



PLAN TO ATTEND CBT'S 2007 SYMPOSIUM: CHANGE AND SUSTAINABILITY IN THE COLUMBIA BASIN

Columbia Basin Trust invites you to attend its upcoming Symposium that brings residents together around the issues of *Change and Sustainability in the Columbia Basin*. The Symposium is a unique opportunity to gain new ideas and insights, and share your own experiences and views.

Change and Sustainability in the Columbia Basin will highlight the issues affecting Basin communities and possible responses to those issues. Our climate, labour market and population are just a few areas that have recently seen significant changes. Our collective responses to these changes will affect our lives and future generations of Basin residents. The Symposium will provide relevant and meaningful information on these changes to local governments, community organizations, and Basin residents, with many opportunities for discussion.

Mark your calendars

2007 Columbia Basin Trust Symposium: *Change and Sustainability in the Columbia Basin*
Talk, Learn, Connect, Listen
October 19 to 21, 2007, Selkirk College - Castlegar

At 5:00 p.m. on Friday, October 19th, we will kick off the Symposium with a welcoming ceremony, an update on current CBT directions and priorities, and an informative session on what the future holds for the Columbia River Treaty.

We are pleased to welcome Mike Harcourt, former premier of BC and Vancouver Mayor who will share his perspectives on sustainability issues. The evening will conclude with the opportunity for delegates to ask questions.

Saturday's sessions feature a collection of knowledgeable speakers, from within and outside the Basin, who will cover a number of topics affecting the region, including:

- Sustainable Communities and Economic Growth
- The Art and Science of Demography
- Community Decision-Making and Strategies for Development
- Workforce Issues and Affordable Housing
- Climate Change

The Symposium is also an opportunity to come together as a Basin community and enjoy our region. In keeping with this, we are hosting *A Celebration of Basin Culture in Song and Voice*. This free concert will be held at the Brilliant Cultural Centre on Saturday, October 20th, starting at 7:30 p.m. and is open to Symposium delegates and the general public.

On the Symposium's final day, plan to rise early and meet at Selkirk College where you will hop on a bus for a guided tour of the Brilliant Dam and Expansion Project and the Arrow Lakes Generating Station. As key investments for Columbia Basin Trust and our joint venture partner in power project development, Columbia Power Corporation, these power projects help support the longevity of CBT's granting and service programs. Learn more about how power is generated and sold, as well as the inner workings of a hydro power facility.

We expect a large turnout and space is limited, so register early. Anyone who registers before September 28, 2007 will be entered into a draw to win one of three grand prizes. To download the registration package and agenda, visit www.cbt.org/2007symposium or call 1-800-505-8998 for more information.

MAKING NON-PROFITS MORE SUSTAINABLE



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STRENGTHENING THE BASIN ECONOMY



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TAKING LEARNING OUTSIDE



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MESSAGE FROM THE CHAIR

Over the last year, Columbia Basin Trust took a number of steps to support the efforts of the people of the Columbia Basin in the most meaningful ways possible. For the first time, we distributed over \$5 million in the Columbia Basin region. We did this, in part, by supporting a number of long-running programs that serve a variety of different communities in the Basin. Several of our program partners will now receive funding for more than one year, and this means they will be able to offer consistent, high-quality programs to residents. We also evaluated one long-time running program, and will be evaluating four additional programs in the upcoming year and considering how we can improve them for the benefit of Basin residents. As our region continues to evolve, we must evolve with it, and we have a responsibility to ensure that our programs, initiatives, and resources continue to benefit Basin residents.

More than ever, we are engaged within the many communities of the Basin, looking for ways we can work together and achieve specific goals. Our Basin is home to diverse communities; we have unique towns and villages and various groups of residents who share common interests and concerns. As a member of the Basin community, our role is to help each of these communities grow stronger, and to work together.

Over the past year, our efforts at engaging effectively with the people of the Basin have varied. We have provided information to Basin residents on the current and expected impacts of climate change in the region. We have helped a coalition of Basin youth centres come together to address their common issues, ensuring the youth of this region are appropriately supported as active community members and future Basin leaders. We are developing accessible and relevant information on the social, economic, and environmental state of the region. These are just a few of the ways we are involved in the everyday issues of our communities. We have also been setting priorities as an organization to ensure we have resources available to address critical Basin issues.

This October, CBT is hosting a Symposium, giving an opportunity for the people of our area to come together as a Basin community. The Symposium will provide information, convene people around key issues, encourage collaboration, and support planning. We look forward to discussing the issue of sustainable growth in our communities at that event.

I also look forward to my new role as Chair of CBT's Board of Directors, and I am eager to continue hearing from residents and working within Basin communities.



Garry Merkel, Chair



MESSAGE FROM THE PRESIDENT & CEO


In response to feedback Board and staff members heard from residents, we have refocused our efforts on the communities of the Basin to ensure the work we are doing supports these communities. We recognized a need to set strategic priorities for the organization so that we could focus our work on critical issues faced by Basin communities and measure our progress against formal priorities. Earlier this year, we drafted three-year priorities and discussed them with residents through Basin-wide open houses, and we invited residents to provide feedback through our website and staff members. We are committed to learning and working with Basin residents to ensure we remain flexible, so we can respond to critical and dynamic issues faced by our communities.

