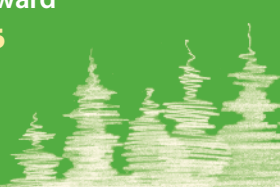


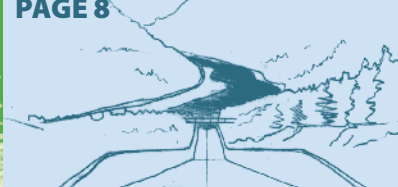
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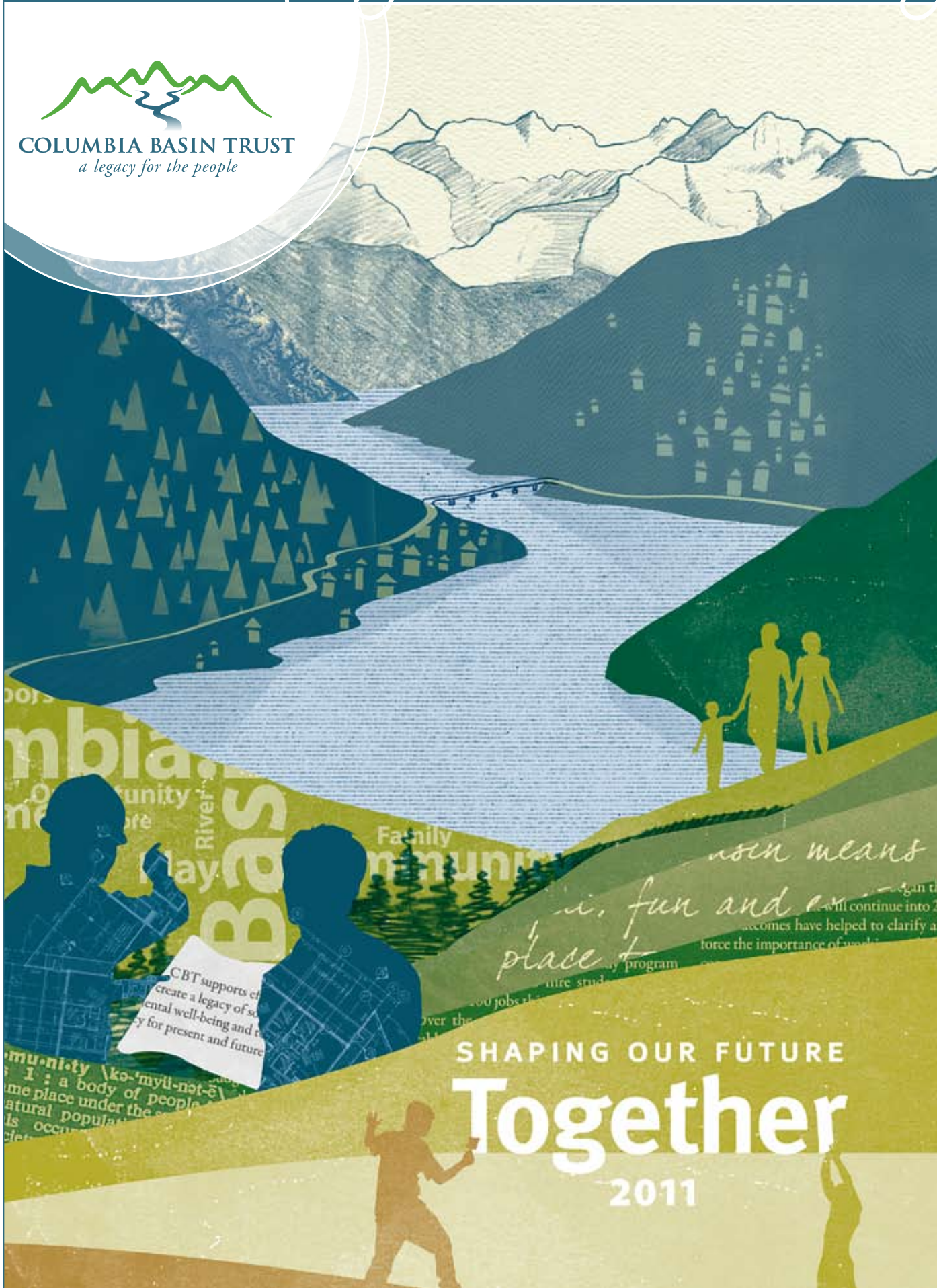


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10 Years = 1,150 Businesses Strengthened
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CBT REPORT TO RESIDENTS

Shaping Our Future Together



Columbia Basin Trust (CBT) exists to strengthen the well-being of the Columbia Basin. But we can't achieve this alone.

Rather, we bring together people, groups, communities and governments, encouraging collaboration and partnerships in order to identify and address local priorities. We also partner with many organizations that have similar goals and complementary strengths.

For example, we help fund affordable housing, assist residents in receiving career-related education and training, support projects that protect our water and environment, help develop opportunities for youth and support communities as they strive to reach their goals. We also bring people together to discuss key issues, gather and disseminate information to assist in decision-making processes and offer additional resources as required.

"Through collaboration and partnerships, we work closely with Basin residents and communities to identify and address local priorities—strengthening our region and shaping its future by working together."

GARRY MERKEL, CBT BOARD CHAIR

In order to fund these activities, we invest in opportunities located in the region on behalf of Basin residents, such as power projects, real estate and business loans. Thanks to the continued strong financial performance of these investments, we're able to provide a record amount of support for the second year in a row. Fiscal year 2011/12 will see \$17 million in new funding—the largest allocation in CBT history and a 13 per cent increase over last year's budget.

We look forward to continuing to work with people like you to shape our future together.

Look inside to discover a few of the ways in which we are shaping our future together.

Our theme, "Shaping Our Future Together," reflects CBT's role in helping to bring people, governments and communities together and in encouraging collaboration and partnerships.

Message From the Chair and CEO

In 2010/11, CBT collaborated with residents, local governments and communities around key issues in order to shape our collective future in the Basin.

CBT's ability to support these collaborative efforts and partnerships is due to the continued strong performance of its Investment Program, which enabled CBT to increase its financial commitment to residents over the previous fiscal year. In 2010/11, CBT disbursed a record \$11.2 million in direct funding benefits and made a further \$2.6 million in new commitments that had not been disbursed by year-end. In addition, \$26.6 million in new funds was invested in the Waneta Expansion Project (WAX) during the year, and a further \$5.7 million was committed to investments in Basin businesses.

PERFORMANCE RESULTS

CBT continued to experience strong financial performance in 2010/11. Total revenues increased to \$28.4 million, up from \$26.1 million in 2009/10, the majority of which can be attributed to Power Projects revenues.

Each of CBT's three categories of investment exceeded their annual performance benchmarks. The Private Placements return of 8.32 per cent and the Power Projects return of 8.15 per cent were both higher than their 8 per cent targets. Market Securities generated an annual return of 10.10 per cent, well above its 6 per cent benchmark.

HIGHLIGHTS

In October 2010, CBT and Columbia Power Corporation (Columbia Power) announced the formal signing of an agreement with Fortis Inc. (Fortis), which allowed WAX to move forward. Construction has commenced on this \$900-million hydroelectric development located downstream from the existing Waneta Dam, south of Trail. The project will bring benefits to local communities, including the creation of over 400 jobs during the four-and-a-half-year construction period, the provision of approximately \$200 million in wages and benefits and the purchase of local goods and services.

To appropriately balance the exposure to project risks with the size of the partners, Fortis holds a 51 per cent share of the project, Columbia Power a 32.5 per cent share and CBT a 16.5 per cent share.

Another significant event was the 2010 Columbia Basin

Symposium. Hosted every three years, the Symposium seeks to engage residents active in their communities to discuss the future of the Basin, while also exploring current issues. Nearly 300 people from around the Basin attended the three-day event in Revelstoke.

CBT and Selkirk College partnered to establish the Columbia Basin Rural Development Institute, which will promote and support informed planning and decision-making in the Basin through region-specific information and applied research.

In consultation with Basin residents, CBT established its *Strategic Priorities* for 2011 – 2015 and developed and delivered a number of initiatives consistent with these priorities. For example, a partnership with the BC Non-Profit Housing Association links communities and organizations to experienced affordable-housing consultants. In partnership with the Government of Canada and the Province of BC, CBT committed \$425,000 to the overall capital costs of 114 units in seven Basin communities under the Seniors' Rental Housing initiative.

CBT's Summer Works Program was expanded, with funding increased to allow 30 additional students to be hired. The program provides Basin small businesses with wage subsidies to hire high school and post-secondary students in entry-level or career-related employment.

CBT sought extensive input to prepare its *Youth Initiatives Strategic Plan* for 2011 – 2016, which identifies issues for CBT to address and potential roles CBT can play over the next five years.

Working collaboratively with CBT's Water Smart Initiative, 22 local governments in the Basin undertook a comprehensive assessment of their local water systems and water consumption data and have started to draft Water Smart Action Plans and set local water conservation targets. The goal is to reduce Basin-wide gross annual community water consumption by 20 per cent by 2015.

