

**COLUMBIA BASIN TRUST
BOARD OF DIRECTORS MEETING NO. 170
January 30/31, 2015
MINUTES**

Confidential information such as business negotiations, personnel issues and legal advice may have been severed from these minutes.

Meeting No. 170 was held at the Prestige Rocky Mountain Resort, Cranbrook, BC.

Directors in attendance:

| | |
|----------------|-----------|
| G. Deck, Chair | A. Naqvi |
| L. Page | G. DeRosa |
| K. Deane | W. Booth |
| R. Jensen | J. Dooley |
| V. Thomas | |

Staff and guests in attendance:

| | |
|--------------------------------|--------------|
| N. Muth | L. Binks |
| J. Strilaeff | L. Parker |
| W. Lundeborg | J. Townsend |
| L. Kilpatrick | D. Hoodicoff |
| K. Gosal - phone | |
| J. Medlar, Recording Secretary | |

The meeting was called to order at 1:00 pm (MST) on Friday, January 30, 2015.

The Chair suspended the Order of Business. For continuity, these Minutes reflect the order of the Agenda

ADOPTION OF AGENDA

Attachments:

- Election of Chair and Vice Chair
- Minutes: Board Meeting No. 169
- Report from the Chair
- Report from the CEO
- Minutes: Executive Committee Meeting No. 110
- Committees of the Board Membership
- Appointments to the Columbia Power Corp. Board of Directors
- Board and Committee Performance Assessment Results
- CEO Approval Limits – material tabled at meeting
- Transfers from Unallocated – material tabled at meeting
- Delivery of Benefits Update
- Delivery of Benefits Performance Measures
- Avalanche Canada CDP Proposal
- Non-Profit Support Program
- Minutes: Sector Initiatives Committee Meeting No. 6
- Fall 2014 Grant Intake Update
- Pine Butte South Land Acquisition
- Visitor Centre Subsidy Program
- Student Wage Subsidy Program
- College Awards and Bursaries
- Sport & Physical Activity Update

- Social Advisory Committee Appointment
- Special Initiatives Department Update
- Special Initiatives Update on Our Trust, Our Future Engagement
- All Committee Meeting
- Finance and Audit Committee Terms of Reference
- Enterprise Risk Management – Corporate Risk Register
- Q3 Treasury Board Five Year Forecasts
- Q3 Consolidated Financial Statements FY2014/15
- Service Plan 2015/16 – 2017/18
- Communications Update
- Major Trust Projects and Initiatives List
- Investment Proposal – Mt Begbie Brewing Company
- CBBC Update

1/15 Moved, seconded and resolved that:
Agenda No.170 be approved and hereby is adopted as amended.

ELECTION OF CHAIR AND VICE CHAIR

A memorandum was provided to the Board of Directors which sought the election of Board Chair and Vice Chair to the Trust Board of Directors in accordance with CBT's Meeting Policy and Procedures for the Board of Columbia Basin Trust, Section 10 – Election of Chair and Vice Chair. N. Muth, President and CEO, assumed the Chair for the purpose of electing a Chair. Nominations were requested and Greg Deck was nominated. There being no further nominations, Greg Deck was declared Chair of Columbia Basin Trust by acclamation.

2/15 Moved, seconded and resolved that:
The Board of Directors hereby appoints Greg Deck as Chair of Columbia Basin Trust.

Greg Deck assumed the Chair and the meeting continued.

The Chair requested nominations for Vice Chair, and Rick Jensen was nominated. There being no further nominations, Rick Jensen was declared Vice Chair of Columbia Basin Trust by acclamation.

3/15 Moved, seconded and resolved that:
The Board of Directors hereby appoints Rick Jensen as Vice Chair of Columbia Basin Trust.

ADOPTION OF MINUTES

4/15 Moved, seconded and resolved that:
The Minutes of Meeting No. 169 held November 28/29, 2014 be approved and hereby are adopted.

Confirmation of Consent Resolution – Request for Approval of Budget Transfers

A memorandum was provided to the Board of Directors via email on December 16, 2014 which sought approval to transfer additional funds to both the Social Grants Program and the Environment Grants Program and advance previously approved 2015/16 funding for the Rural Development Institute to the 2014/15 fiscal year. The following motion was approved by the Board of Directors by way of Consent Resolution on December 18, 2014.

To be referenced as Resolution 5/15

The Board of Directors hereby approves the following budget transfers within the 2014/15 Delivery of Benefits budget:

- \$327,283 from Unallocated to Social Grants Program;
- \$100,000 from Other Environment Initiatives to Environment Grants Program;
- \$156,000 from Climate Change Initiatives to Environment Grants Program; and
- \$225,351 from Unallocated to Environment Grants Program

And further resolved that:

Staff are authorized to commit \$400,000 from the unallocated portion of the 2014/15 Delivery of Benefits budget for the purpose of funding the 2015/16 commitment to the Rural Development Institute at Selkirk College.

