

# Columbia Basin Trust

## 2022/23 – 2024/25 Service Plan

February 2022



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## Board Chair's Accountability Statement



The 2022/23 – 2024/25 Columbia Basin Trust (Trust) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of January 31, 2022 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, the Trust's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of the Trust's operating environment, forecast conditions, risk assessment and past performance.

A handwritten signature in black ink that reads "Jocelyn Carver". The signature is written in a cursive, flowing style.

Jocelyn Carver  
Board Chair

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## Strategic Direction and Alignment with Government Priorities

In 2022/23, public sector organizations will continue to align with and support the Government of British Columbia efforts in responding to the COVID-19 pandemic with a focus on protecting the health, social and economic well-being of British Columbians. Building on our economic, environmental, and social strengths while looking to seize opportunities to improve outcomes for all British Columbians will be an important aspect of each Crown Agency's work as we respond to COVID-19 and recover from devastating floods and wildfires. The policies, programs and projects developed over the course of this service plan period will align with the five foundational principles established by Government in 2020: putting people first, working toward lasting and meaningful reconciliation, supporting equity and anti-racism, ensuring a better future through fighting climate change and meeting our greenhouse gas reduction targets, and supporting a strong, sustainable economy that works for everyone.

The respective roles and responsibilities of the provincial government and the Trust are established in numerous agreements and legislation, including the [1995 Financial Agreement](#) and the [Columbia Basin Trust Act](#), as well as a [Memorandum of Understanding](#). The Trust's [Mandate Letter](#) outlines the following priority actions that the Trust and the Province have agreed to for 2022/23:

- Implement the strategic priorities identified by Basin residents and included in the Trust's [Columbia Basin Management Plan Strategic Priorities 2020-2022](#).
- Maintain an active and cooperative relationship with partners in power project management and operations to ensure the projects deliver optimized financial returns and are managed in the best long-term interests of the owners.

## Operating Environment

Fiscal 2022/23 will see the Trust continue to implement its strategic plan, [\*Columbia Basin Management Plan Strategic Priorities 2020-2022\*](#). The plan was released to Basin residents in November 2020 following stakeholder consultation and public engagement throughout the summer of 2020. This plan replaced the previous *Columbia Basin Management Plan 2016-2020* and is a short-term plan to help the Trust respond to the significant and evolving impacts of the COVID-19 pandemic in the Basin. In the fall of 2021, the Trust extended the plan to the end of 2023 in recognition of the enduring impacts of COVID-19 in the region and the continued applicability of the plan.

The plan includes six strategic priorities: community well-being; ecosystem enhancement; high-speed connectivity; housing; local food production and access; and support for business renewal. It also includes two integrated priorities—climate resilience and working with Indigenous peoples. These priorities will help guide the Trust’s work and will lead the development of new programs and initiatives in 2022 and 2023. The Trust will also continue with many of its existing programs that support its mission to foster the social, economic and environmental well-being of the Basin.

In 2022/23, the Trust will begin planning a process to engage with people in the Basin on the renewal of the Columbia Basin Management Plan strategic priorities.

The Trust continues to generate a reliable stream of income with revenues from hydropower facilities accounting for approximately 85 per cent of total revenues. If this revenue stream was materially disrupted, it would negatively impact the Trust’s ability to achieve its strategic priorities and net income targets. To partially mitigate this risk, the Trust continues to diversify investments and actively monitor revenue and expenditure forecasts.

Another factor that could have a significant impact on the operating environment in the coming year is the uncertainty around how the COVID-19 pandemic may continue to impact operations, such as how the Trust engages with Basin residents, and the impact of a mandatory vaccination policy.

## Performance Planning

### Goal 1: Sound investments for the benefit of Basin residents

**Objective 1.1: A predictable, sustainable and appreciating income stream to fund Delivery of Benefits obligations and corporate operating expenses.**

#### Key Strategies

- Communicate directly with financial partners throughout the Basin to originate high-quality investment opportunities.
- Develop strong working relationships with the management of companies in which the Trust has invested to fully appreciate risks as well as uncover future opportunity.
- Identify and develop investment opportunities that target areas of quality risk not otherwise addressed by conventional lenders.
- Work closely with hydropower partners on facility operations and management.