CBT will continue to focus efforts to support community projects aimed at reducing carbon emissions through programs



Garry Merkel, CBT Board Chair



Neil Muth, CBT President and CEO

and initiatives such as Carbon Neutral Kootenays. CBT remains committed to reducing carbon emissions in its own corporate operations.

FUTURE OUTLOOK

CBT will continue to take steps to understand current needs and issues in communities, add new value to the efforts of Basin residents and have a unique impact on well-being in the Basin.

One focus will be supporting collaboration and partnership between communities. Where interest in working together is developing, either between neighbouring communities or within a community of shared interests, CBT is prepared to facilitate and provide support for collaboration. CBT is also committed to enhancing community participation in project decision-making, so that communities are determining how best to advance their priorities.

CBT is committed to act as an information resource for Basin residents and local governments to increase their awareness and understanding of the Columbia River Treaty (CRT), and to help prepare the region to effectively engage in formal consultations with senior levels of government on the future of the CRT.

ACKNOWLEDGEMENTS

CBT's achievements are a testament to the contributions of our dedicated partners, advisory committees, staff and Board members, and of the Basin residents who engage with us and care for the communities they live in—helping us shape our future together and strengthen our communities. Their passion and dedication to this organization, and to the people of this region, have helped create a lasting legacy in the Basin.

We thank you all.

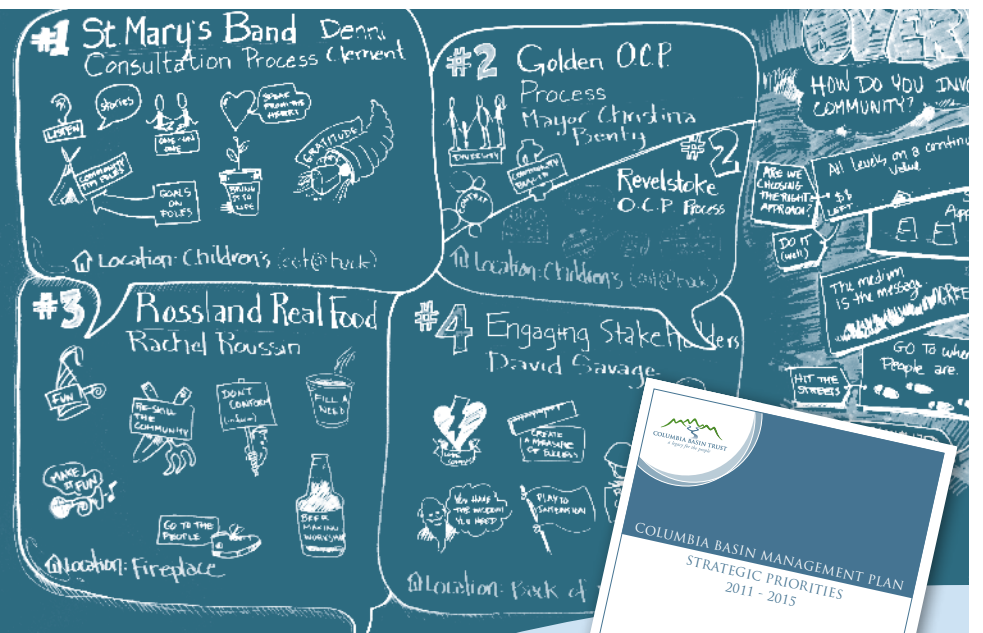
Garry Merkel
Chair, Board of Directors

Neil Muth
President and CEO

Our Mission
Columbia Basin Trust supports efforts by the people of the Basin to create a legacy of social, economic and environmental well-being and to achieve greater self-sufficiency for present and future generations.

“Thank you for the stimulating Symposium. It was my first one and allowed me to get a good sense of what people in the Basin care about.. I think many people went home wanting to do more in their communities.”

PARTICIPANT, 2010 COLUMBIA BASIN SYMPOSIUM



Supporting Informed Planning and Decision-Making in the Basin

CBT is evolving its State of the Basin Initiative by partnering with Selkirk College to establish the Columbia Basin Rural Development Institute (RDI). The RDI will help the Basin prepare and adjust to change, ensuring communities and organizations have access to timely, relevant knowledge and support in its use.

The RDI will:

- monitor and report on conditions and trends;
- research issues that impact communities and the region; and
- ensure this knowledge is broadly shared and understood so it can be applied to real situations and lead to real solutions.

Initial priorities include enhancing online access to data and information, building relationships inside and outside the region, establishing research priorities and preparing for future releases of *State of the Basin* reports.



“We are honoured to partner with Selkirk College to build on complementary goals and existing assets in order to generate a better understanding of our region and provide support for communities to make informed decisions about their futures.”

NEIL MUTH, CBT PRESIDENT AND CEO

Above: CBT and Selkirk College celebrate the announcement of the Rural Development Institute. From left to right: Neil Muth, CBT President and CEO; Angus Graeme, Selkirk College President; Sabrina Curtis, CBT Director, Planning and Development; George Penfold, Selkirk College Regional Innovation Chair for Economic Development; Kim Deane, CBT Board Member.

Bringing People Together Around Key Issues

Nearly 300 people from communities throughout the Basin attended the 2010 Columbia Basin Symposium in Revelstoke, October 22 to 24, 2010. Entitled “Shaping Our Future Together: Take Action, Build Partnerships, Strengthen Communities,” the event engaged key leaders and residents active in their communities to collectively look toward the future of the Basin, while also discussing and addressing some of today’s key issues. The Symposium included several facilitated sessions covering economic development, alternative energy, community engagement and building resilient organizations.

In addition to the sessions, delegates were introduced to an innovative regional future scenario planning process as a way to begin a conversation about the Basin’s future. Attendees were encouraged to consider the key drivers that will shape the Basin and how their responses to them could lead to very different, but likely, future scenarios for the region.

To maintain momentum on the conversations started in Revelstoke, CBT looks forward to supporting communities and regions in developing visions and plans that help identify specific actions they can pursue in order to create strong, resilient futures.

www.cbt.org/2010symposium

Strategic Priorities Renewed

Clear priorities help CBT decide how to best use our resources, and help ensure residents understand how those resources are used to fulfill our mission. Being responsive to community and regional needs is how CBT approaches its work in the Basin. The *Strategic Priorities* for 2011 – 2015 form part of the *Columbia Basin Management Plan* (CBMP). The CBMP also includes CBT’s *Charter*, which guides all of CBT’s activities in the long term.

www.cbt.org/strategicpriorities

“As CBT looks to the future and the roles it can play to support community development, we anticipate being part of discussions in the Basin about how to foster regional collaboration and partnerships between communities. We hope residents will continue to share their views and stay connected with this and other CBT initiatives.”

SABRINA CURTIS, CBT DIRECTOR, PLANNING AND DEVELOPMENT

Below and right: Basin residents gathered at the 2010 Columbia Basin Symposium to collectively discuss the future of our region.



Shaping our future together
by contributing to community spaces
and places, engaging residents active
in their communities and facilitating
collaboration and partnerships.



An artist's sketch of the new Golden Civic Centre.

Facilitating Community Interaction

Research has shown that a key component of community building is related to the opportunities community members have for social interaction. With this fact in mind, CBT has supported a number of projects and initiatives throughout the Basin that enhance and increase opportunities for interaction.

Through CBT's Community Development Program, nearly \$1.5 million in funds were committed to such projects in 2010/11, encouraging community building

throughout the region.

One project is taking place in Elkford, which has limited facilities to host community and social events. In order to address this need, Elkford secured funding—including a \$300,000 grant from CBT—toward a new community centre that will offer improved amenities for the entire community. The new building, located on the previous site of Elkford Elementary School, will also eventually house a museum that will highlight the rich and diverse history of Elkford.

Another project is taking place in Golden. The 62-year-old Golden Civic Centre was built by volunteers after World War II, with original wood trusses from the Columbia River Lumber Company circa 1911. Scheduled for completion in 2011/12, 100 years later, the hall will be fit for a new life cycle as Golden's only dedicated performing arts and culture centre.

www.cbt.org/cdp

“Our community's commitment to and engagement in arts, culture and heritage activities fuels a deep sense of pride and makes Golden a better place in which to live and visit. Rebirthing the Civic Centre is a community dream come true.”

BILL USHER, EXECUTIVE DIRECTOR, KICKING HORSE CULTURE, GOLDEN

“The new community centre is an exciting project that will help with Elkford's growth and development. The project has been a vision of Council for seven years, and it is rewarding and exciting to be in the final stages.”

DEAN MCKERRACHER, MAYOR, DISTRICT OF ELKFORD

Several Basin communities received CBT support to build or renovate structures that benefit the community. Field, Ainsworth and Canyon were able to revamp their community halls, while Revelstoke is constructing a new Visitor Information Centre. In Canal Flats, CBT helped the community relocate a log building that will house a new Ktunaxa Interpretive Centre.



Above left: CBT contributed toward a new Visitor Information Centre in Revelstoke. From left to right: Mike Cummings, Chairperson, Community Futures Revelstoke; Lynda Lafleur, CBT Community Liaison; Steve Bailey, Vice-President, Revelstoke Chamber of Commerce; David Raven, Mayor, City of Revelstoke; Ron Oszust, CBT Board Member.