REPORTS FROM OFFICERS AND EXECUTIVE COMMITTEE

Report from the Chair

The Chair provided a written report to the Board of Directors.

There were no resolutions arising.

Report from the CEO

The CEO provided a written report to the Board of Directors. The approved Provincial Mandate Letter was circulated amongst the Directors for signing. The CEO also informed the Board that the position of Manager, Economic Initiatives has been filled by Michael Hoher.

There were no resolutions arising.

Report from the Executive Committee

The Minutes from Meeting No. 110 held on November 25, 2014 were provided for informational purposes only.

There were no resolutions arising.

Committees of the Board Membership

A memorandum was provided to the Board, along with the proposed Committee and Task Force Appointments tabled at the meeting as recommended by the Executive Committee, which sought the approval of the Committee and Task Force membership for 2015. The memorandum also sought a decision on the dissolution of the Community Initiatives and the Sector Initiatives Committees of the Board.

6/15 Moved, seconded and resolved that:

As recommended by the Executive Committee, the Board of Directors hereby approves the 2015 Committee and Task Force membership as presented pending the appointments of Larry Binks, Loni Parker and Jeannette Townsend to the Trust Board of Directors:

| NAME | EXECUTIVE | FINANCE & AUDIT | INVESTMENT | ENGAGEMENT TASK FORCE |
|----------|-----------|-----------------|------------|-----------------------|
| L Binks | | X | | |
| W Booth | | | X | |
| K Deane | X | | X | |
| G Deck | X | | | |
| G DeRosa | | X | | X |
| J Dooley | | | X | |
| R Jensen | X | | X | X |
| A Naqvi | X | X | | |

| NAME | EXECUTIVE | FINANCE & AUDIT | INVESTMENT | ENGAGEMENT TASK FORCE |
|------------|-----------|-----------------|------------|-----------------------|
| L Page | X | X | | X |
| L Parker | | X | | X |
| V Thomas | | | X | X |
| J Townsend | | | X | |

The Board Chair is ex officio member of all committees.

And further resolved that:

As recommended by the Executive Committee, the Board of Directors hereby approves the dissolution of the Community Initiatives and Sector Initiatives Committees of the Board.

Appointments to CPC Board of Directors

The Board of Directors was provided with a memorandum for discussion which outlined the Trust's right to have two Directors appointed to the Board of Directors of Columbia Power Corporation (CPC). Trust staff sought a decision from the Board regarding nominee criteria to clarify future discussion with Columbia Power. Formal nomination of the two CPC Board appointees is not required at this stage. In conjunction with this discussion, the Finance and Audit Committee Chair advised that a direct relationship will be initiated with the CPC Finance and Audit Committee Chair in an effort to enhance Trust due diligence and governance discussions.

7/15 Moved, seconded and resolved that:

As recommended by the Executive Committee, the Board of Directors hereby approves that Greg Deck be re-nominated to the Columbia Power's Board when his current term expires.

And further resolved that:

Trust staff be authorized to work with Columbia Power to identify a second nominee and that potential nominees not be restricted to individuals who live in the Columbia Basin.

Board and Committee Performance Assessment Summaries

A memorandum was provided to the Board which presented the Board's recent assessment of its own performance and the Executive, Finance and Audit, Community Initiatives, Sector Initiatives and Investment Committees' assessments of their respective performances.

There were no resolutions arising.

CEO Approval Limits

A memorandum was tabled to the Board of Directors which sought approval to increase the Chief Executive Officer's (CEO) authority level for the Community Development Program and the Land Conservation Program to \$500,000.

8/15 Moved, seconded and resolved that:

As recommended by the Executive Committee, the Board of Directors hereby approves that the Chief Executive Officer be delegated authority to approve funding under the Community Development Program and the Land Conservation Program of up to \$500,000.

And further resolved that:

The Chief Executive Officer has authority to further delegate funding approval within the \$500,000 limit to other staff.

And further resolved that:

This authority supersedes all previous authorities given to the Chief Executive Officer or other staff for the Community Development Program and the Land Conservation program.

Transfers from Unallocated

A memorandum was tabled to the Board which outlined a process for how financial transfers can occur from the unallocated portion of a Delivery of Benefits (DOB) budget to the commitment of a program or project that has previously been approved by the Board and/or a Committee of the Board. The memorandum sought approval for the Chief Executive Officer to be delegated the authority to determine if funds for a Board and/or Committee approved initiative/project are drawn from the unallocated budget in a current fiscal year and/or a future fiscal year.

