

# **Columbia Basin Trust**

## **2023/24 – 2025/26 Service Plan**

**February 2023**



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## Board Chair's Accountability Statement

The 2023/24 – 2025/26 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, 2023, 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.

Signed on behalf of the Board by:

A handwritten signature in black ink that reads "Jocelyn Carver". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Jocelyn Carver  
Board Chair  
January 27, 2023

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## Strategic Direction

In 2023/24, public sector organizations will continue working to make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations. Government will focus on building a secure, clean, and fair economy, and a province where everyone can find a good home – whether in a rural area, in a city, or in an Indigenous community. B.C. will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in an inclusive and sustainable province. The policies, programs and projects developed over the course of this service plan period will focus on results that people can see and feel in four key areas: attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy that can withstand global economic headwinds.

This 2023/24 service plan outlines how Columbia Basin Trust will support the government's priorities and selected action items identified in the most recent Columbia Basin Trust [Mandate Letter](#).

## Purpose of the Organization and Alignment with Government Priorities

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 2023/24:

- Implement the strategic priorities identified by Basin residents and included in the Trust's [Columbia Basin Management Plan Strategic Priorities 2020-2023 \(CBMP\)](#).
- Maintain an active and cooperative relationship with partners in power project management and operations to ensure the facilities deliver optimized financial returns and are managed in the best long-term interests of the owners.

Many of the priorities identified by Basin residents in the Trust's current CBMP are shared by the government, including high-speed connectivity, housing, climate resilience and working with Indigenous peoples.

Fiscal 2023/24 will see the Trust continue to implement its CBMP. 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 in 2023 and 2024. 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.

## Operating Environment

The Trust continues to generate a reliable stream of income with revenues from hydropower facilities accounting for approximately 83 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. In addition, there is a continued focus on investment in maintenance and reliability activities at the facilities to ensure their long-term reliability and profitability.

In 2023/24, the Trust will engage with people in the Basin on the renewal of the CBMP. The Trust will host community conversations, events, online forums and more with residents from April to June 2023, with a new plan in place for 2024, setting the Trust's focus for the next several years.

## Performance Planning

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

The Trust's core function is to use the income earned from the Trust's investments and managed assets to deliver benefits to the Basin.

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

A growing portfolio of investments will help maintain a predictable, sustainable and appreciating income stream and mitigate risk associated with a reliance on power facilities.

#### **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.

#### **Discussion**

Staff will continue to have active and ongoing management of the portfolio including seeking growth through identifying opportunities within the Basin region, while balancing macro

economic and regional economic variables. Staff meet regularly with the existing investment base, and management meets with the Columbia Power Board of Directors to oversee hydropower facility operations and management. New investment opportunities are created by working and continually meeting with an established network of referral sources, combined with direct origination.

## Performance Measures

Performance Measures	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
1.1(a) Return on Power Facilities (calculated as a cash-based return on investment)	9.89%	10%	10%	10%
1.1(b) Return on Private Placements (calculated as a cash-based return on investment) <sup>1</sup>	5.75%	6%	6%	6%
1.1(c) Return on Market Securities <sup>2</sup>	6%	6%	6%	6%

<sup>1</sup> Data Source: 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> Data Source: Returns are calculated by British Columbia Investment Management Corporation in accordance with Global Investment Performance Standards.

## Discussion

1.1(a): The Return on Power Facilities performance measure is critical as revenues from power facilities account for approximately 83 per cent of the Trust's overall revenue to support its Delivery of Benefits activities and corporate operations. For power facilities, a continued focus on investment in maintenance and reliability activities in 2023/24 through 2025/26 provides a level of comfort that the target of 10 per cent continues to be appropriate.

1.1(b): A growing portfolio of private placement investments will help maintain a predictable, sustainable and appreciating income stream and mitigate some risk associated with a reliance on power facility returns. The Trust is limited to investing in a relatively small geographic region, as, apart from 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. Real estate investments are in commercial property and within the region show consistent long term stable returns. Debt-based investment returns are generally of shorter duration and may adjust to broader market-based rates. The Trust continues to follow a cash-based return on investment methodology and maintains a conservative approach to long term return objectives. New business volumes can vary substantially both in number of referrals and geographic distribution within the Basin region.

