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A N N U A L R E P O R T

*a Growing
understanding*

Mission Statement

“ We are a community of partners dedicated to providing practical solutions for stewardship and sustainability of our forest lands. ”

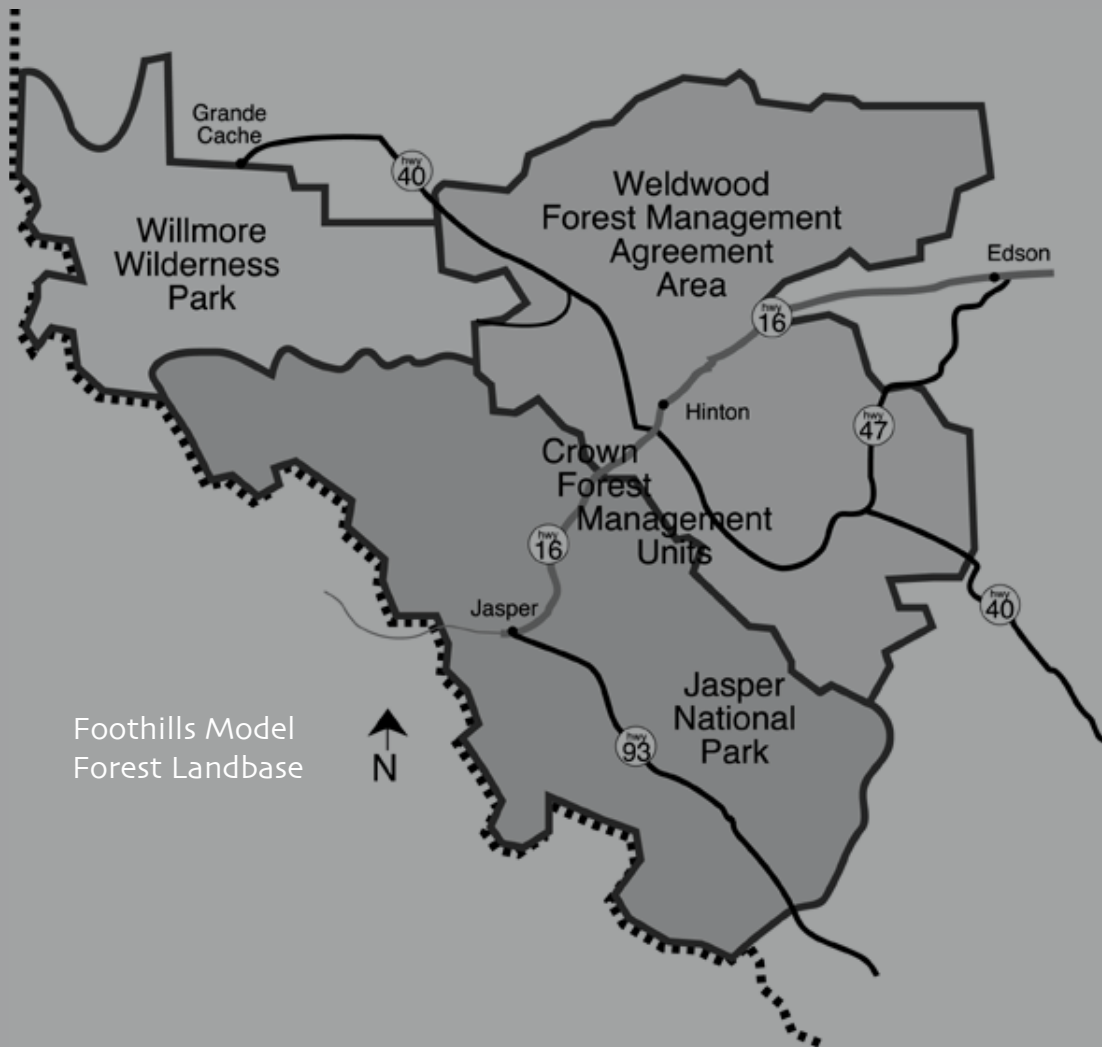





Table of *contents*

President's Message	3
Partners in Research	5
Canadian Model Forest Network	7
Socio- Economics	9
Natural Disturbance	11
Fish & Aquatics	13
Geographic Information Systems	15
Alberta Forest Biodiversity Program	17
Foothills Model Forest Grizzly Bear Research	19
Species of Concern: Woodland Caribou and Harlequin Ducks	21
Communications	23
Provincial Environmental Enhancement Funds	25
Financial Statements	27



President's

research

is a systematic search for the discovery or interpretation of facts.

understanding

is the power and ability to form reasoned judgement.

application

is turning or relating information to practical use.

partners

are those associated with one another in a common undertaking.

Research, understanding, application and partners form a powerful union that puts the sustainable forest management ethic (integrating ecological, economic and social values) into action. 1999/2000 was the third year in Phase II of Canada's Model Forest Program and the eighth anniversary of Foothills Model Forest, and I am proud to report on its progress.

message

The Foothills Model Forest continues to be a leader in the field of sustainable forest management research and strives to achieve its mission statement: "We are a unique community of partners dedicated to providing practical solutions for stewardship and sustainability of our forest lands."

The research is making a difference. It is designed, and is being used, to address practical and immediate challenges faced by both industry and government resource agencies in managing forest, wildlife and aquatic systems for the benefit of present and future generations. We abide by our motto: "a growing understanding." Research is creating a better understanding of the forest uses and values people hold dear and pointing to ways of respecting and conserving those uses and values while continuing to provide jobs and prosperity. Through our association with the Friends of the Environmental Education Society of Alberta (FEESA) this information is also being shared with teachers across Alberta, and used by them in their classrooms.

Foothills Model Forest is proud of its successes. Money and time are precious commodities and we work hard to ensure they are both well spent in conducting research, developing and applying sustainable forest management tools and technologies. Frederick Engels said, "An ounce of action is worth a ton of theory" and by that measure, Foothills Model Forest enjoyed a successful year in 1999/2000 with many examples of *Theory in Action*. Foothills Model Forest's research contributed to provincial and national sustainable management efforts like the Province of Alberta's Integrated Resource Management initiative, the Alberta Forest Biodiversity Monitoring program, as well as policy relating to endangered species and climate change. Research results were used in detailed forest management plans and contributed to sustainable forest management certification of Weldwood's 1.5 million-hectare forest around Hinton.

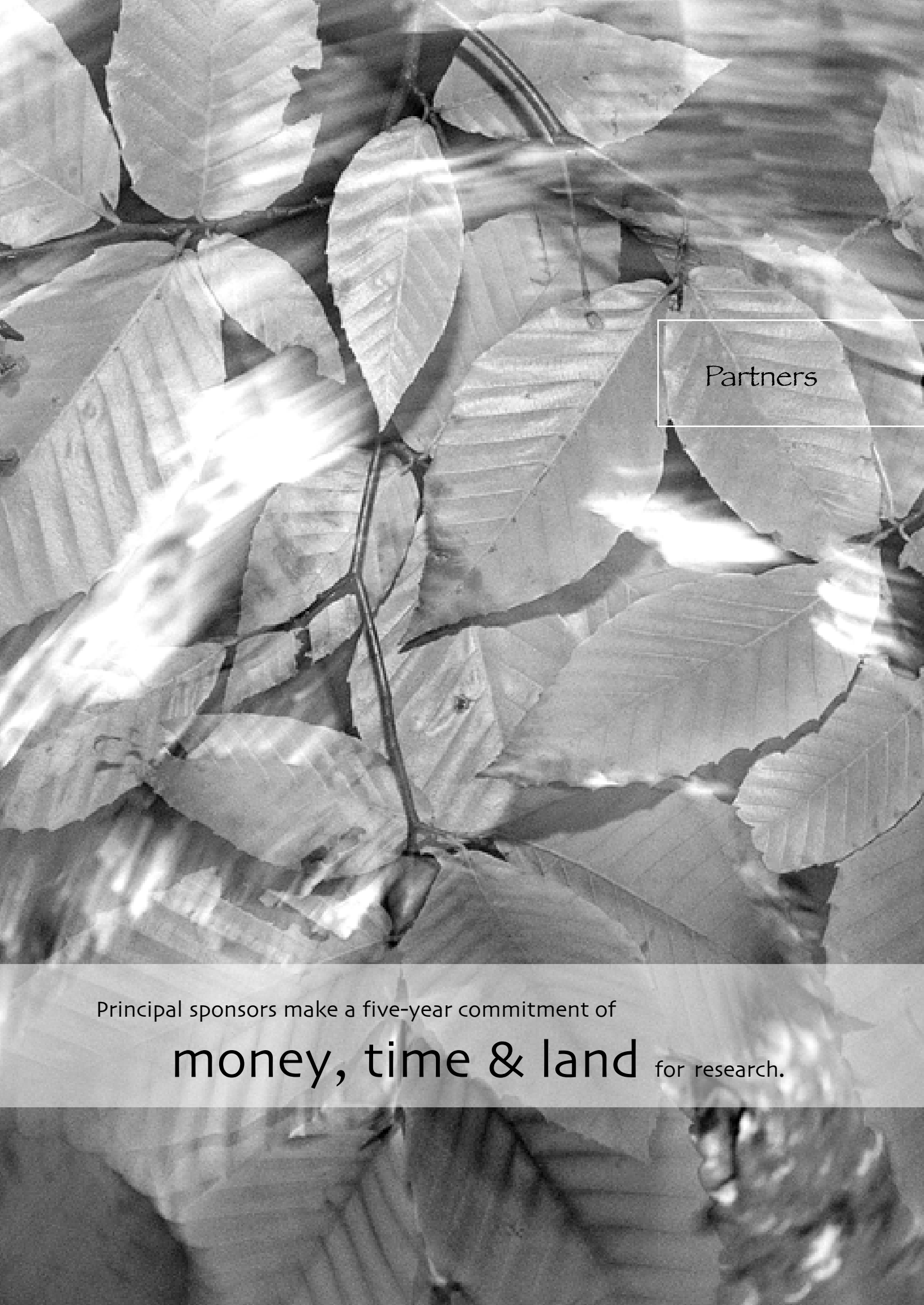
This annual report highlights the progress of Foothills Model Forest and its partners to better ensure that the environment, economies and communities will be healthy into the twenty-first century. I want to express my appreciation to the general manager and staff of the Model Forest, to the Board of Directors, project steering committee, all the partners and all our associates who have worked so well together in this important enterprise.