9/15 Moved, seconded and resolved that:

As recommended by the Executive Committee, the Board of Directors hereby approves that the Chief Executive Officer be delegated authority to determine if funds for a Board and/or Committee approved initiative/project are drawn from the unallocated budget in a current fiscal year and/or a future fiscal year.

DELIVERY OF BENEFITS

Delivery of Benefits Update

A memorandum was provided to the Board of Directors which gave an update on the Delivery of Benefit (DOB) programs since the last Board meeting.

There were no resolutions arising.

Delivery of Benefits Performance Measures

A memorandum was provided to the Board with an update on the survey of Basin residents and Trust partners conducted on the Trust's behalf by Ipsos Reid in the fall of 2014.

There were no resolutions arising.

Avalanche Canada CDP Proposal

A memorandum was provided to the Board which sought approval for the Community Development Program (CDP) project request to support Avalanche Canada in the amount of \$325,000 (\$125,000 capital expenses and two years operational funding at \$100,000 per year).

10/15 Moved, seconded and resolved that:

The Board of Directors hereby approves Avalanche Canada's funding request for \$325,000.

Non-Profit Capacity Support Program

A memorandum was provided to the Board which sought approval to adjust the Trust's approach to providing a spectrum of capacity building supports to Basin non-profits. In June 2014, staff brought forward a Non-Profit Support Program that was largely modeled after the Trust's Basin Business Advisors program. Staff would instead like to begin offering capacity support more proactively to non-profits through our existing Delivery of Benefits team as well as through supplementary consultants.

11/15 Moved, seconded and resolved that:

The Board of Directors hereby approves that, because staff will offer capacity support to non-profits through a range of other means, the Trust not proceed with the implementation of the Non-Profit Support Program as approved in June 2014.

Report from the Sector Initiatives Committee (SIC)

The Minutes from the Sector Initiatives Committee Meeting No. 6 held on November 28, 2014 and the Fall 2014 Grant Intake Update were provided for informational purposes only.

There were no resolutions arising.

SIC – Pine Butte South Land Acquisition

A memorandum was provided to the Board which sought approval of \$193,105 to support the Nature Conservancy of Canada in purchasing the Pine Butte South property in the Cranbrook/Kimberley area for ecological conservation purposes.

12/15 Moved, seconded and resolved that:

As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves a commitment of \$193,105 to support the Nature Conservancy of Canada's acquisition of the Pine Butte South property for ecological conservation purposes.

And further resolved that:

The Chief Executive Officer is authorized to commit the funding from either the unallocated portion of the 2014/15 or 2015/16 Delivery of Benefits' budgets.

SIC – Visitor Centre Wage Subsidy Program

A memorandum was provided to the Board which sought approval for a three year commitment to provide summer student wage subsidy funding directly to eligible Basin Visitor Centres.

13/15 Moved, seconded and resolved that:

As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves a commitment of \$240,000 over three years (2015, 2016 and 2017) to provide wage subsidies for Basin Visitor Centres to hire summer students.

And further resolved that:

The Chief Executive Officer is authorized to commit either part of, or the full three year commitment, out of the unallocated portion of the 2014/15 and/or 2015/16 Delivery of Benefits Budget.

SIC – Student Wage Subsidy Program

The Board of Directors was provided with a memorandum which sought approval of the Summer Works and School Works program policies and a three year (2015-2018) \$4,000,000 commitment for the continuation of the Student Wage Subsidy Program.

14/15 Moved, seconded and resolved that:

As recommended by the Sector Initiative Committee, the Board of Directors hereby approves the Summer Works and School Works program policies as tabled with the Board of Directors.

And further resolved that:

The Board of Directors hereby approves the Student Wage Subsidy Program for a total of \$4,000,000 over three years (2015-2018) to include:

- 2015/16 School Works
- 2016 Summer Works
- 2016/17 School Works
- 2017 Summer Works
- 2017/18 School Works
- 2018 Summer Works

And further resolved that:

The Chief Executive Officer is authorized to commit either part of, or the full three year commitment, out of the unallocated portion of the 2014/15 and/or 2015/16 Delivery of Benefits Budget.

SIC – College Awards and Bursaries

A memorandum was provided to the Board which sought approval for a three year commitment for the Columbia Basin Bursary Program (CBBP) and which recommended to not renew funding for the College Community Service Award and re-allocate those funds to the CBBP.

