



**Nechako-Kitamaat
Development Fund Society**

- Business Plan -

2013 – 2014

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NKDF BUSINESS PLAN

EXECUTIVE SUMMARY

Nechako-Kitamaat Development Fund Society (NKDF) was incorporated on August 18, 1999 for the purpose of supporting sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir. The Society spends the income from its long-term investments on programs and projects that meet each community's goals for sustainable economic development and community stability.

The government of British Columbia and Alcan each contributed \$7.5 million to create the BC-Alcan Northern Development Fund. Of the \$15 million, \$5 million was allocated to a working fund and \$10 million was used to establish an economic development Legacy Fund in perpetuity.

Local governments and legally incorporated non-profit organizations are eligible to apply for NKDF funds. While remaining open to partnering in larger regional projects, the Society encourages applications from the following communities and surrounding areas:

| | | |
|--------------------------|-------------------------|------------------------|
| Kitamaat Village | Village of Burns Lake | Nadleh Whut'en Band |
| Southside | Burns Lake Band | Fort Fraser |
| Nee Tahi Buhn Band | Lake Babine Nation | District of Vanderhoof |
| Cheslatta Carrier Nation | Stellat'en First Nation | Saik'uz First Nation |
| Skin Tyee Band | Village of Fraser Lake | |

Since inception, NKDF has approved \$7,760,737 for economic development and community stability projects across the investment area. The following table shows the dollar value of approvals for each year of operation (adjusted for slippage and cancelled projects).

| Year | Approvals |
|------------------|--------------------|
| 1999-2003 | \$748,331 |
| 2003-2004 | 1,172,097 |
| 2004-2005 | 986,959 |
| 2005-2006 | 623,169 |
| 2006-2007 | 600,000 |
| 2007-2008 | 730,517 |
| 2008-2009 | 711,590 |
| 2009-2010 | 727,998 |
| 2010-2011 | 547,043 |
| 2011-2012 | 399,639 |
| 2012-2013 | 513,394 |
| All Years | \$7,760,737 |

In the 2013-2014 fiscal year, the Society plans to make \$500,000 available for grants while keeping administration costs low. The Society will request a transfer in the amount of \$500,000 from the BC Investment Management Corporation.

This business plan details how the Board of Directors will maintain a rigorous grant program uptake across the NKDF investment area, while continuing to grow the legacy investment fund at a modest rate.

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INTRODUCTION

Mandate

The Nechako-Kitamaat Development Fund Society's funding programs are designed to support sustainable economic activity in northern communities affected by the Kitimat-Kemano project and by the creation of the Nechako Reservoir. The NKDF Society spends the income from its long-term investments on programs and projects that meet each community's goals for economic development and community stability.

Background of the Fund

Nechako-Kitamaat Development Fund Society was founded as a result of an out-of-court settlement (BC-Alcan 1997 Agreement). Signed on August 5, 1997, the BC-Alcan 1997 Agreement settled the legal issues between Alcan Aluminum Limited and the BC Government that arose from cancellation of the Kemano Completion Project. In 1997, the Government of British Columbia and Alcan Aluminum Limited each contributed \$7.5 million to create the BC-Alcan Northern Development Fund. In January 1998 an advisory Board for the Northern Development Fund was formed. Its job was to advise the government on how to best manage the \$15 million most effectively.

In April 1998, the legislature passed Bill 5, the "BC-Alcan Northern Development Fund Act." Enabled by this Act, and by the recommendations of the advisory Board, the NKDF Society was incorporated on August 18, 1999. The Minister of Jobs, Tourism and Skills Development appoints Board members to represent the communities of the Nechako-Kitamaat area.

- The cancellation of the Kemano Completion Project led to a conflict between the Province of BC and Alcan Aluminum Limited.
- BC-Alcan 1997 Agreement arose from an out-of-court settlement between the Province of BC and Alcan Aluminum Limited.
- The BC-Alcan 1997 Agreement led to enactment of the BC-Alcan Northern Development Fund Act.
- In 2003, the government conducted a core review. One result was the addition of Burns Lake to the NKDF catchment area.
- The BC-Alcan Northern Development Fund Act led to formation of the Advisory Committee to advise the Minister with respect to payments from the fund.
- Nechako-Kitamaat Development Fund was founded to promote sustainable economic development in communities that were directly impacted by the creation of the Nechako Reservoir.

