



EASTERN ONTARIO FORÊT MODÈLE
MODEL FOREST DE L'EST DE L'ONTARIO

2009~2010
ANNUAL REPORT

*Sketches of Change:
Forests and Communities in Transition*

Forests for Seven Generations

D.S.N. / 012



The Eastern Ontario Model Forest continues to feel a deep sadness and sense of loss after the passing of our beloved friend and colleague, Dave Neave. Dave was passionate in promoting environmental stewardship and conservation in Canada. He had a great gift for thoughtfully engaging private landowners, always sensitive to their issues and concerns.

Dave remains ever with us in spirit, and equally so in his emotive watercolours. Several grace the pages of this annual report.





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Message from the President: *Moving the Yardsticks Yet Again Further*

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Looking back on the past twelve months, it has been a time of change and adjustment; a time in which we've also faced challenges. As always, the EOMF board, staff and partners proved their ability to navigate these changes and challenges with their usual fortitude and dedication.

In the context of our partnership with the Canadian Forest Service under the Forest Communities Program, we have nurtured efforts to work with local communities in facing some of the major challenges associated with a rapidly changing forest industry in eastern Ontario, turning our attention, in particular, to the Ottawa Valley. In the Ottawa Valley most sawmills are still open but they face many challenges from potential loss of wood from Algonquin Park to more regulation that adds costs; most critically, these sawmills need markets for the low-grade material that previously went to pulp mills. We have been working with these communities on all these fronts in order to be a force for positive change in terms of both sustainable forestry and a more prosperous rural community.

At the other end of the spectrum with respect to providing assistance to local communities has been our effort in the urban setting of the City of Ottawa. Faced with the arrival of the emerald ash borer (EAB), the City of Ottawa has had a great ally in the EOMF-led Regional Forest Health Network (RFHN). The RFHN has been working closely with the City of Ottawa on communication and outreach efforts, technical and pragmatic issues (e.g., wood disposal methods), and science-based research in the hopes of finding solutions to slowing the spread of the EAB by human activity – the main vector for the spread of the exotic pest. The EOMF also continued to chair the City of Ottawa's Task Force on EAB this past year, facilitating the collaborative work of the City of Ottawa's Forest Service and all partners in strategizing and implementing means of combating the EAB. While the EAB problem has obvious urban implications, the threats to rural communities in our region could be equally, or more, devastating. Both the RFHN and the Task Force are working hard to see that the damage inflicted by the EAB is minimized to the extent possible by engaging both urban and rural audiences.

The EOMF continued to be a cornerstone in forest certification, for both municipal and private lands in southern Ontario. In particular, we worked closely with Renfrew County in bringing the Renfrew County Community Forest under our certification umbrella. We have also been assisting the Ottawa Valley Sustainable Forest Licence in working towards becoming certified.

We also made progress on our long-standing and (arguably) most ambitious project: work to facilitate the establishment of a Wood Centre and Eco-Industrial Park in the Township of Edwardsburgh/Cardinal. The Wood Centre has now been incorporated and Sandra Lawn, whom I am sure you all know, has been an absolutely tireless promoter (no surprise!) for this project in the face of absolutely horrendous economic conditions. We have

formal MOUs in place with a number of community colleges and are working to get a first pilot plant established at the site.

These are but a few areas in which we are working with partners to move ahead in a unified fashion. In doing so I would like to thank all of our long-time and cherished partners and volunteers. Your assistance over the past year has been overwhelming and we look forward to continuing our work with each and every member of what has come to be described as our model forest 'family.' We also look forward to developing relationships with new partners and members – expanding the circle of 'good minds' (to borrow a phrase used by our friends at Akwesasne).

My remarks would not be complete without extending a card of thanks to my fellow board members for their commitment, support, and wisdom over the course of the year. Board members have worked tirelessly to assist the staff at every turn; to each of you, a heartfelt thanks. And, to the staff group, a sincere thanks for your dedication on all fronts.

In closing I would like to acknowledge the passing of three foresters who have done so very much to advance the work of the EOMF over the past two decades:

Dave Neave, our Past President and ardent conservationist

William K. ("Old Bill") Fullerton, a founding director and prominent forester for the province

and

Bill Hall, a much-respected Ottawa Valley forester and true friend to the model forest.

I dedicate this edition of the annual report to these gentlemen who have done so much for all of us.

Jim McCready, R.P.F.

President
Eastern Ontario Model Forest



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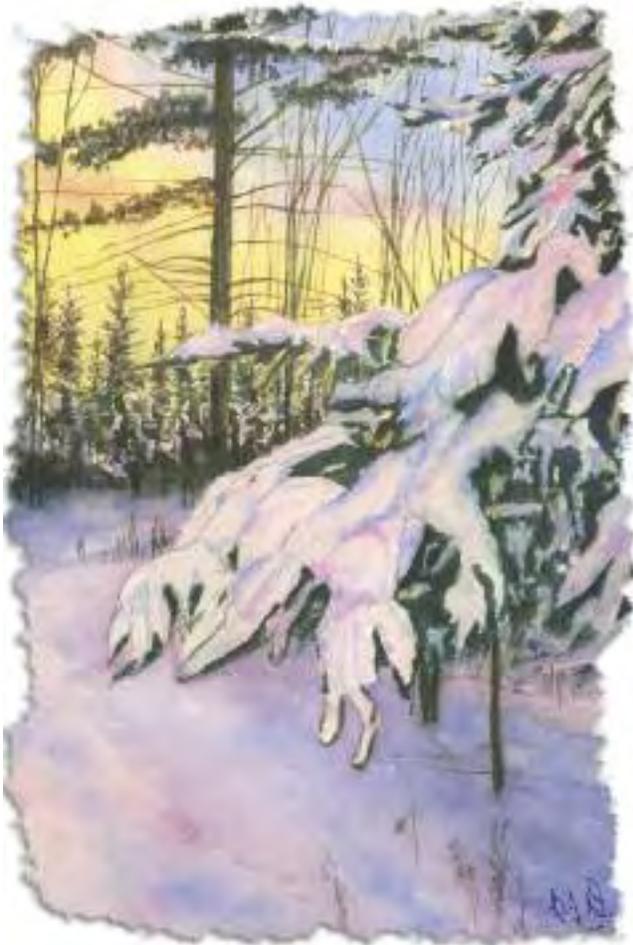
General Manager's Report:

Balance, Evolution, Metamorphosis, Loss and Optimism

Hello everyone,

Welcome to my first General Manager's report and the 18th edition of our annual report. Our 18th! That is quite an accomplishment when you come to think about it – 18 years of effort and dedication to the EOMF 'cause.' I am proud to be part of the team, and proud to be a member of an organization which seeks to find a balance between the many important but sometimes conflicting issues that face the settled landscape in which we live, play and work. Balance is important because everyone has a perspective, a voice and a right to be heard. Many of the issues we face will continue to be here long after we are gone so the EOMF continues to champion the idea that only through a balance of respect, equity and empowerment will we ever achieve our stated vision.

Last year's report was titled, "The Good, The Bad, and The Ugly" and, when I first started writing this, I began to wonder if this year's title should be "The Good, The Bad, and The Ugly – Part 2" but then I realized that this year hasn't exactly been a sequel to last; it has been one of balance, evolution, metamorphosis and loss for the EOMF.



I am also sure that most of you are aware that this is the first GM's report not to have been written by Brian Barkley. What a legacy he has had in this organization! His dedication and skilled navigational ability have brought us to where we are today: ideally positioned to capitalize on opportunity and to continue to contribute to the future of the settled landscape. Brian and Board have set course for where we are heading; my job now is to help keep us pointing in the right direction. For the record, I also want to thank Brian for all his support and mentoring over the years. I have learned a lot from him and if it were not for his guidance and understanding I would have given up on forestry long ago. Also for the record, you should know that Brian continues to contribute. He has provided me with some sage GM advice and is actively participating on the Wood Centre project. So, Brian's legacy here continues and I am confident we will see his name in our 19th and 20th annual reports.

Now to the 'loss' bit . . . I am betting all of you are aware of Dave Neave's sudden death. Dave had a huge influence, not only on this organization, but also on the Canadian Model Forest Network. And, although every organization, and especially the EOMF, is much more than any one individual, we were pretty lucky to have had the chance to benefit from knowing someone like Dave, who gave so much. His contribution to the

organization was quite remarkable, touching pretty much every aspect of our operation. On a personal note, I have been friends with the Neave family for 20 years now and not a day goes by that I don't think of him. So long Dave – I really miss sitting around your place over a beer or two talking about everything from family to forests. The EOMF and I have both lost a mentor this last year.

The EOMF is working in so many areas that, quite honestly, I have found it a challenge to keep on top of everything. To this end, I am very grateful for the dedication (and support) shown by the staff group; Mary, Elizabeth, Melanie and Scott work hard to help push the organization towards our vision. Each one shares responsibilities and contributes to our successes. The strength of any organization rests in its people and we all should be grateful for the commitment (most have been around for 10 years or longer!). A big part of my evolution from forester to manager has involved getting to understand the many administrative needs associated with this job while trying to lean on our staff and project leads to bear the brunt of the project work. There is still more needed in this area and my learning curve is not over, but I know that I will not be comfortable taking a completely hands off approach – I want to get involved and plan to on a few key projects.

To me, the EOMF is about partnership and over the past year we have connected with our partners in many direct and indirect ways on initiatives that will help build stronger and more resilient forest communities. Although the road to forest sector recovery will be a long one, I am pleased with the progress we have made in a number of key areas. We continue to work toward building stronger relationships with existing forest-based businesses. It is a major plank in the Forest Communities Program and our linkage into industry is an essential one for us. A strong forest sector, built around a foundation of good forestry practices, is critical to Ontario's rural fabric – we need all the benefits that come from harvesting trees from well-managed forests. Forest-based communities, as well as the forests that support them, are dependent on this. We have engaged in areas (some old, some new) like forest certification, species at risk, the Ontario East Wood Centre project, bioenergy, carbon offsets and ecological goods and services.

As I travel around talking to various groups and people, I try to emphasize that the EOMF is a partnership-based consensus builder – to me this speaks to who we are and why we have been so successful. Certification and the Ontario East Wood Centre are two important partnership-based projects we remain committed to and I will refer you to their respective sections in this report for more information.