Above centre: Elkford residents will soon be enjoying a new community centre. At the groundbreaking, from left to right: Bill Bennett, MLA East Kootenay; Dean McKerracher, Mayor, District of Elkford; Garry Merkel, CBT Board Chair. Above right: Rendering of Elkford Community Centre.



Upgrades to Sanctuary House

Every day after school, up to 25 pre-teens spend time at Trail's Sanctuary, a drop-in centre run by the Generation to Generation Society. The building that houses the centre—purchased by the Society in 2006 with CBT support—also contains six apartments offered to low-income adults and out-of-town people accessing the hospital in Trail. In 2010, CBT helped the Society renovate Sanctuary House with \$100,000 to put toward mechanical upgrades.

Asbestos was removed from the heating pipes and new insulation was added, which has created a healthier environment and noticeably increased the amount of heat reaching the apartments. The upgrade also includes replacing old galvanized water lines, susceptible to cracking and leaking, with copper piping, replacing old plumbing fixtures and increasing the water line to the building from ½" to 4".

www.sanctuarytrail.org



CBT helped support mechanical upgrades at Sanctuary House in Trail.

“The Board of the Society had been actively seeking funding for this project for two years prior to CBT, Teck Metals and the City of Trail coming together to fund the mechanical upgrade. It has improved the quality of the water and its delivery to our tenants and ensures the integrity of the mechanical system for years to come.”

BARBARA GIBSON, CHAIR, GENERATION TO GENERATION SOCIETY, TRAIL

Effective Public Participation

Does an open house work? A coffee klatch? How do you get community members involved? Learn more about effective community engagement by viewing the inspiring video and other resources—researched and compiled by CBT in partnership with Fraser Basin Council, Smart Planning for Communities—at:

www.cbt.org/communityengagement

“It's like all of us joining together in a living room, and sitting down like a family, and sharing ideas and thoughts.”

MAUREEN MCEACHEN, COMMUNITY PARTICIPANT IN THE ST. MARY'S STRATEGIC PLAN



St. Mary's is one of the communities highlighted in CBT's new community engagement video.

Strengthening Basin communities by offering a range of programs that support groups, individuals, and projects and events of all sizes.



Encouraging Education—and Volunteerism

To help Basin residents pursue their educational goals—whether current high school graduates or mature students—CBT offers 67 Community Service Awards each year. The \$2,000 awards are based on volunteer service rather than academic achievement.

Current high school grads:

www.cbt.org/mesa

Those who have taken at least one year

off school: www.cbt.org/ccsa



Tour the Basin's Culture

From artists' studios and museums to cultural centres and heritage sites, you'll find many myriad ways to immerse yourself in local culture during the Columbia Basin Culture Tour. The tour is a project of the Columbia Kootenay Cultural Alliance, which administers and manages CBT's Arts, Culture and Heritage program.

August 13 and 14, 2011

www.cbculturetour.com

Above: Dar McDowell participated in the 2010 Columbia Basin Culture Tour.

Residents' Priorities a Focus

Basin communities will continue to support priority projects thanks to CBT's five-year recommitment to its longest-running programs—the Community Initiatives and Affected Areas Programs (CIP/AAP). CBT also implemented a new annual minimum of \$30,000 CIP/AAP combined funding per partner area, to a Basin-wide total of \$3.6 million annually.

www.cbt.org/cipaap



Above: Betty-Jean Cardenas (left), Chantelle Desjarlais (middle) and Amber Cardenas (right) perform at the groundbreaking ceremony for the Aboriginal Gathering Place at Selkirk College in Castlegar.
Left: The Aboriginal Gathering Place at College of the Rockies, Cranbrook.

“The Gathering Place is providing our students with a great learning opportunity to work on a permanent structure. I think this will give them a lasting sense of accomplishment.”

RON MCRAE, DEAN OF INSTRUCTION,
COLLEGE OF THE ROCKIES

Aboriginal Gathering Places

Aboriginal students at College of the Rockies (COTR) and Selkirk College will find support and a place to gather once construction is complete on the colleges' Aboriginal Gathering Places. The spaces—being built thanks in part to a \$400,000 contribution from CBT—will enhance culturally relevant support for current and future Aboriginal students, as well as allow others to learn about Aboriginal culture. COTR's space, located

at its Cranbrook campus, is starting to take shape, with students in the timber framing, carpentry, welding, plumbing and electrical programs working on the building. At Selkirk's Castlegar campus, the frame of the building is up, the interior is being developed and landscaping will soon occur. The opening ceremony will take place this fall.

“It has been so exciting to see the building take shape and to envision the tremendous opportunity for additional supports and services for our Aboriginal learners, their families and the community.”

ANGUS GRAEME, PRESIDENT, SELKIRK COLLEGE

Paddling the Path of Our History

A brigade of voyageur canoes are travelling from Invermere to Astoria, Oregon, from June 3 to July 15, 2011, to celebrate the 200th anniversary of explorer David Thompson's historic route to the Pacific Ocean. Over 150 paddlers are taking part in the 1,600-kilometre journey during the 2011 David Thompson Columbia Brigade, funded in part by a \$29,500 contribution from CBT. CBT funds are being used to develop resources like a geocache project, educational projects and activities, a documentary video and hand-painted community banners that will travel along the route.

www.2011brigade.org



The 2011 David Thompson Columbia Brigade features voyageur canoes recreating the explorer's route to the Pacific.

“Canada is a nation built on rivers and lakes. These were the first highways, the heritage corridors of trade and exploration. The brigade validates our collective ties to the water and landscapes of the Columbia Basin, reminding us that we are as much residents of the watershed as that of our respective communities.”

ROSS MACDONALD, COMMITTEE LEAD, 2011 DAVID THOMPSON COLUMBIA BRIGADE

Shaping our future together by focusing on the environment and building an understanding about water issues.

Restoring Wildlife Habitat—and Winning Awards

Long-term Environmental Stewardship



A recent Environmental Initiatives Program project studied the habitat of the red-listed northern leopard frog.

“Each year, CBT invites groups wishing to help maintain or enhance environmental conditions in and around the Basin to submit innovative project ideas to our Environmental Initiatives Program. We particularly invite projects that encourage education and awareness for all generations about Basin ecosystems and associated human interactions.”

KINDY GOSAL, CBT DIRECTOR, WATER AND ENVIRONMENT

The Basin is home to an abundance of natural resources, critical habitats and diverse species. CBT is engaging residents and communities in the long-term stewardship of our natural resources and supporting them to take action to meet environmental challenges.

CBT’s Environmental Initiatives Program (EIP) provides support to community-initiated and -supported environmental projects that aim to reduce the impacts humans have on local and regional ecosystems. It includes a small grants stream geared at projects under \$10,000, and a large grants stream for projects up to \$20,000.

CBT has committed over \$600,000 each of the last two years to support efforts of the residents of the Basin to develop and deliver environmental projects that make a difference in their communities. Examples from 2011/12 include environmental education programs delivered by Friends of Mount Revelstoke and Glacier, water monitoring by the Slocan Lake Stewardship Society, a cattle barrier project by Hawkins Creek Stewardship and a grizzly bear management project delivered by the BC Conservation Foundation.

Over the past 10 years, CBT has provided approximately \$4.5 million in funding for environmental conservation, restoration, stewardship and education projects across the Basin.

www.cbt.org/environment



CBT is helping support restoration work in the Rocky Mountain Trench in southeastern BC.

The Rocky Mountain Trench Restoration Program recently won an award from the Land Trust Alliance of BC for its outstanding work on the Dutch-Findlay range unit, located south of Fairmont Hot Springs in the Upper Columbia Valley. The project is a partnership that includes private land owners, local conservation organizations and the provincial government, with support from CBT. The program’s efforts have resulted in the restoration of over 560 hectares of open forest and the creation of 93 wildlife habitat trees. A number of species are benefiting, including the red-listed Lewis’s woodpecker.

“These restoration projects help sustain the native plants and wildlife that are fundamental to the environmental health and resilience of the Rocky Mountain Trench. The Nature Conservancy of Canada applauds CBT’s commitment to supporting on-the-ground conservation projects in the Dutch-Findlay range and beyond.”

HILLARY PAGE, STEWARDSHIP COORDINATOR, NATURE CONSERVANCY OF CANADA

Ten Years of Building Knowledge and Caring for the Environment

Over the last decade, more than 30,000 West Kootenay residents—most of them school-aged children—have learned about the life cycle of Kokanee salmon and the importance of ecosystem conservation and restoration through the Kokanee Salmon School Program, thanks in part to support from CBT.

The program was developed by Ecosense Interpretive, and has received a number of facelifts over the years to keep it fresh and relevant to the generation of students that have benefited from the experience.

The program is delivered by professional teachers, naturalists and environmental educators, and takes place each fall at the Kokanee Creek Spawning Channel off the west arm of Kootenay Lake. Hands-on activities educate participants about the salmon life cycle, biology and interconnectedness of all life, while encouraging a sense of environmental stewardship.