Nechako-Kitamaat Development Fund Society Guiding Principles

| | |
|--------------------------------|--|
| COMMUNITY ECONOMIC DEVELOPMENT | NKDF will invest in community economic development projects and/or programs that are supported by the community, as long as they do not subsidize private business. |
| JOB CREATION & ENHANCEMENT | Creating new jobs and enhancing existing jobs are priorities of NKDF. |
| SUSTAINABLE EMPLOYMENT | A priority of the Fund will be to support long term employment - both full time and seasonal. |
| COMMUNITY INTERRELATIONSHIPS | The Fund recognizes the value of interrelationships between communities. Consideration will be given to proposals from outside the Nechako Region and Kitamaat Village if they demonstrate a benefit to those areas. |
| CLEAR AND ACCESSIBLE | The Fund will have policies and programs that are accessible with clearly defined evaluation criteria. |
| FIRST NATIONS' PARTICIPATION | First Nations' participation in the Fund will not prejudice the First Nation land claim process. |
| LOCAL CONTROL | The majority of NKDF Directors will reside in the investment area. The Board will determine the ongoing management of the Fund consistent with provincial government policy. |
| BENEFITTING FUND | The Fund is intended to create benefits through sustainable community economic development. It is not intended to be compensation for those who believe themselves to have been negatively affected by the Kitimat-Kemano Project, the creation of the Nechako Reservoir or the cancellation of the Kemano Completion Project. |
| COOPERATIVE VENTURES | The Fund can be utilized in cooperative ventures along with other funding sources. |
| NO DUPLICATION | The Fund will not duplicate but may augment existing economic development programs. |

Of the original \$15 million, \$5 million was provided to NKDF to be used as a working fund to invest in grant programs. The remaining \$10 million of the original \$15 million was placed into a legacy fund with the goal of investing and growing the fund to \$15 million, and the income from the legacy fund to be used to finance NKDF grant programs into the future.

Fund investments are managed by the provincial government, through the Office of the Chief Investment Officer. Monies of the Northern Development Fund—to be used in support of the programs of the NKDF Society—are in investment vehicles which are generally conservative but which also provide some opportunities for growth.

How and Where the Fund Invests

Any legally incorporated non-profit organization or community government in BC is eligible to apply for funding from the NKDFS.

The investment area for NKDF is normally limited to those communities with evidence of impacts from Alcan's Nechako Reservoir and Kemano power project. Eligible applicants are local governments and legally incorporated non-profit organizations. The Society encourages applications from the following communities:

| | | |
|--------------------------|-------------------------|------------------------|
| Kitamaat Village | Village of Burns Lake | Nadleh Whut'en Band |
| Southside | Burns Lake Band | Fort Fraser |
| Nee Tahi Buhn Band | Lake Babine Nation | District of Vanderhoof |
| Cheslatta Carrier Nation | Stellat'en First Nation | Saik'uz First Nation |
| Skin Tye Band | Village of Fraser Lake | |

Applications may be accepted from other areas of Northwestern BC, provided the listed communities receive direct economic benefits from the project and demonstrate their support for the project.

MANAGEMENT STRUCTURE

Managing the Society's Operations and Projects

The Manager is responsible for overseeing the operations of the Society, and takes direction from the Chair between Board meetings. The Manager's detailed job description is in Appendix B, sections 7.4- 7.5.

Managing the Society's Finances

The Chair, the Secretary-Treasurer and the Manager will have signing authority on chequing accounts for administration and grants, on term deposits and on the investments held with Phillips, Hager and North. The balance of the Northern Development Fund is held and managed by the British Columbia Investment Management Corporation.

Chequing accounts are interest-bearing in local credit unions, with amounts surplus to 90-day requirements to be invested in higher-earning but cashable term deposits. All cheques require two signers.

The Manager maintains all NKDF financial records on a monthly basis using Simply Accounting software, and the Board appoints an accounting firm at each Annual General Meeting to perform an independent review of year-end finances. Edmison-Mehr Chartered Accountants of Smithers, BC has been selected as the auditor for the 2013-2014 fiscal.

The Finance Committee (convened as needed) develops and reviews investment policies and select investment vehicles in a competitive process to ensure NKDF funds are invested

conservatively and with the best rates of return possible. The Board makes the final decisions on all Finance Committee recommendations.

The only private investment firm still holding NKDF funds is Phillips, Hager & North (PHN), selected in August 2001 to be the investment manager for the portion of funds held by NKDF. The Board receives quarterly reports from PHN and reviews them regularly for compliance with the investment policy. NKDF manages investment liquidity and risk factors in keeping with guidelines established by Ministry of Finance and targets set by the NKDF Board of Directors at an Annual Strategic Review in May of each year.