Sincerely,



Bob Udell
President





Partners

Principal sponsors make a five-year commitment of

money, time & land for research.

Foothills Model Forest is unique compared to other research organizations because land and resource managers support, direct and are fully engaged in, research projects. Regular meetings and communication with representatives from federal and provincial governments, forestry, mining and oil and gas companies ensure that the needs of government and industry are addressed through Foothills Model Forest's research.

in research

b FUNDING PARTNERS

Foothills Model Forest also relies on the support from the following companies and organizations:

Alberta Conservation Association
 Alberta Fish & Game
 Ainsworth Lumber
 Alberta Newsprint Company
 Alberta-Pacific Forestry
 Alberta Research Council
 Alberta Science and Research
 Alberta Sport, Recreation,
 Parks & Wildlife Foundation
 Anonymous Donor
 Blue Ridge Lumber
 Cardinal River Coals Limited
 Centre for Wildlife Conservation
 (Seattle, Washington)
 Community Lottery Board
 Geoanalytic
 Indian and Northern Affairs – Yukon
 Inland Cement
 Manitoba Natural Resources
 Millar Western Industries Limited
 Ministry of Forests – British Columbia
 Societe de Protection des Forets
 Contre le Feu
 Spray Lakes Sawmills
 Sundance Forest Industries Ltd.
 Sunpine Forest Products Ltd.
 Telemetry Solutions
 Trans Canada Pipelines Limited
 University of Alberta
 University of Calgary
 University of Lethbridge
 Weyerhaeuser Canada

Foothills Model Forest is grateful for the financial support and involvement from its principal sponsors Alberta Environment, the Canadian Forest Service, Jasper National Park and Weldwood of Canada Limited (Hinton Division). To Foothills Model Forest their contributions are invaluable.

Paying the greatest compliment to the quality of Foothills Model Forest research are the new funding partners who came on board in 1999/2000 to contribute to, and be part of, Foothills Model Forest's success. All partners help further research and the development of tools which are useful well beyond the boundaries of the Foothills Model Forest. They advance the practice of sustainable forest and resource management in other parts of Alberta and Canada. Together, Foothills Model Forest and its partners are working towards a sustainable future.

a PRINCIPAL SPONSORS

Alberta
 ENVIRONMENT



Weldwood

Weldwood of Canada Limited
 Hinton Operations



Natural Resources
 Canada
 Canadian Forest
 Service

Resources naturelles
 Canada
 Service canadien
 des forêts



Canadian Heritage
 Parks Canada

Patrimoine canadien
 Parcs Canada

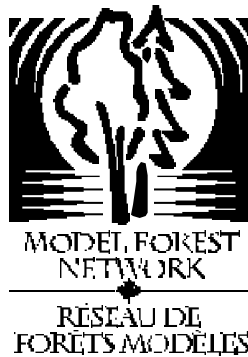


Canadian

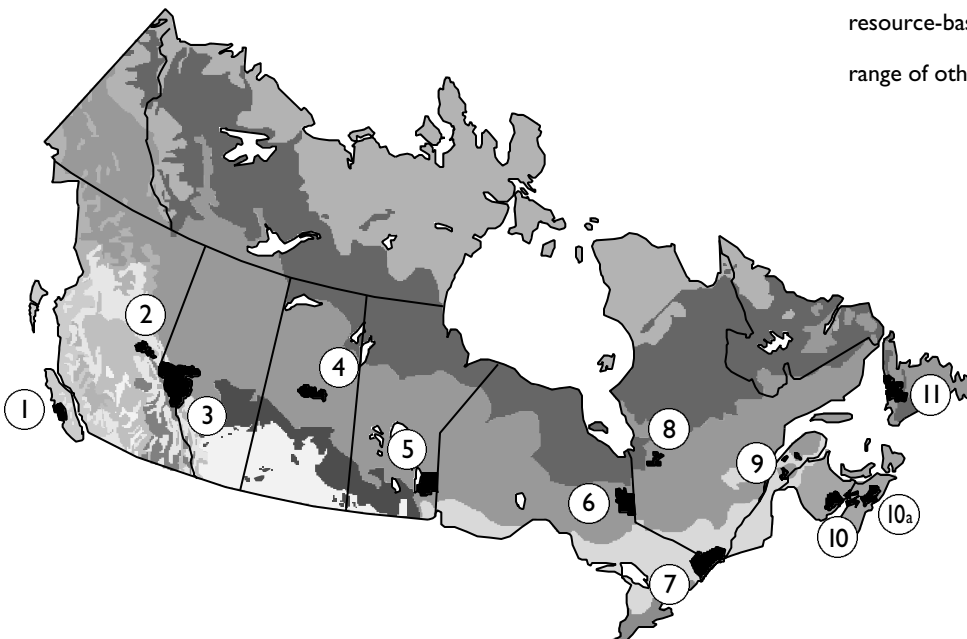
Canada has **taken the lead**
in researching ways to sustain and enhance its forests.

Foothills Model Forest is not alone in its endeavour to conduct sustainable forest management research. It is one of 11 model forests throughout Canada. Canada has taken the lead in researching ways to sustain and enhance its forests. The Government of Canada, through the Canadian Forest Service, initiated the Model Forest Network in 1992.


model forest network



Since that time, it has grown to include a network of 11 Canadian and a growing number of international research sites dedicated to building partnerships locally, nationally and internationally to generate new ideas and on-the-ground tools for the practice of sustainable forest management. This process has brought together hundreds of partners including academia, industry, government, aboriginal people, resource-based communities, the public and a wide range of other stakeholders.



- 1 Long Beach Model Forest
- 2 McGregor Model Forest
- 3 Foothills Model Forest
- 4 Prince Albert Model Forest
- 5 Manitoba Model Forest
- 6 Lake Abitibi Model Forest
- 7 Eastern Ontario Model Forest
- 8 Waswanipi Cree Model Forest
- 9 Bas-Saint-Laurent Model Forest
- 10 Fundy Model Forest
- 10a Nova Forest Alliance
- 11 Western Newfoundland Model Forest



Socio ~

“Socio-economic research can’t be left out of decisions regarding managing for the variety of values provided by the forest. We have to know how important these factors and features are to people, because they have a definite say in how government and industry proceeds with

development & protection in the future.”

Bill White, Senior Economist, Canadian Forest Service

The focus of sustainable forest and resource management is often the environment. However, forests are also of great economic and social importance. Foothills Model Forest is a national leader in socio-economic research. Since 1995 it has been studying west-central Alberta's communities and economy, the public's attitude and perception towards forest management, and the non-timber values of the forest. Non-timber values are uses of the forest that are not traded in markets and include activities such as camping, hunting and hiking. Social scientists estimate market values for these and similar activities. Research results and planning tools, such as decision support systems, allows land and resource managers, as well as the general public to make informed decisions about the current and future use of the forest and natural resources. This research is becoming increasingly important for initiatives like integrated resource management planning and implementation. Sustainable resource management may require industry, government and the general public to make important but difficult decisions regarding the priorities for the forest, for example making trade-offs between bears, jobs or camping.

The "Public Involvement, Attitudes and Values, and Natural Resource Decision-Making" study is an example of leading-edge socio-economic research. It is among the first studies in Alberta to quantify and compare stakeholders' (general public, environmentalists, recreation users, foresters, public advisory groups) values and attitudes toward forest management and public involvement. It concluded that very different values and attitudes exist among some of the primary stakeholders in forest management. The results serve a two-way communication role. Forest managers and policy makers are learning about a broader public than what is usually considered in decisions, thus helping them to identify potential communication strategies aimed at informing the public on forest management practices. The study is useful to both industry and government as it assists in the determination of a more inclusive strategy for public involvement and what methods are acceptable and likely to be successful. Useful beyond the Foothills Model Forest land base, the study can be applied to all forest management areas in the province.

economics

a 1999/2000 ACCOMPLISHMENTS & ACTIVITIES

Economic and Community Sustainability

- A computable general equilibrium model (CGE) that measures impacts of economic and policy changes to the Foothills Model Forest land base was completed. This sophisticated computer model uses large volumes of data that have been collected over a five-year period.
- Community sustainability can be monitored by studying indicators like population, income, poverty, real estate, human capital and employment. A draft report on these indicators based on the communities of Hinton and Jasper was completed. Also created is a database that shows the level and type of forest dependence and indicators of community sustainability across the Canadian Model Forest Network.

Non-timber Values

- The Foothills Model Forest land base supports over one million visitors annually. Understanding the forest values important to these visitors is an important component of sustainable forest management. In 1999/2000 research activities were conducted in an effort to better understand the non-timber values of both protected areas and working forests. Activities included:
 - > Entering over 6,000 backcountry permits from Jasper National Park and Willmore Wilderness Park into a database.
 - > Initiating a descriptive analysis of Jasper National Park users (origins, number of people, length of stay, etc.) and a non-market valuation of Jasper National Park's backcountry.
 - > Non-timber valuation also contributed to a better understanding of forest uses. Work included on-site interviews, two mail surveys, focus group sessions, the development of attitudinal scales, development of geographic information systems tools, the development of a preliminary camping decision support system, and some preliminary economic valuation models for camping and hunting in the Foothills Model Forest. These studies include a wide range of activities and values extending far beyond how many people hiked on a specific trail.

Public Involvement and Perception

- A report on focus groups in the Foothills Model Forest that examined perceptions of biodiversity, wilderness and protected areas was prepared.

Ecotourism

- In response to suggestions that ecotourism is the future of west-central Alberta's economy and key to its sustainability, Foothills Model Forest and its partners set out to develop a clearer understanding of ecotourism. In 1999/2000 a report on the academic definitions of ecotourism was completed. Face-to-face interviews with Foothills Model Forest residents examined their perceptions of ecotourism. Interviews have been completed and transcribed in preparation for final report writing.