Performance Measures	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
1.1a Return on Power Facilities (calculated as a cash-based return on investment) <sup>1</sup>	10%	10%	10%	10%
1.1b Return on Private Placements (calculated as a cash-based return on investment) <sup>1</sup>	6%	6%	6%	6%
1.1c Return on Market Securities <sup>2</sup>	6%	6%	6%	6%

Data source:

<sup>1</sup> Returns are calculated based on audited year-end financial statements, which are approved by both external auditors and the Board of the Trust.

<sup>2</sup> Returns are calculated by British Columbia Investment Management Corporation in accordance with Global Investment Performance Standards.

#### Linking Performance Measure to Objective

1.1a: This performance measure is critical as revenues from power facilities account for approximately 85 per cent of the Trust's overall revenue to support its Delivery of Benefits activities and corporate operations.

1.1b: A growing portfolio of private placement investments will help maintain a predictable, sustainable and appreciating income stream and mitigate risk associated with a reliance on power project returns.

1.1c: Market Securities offer a diversification of capital investment targeted at growth to assist the Trust in maintaining a predictable, sustainable and appreciating income stream in the future.

## **Discussion**

For power facilities, a continued focus on investment in maintenance and reliability activities in 2022 through 2025 provides a level of comfort that the target of 10 per cent continues to be appropriate.

For Private Placements, the Trust is limited to investing in a relatively small geographic region. Except for a few larger credit unions (too small a sample size to establish performance benchmarks), there are no reasonable market comparisons from which the Trust can benchmark a performance measure. This performance measure was developed by evaluating historical performance as well as market conditions anticipated in the next five years. The Trust continues to follow a cash-based return on investment methodology.

To determine the Market Securities target, forecast returns of similarly constructed securities portfolios are considered, as well as historical returns observed in the general marketplace. British Columbia Investment Management Corporation provides information in support of this objective. It is critical to note that forecasting financial market returns (particularly in the short term) is challenging, and it is possible the realized returns in 2022/23 will be materially higher or lower than the six per cent forecast. Notwithstanding this inherent challenge in predicting returns, the Trust continues to believe that the six per cent long-term objective is appropriate.

**Goal 2: Effective delivery of benefits for Basin residents**

**Objective 2.1: Benefits that serve to strengthen the social, economic and environmental well-being of the Basin and its residents and communities.**

**Key Strategies**

- Maintain strong relationships in communities to ensure awareness of the Trust’s roles and uphold the Trust’s knowledge of current needs and opportunities.
- Develop timely solutions that meet community needs.
- Advance the strategic priorities outlined in the [Columbia Basin Management Plan Strategic Priorities 2020-2022](#) through appropriate partnerships and supports.
- Increase awareness of the Trust’s contribution to strengthening community well-being.

Performance Measures	2020/21 Baseline	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
2.1a Per cent of Basin residents perceiving the Trust’s impact as positive <sup>1</sup>	87	N/A	85	N/A	85
2.1b Per cent of partners perceiving the Trust’s impact as positive <sup>1</sup>	96	N/A	90	N/A	90

Data source:

<sup>1</sup>The Trust first measured resident and partner perceptions in 2010 and has since conducted the surveys every two years. The Trust engaged Ipsos Reid to conduct the most recent surveys in fall 2020. The results for these measures represent the percentage of those surveyed who are familiar with the Trust and agree that the Trust is making a positive difference in their community. Assessment of the targets takes place internally every two years.

Performance Measures	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
2.1c Affordable Housing <sup>1</sup> # of new affordable housing units added <sup>2</sup>	200	30	30	30
2.1d Broadband <sup>2</sup> # rural households served with minimum 5/1 Mbps up to 50/10 Mbps	12,225	12,750	13,500	12,750
2.1e Broadband <sup>2</sup> # rural households served with minimum 50/10 Mbps	0	1,400	4,700	5,450
2.1f Broadband <sup>2</sup> # km of fibre backbone in place	1,125	1,150	1,250	1,250
2.1g Business <sup>1</sup> Value of new business loans provided (\$m)	7.5	7.5	7.5	7.5

Performance Measures	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
2.1h Community Assets <sup>1</sup> # of existing indoor and outdoor community spaces being enhanced	40	40	40	40
2.1i Community Assets <sup>1</sup> #of newly constructed/ acquired community assets being funded	10	10	10	10
2.1j Ecosystem Health <sup>1</sup> Area of aquatic habitat improved (m <sup>2</sup> )	2,000	4,000	4,000	4,000
2.1k Ecosystem Health <sup>1</sup> Area of terrestrial habitat improved (ha)	1,000	2,000	2,000	2,000
2.1l Local Food Production and Access <sup>1</sup> # of community food production or processing spaces created and/ or improved	20	20	0	0
2.1m Local Food Production and Access <sup>1</sup> Quantity of food waste recovered (kg)	15,000	15,000	15,000	15,000

Data source:

<sup>1</sup> Results are internally monitored relative to each performance measure. The targets are assessed annually.