15/15 Moved, seconded and resolved that:

As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves that the Columbia Basin Bursary Program is approved for a total of \$220,500 over three years (2015/16, 2016/17, 2017/18)

And further resolved that:

The Chief Executive Officer is authorized to commit either part of, or the full three year commitment, out of the unallocated portion of the 2014/15 and/or 2015/16 Delivery of Benefits Budget.

SIC – Sport and Physical Activity Update

A memorandum was provided to the Board which presented an update of the Sport and Physical Activity initiative and which sought approval for the Trust to become a member of the new PacificSport non-profit society and for Neil Muth to serve as a Director of the society.

16/15 Moved, seconded and resolved that:

As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves that the Chief Executive Officer is authorized to enroll the Trust as a member of the new PacificSport organization in the Columbia Basin and that Neil Muth is authorized to serve as a Board Director of the society.

SIC – Social Advisory Committee Appointment

A memorandum was provided to the Board which sought approval of the appointment of Brooke Leatherman to the Social Advisory Committee.

17/15 Moved, seconded and resolved that:

As recommended by the Sector Initiatives Committee, the Board of Directors hereby approves that Brooke Leatherman be appointed to the Social Advisory Committee for a three year term expiring February 28, 2018.

Special Initiatives Department Update

A memorandum was provided to the Board of Directors which provided an update on the activities of the Special Initiatives department for information.

There were no resolutions arising.

Special Initiatives Update – Our Trust, Our Future Engagement

A memorandum was provided to the Board of Directors which provided details on the progress and next steps of the Our Trust, Our Future engagement process for information. Phase 1 is coming to a close with staff compiling the input of approximately 3,000 Basin residents collected via various means since September 2014. This input, in conjunction with existing community planning and input processes undertaken in Basin communities, will identify regional themes as well as local community themes and/or projects. Phase 2 is set to commence in February/March 2015.

There were no resolutions arising.

All Committee Meeting 2015

A memorandum was provided to the Board of Directors which presented information on the 2015 All Committee Meeting and requested input on proposed meeting dates.

There were no resolutions arising.

REPORTS FROM FINANCE AND AUDIT COMMITTEE

Report from the Finance and Audit Committee

The Committee Chair provided a verbal report to the Board on recent activities for informational purposes only.

Finance and Audit Committee Terms of Reference

A memorandum was provided to the Board which sought approval of amendments to the Finance and Audit Terms of Reference.

18/15 Moved, seconded and resolved that:

The Board of Directors hereby approves the amended Finance and Audit Committee Terms of Reference as presented.

Enterprise Risk Management – Corporate Risk Register

A memorandum was provided to the Board which presented an updated corporate risk register for information only.

There were no resolutions arising.

Q3 Treasury Board Five Year Forecasts

A memorandum was provided to the Board which set out any changes made to the Treasury Board Five Year Forecast for the 3rd Quarter submission and is provided for information only.

There were no resolutions arising.

Q3 Consolidated Financial Statements

The Board of Directors was provided with a memorandum which discussed the consolidated financial statements for the period ending December 31, 2014, and any material changes from the year ending December 31, 2013 for information only.

There were no resolutions arising.

CORPORATE MATTERS

Service Plan 2015/16 – 2017/18

A memorandum was provided to the Board of Directors which presented the final copy of the Service Plan 2015/16 – 2017/18 for information only.

There were no resolution arising.

Communications Update

The Board of Directors was provided with a memorandum which outlined the activities planned or underway in the Trust's Communications Department for information.

There were no resolutions arising.

Major Projects and Initiatives List

A memorandum was provided to the Board which presented an update on the Major Projects and Initiatives currently underway for information.

There were no resolutions arising.

INVESTMENT PROGRAMS

Investment Proposal – Mt. Begbie Brewing Company

A memorandum was provided to the Board of Directors which sought approval of a debt investment [REDACTED] in MBB Holdings Co. Ltd. to assist with the costs of constructing commercial premises for the brewery operations of Mt. Begbie Brewing Company Ltd.

19/15 Moved, seconded, and resolved that:

The Board of Directors hereby approves a debt investment in MBB Holdings Co. Ltd.

[REDACTED].

REPORTS FROM SUBSIDIARIES AND SPECIAL COMMITTEES

A memorandum was provided to the Board which provided an update on recent Columbia Basin Broadband Corporation activities.

There were no resolutions arising.

CORRESPONDENCE

The Read File was distributed to the Board of Directors.

There were no resolutions arising.

OTHER BUSINESS

Verbal Reports from Directors on Community Activities

There were no resolutions arising.

IN CAMERA

Board Round Table

There were no resolutions arising.

The meeting concluded at 12:30 pm.

Certified Correct:

G. Deck, Chair

J. Medlar, Recording Secretary