

**COLUMBIA BASIN TRUST**

**BOARD OF DIRECTORS MEETING NO. 110  
September 19 - 20, 2008**

**MINUTES**

Meeting No. 110 was held at the Trickle Creek Lodge in Kimberley, BC.

**Directors in Attendance:**

G. Merkel, Chair	J. Townsend
G. Deck, Vice Chair	M. Rouse
R. Miles	B. Trewhella
P. Peterson	J. Miller
M. Berg	L. Parker
D. Birdstone	

**Director not in Attendance:**

E. Cutts

**Staff Attending:**

N. Muth	C. Lloyd
W. Penner	S. Curtis (Friday only)
D. Hoodicoff (Saturday only)	M. Forster (recording secretary)
J. Strilaeff	

**Guests:**

B. Chuddy, Columbia Power Corporation (Saturday only)

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

The meeting was called to order at 1:15 pm on Friday, September 19, 2008.

**ADOPTION OF AGENDA**

**67/08 Moved, seconded and resolved that:**  
The Agenda No. 110 be and hereby is adopted.

**68/08 Moved, seconded and resolved that:**  
The Attachments to Agenda No. 110 be and hereby are received.

**Attachments:**

- Minutes: Board Meeting No. 108
- Minutes: AGM Meeting No. 109
- Action Item List No. 108
- Report from the Chair
- Report from the CEO

- Minutes: Executive Committee Meeting No. 66
  - Discussion on Board Planning Session
    - Attachment
  - Board Performance Assessment
    - Attachment
  - Board Composition and Membership
  - CBT Financial Statements – June 30, 2008
    - Attachment
  - Five Year Treasury Board Forecast
    - Attachment
  - Statement of Financial Information
    - Attachment
  - Code of Conduct
    - Attachment A
    - Attachment B
    - Attachment C
    - Attachment D
    - Attachment E
    - Attachment F
    - Attachment G
  - 2009 Board Meeting Schedule
    - Attachment
  - Communications Update
  - Communications Strategy
  - HR Policies
    - Attachment A
    - Attachment B
    - Attachment C
    - Attachment D
    - Attachment E
    - Attachment F
    - Attachment G
    - Attachment H
    - Attachment I
  - State of the Basin Update
    - Attachment A
    - Attachment B
    - Attachment C
  - CBMP – Progress and Strategic Overview
  - Quarterly Investment Portfolio Review
  - CPC's Strategic Plan
  - Delivery of Benefits Committee Update
  - Enterprising Non-Profits
- 
- Training Fee Support Evaluation
    - Attachment
  - Arts, Culture and Heritage Evaluation

- Attachment
- Water Initiatives Committee Update
  - Attachment A
  - Attachment B
  - Attachment C

## **ADOPTION OF MINUTES**

### **69/08 Moved, seconded and resolved that:**

The Minutes of Meeting No. 108 held July 25 - 26, 2008 and Annual General Meeting No. 109 held on July 25, 2008 are hereby adopted.

### **Action Item List No. 108**

The CEO reviewed the action item list and discussed the following item:

- Board Meeting No. 94 – July 14/15, 2006
  - Staff is to prepare a briefing note setting out how the Province's indemnity would fit with the indemnity provided by CBT as well as the Director's and Officer's insurance policy that is purchased with CPC.

The CEO advised that staff will work with the Province on this item during the next few months.

There were no resolutions arising.

## **REPORTS FROM OFFICERS AND STANDING COMMITTEES**

### **Report from the Chair**

The Chair reviewed his written report. He thanked Director G. Deck on accepting the Board's appointment to the CPC Board. He also advised the Board that J. Smienk may have to change his formal participation on the Water Advisory Panel if he is successful in winning the provincial MLA seat.

There were no resolutions arising.

### **Report from the CEO**

The CEO reviewed his written report. He advised the Board that the RDKB has asked if CBT would be willing to write a letter of support in the establishment of a Trust. The Chair will respond with a letter to the Chair of the RDKB indicating that CBT would be willing to share the experience of the Trust.

There were no resolutions arising.

## **Report from the Executive Committee Minutes of Meetings**

There were no resolutions arising from the minutes of Executive Committee Meeting No. 66 held on August 22, 2008.

### **Board Planning Session**

The CEO reviewed the memorandum which sought direction from the Board on the potential topics and ideas for format and timing for the November 2008 Board planning session. The Executive Committee had provided its recommendations at an earlier Executive Committee meeting. It was decided that the Board planning session be held over two half day sessions on November 21 – 22 and will be attended by the Board, CEO and the Executive Management Committee. Board business issues will be dealt with on the morning of November 21.

#### **70/08 Moved, seconded and resolved that:**

The Board hereby approves the proposed Board planning session format.

### **Board Performance Assessment – In Camera**

There were no resolutions arising.

### **Board Composition and Membership – In Camera**

There were no resolutions arising.

