available at www.nkdf.org and upon request.



# **Looking Forward**

Building on past strengths and successes the Board will focus on the following priorities in the upcoming year:

To vigorously pursue efforts to increase the capital and investment returns for NKDF programs.

Support for projects that mitigate the social and economic impact of COVID.

To fund projects that maximize economic benefits for communities, giving priority to projects that include a regional component.

To continue to implement the recommendations of the economic impact report.