<sup>2</sup> The Broadband performance measures are cumulative year over year.

## Linking Performance Measures to Objective

2.1a and 2.1b: As the Trust is accountable to people in the Basin, and as the organization ultimately supports efforts of residents and the well-being of the region, the Trust is measuring whether Basin residents feel the organization is making a positive difference and how these perceptions change over time. The Trust is also measuring how its impact is perceived by its partners who deliver many of the programs and initiatives to people in the region.

2.1c – 2.1m: These measures complement the broad measure offered by the biennial resident and partner surveys. They align with the key areas of the Trust’s mandate – to support the social, economic and environmental well-being of the Basin – as well as the strategic priorities of the Trust’s plan - [Columbia Basin Management Plan Strategic Priorities 2020-2022](#). These measures are shorter-term to match time periods of significant dedication of resources.

## Discussion

While the results of the fall 2020 survey for performance measures 2.1a and 2.1b exceed the 2020/21 targets, the Trust determined that, given the margin of error, the targets for 2022/23 and 2024/25 remain appropriate.

The targets for performance measures 2.1c – 2.1m reflect our strategic approach and projected progress and take into consideration community needs and capacity. Factors such as changes in provincial or federal funding programs or a change in community demand could influence the targets.

The Trust was able to deliver significantly more affordable housing projects (2.1c) in 2020/21 by supporting Basin housing providers with early development and accessing other funding sources for capital; however, the targets for future years remain appropriate. Most communities in the Basin now have affordable housing projects either recently built or underway. The lower targets in fiscal 2022/23 to 2024/25 take into consideration the expected decreased availability of provincial funding for affordable rental housing projects, and the time it takes for some communities to complete projects underway before they could start another.

Over the coming years, the Trust expects to complete two significant broadband projects that will increase the kilometres of fibre backbone (2.1d-2.1f). The Trust is also moving to support last-mile broadband projects to increase connectivity to rural households in two categories: minimum 5/1 Mbps (internet download speeds of 5 megabits per second (Mbps) and upload speeds of 1 Mbps) and minimum 50/10 Mbps (internet download speeds of 50 Mbps and upload speeds of 10 Mbps). The two categories are necessary as some rural and remote areas of the Basin still do not have access to internet speed of 50/10, which is the target that the federal government is aiming to achieve for all Canadians by 2030. All of the targets assume that Columbia Basin Broadband Corporation (CBBC) is successful in receiving funding from third parties for planned broadband projects.

While there was decreased demand initially for capital financing in 2020/21, as the COVID-19 recovery continues, demand is growing again. The targets for the value of new Business Loans, which include investment loans and economic program loans, (2.1g) are deemed to be appropriate at \$7.5 million.

The Community Assets measure (2.1h, 2.1i) gauges improvements to indoor and outdoor community spaces through capital projects and property acquisitions that will have long-term community benefit.

Due to the completion of several large projects, Ecosystem Health (2.1j, 2.1k) exceeded its targets in 2020/21; however, the targets for future years are appropriate for the current programming.

The Trust supports many local food projects in the Basin, some of which produce or grow food (e.g., grow vegetables at a community garden and distribute to vulnerable populations), some of which process local food into value added products (e.g., turning milk into cheese), and some of which utilize food that would otherwise go to landfills (e.g., turning culled cherries into jam). 2.1l and 2.1m are two new measures that gauge the creation of and improvements to existing production and/ or processing spaces as well as report out on the quantity of food waste produced and/ or diverted from landfills as a result of Trust-funded projects. These measures are important because they are quantitative, tangible ways to evaluate the extent to which Trust-funded projects are increasing Basin residents' access to foods that are locally produced and processed, a

strategic priority of the Trust from 2020-23. Further, there are ancillary benefits to diverting food from landfills, such as reduction in greenhouse gases. The targets for 2023/24 and 2024/25 for metric 2.11 are zero because it is possible that Local Food Production & Access will not be a strategic priority of the Trust past the duration of its current strategic plan.