By working with Basin communities and residents, we achieved one of our greatest accomplishments last year. We increased our Delivery of Benefits grant and service programs by more than 25 per cent to \$5.3 million. This is compared to \$4.2 million in the previous year. This year, we expect to provide \$7 million to Basin residents through our Delivery of Benefits program. Our participation in Basin communities is also reflected in the financial returns created through our investments. The Arrow Lakes Generating Station has now been operational for more than a year, since repairs were completed to the approach channel, and earnings from our power projects have increased as a result. We look forward to the Brilliant Expansion Project generating power this year, and we expect to see even higher returns from our power projects next year as a result. We continue to support the seniors' community within the Basin through our investments in congregate care facilities, and we have now invested in 627 care suites throughout the region.

I would like to take this opportunity to invite everyone to our Symposium being held October 19-21. The Symposium will encourage collaboration, support planning, and provide an opportunity for the people of our area to convene around the issue of sustainable growth in Basin communities.

Thank you to our advisory committee members—dedicated and energetic volunteers—who we turn to for advice on how to address our priorities through our programs and initiatives. Thank you as well to our Board of Directors and staff who work with Basin residents to create a legacy of social, economic and environmental well-being for present and future generations. I would also like to thank the people of the Basin for continuing to work with us. Your efforts benefit the many communities in the region we all call home.

I look forward to working with everyone in the coming year.



Neil Muth
President and CEO

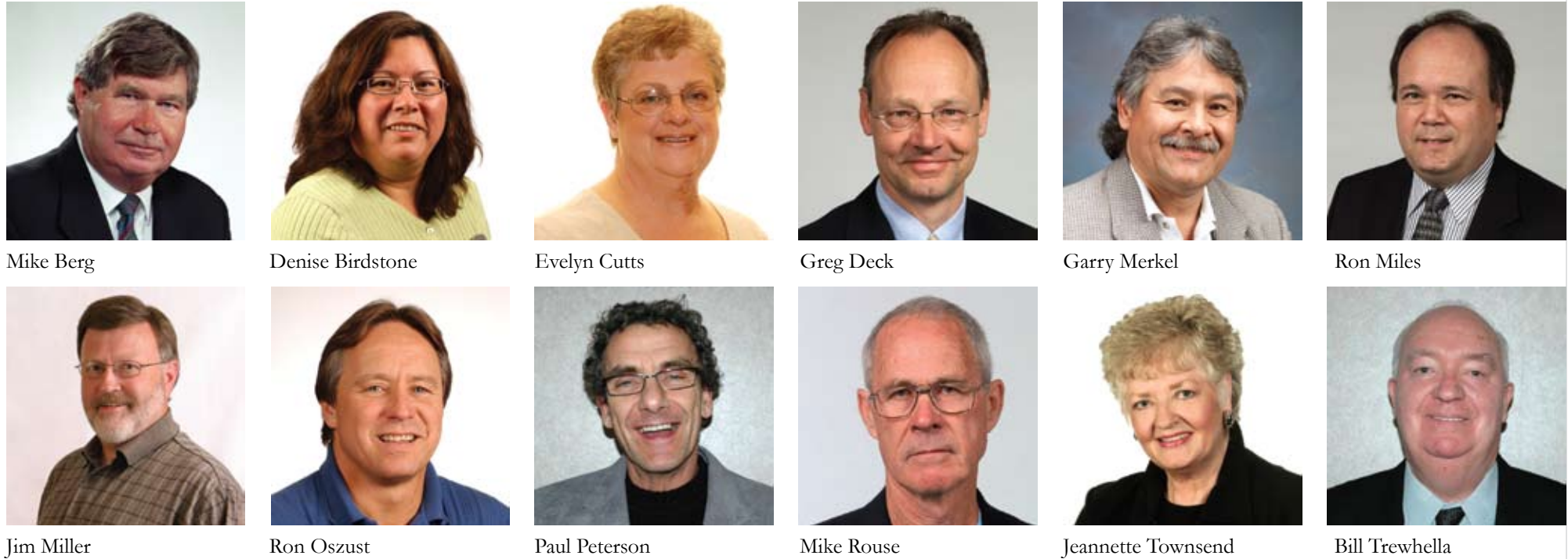


WHO WE ARE

MEET YOUR COLUMBIA BASIN TRUST BOARD OF DIRECTORS

The Columbia Basin Trust is governed by a 12-member Board of Directors of Basin residents. The five regional districts in the Basin and the Ktunaxa Nation Council each have the right to nominate one member. The other half of the Board is nominated directly by the provincial government. All Directors are appointed by the provincial government.

The Board meets six times a year throughout the Basin. If you are interested in making a presentation at one of these meetings, contact Maureen Forster at 1-800-505-8998 or mforster@cbt.org.



Mike Berg Denise Birdstone Evelyn Cutts Greg Deck Garry Merkel Ron Miles
 Jim Miller Ron Oszust Paul Peterson Mike Rouse Jeannette Townsend Bill Trehwella

ADVISORY COMMITTEE MEMBERS

CBT has three core advisory committees made up of Basin residents that provide advice to CBT on delivering benefits to the region. There is one committee for each of CBT's three mandated areas: Social, Economic, and Environment. CBT also has two advisory committees that provide advice on specific programs at CBT; Youth and Water Initiatives.