Managing the Society's Meetings and Decision-Making Processes

The Board holds up to 6 meetings each year, with additional meetings or conference calls as required. Meetings are held in communities throughout the investment area, with portions of each meeting open to attendance by the public. The Board of Directors employs consensus for all decision-making. (For more details, see Appendix B, Policies and Procedures)

Public accountability is created by:

- Allowing delegations and visitors to portions of each Board meeting.
- Making decision records publicly available upon request.
- Maintaining communication between the Manager and a representative of the provincial government between meetings regarding significant issues as they arise.
- Providing an Annual Report to the funding partners (the Provincial Government, Rio Tinto Alcan and the public), both by distributing individual copies on request and by posting the Annual Reports at the Society's website at <http://nkdf.org/news/annual-reports>.
- Preparing an annual Business Plan with performance measures and targets, also made available to the public at the Society's website at <http://nkdf.org/news/business-plans>.
- Having a public process for selecting Board members, consisting of a minimum of two weeks of advertising in local papers, and sending an invitation to all local, municipal and aboriginal governments to nominate Directors to the Board whenever a vacancy occurs. All candidates are then ranked according to objective criteria listed in the Director's job description and sent to the Provincial Government for consideration.

Managing Evaluation of the Society's Operations and Programs

Measuring the Society's performance goals will be done annually. There will continue to be an annual internal evaluation of NKDF operations and programs by the end of March with results to be summarized in the Annual Report. The Society Chair will lead the evaluation with participation by the Board and the Manager. The evaluation will be based on the following:

- What is working well?
- What is not working well?
- Are we achieving the goals stated in the year's business plan?
- If not, what obstacles are we encountering and how might they be removed?

The annual report will evaluate the adherence to the Guiding Principles and accomplishments in funding economic development projects.

There will be an evaluation of management services six months prior to contract expiry.

The Chair will lead the evaluation, with participation from the Board and Manager. The evaluation will be based on the contract deliverables, with each deliverable being reviewed according to the following:

- Was each deliverable completed as expected?
- If not, how did the outcome differ from expected?
- What can we learn from our experiences?
- What is working well?
- What is not working well?
- How can we improve our administration?
- What can we do about those obstacles?
- What can we do to make improvements or changes?

Managing the Society's Communications

The Manager develops and implements a communications strategy, using media releases, a web-site (www.nkdf.org) and by direct contact with local, provincial and federal agencies. This strategy has six goals:

1. To create an identifiable regional image for the Nechako-Kitamaat Development Fund Society and its funding partners, the Provincial Government and Rio Tinto Alcan;
2. To inform prospective applicants about the Fund, its purpose, priorities and how to apply for funding;
3. To inform related agencies and individuals about the economic development projects financed by the Fund;
4. To raise and maintain the profile of the Board members in their home communities and throughout the Fund area;
5. To comply with provincial government reporting requirements;
6. To track and evaluate the effectiveness of all communications.

The 2012 Community Consultations

In the autumn of 2012, Nechako-Kitamaat Development Fund Society (NKDF) hosted Community Stakeholder Input Sessions in five communities across the investment area. The sessions were advertised and held in Kitamaat Village, Grassy Plains, Burns Lake, Vanderhoof, and Fraser Lake.

The sessions were held at the request of the NKDF Board of Directors. In proposing a strategic shift to prioritizing sustainable economic development projects and proposals, the Board wished to engage communities, First Nations and stakeholders in evaluating and communicating the effectiveness of past investments, and setting the future direction of NKDF.

At the NKDF Annual Strategic Planning Session held in May 2012, the Board of Directors noted the high number of 'quality of life' applications and approvals, projects that tend to offer more social than measurable economic development benefits. While Directors recognize the importance of social projects to the communities, they wondered if NKDF should prioritize projects with stronger links to economic development, or continue to respond to the overall social-economic needs of each community. Recognizing that Directors didn't have enough information on which to base such decisions, the Board decided to first seek input from stakeholders to get their thoughts and views on how NKDF has been doing historically, as well as where they would prefer the funding to be invested.