1.1(c): 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. 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 target. It is critical to note that forecasting financial market returns (particularly in the short term) is challenging, and it is possible the realized returns 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**

The Trust is accountable to the people responsible for its formation and those it works with and for, Columbia Basin residents. This accountability includes the effective delivery of social, economic and environmental benefits for people and communities in the region.

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

The Trust supports efforts by the people of the Basin to create a legacy of social, economic and environmental well-being and to achieve greater self-sufficiency for present and future generations.

#### **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 CBMP through appropriate partnerships and supports.
- Increase awareness of the Trust's contribution to strengthening community well-being.

#### **Discussion**

The Trust exists to support the efforts of the people of the Columbia Basin to create a legacy of social, economic and environmental well-being. It does so through the effective and timely delivery of benefits for Basin residents, which can take the form of programs or initiatives, convening residents who are invested in their communities and the Trust, and committing to investments in the region. These actions align with the Strategic Priorities as outlined in the CBMP, which is guided by the input of Basin residents.

There are no changes to the objective statements year over year. The Trust has well-established and productive working relationships with partners in the Basin whose activities relate to the Trust's CBMP and the Trust monitors progress related to the delivery of benefits as outlined in the CBMP. Progress is internally monitored relative to each performance measure.

## Performance Measures

Performance Measures	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
2.1(a) Per cent of Basin residents perceiving the Trust's impact as positive <sup>1</sup>	84	N/A	85	N/A
2.1(b) Per cent of partners perceiving the Trust's impact as positive <sup>1</sup>	94	N/A	90	N/A
2.1(c) Affordable Housing <sup>2</sup> # of new affordable housing units funded	59	30	30	30
2.1(d) Broadband # rural households with access to 50/10 Megabits per second (Mbps) service (cumulative)	6,400	8,080	8,080	9,080
2.1(e) Broadband # Kilometers (km) of fibre backbone in place (cumulative)	1,185	1,285	1,285	1,385
2.1(f) Business <sup>2</sup> Value of new business loans provided (\$Millions)	8.1	7.5	7.5	7.5
2.1(g) Community Assets <sup>2</sup> # of existing indoor and outdoor community spaces being enhanced	77	55	55	55
2.1(h) Ecosystem Health <sup>2</sup> Area of aquatic habitat improved (Square meters (m <sup>2</sup> ))	2,650,002	4,000	4,000	4,000
2.1(i) Ecosystem Health <sup>2</sup> Area of terrestrial habitat improved (hectare (ha))	929	2,000	2,000	2,000
2.1(j) Climate Resilience <sup>2</sup> Equivalent Kilowatt-hour (ekWh) saved	3,600,000	525,000	300,000	300,000

<sup>1</sup> Data Source: The Trust first measured resident and partner perceptions in 2010 and has since conducted the surveys every two years. 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.

<sup>2</sup> Data Source: Results are internally monitored relative to each performance measure. The targets are assessed annually.

## Discussion

2.1(a) and 2.1(b): 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. This data is collected by a third-party firm and the methodology has remained consistent since 2010. The results of the fall 2022 survey for performance measure 2.1(a) did not meet the target. Comments related to this question do not identify any specific area for improvement, other than an increase in residents simply being unfamiliar with what the Trust is doing. Performance measure 2.1(b) once again exceeded the 2022/23 targets. The Trust has determined that, given the margin of error, the target for 2024/25 remains appropriate. The target for partners continues to be higher than for residents, as partners who work with the Trust are inherently more familiar with the Trust, its role, and its impact in the region.

2.1(c) – 2.1(h): 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 CBMP. These measures are shorter-term to match time periods of significant dedication of resources and 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 and results.