This year has most certainly been a year of change for the EOMF. It has been quite an evolution for us with the change in GM and, although it has been business as usual in some areas, we are evolving as an organization with new emphasis being placed in others. I will draw your attention to two key interest areas for us. First, the board of directors has clearly identified that we need to be focused on assisting forest-based businesses in the Upper Ottawa Valley region. To this end, we have begun liaising with industry and government partners and have offered to engage in areas where we can help. This became a top priority for us mid way through last year and will continue



to be so for the remainder of this phase of the Forest Communities Program, and probably beyond. Meeting with industry partners, fostering new partnerships with groups like FP Innovations, sponsoring research into woody biomass residues and helping facilitate expanded efforts in certification are all important initiatives that speak to our commitment as we move forward into our 19th year.

The second area is the evolving opportunity around bioenergy. There are two distinct scales of effort here, and the EOMF is involved in both. On the larger or more macro-scale, we have been fostering a partnership with Ontario Power Generation. OPG is planning on converting two of their coal-fired generating stations to burn woody biomass. There is a long way to go before this becomes a reality but I am happy to say that OPG plans on doing things right; they want to ensure that the fibre they purchase will be coming from well-managed sources. Building connections and being the 'honest broker' for the forest is the perfect role for the EOMF. OPG's plans could potentially be very good for the Ontario forest sector; our goal is to help OPG along the way and to foster opportunities for the inclusion of private land wood fibre into its plans. On the smaller scale, the EOMF is contributing to efforts to foster investment in local combined heat and power (CHP) operations which would use local sources of wood fibre to lessen our dependency on fossil fuel consumption. There are significant opportunities and barriers here, but we are working with the County of Renfrew, representatives from the Federal government, as well as local forest industry to help build support for investment in this area. There is a need. Ontario is far behind other jurisdictions in Europe and even in our immediate neighbour's yard to the south; we don't have one shining example of a CHP facility within our area of influence. The EOMF would like to see this changed.

The potential benefits from using Ontario wood to produce power for Ontario consumers is huge and, whether it is at the large-scale (such as OPG), or the smaller-scale (such as CHP), energy production from wood makes sense – money stays in Ontario, fostering jobs in Ontario. We lessen our dependency on fossil fuels, and through good forest management we will grow a better forest for future generations.

Another new project this year was our effort to begin the development of Environmental Impact Study guidelines for Significant Woodlands. These guidelines will be a great tool for municipalities as they seek to evaluate significant woodlands for their official plans. The project holds great promise for future rollout beyond the EOMF region, and it is a fine example of the potential for EOMF partnerships.

The EOMF continues to contribute to the Canadian Model Forest Network and also continues to benefit from being part of this national organization. It is through key Strategic Initiatives (like Ecological Goods & Services and Bioenergy) that we will prove our merit as a network, by furthering an agenda that is important from a national perspective. I would also like to welcome Daniel Ryan, the new President of the Canadian Model Forest Network, who courageously came to our General Manager's meeting in

Ottawa before he had even officially started. I am looking forward to working with you, Dan.

And finally, you should be proud, as I am, to have such a skilled and dedicated board of directors to help guide our organization. Not a day goes by that I am not grateful for the help, patience and ability of each of our directors.

So now, on to the 'optimism' part of this report where I can honestly say that I feel very positive about the future of the EOMF. In a world of continuing change, we have built a strong staff group, a long list of supportive partners, an energetic board and an understanding that we have both a role to play and a responsibility to continue moving toward tomorrow. Forestry in Ontario is evolving and I look forward to working with EOMF to help ensure that the settled landscape is a positive part of that change. Tomorrow will bring new opportunities for private land forests. Our task ahead is pretty clear: fostering strong and healthy forest communities that are grounded by the principles of economic, social and environmental sustainability.

Mark Richardson, R.P.F.

General Manager
Eastern Ontario Model Forest



Accomplishments in 2009-10: Project Highlights

As alluded to in the prelude to this section, the EOMF has been involved in a diverse array of partnership projects and efforts over the course of the past twelve months – the depth and outcomes of which have been impressive indeed. We highlight some of our many accomplishments in the pages that follow.

1.0 Ontario East Wood Centre

As an innovative player in the green economy, the Ontario East Wood Centre & Eco-Industrial Park (OEWEC & EIP) is moving steadily ahead. The unique partnership of the Eastern Ontario Model Forest and the Township of Edwardsburgh/Cardinal progressed well in 2009/2010.

Working closely with the Township of Edwardsburgh/Cardinal, Natural Resources Canada, the Ontario Ministry of Natural Resources, Queen's University, Industry Canada, the University of Toronto (Faculty of Forestry) and others, the OEWEC & EIP continued to make significant progress in advancing its goals over the course of the past year. The goals of the OEWEC & EIP are:

1. the encouragement of a forest and biomass based and innovation-inspired cluster of industrial, business and demonstration projects in an ecologically sound environment;
2. facilitation of a platform for scientific collaboration, business development, demonstration, piloting, commercialization, exporting and marketing of a wide array of innovative value-added wood and biomass products, including but not limited to: (i) solid wood building components, (ii) biochemicals, and (iii) bioenergy;
3. assistance to the forest industry in creating uses for underutilized, lower value wood in eastern Ontario and the region, and;
4. participation in the restructuring of the forest industry of the Great Lakes-St. Lawrence forest for the benefit of rural communities and in partnership with a variety of other organizations, academic institutions, individuals and agencies with compatible goals.

Some project highlights follow.

In an encouraging development, the Ontario East Wood Centre received its Canadian letters patent and is now officially incorporated. This is a significant milestone and assistance from the Queen's Faculty of Law was most helpful here. The three founding directors are: Larry Dishaw, Mayor of Edwardsburgh/Cardinal; Tony Bull, Wood Centre Steering Committee member and EOMF Vice-President; and, Sandra Lawn, EOMF/OEWEC project leader.

WOOD CENTRE STEERING COMMITTEE

Peter Hall, EOMF,
Co-chair

Frank Noccey,
*Councilor, Edwardsburgh/Cardinal,
Co-chair*

Brian Barkley, *Special Advisor*

Tony Bull, *EOMF*

Larry Dishaw, *Mayor,
Edwardsburgh/Cardinal*

Sandra Lawn, *EOMF,
Wood Centre Project Leader*

Lawrence Levere, *Councilor,
Edwardsburgh/Cardinal*

Ian Manson,
*Ontario Ministry of Northern
Development, Mines and Forestry*

Mark Richardson, *EOMF*

Russell Trivett, *CAO,
Edwardsburgh/Cardinal*



We continued to strengthen partnerships with academic institutions. Memoranda of understanding were formalized with La Cité collégiale, Algonquin College and St. Lawrence College. Each college is active in applied biotechnology and/or marketing and construction trades with wood. Collaborative work with the State University of New York-College of Environmental Sciences (SUNY-ESF) and the Ferguson Forest Centre continued on fast growing poplars and willow, test sites for which are located at the Ferguson Forest Centre. Of great significance has been the evolving partnership with Dr. Tom Amidon, and Dr. Joel Howard of Applied Biorefinery Sciences at SUNY-ESF. The establishment of a pilot or demonstration plant is a high priority for the Wood Centre. In addition, three fourth-year Engineering and Applied Science students at Queen's completed a project identifying the best business opportunities for using the chemical transformation of woody biomass. Senior scientists with wide industrial experience helped in guiding the work of these students.



Sharing the experience and progress of the Wood Centre with others, both in the region and beyond, was also a key activity. We were especially pleased to be invited to profile the Wood Centre project at the Conservation and Forestry Symposium in Orford, Québec. Good connections with several individuals and organizations were made, in particular with Coalition Bois, a coalition playing a leadership role in fostering a true culture of wood use in Quebec.



In February a consultation was held at Queen's Park with Minister Michael Gravelle (Ontario Ministry of Northern Development, Mines and Forestry). Mayor Larry Dishaw, councilor Hugh Cameron, Brian Barkley (Registered Professional Forester), and Sandra Lawn returned feeling encouraged and continued to press for a provincial commitment. A strategy has been developed to make Ontario a strong partner in the restructuring of the southern Ontario forest industry.

In summary, the Steering Committee had a productive year. The complex nature of our work is demonstrated by the comprehensive 'road map' we have created using project management software. All of the players are more committed than ever to the goals of the Wood Centre and the high value placed on good science and collaboration. The coming year should be an interesting time!

ADVANCING BIOENERGY OPPORTUNITIES IN LOCAL COMMUNITIES

Not since the 1970s oil crisis has there been such a strong interest in using the forest as feedstock beyond traditional paper and solid wood products. An intensive search is on to find climate change-friendly energy sources. Ongoing research and development in the realm of bioenergy shows potential for commercialization and is providing the knowledge needed to forge ahead in innovative ways. Over the course of the past year, the EOMF continued to work with partners and local communities in exploring bioenergy-related opportunities. Examples include:

- Fostering opportunities in Renfrew County for investment in combined heat and power (CHP) operations that use local sources of wood fibre
- Work to assist forest-based communities in the Ottawa and Seaway Valleys in realizing opportunities for forest sector recovery through access to new fibre-based markets
- Initiating a dialogue with Ontario Power Generation (OPG) about accessing sustainably sourced wood fibre from private lands in eastern Ontario, as the corporation implements its plan to convert two of its coal-fired generating stations to burn woody biomass
- Work to facilitate a change in the provincial feed-in-tariff (FIT) rate to one that more appropriately favours woody biomass as an alternative energy source

CERTIFICATION WORKING GROUP

Martin Streit,
Co-chair

Wade Knight,
Co-chair

Brian Anderson

Achille Drouin

Ray Fortune

Nicolas Gauthier

Jim Gilmour

Steven Hunter

Jim McCready

Geoff McVey

Jeff Muzzi

Mark Richardson

Tom Richardson

Linda Touzin

Tony Bull,
EOCFO Liaison

Jim Hendry,
SD&G Liaison

Scott Davis,
Forest Analyst

1.1 Advancing Forest Certification in our Communities

A decade ago, as forest certification was only beginning to garner attention as a potentially useful tool in advancing sustainable forestry, the EOMF embraced the modest goal of recruiting 20 forest owners in the pursuit of Forest Stewardship Council (FSC) certification. From this modest start, the EOMF has become a veritable forerunner in furthering the application and uptake of forest certification approaches and tools.