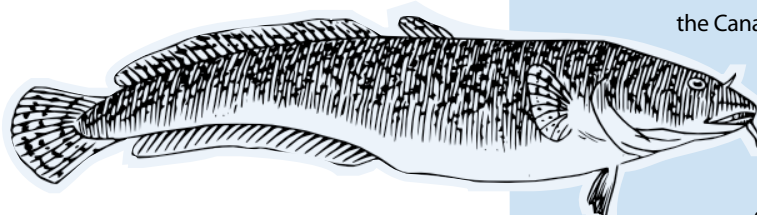
Nick Shave plays the Kokanee salmon life cycle game with students participating in the Kokanee Salmon School Program.

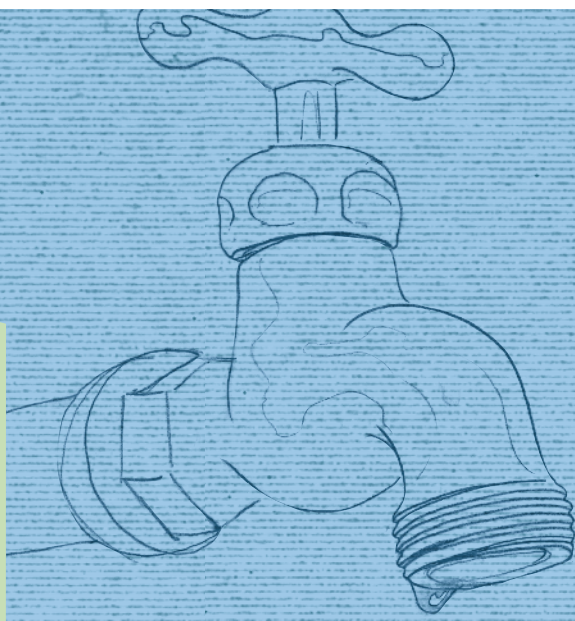
“I went through the Kokanee Salmon School Program as a student, and was so taken with it that I decided I wanted to become involved with it on a different level. I am now one of the program interpreters—proof that CBT-supported programs like these leave a lasting impression.”

NICK SHAVE, PARK INTERPRETER, KOKANEESALMON SCHOOL PROGRAM

Data Collection to Ensure Sustainability

Previously, there was no information on the state of the burbot fishery in the Kooacanusa Reservoir. As this was once a traditional fishery for the Ktunaxa people, the Tobacco Plains Indian Band undertook a survey with CBT support between Kikomun Creek and the Canada/US border in winter 2010/11, with the intent of collecting information such as sex, age, size and health of the fish harvested. This information will provide a basic understanding of Kooacanusa burbot, which will aid in fish population and angling management and help local decision makers regulate the fishery to ensure sustainability. CBT supports projects like these that encourage the long-term stewardship of our natural resources.





The Canadian Columbia River Forum is one of the many organizations CBT partners with in order to work on water and environmental issues in the Basin.

Basin-wide Watershed Management

In spring 2011, 65 people, including Basin residents and representatives from local watershed groups and local and provincial governments, gathered in Nelson for Water Ways: A Forum on Water Governance. The forum was hosted by the Columbia Basin Watershed Network (CBWN), one of several water stewardship projects funded and delivered by CBT. Participants gained a better understanding of collaborative water governance, how it is applied and why it's important in effective water stewardship. They also discussed the essential tools for water governance and how CBWN could support members to address water governance in the Basin. Learn more about CBWN and find out what it takes to become a member at:

www.cbwn.ca

Helping Communities in a Changing World

Basin communities are changing and so is the world around them. Adapting to changes like climate change involves identifying and preparing for potential impacts like an increased threat of wildfires or floods. CBT is supporting Basin communities to adapt and be resilient to such changes through its Communities Adapting to Climate Change Initiative. CBT has helped support five communities to complete adaptation action plans and is currently focusing on helping these communities implement their plans. CBT will be engaging more Basin communities in this process in the coming year, as well as continuing to work with Basin residents to help them understand the potential effects of climate change in the Basin.

www.cbt.org/climatechange



David Lapp, Engineers Canada, and Kristin Aasen, Project Coordinator, work on the Castlegar Adaptation Project.

Is Water Important? Ask a Grade 8 Student



Grade 8 students from Rossland Secondary School learn about water through Know Your Watershed.

“Know Your Watershed is a great way to give the kids a hands-on, experiential learning opportunity that also makes the connection with global issues on a local scale.”

CAM LITTLE, SCIENCE TEACHER, W.E. GRAHAM COMMUNITY SCHOOL, SLOCAN

Launched in fall 2010 to grade 8 science students at six Basin schools, CBT's Know Your Watershed program will be offered to 12 schools across the Basin this coming year.

“Through this education initiative, CBT is helping the youth of the Basin understand the importance of water to our way of life in this region,” said Neil Muth, CBT President and CEO. “We want students to start thinking about where their water comes from, how it's used and where it goes.”

Know Your Watershed is free for participating schools, supplements the Grade 8 science curriculum and is tailored to individual communities. Two classroom sessions and a full-day field trip—which include educational games, stream sampling and municipal water facility tours—offer students a first-hand understanding of water in their communities.

Students are then encouraged to take what they learn and apply it outside the classroom through water stewardship action projects, such as implementing new water conservation habits at home or organizing water-related events at school or in the community.

CBT is committed to working with Basin residents to improve their understanding of and involvement in water issues. Know Your Watershed is one of several water stewardship projects funded and delivered by CBT. Learn more, and view a video about Know Your Watershed, at:

www.cbt.org/water

Ambassadors Educate About Water Conservation



Water Smart Ambassadors are now in 12 communities across the Basin, educating residents about water conservation and offering free residential landscape and irrigation system audits. From left to right: Jen Creasy, Water Smart Ambassador, Kimberley; Doug Mitchell, East Kootenay resident.

This summer, Water Smart Ambassadors are going door to door in 12 Basin communities to help residents find ways to reduce outdoor water use.

This is one of the ways participating local governments are addressing water conservation in the Basin as part of the Columbia Basin Water Smart Initiative (Water Smart). Twenty-two communities have signed the Water Smart Charter, demonstrating their commitment to working with each other and CBT

to reduce water use in the Basin. The goal of Water Smart is to reduce community water use across the Basin by 20 per cent by 2015. A Water Smart Team is providing support to help participating communities develop and monitor community-specific Water Smart Action Plans. CBT will provide up to \$10,000 per community in matching funding to support the implementation of the plans.

www.cbt.org/watersmart

“We are so pleased to be involved with the Water Smart Initiative and encourage all residents to participate and find out more about how they can save water and make a difference.”

DEE CONKLIN, MAYOR, VILLAGE OF RADIUM HOT SPRINGS

Shaping our future together by providing information on the Columbia River Treaty.

Columbia River Treaty
Learn about our past.
Think about our future.

Key Dates: 2014 & 2024

The years 2014 and 2024 are key dates for the CRT for two reasons:

1. The year 2024 is the earliest date either Canada or the U.S. may terminate the CRT, provided 10-year advance notice is given (2014); and
2. The Assured Annual Flood Control provision of the CRT expires automatically (unless renegotiated) and flood control specified under the CRT changes to a Called Upon operation.

At this time, no decision has been made by either country to terminate, renegotiate or modify the terms of the current CRT. Given the importance of CRT issues, both the Canadian and U.S. entities—the organizations appointed to implement the CRT on behalf of their governments—are completing ongoing studies.

Benefits of the CRT

- BC still receives approximately \$200 – 300 million US each year in downstream power benefits.
- The increased water storage and regulated flows resulting from the CRT dams led to the development of hydroelectric projects such as Kootenay Canal, Revelstoke Dam and Arrow Lakes Generating Station.
- BC used the pre-sale of its Canadian Entitlement and the Assured Annual Flood Control prepayments to construct the three CRT dams in Canada.
- Dam construction provided employment opportunities for several thousand people over several years and continues to provide some ongoing employment opportunities.
- There was increased economic activity in local communities during construction.
- Industry and communities across the province and within the Basin have benefited from low-cost hydroelectricity.
- Many Canadian communities benefit from flood control provided by the CRT.
- There are many reservoir-based recreation opportunities.

The Columbia River Treaty

WHAT IS THE COLUMBIA RIVER TREATY?

The Columbia River Treaty (CRT) is an international agreement between Canada and the U.S. for the joint development, regulation and management of the Columbia River in order to coordinate flood control and optimize electrical energy production on both sides of the border.

The Columbia River Treaty coordinates flood control and optimizes hydroelectric energy production on both sides of the border.

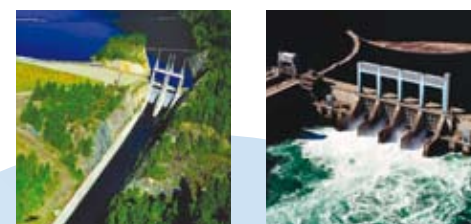
The CRT has no official expiry date, but has a minimum length of 60 years, which is met in September 2024. It is possible that one or both countries may wish to renegotiate parts or all of the CRT, or terminate it entirely.



WHY WAS THE CRT SIGNED?