Affordable housing is a strategic priority for the Trust and the objective is to increase the number of affordable rental housing units to help address availability and affordability of housing in the Basin. Affordable housing is defined as being modest in terms of floor area and amenities, based on household needs and community norms, tenanted by low- and moderate-income households, and rents priced below average market housing rents based on local community conditions. The Trust is forecasting to provide supports to significantly more affordable housing projects (2.1(c)) in 2022/23 by supporting Basin affordable rental housing providers with early development support, capital funding, and support to access other funding sources for capital. Many communities in the Basin now have affordable housing projects either recently built or currently underway. The lower targets in fiscal 2023/24 to 2025/26 take into consideration the potential for availability of funding from third parties for affordable rental housing projects; the Trust is never the sole funder of a new project. It also takes time for some communities to complete projects underway before they could start another. Forecasted data is based on project applications for affordable rental housing projects and verified by final reports at the end of each project.

In 2023/24, the Trust expects to complete two significant broadband projects that will increase the kilometres of fibre backbone (2.1(d)-2.1(e)). The Trust is also moving to support last-mile broadband projects to increase connectivity to rural households to a minimum 50/10 Mbps (internet download speeds of 50 Mbps and upload speeds of 10 Mbps). Some rural and remote areas of the Basin still do not have access to internet speed of 50/10 Mbps, which is the target that the federal government is aiming to achieve for all Canadians by 2030. All the targets

assume that Columbia Basin Broadband Corporation (CBBC) is successful in receiving funding from third parties for planned broadband projects.

Demand for capital financing in 2022/23 increased as the COVID-19 recovery continued; however, this may shift in 2023/24. The targets for the value of new Business Loans (2.1(f)), which include investment loans and economic program loans, are deemed to be appropriate at \$7.5 million.

The Community Assets measure (2.1(g)) gauges improvements to indoor and outdoor community spaces that will have long-term community benefit. This measure remains a CBMP priority and forecast and targets have been updated to reflect new program offerings by the Trust.

Due to the completion of several large aquatic projects, Ecosystem Health (2.1(h)) is forecasted to exceed its targets in 2022/23. The forecast for terrestrial Ecosystem Health (2.1(i)) is below the forecast as a large project has been delayed indefinitely and therefore not included in the total, nor future forecasts. The targets for future years are appropriate for the current programming.

New measure 2.1(j) addresses the CBMP's integrated priority of Climate Resilience. Building on previously successful programs such as energy retrofits for affordable housing projects, the Trust launched several programs in 2022/23 providing funding and significant technical support to increase Basin communities' capacity to become more climate resilient, including funding for renewable energy generation and energy retrofits. Equivalent kWh is a unit of energy consumption that is used to convert the volume of energy savings into equivalent energy units. For example, saving 1 cubic metre (or 1 GJ) of natural gas results in savings of 278 ekWh, or 1 litre of propane saved is equivalent to 7 ekWh. This measure is a priority and the targets for future years are deemed to be appropriate for the current programming. Forecasts are based on current energy consumption and projected energy savings through energy retrofits and renewable energy generation. Forecasts are also informed by estimates from engineers, installers, and other third party's estimates.

## **Goal 3: Efficient corporate operations**

To ensure the Trust is able to maximize the availability of resources for Goals 1 and 2, it must continually ensure that its corporate operations are cost-effective.

### **Objective 3.1: Maintain cost-effective corporate operations to maximize new investment opportunities and Delivery of Benefit activities in the region.**

#### **Key Strategies**

- Actively monitor and proactively 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 work environment to drive organizational success.

### Discussion

One of the measures undertaken to support efficient and cost-effective operations is the annual preparation of departmental and organizational risk registers to identify and establish mitigation strategies for risks to business continuity and performance. Information Services continues to implement new technology and training sessions to increase efficiency and productivity. The Trust will continue to ensure robust succession planning and provide internal growth opportunities and Human Resources will be implementing an enhanced performance review process to support timely and robust management of employee performance, as well as reviewing extended benefits plans and packages to ensure competitiveness in the market.