How the 2012 Stakeholder Information Was Gathered

Stakeholders were invited to provide their input in an open face-to-face format by attending the sessions nearest them. Stakeholders who were not able to attend the input sessions were encouraged to forward their written comments. They were asked the following questions:

1. What is the future economic vision for your community?
2. What are the barriers or challenges to achieving your community's economic vision?
3. How can NKDFS best support the achievement of the community economic vision?
4. Should NKDFS prioritize projects with stronger links to economic development, or continue with the current practice of responding to the social-economic needs of each community?
5. Any other thoughts or comments you'd like to add?

The stakeholder sessions resulted in a collection of written submissions and notes gathered during the face-to-face input sessions. The information was then compiled in a report which the Board used as part of the strategic planning process.

NKDF Strategic Plan for 2013-2014

At the strategic planning session held in Burns Lake on May 28, 2013, the NKDF Board of Directors has determined the following:

1. To continue to accept proposals and evaluate applications using the existing criteria.
2. To continue to refine decision making, reporting, consultations, and evaluation.
3. To implement changes to policies and procedures based on the consultations with communities, while honouring the recommendations of the Advisory Board.
4. To continue learning how to measure and evaluate projects funded, past and future.
5. To ensure effective communications with stakeholders, including reporting of outcomes.

NKDF Grant Program Criteria for 2013-2014

The grant program supports projects that address one or more of the following key aspects of economic development in the NKDF investment area:

- **Infrastructure:** the public facilities, equipment or installations needed to support business, jobs, community stability and quality of life. Examples: lighting, water, sewer, transportation, telecommunications, recreation facilities and beautification.
- **Planning and Research:** the background information a region or industry sector requires for making sound decisions about future investments. Examples: product testing, market research, needs assessments, surveys and strategic planning.
- **Human Development:** the skills training that enable people and organizations to increase employment and economic activity. Examples: workshops and courses.
- **Promotion and Brokering:** the process of building new organizations, partnerships and markets. Examples: marketing plans and joint ventures.

Priority will be given to projects that:

- Fit in the context of long-term community economic development plans.
- Enable a community to acquire public or private investment.
- Lead to long-term jobs in the region.
- Promote economic activity and remove constraints from the business sector in the investment area, without subsidizing any individual business.
- Have community buy-in, demonstrated by support letters and donations from local government and other organizations within the local community.
- Have benefits continuing after the funding is invested and the project complete.

Costs eligible for NKDF funding

The fund will not normally cover more than 50% of project costs.¹ In-kind donations are acceptable at market rates and must be verifiable and documented by written commitments from donors. Grants can be used towards:

- Contracted goods and services.
- Capital costs, materials and supplies, excluding the costs of land.
- Incremental labour (wages plus employer costs) and related costs such as supervision, travel, training and skill development.²
- Rent or lease of facilities and equipment dedicated to the project.
- Specific administrative costs to a maximum of 10% of grant request.

Ineligible projects and costs

- Grants cannot be used to subsidize or compete with private enterprise.
- Grants cannot be used to pay wages of employees doing their regular jobs.
- Grants cannot be used to pay GST.
- Grants cannot be used to pay for any costs incurred prior to a project's start date.

PROGRAM ADMINISTRATION

The amount spent on administration during 2012-2013 was lower than projected, due in part to a decision by the Board to conduct meetings via teleconference to reduce travelling during the winter months. This year the ratio of administration costs to approved grants, at 16.5%, was a little higher than it has been historically. This was due to the investment in reaching out to gather input from stakeholders during the year. Although much smaller than many Trusts, the Board of Directors strives to maintain the ratio of administrative costs to grants in line with comparable costs of similar funding organizations.

Community Grant Programs

The Society approved \$513,394 in grants during the 2012-2013 fiscal, bringing the grants approved since inception to a total of \$7,760,737. During the 2013-2014 fiscal year, the Society will make \$500,000 available for grants to qualifying organizations throughout the investment area. For more information on this projection, please see the fiscal plan on page 12.

The success of the grant program can be attributed to a number of factors:

¹ Note: Ineligible costs cannot be used to leverage NKDF funds.

² Incremental costs are those expended toward completion of a project, but which would not occur if the project didn't exist.

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1. Directors who bring significant profile by attending NKDF events and promoting the Society in their communities.
2. Improved awareness of the fund over time with regular visits to and correspondence with the communities in the investment area.
3. Promotion in the local media by highlighting successful projects, people and organizations throughout the investment area.
4. Responding to community and organizational needs promptly and effectively.