The area certified under the EOMF's Forest Certification Program now surpasses 42,000 hectares. This consists of (i) 7,500 hectares in private lands owned by over 100 landowners representing two distinct groups: the Eastern Ontario Certified Forest Owners (EOCFO) and the Stormont, Dundas and Glengarry Certified Forest Owners (SD&G CFO), and (ii) 34,500 hectares in community forests and forest lands managed by South Nation Conservation. This increase in the FSC-certified land base, coupled with the trend by customers for FSC-certified product, has served as an impetus for local forest industry players to seek chain of custody certification. To this end, the EOMF has been playing a central role in mentoring industries interested in pursuing chain of custody certification. In total, six local sawmills and one pulp mill now have the ability to market and sell their forest products as FSC-certified.

The EOMF has also continued to lead the way in the certification of maple syrup, one of many non-timber products deriving from eastern Ontario's forests. The FSC-certification of maple products represents a first for Canada – an achievement the EOMF can be proud of. Seven maple producers in the EOMF area are now able to market and sell their products with the FSC stamp of approval.

Expanding the focus of the Forest Certification Program yet again, the EOMF has turned its attention to Sustainable Forest Licences (SFLs). Last July, the EOMF authored a funding proposal to assist the Ottawa Valley Forest (OVF) in becoming FSC-certified. The OVF has since undergone its pre-assessment and is poised for its formal assessment in June of this year. A FSC certificate is expected before the end of 2010. The mentoring role that the EOMF has played has made the certification of the OVF possible.

Continuing on this theme of mentoring, the EOMF also worked closely with the Nova Scotia Woodlot Owners Association and Mersey Tobiatric Research Institute (MTRI) this past year, assisting them through the certification process. Closer to home, Simcoe County Forest has expressed an interest in pursuing FSC certification, and EOMF has engaged in several discussions with the County Forest manager exploring opportunities to assist. Meanwhile, lending a hand in our very own backyard, the EOMF assisted Limerick Forest in obtaining a FSC designation for its newly-constructed log chalet through a FSC outsourcing agreement.

In addition to this already long list of achievements, the certification coordinator authored an abstract on the experiences of the Forest Certification Program and was invited to submit a full manuscript for inclusion in an International Model Forest Network publication showcasing



the positive outcomes that model forests have had in forest communities the world over.

1.2 Pilot Study on Ecological Goods & Services

Ecological goods and services (EG&S) refer to the benefits arising from healthy, well-functioning ecosystems – things like climate regulation, erosion control, food and medicines, biodiversity, clean water, recreational opportunities. In the face of escalating public demands for environmental protection, landowners are under mounting pressure to deliver EG&S. What methods can be used to recognize or remunerate landowners for providing or safeguarding EG&S? This topic is garnering much attention in the environmental stewardship community and has been taken up by a variety of groups and organizations across the country – including the EOMF.

Programs for remunerating landowners for the provision of EG&S are proliferating the world over. In Costa Rica, a nation-wide framework of payment for ecological services is supported by the state, in large part through revenues derived from a fossil fuel sales tax. Payments are available to landowners for the provision of water services, biodiversity conservation services, and carbon sequestration services. In Australia, ‘conservation tenders’ are used to encourage and reward the provision of EG&S by landowners through programs like Eco-Tender and BushTender. Competitive bids are submitted by landowners to undertake an agreed-upon set of management actions in support of particular environmental stewardship objectives. The bids are assessed on the basis of the degree to which the management actions support the stewardship objectives in question and on the basis of cost-effectiveness. Bids are either rejected or accepted, and, in the latter case payments rendered upon the fulfillment of the stewardship objectives set out in a formalized contract based on the original bid. Throughout the world there are many other examples of programs that reward landowners for the provision of EG&S; these include, for example: the Conservation Reserve Program and the Environmental Quality Incentives Program in the U.S.; the Environmentally Sensitive Areas Scheme and the Countryside Stewardship Scheme in the U.K.; and, the CAMPFIRE program in Zimbabwe.

Closer to home, EG&S remuneration approaches and programs have been slower to develop. The most widely-referenced Canadian example of an emerging framework for rewarding farmers for the provision of EG&S is ALUS (Alternative Land Use Services). ALUS is a farmer-driven, fee-for-service approach that offers farmers annual payments for the provisioning and enhancement of EG&S. Payments are based on land rental rates and address four landscape features: wetlands, riparian buffers, natural areas, and ecologically sensitive areas. Pilot projects have been undertaken in the Regional Municipality of Blanshard in Manitoba and in Norfolk County in Ontario, and a full-scale provincial program has recently been instated in Prince Edward Island. While still at the stage of early days, emerging assessments point to the potential value of the ALUS approach in enhancing the flow of EG&S to society and in better recognizing and rewarding farmers for the critical role they play as environmental stewards.



It is recognized equally that there are a number of existing stewardship programs in Canada that embrace some element of rewarding/compensating landowners for providing EG&S. In Ontario, for example, the Managed Forest Tax Incentive Program (MFTIP) and the certification of forests both provide direct or indirect compensation for pursuing sustainability goals. Emerging opportunities with potential application here in eastern Ontario also come in the form of carbon credits for landowners.

Over the course of the past year, we continued to learn about EG&S remuneration frameworks and programs instituted elsewhere and, in turn, to share those early learnings with our many partners and members – opening up a much-needed dialogue in eastern Ontario on opportunities for better recognizing the contributions that landowners make in providing and safeguarding EG&S. Presentations were made at the Christmas Forest Seminar, the annual meeting of the Eastern Ontario Certified Forest Owners, and a southern Ontario-wide EG&S forum hosted by the University of Toronto's Faculty of Forestry. The EOMF was also invited to participate in an EG&S visioning workshop hosted by The Ontario Rural Council (TORC).



Having navigated an incredibly steep learning curve with respect to the many, complex philosophical and practical questions relating to EG&S, we are now in a position to begin to truly 'kick the dirt.' Over the course of the next twelve to eighteen months, we will be hosting a series of focus group sessions and workshops with landowners and various other partners to identify requirements and 'conditions for success' in developing a workable, community-supported EG&S recognition/remuneration framework for eastern Ontario. The following is a taste of the types of questions we'll be exploring:

- How might the responsibilities and costs for providing and safeguarding EG&S be shared amongst groups (e.g., institutions, tax payers, consumers, landowners)?
- What constitutes going the extra step towards providing EG&S (beyond what might represent a moral obligation), and how is that translated into payment?
- What types of incentives or forms of recognition are most attractive to, or valued by, landowners?
- What elements of existing EG&S approaches and stewardship programs might we build on?
- How do we generate/sustain funding in support of incentives?
- How do we measure or verify that EG&S have been provided or safeguarded given the sheer complexity of ecosystems?

In pursuing these lines of inquiry and getting various perspectives on the table, the EOMF has a great opportunity to inform EG&S program and policy development. A movement is also afoot at the level of the Canadian Model Forest Network (CMFN) to see model forests play an active role in shaping EG&S policy development. As a member of the CMFN's EG&S Working Group, the EOMF's Program Planning & Analysis Coordinator played a central role in helping to author a proposal entitled *Building Rural Community Capacity for Ecological Goods & Services Enhancement in Mixed*

Farm, Forest and Woodlot Landscapes of Canada; the proposal has been submitted to Agriculture and Agri-Food Canada and we await news.

1.3 Environmental Impact Study Guidelines for Significant Woodlands

Over the course of the past several months, the EOMF has been working with the Ontario Ministry of Natural Resources (Kemptville District) in the development of Environmental Impact Study Guidelines for Significant Woodlands in the region. The guidelines will be a useful tool to support the District's work in mapping significant woodlands using Geographic Information Systems based on criteria developed from the best available science. District mapping products are currently available to municipalities to assist in the identification of significant woodlands in their Official Plans. The inclusion of significant woodlands in the planning process provides a mechanism to maintain the ecological, social and economic benefits of woodlands in the region.

An Environmental Impact Study (EIS) is required when a development proposal includes the area within or adjacent to a significant woodland. It provides an objective technical assessment of the proposal and identifies if and to what extent there will be impacts on the biological and physical characteristics of the significant woodland and its functions. It also recommends methods to avoid and reduce impacts. The EIS is useful to the applicant, influencing the development plan and ensuring the avoidance of negative environmental impacts. The study also provides useful information to planners and reviewers when evaluating a development proposal.

The guidelines being developed by the EOMF will provide a consistent framework for studying significant woodlands; one that will aid municipalities, consultants and peer reviewers in the EOMF area. Methodologies for data collection are outlined and a range of mitigation and avoidance techniques are identified relating to woodland composition, structure and function. The guidelines are currently in a draft stage and will be released following a review. The EOMF has identified a range of future opportunities to build upon this ongoing work in partnership with the District, including the development of further technical resources and an on-the-ground piloting of the guidelines.

1.4 Building Integrated Landscape Management Capacity in our Communities – The 'Sustaining What We Value' Project

Achieving integrated landscape management (ILM) requires the strong support of people living in a particular landscape. With funding assistance from GeoConnections (Natural Resources Canada), an eastern Ontario collaborative – of which EOMF is a part – has been leading the charge on an innovative ILM pilot project in the Counties of Leeds and Grenville, Lanark, and South Frontenac. Partners include St. Lawrence Islands National Park, the Frontenac Arch Biosphere Reserve, the United Counties of Leeds and Grenville, the Ontario Ministry of Natural Resources, Ontario Nature,



Environment Canada, and the Centre for Community Mapping. The broad aim of the pilot is to inform and support holistic thinking, planning and decision making by local municipalities and community members in the interest of fostering more strategic approaches to stewardship and natural heritage protection across the landscape of eastern Ontario. At the heart of the project – affectionately dubbed ‘Sustaining What We Value’ – has been an effort to engage community



members in articulating a common vision for a desired future landscape, taking into consideration environmental, social, cultural, and economic values. Over the past six months, a group of 20 individuals representing diverse interests in the local community (spanning conservation interests, the arts and culture community, farmers and the farming community) have come together in the form of a Scenario Planning Team to begin this visioning process. Recognizing that healthy ecosystems are the foundation upon which community well-being depends, this team has focused in particular on the development of a Natural Heritage System (NHS) for the region using the best available

science and data.

This incredibly dedicated team has worked through a suite of 84 values – from rare forest ecosystems and species at risk habitat, to riparian functions and wetland cover – in a process of setting base targets for each. The current condition of the study area for each value was also evaluated using data prepared in GIS and presented to the group to stimulate discussion. Discussions were facilitated by a knowledgeable and neutral facilitator, with the goal of identifying a numerical target for each value. Where consensus on values could not be reached in discussion, alternative ‘what if’ targets were identified for investigation through learning scenarios. A scenario modelling program called MARXAN will be run over the course of the next several months to produce several scenarios – in mapped form – that the Scenario Planning Team can then deliberate over in the hopes of arriving at some consensus as to a preferred scenario.