- | | | | | |
|----------------------|------------------|-------------------|---------------------|----------------------|
| Environment | Social | Economic | Youth | Water |
| Alice Hale | Agnes McCoy | Bob Ivison | Adam Ferch | Adèle M. Hurley |
| Ann Sutton | Bob Ewashen | Chris Ayling | Adrian Teneese | Chad Day |
| Dawn Deydey | Charlotte Ezaki | Jean Sulzer | Brittany Jones | Hans Schreier |
| Gary Tipper | Deborah Anderson | Ken Wyllie | Jess Daniels | Josh Smienk |
| Hillary Page | Hugh Grant | Richard Daloise | Jordan Osiowy | Ken Hall |
| LF (Buzz) Harmsworth | Lorna Obermayr | Stephanie Fischer | Kim Lipscombe | Kenneth G. Peterson |
| Michael Morris | Nathalie Olson | | Melissa Kofinoff | Marvin S. Wodinsky |
| Rob Fogal | Ulli Mueller | | Miranda Tedesco | Nigel Banks |
| | | | Tanisha Falat | Richard Kyle Paisley |
| | | | Tasha Repin | Tim Newton |
| | | | Victoria Simmerling | |

KEY COMMUNITY CONTACTS

The Community Liaison in your area is the primary point of contact for CBT. If you have questions, stop by one of our four offices or contact the staff below.

Southeast Basin
 Jennifer Krotz - Cranbrook
 1.250.426.8816
 jkrotz@cbt.org



Northeast Basin
 Katherine Hamilton - Golden
 1.250.344.2914
 khamilton@cbt.org



Northwest/Southwest Basin
 Lynda Lafleur - Nakusp
 1.250.265.9937
 llafleur@cbt.org



Wally Penner - VP, Community Partnerships
 Castlegar
 1.250.365.6633
 wpenner@cbt.org



HAVE YOU EVER WONDERED WHAT THE COLUMBIA BASIN TRUST IS?

Our Story

Columbia Basin Trust (CBT) was formed in 1995 and has since been delivering grant and service programs to the 160,000 residents of the Basin for the past 12 years. CBT has also established approximately \$500 million in assets.

CBT was created as a result of the negative impacts to the Canadian Columbia River Basin from the Columbia River Treaty. In 1964, Canada and the United States ratified the Columbia River Treaty (CRT), which coordinates flood control and optimizes potential electrical energy production in the Columbia River Basin in the US and Canada. Under the CRT, Canada agreed to build three storage dams: Duncan, Hugh Keenleyside and Mica. Canada agreed to a fourth dam—the Libby Dam—being built in the US, with a large portion of its reservoir located in southeastern BC. In return for the storage of water, Canada is entitled to one half of the additional potential power generated at the American power plants on the Columbia River.

As a result of the creation of the dams and the reservoirs behind them, areas critical to the social, economic and environmental well-being of the Columbia Basin were lost. In addition, the Columbia Basin is still dealing with significant and ongoing impacts related to the rise and fall of water levels on the Columbia River.

In the early 1990s, residents of the Basin, including leaders from local communities and First Nations, came together to urge the Province of BC to recognize the impacts of the CRT to the region. Negotiations with the Province were successful, and in 1995, the Columbia Basin Trust was created, governed by a board of Basin residents and endowed with a one-time share of the benefits earned by BC under the CRT.

CBT benefits all residents of the Columbia Basin. Through endowments provided by the Province of BC, CBT makes investments and uses the returns from its investments to provide social, economic and environmental benefits to the people of the region. Columbia Basin Trust is therefore accountable for its actions to the Province of BC (our shareholder) and to the residents of the Columbia Basin (our stakeholders).

The income earned from investments has enabled CBT to deliver over \$41 million to Basin residents since 1995. For more information on CBT's programs and initiatives, see page 7.

Columbia Basin Trust's origins are unique, and CBT understands the value the organization brings Basin residents. The Board and staff are continually working hard on your behalf to carry out the mission to support 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.

DELIVERY OF BENEFITS

ADDING TO THE LONG-TERM SUSTAINABILITY OF NON-PROFITS

Helping communities build their assets is one way CBT is creating a legacy for the future. Over the past several years, CBT has been assisting non-profit groups become more sustainable in a number of ways. Providing financial support to purchase and renovate space to operate their programs is one of the ways we are supporting non-profits achieve sustainability.

Non-profits groups often have to deal with the challenge of trying to meet rent payments or delivering programs in uninviting spaces. CBT understands the essential benefits that non-profit organizations bring to communities and has therefore supported numerous groups by assisting in the purchase of a building or the renovation of space to make it useable. In addition, non-profits can generate more revenue through rental of meeting or surplus office space to help support their existing services.

CBT has supported Castlegar and District Community Services, Kootenay Kids and the Kootenay Society for Community Living in Nelson, Trail Family and Individual Resources Society, Sanctuary, People Loving People in Trail, Hospital Auxiliary Treasure Shop in Castlegar, Cranbrook Food Bank, Baynes Lake Community Society, Creston Area Economic Development Society, and the Seniors Association Building Woodworking Shop Expansion in Cranbrook.

“These types of groups perform more than one function in a community—they are more than just the services they provide,” says Wally Penner, CBT VP of Community Partnerships. “They attract skilled professionals to the community who can then sit on other committees and boards, which adds value to the community, and they provide jobs which help the community grow and prosper.”

Non-profit groups need a welcoming, secure, affordable environment for people who attend their programs and services. Through CBT's support, many groups are getting just this and much more.

The Castlegar and District Community Services Society (CDCSS) was able to purchase a building they were leasing for 16 years. Now, they have enough space to rent out meeting rooms and office space to other non-profits, which enhances their sustainability.

