COLUMBIA BASIN TRUST
BOARD OF DIRECTORS MEETING NO. 239
January 26/27, 2024
MINUTES

Meeting No. 239 was held in the Fruitvale Memorial Centre, Fruitvale, BC.

Directors in Attendance:

J. Carver, Chair	A. Graeme [virtual]
K. Hamling	C. Hoechsmann [virtual]
B. Marino	D. McCormick
C. Morigeau [virtual]	R. Oszust
O. Torgerson [virtual]	K. Turcasso
B. van Yzerloo	

Staff and Guests in Attendance:

J. Strilaeff	J. Medlar, Corporate Secretary
A. Ambrosone	C. Lloyd
M. Tonner	D. Bond, Partner, KPMG

CALL TO ORDER

J. Strilaeff called the meeting to order on January 26, 2024 at 1:00 p.m. (PT).

ELECTION OF BOARD CHAIR AND VICE CHAIR

In accordance with governance policy, J. Strilaeff, President and CEO, assumed the role of Chair for the purpose of electing a Chair. Nominations were requested and Jocelyn Carver was nominated. There being no further nominations, Jocelyn Carver was declared Chair of Columbia Basin Trust.

01/24 Moved, Seconded and Resolved that:
The Board of Directors hereby appoints Jocelyn Carver as Chair of Columbia Basin Trust.

Director Carver assumed the role of Chair and the meeting continued.

The Chair requested nominations for Vice Chair and Owen Torgerson was nominated. There being no further nominations, Owen Torgerson was declared Vice Chair of Columbia Basin Trust.

02/24 Moved, Seconded and Resolved that:
The Board of Directors hereby appoints Owen Torgerson as Vice Chair of Columbia Basin Trust.

Chair Carver acknowledged that this meeting was being held on the unceded traditional territories of the Ktunaxa, Sinixt, and Syilx Nations and that the Trust operates within these unceded traditional territories and those of the Lheidli T'enneh and Secwepemc. We are grateful for the opportunity to meet, work and live here.

Statement of Conflict of Interest

Director Hamling disclosed that the contractor bidding on a Trust construction project in Nakusp is the same contractor who built her home. Chair Carver advised that the Board of Directors would not take part in any discussions and/or decisions pertaining to the awarding of this building contract. Director Hamling's disclosure has been noted.

Director Hoechsmann disclosed her ownership of a furniture company that has, and may continue to, bid on contracts to supply furnishings to the Nelson Health Campus, a new long-term care facility currently under construction in Nelson. This facility is being constructed by the Trust (in partnership with others) and will be leased to the Interior Health Authority. Chair Carver advised that Interior Health will be solely responsible for determining successful contractors, and the Board of Directors had no role in decisions pertaining to the awarding of this contract. Director Hoechsmann's disclosure has been noted.

Director Torgerson disclosed his role as Board Member of the Valemount and Area Recreation Development Association (VARDA), and their successful application to receive Trust project funding. Director Torgerson advised that he recused himself during all VARDA discussions and decisions pertaining to this grant application. Director Torgerson's disclosure has been noted.

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

ADOPTION OF AGENDA

Attachments:

- Draft Resolutions for January 26/27, 2024
- Minutes: Board Meeting no. 237
- Minutes: In Camera Board Meeting no. 238
- Report from the CEO
- CBBC Update
- CBDC Update
- Delivery of Benefits Update
- Creston Grain Elevators Options
- CEO Financial Authority Threshold
- Power Operations Update
- 2024/25 – 2026/27 Service Plan
- CBMP 2020-2023 Strategic Priorities Update
- Working with Indigenous Peoples
- Columbia Basin Management Plan: 2024 – 2034
- Committee and Related Appointments for 2024
- Trust Subsidiary Appointments for 2024
- 2023/24 Audit Planning Report from KPMG
- Quarterly President & CEO Expenses
- Quarterly Treasury Board Forecasts
- Quarterly Financial Statements
- 2024/25 Delivery of Benefits Budget
- 2024/25 Corporate Budget
- Arrow Lakes Generating Station Financial Update
- Quarterly Investment Portfolio Review

03/24 Moved, Seconded and Resolved that:
Agenda No. 239 be and hereby is approved and adopted as amended.

ADOPTION OF MINUTES

04/24 Moved, Seconded and Resolved that:
Minutes of the Board of Directors' meeting held November 24/25, 2023 be and are hereby approved and adopted. The Corporate Secretary is hereby authorized to apply the electronic signature of the Chair to the approved minutes.

05/24 Moved, Seconded and Resolved that:
In Camera Minutes of the Board of Directors' meeting held January 9, 2024 be and are hereby approved and adopted. The Corporate Secretary is hereby authorized to apply the electronic signature of the Chair to the approved minutes.