An on-line community values mapping tool has also been created, allowing for the wider community to feed into the visioning process. Created by the Centre for Community Mapping, the on-line tool allows community members to drag and drop points representing different categories of landscape values (e.g., scenic, recreational, economic, educational, historical, spiritual) to specific locations, or special places on the landscape. The tool can be accessed at www.comap.ca/mpyv/.

Ultimately, the project will help to identify values important to local communities and provide a toolbox to help ensure that planning strives to preserve those things collectively identified as important to life in the region – reflecting natural, cultural, spiritual, social and economic community interests. An Open House is scheduled for May 29th in Athens, ON, to share the results of the project to date and to continue

to generate enthusiasm and support for integrated, community-based planning approaches. All are welcome.

1.5 Community Mentoring and Naturalized Knowledge Systems

The application of Naturalized Knowledge Systems (NKS) thinking in nurturing respectful, equitable and empowering partnerships remains highly relevant, and we have continued our efforts to share this message widely with others. We are indebted to our friends at Akwesasne for continuing to mentor us in these learnings.

In addition to sharing these learnings with numerous visiting international delegations over the past year (e.g., visitors from China and Russia), we have shared our story closer to home in the context of newly-formed partnerships and project settings (e.g., Sustaining What We Value). We were also approached by the International Model Forest Network to author a chapter on NKS for inclusion in publication on model forest successes to be published later this year. Henry Lickers, our long-time mentor in NKS, will co-author the chapter with Brian Barkley, long-time and now retired EOMF GM.



EMBRACING NATURALIZED KNOWLEDGE SYSTEMS THINKING IN THE EOMF – A BRIEF HISTORY

The opportunity to establish a Model Forest in eastern Ontario in 1991 highlighted a key gap in knowledge and experience. Lacking was a proven process with an established and accepted set of practices for working effectively together as communities. An exception was found within the Mohawk Community of Akwesasne. Naturalized Knowledge Systems (NKS) described the way in which the community lived, worked and celebrated together in keeping with the Great Way of Peace of the Haudenosaunee people. Recognizing that people both within and outside of their community could share the common goal of sustaining ‘forests for seven generations’, the Mohawk people of Akwesasne willingly shared their knowledge and experience and supported the efforts of others to adopt these practices and ways of thinking, balancing the fundamental principles of respect, equity and empowerment. Inspired leadership came from elders, chiefs and key community members within Akwesasne, and the EOMF founding chair, who was instrumental in guiding efforts and encouraging cooperation within and between other communities throughout the region. This compelling interest to work together was facilitated by having an effective descriptive framework of key techniques and processes for building community connections. NKS thinking provided a strong sense of how things needed to be done and instilled confidence that obstacles could be overcome.

	RESPECT	EQUITY	EMPOWERMENT
TOOLS	Understanding	Finances	Application
	Communication	Knowledge	Authorship
	Consensus	Networks	Credibility
	Mediation	Personnel	Partnership
	Honour	Social Power	Responsibility

NATURALIZED KNOWLEDGE SYSTEMS PRINCIPLES AND TOOLS

COMMUNICATIONS COMMITTEE

Achille Drouin,
Chair

Brian Barkley

Kerry Coleman

Richard David

Tom van Dusen

Andrea Howard

Mary Humphries

John Kerr-Wilson

Nicholas Ménard,
Communications Intern

Hans Ottens

John P. Wilson

Melanie Williams,
Communications Coordinator

1.6 Communication & Outreach in our Communities

As stated in our Work Plan for 2009-2010 the purpose of our communications and outreach project is: "To maintain and enhance the capacity to communicate with a diverse array of communities." The focus of our Communications Committee and our coordinator on this project has been to stay on purpose and align our activities with our various objectives as outlined in both this Work Plan and in our Communications & Outreach Plan. The following is a summary of the communications and outreach activities that have been keeping us busy over the past year.

The Communications Committee also mourned the loss of its esteemed Chair and friend, Dave Neave, whose quiet leadership and jovial character we will miss. We thank board member Achille Drouin and past board member Kerry Coleman for volunteering to be our new co-chairs. Also, as always, we would like to extend a special thank you to all of our invaluable volunteers whose enthusiastic participation helps make our committee and our events both possible and successful.

1.6.1 Events in the Community

The EOMF, along with key partners, helps to plan, promote, administer, and co-host a suite of three key events during the course of year. These are the Forest Fair of Eastern Ontario, the Christmas Forest Seminar, and the Kemptville Winter Woodlot Conference. We also participate in other strategic events as exhibitors in an effort to further deliver our messages to different target audiences.

Each fall during National Forest Week we reach out to the public at large in the region and invite them to join us at the Forest Fair and of Eastern Ontario (which also includes Ontario's pre-eminent Log & Lumber Auction) in an effort to raise awareness and knowledge of forest-related issues as well as forest-themed goods and services. This past year we celebrated the 12th annual Forest Fair alongside our partners: the Ferguson Forest Centre, Friends of the Ferguson Forest Centre, and the North Grenville Chamber of Commerce. Also, the EOMF was successful in a funding proposal that resulted in the design and development of 20 new 8'x3' flags to help promote the event. Twelve of these flags were placed strategically off-site to draw people in, and twelve were placed on-site to mark the different venues. These flags can be used year after year and have added a new 'flair to the fair.' Our thanks are extended to the Grenville Community Futures Development Corporation who granted us \$10,000 in funding through the Eastern Ontario Development Program (EODP) – funding which made the production of these dramatic flags possible.

The Christmas Forest Seminar is an annual event jointly sponsored by the EOMF and the Canadian Institute of Forestry-Ottawa Valley Section. On December 16, several guest speakers addressed important issues pertaining to forest health in the region. Jim McCready gave an overview of the Regional Forest Health Network and its successes in cultivating an active partnership amongst key government and non-government agencies in the region to tackle forest health-related challenges and work towards solutions. Its current



focus is on the emerald ash borer (EAB). Jason Pollard from the City of Ottawa also gave an informative update on their efforts to battle and mitigate the effects of the pest. Ken Farr from the Canadian Forest Service shared his knowledge about how invasive species affect forest biodiversity. Erin Neave, EOMF's resident biologist, spoke about tools and techniques for identifying habitat at risk while James Pagé from the Ontario Ministry of Natural Resources updated us on specific species at risk and what woodlot owners can do to assist with habitat conservation and enhancement. Elizabeth Holmes from the EOMF spoke to the emergent topic of ecological goods and services (EG&S) and gave us an appreciation of the many issues and questions being investigated in both academic and stewardship practitioner circles.

Working alongside numerous other partners, the EOMF again played a central role in planning, organizing and facilitating the programming, communications, sponsorships and registration required to launch the annual Kemptville Winter Woodlot Conference in February. This conference is principally targeted at private and community woodlot owners as well as farmers that have forests on their lands. Our theme was "Growing Diverse Values in Woodlots" and featured numerous guest speakers and panelists. As part of the Working Woodlot Panel, private landowners John Stuart and Ron Toonders described experiences and lessons learned while managing their timber plantations and farm woodlots. Victor Brunette showcased some well-managed, multi-use woodlots in Quebec as well as the emerging carbon credit program designed for woodlot owners. Local author Brent Connelly shared colourful anecdotes and real-life stories to help illustrate the evolution of logging and sawmilling in the Ottawa Valley. Planning and growing successful nut orchards were highlighted in Todd Leuty's agroforestry talk on nut production basics (Todd works for the Ontario Ministry of Agriculture, Food and Rural Affairs). He also touched on the benefits and how-to's of planting natural windbreaks to protect crops and other natural assets. Tom Richardson and Kris Heideman shed some more light and perspective on the economics affecting our local forest industry by highlighting some of the challenges and solutions offered by plantation managers and the sawmills that they supply. Rob Lyng of Ontario Power Generation graciously made the trip from Toronto to give the audience an update on the emerging program that will see the conversion of its coal-fired energy generating plants to biomass-based systems. He also outlined the potential economic benefits to private woodlot owners. The EOMF has good relations with Rob and OPG and is working with other partners such as the Ontario Woodlot Association to maintain an influential and productive dialogue with OPG that will help ensure these potential benefits are realized in a sustainable way. Amy Cameron entertained listeners with an engaging and enlightening presentation on the bats of Ontario. Many walked away with a new appreciation for the highly misunderstood and maligned creatures. Anyone that has a colony on their property is encouraged to contact Amy.

As mentioned previously, the EOMF also displays its exhibit, distributes its array of printed materials, and reaches out to audiences at various select conferences each year. In July of 2009, the EOMF co-exhibited with the Community Stewardship Council of Lanark Council and other partners at



the annual Art of Being Green Festival held in Middleville. Elizabeth Holmes and Dave Neave travelled to Calgary in July to give the EOMF a presence, alongside the Canadian Model Forest Network (CMFN), at the National Stewardship Conference. Scott Davis and Mark Richardson passed along EOMF's maple forest certification messaging to woodlot owners at the Ontario Maple Syrup Producers Association Summer Tour and Conference in Perth. In September, Mark Richardson, Scott Davis, and Sandra Lawn managed our booth and imparted information on the Wood Centre, community forest certification, EAB, and other EOMF initiatives to senior bureaucrats and politicians attending the annual Ontario East Municipal Conference. We are thankful to our esteemed board member, Achille Drouin, who trekked to Quebec City to represent the EOMF at the prestigious international, by-invitation-only Organization for Economic and Community Development (OECD) Rural Development Conference. In early December the EOMF once again managed the event registration and had a display at the Forest Pest Management Forum in Gatineau, Quebec, that attracts scientists from across Canada every year. The year was capped off by our usual presence at the annual Ottawa Woodworking Show held at Lansdowne Park – an event that we could not attend without the involvement of our generous volunteers. During the first quarter of 2010, the EOMF was pleased to share a booth with the Ontario Ministry of Natural Resources at the Cottage and Big Backyard Show, where Mark Richardson was also invited to give a presentation on invasive species that can threaten a cottage landscape. Mark and Jim McCready also made an appearance and networked in Pembroke this spring at the annual conference of the Ontario Professional Foresters Association.