Natural

Foothills Model Forest's natural disturbance research produces

**world-class data
& knowledge.**

Natural disturbance, primarily wildfire, is a frequent and natural agent of change and renewal in the forests and mountains of west-central Alberta. In fact, natural disturbance is the key to understanding how dynamic forest landscapes have been sustained in Alberta for thousands of years. It logically follows that using natural patterns to guide forest management is one of the best means of conserving biodiversity. However, before natural disturbance can be emulated and incorporated into forest management policy and practice, it is critical that historical disturbances are understood. Since 1995 the Foothills Model Forest natural disturbance project has been analyzing and interpreting how disturbances (fire, wind, disease) affect the landscape and forests. Foothills Model Forest's research produces world-class data and knowledge.

“A person or society, who is not aware of natural history in a forest, especially the disturbance history, has virtually no chance of managing that forest resource system in a manner that sustains the value set of the original forest, either in quantity or quality.”

Dr. Gordon Baskerville

Canadian pioneer of sustainable forest management theory and thought

Disturbance

With research well underway, the partners are already integrating the findings into management practice. For instance, Weldwood's long-term forest management plan uses historical patterns of natural disturbance to guide strategic decisions of where and when to harvest. This means that over the next ten years the forest management area will be managed to maintain a mosaic of young, immature, mature and old forests that reflect the historical ranges. The amount and location of “old growth” forests will thus be maintained within the range of pre-industrial levels.

In Jasper National Park, managers are using results from more detailed natural disturbance research to establish targets for their prescribed burning program. No fire kills all trees in its' path, and the amount, type, and shape of unburnt material has important implications for what species invade and take advantage of freshly burnt areas. Park managers have become proficient at lighting and controlling prescribed burns, but they have few tools at their disposal for determining “success” in ecological terms. Armed with the results of the Foothills Model Forest research, they can at least begin to set some reasonable benchmarks.

Weldwood of Canada Limited (Hinton Division) and Jasper National Park were both able to use this new knowledge of natural patterns to create ecologically-based strategies for managing their respective landscapes. This represents a significant step towards applying research on-the-ground. However a commitment to continuing research, education and communication is imperative. Communication is essential for the practice of sustainable forest management. Therefore, Foothills Model Forest and its partners are committed to communicating research findings to senior managers and technical staff from industry and government and the general public.

a 1999/2000 ACCOMPLISHMENTS, ACTIVITIES & FINDINGS

- A research report series was started. The first one “Applying Forest Age Data in Foothills Model Forest and Mountain Landscapes of Alberta” was complete.
- Field research was conducted in riparian areas. Data from 54 transects are being analyzed to establish where, when and how fires burn through these important habitats.
- A preliminary report was completed on unburnt island remnants, which are patches of trees that have been skipped by fires. Results from the island remnant project were used to help design islands in experimental cutblocks on Weldwood's forest management agreement area.
- Detailed patterns of disturbance in the Montane natural subregion were studied including the Athabasca River Valley in Jasper National Park. Many fires in this area are of moderate to low intensity, which create dramatically different stands and landscapes than the more common stand-replacing fires.
- A Montane fire effects study was undertaken. This study examines the effects of fire in the Montane natural subregion as well as the interaction of fire and grazing by animals.
- The Douglas fir populations dynamics project studied vegetation changes in all mountain parks. Over the last 80 years, open grasslands have grown into closed cover forested canopies. The existing Douglas fir trees are not even-aged and their seeds are slow growing. These dynamics need to be understood for national parks to restore and maintain natural processes like fire to help conserve biodiversity.
- Communication efforts included presentations at public meetings, scientific conferences, and meetings with industry and government.



Fish

Understanding the fish populations in the Solomon Creek watershed
is important for sustainable forest management from

**both an ecological
& social perspective.**

The Solomon Creek is situated northwest of Hinton near the hamlet of Brule. This watershed provides recreational opportunities for local residents and offers spectacular scenery for residents and visitors alike. It is also believed to provide suitable spawning habitat for mountain whitefish and Alberta's provincial fish, the bull trout.

& Aquatics

Because of declines in the bull trout population from its historically abundant levels, it is a species of management concern. Understanding the fish populations in this watershed is necessary for sustainable forest management from both an ecological and social perspective. In the fall, biologists installed a fish trap to monitor bull trout and mountain whitefish spawning migrations from the Athabasca River. Biologists discovered that two to three year old mountain whitefish may spend the summer in Solomon Creek and return to the Athabasca River in the fall. This suggests that fish may migrate for reasons other than spawning and introduces another element to consider when managing fish and aquatic systems. Fish populations were also monitored and will serve as a benchmark for future research and monitoring programs.

Solomon Creek was also the pilot area for a new project on stream classification. Stream classification provides a standard description of different types of water channels that exist across the landscape. This system can be used to consistently and systematically describe, monitor and manage fish populations and aquatic systems over a large area. Biologists classified the stream types in Solomon Creek and inventoried fish. Linking fish inventory data to stream classifications is extremely useful for industry, government and scientists. Once an inventory has been conducted in a watershed, the data are analyzed with the goal of transferring the findings to other watersheds. For example, in the Solomon Creek watershed, bull trout were found in certain channel types. Researchers are now able to identify the same channels in other watersheds and assume they may provide habitat that bull trout prefer. Industry and government will use this information for policy decisions such as angling regulations and operational activities like road building and stream crossings.



1999/2000 ACCOMPLISHMENTS & ACTIVITIES

- Foothills Model Forest, in partnership with Weldwood, inventoried fish at 232 sites in six different watersheds. Over the last six years, a total of 1007 sites have been inventoried. This is a notable accomplishment as fewer than 400 sites were sampled locally in all previous studies. This demonstrates Foothills Model Forest's role in clearly understanding fish and aquatic systems.
- Data collection for the long-term monitoring of fish continued for a second year.
- Different stream classification systems were evaluated. The Rosgen stream classification system was most suitable for the Foothills Model Forest land base and the needs of Foothills Model Forest partners.



Geographic

Geographic information systems allow the Foothills Model Forest
to effectively analyze human activities and how they

relate to wildlife
populations & habitats.

Foothills Model Forest is inventorying and monitoring fish populations, and classifying streams. The Foothills Model Forest geographic information systems (GIS) department plays an integral role in this and other Foothills Model Forest research projects. GIS can provide an excellent link between fish population data and stream types.

information systems

& Sustainable Forest Management Research

Foresters and biologists can analyze this information, accurately describe types of streams fish prefer, and use this information to prescribe operational plans that will better ensure fish and aquatic systems are healthy today and into the future. GIS also allows the Foothills Model Forest to effectively analyze other issues such as human activities and how they relate to other wildlife populations and habitats.



WHY MONITOR?

Monitoring forest, economic and community health is important because accurate and current information on their status is needed. Long-term monitoring is important because it can link activities to the things that are monitored. For example, if the education level of Hinton residents increase one would normally suspect the unemployment rate to drop. However, these statistics must be monitored to make an accurate statement with confidence. The same is true for wildlife species. If angling regulations become more strict one would suspect an increase in fish populations but once again these data need to be monitored to confirm such theories. Comprehensive monitoring of the ecological, economic and social values of the forest is a relatively new and untouched area but Foothills Model Forest research has large amounts of data to help guide current and future decisions and resource management practices.

A black and white photograph of a dragonfly perched on a thin, vertical plant stem. The dragonfly is positioned in the center of the frame, facing left. Its wings are spread out, showing intricate patterns. The stem is thin and has a few small, pointed leaves at the top. The background is a soft, light gray, creating a high-contrast scene. The overall composition is simple and focused on the dragonfly.

Alberta Forest

Foothills Model Forest and many other partners are
working towards implementing
a province-wide program for the long-term monitoring of
biodiversity in forested lands.

Biodiversity is commonly defined as the variability among living organisms and the ecosystems of which they are a part. Biodiversity can be measured at three different levels – ecosystems, species and genes. The conservation of biodiversity is one of the national criteria for sustainable forest management and monitoring forest birds, insects, plants and other organisms is one method to determine if an ecosystem maintains its biological diversity.

biodiversity

monitoring program

Foothills Model Forest and many other partners are working towards implementing a province-wide program for the long-term monitoring of biodiversity in forested lands. In 1999/2000 research design and protocols were finalized. This was a significant accomplishment considering representatives from industry, government and academia agreed upon overall goals and objectives as well as details like the target group of species to be counted and monitored.

Last year the design was put into action in two pilot plot areas, one near Lac La Biche (situated in northeastern Alberta) and one in the Foothills Model Forest land base. Alberta Research Council staff ventured out into the boreal and foothills forest areas to count plants, insects and birds while University of Calgary partners measured landscape composition using satellites and other remote sensing devices. One year's work produced some interesting results, for example 70 of the 71 species of wasps caught in traps are undescribed. Insects are an important part of biodiversity because they mediate ecosystem functions like decomposition, assist in maintaining soil structure and soil fertility, and influence populations of other organisms (insects, vertebrates, and plants).

Like many Foothills Model Forest projects and sustainable forest management efforts, monitoring biodiversity is expensive. The estimated cost of the project for Foothills Model Forest's 2.75 million hectare land base is \$350,000 annually, as a result 2000/2001 efforts are focused on fundraising. One of the fundamental assumptions of the initiative is that industry and government want to demonstrate that they keep track of changes in biodiversity and properly manage those changes. Measuring, monitoring and managing change is important for the conservation of biodiversity.

e 1999/2000 ACCOMPLISHMENTS & ACTIVITIES

- Established province-wide protocols for monitoring plants, insects and birds.
- Draft implementation plan completed that outlines the operational aspect of the program such as appropriate level of human and financial resources was completed.
- Pilot plots for monitoring were set up in west-central and northeastern Alberta, in the Foothills Model Forest land base and near Lac La Biche, respectively.



Foothills Model Forest

The Foothills Model Forest Grizzly Bear Research Project supports a regional strategy for the **long-term conservation** of this important wildlife species.

The Foothills Model Forest Grizzly Bear Research Project supports a regional strategy for the long-term conservation of this important wildlife species. Alberta Environment and Parks Canada developed the strategy with input from key stakeholders.

grizzly bear

research project

The regional strategy titled, “Grizzly Bear Conservation in the Alberta Yellowhead Ecosystem”, was developed following the first round of the proposed Cheviot mine hearings held in 1997. These hearings concluded that the conservation of grizzly bears was a regional issue and provincial and federal governments as well as industry and other key stakeholders must be involved in the process if conservation is to be effective. The research project is critical to achieving conservation strategy objectives. The research provides current and accurate data on the regional population of grizzly bears. Using leading-edge technologies the research project studies grizzly bear movements, population trends and status and their preferred habitat. The information and tools developed through the research project will be applicable to both working forests and protected areas in west-central Alberta, and adaptable to many other grizzly bear habitats in Canada.