### Goal 3: Robust corporate operations

#### Objective 3.1: Corporate operations that support and enable the cost-effective management of investments and Delivery of Benefit activities to the region.

##### Key Strategies

- Actively monitor and manage key organizational risks.
- Continually review business practices and support structures for efficiencies.
- Ensure effective flow of knowledge, learning and communications.
- Instill and continuously reinforce fiscal responsibility.
- Nurture a progressive culture and workforce to adapt to changing organizational and community needs.
- Maintain a supportive, rewarding and inspiring environment to drive organizational success.

Performance Measure	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
3.1a Ratio of Regional Reinvestment	115%	80-90%	80-90%	80-90%

Data source: Ratio of Regional Reinvestment measures the percentage of annual revenue that is committed to the Trust’s two core functions – Delivery of Benefits and the Investment Program.

##### Linking Performance Measure to Objective

3.1a The Ratio of Regional Reinvestment captures what the Trust has redistributed back into the region annually, recognizing our work in both Delivery of Benefits and the Investment Program. It is a means of conveying the Trust’s cost-effective management of its resources to optimize our ability to deliver on our mandate.

##### Discussion

The 2021/22 forecast for this performance measure of 115 per cent exceeds the target of 80-90 per cent due to a combination of factors resulting in more regional investments. In 2021/22, Delivery of Benefits Program funding commitments exceed targets due to additional available revenue from power facilities and market securities portfolios. Additionally, capital investments in broadband infrastructure and support through economic programs are forecasted at approximately \$14.6 million which is significantly higher than in previous years. The Trust also expects to pursue additional investment opportunities in commercial loans and real estate portfolios this year. In 2018/19 the actual for 3.1a was 87 per cent and the Trust believes the target of 80-90 per cent continues to be appropriate for this performance measure.

## Financial Plan

### Financial Summary

(\$000)	2021/22 Forecast	2022/23 Budget	2023/24 Plan	2024/25 Plan
<b>Total Revenue</b>				
Power Facilities	75,676	74,940	77,136	78,953
Private Placements: Commercial Loans	1,400	1,403	1,553	1,703
Private Placements: Real Estate	1,362	1,399	1,473	1,554
Market Securities	7,200	1,300	1,000	1,000
Short Term-Investments	600	700	800	900
Broadband Operations	1,288	1,366	1,737	1,738
Other	3,355	4,157	1,157	1,157
Sinking fund restricted income	425	563	713	876
Power Facilities Recoveries	3,777	3,900	4,100	4,300
<b>Total Revenue</b>	<b>95,083</b>	<b>89,728</b>	<b>89,669</b>	<b>92,181</b>
<b>Total Expenses</b>				
Delivery of Benefits				
Broadband Initiatives <sup>1</sup>	3,055	3,885	4,115	4,279
Community Initiatives	28,628	24,959	9,737	9,739
Economic Initiatives <sup>2</sup>	2,808	2,704	-	-
Other Initiatives	3,244	2,430	800	600
Social Initiatives	4,878	3,268	-	-
Water and Environment Initiatives	9,922	8,944	-	-
Youth Initiatives	2,697	1,504	1,795	1,795
Programs Under Development <sup>3</sup>	10,000	11,050	42,000	44,300
Total Delivery of Benefits	65,232	58,744	58,447	60,713
Power Facility Administration Expenses	3,777	3,900	4,100	4,300
Trust Administration Expenses	7,565	8,935	8,988	9,085
Financing Costs	17,445	17,427	17,407	17,388
Trust Investment Expenses	654	647	644	643
<b>Total Expenses</b>	<b>94,673</b>	<b>89,653</b>	<b>89,586</b>	<b>92,129</b>

(\$000)	2021/22 Forecast	2022/23 Budget	2023/24 Plan	2024/25 Plan
<b>Annual Surplus</b>	<b>410</b>	<b>75</b>	<b>83</b>	<b>52</b>
<b>Total Debt</b>	<b>5,681</b>	<b>5,587</b>	<b>5,490</b>	<b>5,389</b>
<b>Accumulated Surplus</b>	<b>536,721</b>	<b>538,096</b>	<b>539,179</b>	<b>540,231</b>

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

<sup>1</sup> Broadband Initiatives includes direct Columbia Basin Broadband Corporation (CBBC) expenses, as well as other broadband initiatives delivered through CBBC. See Appendix B for separate financial information for this subsidiary.