1.6.2 Information & Tools

Various types of information as well as new tools and approaches continued to be developed and implemented in 2009-2010 in support of EOMF's internal and external communications strategies as outlined in our Work Plan and Communications & Outreach Plan. Highlights include the following:

- Publication and dissemination of winter, spring and fall issues of Forestry Forum to members and partners, with expanded distribution via email to reduce printing and mailing costs
- Regular uploading of electronic news items onto the CMFN/EOMF RSS newsfeed
- Design and development of 20 large promotional flags in support of the Forest Fair
- Development and distribution of key event-specific posters, signs, agendas and brochures
- Updating of event-specific information on our existing website
- Investigation and design of specifications for a new website development project for the 2010-2011 fiscal year that leverages technological advancements to enable greater user-configurability, functionality, information dissemination and public outreach
- Review, consolidation, and expansion of EOMF contact database to enable more frequent and targeted communications messaging to specific target audiences
- Expansion and organization of photo gallery and publications catalogue
- Regular submissions to Library and Archives Canada

1.6.3 Education Initiatives

Building on the tradition of past years, the EOMF again supported the Grenville Land Stewardship Council in the delivery of Envirothon, a North American-wide high school environmental education program and competition. During this year's Envirothon competition, eleven teams representing eight high schools in Leeds and Grenville participated in the event held at Limerick Forest. Scott Davis and our Communications intern, Nicholas Ménard, engaged students in a hands-on experience in forest management. Other partners provided the students with experiences related to forest inventory techniques and tools, tree identification and forest regions, and soil and plant processes. Congratulations to team members from St. Michael's Catholic High School, Kemptville, who will advance to the provincial competition in Cambridge, Ontario.

During the annual Forest Fair of Eastern Ontario, the EOMF gave away countless National Forest Week posters (produced by the Canadian Forest Service), distributed CMFN kids' paraphernalia, and organized forest-themed physical and creative activities for elementary school-aged children. These endeavours aimed to raise awareness and foster knowledge and respect for our forest resources.

As part of its volunteer recruitment strategy, the EOMF further cultivated its relationships with two local high schools by liaising with student services staff who were supportive in raising awareness of EOMF, displaying posters, and broadcasting messages about the opportunities and environmental benefits of volunteering with the EOMF. Several students have since volunteered their time in support of Forest Fair and are keen to help in other ways. The EOMF continues to reward environmentally active students in the community through its provision of two EOMF Environmental Awards each year. Each recipient receives a \$100 bursary cheque and an engraved plaque. Recipients are chosen by their respective schools and the awards are then presented on our behalf during formal graduation ceremonies.



1.7 Ambassador for the Forest Communities Program

In cooperation with other Forest Communities Program (FCP) sites across the country, we have continued to foster the building of relationships with forest-dependent communities around the globe – sharing how model forest concepts and principles are contributing to sustainable forest communities. As part of its duties to act as an ambassador for the Forest Communities Program, the EOMF hosted three delegations during the past fiscal year. Two were from China: Anhui province in the Yangtze River Delta and Hulunbuir province near Inner Mongolia. The other was from the Khabarovsk Krai region of Russia near Siberia. It was a pleasure to share our experiences and learn about forestry practices and challenges in their respective geographies.





1.8 Strengthening Model Forest Activities Nationally and Internationally

In addition to our efforts in support of local communities, we remain dedicated to strengthening model forest activities throughout Canada and around the world. We have worked closely with the Canadian Model Forest Network (CMFN) and the International Model Forest Network (IMFN) in these efforts. Some highlights from the year follow.

1.8.1 Activities in Support of the Canadian Model Forest Network

- EOMF's President and General Manager participated in CMFN meetings with their colleagues from the 13 other model forests across Canada; the first was held in Nanaimo and co-hosted by the Clayoquot Forest Communities, while the second was co-hosted by the Lac-Saint-Jean Model Forest in Quebec
- EOMF's Program Planning & Analysis Coordinator served as a member of the national Ecological Goods and Services working group, and helped in writing a major funding proposal to Agriculture and Agri-Food Canada entitled *Building Rural Community Capacity for Ecological Goods & Services Enhancement in Mixed Farm, Forest and Woodlot Landscapes of Canada*
- EOMF's General Manager provided continued leadership for the Bioenergy Strategic Initiative and helped to spearhead and finesse a collaborative proposal to develop a bioenergy self-assessment guidebook for rural communities
- EOMF's Communications Coordinator provided support to national communications and outreach activities
- EOMF's Administrative Coordinator continued to provide financial support services on behalf of the CMFN



1.8.2 Activities in Support of the International Model Forest Network

- EOMF hosted international delegations from Russia and China, making field visits to the Ferguson Forest Centre, the Agroforestry Centre and demonstration forest at Kemptville Campus of the University of Guelph, as well as the Maple Orchard at Kemptville Campus
- EOMF distributed a range of promotional materials from the IMFN during international visits
- EOMF's Forest Certification Coordinator submitted an abstract entitled *Forest Certification as a Framework to Implement Sustainable Forest Management* in support of the request for submissions to build a new IMFN marketing document

1.9 Regional Forest Health Network – Building Community Capacity to Respond to Risks to Forest Health

The EOMF is a central player in the Regional Forest Health Network (RFHN), a partnership of many regional organizations – spanning eastern Ontario, western Quebec and northern New York State – that meets periodically to discuss issues and take strategic action to protect and promote the health of our forests. Jim McCready, President of the EOMF, is the Chair of the RFHN. The EOMF hosts meetings, acts as a central repository for the distribution of relevant materials to partners, and plays a key role in coordinating the development of communications and outreach products and activities directed at rural residents and woodlot owners.

The slowing of the spread of the emerald ash borer (EAB) across eastern Ontario was top of mind for the RFHN over the course of the past year. A ministerial order prohibiting the movement of firewood and ash-tree materials (e.g., nursery stock, logs, wood chips) was issued in the City of Ottawa and the City of Gatineau in the spring of 2009. The RFHN quickly took up the task of working with both cities on communications and research fronts, with the aim of helping to slow the spread of EAB. Some highlights follow.

- The RFHN worked closely with the Canadian Food Inspection Agency and the City of Ottawa to provide arborists with training in the detection of EAB (RFHN members also benefited from this training); eight training sessions have been delivered to date
- A fact sheet for rural woodlot owners was produced which offers management guidelines and considerations in light of the arrival and potential spread of EAB
- All members of the RFHN played an active role in raising awareness and distributing relevant fact sheets and give-aways at area conferences and workshops, trade shows, and community outreach events (e.g., Ontario East Municipal Conference, Kemptville Winter Woodlot Conference, The Cottage Show)

REGIONAL FOREST HEALTH NETWORK MEMBERS

Agence des forêts privées
Outaouaises

Agriculture and Agri-Food Canada
(Arboretum)

Canadian Food Inspection Agency

City of Gatineau

City of Ottawa, Forestry Services

Conservation Authorities:

Cataraqui Region Conservation Authority

Mississippi Valley Conservation

Raisin Region Conservation Authority

Rideau Valley Conservation Authority

South Nation Conservation

Eastern Ontario Model Forest

Ministry of Natural Resources
(Kemptville District)

Mohawk Council of Akwesasne

National Capital Commission

Natural Resources Canada,
Canadian Forest Service

New York State, Department of
Environmental Conservation

Ontario Parks

Renfrew County

St. Lawrence County, New York

Stewardship Councils:

Grenville Land Stewardship Council

Leeds County Stewardship Council

Lanark County Community Stewardship Council

Ottawa Stewardship Council

Prescott-Russell Stewardship Resource Stewardship SD&G

Town of Carleton Place

Tree Canada



- Issues of wood disposal were explored with the City of Ottawa, including questions of disposal protocols and precautions, market demand for ‘waste’ wood, and potential value-added opportunities (e.g., producing axe and hammer handles)
- The RFHN continued to work closely with the Mohawk community of Akwesasne in the development of a program to protect black ash, the key species used in traditional basket making
- Jim McCready, Chair of the RFHN, was asked to serve as Chair of the City of Ottawa’s Task Force on EAB – a testament to the RFHN’s effectiveness in bringing partners to the table to devise a collaborative response to the threat from EAB
- The RFHN worked closely with the Canadian Forest Service and a number of universities on research examining the possibilities for earlier detection, the effects of injections on both healthy trees and those that are infected with EAB, and the effects of the loss of ash trees across the landscape

The extent of the work undertaken by the RFHN has been impressive in its own right. Perhaps equally critical has been the role of the RFHN in bringing partners together to coalesce around one set of consistent messages about EAB. Past experience in other jurisdictions has shown that, in the absence of a facilitating/coordinating vehicle, such as the RFHN, organizations and agencies have struggled to provide consistent messaging to landowners and the public – an inevitable recipe for failure. The RFHN will continue to play this vital coordinating role as the new fiscal year unfolds.

The week of May 16, 2010 was designated EAB Awareness Week. The RFHN was active in making sure the message “Don’t move firewood!” rang out loud and clear as Ontarians prepared to celebrate the May long weekend, with the traditional opening up of cottages and first outings to parks across the province.

For the latest developments related to EAB, visit the central EAB website hosted by the City of Ottawa at www.ottawa.ca/eab.

1.10 Supporting Science Needs in Communities

The Forest Science Committee (FSC) is a standing committee of the EOMF and functions to provide science-based advice to the Board, other committees and participants in the EOMF. It reviews publications, proposals and other documents from a science-based view, identifies science related projects for the annual work plan, and contributes to the science activities of the Canadian Model Forest Network and its collaborators. Members are volunteers with an interest in forest science issues; they provide a broad spectrum of knowledge and expertise while contributing to the assessment and decision-making process. Some highlights of FSC activities over the course of the past year follow.

FOREST SCIENCE COMMITTEE

Peter Hall,
Chair

Gerald Guenkel

Bob Stewart

Brian Haddon

Brian Hickey

Eva Kennedy

Henry Lickers,
EOMF Scientist

Erin Neave

Cathy Nielsen

Hans Ottens

Linda Touzin

Ed White

Dave Winston

Elizabeth Holmes,
Staff Liaison

LENDING A HAND IN SPECIES AT RISK STEWARDSHIP

Predicting habitat supply and locating areas of potential Species at Risk (SAR) habitat are essential first steps in recovery planning. Having good information on which to base models and maps is critical to the accuracy and acceptance of GIS-related techniques as tools in recovery planning. A great deal of effort has gone into vegetation surveys and ecological land classification (ELC) modeling over the past four years, building up a solid information base in eastern Ontario.