“The support from CBT meant that we had a sense of permanence, and it cut our monthly tenancy costs in half, which in turn means we can look forward to the future with confidence,” says Chair of the CDCSS, Bob Jackson. “As owners of the building, we no longer faced the uncertainty of the building being sold or our being evicted. An additional benefit of being owners of the building was it gave our organization more of a profile in the community and helped people become aware of our existence, which has helped out with our annual fundraiser.”

Providing security to these groups helps them become more successful. Without the worry of rent increases or unpredictable circumstance, the overhead costs become predictable, and the group can focus its energy on delivering its core services to the community. For more information on accessing this support from CBT, contact us at 1-800-505-8998.



Rona Park, Executive Director and Bob Jackson, Chair of the Board of the Castlegar and District Community Services Society.

BASIN COMMUNITIES TAKE ACTION TO ADAPT

We have all felt the effects of climate change over the past few years. With warmer temperatures, decreased snowpack and more intense storms, Basin residents are experiencing their share of natural variations in their climate and are looking for ways to reduce human risks, while adapting to the new circumstances.

In 2006, CBT contracted the Pacific Climate Impacts Consortium (PCIC), at the University of Victoria, to work with several scientists to analyze climate change in the Columbia Basin. Their findings were released in a public report that was distributed throughout the Basin, and following the report's release, there was a series of public presentations to educate residents about past and predicted climate conditions.

“Some of the key findings from the research indicate we are experiencing warmer winters, warmer, drier summers, lower summer stream and river flows, loss of glacial mass, rising snowlines, lower spring snowpacks and earlier spring runoffs, and more extreme weather events,” says Kindy Gosal, CBT's Manager of Water Initiatives. “These changes will have some negative and positive impacts on the way we live our day-to-day lives in the Columbia Basin.”

CBT is taking the next step to address climate change concerns in the Basin and is contributing \$80,000 to the Climate Change Adaptation project. The project is being initiated by CBT in partnership with a variety of provincial, federal, First Nations, regional government agencies, and academic institutions. Through this project, up to four communities will work with the project partners to identify key local sensitivities to climate change impacts and then develop and implement a plan to meet these challenges. Adaptation strategies will be linked to existing planning processes in each community to take advantage of existing synergies and to avoid duplication.

CBT will host a regional public workshop in 2008 to share the outcomes of the Community Climate Change Adaptation project and other successful rural climate change projects with Basin residents. For more information about climate change and the Community Climate Change Adaptation project, contact Kindy Gosal at 1-800-505-8998.

STRENGTHENING AND SUPPORTING THE ECONOMIC WELL-BEING OF THE BASIN

For seven years, we have been offering free business counselling and consulting services to established businesses in the Columbia Basin through our Basin Business Advocates program (BBA). The program has reached 52 communities, and over 800 businesses have participated in the program. Of those, 721 businesses have received in-depth counselling, which takes place on average over a period of three to six months and can involve up to forty hours of one-on-one time with the Business Advocate.

The Business Advocate is a qualified, experienced business counsellor, employed through Steele O'Neil and Associates, the delivery partner for the program. “The primary focus of the program is to assist businesses that have already made an investment in the community,” says Will Nixon, Business Advocate for the East Kootenay.

Generally, clients of the program are business owners who are looking to expand, become more profitable or focus on an area in their business that is a challenge. Many businesses are already well-established but are looking for ways to improve their current operations, such as Pat and Karl Conway, owners of Interior World in Invermere, BC.

“We joined the program because over the past 14 years of being in business, we had grown from four staff to nine staff. We thought we could use some advice on day-to-day operations, human resources and just general business observations,” says Karl. “One of the most valuable aspects of the program was having a professional from outside the business giving us honest feedback. Sometimes as an entrepreneur and business owner, we can wear too many hats and try to do too many things. We knew some aspects of the business needed to be formalized and hearing it from an outside consultant confirmed our thoughts. We have implemented some of the consultant's suggestions; things as simple as creating job descriptions and an organizational chart. Any business that can avail themselves of this program will benefit tremendously. It was a great support system, offered new insights on maximizing our efficiency as a business, and we hope to engage in the program again in the upcoming year.”

Besides operations, human resources and general business advice, the BBA program also focuses on helping business owners with financial management, marketing, and inventory management.

Mary-Ann and Stuart Ady of Ernie's Used Auto Parts in Castlegar heard about the program from a friend and thought their business could benefit from some advice around human resources and marketing. They started their business when they were young, and now the business has grown to 18 employees.

“The consultants we worked with helped us formalize many aspects of our business, including creating an orientation manual for new staff and a little bit of succession planning. One day our son will take over the business, and the consultants were great at assisting us on how to plan for that and giving our son some business coaching,” says Mary-Ann. “This program introduced us to consultants who specialize in helping small business, and we didn't know that support existed. One of the consultants helped us redo our entire marketing strategy and this has been awesome. It has been in place for a year now, and it's working great.”

For more information on the Basin Business Advocates Program, contact Deanne Monroe in the West Kootenay at 1-250-825-4171 and Will Nixon in the East Kootenay at 1-250-427-2783.



The Columbia Basin is also seeing effects of climate change similar to those in other parts of the country and around the globe.



A Cranbrook business owner receives support from Business Advocate, Will Nixon.

