

Columbia Basin Trust

2024/25 – 2026/27 Service Plan

February 2024



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Board Chair's Accountability Statement



The 2024/25 – 2026/27 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 and responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of January 26, 2024, 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 a period at the end.

Jocelyn Carver
Board Chair, Columbia Basin Trust
January 26, 2024

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Strategic Direction

In 2024/25, public sector organizations will remain focused on providing the services and infrastructure that people depend on to build a good life. Public sector organizations will continue to support Government in delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean, and fair economy. Public sector organizations will also continue to work closely with Government as it works collaboratively with Indigenous Peoples to implement the Action Plan for the Declaration on the Rights of Indigenous Peoples Act and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province. This 2024/25 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](#) dated April 9, 2021, outlines the following priority actions that the Trust and the Province have agreed upon:

- 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 2024/25 will see the Trust begin to execute on its renewed CBMP, which will be released in early 2024. Until then, the Trust will continue to implement its existing plan, which 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. 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 82 percent 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 power facilities to ensure their long-term reliability and profitability.

In 2024/25, the Trust will launch the renewed CBMP, which sets the Trust's focus for the next ten 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 the 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 opportunities.
- 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 actively manage the portfolio, 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	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
1.1(a) Return on Power Facilities (calculated as a cash-based return on investment)	10%	10%	10%	10%
1.1(b) Return on Private Placements (calculated as a cash-based return on investment) ¹	6%	6%	6%	6%
1.1(c) Return on Market Securities ²	6%	6%	6%	6%

¹ 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.

² 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 82 percent of the Trust's overall revenue to support its Delivery of Benefits activities and corporate operations. An extraordinary maintenance project at one power facility has had limited impact on revenues for 2023/24 and into 2024/25. Through a proactive mitigation strategy, the effect has not had a material affect on financial returns. This event reinforces the need for a continued focus on investment in maintenance and reliability activities, and the effectiveness of the planned mitigation provides a level of comfort that the target of 10 percent 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. This means there are no reasonable market comparisons to create a benchmark as there only a few larger credit unions in the region. The targets for this performance measure were 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 percent forecast. Notwithstanding this inherent challenge in predicting returns, the Trust continues to believe that the six percent long-term objective is appropriate.

Goal 2: Effective delivery of benefits for Basin residents

The Trust was created to deliver benefits to Columbia Basin residents and is accountable for delivering on this mandate. This accountability includes the effective delivery of social, economic, and environmental benefits for people and communities in the Basin.

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 with 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 in 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.

The Trust will launch the renewed CBMP in 2024 and begin developing potential new programs and initiatives, which may influence results in the coming fiscal year and necessitate updated measures and targets in subsequent planning years. In the interim, the Trust will continue to implement its existing plan. 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	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
2.1(a) Percent of Basin residents perceiving the Trust's impact as positive ¹	N/A	85	N/A	85
2.1(b) Percent of partners perceiving the Trust's impact as positive ¹	N/A	90	N/A	90
2.1(c) Affordable Housing ² # of new affordable housing units funded	24	90	60	30
2.1(d) Broadband # rural households with access to 50/10 Megabits per second (Mbps) service (cumulative)	7,800	8,080	8,080	9,080
2.1(e) Broadband # Kilometers (km) of fibre backbone in place (cumulative)	1,255	1,285	1,285	1,385
2.1(f) Business Loans ² Value of new business loans provided (\$Millions)	11.1	7.5	7.5	7.5
2.1(g) Community Assets ² # of existing indoor and outdoor community spaces being enhanced	63	40	40	40
2.1(h) Ecosystem Health ² Area of aquatic habitat improved (square meters (m ²))	2,676,112	4,000	4,000	4,000
2.1(i) Ecosystem Health ² Area of terrestrial habitat improved (hectare (ha))	694	2,000	2,000	2,000
2.1(j) Climate Resilience ² Equivalent Kilowatt-hour (ekWh) saved	1,300,000	1,200,000	700,000	700,000

¹ Data Source: Biennial Columbia Basin Resident and Partner Survey.

² Data Source: Columbia Basin Trust

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 every two years and the methodology has remained consistent since 2010. 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. The targets are assessed internally every two years.

2.1(c) – 2.1(j): 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. Results are internally monitored relative to each performance measure. The targets are assessed annually.