1999 was the first year of grizzly bear research and preliminary findings were presented at the second round of the Cheviot mine hearings in February 2000. The project and its initial results received favourable support from industry, government and other interest groups. The project demonstrates the responsiveness of industry and government to sustainable resource management issues. Similarly, it demonstrates the important role the Foothills Model Forest plays in conducting scientifically sound research that addresses management needs. The project is a responsible approach to environmental and social issues. Through integration and collaboration, practical solutions to complex problems are achieved. The project has been successful in gaining the financial support of additional industry and government partners and was able to raise approximately \$750,000 for the first year of research, and \$500,000 for year two of the project.



1999/2000 ACCOMPLISHMENTS, ACTIVITIES & FINDINGS

- Twenty-three grizzly bears were successfully captured, with 95 percent (19) of the targeted bears ear tagged, collared and monitored throughout the research study season. The use of global positioning system (GPS) collars provided a great number of data points, ten-fold the quantity of data that earlier technologies would have provided.
- Completed a successful DNA population census of the study area.
- After one year of research biologists know there is a minimum of 49 grizzly bears in the study area. This number is based on bears actually captured and results of the DNA work. When these data are entered into a computer model it is believed there may be a total of 59 grizzly bears in the study area.
- The average size of the male home range was 1000 square kilometres and the female home range was 513 square kilometres.
- Grizzly bears continue to use the landscape in its present condition with existing activity. Some bears move in and out of Jasper National Park. Current data indicates that grizzlies are found in and around forest operations, active mining leases, and oil and gas activity, as well as within protected areas.



Species of Concern:

Woodland Caribou and Harlequin Ducks are two species

that may require **special management**
attention because of concern for their long-term health.

Like grizzly bears, managing these species requires an understanding of their habits and habitats. Foothills Model Forest is one of many organizations and companies increasing their understanding of caribou populations, mortality, reproduction and distribution over the landscape.

woodland

caribou & harlequin ducks

Understanding how human activities affect these species contributes to the ability of land and resource managers to properly manage wildlife and therefore to practice sustainable forest management. Caribou herds (Little Smoky, A La Peche, Redrock/Prairie Creek) and their demographics and habitat use continue to be monitored. Biologists use leading-edge technologies such as global positioning systems telemetry collars as well as more traditional techniques like snowtracking.

Biologists and graduate students are also studying wolf populations in the northern portion of the Foothills Model Forest land base. This is part of a predator-prey study that attempts to address the theory that landscapes with greater resource development increase predator-caused caribou mortality by wolves, a natural predator. Preliminary findings suggest managing a sustainable population of caribou may require a more integrated approach to resource development. The province's sustainable development strategy, "Alberta's Commitment to Sustainable Resource Management," and the integrated resource management pilot project that is taking place in the North East Slopes region, which includes a portion of the Foothills Model Forest land base may lead to more integrated development in caribou habitats.

Harlequin Ducks, although not considered a species at risk by the Committee on Endangered Wildlife in Canada, were under the microscope at the Cheviot mine hearings. The Harlequin Duck, although abundant on the west coast, is nearing the fringes of its range on the eastern slopes. But because many of these birds reproduce and nest here, it is important to conserve their habitat. Little is known about this species and in response to the many questions that were asked at the hearings, Foothills Model Forest partners surveyed rivers in the Eastern Slopes to determine abundance and distribution of Harlequin Ducks. These surveys, augmented with Cardinal River Coals extensive studies in the McLeod River will help determine if there is a connection between Harlequin Duck habitat and use and human activities. The research suggests that Harlequin Ducks occupy numerous stream systems in the Foothills Model Forest. They were found in the McLeod River in the southern portion of the Foothills Model Forest and in a series of streams in the northern part of the Foothills Model Forest including Willmore Wilderness Park, a protected area.

Woodland Caribou and Harlequin Ducks are two of a number of wildlife species that the Foothills Model Forest has studied since its inception. The volumes of data from these studies provide the knowledge and tools necessary to maintain the sustainability of the ecosystem and the industries and communities that depend upon it.



1999/2000 ACCOMPLISHMENTS, ACTIVITIES & FINDINGS

- In the fall of 2000 none of the radio-collared females in the Little Smoky herd had a calf that survived. Preliminary findings suggested that that wolves that live near the Little Smoky herd eat twice as often and twice as much as other wolf packs of similar size. This herd roams in an area that is more fragmented than areas where other caribou live.
- The A La Peche herd stayed in the mountains of Jasper National Park for the third straight year and did not migrate out to forested winter range.
- First year analysis of mountain caribou response to linear features indicated less use of areas adjacent to roads and riparian areas than expected. Areas adjacent to old seismic lines did not appear to be used any less than expected.
- Aerial surveys for Harlequin Ducks were completed in the McLeod River and in northern streams in the Foothills Model Forest land base. Using a watershed assessment model, previously developed by the Foothills Model Forest, a stream classification was generated to help with the data analysis. Preliminary findings suggest that Harlequin Ducks prefer bodies of water with a 2-5% gradient.



Foothills Model Forest

Communications is a **principal cog**
of the Foothills Model Forest's organizational wheel.

Research and development of new management tools are important but if they sit on a shelf or remain within a small group of experts they never reach their full potential. Applying results on-the-ground or in decision-making is critical to sustainable forest management, and application requires communication. Communications is a principal cog of the Foothills Model Forest's organizational wheel. Without research there would be nothing to communicate, but research results and findings only make a difference if they reach the hands of those who can put them into practice.


communications

Foothills Model Forest and its partners have made a five-year commitment to a strong communications program. Their commitment is paying off as decision-makers, forest practitioners and the general public are starting to count on the Foothills Model Forest as a reliable, bias-balanced information source. When done properly communications requires significant resources. The foundation of the Foothills Model Forest communications program is well established and is in a position to lead the way in public education and knowledge transfer. Relationships with key media representatives are forming and will be fostered so the public will hear about and understand the research and its application. Raising awareness about the Foothills Model Forest among key decision-makers is important so they are familiar with sound information upon which ecological, economic and social policy should be based.



1999/2000 ACCOMPLISHMENTS & ACTIVITIES

- Foothills Model Forest Grizzly Bear Research Project achieved a high profile and was featured on the Discovery Channel, made the front page of the Edmonton Journal and was a two-page feature story in the Edmonton Sun. The Foothills Model Forest received three times the media coverage in 1999/2000 compared to 1998/99.
- The Foothills Model Forest web site received 333,375 number of hits, an increase of about 180% over last year.
- In its third year of partnership with FEESA, teachers and students from across Alberta received bias-balanced environmental educational experiences.
- An exceptional and award winning suite of communication tools (advertisements, posters) were developed and will be used to support public relation efforts through the remainder of Phase II of the model forest program.
- Over one million people were exposed to the Foothills Model Forest message through print ads, presentations, newsletters, annual reports, summer interpretive programs and posters. Foothills Model Forest received approximately 1200 requests for additional information from these efforts.



Provincial Environmental

Remaining **competitive & improving**
efficiencies are important to sustainable forest management
because of the economic importance of natural resources.

Projects funded by the Provincial Environmental Enhancement Funds benefit Alberta's forest sector as a whole. The fund also focuses on forestry education, technology and business practices.

In 1999/2000 the following projects were funded by the Provincial Environmental Enhancement Funds.

enhancement funds

Foothills Growth and Yield Association

Trees need water, sunlight, nutrient-rich soil and space to "grow well. Understanding the forest conditions for optimal tree growth is important for sustainability. If forest companies are able to obtain more timber, and associated economic spin-offs, from a smaller area and in a shorter timeframe, more of the forest is available to support other values. The Foothills Growth and Yield Association is a partnership between nine companies whose objective is to develop forestry treatments that increase tree growth and performance. This in turn would maintain or increase the companies' annual allowable cut without increasing the footprint of their operations. In 1999/2000 the association agreed upon methodologies and a terms of reference.

Transportation Efficiencies Model

The efficient transportation of products from woods to mill and from mill to market is critical for the long-term sustainability of the forest industry. In 1999/2000 a software model was created that incorporates factors that affect trucking costs and predicts what these costs will be. By entering the various cost items and using statistics, the user is able to determine where the optimal costs savings can be achieved. The computer model has over seventy users, both loggers and forest companies, throughout Canada.

Wood Processing Technology

Northern Alberta Institute of Technology and Forintek developed and implemented a two-year computer-based wood processing training program. The program is technologically advanced which means the current generation of sawmill workers is trained on leading-edge technologies. Skilled workforces are critical for community sustainability and an industry's ability to remain competitive.

Utilization of Burnt Wood

Fire is a natural part of Alberta's forest. However, at times wildfires have detrimental effects on the economic value of the forest. This study looks at how burnt wood and harvesting delays after a forest fire affect the quality of two different pulping processes. Work is ongoing in Daishowa Marubeni Incorporated's forest management area in northeastern Alberta.

Sustainability of Resource-Based Communities

Over the last two years rural, resource-based communities have gained a strong voice on the provincial and federal government scenes. Mayors and reeves of forestry and coal mining communities have united in an effort to speak for 175,000 coal mining families and over 350 forest-based communities.

Politicians and senior bureaucrats hear their voices and concerns which helps ensure rural and resource-based communities will enjoy economic and social prosperity into the twenty-first century. Foothills Model Forest research plays a role by providing municipal politicians with accurate and current information to communicate to other levels of government.

Canadian Wildfire Growth Model

Prometheus, the Canadian Wildfire Growth Model, is a computer model that uses state-of-the-art technology to predict fire behaviour. The model can be used operationally, to model the behaviour of an already burning fire, or in forest management to determine where and how a forest fire would naturally burn. This project has the support of fire and forest management agencies from across Canada. Many agencies are interested in this model because it can link to existing models so past efforts can be utilized. In 1999/2000 the strategy and budget were complete, a software engineering company was awarded a contract to begin work on the model, the user interface and system design specifications were completed.