CLASSROOM WITH OUTDOORS

As children get back into the school routine, they may have a stimulating encounter with nature through a specialized field trip to look forward to this year. The Classroom with Outdoors program, offered by Wildsight, provides engaging activities that introduce schoolchildren in grades 4 to 7, throughout the Columbia Basin, to the ecosystems within their communities.

During an all-day field trip students are introduced to four major ecosystems: wetlands, grasslands, forests, and old growth forests located within a 30-minute drive of the school, providing a unique discovery of the environment in the students' backyard.

"The Classroom with Outdoors program creates joy and understanding of their home place for young people across the Columbia Basin. Through hands on learning with local naturalists, children come to know the natural world that surrounds them and have fun learning about the place they live in. They will help determine the future for the environment that provides for the health of our communities," says John Bergenske, Executive Director of Wildsight.

A professional and local environmental educator leads the field trip, which is a curriculum-based program designed for the specific grade, so the concepts are closely linked to what students are already learning in the classroom. Through awareness, youth will come to appreciate their rich, natural heritage and help care for the ecosystems they understand and value. The program shares an environmental message about hope. A hope that we can work together to become ecosystem heroes, as well as leaders in our community.

The Classroom with Outdoors program is available to students in grades 4 to 7 who are enrolled in public, private, home-school, and alternative school programs. For more than seven years, this program has served over 27,000 students and 950 teachers. For more information on the Classroom with Outdoors program contact Wildsight at 1-250-427-9325.

SUCCESSFUL PEERS R HERE PROGRAM TO EXPAND TO TRAIL, CRAWFORD BAY AND SLOCAN

For over two years, the Nelson and District Youth Centre (NDYC) has been running the Peers R Here program, which provides a community-based peer support program for youth aged 12 to 18 living in the Nelson area. The program trains peer leaders to assist other youth through workshops, discussion and support groups, and/or one-on-one assistance in a variety of areas including homework help, substance abuse and misuse, violence, sexual health, and parent and family difficulties.

Part of peer leader training includes awareness and familiarity with social issues that affect their peers, and the community resources that are available to support them. The program is designed to give youth the tools and skills to support their peers if they are in crisis or need support. The skills they learn in this program increase their employability, can be used on a resume or a school application, and are life skills that help create responsible community members.

"Youth access their peers when they have questions, concerns or problems. That is why the Peers R Here program is so successful. By providing quality training for the youth and connection to local supports, these youth are strong leaders in our community," says Christine Schmidt of the Nelson and District Youth Centre.

Recent funding from CBT has allowed the NDYC to work with other Basin communities to facilitate the development of their own peer support programs. This phase of the project supported the creation of a peer support resource manual and a peer-developed video to aid communities in initiating their own programs. The Nelson Peers R Here program held a movie premiere at the Capitol Theatre to promote the program and share with the community what they had learned. Based on the model created by the NDYC, Trail, Crawford Bay and Slocan will soon be offering programs for the youth in their communities. For more information on the Peers R Here program, contact the Nelson and District Youth Centre at 1-250-352-5656.

PACKING A PUNCH AGAINST UNEMPLOYMENT

Last year, with the support of CBT and local Employment Assistance Service Centres, nearly 500 Basin residents took short courses or training programs that were essential to employment.

"CBT's support for training and education helps people improve their chances of gaining meaningful employment and gives them the flexibility to try something new. In this changing job climate, it is necessary for people in this region to be continually upgrading their skills and staying current with the times," says Angela Finley, Employment Counsellor at the Nakusp Outreach Services. "This program is a positive door that opens up new possibilities. Clients who use the program have increased self-esteem and confidence and often find full-time employment, creating positive consequences for themselves, their families, and the communities at large."

This year, CBT has committed to focusing on Basin residents needing to further their skills and dedicated another \$250,000 to the Training Fee Support Program, which provides grants of up to \$600 to pay all or part of course fees that are directly related to employment for Basin residents.

"The Training Fee Support Program is a single program that packs a major punch against unemployment in Creston and the surrounding communities," says Hugh Grant of Kootenay Employment Services in Creston. "This program is accessed by a wide range of people from our community, including youth just entering the workforce, mothers trying to return to the workforce, and unskilled and seasonal workers who need to improve their employability."

For more information about the Training Fee Support Program, contact your local Employment Assistance Service Centre.



Student sketching during a Classroom with Outdoors field trip.



Nelson's Peers R Here Peer Leaders, taking training in Kaslo.

LITERACY STARTS WITH RHYMES AND SONGS

In communities throughout the Basin, parents, along with their infants and young children participate in the Mother Goose Program. Through shared words, actions, images and feelings of rhymes and stories, Mother Goose Programs enhance the relationship between parents and their children and foster family wellness, an important aspect of healthy communities.

"I have learned skills that have enabled me to be much more confident in my parenting and helped me to allow my children's natural love of learning to unfold at their pace rather than an imposed schedule. I rediscovered the beauty of finger plays and rhymes and their importance in literacy and fun communication," says a parent who has participated in a Mother Goose Program. "Having a place where I can go with my children—where they could have fun, get out and interact with others, and I could talk to some other adults—whew! It's so necessary in an isolated community to have accessible programs that support families and create community connections for all ages."

The Mother Goose Program offers a group experience for parents and their infants and young children where parents gain skills and confidence, enabling them to create positive family patterns during their children's crucial early years. The program gives the children healthy, early learning experiences with language and communication. Programs are run in a variety of settings but the atmosphere is always one of acceptance and support. Parents and children have been enjoying these programs in the Basin for several years.