REPORTS FROM THE CHAIR AND CEO

Report from the Chair

Chair Carver welcomed new Directors Angus Graeme, Karen Hamling and Christine Hoechsmann who were appointed to the Board of Directors effective January 1, 2024.

Chair Carver advised that Aimee Watson provided her formal notice of resignation from the Board of Directors subsequent to the November Board meeting and acknowledged Ms. Watson's contributions to the Board. We await formal appointment of the new Board candidate nominated by the Regional District of Central Kootenay.

Report from the President and CEO

The Board was provided a written report for information on general corporate matters not specifically addressed on the Board agenda.

DELIVERY OF BENEFITS MATTERS

Columbia Basin Broadband Corporation Update

The Board was provided a memorandum for information on broadband initiatives since the last Board meeting that included the status of the current Universal Broadband Fund project and CRTC Broadband Fund projects, network utilization and operations.

Columbia Basin Development Corporation Update

The Board was provided a memorandum for information on economic development initiatives since the last Board meeting that included updates on economic programs and the Impact Investment Fund portfolio.

Delivery of Benefits Update on Activities

The Board was provided a memorandum for information on Delivery of Benefits (DOB) activities since the last Board meeting which included an update on new projects, funds committed, and partnership discussions

[redacted]

[redacted]

[redacted]

[redacted]

CEO Financial Authority Threshold

The Board was provided a memorandum which sought approval for an increase to the CEO’s financial approval authority for the commitment of unallocated funds to Delivery of Benefits activities for the fiscal year ending March 31, 2024. Based on pending revisions to financial forecasting for the fiscal year, the Board proposed a friendly amendment to the resolution to revise the commitment authority to $4 million.

07/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves an increase in the financial commitment authority of the President and CEO to $4,000,000 for Unallocated Delivery of Benefits expenses for the 2023/24 fiscal year, with this increase being cumulative and not project specific.

CORPORATE MATTERS

Power Operations Quarterly Update

The Board was provided a memorandum for information on power project operations with key performance indicators for each of Arrow Lakes, Brilliant Expansion, Brilliant Dam and Waneta Expansion generating stations.

Director Turcasso provided an update from the Columbia Power Board meeting held January 23, 2024 regarding the financial impact of the increase in market power prices in mid-January, and how this increase resulted in significantly higher than forecast liquidated damages owing to BC Hydro arising from the Arrow Lakes Generating Station (ALGS) Unit 2 planned outage. Due to the timing of submissions, the financial impact, approximately $5 million, is not reflected in various reports to the Board and the Province.

M. Tonner provided an overview of power projects and initiatives that included ALGS Unit 1 turbine repair work and planning for repair works on Unit 2 to commence in February.

2024/25 – 2026/27 Service Plan

The Board was provided a memorandum which sought approval for the draft 2024/25 – 2026/27 Service Plan.

08/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the draft 2024/25 – 2026/27 Service Plan in substantially the form provided in the material for this meeting. The Corporate Secretary is hereby authorized to apply the electronic signature of the Chair to the Service Plan.

Columbia Basin Management Plan: 2020 – 2023 Strategic Priorities Update

The Board was provided a memorandum with a final update on the Trust's progress in achieving the Columbia Basin Management Plan: Strategic Priorities 2020-23 (CBMP) for information.

Working with Indigenous Peoples

The Board was provided a memorandum for information that summarized the Trust's approach to working with and learning about Indigenous Peoples and, in particular, the First Nations and Metis communities in the Columbia Basin.

Columbia Basin Management Plan: 2024 to 2034

The Board was provided a memorandum which sought approval for the renewed Columbia Basin Management Plan (CBMP) that would guide Trust activities from 2024 to 2034. Directors discussed and acknowledged the potential of further non-material refinements to the CBMP to reflect Board discussion.

09/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the Columbia Basin Management Plan, in substantially the form provided in the material for this meeting, for the purpose of guiding the Trust's work from 2024 to 2034.

REPORTS FROM COMMITTEES

REPORT FROM THE EXECUTIVE COMMITTEE

Committee and Related Appointments for 2024

The Board was provided a memorandum which sought approval for membership appointments to subsidiary boards, board committees and other entities to which the Trust has appointment or nomination entitlement. Based on discussion with Directors, Chair Carver advised of one revision for Director Morigeau to continue as a member of the Climate Resilience Committee.

Proposed appointments would be effective January 26, 2024 to the first Trust Board meeting of calendar 2025, with the exception of the Columbia Power subsidiary board appointments which will be brought forward for Board decision in Spring 2024.