<sup>2</sup> Economic Initiatives includes direct Columbia Basin Development Corporation (CBDC) expenses, as well as other economic initiatives delivered through CBDC. See Appendix B for separate financial information for this subsidiary.

<sup>3</sup> Guided by the Columbia Basin Management Plan Strategic Priorities 2020-2023.

## Breakdown of Total Expenses

### Trust Administration Expenses

(\$000)	2021/22 Forecast	2022/23 Budget	2023/24 Plan	2024/25 Plan
Staff Remuneration and Development	8,775	9,585	9,873	10,170
Office and General	907	875	900	900
Amortization	392	400	500	500
Professional Fees	320	370	350	350
Corporate Travel and Meetings	80	400	400	400
Communications	420	540	450	450
Board and Committee	144	300	300	300
Information Technology	304	365	315	315
Subtotal:	11,342	12,835	13,088	13,385
LESS: Allocation to Power Facility Administration	(3,777)	(3,900)	(4,100)	(4,300)
<b>Total Expenses</b>	<b>7,565</b>	<b>8,935</b>	<b>8,988</b>	<b>9,085</b>

## Key Forecast Assumptions, Risks and Sensitivities

### Sensitivity Analysis

Financial Forecast Item	Key Assumptions, Risks and Sensitivities
Power Facilities Revenue	Moving forward, approximately 85 per cent of Trust revenues will come from Power Facilities. If the facilities experience operational challenges and revenues are reduced, the Trust's ability to deliver benefits or make new investments may be impacted.

Market Securities Revenue	Financial markets are volatile, and returns may vary significantly when measured over the short term. A one per cent change in return would have an approximate impact of \$810,000 on revenue given the current level of investment. The Trust's annual return expectation for Market Securities is six per cent.
Private Placements Revenue	Fluctuating interest rates have a direct effect on the income from business loans. Changes in the economic environment influence the performance of business loans. A one per cent change in return would have an approximate impact of \$340,000 on revenue given the current level of investment. New investments continue to be made while repayments have reduced the portfolio in the past year. The Trust's long-term annual return expectation for Private Placements is six per cent. Current market returns are below target due to a near term low-rate environment.
Short-term Investments Revenue	Fluctuating interest rates have a direct impact on returns from short-term investments. A one per cent change in interest rates would have an approximate impact of \$600,000 on revenue, given the current level of investment. The Trust assumes an annual interest rate of 1 per cent on income securities.

### **Management's Perspective on the Financial Outlook**

Revenues from power facilities are expected to increase over the three-year period due to following factors:

- continued focus on strategic asset management planning and reliability-centered maintenance programs that target increased plant reliability and lower unforced outage rates; and
- long-term escalating pricing in power sales agreements is in place.

The Trust expects annual modest growth in both its commercial loans and real estate portfolios. We forecast to continue to invest annually in these investment portfolios within the Columbia Basin region.

Delivery of Benefits expenses are forecast to remain relatively static over the next three years with small increases to funding budgets annually to coincide with revenue increases. While the current short-term strategic plan has been extended by one year, the majority of Delivery of Benefits budgets continue to be allocated to Programs Under Development. Once the Trust has had an opportunity to engage with residents and develop a new longer term strategic plan, funds will be allocated to specific initiative areas.

## **Appendix A: Additional Information**

### **Corporate Governance**

Learn more about our:

- Governance: [ourtrust.org/governance](https://ourtrust.org/governance)
- Board of Directors: [ourtrust.org/board](https://ourtrust.org/board)
- Executive: [ourtrust.org/contact](https://ourtrust.org/contact)

### **Organizational Overview**

Learn more at [ourtrust.org/about](https://ourtrust.org/about)

## Appendix B: Subsidiaries and Operating Segments

### Active Subsidiaries

#### Columbia Basin Broadband Corporation

Columbia Basin Broadband Corporation (CBBC) is a wholly owned subsidiary of the Trust formed in 2011. CBBC is working with Basin communities and rural areas to improve connectivity through a region-wide fibre optic cable network which will contribute to economic and social development in the Basin.

The activities of CBBC are in alignment with the Crown's mandate, strategic priorities and fiscal plan, and are considered a delivered benefit to Basin residents; therefore, any losses incurred by CBBC are addressed through the Delivery of Benefits budget. The forecasts shown for CBBC are based on several assumptions, particularly the timing of various technical and community-based projects related to connectivity. Forecasts of revenues, expenses and capital expenditures will vary depending on how these projects evolve.