"I cannot imagine our Basin communities without this resource available. So many parents have given heartfelt thanks to the providers of this service. People tend to forget the power of those early experiences with language and rhyme, and when they are reminded, it is such a wonderful sharing between parent and child," says Ali Wassing, Executive Director for the Columbia Basin Alliance for Literacy (CBAL), which delivers this program in partnership with CBT.

CBAL's literacy programs benefit communities throughout the Basin with coordinators in 16 community areas providing programs for parents and school-aged children, adult literacy, computer literacy for seniors, and English as a second language. For additional information on the Mother Goose Program or other CBAL programs, call 1-866-517-2225 or visit your local library.

HIGH-TECH SUPPORT HELPS CONNECT COMMUNITIES

High-speed internet is an important service that can bring a community many benefits, including enhanced literacy rates and employment rates, and it can act as a medium that all business is conducted through. Because the Basin is such a geographically dispersed region, with limited infrastructure in place to support high-speed, it is often hard for communities to attract new businesses or to take advantage of other high-speed internet benefits.

Seeing the need for supporting communities in their growth and development, CBT matched grants, allowing communities to access up to \$20,000 provided they have a business plan and a signed contract in place with the community infrastructure grants from the BC Community Connectivity Cooperative (BC3). The BC3 is a non-profit co-op that was assisting in the rollout of broadband to rural areas and was acting as a resource for communities. They received money from the provincial government and use these funds to administer community networks infrastructure grants.

CBT's broadband program has been accessed by 12 communities. The Ktunaxa Nation Council, which serves an area of 17,871 square kilometres in the East Kootenay, received \$80,000. This support enabled them to complete the last step in their Nation Network, the first of its kind in Canada. Nation Network will reach a total of 35 rural communities. The intent is to use the internet as a tool for Nation members to preserve their critically endangered Ktunaxa language through the use of high-speed video conferencing and online training.

"We have been digitally archiving the Ktunaxa language for the past five years but have been limited in our ability to utilize this information by our dial-up bandwidth. With no prospect of the infrastructure in our Traditional Territory improving, we took it upon ourselves to develop our own broadband network in order to make use of these important language training resources. With broadband now in place, Nation members will be able to use online resources to help preserve the Ktunaxa language for future generations," says Don Maki, Director of Traditional Knowledge and Language for the Ktunaxa Nation.

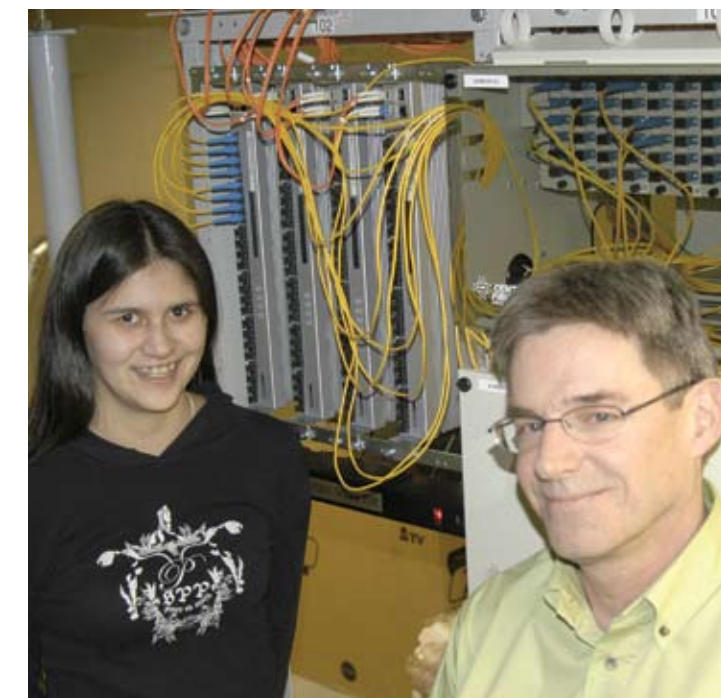
High-speed internet also opens the door for many opportunities beyond language training; there are economic, educational and healthcare options that never existed or were much more difficult to access before. These benefits also extend to many of the neighbouring non-First Nation communities who will be able to access the Nation Network and have download speeds up to one hundred times faster than dial-up.

"The Nation should be very proud of this achievement," says Kathryn Teneese who championed the Nation Network and sits as the CEO. "It's been a long trek that has had many twists and turns, but when I look at the long-term benefits of having broadband in each Ktunaxa Nation community, I know that it has all been worth it."

For more information on the Nation Network, visit www.ktunaxa.org/network.



Mother Goose program in Revelstoke.



Pauline Eugene and Don Maki, from the Ktunaxa Traditional Knowledge and Language sector of the Ktunaxa Nation Council stand in front of a network hub.

PROFITS RETURNED TO BASIN COMMUNITIES

The Columbia Basin Trust's Investment Program generates the returns that fund our Delivery of Benefits programs and initiatives. In addition to creating financial benefits for the organization, the investments in the CBT portfolio promote social, economic, and environmental well-being in the Columbia Basin. For example, our investments provide high-quality care for seniors, create jobs in the region, generate clean, green power, and demonstrate CBT's confidence in local initiatives. CBT's investment portfolio includes:



Brilliant Dam and expansion just outside of Castlegar.