Socio-economics

Forests are not only important components of the environment, but have significant economic and social value as well. The socio-economic program aims to better understand the social and economic values of the forest so that in combination with ecological knowledge, decisions can be made to ensure both the environment and communities will be healthy now and in the future. The socio-economic program continued with work in three main theme areas in 1999/2000: socio-economic impact analysis; public involvement, attitudes, values, and decision-making; and the non-timber valuation research stream. A new study on sense of place was initiated this year.

Western Forest Industry Partnership

This program is a partnership between Alberta Forest Products Association and Council on Forest Industries to enable producers of spruce, pine and fir to increase market opportunities in the local regions of Japan. This will be done through developing seminars targeted at local Japanese building and housing loan officials, builders and associations as well as through follow-up technical advice.

Ecosite Chronosequence

The purpose of this multi-partner project is to develop a predictive field guide of post harvest stand and understory vegetation development by ecosite. The project will also look at associated productivity levels using growth intercept & total height, by ecosite and seral age class, as well as provide a database for temporal and spatial modeling of biodiversity and wildlife habitat.

officers

ROBERT UDELL President,
Foothills Model Forest & Manager,
Forest Policy and Governmental Affairs,
Weldwood of Canada Limited
(Hinton Division)

ROSS RISVOLD Chairman of the Board,
Foothills Model Forest & Mayor of Hinton

MARSHA SPEARIN Secretary,
Foothills Model Forest & Administrative Coordinator,
Weldwood of Canada Limited (Hinton Division)

BRAD KING Treasurer,
Foothills Model Forest & Controller,
Hi-Atha and Forest Resources,
Weldwood of Canada Limited (Hinton Division)

- 1 Term ended December 1999
- 2 Term started December 1999
- 3 Term started June 1999
- 4 Term started October 1999
- 5 Term ended October 1999

board of directors

DR. JIM BECK Professor of Forest Management,
Department of Forest Science,
University of Alberta

DENNIS HAWKSWORTH Vice-President,
Hinton Forest & Wood Products,
Weldwood of Canada Limited (Hinton Division)

DOUG HODGINS Manager,
Ecosystem Secretariat,
Jasper National Park ¹

RON HOOPER Superintendent,
Jasper National Park ²

BILL HUME General Manager,
Cardinal River Coals Limited ³

JOHN KERKHOVEN Surface Land Supervisor,
Control and Management,
Petro-Canada Limited ⁴

DON LAISHLEY Director of Forest Strategy,
Weldwood of Canada Limited

DAVID LUFF Vice President,
Environment and Operations,
Canadian Association of Petroleum Producers ⁵

BOB NEWSTEAD Regional Coordinator,
Model Forest Program,
Canadian Forest Service, Edmonton

MIKE POSCENTE Regional Director,
North East Slopes Region,
Land and Forest Service,
Alberta Environment ⁴

DENNIS QUINTILIO Executive Director,
Integrated Resource Management Division,
Alberta Environment

JIM SKRENEK Regional Director,
North East Slopes Region,
Natural Resources Service,
Alberta Environment

JERRY SUNDERLAND Regional Director,
North East Slopes Region,
Land and Forest Service,
Alberta Environment ⁵

BRIAN WALLACE Manager,
Warden Service,
Jasper National Park

FOOTHILLS MODEL FOREST
STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED MARCH 31, 2000

	CFS Fund 2000 \$	Provincial Enhancement Fund 2000 \$	Contribution Fund 2000 \$	Capital Fund 2000 \$	Total 2000 \$	Total 1999 \$
REVENUES						
Contributions:						
Canadian Forest Service	500,000				500,000	599,500
Canadian Forest Service - other	304,850				304,850	
Government agencies			659,560		659,560	3,200,000
Corporate contributions			945,844		945,844	413,884
Other contributions	4,092		107,488		111,580	67,051
Interest income			118,990		118,990	179,489
Other income	1,566		5,451		7,016	20,884
	<u>810,508</u>	<u>0</u>	<u>1,837,333</u>	<u>0</u>	<u>2,647,841</u>	<u>4,480,808</u>
EXPENSES						
Advertising and promotion	57,938	5,279	19,274		82,491	33,522
Amortization				32,440	32,440	71,570
Bank charges and interest	48	2	37		87	423
Computer expense	29,940	1,461	13,495		44,896	47,528
Freight	3,131	96	7,588		10,816	3,796
General expense	2,272		1,655		3,927	486
GST expense					0	59,736
Insurance	5,907		2,233		8,140	9,538
Meeting expense	12,366	3,908	17,038		33,312	12,265
Office	24,471	147	8,740		33,357	11,549
Photo finishing	547		678		1,225	7,139
Printing and binding	9,997	12	9,260		19,269	12,183
Professional fees	6,667		2,975		9,642	6,793
Publications	2,670	2,677	3,414		8,761	3,299
Public relations	15,154		4,956		20,109	16,891
Licensing	2,624	576	252		3,452	
Recovery of expenses	(10,888)	(485)	(109,692)		(121,065)	
Rentals and field supplies	1,024	0	105,621		106,645	187,816
Sub-contracts	337,945	1,148,025	1,031,366		2,517,336	939,562
Subscriptions	909	470	2,563		3,942	3,060
Telephone and utilities	6,568	68	5,616		12,252	9,309
Travel and training	35,758	12,218	380,986		428,962	101,883
Vehicle expense	36,863	335	68,875		106,074	80,130
Wages and employee benefits	266,341	35,870	345,513		647,723	611,299
	<u>848,254</u>	<u>1,210,660</u>	<u>1,922,440</u>	<u>32,440</u>	<u>4,013,793</u>	<u>2,229,777</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES BEFORE TRANSFERS						
	<u>(37,746)</u>	<u>(1,210,660)</u>	<u>(85,107)</u>	<u>(32,440)</u>	<u>(1,365,952)</u>	<u>2,251,029</u>
INTER-FUND TRANSFERS						
Capital purchases (disposals)	(6,307)	(2,375)	(4,541)	13,224	0	242
Other	10,395	(395,220)	705,897		321,072	
	<u>4,088</u>	<u>(397,596)</u>	<u>701,356</u>	<u>13,224</u>	<u>321,072</u>	<u>242</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES AFTER TRANSFERS						
	<u>(33,658)</u>	<u>(1,608,255)</u>	<u>616,249</u>	<u>(19,216)</u>	<u>(1,044,880)</u>	<u>2,251,271</u>
FUND BALANCES, BEGINNING OF YEAR						
	<u>62,626</u>	<u>2,873,348</u>	<u>932,116</u>	<u>106,323</u>	<u>3,974,413</u>	<u>1,723,140</u>
FUND BALANCES, END OF YEAR						
	<u>28,968</u>	<u>1,265,093</u>	<u>1,548,365</u>	<u>87,107</u>	<u>2,929,532</u>	<u>3,974,411</u>

FOOTHILLS MODEL FOREST
STATEMENT OF FINANCIAL POSITION
AS OF MARCH 31, 2000

ASSETS

	CFS Fund	Provincial Enhancement Fund	Contribution Fund	Capital Fund	Total	Total
	2000	2000	2000	2000	2000	1999
	\$	\$	\$	\$	\$	\$
CURRENT						
Bank	10,274	1,440,177	1,139,713		2,590,164	3,561,335
Term deposits			150,000		150,000	300,000
Accounts receivable	38,405	1,987	643,182		683,574	100,025
Prepaid expenses	21,163		6,833		27,996	83,912
	<u>69,842</u>	<u>1,442,165</u>	<u>1,939,728</u>	<u>0</u>	<u>3,451,734</u>	<u>4,045,272</u>
CAPITAL ASSETS (Note 4)	<u>0</u>	<u>0</u>	<u>0</u>	<u>87,107</u>	<u>87,107</u>	<u>106,321</u>
OTHER ASSETS						
Deposits	1,650				1,650	2,375
Long-term term deposits					0	150,000
	<u>1,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,650</u>	<u>152,375</u>
TOTAL ASSETS	<u>71,492</u>	<u>1,442,165</u>	<u>1,939,728</u>	<u>87,107</u>	<u>3,540,492</u>	<u>4,303,968</u>

LIABILITIES

CURRENT						
Accounts payable and accrued liabilities	42,524	77,072	85,113		204,710	310,122
Inter-fund payables		100,000			100,000	-
Deferred revenue			156,250		156,250	
Trust liability						19,435
	<u>42,524</u>	<u>177,072</u>	<u>241,363</u>	<u>0</u>	<u>460,960</u>	<u>329,557</u>
LONG TERM						
Deferred revenue			150,000		150,000	
	<u>42,524</u>	<u>177,072</u>	<u>391,363</u>	<u>0</u>	<u>610,960</u>	<u>329,557</u>

FUND BALANCES

Invested in capital assets				87,107	87,107	106,321
Externally restricted	28,968	1,265,093	1,548,365		2,842,425	3,868,090
	<u>28,968</u>	<u>1,265,093</u>	<u>1,548,365</u>	<u>87,107</u>	<u>2,929,532</u>	<u>3,974,411</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>71,492</u>	<u>1,442,165</u>	<u>1,939,728</u>	<u>87,107</u>	<u>3,540,492</u>	<u>4,303,968</u>