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 increasing its targets for affordable housing projects (2.1(c)) for 2024/25 and 2025/26 due to Basin affordable rental housing providers receiving early development support, capital funding, and support to access currently available funding sources for capital. The Trust is never the sole funder of a new project. Forecasted data is based on project applications for affordable rental housing projects and verified by final reports at the end of each project.

Trust has moved to support last-mile broadband projects (2.1(d)-2.1(e)) to increase connectivity to rural households to a minimum 50/10 Mbps (internet download speeds of 50 Mbps and upload speeds of 10 Mbps). All the targets are inclusive of a new, government and Trust-funded projects supporting last-mile connectivity which will see 5,429 homes connected to high-speed internet. The first rural households connected to last-mile internet are expected to come online in 2026/27.

The Business Loans (2.1(f)) measure tracks the value of new loans provided to support Basin businesses through the investment and economic programs. The targets 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. Targets have been reduced to reflect that one current program is not likely to be offered again.

The Ecosystem Health measure quantifies enhancement and restoration initiatives that maintain and improve ecosystem health, diversity, function and resilience in the Columbia Basin. Due to a large wetland restoration project, aquatic Ecosystem Health (2.1(h)) is forecasted to significantly exceed its target in 2023/24. The forecast for terrestrial Ecosystem Health (2.1(i)) is below forecast as a large project has been delayed until 2024/25 and therefore not included in the total. The targets for future years are appropriate for the current programming.

The Climate Resilience measure (2.1(j)) gauges the degree to which the Columbia Basin is becoming more resilient to climate change and climate change impacts. The Trust provides funding and significant technical support for projects that generate clean energy or reduce energy waste, including funding for renewable energy generation and energy retrofits for affordable housing providers, non-profits, businesses, and farms in the region. 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. The measure is based on current energy consumption and projected energy savings through energy retrofits and renewable energy generation. It is also informed by estimates from engineers, installers and other third-party 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.

This will maximize new investment opportunities and Delivery of Benefit activities in the region.

Key Strategies

- Actively monitor and proactively manage key organizational risks.
- 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

The Trust continues to actively monitor organizational risks through the annual preparation of departmental and organizational risk registers and the establishment of mitigation strategies to address identified risks. Organizational risk registers are reviewed and discussed with the Board of Directors on an annual basis. The Trust holds approximately four employee learning events annually to advance organizational training and knowledge. Over the next two years, Human Resources will continue to expand and develop short and long-term actions to ensure

inclusion, equity, diversity and accessibility are incorporated throughout the Trust’s operations, supporting our commitment to a multicultural landscape.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
3.1(a) Ratio of Regional Reinvestment	90%	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.

Financial Plan

Financial Summary

[\$000]	2023/24 Forecast	2024/25 Budget	2025/26 Plan	2026/27 Plan
Revenue				
Power Facilities	\$76,308	\$77,459	\$84,217	\$86,383
Private Placements: Commercial Loans	2,286	2,590	2,871	3,141
Private Placements: Real Estate	1,016	1,147	1,176	1,269
Market Securities	2,500	1,000	1,000	1,000
Short-Term Investments	3,000	2,600	2,500	2,500
Broadband Operations	1,825	2,264	3,568	5,430
Other	2,415	525	525	525
Rental Revenues – Commercial Investments	1,073	1,089	1,089	1,089
Sinking Fund Restricted Income	1,078	1,552	1,884	1,956
Power Facilities Administration Recoveries	4,400	4,800	5,100	5,300
Total Revenue	\$95,901	\$95,026	\$103,930	\$108,593
Expenses				
Delivery of Benefits				
Broadband Initiatives ¹	3,946	5,361	6,913	8,186
Community Initiatives	35,825	26,397	4,880	4,880
Economic Initiatives ²	2,384	1,835	-	-
Other Initiatives	2,625	4,750	550	550
Social Initiatives	3,039	1,526	-	-
Water and Environment Initiatives	5,936	7,567	-	-
Youth Initiatives	2,179	1,570	2,210	2,210
Programs Under Development ³	-	3,994	46,447	49,674
Total Delivery of Benefits	55,934	53,000	61,000	65,500
Power Facility Administration Expenses	4,400	4,800	5,100	5,300
Trust Administration Expenses	8,813	10,697	10,893	11,185
Financing Costs	17,506	17,487	17,466	17,446
Commercial Investment Expenses	898	1,003	767	781
Total Expenses	\$87,551	\$86,987	\$95,226	\$100,212
Annual Surplus	\$8,350	\$8,039	\$8,704	\$8,381
Total Debt	\$5,557	\$5,506	\$5,452	\$5,395
Accumulated Surplus	\$540,325	\$575,959	\$574,346	\$582,727

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

¹ 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.