2006/07 INVESTMENT SNAPSHOT

(in thousands)	Amount	% of Investments
Power Projects		
Capital Assets	\$ 363,265	80%
Deposit Balance	20,045	4%
Non-Power Investments		
Real Estate	28,372	6%
Income Securities	31,849	7%
Business Loans	10,559	2%
Deposit Balance	3,271	1%
	\$ 457,361	100%

Power Projects

CBT is a fifty-fifty partner with Columbia Power Corporation (CPC) on four major power projects in the Columbia Basin. CPC manages the projects on behalf of both partners and the net income generated through the sale of hydroelectricity from the projects is split equally between the partners.

Real Estate

CBT is a fifty-fifty partner in six housing facilities that provide congregate care for seniors in the Columbia Basin. Located in Castlegar, Cranbrook, Invermere, Fernie, Creston and Kimberley, the facilities provide 627 living suites and offer a range of care to accommodate the various needs of Basin seniors.

Commercial Loans

CBT participates in lending syndicates for commercial loans with Basin credit unions. Through these investments, CBT earns a return on money invested in Basin businesses and advances economic well-being and self-sufficiency.

Income Securities

A portion of the CBT investment portfolio rests in short-term income securities that earn a guaranteed rate of return.

For more information on CBT investments, contact Johnny Strilaeff, Vice-President of Investments at 1-800-505-8998.

Focusing on Seniors

With 74 units, Garden View Village in Kimberley is the most recent CBT investment in seniors' care facilities in the Columbia Basin. Construction on the Garden View Village began in July 2006, and the facility opened its doors July 2007. Housing and care for seniors is offered to those who wish to continue living in Kimberley, close to their families and friends.

Like other CBT investments in seniors' care facilities, Garden View Village reflects a community way of life in its design and services for residents. The layout and atmosphere of the village allow seniors to enjoy their independence. A strong sense of community is also created through planned group activities, common dining and social areas where residents can gather. For residents who require help with day-to-day activities, the village includes 13 assisted-living suites.

Garden View Village also includes accommodation for low-income seniors. Provided in partnership with BC Housing, a total of 21 units at the facility are available for these individuals.

This investment will bring positive financial returns to CBT and present new living opportunities and alternatives for the seniors' community in Kimberley.

For more information, contact Golden Life Management at 250-489-0667 or visit www.goldenlife.ca.



A resident of the Garden View Village in Kimberley reads to a young visitor.

CBT's Investment Program goal is to generate a predictable, sustainable, and appreciating income stream to fund the Delivery of Benefits obligations and corporate operating expenses. To fulfil this goal, CBT consulted with key stakeholders, focus groups, and Basin residents prior to developing a Statement of Investment Policies and Procedures (SIPP), which guides and governs the investment process. To receive a copy of the SIPP visit www.cbt.org or call 1-800-505-8998.

BRIGHT FINANCIAL PICTURE

Revenue

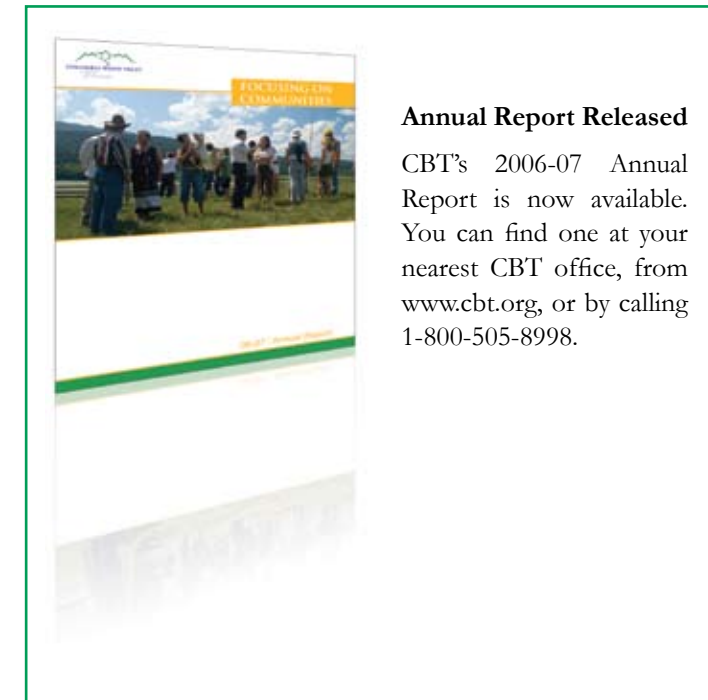
Last fiscal year, we saw revenue from our investments grow significantly, and we met our target for operational efficiency. Earnings from our power project investments increased as a result of completed repairs at the Arrow Lakes Generating Station, and we expect to see even higher returns from power projects this year once the construction of the Brilliant Expansion project in Castlegar is complete.

Delivery of Benefits

Last year, through direct programs and initiatives, CBT delivered more than \$5 million in benefits to Basin communities. This year, we expect to provide \$7 million in benefits to communities.

In addition to direct programs and initiatives, CBT has specific staff members that concentrate on building capacity within our communities, assisting organizations and groups, and providing overall support to Basin residents. Examples of these positions include our Community Liaisons, Manager of Water Initiatives, and Youth Coordinator. These specific positions are directly supported by the remaining CBT administrative and accounting staff. While the costs associated with staff are processed through our corporate budget, and not through the delivery of benefits budget, we believe the efforts our staff expend are invaluable and provide substantial benefits to the people of the Basin.