FOOTHILLS MODEL FOREST

STATEMENT OF CASH FLOW

AS OF MARCH 31, 2000

	Operating Activities				Financing and Investing Activities		
	CFS Account 2000 \$	Provincial Enhancement Account 2000 \$	Contribution Account 2000 \$	Total 2000 \$	Total 1999 \$	Capital Fund 2000 \$	Capital Fund 1,999 \$
SOURCES OF CASH							
Government contributions	766,445	-	161,823	928,268	4,269,477	-	-
Corporate contributions	-	-	1,511,273	1,511,273	678,209	-	-
Other contributions	4,092	-	107,488	111,580	74,749	-	-
Interest income	-	-	132,626	132,626	171,752	-	-
Other income	1,566	-	13,628	15,194	50,421	-	-
	<u>772,103</u>	<u>0</u>	<u>1,926,838</u>	<u>2,698,941</u>	<u>5,244,608</u>	<u>0</u>	<u>0</u>
USES OF CASH							
Wages and benefits	269,048	35,780	342,772	647,600	624,456	-	-
Materials and services	537,934	1,140,803	1,630,952	3,309,689	1,175,651	-	-
Purchase of capital assets	-	-	-	-	-	13,324	106,202
	<u>806,982</u>	<u>1,176,583</u>	<u>1,973,724</u>	<u>3,957,289</u>	<u>1,800,107</u>	<u>13,324</u>	<u>106,202</u>
NET INCREASE (DECREASE) IN CASH POSITION	(34,879)	(1,176,583)	(46,886)	(1,258,348)	3,444,501	(13,324)	(106,202)
CASH BEGINNING OF YEAR	38,757	3,016,433	956,546	4,011,736	673,437	-	-
INTER-FUND TRANSFERS	6,396	(399,673)	380,053	(13,224)	(106,202)	13,324	106,202
CASH END OF YEAR	<u>10,274</u>	<u>1,440,177</u>	<u>1,289,713</u>	<u>2,740,164</u>	<u>4,011,736</u>	<u>0</u>	<u>0</u>
CASH COMPRISED OF:							
Cash - CFS Fund	10,274	-	-	10,274	545,303	-	-
Cash - Provincial Enhancement Fund	-	1,440,177	-	1,440,177	3,016,433	-	-
Cash - Contribution Fund	-	-	1,139,713	1,139,713	-	-	-
Term Deposits - Contribution Fund	-	-	150,000	150,000	450,000	-	-
	<u>10,274</u>	<u>1,440,177</u>	<u>1,289,713</u>	<u>2,740,164</u>	<u>4,011,736</u>	<u>0</u>	<u>0</u>

FOOTHILLS MODEL FOREST
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

1. PURPOSE OF THE ORGANIZATION

Foothills Model Forest was incorporated in Alberta as a not-for-profit organization under Part 9 of the Companies Act of Alberta. The organization is owned equally by Weldwood of Canada Limited (Hinton Division) and the Government of Alberta. As a not-for-profit organization, the Company is not subject to income taxes and the assets of the company can not be distributed to the shareholders.

The objects for which the organization was established are:

- a) To accelerate and expand new and existing initiatives in sustainable forest operations innovation, integrated resource management, decision support systems research, technology transfer and public involvement in the Foothills Model Forest;
- b) To support the development of multi-jurisdictional resource management strategies and programs, particularly regarding transboundary resources;
- c) To test and demonstrate on the Foothills Model Forest advanced technology and integrated resource management practices consistent with the principles of sustainable development;
- d) To use the expertise and facilities of the Environmental Training Centre to assist in the knowledge base development and transfer the knowledge gained in the Foothills Model Forest program to local, national and international resource managers and various publics;
- e) To develop an integrated resource management strategy for the Foothills Model Forest, representing a balance of integrated resource management objectives, using consensus development techniques, with the participation of representative stakeholders; and
- f) To support the Foothills Model Forest in the delivery of the 5-year, Phase II, Model Forest Plan and the Annual Work Plan. These financial statements reflect operations of the third year in the 5-year, Phase II, Model forest Plan. Planning for the proposal of a third phase of the Model Forest Plan is currently underway. Each phase has a life span of five years.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Fund accounting

The Foothills Model Forest follows the restricted fund method of accounting for contributions.

The CFS Fund accounts for funding received from the Canadian Forest Service for the organization's program delivery and administrative activities as well as restricted resources that are to be used for specified projects of interest to the Canadian Forest Service.

The Provincial Enhancement Fund reports only restricted resources that are to be directed toward project areas of interest to Alberta's forest sector.

The Contribution Fund reports only restricted resources that are to be used for specified projects.

FOOTHILLS MODEL FOREST
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

2. SIGNIFICANT ACCOUNTING POLICIES CONT

a) Fund accounting con't

The Capital Fund reports the assets, liabilities, revenues and expenses related to the Foothills Model Forest's capital assets.

b) Capital assets

Purchased capital assets are stated at cost. Contributed capital assets are recorded at fair value at the date of contribution. Amortization of capital assets is provided on a straight-line basis using the following annual rates:

Office equipment	20%
Field equipment	20%
Computer equipment	33 1/3%

c) Investments

Investments are recorded at the lower of cost and market value.

d) Revenue recognition

All restricted contributions are recognized as revenue of the appropriate restricted fund in the year received.

Investment income earned on all funds' resources is recognized as revenue of the Contribution Fund when earned.

e) Contributed services

The General Manager's services and rent of premises are contributed through agreements with Alberta Environmental Protection. These services are not recognized in the financial statements.

Significant other services are provided to the Foothills Model Forest by the Provincial Government, Weldwood of Canada (Hinton Division) and other volunteers. Because of the difficulty in determining fair value, these other contributed services are not recognized in the financial statements.

f) Financial Instruments

The company's financial instruments consist of cash, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the company is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values, unless otherwise noted.

g) Measurement Uncertainty

The preparation of financial statements in conformity with generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

FOOTHILLS MODEL FOREST
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2000

3. CAPITAL ASSETS

	2000			1999
	Cost	Accumulated Amortization	Net	Net
Field equipment	73,876	46,417	27,459	32,725
Computer equipment	225,685	167,651	58,034	70,368
Office equipment	8,073	6,459	1,614	3,230
	<u>307,634</u>	<u>220,527</u>	<u>87,107</u>	<u>106,323</u>

Amortization provided for in the year in the capital fund is \$32,440; (1999-\$71,570)

4. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's disclosure. The comparative figures were audited by another public accountant.

FOOTHILLS MODEL FOREST

Schedule I

SCHEDULE OF PROJECT FUNDS

FOR THE YEAR ENDED MARCH 31, 2000

Project Codes	April 1, 1999 Fund Balance \$	Inter-fund Transfers \$	Current Year Receipts \$	Current Year Expenditures \$	March 31, 2000 Fund Balances \$	
<u>Information, Research and Knowledge</u>						
GIS Project Management	100	(85)	36,168	70,375	106,458	0
Landscape Disturbance	128	21,760	57,194	149,153	228,289	(182)
Grande Cache Goat	129	469	(10)	5,000	5,459	0
Bridgeland Survey	130	170	47,062	4,092	51,324	0
Aboriginal Involvement	131	175	31,465	15,800	33,448	13,992
Watershed Assessment						
Model - Development	141	4,289				4,289
Fish Inventory	146	14	40,088	40,102		0
Road/Stream Crossings	147	4	(4)			0
Fisheries Project	150	17	(2,579)	71,566	71,121	(2,117)
Successional Model Development	171	10,000	3,000	0	0	13,000
		36,813	172,296	356,074	536,201	28,983
<u>Integrated Resource Management</u>						
Woodland Caribou Study	202	5	49,995	1,735	51,838	(104)
Ecosystem Monitoring Program	203	21,036	56,237	270,775	294,465	53,583
Carnivore Conservation	204	(73,318)	601,454	404,560	680,918	251,778
Criteria and Indicators	205	3,445	(4,215)	4,600	3,050	780
Cumulative Effects	206	(5)	5			0
Co-operative Management Planning	207	27,645	(11,065)		16,580	0
Willmore Inventory Program	208	885	9,115		10,000	0
Integration of Wildlife Models	209		(8,788)		(8,788)	0
Cache Percotte Management Plan	210	16,707			1,153	15,554
Ecosite Field Guide	211	463	(463)			0
Harlequin Ducks	212		9,764			9,764
Integrated Research Management	213			60,000	14,483	45,518
Wildland Fire Growth Model Devel.	214			162,900	17,781	145,119
Willmore Grazing Inventory	215		9,796		9,796	0
Socio-economic Study	224	2,347	115,517	366,664	434,529	50,000
Forest Carbon Budget Study	225	6,378	23,622			30,000
Transportation Efficiencies	230		184,520		184,520	0
NAIT/Forintek Wood Proc. Program	231		317,778		283,710	34,068
Sustainability of Resource Communities	234		348,689		135,394	213,295
Growth & Yield Research	235		199,515	90,000	53,409	236,106
Canadian Environmental Auditing	236		10,000		10,000	0
Western Canada Forest Industry Partners	237		266,400		266,400	0
Ecological Chronosequence Study	238		200,463	150,000	263,287	87,177
Burnt Wood Utilization	239		600,000			600,000
Project Management	390		321,344		64,361	256,983
		5,589	3,299,683	1,511,234	2,786,884	2,029,620

FOOTHILLS MODEL FOREST

Schedule I Con't

SCHEDULE OF PROJECT FUNDS

FOR THE YEAR ENDED MARCH 31, 2000

Project Codes	April 1, 1999 Fund Balance \$	Inter-fund Transfers \$	Current Year Receipts \$	Current Year Expenditures \$	March 31, 2000 Fund Balances	
<u>Administration Projects</u>						
Administration	400	(127,071)	233,439	106,368	0	
Board of Directors	410	(351)	8,250	7,900	0	
Model Forest Network	411	(844)	10,000	9,156	0	
Project Steering Committee	412	(383)	1,000	617	0	
Partners' Association	413	(849)	1,000	151	0	
Activity Teams	415	(861)	1,000	139	0	
	0	(130,358)	254,689	124,331	0	
<u>Forest Resource Improvement Project</u>						
Bird Inventory	602	180	(180)		0	
Landscape Disturbance	608	(5,952)	5,952		0	
Adaptive Forest Management	612	111,224		69,270	41,954	
Gregg River Cabin Restoration	613	339	8,144	8,483	0	
Doug Hutton Video	614		3,500	103,500	0	
Fish and Stream Inventory	643	3	17,943	150,000	46,182	
	105,794	27,215	261,644	306,518	88,136	
<u>Communications</u>						
Co-ordination	300	17,569	(12,024)	61,700	67,245	0
Educational Relations	320		2,585	47,500	41,835	8,250
Community Relations	321	5	15,477	101,800	77,782	39,500
Media Relations	322		50	950	1,000	0
Partner Relations	323	22	2,082	19,750	15,604	6,250
Technology Transfer	324		(9,394)	18,500	9,106	0
Government/Network	325	46	(276)	9,000	4,770	4,000
Tool Development	326			5,000	5,000	0
Technology Transfer Development Opportunity	327		5,417		5,076	340
	17,642	3,917	264,200	227,419	58,340	
<u>Capital Fund Balance</u>					87,107	
<u>Capital Fund Amortization Expense</u>				32,440		
<u>Unallocated</u>					637,346	
	766,278					
	932,116	3,372,753	2,647,841	4,013,793	2,929,532	