### **Report from the Audit Committee**

The Committee Chair provided an update on the Audit Committee meeting held earlier that day on Friday, September 19, 2008. The CEO updated the Board on the change of external auditors with the resignation of D. Johnstone from the firm of Yule, Anderson, Johnstone. Auditors G. Dermody and R. Anderson from the same firm will attend the November Audit Committee meeting to provide the members with information regarding the external auditor's replacement.

There were no resolutions arising.

### **CBT Consolidated Financial Statements – June 30, 2008**

The Director of Finance and Operations reviewed the memorandum which sought the Board's approval of the Consolidated Financial Statements as at June 30, 2008.

#### **71/08 Moved, seconded and resolved that:**

As recommended by the Audit Committee, the Board hereby approves CBT's Consolidated Financial Statements for the 1<sup>st</sup> quarter ending June 30, 2008.

## **Five Year Treasury Board Forecasts**

The Committee Chair and the Director of Finance and Operations reviewed the memorandum which sought the Board's approval of the Five Year Treasury Board Forecasts for FY2008/09 – FY2012/13.

### **72/08 Moved, seconded and resolved that:**

As recommended by the Audit Committee, the Board hereby approves the amended FY2008/09 – FY2012/13 Treasury Board Forecasts,

### **73/08 And further resolved that:**

The Board hereby approves that the Audit Committee and the Board Chair be provided the authority to approve Treasury Board forecasts for submission, with the Board receiving copies for informational purposes.

## **Statement of Financial Information – March 31, 2008**

The Director of Finance and Operations reviewed the memorandum which sought the Board's approval of the Statement of Financial Information ("SOFI") for the fiscal year ending March 31, 2008. CBT is required to file a SOFI with the Ministry of Community Development prior to September 30, 2008. This is a requirement imposed under the authority of the *Financial Information Act*.

### **74/08 Moved, seconded and resolved that:**

As recommended by the Audit Committee, the Board hereby approves the Statement of Financial Information for the year ended March 31, 2008, substantially as presented.

## **REPORTS FROM SPECIAL COMMITTEES**

### **Task Force on Governance**

The CEO updated the Board on the activities of the Task Force on Governance Committee.

There were no resolutions arising.

### **Code of Conduct**

The CEO reviewed the memorandum which sought the Board's approval of the final Code of Conduct for Directors of Columbia Basin Trust. In July 2008 a draft Code of Conduct was presented for review by the Task Force on Governance and the Board. Edits to the Code were made as a result of Task Force and Board discussion. It was also recommended that the following Board resolutions related to conduct and conflict of interest be rescinded:

- Resolution 54/00: Section 9 Conflict of Interest and Section 11 Financial Management Policy be adopted.
- Resolution 57/00: Section 10 Confidentiality Policy be adopted.
- Resolution 60/00: Section 4.4 Standards of Conduct be adopted.

### **75/08 Moved, seconded and resolved that:**

The Board hereby approves the adoption of the Code of Conduct for Directors of CBT, dated September 2008.

**76/08 And further resolved that:**

The Board hereby approves that Board Resolutions 54/00, 57/00 and 60/00 be rescinded.

**CORPORATE MATTERS**

**2009 Board Meeting Schedule**

The CEO reviewed the memorandum which sought to establish the 2009 Board meeting schedule. Discussion ensued regarding the number of face-to-face Board meetings held annually and the conflict between Board meeting and Regional District Board meeting dates.

**77/08 Moved, seconded and resolved that:**

The Board hereby approves, in principle, in moving to having four face-to-face meetings annually and at least two to be held via electronic means.

**Action:**

- Staff will advise the Board on the average costs of conducting Board meetings.

Director Bill Trewhella requested that his opposition to the resolution regarding the Board's support of moving to having four face-to-face meetings annually and at least two to be held via electronic means be recorded in the minutes.

**Communications Update**

The Director of Communications reviewed the memorandum which was provided for informational purposes.

There were no resolutions arising.

**Communications Strategy**

The Director of Communications presented her views on current and future communications projects to the Board and highlighted the need for a sound Communications Strategy. CBT's new website was also demonstrated for the Board.

There were no resolutions arising.

**HR Policies**

The CEO reviewed the memorandum which sought the Board's approval of a number of HR policies including the Introduction and the Principles and Values Statement to be included in CBT's Human Resources Policy Manual as well as Code of Conduct, Training and Development, Maternity Leave SUB, Parental Leave SUB, Sick Leave, Bereavement Leave and Special Leave.

**78/08 Moved, seconded and resolved that:**

The Board hereby approves the Human Resources Manual Introduction and the Principles and Values Statement, and the following policies: HR01 Code of Conduct Policy, HR05 Training and Development Policy, HR06 Maternity Leave SUB Policy, HR07 Parental Leave SUB Policy, HR08 Sick Leave Policy, HR09 Bereavement Leave Policy and HR10 Special Leave Policy substantially in the form presented, with the following amendments:

- Principles and Values Statement - the Principles were changed to read: Columbia Basin Trust (“CBT”) recognizes their employees as the most important asset in realizing CBT’s vision and mission;
- HR01 Code of Conduct Policy – In Section 9A entitled Political Activity, the words “the perception of” were removed;
- HR01 Code of Conduct Policy – In Section 9C entitled Political Activity, the original paragraph was replaced in its entirety to read: The CEO may designate certain positions to which conditions set out in paragraph 9(b) will apply for individuals seeking election to local government office.