² 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.

³ Guided by the CBMP.

Breakdown of Trust Administration Expenses

[\$000]	2023/24 Forecast	2024/25 Budget	2025/26 Plan	2026/27 Plan
Staff Remuneration and Development	\$9,960	\$11,815	\$12,288	\$12,780
Office and General	944	977	1,000	1,000
Amortization	359	436	500	500
Professional Fees	418	590	500	500
Corporate Travel and Meetings	312	322	330	330
Communications	515	515	525	525
Board and Committee	227	342	350	350
Information Technology	478	500	500	500
Subtotal:	13,213	15,497	15,993	16,485
LESS: Allocation to Power Facility Administration	(4,400)	(4,800)	(5,100)	(5,300)
Total Trust Administration Expenses	\$8,813	\$10,697	\$10,893	\$11,185

Key Forecast Assumptions, Risks and Sensitivities

Financial Forecast Item	Key Assumptions, Risks and Sensitivities
Power Facilities Revenue	Moving forward, approximately 82% 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	<p>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.</p> <p>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.</p>
Short-term Investments Revenue	<p>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.</p> <p>The Trust assumes an annual interest rate of 4.5% on income securities. With continued interest rate volatility, a conservative approach is being maintained with rate forecasts.</p>

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. An unexpected failure and repair of a generating unit at the Arrow Lakes Generating Station plus the planned repair of the identical second unit is resulting in reduced net income targets for 2023/24 and 2024/25. However, management is forecasting growth in revenues from all power subsidiaries once repairs are complete in summer 2024.

In September 2023, the Trust, through its wholly owned subsidiary Columbia Basin Broadband Corporation, announced it will undertake a multi-year project to further develop its broadband network in underserved areas of the Columbia Basin region, with an aim to ensure that residents have reliable and affordable high-speed internet services (Connect the Basin Project). The total project budget is approximately \$82 million, with funding contributions from the federal, provincial and local governments. The Trust will also directly contribute \$19.8 million. The project is intended to be complete by March 31, 2027. The financial impacts related to grant revenues and expenses have been included in both Broadband Operations revenues and Broadband Initiatives expenses.

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 investment forecasts assume interest rates will slowly decline over the three-year period. Broadband operations revenues include increases to grant revenues to be received

from the Government of Canada for their participation in the recently announced multi-year Universal Broadband Fund Project to further develop broadband networks in underserved areas of the Columbia Basin region.

Delivery of Benefits expenses are forecast to continue to increase over the next three years with increases to funding budgets annually coinciding with revenue increases. While the current short-term strategic plan expires this year, the majority of future Delivery of Benefits budgets continue to be allocated to Programs Under Development. The Trust has completed its engagement with Basin residents and is expecting to release its new ten-year strategic plan in 2024. As programs and initiatives are developed and implemented under the new plan, funds within Programs Under Development 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
- Ron Oszust
- Owen Torgerson

Financial Summary

[\$000]	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
Total Revenue	\$1,825	\$2,264	\$3,568	\$5,430
Total Expenses	3,946	5,361	6,913	8,186
Annual (Deficit) Surplus	(\$2,121)	(\$3,097)	(\$3,345)	(\$2,756)
Capital Expenditures	\$8,279	\$23,595	\$26,425	\$29,120

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
- Jocelyn Carver
- Krista Turcasso

Financial Summary

[\$000]	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
Total Revenue	\$495	\$525	\$525	\$525
Total Expenses	\$2,384	\$1,835	-	-
Annual (Deficit) Surplus	(\$1,889)	(\$1,310)	\$525	\$525
Capital Expenditures	\$1,500	\$750	-	-

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
V1N 1G1

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



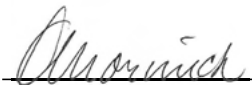
Carol Andrews,
Board Member



Corky Evans,
Board Member




Murray McConnell,
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