### Performance Measures

Performance Measure	2022/23 Forecast	2023/24 Target	2024/25 Target	2025/26 Target
3.1(a) Ratio of Regional Reinvestment	110%	80-90%	80-90%	80-90%

Data source: Columbia Basin Trust

### Discussion

3.1(a) The Ratio of Regional Reinvestment measures the percentage of annual revenue that is committed to the Trust's two core functions: It is a means of conveying the cost-effective management of the Trust's resources to optimize the ability to deliver on its mandate by maximizing the use of revenues and cash, less administration and financing expenses.

The Trust forecasts to exceed its target in 2022/23 due to the utilization of available cash for delivery of benefits initiatives for both grants and capital expenditures, as well as benefitting from increased demand for new investments in commercial loans and real estate investments. The targets remain constant as this reflects the expected revenue and expenses in the same period.

# Financial Plan

## Financial Summary

[\$000]	2022/23 Forecast	2023/24 Budget	2024/25 Plan	2025/26 Plan
<b>Revenue</b>				
Power Facilities	\$77,509	\$79,583	\$81,438	\$84,317
Private Placements: Commercial Loans	1,410	1,613	1,815	2,018
Private Placements: Real Estate	1,314	1,358	1,362	1,370
Market Securities	1,200	1,000	1,000	1,000
Short Term-Investments	1,200	2,000	2,000	2,000
Broadband Operations	1,362	1,581	1,686	1,732
Other	3,657	1,446	430	430
Rental Revenues – Commercial Investments	1,058	1,058	1,058	1,058
Sinking fund restricted income	563	713	876	1,052
Power Facilities Administration Recoveries	3,900	4,400	4,700	4,900
<b>Total Revenue</b>	<b>93,173</b>	<b>94,752</b>	<b>96,365</b>	<b>99,877</b>
<b>Expenses</b>				
Delivery of Benefits				
Broadband Initiatives <sup>1</sup>	3,248	4,318	4,193	4,306
Community Initiatives	23,210	23,824	5,821	5,821
Economic Initiatives <sup>2</sup>	2,702	2,490	-	-
Other Initiatives	4,030	4,215	550	550
Social Initiatives	3,548	2,747	-	-
Water and Environment Initiatives	8,243	7,456	-	-
Youth Initiatives	1,425	2,185	1,795	1,795
Programs Under Development <sup>3</sup>	6,500	8,000	43,641	46,528
Total Delivery of Benefits	52,906	55,235	56,000	59,000
Power Facility Administration Expenses	3,900	4,400	4,700	4,900
Trust Administration Expenses	8,531	9,685	9,931	10,227
Financing Costs	17,427	17,407	17,388	17,367

Commercial Investment Expenses	844	841	840	838
<b>Total Expenses</b>	<b>83,608</b>	<b>87,568</b>	<b>88,859</b>	<b>92,332</b>
<b>Annual Surplus</b>	<b>\$9,565</b>	<b>\$7,184</b>	<b>\$7,506</b>	<b>\$7,545</b>
<b>Total Debt</b>	<b>\$5,937</b>	<b>\$5,842</b>	<b>\$5,743</b>	<b>\$5,441</b>
<b>Accumulated Surplus</b>	<b>\$536,471</b>	<b>\$544,655</b>	<b>\$553,161</b>	<b>\$561,706</b>

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

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

<sup>3</sup> Guided by the CBMP.

## Breakdown of Trust Administration Expenses

[\$000]	2022/23 Forecast	2023/24 Budget	2024/25 Plan	2025/26 Plan
Staff Remuneration and Development	\$9,381	\$10,745	\$11,175	\$11,622
Office and General	853	915	950	975
Amortization	355	426	501	525
Professional Fees	415	405	405	405
Corporate Travel and Meetings	321	319	325	325
Communications	520	515	515	515
Board and Committee	210	325	325	325
Information Technology	376	435	435	435
Subtotal:	12,431	14,085	14,631	15,127
LESS: Allocation to Power Facility Administration	(3,900)	(4,400)	(4,700)	(4,900)
<b>Total Trust Administration Expenses</b>	<b>\$8,531</b>	<b>\$9,685</b>	<b>\$9,931</b>	<b>\$10,227</b>