Canada and the U.S. were facing two major challenges in the Columbia River Basin after World War II. In addition to an increasing population, the “untamed” Columbia River was causing periodic and sometimes devastating flooding. Simultaneously, an upswing in the

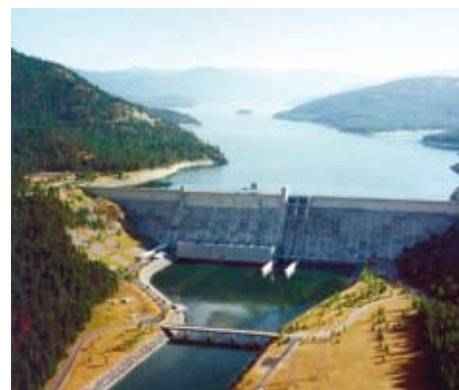
economy increased the need for energy sources. In order to meet these challenges, the two countries ratified the CRT in 1964. Under the CRT, Canada agreed to build three storage dams in Canada: Hugh Keenleyside, Duncan and Mica. The CRT also allowed the U.S. to build Libby Dam in Montana, which created the Koocanusa Reservoir that flooded back into Canada.



DOWNSTREAM POWER BENEFITS

Power that can be generated in the U.S. as a result of the additional storage regulation provided by Canada is referred to as downstream power benefits. The CRT requires that the downstream power benefits be shared equally between both countries.

Canada sold the first 30 years of its downstream power benefits, called the Canadian Entitlement, to a consortium of utilities in the U.S. for \$254 million US. That agreement expired in phases and the Province now receives a Canadian Entitlement worth approximately \$200 – 300 million US annually.



Above far left: In 1948, disastrous floods on the Columbia River killed 41 in the U.S., destroyed a community of 18,000 south of the border and left thousands homeless. Trail, BC, was heavily flooded, and homes and properties were damaged.

Above centre left: Duncan Dam.

Above centre right: Hugh Keenleyside Dam.

Above: Libby Dam.

Right: Spillway at Mica Dam.

Impacts of the CRT

- Some communities were lost or changed forever and local businesses and private property were impacted.
- Approximately 600 km² of fertile and productive valley bottoms in Canada were flooded to fill the Arrow Lakes, Duncan, Kinbasket and Koocanusa reservoirs.
- Agriculture and forestry activities have been limited due to the loss of fertile, low-elevation land.
- Approximately 2,300 people along the Arrow Lakes, Duncan and Koocanusa reservoirs were relocated.
- Numerous First Nations' cultural and archaeological sites were submerged.
- Ecosystems were altered, impacting fish and wildlife values and reducing habitat availability.
- Transportation routes were altered or eliminated.
- Dust storms on reservoirs can negatively impact human health.
- Fluctuating water levels limit recreation and tourism opportunities.

FLOOD CONTROL

The CRT prescribes two primary types of flood control provisions.

1. Assured Annual Flood Control

Under the CRT, Canada agrees to provide assured annual water storage for flood control purposes at the three CRT reservoirs for 60 years. The annual Assured Annual Flood Control provision expires automatically in 2024.

2. On Call Flood Control

On Call Flood Control is designed to be used during periods of very high inflows. The U.S. can request Canada to provide additional storage at Canadian reservoirs over and above what the CRT prescribes for Assured Annual Flood Control. The On Call Flood Control provision remains in effect as long as the CRT dams exist, even if the CRT is terminated. After 2024, the On Call Flood Control provision will be referred to as Called Upon Flood Control.

WHAT'S BEING LOOKED AT?

The Canadian and U.S. entities are exploring two basic scenarios: to either terminate or continue the CRT. Under the scenario to continue the CRT, the Assured Annual Flood Control provision will expire unless renegotiated prior to 2024. As part of their work to understand the implications of each scenario, the entities are examining what changes may occur compared to the CRT as it currently operates.

1.a) CRT Continues: Assured Annual Flood Control provision expires. Canada continues to receive payments for downstream power benefits. Canadian flood control obligations change from Assured Annual Flood Control to Called Upon Flood Control.

1.b) CRT Continues: Assured Annual Flood Control provision continues, as do the downstream power benefits. This scenario represents a status quo option in terms of all elements of the CRT, with the exception that both parties would need to agree to new Assured Annual Flood Control provisions.

Above: Columbia wetlands near Harrogate.

What Is CBT's Link to the CRT?

The original process by which decisions were made to enact the CRT by the provincial and federal governments did not allow for adequate consultation with Basin residents in Canada. CBT was created to benefit the areas most adversely affected by the CRT.

What Is CBT's Role?

CBT's primary role with respect to the CRT is to act as an information resource for Basin residents and local governments. CBT is also working with provincial and federal government agencies to provide advice on meaningful consultation with Basin residents related to the CRT.

What Can I Do?

- Learn more about the history of the CRT and build your understanding and awareness about how your community and region were affected by the CRT.
- Prepare to engage in positive and productive dialogue on the future of the CRT.
- Work with CBT to provide direction on how it can effectively fulfill its role with residents around the CRT.

With a few clicks of your mouse, access hundreds of documents and images related to the CRT, past and present. This new online library is part of CBT's efforts to help Basin residents build their understanding and awareness about the CRT.

Learn more at
www.cbt.org/crt

Shaping our future together by engaging communities and their youth, encouraging youth development and offering youth grants and programming.



Created by Youth for Youth

CBT's current SCRATCH magazine is full of articles, poems, photos and tidbits. Pick it up on stands throughout the Basin or in any CBT office.

www.scratchonline.ca/mag



Youth Take Action to Benefit Basin Communities



Members of CBT's Youth Advisory Committee adjudicate applications to the Columbia Basin Youth Grants program. Clockwise from left to right: Zeb Hansell, Fruitvale; Laura Archer, Golden; Kyler Perepolkin, South Slokan; Zachary McClean, Golden; Miranda de Groot, Cranbrook; Matt Fontes, Castlegar. Missing: Kiraya Briel Spencer, Nelson.

New Strategic Plan Targets Youth

CBT is implementing an updated *Youth Initiatives Strategic Plan* to guide its Youth Initiatives over the next five years. In creating this plan, CBT sought input from Basin youth (ages 15 to 29), community members, youth service providers, elected officials and CBT's advisory committee members. The plan identifies issues for CBT to address and potential roles CBT can play over the next five years. In particular, CBT will strive to:

- enhance employment and entrepreneurial opportunities for youth;
- support youth engagement; and
- support the development of youth leadership.

From providing breakfast to fellow students to hosting an adventure race, young people in the Basin are shaping the future of their communities with support from CBT's Columbia Basin Youth Grants (CBYG) program.

In fiscal year 2010/11, the program funded 23 projects from around the Basin with a total of \$116,400. The grants support youth-led projects that directly benefit Basin youth (ages 15 to 29) and involve young people in project development, planning and implementation.

CBT's Youth Advisory Committee, a group of local youth volunteers, adjudicates the grant applications.

In Valemount, for example, youth are undertaking two projects: one that involves hosting an event similar to the TV show "The Amazing Race," and another that will address violence in relationships by helping young people develop emotional intelligence around social justice issues.

Two additional projects are taking place in

Invermere, spearheaded by the leadership class of David Thompson Secondary School. The I Am Beautiful workshop will promote self-esteem and confidence for grade seven girls, while the Breakfast Program will provide breakfast to local middle school students.

www.cbt.org/cbyg

www.scratchonline.ca/grants

"We are excited to have this opportunity to get our youth involved in leadership roles. Great things happen when youth get involved in supporting and creating community events."

DAN KENKEL, PRINCIPAL, VALEMOUNT SECONDARY SCHOOL

"CBT takes an active role in developing opportunities for young people in the Basin. The new Youth Initiatives Strategic Plan will help us focus our efforts as we develop and deliver new youth programming to meet our goals over the next five years. At the same time, CBT will remain flexible in considering opportunities as they arise."

WAYNE LUNDEBERG, CBT DIRECTOR, YOUTH INITIATIVES

Communities and Youth Engagement

CBT acknowledges that effectively engaging youth requires working with them in the context of their communities. This involves engaging communities and their young residents in more strategic ways and providing them with the necessary resources and financial support.

In 2010/11, CBT worked with the City of Castlegar to develop a comprehensive youth strategy intended to improve the lives of young people in Castlegar. BC Healthy Communities, which has supported other communities in the province with similar projects, was contracted to help in this process.

Through this partnership and community consultation, the strategy developed is expected to provide concrete data that will assist the

City in developing future policy and programming priorities, help define the role of the City in supporting meaningful youth participation and identify assets and gaps in current services and opportunities for youth under 18.

www.cbt.org/youth

"This strategy will provide comprehensive, current data to help Council make informed decisions regarding youth issues and services."

LAWRENCE CHERNOFF, MAYOR, CITY OF CASTLEGAR

Quotes from the 485 youth ages 13-18 surveyed for their comments for the Castlegar Youth Engagement Report, displayed at an open house to review the results.





Impressive Number of Basin Non-profits Receive Assistance

Seven Basin non-profit organizations received assistance from Enterprising Non-Profits (enp) in early 2011 for social enterprise projects—the highest number since CBT has partnered on the program. Through this partnership, Basin non-profits are able to access technical support in building business ventures that help them further their objectives and be more financially sustainable.

www.enterprisingnonprofits.ca

“Enterprising Non-Profits has supported us in many ways. We now have a worthwhile exercise and methods to assist us in sustaining our non-profit society.”