Residents can contact Columbia Basin Trust at 1-800-505-8998 to receive a copy of the complete audited financial statements which were published in the 2006-07 Annual Report.



Annual Report Released

CBT's 2006-07 Annual Report is now available. You can find one at your nearest CBT office, from www.cbt.org, or by calling 1-800-505-8998.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2007

(in thousands of dollars)

ASSETS	2007	2006
Current	\$ 29,670	\$ 46,373
Investments	440,263	428,252
Other	<u>29,255</u>	<u>25,508</u>
	<u>\$499,188</u>	<u>\$500,133</u>
LIABILITIES AND NET ASSETS		
Current	\$ 13,939	\$ 22,675
Long-term debt	131,432	133,729
Net assets	<u>353,817</u>	<u>343,729</u>
	<u>\$499,188</u>	<u>\$500,133</u>

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDING MARCH 31, 2007

(in thousands of dollars)

	2007	2006
REVENUES	\$19,398	\$17,757
OPERATING EXPENSES	<u>4,383</u>	<u>5,502</u>
	\$15,015	\$12,255
RECOVERIES	<u>329</u>	<u>411</u>
OPERATING INCOME	15,344	12,666
Delivery of Benefits	<u>5,256</u>	<u>4,193</u>
EXCESS OF REVENUES OVER EXPENSES	<u>\$10,088</u>	<u>\$ 8,473</u>



ENTER TO WIN A DIGITAL CAMERA BY FILLING OUT THE FEEDBACK CARD AND MAILING IT BACK TO US.

BASINLINK: CBT'S ELECTRONIC NEWSLETTER

Last fall, Columbia Basin Trust launched the first issue of BasinLink, our new electronic newsletter. BasinLink received an overwhelmingly positive response from readers, and every two months, it continues to provide Basin residents with current information about CBT's ongoing activities in communities around the Basin. Every issue is full of helpful information, announcements and events, and includes:

- highlights from Board of Directors' meetings
- recently funded community projects
- upcoming events and deadlines
- announcements and media releases
- project and program highlights
- articles from guest writers

If you would like to subscribe to BasinLink, please visit www.cbt.org or call 1-800-505-8998. This is your newsletter, and we welcome input and comments about content. We are always looking for ideas to make BasinLink even better. If you have ideas for adding to or expanding the information in the newsletter, send us an email to cbtnews@cbt.org.

GET CONNECTED, TAKE ACTION, BE PART OF THE SOLUTION

Columbia Basin Trust invites you to its fourth **Basin Youth Action Forum** called **Contact**.

When: Friday, October 12 to Sunday, October 14, 2007

Where: The Residence Inn Kimberley Trickle Creek at the Kimberley Alpine Resort

Contact is...all about connecting, meeting and getting to know other youth from the Columbia Basin, so you can be inspired to take action on issues that matter to you in your community.

Contact has...motivational speakers, interesting workshops, morning yoga, live music, spontaneous ideas and fun. Best of all savvy, engaged, and inspirational youth from across the Columbia Basin will be there.

For more details, go to www.scratchonline.ca, check out our events page on Facebook and MySpace or call Dana or Marella at 1-800-505-8998.

SETTING PRIORITIES

In June, CBT hosted a series of open houses in communities throughout the Basin. Residents were invited to provide their comments on draft strategic priorities that CBT had identified for the next three years, and meet with CBT staff about issues of concern in their communities.

Setting priorities, with the help of Basin residents, helps CBT bring more focus to its work in the region and evaluate its progress in addressing key Basin issues. These priorities will help CBT make decisions about its initiatives and programs.

In addition, these priorities will be part of the 2007 edition of the Columbia Basin Management Plan, which includes all of the original guidance provided by residents to CBT. To view a copy of the 2007 Management Plan, visit www.cbt.org or call 1-800-505-8998.

FUNDED PROJECTS FOR 2006/2007

Last year, CBT returned almost \$5.3 million in benefits to Basin communities by providing a range of programs and initiatives. View a complete list of projects we funded on our website at www.cbt.org, under the Publications section, or call 1-800-505-8998 to have a printed list mailed to you.

WHAT'S THE STATE OF YOUR COMMUNITY?

If you are interested in the quality of life in the Canadian Columbia Basin, we recommend you look into Columbia Basin Trust's **State of the Basin** initiative.

This initiative is aimed at presenting economic, social, environmental, and cultural information, based on statistical data, to Basin residents. By gathering, analyzing and presenting this information, this initiative is designed to inform residents about the state of life in Basin communities, encourage understanding of complex issues and trends over time, provide community-level data for planning, and motivate discussion and action.

A project team, including CBT volunteers, has researched dozens of reporting models in Canada and beyond and created a draft model and indicators for our area. In the late spring, this draft was reviewed by over 120 Basin residents and stakeholders who made recommendations and provided advice on the indicators and data for a prototype report and future reporting.

This fall, the prototype State of the Basin report will be created and shared. It will be available to help organizations, governments, educators, researchers, residents and CBT staff make decisions, set priorities, and create plans for a successful, sustainable future. To put your name on the mailing list to ensure you receive a copy of the report once it's available, please call 1-800-505-8998.

For more information, contact Gary Ockenden at ockenden@netidea.com, Aimee Ambrosone at aambrosone@cbt.org or visit the State of the Basin website at www.cbt.org/stateofthebasin/index.asp.

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