Over the course of this past year, the EOMF continued efforts to enhance this information base, conducting vegetation surveys on both public and private lands. These efforts were undertaken in tandem with work to validate habitat models for Species at Risk. Vegetation survey crews also collected information in areas with predicted habitat value for bald eagle, Cerulean warbler and blunt-lobed woodsia – reporting on landscape and site-specific features. Validating the existing ELC vegetation layer through field data collection has identified data gaps/needs and tested the predictive capacity for modeling SAR habitat. Further verification of the current habitat suitability models will allow for more refined models to be implemented over time, improving decision making and furthering species at risk stewardship efforts in eastern Ontario.

1.10.1 Exploring Complementary Approaches to Understanding the Natural World – Coupling Naturalized Knowledge Systems (NKS) and Western Science

People who live close to the natural world have a different perspective on natural systems than that provided to policymakers through purely deductive science; can these approaches be reconciled? This is a question that the FSC has been exploring for some time.

The issue became quite topical recently when the International Model Forest Network approached the FSC to author a chapter on Naturalized Knowledge Systems for an upcoming publication on Model Forest successes. Henry Lickers, EOMF Scientist, and Brian Barkley, retired EOMF GM, are co-authoring the chapter for release in the coming year.

1.10.2 Exploring Avenues for Enhancing the Provision of Ecological Goods & Services (EG&S)

As mentioned elsewhere in this report, the EOMF is taking an active role in examining questions surrounding the provision of ecological goods and services by private landowners, including ways of better recognizing their contributions in this regard. Over the course of the past year, discussion among FSC members has led to a wider understanding of the many complex issues related to EG&S – from valuation methods and techniques through philosophical questions of moral responsibilities unto the land and practical issues spanning the challenges of measuring ecological outcomes and designing appropriate incentive mechanisms and approaches for fostering the provision of EG&S.

Over the course of the next twelve months, the FSC will help in supporting and guiding a series of focus group sessions designed to bring interested parties (e.g., landowners, program development/delivery professionals, conservation interests, development interests) to the table for a more detailed discussion of EG&S, in particular focusing on questions of governance – i.e., What might an EG&S program framework look like in the context of eastern Ontario? There is a great opportunity for the FSC to play a role in advancing



the thinking in program and policy development circles in so far as innovative and practical approaches to recognizing landowners for providing EG&S are concerned.

1.10.3 Carbon Credits for Forest Owners

With climate change occupying a prominent space on the current political stage, the potential for forest owners to benefit from emerging carbon markets has become top of mind for many. As viable carbon markets become established, forest owners will have an opportunity to earn additional income while helping to diminish the adverse effects of climate change through the sequestering of carbon by growing long-lived woody species. Benefits accrue not only to the individual, but the wider community through reduction of carbon dioxide in the atmosphere, which is thought to be a driving factor in global climate change.



In emerging carbon crediting schemes, credits are received by the forest owner in exchange for implementing perennial vegetations on his or her land; credits are then sold in the open market. The credits are usually based on tree plantings, but other systems including enhancement of soil organic matter, perennial grass plantings and underground carbon traps (including large bodies of water) are being studied by policymakers and governments. The individual forest owner typically deals with an 'integrator,' a larger organization, which markets large amounts of carbon (50,000+ tonnes) and functions as a cooperative or marketing board. To date, most of the carbon offset projects in Canada have focused on public or corporate-held forests; approaches to carbon crediting in the private land context have been little examined. In recent months the EOMF has been approached by persons interested in our serving as a potential pilot site for looking at carbon offset credits on private lands.



The immediate question arises: What are the opportunities for eastern Ontario woodlot owners to benefit, and what is our role? The role of the EOMF could be as a pilot area for testing viable approaches, and potentially acting as the 'integrator' or 'accumulator' for forest owners in the EOMF area, in much the same fashion as we do now in the context of the Forest Certification Program. There are many issues to be addressed, though not necessarily by the EOMF, including the schedule of payment to landowners, security of the carbon sequestered (e.g., given risks associated with pest outbreaks and other natural disasters), the alienation of land for long periods of time, and the transfer of ownership, among others. These issues will likely be resolved on a larger scale than that with which the EOMF deals; nevertheless, the great strength the EOMF offers is its ability to bring people together to articulate their views – providing an important vehicle for influencing policy directions.

The FSC plans to convene a partner workshop in the fall/winter of the coming year to explore this important and timely subject further.

1.10.4 Mapping and Risk Analysis for Eastern Ontario

Over the course of the past year, the FSC has been investigating methods for combining risk factors and landscape mapping techniques as a tool to

enhance awareness and assist in the management of forest landscapes in eastern Ontario. This type of tool could be used to highlight areas of varying degrees of risk to damaging factors in our forests. The initial review of methods concentrated on emerald ash borer (EAB) because the issue is topical and because much of the necessary data were readily available. The FSC is interested in building on the Ecological Land Classification (ELC) platform developed through previous Species at Risk work funded under the Species at Risk Stewardship Fund. This platform is being used for a variety of applications by the Ontario Ministry of Natural Resources, and the EOMF has recently conducted a validation analysis that demonstrated that the algorithms used to create the ELC layer were working well. The benefit of this type of GIS platform is that it can be updated when additional data become available.

To illustrate a practical application, the ELC layer was used this year to provide mapping of ash distribution in the EOMF area. Several EAB risk models from other jurisdictions were also investigated for application in the EOMF. The FSC looked at several options including a process used in Ohio that combined an EAB 'Flight Model' and an 'Insect Ride Model.' The EAB Flight Model calculates the risk of spread for any area, based on the basal area of ash within the cell and an estimate of EAB abundance based on a 'years since infestation' parameter. The model assumes EAB will kill all ash trees in a cell 10 years after the initial detectable infestation. The Insect Ride Model weights the road network, wood products, population density, and campground information in a GIS format and combines to yield a map of EAB risk showing the probability of colonization. There are possibilities to expand the risk analysis to include economic risk/cost, again based on survey data to focus the model on urban communities. Here, however, the constraint is an almost complete lack of data. The FSC will continue to investigate opportunities to use the ELC platform to model risk with interested partners.



Eastern Ontario Model Forest Award Recipients

Eastern Ontario Forest Group Recipients of the Heartwood Award

THE Heartwood Award is presented in recognition of an individual or group who has made an exceptional volunteer contribution to the Eastern Ontario Model Forest.

- 2005 Sally Hamilton, Kemptville, Ontario
- 2006 John P. Wilson, Kemptville, Ontario
- 2007 Tony Bull, Ottawa, Ontario
- 2008 Alf Campbell, Kemptville, Ontario
Jim Gilmour, Watson's Corners, Ontario
- 2009 Hans Ottens, Maberly, Ontario
- 2010 Achille Drouin, Casselman, Ontario

Eastern Ontario Forest Group Recipients of the Eastern Ontario Model Forest Environmental Award

THE Eastern Ontario Model Forest Environmental Award recognizes graduating students who have demonstrated a continued commitment to the environment through volunteer activity in the community.

- 2003 Stacie Down, North Grenville District High School
Andrew Bennett, St. Michael Catholic High School
- 2004 Scott Billings, North Grenville District High School
Chantal Quesnel, St. Michael Catholic High School
- 2005 Alyxander Holden, North Grenville District High School
Emily Bradburn, St. Michael Catholic High School
- 2006 Nick Barnum, North Grenville District High School
Alex Quesnel, St. Michael Catholic High School
- 2007 Jeremy Ross, North Grenville District High School
Jeri Shaw, St. Michael Catholic High School
- 2008 Tory McShane, North Grenville District High School
Alexandra Bradburn, St. Michael Catholic High School
- 2009 Tim Harding, North Grenville District High School
Kyra Springer, St. Michael Catholic High School
- 2010 Jennifer Gale, North Grenville District High School
Nick Weissflog, St. Michael Catholic High School

Eastern Ontario Forest Group Honourary Members & Recipients of the Ross Silversides Forestry Award

HONOURARY members and recipients of the Ross Silversides Forestry Award are identified by the Board of Directors for their outstanding contribution to forestry in eastern Ontario or as past or present residents who have made a major contribution to forestry elsewhere in the world.

- 1993 C. Ross Silversides, Maitland, Ontario (Honourary)
- 1994 Bess Silversides, Maitland, Ontario (Honourary)
- 1994 Ernest M. Kaientaronkwen Benedict, Akwesasne
- 1995 Teharonianeken, Chief Jake Swamp, Akwesasne
- 1996 Ewan Caldwell, Rockcliffe Park, Ontario
- 1996 Ferdinand LaRose, Bourget, Ontario
- 1996 Françoise LaBelle, St. Bruno Quebec (Honourary)
- 1998 Sandra S. Lawn, Prescott, Ontario
- 1999 William K. "Old Bill" Fullerton, Manotick, Ontario
- 2000 Jim Cayford, Barrhaven, Ontario
- 2001 George Fowler, Iroquois, Ontario
- 2001 Henry Atsienhanonne Arquette, Akwesasne
- 2002 John Kerr-Wilson, Ompah, Ontario
- 2003 Ray & Ruth Fortune, Almonte, Ontario
- 2004 Wayne D. Young, Cornwall, Ontario
- 2005 Peter M. Murray, Gananoque, Ontario
- 2006 F. Henry Lickers, Akwesasne
- 2007 Edwin H. White, Marcellus, New York
Brian A. Barkley, Elma, Ontario
- 2008 Richard David, Akwesasne
- 2009 Dave Chapeskie, Spencerville, Ontario
- 2010 Dave Neave, Nepean, Ontario

Partners & Supporters

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Albert Larocque Lumber Ltd.
Alf's Forest Service
Algonquin College, Forestry Technician Program
Algonquin First Nation of Golden Lake
Algonquin to Adirondack Conservation Association
Amis de la Forêt La Blanche
Arbex Forest Development Ltd.
Barbara Heck Foundation (Landon Bay Environmental
Learning Centre)
Barr Lumber Ltd.
Baxter Conservation Area
BIOCAP Canada Foundation
Biological Checklist of the Kemptville Creek Drainage
Basin
Bishops Mills Natural History Centre
Bluebird Acres
Boisés Est
Butler Consultants
Canada Science and Technology Museum
Canadian Biodiversity Institute
Canadian Centre for Remote Sensing
Canadian Ecology Centre
Canadian Federation of Nature
Canadian Federation of Woodlot Owners
Canadian Food Inspection Agency
Canadian Forest Service
Canadian Forestry Association
Canadian Institute of Forestry
Canadian Lumbermen's Association
Canadian Model Forest Network
Clayoquot Forest Communities Program
Resources North Association
Foothills Research Institute
Prince Albert Model Forest
Manitoba Model Forest
Northeast Superior Forest Community
Lake Abitibi Model Forest
Association des intervenants forestiers des
Hautes-Laurentides
Lac-Saint-Jean Model Forest
Waswanipi Cree Model Forest
Fundy Model Forest
Nova Forest Alliance