VICTORIA PAGE, BOARD CHAIR, AND RACHEL KING, STORE MANAGER, VILLAGE ARTS SOCIETY, INVERMERE

“Because of enp’s excellent one-on-one support and financial support, our co-op has very good start-up information that will no doubt ensure our success. We are predicting we will be opening our store in late summer 2011.”

BEVERLY DARNELL, ORGANIZER, BURTON COMMUNITY CO-OP

Strengthening Community Social Service Agencies

In partnership with CBT, the Kootenay Boundary Community Services Co-operative (KBCSC) offers local opportunities for the professional development of boards and staff of non-profit community social service agencies. In the past year, the number of events offered Basin-wide expanded significantly, over 40 agencies accessed the new training subsidy program and links were built with College of the Rockies and Selkirk College. In these and other ways, KBCSC and CBT are working together to strengthen community social service agencies. Contact KBCSC for your board development needs.

www.thekoop.ca

Addressing the Need for Child Care

CBT recognizes that a number of families throughout the Basin are not able to access affordable and high-quality child care. In discussing child care with Basin residents, CBT found that major challenges relate to affordability, access, qualified staff, quality and sustainable funding.

CBT has the ability to provide grants to new child care projects through its Community Development Program (CDP). Reflecting the priority of child care in Basin communities, CBT recently developed new guidelines for child care projects applying to CDP so that communities have clear and consistent information about how to access grants.

Recognizing that funding for child care centres is only one part of addressing child care needs in Basin communities, CBT will continue to explore other avenues of support.

SPARWOOD TAKES ADVANTAGE

Sparwood is one community that is taking advantage of the new guidelines to create child care services where none existed.

When the community’s previous child care centre closed, the local demand for day care became readily apparent. The Society for Kids Care—Elk Valley



proposed a new centre, which CBT is supporting with \$50,000.

CBT’s contribution will be used to renovate the new facility (previously the Mountain View School) to safely accommodate preschool children and help pay for staff training.

www.cbt.org/cdp

Sparwood is creating a new child care centre with CBT support. From left to right: Margaret Mitchell, Manager, Child Care Centre; Joanne Wilton, Society for Kids Care; Abby Jensen; Gary Walker, Director, City of Sparwood; Carrie Schafer, CBT Community Liaison; Garry Merkel, CBT Board Chair.

Helping Provide Affordable Housing

One of CBT’s goals is to assist communities in effectively dealing with affordable housing issues and to support new housing initiatives. In partnership with the governments of Canada and BC, CBT committed \$425,000 to the overall capital costs of eight affordable housing sites in the Basin, for a total of 114 units, under the Seniors’ Rental Housing initiative. Projects are complete in Kimberley, Valemount and Revelstoke, and are expected to be finished later in 2011 in Cranbrook, Creston, Baynes Lake and Golden, and on a second site in Revelstoke. These developments are designed to stimulate the local economy and increase affordable rental housing units for seniors and persons with disabilities in smaller communities.

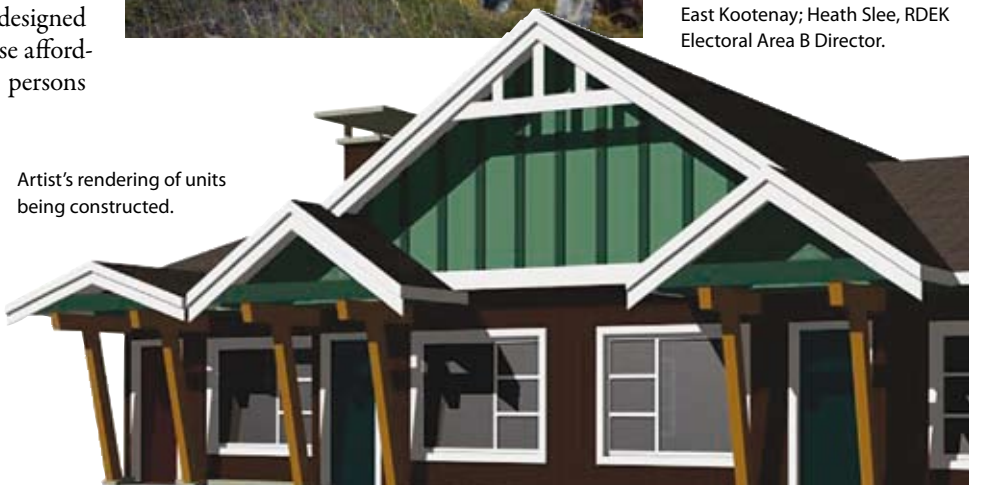
www.cbt.org/social

“This is a unique opportunity for CBT to be involved in the creation of a significant number of housing units, particularly in rural locations within the Basin.”

GARRY MERKEL, CBT BOARD CHAIR

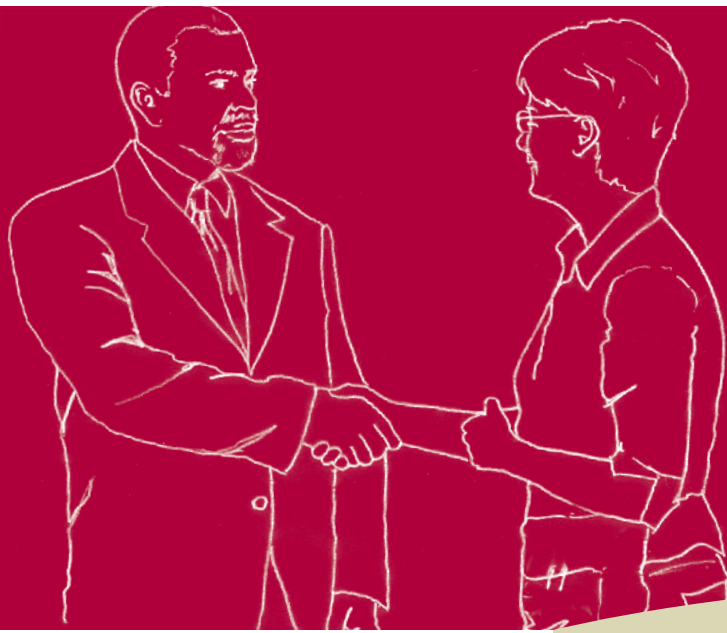


Officials gather at the site of the new Baynes Lake seniors’ rental housing. Left to right: Pat Bell, Minister of Forests and Range; Ivan Coulter, Skuqa Enterprises Ltd.; Dana Cooke, Director, Regional Development, Development Services, BC Housing Management Commission; Denise Birdstone, CBT Board Member; Sandy Helfrich, Baynes Lake Seniors’ Housing Society; Bill Bennett, MLA East Kootenay; Heath Slee, RDEK Electoral Area B Director.



Artist’s rendering of units being constructed.

Shaping our future together by facilitating student employment, strengthening small businesses and helping over 4,000 people receive education and training.



Subsidizing Summer Employment

CBT's Summer Works Program is full for a second year. Launched as a pilot program in spring 2010, the program encourages businesses to provide summer employment for high school and post-secondary students by providing up to eight dollars per hour in wage subsidies for entry-level and career-related positions.

Upon an evaluation of the pilot year, CBT committed additional funds—\$500,000

total, up from \$390,000 last year—to the continuation of the program for 2011/12. Another change to the program was an earlier start date to better accommodate the needs of employers and post-secondary students. In the last two years, CBT has supported small business to create 245 summer student jobs in the Basin.

www.cbt.org/summerworks

“The Summer Works Program gave me the opportunity to work for a small business in my own community, where I was able to apply what I am learning at school about operating a small, local business.”

HOLLY GIFFORD, SUMMER MARKETING MANAGER, ALPINE RAFTING, GOLDEN



Above: Dawn Manning, Owner, Bear Country Kitchen, Rossland.

Inset: Holly Gifford (left), Summer Marketing Manager, and Valerie Pleym (right), Owner, Alpine Rafting, Golden



“Participating in the Summer Works Program allowed me to provide an opportunity for a student to gain new skills and enabled me to grow my business. Overall, I saw growth in my monthly sales and my customer satisfaction level was perceived as very good. The employee was so successful that I've continued to employ her through her senior year of high school.”

DAWN MANNING, OWNER, BEAR COUNTRY KITCHEN, ROSSLAND

Basin Residents Take Training to Help Secure Employment

CBT has supported its Training Fee Support (TFS) program with over \$2.6 million in funding over the last 10 years—and has helped over 4,000 people receive education and training.

When Misty St. Peter decided to take action toward securing a financial future for herself and her daughter, she applied for CBT's TFS program. For the past 10 years, TFS has supported access to short-term education or training that helps Basin residents adapt to meet immediate employment needs. The program allows each eligible unemployed or underemployed resident to access up to \$800 in a lifetime.

www.cbt.org/tfs

TFS TRAINING FEE SUPPORT PROGRAM
Funded by CBT | Administered by COTR

“I received a grant from CBT to enrol in an online course that helped me obtain knowledge and experience in web design.”