FOOTHILLS MODEL FOREST

Schedule II

SCHEDULE OF COMPARATIVE OPERATIONS AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED MARCH 31, 1999

	General Fund 1999 \$	Provincial Enhancement Fund 1999 \$	Project Fund 1999 \$	Capital Fund 1999 \$	Total 1999 \$
REVENUES					
Contributions					
Canadian Forest Services	563,500	-	36,000	-	599,500
Government Agencies	-	3,200,000	-	-	3,200,000
Corporate contributions	40	-	413,844	-	413,884
Other agencies	4,712	-	62,339	-	67,051
Interest income	179,489	-	-	-	179,489
Other income	15,884	-	5,000	-	20,884
	<u>763,625</u>	<u>3,200,000</u>	<u>517,183</u>	<u>0</u>	<u>4,480,808</u>
EXPENSES					
Advertising and promotion	133	-	33,389	-	33,522
Amortization	-	-	-	71,570	71,570
Bank charges and interest	423	-	-	-	423
Computer expense	8,425	-	39,103	-	47,528
Freight	492	140	3,164	-	3,796
General expense	54	-	432	-	486
GST expense	14,787	18,217	26,732	-	59,736
Insurance	2,408	-	7,130	-	9,538
Meeting Expense	7,753	-	4,512	-	12,265
Office	4,932	149	6,468	-	11,549
Photo finishing	69	-	7,070	-	7,139
Printing and binding	5,657	-	6,526	-	12,183
Professional fees	1,885	-	4,908	-	6,793
Publications	2,538	-	761	-	3,299
Public relations	5,036	-	11,855	-	16,891
Rentals and field supplies	5,817	-	181,999	-	187,816
Sub-contracts	-	269,983	669,579	-	939,562
Subscriptions	713	-	2,347	-	3,060
Telephone and utilities	3,215	56	6,038	-	9,309
Travel and training	23,249	5,227	73,407	-	101,883
Vehicle expense	19,963	-	60,167	-	80,130
Wages and employee benefits	73,123	-	538,178	-	611,301
	<u>180,672</u>	<u>293,772</u>	<u>1,683,765</u>	<u>71,570</u>	<u>2,229,779</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>582,953</u>	<u>2,906,228</u>	<u>(1,166,582)</u>	<u>(71,570)</u>	<u>2,251,029</u>
INTER-FUND TRANSFERS					
Capital purchases	(5,132)	(32,880)	(67,950)	106,204	242
Other	(1,384,646)	-	1,384,646	-	0
	<u>(1,389,778)</u>	<u>(32,880)</u>	<u>1,316,696</u>	<u>106,204</u>	<u>242</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES AFTER TRANSFERS	<u>(806,825)</u>	<u>2,873,348</u>	<u>150,114</u>	<u>34,634</u>	<u>2,251,271</u>
FUND BALANCES, BEGINNING OF YEAR (Note 4)					
	<u>869,451</u>	<u>0</u>	<u>782,000</u>	<u>71,689</u>	<u>1,723,140</u>
FUND BALANCES, END OF YEAR (Note 4)					
	<u>62,626</u>	<u>2,873,348</u>	<u>932,114</u>	<u>106,323</u>	<u>3,974,411</u>

**FOOTHILLS MODEL FOREST
RECORD OF IN-KIND CONTRIBUTIONS
FOR THE YEAR ENDING MARCH 31, 2000**

Project Account #	Project Title	# of HOURS CONT.	TOTAL \$ VALUE of HOURS	TOTAL OTHER CONTRIB.	TOTAL CASH CONTRIB.	TOTAL CONTRIB. BY PROJECT
100	GIS Project Management & Implementation					
	Canadian Forest Service				\$70,375.00	\$70,375.00
	Jasper National Park				\$33,333.00	\$33,333.00
	Land and Forest Service - AEP				\$3,332.00	\$3,332.00
	Sub - total	0.0	\$0.00	\$0.00	\$107,040.00	\$107,040.00
128	Landscape Disturbance					
	David Andison - Bandalooop Landscape-Ecosystem	16.0	\$ 1,300.00			\$ 1,300.00
	Alberta Newsprint Company				\$32,200.00	\$32,200.00
	FRIAA - Weldwood of Canada				\$12,000.00	\$12,000.00
	Jasper National Park				\$417.00	\$417.00
	Land and Forest Service			\$500.00		
	Land and Forest Service - AEP				\$10,867.00	\$10,867.00
	Other				\$3,616.00	\$3,616.00
	Weldwood of Canada				\$101,337.00	\$101,337.00
	Sub - total	16.0	\$1,300.00	\$500.00	\$160,437.00	\$161,737.00
129	Grande Cache Goat					
	Alberta Sport, Recreation, Parks & Wildlife Foundation				\$5,000.00	\$5,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$5,000.00	\$5,000.00
130	Bridgland Survey					
	Land and Forest Service - AEP				\$6,000.00	\$6,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$6,000.00	\$6,000.00
131	Aboriginal Involvement					
	Canadian Forest Service				\$15,800.00	\$15,800.00
	Sub - total	0.0	\$0.00	\$0.00	\$15,800.00	\$15,800.00
141	Watershed Assessment Model Development					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
146	F.H.D.P. Fish Inventory					
	Alberta Conservation Association				\$40,088.00	\$40,088.00
	Sub - total	0.0	\$0.00	\$0.00	\$40,088.00	\$40,088.00
150	Fisheries Project Administration					
	Canadian Forest Service				\$70,000.00	\$70,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$70,000.00	\$70,000.00
171	Successional Model Development					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
202	Woodland Caribou Study					
	Rick Bonar - Weldwood of Canada	100.0	\$5,000.00			
	Land and Forest Service - AEP				\$50,000.00	\$50,000.00
	Alberta Conservation Association				\$1,734.50	\$1,734.50
	Sub - total	100.0	\$5,000.00	\$0.00	\$51,734.50	\$51,734.50
203	Ecosystem Monitoring					
	Chris Shank	600.0				
	Dr. Bruce McGillivray	80.0	\$3,000			\$3,000.00
	Harry Stelfox	112.0				\$0.00
	Steven E. Franklin	304.0				\$0.00
	Stan Boutin	80.0	\$7,000			\$7,000.00
	Ainsworth Lumber				\$5,000.00	\$5,000.00
	Alberta Conservation Association				\$3,000.00	\$3,000.00
	Alberta Research Council				\$15,000.00	\$15,000.00
	Alberta Science and Research				\$150,000.00	\$150,000.00

**FOOTHILLS MODEL FOREST
RECORD OF IN-KIND CONTRIBUTIONS
FOR THE YEAR ENDING MARCH 31, 2000**

Project Account #	Project Title	# of HOURS CONT.	TOTAL \$ VALUE of HOURS	TOTAL OTHER CONTRIB.	TOTAL CASH CONTRIB.	TOTAL CONTRIB. BY PROJECT
203	Ecosystem Monitoring Con't					
	Alberta-Pacific Forest				\$20,000.00	\$20,000.00
	Canadian Forest Service				\$49,775.00	\$49,775.00
	Land and Forest Service				\$16,000.00	\$16,000.00
	Land and Forest Service - AEP				\$24,775.00	\$24,775.00
	Natural Resources Canada				\$12,000.00	\$12,000.00
	Sub - total	1176.0	\$10,000.00	\$0.00	\$295,550.00	\$305,550.00
204	Carnivore Conservation - Grizzly Bears					
	Jerry Sunderland	80.0				\$0.00
	Alberta Conservation Association				\$50,000.00	\$50,000.00
	Alberta Fish & Game				\$1,500.00	\$1,500.00
	Cardinal River Coals Ltd.				\$50,000.00	\$50,000.00
	FRIAA - Weldwood of Canada				\$50,000.00	\$50,000.00
	Jasper National Park				\$66,250.00	\$66,250.00
	Land and Forest Service - AEP				\$4,375.00	\$4,375.00
	Natural Resource Service				\$253,060.00	\$253,060.00
	Provincial Enhancement Funds				\$139,200.00	\$139,200.00
	Telemetry Solutions				\$720.40	\$720.40
	Sub - total	0.0	\$0.00	\$0.00	\$615,105.40	\$615,105.40
205	Criteria and Indicators					
	Jasper National Park	25.0	\$1,000.00			\$1,000.00
	Weldwood of Canada	50.0	\$2,000.00			\$2,000.00
	Canadian Forest Service				\$4,500.00	\$4,500.00
	Land and Forest Service - AEP				\$25,000.00	\$25,000.00
	Other				\$100.00	\$100.00
	Sub - total	50.0	\$3,000.00	\$0.00	\$29,600.00	\$32,600.00
207	Cooperative Management Planning					
	Land and Forest Service					\$0.00
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
208	Willmore Inventory Program					
	Land and Forest Service - AEP				\$10,000.00	\$10,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$10,000.00	\$10,000.00
209	Integration of Wildlife Models					
	Weldwood of Canada				\$11,059.39	\$11,059.39
	Sub - total	0.0	\$0.00	\$0.00	\$11,059.39	\$11,059.39
210	Cache Percotte Management Plan					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
212	Harlequin Ducks					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
213	Integrated Research Management					
	Land and Forest Service				\$60,000.00	\$60,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$60,000.00	\$60,000.00
214	Wildfire Growth Model Development					
	Canadian Forest Service				\$10,000.00	\$10,000.00
	Indian and Northern Affairs - Yukon				\$10,000.00	\$10,000.00
	Land and Forest Service				\$30,000.00	\$30,000.00
	Land and Forest Service - Saskatchewan				\$20,000.00	\$20,000.00
	Manitoba Natural Resources				\$5,000.00	\$5,000.00
	Millar Western Industries Ltd.				\$5,000.00	\$5,000.00
	Ministry of Forests				\$15,000.00	\$15,000.00