Based on current enquiries to the Society, the Board anticipates a continued high demand for grants. In addition to the factors noted above, the Board is creating a framework for ongoing evaluation of the grant program and NKDF as an organization. The framework will identify the evaluation points, methods and processes for measuring and reporting results into the future.

Grants will be awarded to a range of community and economic development projects in a timely and fair manner, based on evaluation criteria provided in the guidelines. The Manager will evaluate the proposals using the review tool (see page 12), giving the proponents every reasonable opportunity to revise their proposals before the final deadline.

Cheques will be issued only after both parties sign a legally binding contribution agreement, detailing the terms and conditions of project evaluation, proponent reporting and NKDF funding. The contribution agreement was revised in 2005 to be more consistent with the legal documents in other provincial programs. The Manager or a sub-contractor approved by the Board will evaluate all funded projects before releasing a final 10% value of the grant to ensure that the project meets the terms of the contribution agreement.

The entire grant program will be evaluated annually before the end the fiscal year with results to be summarized in the Annual Report. The evaluation will cover:

- How many, what types and what dollar value of projects were approved and actually funded?
- How many proposals were rejected and why?
- Were the overall results/benefits achieved or not achieved?
- If anticipated results were not achieved, what happened? What can we learn?
- Did we achieve regionally equitable distribution?
- Is the reporting/communications from successful applicants adequate?
- Have the funded projects met the Guiding Principles and Mandate of the Society?
- If not, what happened? What can we learn? Should the Guiding Principles and Mandate be refined to reflect emerging needs in the investment area?
- Has anyone complained about a grant because it appeared to be subsidizing a business, or for any other reason? If so, what adjustments need to be made, if any?
- What can we do to improve program delivery and effectiveness?

For more information on the grants program refer to *Appendix C, Program Guidelines*.

Proposal Evaluation Tool (Confidential When Complete)

(Completed by the Manager and attached to each proposal to assist the Board in its deliberations.)

1. **Project benefits / strengths**
2. **Project weaknesses / risks**
3. **Communications opportunities for NKDF**
4. **How does this address regional equity?**
5. **Linkages with other agencies' funding**
6. **Other considerations:** (e.g. links to other projects or strategies, previous planning in a community, current issues, catalyst for other activities, proponent history, etc.)

| Priority Area | Yes | No | Indicator |
|---|-----|----|---|
| Did the Society assist with project development? | | | Type and amount of Director / Manager support |
| Does the project subsidize business? | | | No competitive advantage to one firm or individual over another. |
| Is the project a priority for NKDF? | | | Infrastructure, planning & research, human development, promotion & brokering. |
| Does the project have measurable outcomes? | | | See specific indicators below |
| Does the project help community acquire investment? | | | Description - what and how? Dollar estimate / Leveraging Potential results and spin-offs |
| Does the project create new jobs? | | | # of jobs: long-term, short-term Created or Maintained Direct & Indirect / Seasonal / Full-time / Part-time |
| Does the project create economic benefits? | | | What activities? New / Augment existing? Sector / Industry Dollar estimate Long or short-term benefits Potential results and spin-offs |
| Does the project create social benefits? | | | Improvements? Safety, recreational, quality of life? Long or short-term benefits |
| Does the project increase competitiveness of business sector? | | | Description - how? Businesses created / maintained Dollar estimate / Potential results and spin-offs |
| Does the project help to remove constraints to development? | | | What constraints? Dollar estimate Potential results and spin-offs |
| Does the project build community capacity? | | | For what? Dollar estimate Potential results and spin-offs |
| Is the project sustainable? | | | Long-term plan included? Realistic projections? Potential impact / Ongoing maintenance |

Options for Board Consideration:

1. Do not fund. (Describe the up and downsides of this option)
2. Fund as requested. (Describe upsides and downsides to this option)
3. Fund with conditions.

2013–2014 FISCAL PLAN

The Board has set a target of \$500,000 for community economic development grants in the region this year. At April 1, 2013, NKDF assets are valued at \$1,734,919.

Table 1 (summarizes the spending plan for 2013-2014)

| Projected Income and Expenses 2013-2014 | |
|--|------------------|
| Projected Income | |
| Transfer from BCIMC | \$500,000 |
| Investment Income | \$86,746 |
| Total | \$586,746 |
| Projected Expenses | |
| Administration Expenses | \$95,913 |
| Fixed Asset Costs | \$10,000 |
| Prior Year Grant Program Expenditures | \$280,833 |
| New Grant Program Expenditures | \$200,000 |
| Total | \$586,746 |

* **Note:** Grant commitments at April 1, 2013 are \$465,002. In addition to these commitments, the Board anticipates approval of \$500,000 of new project grants in fiscal 2013/2014. Based on this grant approval estimate and the estimated grant expenditures expected to be paid out in 2013/2014, we anticipate that the Society will have grant commitments of \$484,170 that will be paid out subsequent to March 31, 2014.