CBBC audited financial statements for 2021/22 can be viewed online at [ourtrust.org/cbbcfinancials](http://ourtrust.org/cbbcfinancials).

The CBBC Board comprises the following members:

- Ron Miles, Chair
- Wendy Booth
- Greg Deck
- Andrew Kyle
- Rick Leggett
- Ron Oszust
- Owen Torgerson
- Aimee Watson

#### Financial Summary

(\$000)	2021/22 Forecast	2022/23 Budget	2023/24 Plan	2024/25 Plan
<b>Total Revenue</b>	1,288	1,366	1,737	1,738
<b>Total Expenses</b>	3,019	3,885	4,115	4,279
<b>Annual Surplus (Deficit)</b>	<b>(1,731)</b>	<b>(2,519)</b>	<b>(2,378)</b>	<b>(2,541)</b>
<b>Capital Expenditures</b>	<b>13,487</b>	<b>5,780</b>	<b>5,575</b>	<b>790</b>

## Columbia Basin Development Corporation

Columbia Basin Development Corporation (CBDC) is a wholly owned subsidiary of the Trust formed in 2016 to lead and support efforts to advance economic growth, job creation, innovation and entrepreneurial opportunity for a prosperous and sustainable Basin economy.

The Trust considers the activities of CBDC a delivered benefit to Basin residents, so any losses incurred by CBDC will be addressed through the Delivery of Benefits budget. CBDC activities are in alignment with the Crown’s mandate, strategic priorities and fiscal plan.

The CBDC Board comprises the following members:

- Don McCormick, Chair
- Kevin Andruschuk
- Larry Binks
- Jocelyn Carver
- Alan Mason
- Heidi Romich
- Krista Turcasso

## Financial Summary

(\$000)	2021/22 Forecast	2022/23 Budget	2023/24 Plan	2024/25 Plan
<b>Total Revenue</b>	360	380	537	537
<b>Total Expenses</b>	2,808	2,704	- <sup>1</sup>	- <sup>1</sup>
<b>Annual Surplus (Deficit)</b>	<b>(2,448)</b>	<b>(2,324)</b>	<b>537</b>	<b>537</b>
<b>Capital Expenditures</b>	<b>5,157</b>	<b>1,500</b>	-	-

<sup>1</sup>Planned expenses for 2023/24 and 2024/25 will be determined by the outcomes of the Columbia Basin Management Plan renewal process in 2023.

## **Appendix C: Crown Mandate Letter from the Minister Responsible**



April 9, 2021

Jocelyn Carver, Chair  
Columbia Basin Trust  
300 – 445 13 Avenue  
Castlegar, British Columbia  
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Dear Jocelyn Carver:

On behalf of Premier Horgan and the Executive Council, I would like to extend my thanks to you and your board members for the dedication, expertise and skills with which you serve the people of British Columbia.

Every public sector organization is accountable to the citizens of British Columbia. The expectations of British Columbians are identified through their elected representatives, the members of the Legislative Assembly. In the case of the Columbia Basin Trust, it is also mandated under the *Columbia Basin Trust Act* to manage its assets for the ongoing economic, environmental and social benefit of the Columbia Basin region. Your contributions advance and protect the public interest of all British Columbians and through your work, you are supporting a society in which the people of this province can exercise their democratic rights, trust and feel protected by their public institutions.

You are serving British Columbians at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and government. It will require all Crowns to adapt to changing circumstances and follow Public Health orders and guidelines as you find ways to deliver your services to citizens.

This mandate letter, which I am sending in my capacity as Minister responsible for the Columbia Basin Trust, on behalf of the Executive Council, sets out overarching principles relevant to the entire public sector as well as specific agreed-upon priorities and expectations for the coming fiscal year.

The following five foundational principles will inform your agency's policies and programs:

- **Putting people first:** We are committed to working with you to put people first. You and your board are uniquely positioned to advance and protect the public interest and you will consider how your board's decisions maintain, protect and enhance the public services people rely on and make life more affordable for everyone.

- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. Government's unanimous passage of the *Declaration of the Rights of Indigenous Peoples Act* was a significant step forward in this journey – one that all Crown Agencies are expected to support as we work in cooperation with Indigenous peoples to establish a clear and sustainable path to lasting reconciliation. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move towards self-determination. Guiding these efforts, Crown agencies must also remain focused on creating opportunities that implement the Truth and Reconciliation Commission through your mandate.
- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. All Crowns are expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure equity is reflected in your operations and programs. Similarly, appointments resulting in strong public sector boards that reflect the diversity of British Columbia will help achieve effective and citizen-centred governance.
- **A better future through fighting climate change:** Announced in December 2018, the CleanBC climate action plan puts our province on the path to a cleaner, better future by building a low-carbon economy with new clean energy jobs and opportunities, protecting our clean air, land and water and supporting communities to prepare for carbon impacts. As part of the accountability framework established in CleanBC, and consistent with the *Climate Change Accountability Act*, please ensure your organization aligns operations with targets and strategies for minimizing greenhouse gas emissions and managing climate change risk, including the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.
- **A strong, sustainable economy that works for everyone:** You will identify new and flexible ways to achieve your mandate and serve the citizens of British Columbia within the guidelines established by the Provincial Health Officer and considering best practices for conducting business during the pandemic. Collectively, our public sector will continue to support British Columbians through the pandemic and economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. As a public sector organization, you will consider how your decisions and operations reflect environmental, social and governance factors and contribute to this future.

Jocelyn Carver, Chair

The Crown Agencies and Board Resourcing Office (CABRO), with the Ministry of Finance, will continue to support you and your board on recruitment and appointments as needed, and will be expanding professional development opportunities in 2021/22. The Governing in the Public Interest online certificate program is now available, and all board members are encouraged to complete this new offering.

To achieve its mandate under the *Columbia Basin Trust Act*, the Province and the Columbia Basin Trust have agreed that the Trust should take the following strategic actions:

- Implement the strategic priorities identified by Basin residents and included in the Columbia Basin Management Plan Strategic Priorities 2020-2022.
- Maintain an active and cooperative relationship with partners in power project management and operations to ensure the projects deliver optimized financial returns and are managed in the best long-term interests of the owners.

Each board member is required to sign the Mandate Letter to acknowledge this agreement. The signed Mandate Letter is to be posted publicly on your organization's website in spring 2021.

I look forward to continuing to work with you and your Board colleagues to build a better British Columbia.

Sincerely,



Katrine Conroy  
Minister

Date:



Jocelyn Carver,  
Chair



David Raven,  
Vice-Chair



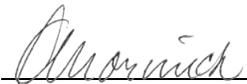
Carol Andrews,  
Board Member



Corky Evans,  
Board Member



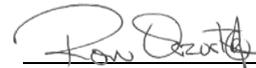
Murray McConnachie,  
Board Member



Don McCormick,  
Board Member



Codie Morigeau,  
Board Member



Ron Oszust,  
Board Member



Owen Torgerson,  
Board Member



Krista Turcasso,  
Board Member



Bill van Yzerloo,  
Board Member



Aimee Watson,  
Board Member

pc: Honourable John Horgan, Premier of British Columbia  
Lori Wanamaker, Deputy Minister to the Premier, Cabinet Secretary  
and Head of the BC Public Service  
Heather Wood, Deputy Minister and Secretary to Treasury Board, Ministry of Finance  
Douglas S. Scott, Deputy Minister, Crown Agencies Secretariat, Ministry of Finance  
Richard Manwaring, R.P.F., Deputy Minister, Ministry of Forests, Lands, Natural  
Resource Operations and Rural Development  
Les MacLaren, Assistant Deputy Minister, Ministry of Energy, Mines and Low  
Carbon Innovation  
David Raven, Vice-Chair, Columbia Basin Trust  
Carol Andrews, Board Member, Columbia Basin Trust  
Corky Evans, Board Member, Columbia Basin Trust  
Murray McConnachie, Board Member, Columbia Basin Trust  
Don McCormick, Board Member, Columbia Basin Trust  
Codie Morigeau, Board Member, Columbia Basin Trust  
Ron Oszust, Board Member, Columbia Basin Trust  
Owen Torgerson, Board Member, Columbia Basin Trust  
Krista Turcasso, Board Member, Columbia Basin Trust  
Bill van Yzerloo, Board Member, Columbia Basin Trust  
Aimee Watson, Board Member, Columbia Basin Trust  
Johnny Strilaeff, Chief Executive Officer/President, Columbia Basin Trust