**FOOTHILLS MODEL FOREST
RECORD OF IN-KIND CONTRIBUTIONS
FOR THE YEAR ENDING MARCH 31, 2000**

Project Account #	Project Title	# of HOURS CONT.	TOTAL \$ VALUE of HOURS	TOTAL OTHER CONTRIB.	TOTAL CASH CONTRIB.	TOTAL CONTRIB. BY PROJECT
214	Wildfire Growth Model Development Con't					
	Ministry of Natural Resources				\$20,000.00	\$20,000.00
	Parks Canada (Natural Resources Branch)				\$5,000.00	\$5,000.00
	Provincial Enhancement Funds				\$20,000.00	\$20,000.00
	SOPFEU				\$10,000.00	\$10,000.00
	University of Alberta - ERM				\$2,900.00	\$2,900.00
	Sub - total	0.0	\$0.00	\$0.00	\$152,900.00	\$152,900.00
215	Willmore Grazing Inventory					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
224	Socio-Economic Study					
	Bill White/Tom Beckley - Canadian Forest Service					\$0.00
	Canadian Forest Service				\$258,525.00	\$258,525.00
	Weldwood of Canada				\$108,139.00	\$108,139.00
	Provincial Enhancement Funds				\$100,000.00	\$100,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$446,664.00	\$446,664.00
225	Forest Carbon Budget Study					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
230	Transportation Efficiencies					
	Provincial Enhancement Funds				\$185,197.00	\$185,197.00
	Sub - total	0.0	\$0.00	\$0.00	\$185,197.00	\$185,197.00
231	NAIT/Forintek Wood Proc. Prog.					
	Provincial Enhancement Funds				\$317,777.91	\$317,777.91
	Sub - total	0.0	\$0.00	\$0.00	\$317,777.91	\$317,777.91
234	Sustainability of Resource Communities					
	Provincial Enhancement Funds				\$348,689.03	\$348,689.03
	Sub - total	0.0	\$0.00	\$0.00	\$348,689.03	\$348,689.03
235	Growth & Yield Research					
	Alberta Newsprint Company				\$10,000.00	\$10,000.00
	Blue Ridge Lumber				\$10,000.00	\$10,000.00
	Canadian Forest Products				\$10,000.00	\$10,000.00
	Millar Western Industries Ltd.				\$10,000.00	\$10,000.00
	Provincial Enhancement Funds				\$199,514.69	\$199,514.69
	Spray Lakes Sawmills				\$10,000.00	\$10,000.00
	Sundance Forest Industries Ltd.				\$10,000.00	\$10,000.00
	Sunpine Forest Products Ltd.				\$10,000.00	\$10,000.00
	Weldwood of Canada				\$10,000.00	\$10,000.00
	Weyerhaeuser Canada				\$10,000.00	\$10,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$289,514.69	\$289,514.69
236	Canadian Environmental Auditing Assessment					
	Provincial Enhancement Funds				\$10,000.00	\$10,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$10,000.00	\$10,000.00
237	Western Canada Forest Industry Partners					
	Provincial Enhancement Funds				\$264,268.50	\$264,268.50
	Sub - total	0.0	\$0.00	\$0.00	\$264,268.50	\$264,268.50
238	Ecological Chronosequence Study					
	Blue Ridge Lumber				\$50,000.00	\$50,000.00
	Provincial Enhancement Funds				\$200,000.00	\$200,000.00
	Weldwood of Canada				\$100,000.00	\$100,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$350,000.00	\$350,000.00

**FOOTHILLS MODEL FOREST
RECORD OF IN-KIND CONTRIBUTIONS
FOR THE YEAR ENDING MARCH 31, 2000**

Project Account #	Project Title	# of HOURS CONT.	TOTAL \$ VALUE of HOURS	TOTAL OTHER CONTRIB.	TOTAL CASH CONTRIB.	TOTAL CONTRIB. BY PROJECT
239	Burnt Wood Utilization					
	Provincial Enhancement Funds				\$600,000.00	\$600,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$600,000.00	\$600,000.00
300	Communications Project Management					
	Canadian Forest Service				\$61,700.00	\$61,700.00
	Sub - total	0.0	\$0.00	\$0.00	\$61,700.00	\$61,700.00
320	Educational Relations					
	Canadian Forest Service				\$47,500.00	\$47,500.00
	Sub - total	0.0	\$0.00	\$0.00	\$47,500.00	\$47,500.00
321	Community Relations					
	Canadian Forest Service				\$58,476.00	\$58,476.00
	Community Lotteries Funding				\$29,500.00	\$29,500.00
	Eastern Ontario Model Forest				\$10,000.00	\$10,000.00
	Weldwood of Canada				\$13,824.00	\$13,824.00
	Sub - total	0.0	\$0.00	\$0.00	\$111,800.00	\$111,800.00
322	Media Relations					
	Weldwood of Canada				\$950.00	\$950.00
	Sub - total	0.0	\$0.00	\$0.00	\$950.00	\$950.00
323	Partner Relations					
	Canadian Forest Service				\$14,750.00	\$14,750.00
	Weldwood of Canada				\$5,000.00	\$5,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$19,750.00	\$19,750.00
324	Technology Transfer					
	Canadian Forest Service				\$7,750.00	\$7,750.00
	Weldwood of Canada				\$10,750.00	\$10,750.00
	Sub - total	0.0	\$0.00	\$0.00	\$18,500.00	\$18,500.00
325	Government/Network Relations					
	Canadian Model Forest Network				\$4,000.00	\$4,000.00
	Weldwood of Canada				\$5,000.00	\$5,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$9,000.00	\$9,000.00
326	Tool Development					
	Weldwood of Canada				\$5,000.00	\$5,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$5,000.00	\$5,000.00
327	Technical Transfer Development Opportunities					
	Land and Forest Service - AEP				\$6,000.00	\$6,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$6,000.00	\$6,000.00
390	Project Management					
	Provincial Enhancement Funds				\$259,740.04	\$259,740.04
	Sub - total	0.0	\$0.00	\$0.00	\$259,740.04	\$259,740.04
400	Finance & Administration					
	Treasurer - Weldwood of Canada	100.0	\$5,000.00			\$5,000.00
	General Manager - Alberta Environment			\$52,000.00		\$52,000.00
	Canadian Forest Service				\$114,449.00	\$114,449.00
	Land and Forest Service - AEP				\$9,651.00	\$9,651.00
	Sub - total	100.0	\$5,000.00	\$52,000.00	\$124,100.00	\$181,100.00

**FOOTHILLS MODEL FOREST
RECORD OF IN-KIND CONTRIBUTIONS
FOR THE YEAR ENDING MARCH 31, 2000**

Project Account #	Project Title	# of HOURS CONT.	TOTAL \$ VALUE of HOURS	TOTAL OTHER CONTRIB.	TOTAL CASH CONTRIB.	TOTAL CONTRIB. BY PROJECT
410	Board of Directors					
	Bill Hume - Cardinal River Coals Ltd.					
	Bob Newstead - Canadian Forest Service	430.0	\$16,120.00			\$16,120.00
	Bob Udell - Weldwood of Canada	205.0	\$20,500.00			\$20,500.00
	Brad King - Weldwood of Canada	20.0	\$1,000.00			\$1,000.00
	David Luff - CAPP					\$0.00
	Dennis Hawksworth - Weldwood of Canada	120.0	\$12,000.00			\$12,000.00
	Dennis Quintilio - Alberta Environment					
	Don Laishley - Weldwood of Canada	72.0	\$9,000.00			\$9,000.00
	Doug Hodgins - Jasper National Park	80.0	\$3,400.00			\$3,400.00
	James Beck - University of Alberta	66.0	\$2,750.00			\$2,750.00
	Jerry Sunderland	160.0				\$0.00
	Jim Skrenek - Natural Resources Service	60.0	\$3,750.00			\$3,750.00
	John Kerkhoven - Petro Canada					
	Marsha Spearin - Weldwood of Canada	104.0				\$0.00
	Mike Poscente - Alberta Environment					
	Ross Risvold - Mayor, Town of Hinton	208.0	\$26,000.00			\$26,000.00
	Canadian Forest Service				\$8,250.00	\$8,250.00
	Sub - total	1525.0	\$94,520.00	0.0	\$8,250.00	\$102,770.00
411	Model Forest Network					
	Bob Udell - Weldwood of Canada	56.0	\$5,600.00			
	Canadian Forest Service				\$10,000.00	\$10,000.00
	Sub - total	56.0	\$5,600.00	\$0.00	\$10,000.00	\$10,000.00
412	Project Steering Committee					
	Canadian Forest Service				\$1,000.00	\$1,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$1,000.00	\$1,000.00
413	Partners' Association					
	Canadian Forest Service				\$1,000.00	\$1,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$1,000.00	\$1,000.00
415	Activity Teams					
	Canadian Forest Service				\$1,000.00	\$1,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$1,000.00	\$1,000.00
416	Yellowhead Ecosystem Group					
	Sub - total	0.0	\$0.00	\$0.00	\$0.00	\$0.00
	OTHER PROJECTS					
612	Adaptive Forest Management					
	Weldwood of Canada					\$0.00
	Bob Udell - Weldwood of Canada	13.0	\$1,300.00			\$1,300.00
	Sub - total	13.0	\$1,300.00	\$0.00	\$0.00	\$1,300.00
613	Gregg River Cabin Restoration					
	FRIAA - Weldwood of Canada				\$8,144.37	\$8,144.37
	Sub - total	0.0	\$0.00	\$0.00	\$8,144.37	\$8,144.37
614	Doug Hutton Video Productions					
	FRIAA - Weldwood of Canada				\$103,500.00	\$103,500.00
	Sub - total	0.0	\$0.00	\$0.00	\$103,500.00	\$103,500.00
643	Fish & Stream Inventory - FRIP					
	FRIAA - Weldwood of Canada				\$150,000.00	\$150,000.00
	Sub - total	0.0	\$0.00	\$0.00	\$150,000.00	\$150,000.00
TOTAL FOR ALL PROJECTS		3,036	124,420	52,500	5,389,360	5,576,480



Images in the annual report courtesy of Brian Carnell, Michael Castonguay, Dan Farr, Peter Glenn, Beth McCallum, Jasper National Park, Weldwood of Canada Limited (Hinton Division)

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