Director Ron Miles requested that his opposition to the resolution regarding the Board’s approval of HR08 Sick Leave Policy be recorded in the minutes.

### **State of the Basin Update**

The Director of Policy and Planning reviewed the memorandum with the Board which provided an update on the progress of the State of the Basin Initiative and also outlined the communications strategy which will be associated with the public launch of key elements of the Initiative. A draft version of the State of the Basin Report was also presented to the Board for review.

There were no resolutions arising.

### **Columbia Basin Management Plan – Progress and Strategic Overview**

The Director of Policy and Planning reviewed the memorandum with the Board which provided context for engaging the Board in a review of progress and strategic considerations for CBT’s work, in alignment with the Columbia Basin Management Plan Strategic Priorities 2007 – 2010.

There were no resolutions arising.

The meeting recessed at 5:30 pm and reconvened Saturday, September 20, 2008 at 8:30 am.

## **INVESTMENT PROGRAM**

### **Report from the Investment Committee**

#### **Update on Activities**

The Committee Chair provided a verbal update on the Investment Committee meeting held on Friday, September 19, 2008. It was highlighted that the Committee approved an equity injection from CBT Real Estate Investment Corp. not to exceed \$37,000 to fund access road construction costs.

There were no resolutions arising.

#### **Quarterly Investment Portfolio Review**

The Vice President of Investments provided the Board with the Quarterly Investment Portfolio Review for the period ending June 30, 2008 highlighting both CBT's power and non-power investment portfolios. It was also noted that the Investment and IT departments are working together in developing a standardized reporting format which will be used for future Quarterly Investment Portfolio Reviews.

There were no resolutions arising.

#### **Presentation on CPC's Strategic Plan**

B. Chuddy from CPC attended this portion of the Board meeting on Saturday, September 20, 2008 meeting to present a draft 10 year Strategic Plan for CPC. Neither CPC's Board of Directors nor its shareholders have approved the proposed plan. The presentation was followed by a brief discussion.

## **DELIVERY OF BENEFITS**

### **Report from the Delivery of Benefits Committee**

#### **Delivery of Benefits Update**

The Committee Chair provided a verbal update on DOB activities and on the DOB meeting held on September 18, 2008 in Kimberley.

There were no resolutions arising.

#### **Enterprising Non-Profits**

The Committee Chair reviewed the memorandum which sought the Board's approval of a partnership between CBT and Enterprising Non-Profits ("ENP"). ENP is a funding program that provides matching grants to non-profit organizations in BC who are interested in starting or expanding a business.

#### **79/08 Moved, seconded and resolved that:**

As recommended by the DOB Committee, the Board hereby approves a three year partnership with the Enterprising Non-Profits Program, with \$95,000 in funding to be provided annually to the ENP Program.

### **Training Fee Support Evaluation**

The memorandum provided information on the results of the recently completed evaluation of the Training Fee Support program.

There were no resolutions arising.

### **Arts, Culture and Heritage Evaluation**

The memorandum provided information on the results of the recently completed evaluation of CBT's Arts, Culture and Heritage funding.

There were no resolutions arising.

## **WATER INITIATIVES**

### **Report from the Water Initiatives Committee**

The CEO and the Vice President of Community Partnerships provided verbal updates from the Water Initiatives Committee highlighting staffing additions under the Water Initiatives Program and Environment Sector Program as well as CBT's involvement in the Provincial Government's Columbia River Treaty Review Initiative. A verbal update was provided on the Non Treaty Storage Agreement and how CBT will be involved in the consultation process with Columbia Basin stakeholders.

There were no resolutions arising.

#### **Action:**

- Staff will provide the Board of Directors with a brief on what can be communicated by CBT's staff and Board regarding the Columbia River Treaty 2014 Review.

## **CORRESPONDENCE**

### **Read File**

There were no resolutions arising.

## **NEW BUSINESS**

### **Verbal Reports from Directors**

There were no resolutions arising.

## **IN CAMERA**

### **Board Round Table**

There were no resolutions arising.

## **CONCLUSION**

**80/08 Moved, seconded and resolved that:**  
The meeting be concluded at 1:00 pm.

**Certified Correct:**

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**G. Merkel, Chair**

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**M. Forster, Recording Secretary**

**Next Board Meeting: November 21/22, 2008 in Invermere, BC.**

### **Public Presentations:**

Presentations were held at 4:00 pm on September 19, 2008  
Councillor Jack Ratcliffe, City of Kimberley  
Columbia Basin Environmental Educators Network – Eli Baker  
South Country Historical Book Society – Jack Sandberg  
Cranbrook and District Community Foundation – Scot Manjak  
Climate Change Adaptation Project – Ingrid Liepa