MISTY ST. PETER, MYSTICANGEL WEB DESIGN, CRANBROOK



Misty St. Peter

Basin Businesses Strengthened

One thousand, one hundred and fifty—this is how many businesses have accessed and benefited from CBT's Business Basin Advisors (BBA) program since it was launched in 2000. Created to build economic capacity in Basin communities by strengthening and supporting existing businesses, the program provides free, one-to-one, confidential business counselling and assessment services to small – and medium-sized businesses throughout the Basin. Over the past decade, CBT has supported this program with over \$2.9 million. Spectrum Home & Family Care in Nakusp is one such business. Feeling growing pains, its management

turned to BBA's West Kootenay advisor Deanne Monroe to help develop the internal structure the organization needed to grow. Manager Barbara Maye worked alongside Monroe to improve everything from customer and employee contracts to financial tracking and projections, allowing the business to come away with the tools needed to restructure and expand.

www.cbt.org/bba

BASIN Business ADVISORS
CONFIDENTIAL. CONNECTED. CUSTOMIZED.

“We wanted to remain affordable, so we needed to confirm that we were making financially responsible decisions. Deanne gave us excellent advice, piece by piece so that the big transition was manageable and not overwhelming. It was very powerful.”

BARBARA MAYE, MANAGER, SPECTRUM HOME & FAMILY CARE, NAKUSP



Financial Review and Forecast

Annual Report

CBT's Annual Report provides detailed information on our investments and report on performance, as well as audited financial statements.

www.cbt.org/annualreport

To receive a printed copy, drop into any CBT office or call 1.800.505.8998.

In the 2010/11 fiscal year, CBT returned a record \$11.2 million in direct funding benefits to Basin communities, up from \$10.9 million in 2009/10. CBT continued to experience strong financial performance in 2010/11, with total revenues increasing to \$28.4 million from \$26.1 million in 2009/10. Total operating expenses were largely unchanged from last fiscal year.

The majority of the increase in revenues was attributed to revenues received from the three hydroelectric power projects in which CBT is a fifty-fifty partner with Columbia Power. Total power revenues increased to \$23 million from \$21 million in 2009/10. This resulted in an 8.15 per cent annual return, stronger than the 7.69 per cent return realized in 2009/10.

"In the 2010/11 fiscal year, CBT returned a record \$11.2 million in direct funding benefits to Basin communities, up from \$10.9 million in 2009/10, and continued to experience strong financial performance, with total revenues increasing to \$28.4 million from \$26.1 million in 2009/10."

CHRISTINE LLOYD, CBT DIRECTOR, FINANCE AND OPERATIONS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (AS AT MARCH 31, 2011) (in thousands of dollars)

| | 2011 | 2010 |
|-----------------------------------|------------------|------------------|
| Assets | | |
| Current | \$32,646 | \$24,770 |
| Investments | 458,333 | 481,608 |
| Other | 47,345 | 37,330 |
| | \$538,324 | \$543,708 |
| Liabilities and Net Assets | | |
| Current | \$48,598 | \$30,486 |
| Other | 99,787 | 124,365 |
| Net Assets | 389,939 | 388,857 |
| | \$538,324 | \$543,708 |

CONSOLIDATED STATEMENT OF OPERATIONS (FOR THE YEAR ENDING MARCH 31, 2011) (in thousands of dollars)

| | 2011 | 2010 |
|--|----------------|-----------------|
| Revenues | \$28,444 | \$26,094 |
| Operating Expenses | 5,634 | 5,579 |
| | 22,810 | 20,515 |
| Recoveries | 775 | 859 |
| Delivery of Benefits | 11,167 | 10,859 |
| Excess of Revenue Over Expenses Before Other Items | 12,418 | 10,515 |
| Unrealized Gain (Loss) on Market Securities | 949 | 2,355 |
| Discount on Promissory Note | (12,285) | - |
| Excess of Revenue Over Expenses | \$1,082 | \$12,870 |

CBT's Private Placements portfolio generated an annual return of 8.32 per cent, relatively unchanged from the return realized in 2009/10. This portfolio consists of investments in both Real Estate, which include CBT's ownership interest in seniors' facilities located in the Basin, and Business Loans.

CBT's diversified Market Securities portfolio continued to experience growth and recorded \$575,000 in realized revenues and a \$949,000 unrealized gain. The market value of this portfolio at the end of the fiscal year was \$16.6 million. The return remained strong at 10.10 per cent.

In October 2010, all the deferred development costs and expansion rights related to the Waneta Expansion Project were sold to the Waneta Expansion Limited Partnership in

exchange for a \$72 million, non-interest-bearing Promissory Note (Note) to the Waneta Expansion Power Corporation (owned fifty-fifty by CBT and Columbia Power).

The Note has been discounted to reflect its current present value at March 31, 2011. CBT's portion of the face value of the Note is \$30.2 million, and its portion of the present value of the Note is \$18 million. The Statement of Operations (below left) reflects the discount of \$12.2 million in this year's net income. This discount will be fully recaptured on an annual basis over the next 10 years.

CBT remains in a strong financial position and in fiscal year 2011/12 has committed \$17 million in new funds available to deliver economic, environmental and social benefits to residents of the Basin.

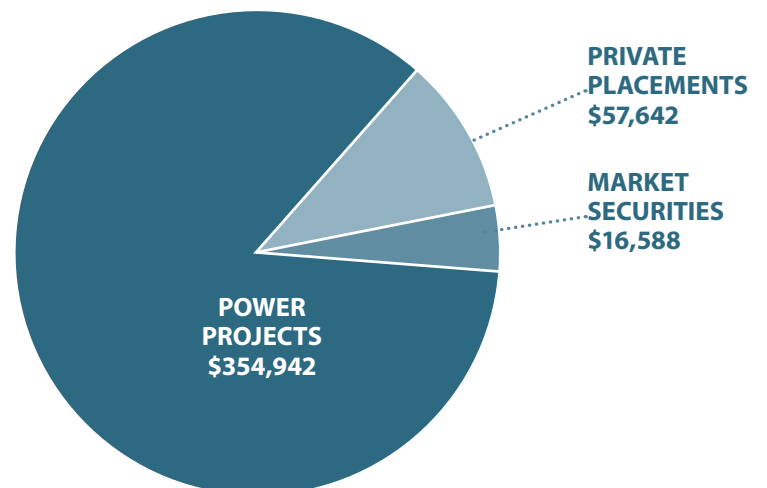
CBT was established by the *Columbia Basin Trust Act* (1995) and has two core functions: to invest capital and manage the assets of CBT, and to spend the income earned from CBT's investments to deliver benefits to the Basin.

THE TOTAL OF
CBT'S INVESTMENTS:

429

MILLION DOLLARS

This is allocated to three major categories: Power Projects, Private Placements and Market Securities.



Shaping our future together by ensuring investments are long-term in nature and create value over time.



“CBT invests in opportunities like power projects and Basin businesses in order to generate a predictable, sustainable and appreciating income stream. In addition to providing financial benefits, many of CBT’s investments promote social, economic and environmental well-being in the Basin.”

JOHNNY STRILAEFF, CBT VICE-PRESIDENT, INVESTMENTS

Investing in Basin-based Businesses

ATCO Wood Products (ATCO) and Cowan Office Supplies (Cowan’s) are both local, family-owned businesses that approached CBT when conventional lenders were unable to provide them the financing solutions required for their business needs.

Located in Fruitvale, ATCO is a leading producer of softwood veneers and related by-products. For over 50 years, rail has been its primary distribution method, and it has been the sole user of the rail line between Fruitvale and Columbia Garden, south of Trail. CBT provided financing to assist with the purchase of this International Railroad Systems (IRRS) Shortline Railroad. The acquisition secured an important mode of transportation to the company’s primary customers in the United States.

Cowan’s has been operating in the Nelson and West Kootenay area for more than 38 years, offering office supplies and equipment to both the retail and commercial sectors. CBT provided financing to assist with a transition in the ownership group, as well as a reorganization of finances. The company’s shareholders now have a common vision for success and a management team capable of realizing this vision.

www.cbt.org/investments

“The financing provided by CBT was a key factor in the successful acquisition of the IRRS Shortline Railroad. Its support of this important purchase will help ensure the success of ATCO Wood Products well into the future.”