Model Forest of Newfoundland & Labrador
Canadian Museum of Nature
Canadian Parks and Wilderness Society
Canadian Wildlife Service
Canadian Wood Fibre Centre
Carleton Place Forest Advisory Committee
Carleton Place Secondary High School
Carleton University
Catarauqui River Conservation Authority
Centre for Geographic Information Systems
Centre for Sustainable Watersheds
Charleston Lake Environmental Association
Charleston Lake Provincial Park
City of Brockville
City of Ottawa
Cobjon Nutculture Services
Commonwealth Plywood Co. Ltd.
Community Stewardship Council of Lanark County
Conservation Ontario
Cooper Marsh Conservation Area
County of Lanark
Coyncrest Farms
Dalkeith Lumber
David Black Ash Consulting
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Dendron Resource Surveys Inc.
D.I.A.M.O.N.D.S. Conservation Land Trust
DM Solutions
Doyletech Corporation
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Drummond's Sugarbush
Ducks Unlimited
Dundas Soil & Crop Improvement Association
DuPont Canada
Eastern Chapter of the Society of Ontario Nut Growers
Eastern Counties Local, Ontario Maple Syrup
Producers' Association
Eastern Ontario Certified Forest Owners
Eastern Ontario Development Program
Eastern Ontario Urban Forest Network
Ecological Monitoring and Assessment Network
Eco-Think
ELORIN
Ensyn
Environment Canada
ERDAS
ESRI Canada
FedNor
Ferguson Forest Centre

FERIC
Finnish Forest Research Institute (METLA)
Fisheries and Oceans Canada
Foreign Affairs & International Trade Canada
Forest Gene Conservation Association
Forest Products Association of Canada
Forest Stewardship Council of Canada
Forestry Research Partnership
Forintek Canada Corporation
Fortune Farms
Fowler Tree Farms
FP Innovations
Frontenac Arch Biosphere Reserve
Frontenac Stewardship Council
Fulton's Pancake House and Sugar Bush
Gananoque Forestree Advisory Committee
GeoConnections
Gesner and Associates
GKR Consulting
Goodfellow Agricola Consultants Inc.
Great Lakes Forest Alliance
Great Lakes Forestry Centre
GreenField Ethanol
Grenville Community Futures Development Corporation
Grenville Land Stewardship Council
Haliburton Forest and Wildlife Reserve Ltd.
Haliburton Highlands Stewardship Council
Halifax Global Management Consultants
Hardy Stevenson and Associates
Hastings Stewardship Council
Herb Shaw & Sons Ltd.
Home Depot Foundation
Institute for Agriculture and Trade Policy
International Centre for Research in Agroforestry
International Joint Commission
International Model Forest Network
Invista, Maitland Ontario Site
Iroquois Enterprises
King's Forestry Service
La Cité Collégiale
Lake Simcoe Region Conservation Authority
Lakehead University
Lanark Cedar
Lanark & District Fish and Game Club
Lanark & District Maple Syrup Producer's Association
Lanark & Leeds Green Community Program
LandOwner Resource Centre
Larose Forest Advisory Committee
Lavern Heideman & Sons Ltd.
Leeds County Stewardship Council
Lennox & Addington Stewardship Council
Leo André Ltd.
Limerick Forest Advisory Committee
L.R. McVeigh Lumber Ltd.
Mazinaw-Lanark Forest Inc.
McCready Tree & Forestry Consulting
McGill University
Mersey Tobeatic Research Institute
Metcalf Foundation
Mississippi Valley Conservation
Mississippi Valley Field Naturalists
M.J. Umpherson Lumber Co. Ltd.
Mohawk Council of Akwesasne, Department of the Environment
Municipality of North Grenville
Murray Brothers Lumber
National Aboriginal Forestry Association
National Capital Commission
National Forest Strategy Coalition
National Research Council
National Wildlife Research Centre
Natural Heritage Information Centre
Natural Resources Canada
Nature Conservancy of Canada (Ontario)
Neave Resource Management
Norampac Inc., Trenton Division
North American Maple Syrup Council
North Grenville Chamber of Commerce
North Grenville District High School
North Leeds Community Development Corporation
Northumberland Stewardship Council
Ontario East Economic Development Commission
Ontario Federation of Anglers and Hunters
Ontario Forest Research Institute
Ontario Forestry Association
Ontario Maple Syrup Producers' Association
Ontario Ministry of Agriculture, Food and Rural Affairs
Ontario Ministry of Municipal Affairs and Housing
Ontario Ministry of the Environment
Ontario Ministry of Natural Resources
Ontario Model Forest Network
Ontario Nature
Ontario Power Generation
Ontario Professional Foresters Association
Ontario Stewardship
Ontario Woodlot Association
Opeongo Forestry Service
Ottawa Cleantech Initiative
Ottawa Field Naturalists
Ottawa Forests & Greenspace Advisory Committee
Ottawa Stewardship Council
Ottawa Valley Section - Canadian Institute of Forestry
Ottawa Valley Forest SFL

Parks Canada
Parks Ontario
Petawawa National Research Forest
Pinegrove Biotechnical
Pinegrove Productions
Policy Research Initiative
Poplar Council of Canada
Port of Prescott
Prescott-Russell Economic Development Office
Prescott-Russell Stewardship Council
Prince Edward Stewardship Council
Queen's University
Queen's University, School of Business, Monieson Centre
Queen's University, Sustainable Bioeconomy Centre
Queen's University Biological Station
Rainforest Alliance
Raisin Region Conservation Authority
Renfrew County Stewardship Council
Resource Efficient Agricultural Production Canada
Resource Stewardship S.D. & G.
Richard Ivey Foundation
Rideau Valley Conservation Authority
Rideau Valley Field Naturalist Club
St. Lawrence Islands National Park
St. Lawrence Parks Commission
St. Lawrence River Institute of Environmental Sciences
St. Michael Catholic High School
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Sand Road Sugar Camp
Sandra S. Lawn & Associates Inc.
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Sierra Club of Canada
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Stormont, Dundas & Glengarry Certified Forest Owners Inc.
Stormont, Dundas & Glengarry Community Futures Corporation
Stormont Soil and Crop Improvement Association
Sugarbush Cabinet Company Ltd.
Superior Forestry Consulting
Sustainable Forest Management Network
Swedish University of Agricultural Sciences
Temples Sugar Camp
TD Graham + Associates
The Agricola Group
The Old Field Garden & Wildflower Nursery
The Ontario Trillium Foundation
1000 Islands Field Naturalists
1000 Islands Forest Farm
Thousand Islands Heritage Conservancy
Thousand Islands Watershed Land Trust
TMR Consulting
Toronto Zoo
Town of Carleton Place
Town of Gananoque
Town of Oakville
Town of Perth
Town of Prescott
Town of Smiths Falls
Township of Edwardsburgh/Cardinal
Township of Front of Yonge
Township of Leeds and the Thousand Islands
Township of South Dundas
Tree Canada Foundation
Tree of Peace Society
Trees Ontario Foundation
Treeworks and Resource Management
Trent University
United Counties of Leeds and Grenville
United Counties of Prescott and Russell
United Counties of Stormont, Dundas & Glengarry
University of Calgary
University of Guelph
University of Guelph, Kemptville Campus
University of Guelph, Alfred Campus
University of Ottawa
University of Toronto, Faculty of Forestry
University of Waterloo
Upper Canada District School Board
Upper Canada Migratory Bird Sanctuary
VA Designs
Valley Heartland Community Futures Economic Development Corporation
Vankleek Hill Nature Society
Victoria Land and Water Stewardship Council
V.J. Nordin and Associates Ltd.
Wanakena Ranger School
Westport and Area Outdoor Association
Westwind Forest Stewardship Inc.
Wheeler's Pancake House & Sugar Camp
Wildlife Habitat Canada
World Wildlife Fund
Wren Resources
YMCA Youth Eco Internship Program

Financial Statements 2009-2010

W. Gordon Wells, CA (Ret)
Alan Gutman, CA
Marvin Payne, CA, CPA (F1)



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AUDITORS' REPORT

To the Members
EASTERN ONTARIO FOREST GROUP

We have audited the balance sheet of **EASTERN ONTARIO FOREST GROUP** as at March 31, 2010, and the statements of changes in net assets and operations for the year then ended. These financial statements are the responsibility of the group's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the group as at March 31, 2010 and the results of its operations and the changes in net assets for the year then ended in accordance with Canadian generally accepted accounting principles.

A handwritten signature in blue ink that reads 'WGP Professional Corporation'.

**WGP PROFESSIONAL CORPORATION
CHARTERED ACCOUNTANTS**

*Authorized to practise public accounting by The
Institute of Chartered Accountants of Ontario*

Kemptville, Ontario
April 28, 2010

EASTERN ONTARIO FOREST GROUP
BALANCE SHEET
As at March 31, 2010

	2010	2009
ASSETS		
CURRENT		
Cash	\$ 67,473	\$ 72,943
Funding receivable	103,926	220,352
Term deposits	94,513	4,334
Interest receivable	1,051	77
Due to/from CMFN	52,000	52,860
OST receivable	265	1,860
	<u>338,498</u>	<u>354,896</u>
	4,955	5,524
CAPITAL (Note 3)	<u>\$ 231,407</u>	<u>\$ 216,670</u>

LIABILITIES AND NET ASSETS

CURRENT	\$ 46,988	\$ 52,997
Accounts payable and accrued liabilities	<u>35,876</u>	<u>105,261</u>
Deferred contributions (Note 4)	112,304	158,578
	<u>189,122</u>	<u>211,632</u>
NET ASSETS		
Unrestricted net assets	<u>\$ 221,407</u>	<u>\$ 230,439</u>

2010/10
 The accompanying notes are an integral part of these financial statements.