## Key Forecast Assumptions, Risks and Sensitivities

Financial Forecast Item	Key Assumptions, Risks and Sensitivities
Power Facilities Revenue	Moving forward, approximately 84% 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 1% change in return would have an approximate impact of \$740,000 on revenue given the current level of investment. The Trust's annual return expectation for Market Securities is 6%.
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 1% change in return would have an approximate impact of \$290,000 on revenue given the current level of investment. The Trust's long-term annual return expectation for Private Placements is 6%. Current market returns are below target due to existing financing rates, of which a large percentage are fixed rates. New investments are achieving higher returns, and overall trending to attain the target return.
Short-term Investments Revenue	Fluctuating interest rates have a direct impact on returns from short-term investments. A 1% change in interest rates would have an approximate impact of \$590,000 on revenue, given the current level of investment. The Trust assumes an annual interest rate of 2.5% on income securities. With continued interest rate volatility, a conservative approach is being maintained with rate forecasts.

## Management's Perspective on Financial Outlook

Revenues from power facilities are expected to increase over the three-year period due to continued focus on strategic asset management planning and reliability-centered maintenance programs that target increased plant reliability and lower unforced outage rates as well as long-term escalating pricing in power sales agreements is in place.

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

Short-term investments forecasts include anticipated increases due to continuing higher interest rates. Other revenues include grant revenues forecast to be received from the

Province of B.C. for their participation within our Delivery of Benefits programming. This funding currently is anticipated until 2023/24.

Delivery of Benefits expenses are forecast to increase modestly 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 future Delivery of Benefits budgets continue to be allocated to Programs Under Development. Once the Trust has had an opportunity to finalize engagement with residents in 2023/24 and develop a new longer term strategic plan, funds will be allocated to specific initiative areas for future years.

## Appendix A: Subsidiaries and Operating Segments

### Active Subsidiaries

#### Columbia Basin Broadband Corporation (CBBC)

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 Trust's mandate, CBMP 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.

The CBBC Board comprises the following members:

- Ron Miles, Chair
- Wendy Booth
- Greg Deck
- Andrew Kyle
- Betty Anne Marino
- Ron Oszust
- Owen Torgerson
- Aimee Watson

#### Financial Summary

<b>[\$000]</b>	<b>2022/23 Forecast</b>	<b>2023/24 Budget</b>	<b>2024/25 Plan</b>	<b>2025/26 Plan</b>
Total Revenue	\$1,362	\$1,581	\$1,686	\$1,732
Total Expenses	3,248	4,318	4,193	4,306
<b>Annual (Deficit) Surplus</b>	<b>(\$1,884)</b>	<b>(\$2,737)</b>	<b>(\$2,507)</b>	<b>(\$2,574)</b>
<b>Capital Expenditures</b>	<b>\$3,877</b>	<b>\$5,712</b>	<b>\$790</b>	<b>\$200</b>

#### Columbia Basin Development Corporation (CBDC)

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. Current macroeconomic conditions are difficult to predict; however, a significant increase in demand due to an economic slowdown may exceed capacity of program offerings.

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 Trust's mandate, CBMP 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]	2022/23 Forecast	2023/24 Budget	2024/25 Plan	2025/26 Plan
Total Revenue	\$432	\$446	\$430	\$430
Total Expenses	2,702	2,490	- <sup>1</sup>	- <sup>1</sup>
<b>Annual (Deficit) Surplus</b>	(\$2,270)	(\$2,044)	\$430	\$430
<b>Capital Expenditures</b>	<b>\$1,500</b>	<b>\$1,500</b>	-	-

<sup>1</sup>Planned expenses for 2024/25 and 2025/26 will be determined by the outcomes of the CBMP renewal process in 2023/24.

## Appendix B: 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.

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