SCOTT WEATHERFORD, CEO, ATCO WOOD PRODUCTS LTD. & INTERNATIONAL RAILROAD SYSTEMS, FRUITVALE

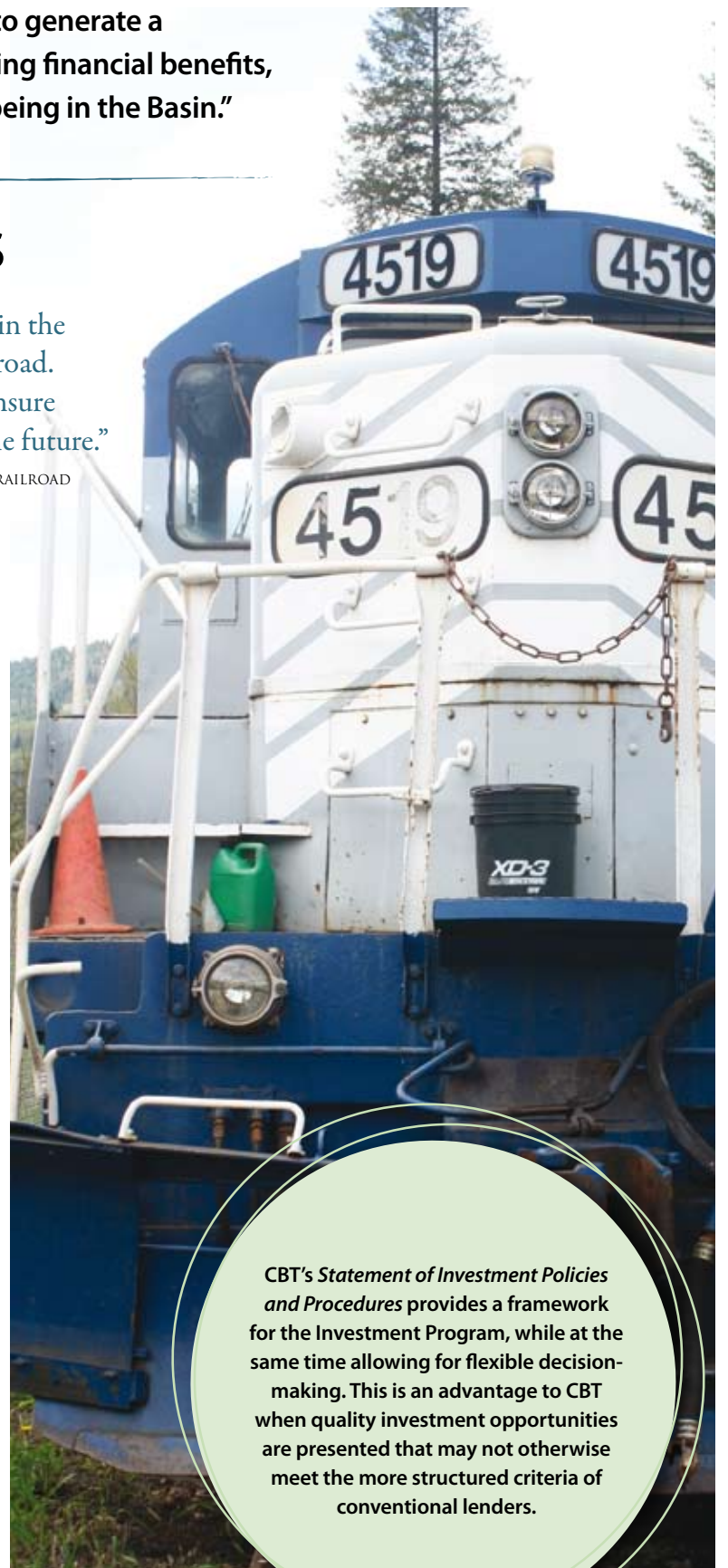


“Dealing with CBT was great. They are very flexible and accessible and really took the time to assess our needs and work with us to achieve them.”

PAUL COWAN, CO-OWNER, COWAN OFFICE SUPPLIES, NELSON

Above:
CBT financing helped Cowan’s transition its ownership group and reorganize its finances.

Right:
CBT helped ATCO purchase a rail line and related equipment.



CBT’s Statement of Investment Policies and Procedures provides a framework for the Investment Program, while at the same time allowing for flexible decision-making. This is an advantage to CBT when quality investment opportunities are presented that may not otherwise meet the more structured criteria of conventional lenders.

Helping Residents Access the Services They Need

Like many Basin communities, the Creston Valley has been struggling to attract and keep physicians. Osprey Medical Offices Ltd. was formed to address this issue by making sure there is clinic space available in the community for doctors looking to relocate there. With the aid of financing supplied by CBT, the business is renovating a retiring doctor’s clinic in the Creston Valley Mall

to be able to accommodate two or more doctors, is upgrading its computers and software and is equipping the clinic with supplies. It is also retaining the current doctor’s staff. The end result will be a medical clinic incoming doctors can readily move into and set up practice in—making physician recruitment for the community that much easier.

“When we thought of setting up a medical clinic in Creston, CBT immediately came to mind. The possibility of matching a social need in the community with a business opportunity seemed like a perfect fit with CBT. Since then we have found CBT staff to be extremely flexible and easy to deal with in helping us bring this idea to reality.”

KEN GADICKE, CO-OWNER, OSPREY MEDICAL OFFICES LTD., CRESTON



Waneta Expansion Project Flows Along

People travelling south on Highway 22A from Trail may have noticed the area has become a hub of activity from the construction of the 335-megawatt Waneta Expansion Project (WAX). This project will see the construction of a second powerhouse to share the hydraulic head created by the existing Waneta Dam. It is a joint venture between Fortis Inc. (51 per cent), Columbia Power Corporation (32.5 per cent) and CBT (16.5 per cent).

Construction, which began in October 2010, is proceeding and the project is currently on schedule. Berm construction is complete, and other major construction activities at this time include intake and powerhouse excavation, work in the powerhouse area to provide access for the excavation of the power tunnel and ongoing landscape reclamation.

The project will bring significant benefits to local communities, including the creation of over 400 jobs during the four-and-a-half-year construction period, the provision of approximately \$200 million in wages and benefits and the purchase of local goods and services.

“We are extremely pleased to see the progress that has occurred on the Waneta Expansion to date. The benefits to the region from this project are readily apparent, and will continue to accrue throughout the construction phase and well into the future through ongoing operations.”

NEIL MUTH, CBT PRESIDENT AND CEO

WAX is the third project undertaken by Columbia Power and CBT. Their previous projects include the construction of Arrow Lakes Generating Station and Brilliant Expansion, both near Castlegar. They also jointly own Brilliant Dam, which was purchased in 1996.

Visit our map online at

www.cbt.org/map



Construction on the Waneta Expansion Project is under way.

Shape the Future With Us



WIN a Prize Pack

Let us know your comments about this year's *Report to Residents* and you'll be entered into a draw for a prize pack.

www.cbt.org/rtror2011feedback

Golden

A Legacy for People and Communities

CBT serves the residents of the Canadian portion of the Columbia River Basin. Working closely with people who live in the Basin, CBT assists communities in addressing their needs by:

- providing resources and funding;
- focusing on local priorities and issues;
- bringing people together around key issues;
- providing useful, credible, accessible information;
- encouraging collaboration and partnerships; and
- seeking ongoing input from Basin residents.



Castlegar

Our Staff

GOLDEN

From left to right: Charlene Desrochers, Katherine Hamilton, Heather Mitchell, Sara Davis, Sabrina Curtis, Aita Bezzola, Kindy Gosal, Tiffany Postma.

CASTLEGAR

Front row (left to right): Alex Chapple, Debra Stewart, Joanne Jones, Megan Catalano, Maureen Forster.

Second row (left to right):

Amy Pol, Diana Dorosz, Tim O'Doherty, Martin Cale, Christine Lloyd.

Third row (left to right):

Andrea Wilkey, Nancy Boucher, Ryan Shuflita, Sylvie Angus, Michelle d'Entremont.

Fourth row (left to right):

Rona Park, Wayne Lundeberg, Gary Ockenden, Roxanna Harris, Owen Byrne.

Fifth row (left to right):

Johnny Strilaeff, Neil Muth.

Missing:

Aimee Ambrosone, Amelia Andrews, Kevin Bryden, Delphi Hoodicoff, Lisa Erven, Allison Zoobkoff.

Advice From Residents Like You

One way CBT remains accountable to Basin residents is through the use of its advisory committees, which provide advice on how CBT delivers benefits to the region. CBT has three advisory committees in its core areas of social, economic and environment, plus two program advisory groups that provide advice on youth and water initiatives. Committee members play an important role in providing community perspectives, sectoral expertise and strategic advice on CBT's activities and priorities.

www.cbt.org/committees



Nakusp



Cranbrook

NAKUSP

From left to right: Galadriel Watson, Rina Gresiuk, Linda McInnes, Lynda Lafleur.

CRANBROOK

From left to right: Rachel Lucas, Rhonda Gilbertson, Jennifer Krotz, Rick Allen, Carrie Schafer, Richard Wake.



Our Board of Directors

CBT's 12-member Board of Directors must be residents of the Basin. The five regional districts and the Ktunaxa Nation Council each nominate one director and the Province nominates the other six directors.

Back row (left to right): Greg Deck, Vice-Chair, Radium Hot Springs; Garry Merkel, Chair, Kimberley; Denise Birdstone, Grasmere; Ron Miles, Cranbrook; Bob Smith, Valemount.

Front row (left to right): Kim Deane, Rossland; Mike Berg, Nelson; Paul Peterson, Burton; Cindy Gallinger, Elkford; Bill Trehwella, Warfield; Ron Oszust, Golden.

Missing: Jim Miller, Creston.

Join Us at Our AGM

Learn more about CBT and meet our staff and Board of Directors at CBT's next Annual General Meeting.

September 23, 2011, Kaslo

www.cbt.org

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W W W . C B T . O R G