EASTERN ONTARIO FOREST GROUP
STATEMENT OF CHANGES IN NET ASSETS
For the year ended March 31, 2010

	Estimated	Total 2010	Total 2009
Balance beginning of the year			
Excess (shortfall) of revenues over expenses	\$ 211,832	\$ 211,832	\$ 193,081
Balance, end of the year	<u>(12,809)</u>	<u>(12,809)</u>	<u>16,251</u>
	<u>\$ 199,122</u>	<u>\$ 199,122</u>	<u>\$ 211,632</u>

2010/10
 The accompanying notes are an integral part of these financial statements.



29.10.02

EASTERN ONTARIO FOREST GROUP
STATEMENT OF OPERATIONS
 For the year ended March 31, 2010

	2010	2009
REVENUES	\$ -	\$ 5,290
New initiatives	218,286	194,348
Contributions from partners	325,000	325,000
Federal contribution funding	4,351	4,550
Memberships	23,915	60,174
Other income	1,140	3,388
Interest income	2,589	1,125
Charitable donations	96,502	118,821
Provincial	672,792	1,012,261
EXPENDITURES	\$ 160,464	134,124
EOFG Projects (Sch. 1)	519,285	618,409
Supplementary Projects (Sch. 2)	158,504	198,548
Salaries and benefits	4,158	842
Director's travel and other costs	28,150	27,914
Office and other	2,633	2,801
Staff travel	5,079	7,218
Meetings	4,276	5,225
Professional fees	1,452	1,395
Amortization		
	885,601	995,518
	(12,809)	16,251
OTHER DIRECT CONTRIBUTIONS (Note 5)	600,149	940,072
Contributions	600,149	940,072
Expenses		
EXCESS (SHORTFALL) OF REVENUES OVER EXPENDITURES	\$ (12,809)	\$ 16,251

28/04/10
 The accompanying notes are an integral part of these financial statements.



EASTERN ONTARIO FOREST GROUP
SCHEDULE OF EASTERN ONTARIO MODEL FOREST PROJECTS
 (Schedule 1)
 For the year ended March 31, 2010

Project Title	2010 Budget (approved)	2010	2009
FCP07-1.1 Transitioning to Enhanced connectivity	\$ 30,000	\$ 30,000	\$ 30,000
FCP07-1.2 Advancing forest Cert to Communities	30,000	30,000	30,000
FCP07-2.1 Framework for Forest Sector Analysis & Response	20,000	20,000	20,000
FCP07-2.2 EFMES pilot	20,000	20,000	20,000
FCP07-3.1 Forest Monitoring & Equity Dev	15,000	15,000	15,000
FCP07-3.2 Capacity to communicate	38,000	38,000	35,000
FCP07-3.3 FCP Ambassador	10,000	10,000	25,000
	163,000	163,000	135,000
Less: GST receivable	163,000	163,000	135,000
TOTAL EXPENSE - EOFG PROJECTS	\$ -	\$ (2,536)	\$ (5,879)
	\$ 163,000	\$ 160,464	\$ 129,124

28/04/10
 The accompanying notes are an integral part of these financial statements.



EASTERN ONTARIO FOREST GROUP
SCHEDULE OF SUPPLEMENTARY PROJECTS

(Schedule 2) Cont'd
 For the year ended March 31, 2010

Project	Title	2010 Budget (audited)	2010	2009
BALANCE FORWARD				
		\$ 252,024	\$ 252,024	\$ 204,554
EOPG02/02	EOPG Workshops	-	-	1,138
EOPG09/17	Est. Land Management GEO	484	484	21,500
EOPG05/45	Trees for Peace Charity	-	-	3,000
EOPG08/45	Federal Habitat Stewardship	-	-	27,025
EOPG05/29	Bioenergy Report	3,328	3,328	4,000
EOPG08/19	Habitat Supply Model Species	1,050	1,050	29,606
EOPG09/43	Quercus B/C Vag Wetlands	-	-	5,385
EOPG03/42	Building Wood Train ED Cores	8,727	8,727	-
EOPG06/16	SAR Herb Atlas	-	-	45,182
EOPG05/05	ELC Inventory	-	-	59,785
EOPG06/17	SAR Outreach Intern	-	-	57,406
EOPG05/71	Forest Health Workshops	-	-	37,294
EOPG03/78	EOPG Publications	11,472	11,472	77,317
EOPG06/32	Business Harvest	175	175	9,482
		22,725	22,325	75,577
TOTAL EXPENSE - SUPPLEMENTARY PROJECTS		67,261	67,261	412,875
		\$ 319,288	\$ 319,288	\$ 617,429

EASTERN ONTARIO FOREST GROUP
SCHEDULE OF SUPPLEMENTARY PROJECTS

(Schedule 2)
 For the year ended March 31, 2010

Project	Title	2010 Budget (audited)	2010	2009
EOPG09/1	ELC Invasive SAR Habit Verification	\$ 54,352	\$ 54,352	\$ -
EOPG09/2	Soil/Plant Prescription Writing	9,423	9,423	11,240
EOPG06/18	GEO Info	6,478	6,478	892
EOPG07/22	Charismatic Seminar	1,807	1,807	6,754
EOPG07/12	Cell Pulp and Paper	-	-	-
EOPG09/15	Forest Data Flags	10,186	10,186	-
EOPG05/5	Evaluation Sep Ladders	119	118	-
EOPG09/19	GEO Construction E.M	56,515	56,515	-
EOPG09/14	GEO Construction E.M	33,945	33,945	-
EOPG09/14	Eastern Ontario Des. - Corn. Cap	2,509	2,599	4,370
EOPG06/39	EDMB Forest Level Charitable	6,640	6,640	3,166
EOPG08/39	Woodlot Day	11,932	11,932	-
EOPG06/41	Forestry Fair	-	-	5,675
EOPG07/15	Invasive Alien Species Partnership program	-	385	26,300
EOPG02/16	Best Management Practices Review	106	106	5,250
EOPG07/16	Environment Canada	-	-	-
EOPG06/31	Site Recovery Strategy	-	-	-
EOPG05/34	Job Marketing	1,875	1,875	-
EOPG03/76	ANSI site plan report	3,014	3,014	-
EOPG05/85	Rimous County Demo	-	-	2,676
EOPG07/11	ELSC Test	38,119	38,119	30,374
EOPG07/93	Can. Reforest. Band	14,578	14,578	84,275
EOPG07/94	Invasive Alien Species	157	157	1,011
EOPG07/94	Maple Grades Concepts	5,236	5,236	3,887
EOPG05/16	EOPG Event	-	-	8,401
EOPG04/16	Trees for Peace	-	-	-
		\$ 252,024	\$ 252,024	\$ 204,554

Following notes are an integral part of these financial statements.



2010/10
 The accompanying notes are an integral part of these financial statements.



29.12.10

**EASTERN ONTARIO FOREST GROUP
NOTES TO THE FINANCIAL STATEMENTS**
For the year ended March 31, 2010

3. CAPITAL ASSETS

	Cost	Accumulated depreciation	Net 2010	Net 2009
Furniture and equipment	\$ 27,959	\$ 23,591	\$ 4,459	\$ 5,574
Computers	993	451	445	-
	<u>\$ 28,952</u>	<u>\$ 24,042</u>	<u>\$ 4,955</u>	<u>\$ 5,574</u>

4. DEFERRED CONTRIBUTIONS

Deferred contributions represent unspent resources restricted by agreement for specific purposes received in the current period that is related to a subsequent period. Changes in the deferred contributions balance are as follows:

	2010	2009
Beginning balance, related to supplementary funding	\$ 105,541	\$ 237,435
Less: Amount recognized as revenue in the year	(195,541)	(237,435)
Add: Amount received related to the following year	85,546	105,541
Ending balance, related to supplementary funding	<u>\$ 85,546</u>	<u>\$ 105,541</u>

5. OTHER DIRECT CONTRIBUTIONS

Included in the statement of operations is \$603,149 (2009 - \$940,072) representing the estimated fair value of contributions of services and materials as declared by the partners. These services and materials are recorded at fair value as if the Eastern Ontario Forest Group would normally have to pay for the services rendered.

2804/10

The accompanying notes are an integral part of these financial statements.

**EASTERN ONTARIO FOREST GROUP
NOTES TO THE FINANCIAL STATEMENTS**
For the year ended March 31, 2010

1. GENERAL

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements for a period necessarily involves the use of estimates and approximations which have been made using careful judgment. The most significant accounting policies are as follows:

2. SIGNIFICANT ACCOUNTING POLICIES

a. FAIR MARKET VALUE OF FINANCIAL INSTRUMENTS

The group's financial instruments consist of cash, term deposits, amounts receivable, accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the corporation is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair market value of the current financial instruments approximates their carrying value because of the relatively short period of maturity of the instruments.

b. REVENUE RECOGNITION

The Eastern Ontario Forest Group follows the deferral method for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c. CAPITAL ASSETS

Eastern Ontario Forest Group capital assets are recorded at cost and are amortized in the accounts on the declining balance basis. Capital assets purchased with project funds (annual to 2010) are recorded at cost and amortized straight line over two (2) years for computer hardware and over five (5) years for furniture and equipment.

d. NATURE OF BUSINESS

The Group was incorporated as a not-for-profit corporation, without share capital on October 13, 1992, under the laws of Ontario. The organization received its charitable status from the Canada Revenue Agency on April 1, 1999. The Group is dedicated to championing the concept and practice of sustainable forestry for all its members in Ontario and beyond through the cooperative efforts of its residents and supporters. The Eastern Ontario Forest Group belongs to the Canadian Model Forest Network with over 11 sites located across Canada. The Federal Government, through the Canadian Model Forest Network, has provided funding of 2.415 million dollars to the Eastern Ontario Forest Group over a five year period that ended 2007. The existing contribution agreement was extended six months after the 2007 year end (31 October 2007). The Canadian Forest Service has approved the strategic plan associated funding for up to 1.403 million dollars to support the organization for a five year period ending in 2012 under the Forest Communities Program.

2804/10

The accompanying notes are an integral part of these financial statements.





*Our vision of forests
for seven generations is
a sustainable landscape
valued by all communities.*

Acknowledgement

*The Eastern Ontario Model Forest gratefully acknowledges
the support of Natural Resources Canada through the
Canadian Forest Service's Forest Communities Program.*



EASTERN ONTARIO MODEL FOREST FORÊT MODÈLE DE L'EST DE L'ONTARIO

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