For more detail on expenses, see *Appendix A: 2013-2014 Budget Projections*.

Five Year Fiscal Plan

The Fund was established with the purpose of benefiting communities in the investment area for as long as the Alcan-Kemano power project continued to affect the region.

To meet that objective, the Board of Directors has to balance two “bottom lines” in their spending strategy: one bottom line is to invest in and support current economic development activities in the investment area and the other is to establish an economic development Legacy Fund in perpetuity. This five-year plan represents a balance between the needs of the area for immediate investment and the need to honour the principle of perpetuity established by the Advisory Board.

This year the Society plans to make \$500,000 available for new grants for community projects. (See Table 2 below)

This plan will be reviewed on an annual basis to incorporate new information on operating account interest rates and rates of earnings on British Columbia Investment Management Corporation investments. As rates change, the spending plan can shift accordingly to maintain at least a \$15 million balance.

The Board of Directors will request a transfer in the amount of \$500,000 for 2013-2014, as well as requesting that \$500,000 be appropriated for the 2014-2015 fiscal year.

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Table 2: 5 Year Plan

| 5-YEAR FINANCIAL PLAN | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Anticipated New Grant Targets | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 |
| Opening Balance NKDF Assets | \$1,734,919 | \$1,734,919 | \$1,740,252 | \$1,745,351 | \$1,750,206 |
| Transfers from BCIMC | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 |
| Grant Payments In Year | (\$480,833) | (\$485,000) | (\$485,000) | (\$485,000) | (\$485,000) |
| Administration | (\$95,913) | (\$96,413) | (\$96,913) | (\$97,413) | (\$97,913) |
| Fixed Asset Costs | (\$10,000) | | | | |
| Investment Income Assumption | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Earnings - PHN, Integris, Other | \$86,746 | \$86,746 | \$87,013 | \$87,268 | \$87,510 |
| Closing balance NKDF funds | \$1,734,919 | \$1,740,252 | \$1,745,351 | \$1,750,206 | \$1,754,803 |
| | | | | | |
| Opening Balance BCIMC | \$15,896,644 | \$15,873,543 | \$15,849,750 | \$15,825,242 | \$15,799,999 |
| Investment Income Assumption | 3.00% | 3.00% | 3.00% | 3.00% | 3.00% |
| BCIMC Earnings | \$476,899 | \$476,206 | \$475,492 | \$474,757 | \$474,000 |
| Transfers from BCIMC to NKDF | (\$500,000) | (\$500,000) | (\$500,000) | (\$500,000) | (\$500,000) |
| Closing Balance BCIMC Funds | \$15,873,543 | \$15,849,750 | \$15,825,242 | \$15,799,999 | \$15,774,000 |
| Total BCIMC / NKDF Assets | \$17,608,462 | \$17,590,002 | \$17,570,594 | \$17,550,206 | \$17,528,803 |

Appendix A: Budget Projections

| OPERATING BUDGET | 2012-2013 | 2013-2014 |
|---------------------------------|------------------|------------------|
| | Actual | Projected |
| Accounting and Audit Services | 5,255 | 4,783 |
| Advertising and Promotion | 1,007 | 1,500 |
| Bank Fees | 0 | 50 |
| Honorariums | 6,664 | 8,500 |
| Insurance | 979 | 1,100 |
| Office | 2,849 | 2,850 |
| Subcontract - Manager | 53,635 | 52,880 |
| Subcontract – Other | 1,506 | 5,000 |
| Telephone | 2,215 | 2,250 |
| Travel and Meetings - Board | 6,303 | 7,000 |
| Travel and Meetings - Manager | 4,656 | 10,000 |
| Total Operating Expenses | 85,069 | 95,913 |

| FIXED ASSET COSTS | 2013-2014 |
|--------------------------|------------------|
| | Projected |
| Total Expenses | 10,000 |

| GRANT BUDGET | 2012-2013 | 2013-2014 |
|-----------------------------|------------------|------------------|
| | Actual | Projected |
| Total Grant Expenses | 497,234 | 438,000 |