The Board further discussed the appointments to the Executive Committee to support succession planning, and the requirement for approval of an exception to the limitation to five Members in the Executive Committee Terms of Reference.

10/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the various Board and Committee appointments as described in the materials provided to this meeting, for a term to end at the first Trust Board meeting of calendar 2025.

And Further Resolved that:
The Board of Directors hereby further approves an exception to the Terms of Reference for the Executive Committee to allow for the appointment of six Directors, for a term to end at the first Trust Board meeting of calendar 2025.

Trust Subsidiary Appointments for 2024

The Board was provided a memorandum which sought approval for appointments to various wholly and partially owned subsidiaries of the Trust, with the exception of the Columbia Power subsidiary board appointments as noted.

11/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the appointment of all Directors to 100% directly owned subsidiaries, as described in the materials provided to this meeting, for a term to expire at the first Trust Board meeting of calendar 2025 or a specific date as determined by Staff to be consistent with that term.

And Further Resolved that:
The Board of Directors further endorses the appointment of all Directors to 100% indirectly owned subsidiaries and 50% owned subsidiaries, as described in the materials provided to this meeting, for a term to expire at the first Trust Board meeting of calendar 2025 or a specific date as determined by Staff to be consistent with that term

And Further Resolved that:
The Board of Directors further endorses the appointment of all Officers of wholly or partially owned subsidiaries as described in the materials provided to this meeting.

REPORT FROM THE FINANCE & AUDIT COMMITTEE

2023/24 Audit Planning Report from KPMG

D. Bond, lead audit engagement partner, joined the meeting to provide an overview of KPMG's *Audit Planning Report for the year ended March 31, 2024* (Audit Plan) for information. There are no new significant risks or changes identified for the Audit Plan.

Areas of focus will include:
- delivery of benefits,
- valuation of private placements – commercial loans receivable, and
- consolidation of accounting for investments.

President and CEO Expenses

The Board was provided a memorandum which sought approval for the President and CEO expenses for the third quarter of fiscal 2023/24.

12/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the President and CEO expenses for the period of October 1 – December 31, 2023.

Treasury Board Forecasts

The Board was provided a memorandum which sought approval of the updates made to the five-year financial forecasts provided to the Treasury Board for the quarterly submission. Directors noted the negative financial impact of the increase in liquidated damages that occurred after the date of this report. Staff will be providing an update to Treasury Board Staff.

13/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the quarterly submission of the five-year financial forecasts to the Treasury Board in substantially the form provided to this meeting.

2023/24 Q3 Financial Statements

The Board was provided a memorandum which sought approval of the consolidated financial statements for the third quarter of the fiscal year 2023/24 and outlined material changes from the consolidated financial statements from the year prior.

14/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the consolidated financial statements for the quarter ended December 31, 2023 in substantially the form provided in the material to this meeting.

2024/25 Delivery of Benefits Budget

The Board was provided a memorandum which sought approval of the consolidated Delivery of Benefits Budget that outlined the planned expenses and capital expenditures for the fiscal year 2024/25.

15/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the 2024/25 Delivery of Benefits Budget in substantially the form provided in the material to this meeting.

And Further Resolved that:
The Board of Directors hereby further approves that the President and CEO has the authority to determine the fiscal year in which to expense 2024/25 Delivery of Benefits budget items.

2024/25 Corporate Budget

The Board was provided a memorandum which sought approval of the proposed Corporate Budget for the fiscal year 2024/25 that included proposed budgets for cash, revenues, corporate expenses, capital expenditures and investments.

16/24 Moved, Seconded and Resolved that:
The Board of Directors hereby approves the 2024/25 Corporate Budget in substantially the form provided to this meeting.

Arrow Lakes Generating Station Update

The Board was provided a memorandum for information on the impacts resulting from the Arrow Lakes Generating Station Unit 1 unplanned outage on current and future year financial results, an outline of the repair plan for the Unit 2 generator, and updates on insurance, bonds, and cash flow. Directors acknowledged the negative impact of the increase in liquidated damages owing to BC Hydro that occurred subsequent to the submission of this report.

REPORT FROM THE INVESTMENT COMMITTEE

Quarterly Investment Portfolio Review

The Board was provided a report for information on the Trust investment portfolio for the period of October 1 to December 31, 2023.

Staff left the meeting with the exception of J. Strilaeff.

IN CAMERA

The Board and J. Strilaeff met In Camera.

There were no resolutions arising.

CONCLUSION

The meeting was concluded on January 27, 2024 at 11:10 a.m. (PT).

Certified Correct:

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J. Carver, Chair	**J. Medlar, Corporate Secretary**