

May 7, 2018

Rhona Martin, Board Chair
Columbia Shuswap Regional District
555 Harbourfront Drive NE
Salmon Arm, BC V1E 4P1

VIA EMAIL

Dear Chair Martin:

Re: Columbia Basin Trust (the "Trust") - Appointment of Director

The term of Director Loni Parker, the Columbia Shuswap Regional District's (CSR D) nominee to the Trust's Board of Directors, expires on December 31, 2018.

Section 6(1) of the *Columbia Basin Trust Act* (the *Act*) states:

Each of the nominating bodies is, at least 60 days before the expiry of the term of office of the director appointed from its nominees, to provide to the Lieutenant Governor in Council a list of at least one and not more than 4 nominees who are qualified individuals.

The *Act* also provides that a nominating body may nominate an existing Director for successive terms of office, and requires all Trust Directors to be residents of the Columbia Basin region.

As part of its overall governance practices, the Trust has developed a *Board Composition, Appointment, Skills and Attributes Policy* which is attached for your reference. This policy outlines the general attributes and skills needed on the Trust's Board of Directors, as well as diversity objectives we have for the Board.

As you will note, the attached Policy states that all Board members are expected to have the following general attributes:

- understanding of community development/engagement;
- knowledge and understanding of the Trust and the Basin;
- experience as a board member;
- strong reasoning skills;
- ethics and integrity;
- able to work toward consensus;
- capable of wide perspectives; and,
- business judgement.

Directors will generally serve a maximum term of six years (with flexibility for exceptional circumstances), and, ideally, Board member appointments will be for a term of three years with one third of the Director terms expiring each year.

Ms. Parker will not have exceeded the six year maximum term when her term expires at the end of December; however, we acknowledge final authority for appointment and term length rests with the Provincial Crown Agencies and Board Resourcing Office.

We would appreciate you confirming the CSRD nominee as soon as possible by advising Johnny Strilaeff, President and Chief Executive Officer.

If there is any additional information you require, please do not hesitate to call either myself or Johnny Strilaeff. We can be reached at 1.800.505.8998.

Yours truly,

A handwritten signature in black ink, appearing to read "Rick Jensen", with a stylized, cursive script.

Rick Jensen
Chair, Board of Directors
Columbia Basin Trust

/jm

cc: Charles Hamilton, Chief Administrative Officer, Columbia Shuswap Regional District
Johnny Strilaeff, President and Chief Executive Officer, Columbia Basin Trust

/encl.

Board Composition, Appointment, Skills and Attributes Policy

1 Composition and Appointment

- 1.1 The appointment process for the Trust Board of Directors and composition of the Trust Board are established in the *Columbia Basin Trust Act*.
- The Lieutenant Governor in Council appoints the 12 Directors of the Trust, all of whom must reside in the Columbia Basin region.
 - Each of the Regional District of Central Kootenay, Regional District of East Kootenay, Regional District of Fraser-Fort George, Regional District of Kootenay Boundary, Columbia Shuswap Regional District (collectively, the Regional Districts) and Ktunaxa Nation Council may nominate up to four individuals. The Lieutenant Governor in Council then appoints one director from each of the Regional Districts and Ktunaxa Nation Council, for a total of six Directors.
 - The remaining six Directors are also appointed by the Lieutenant Governor in Council.
- 1.2 Ideally, all appointments to the Trust Board will be for a term of three years, with one third of the Director terms expiring each year.
- 1.3 Generally, the maximum term an individual Director will serve on the Board will be six years, although flexibility exists to exceed six years for exceptional circumstances.

2 Skills and Attributes

- 2.1 The Board of Directors establishes and annually reviews Board Member Attributes (Appendix 1). The Board Member Attributes describe the capabilities required of all Board members and Board Committee members, as well as those required for specific Board positions.
- 2.2 The Board of Directors establishes and annually reviews the Board of Directors' Competencies and Desired Diversity (Appendix 2).
- 2.3 The Board Member Attributes and Board of Directors Competencies and Desired Diversity sets out the appropriate combination of skills and personal attributes necessary for the fulfillment of the Trust's mission. That combination of skills and attributes helps the Trust to effectively engage with Basin residents, to oversee the return of benefits to Basin residents and to prudently oversee the management of the Trust's investments.
- 2.4 The Board provides input to Regional Districts, the Ktunaxa Nation Council and the Province of BC on candidates for appointment and reappointment to the Board, consistent with the Board Member Attributes and Board of Directors Competencies and Desired Diversity.
- 2.5 The Board members are independent from management.

Board Member Attributes

Some capabilities may require some knowledge transfer from a current Board member to a new Board member.

Role	Capabilities/Attributes
All Board members	<ul style="list-style-type: none"> Understanding of community development/engagement Knowledge and understanding of the Trust and the Basin Experience as a board member Strong reasoning skills Ethics and integrity Able to work toward consensus Capable of wide perspectives Business judgement
Chair and Vice Chair	<ul style="list-style-type: none"> Governance expertise Understanding of how government operates and ability to work with government Ability to be, and seen to be, a Basin leader Understanding of business management Relationship management expertise Understanding of the Trust model and history/Strategic planning expertise Able to speak publicly
Investment Committee Chair	<ul style="list-style-type: none"> Financial and investment fluency Experience in or with commercial credit Knowledge of the history of Trust's approach to investments
Investment Committee	<ul style="list-style-type: none"> Financial and investment fluency Understanding of commercial enterprise and commercial credit
Finance and Audit Committee Chair	<ul style="list-style-type: none"> Financial expertise Accounting designation Extensive accounting experience Experience with financial risk management practices
Finance and Audit Committee	<ul style="list-style-type: none"> Financial fluency Familiarity with accounting principles and practices Understanding of financial risk management practice
Executive Committee	<ul style="list-style-type: none"> Experience with human resources practices Experience with general risk management

Board of Directors Competencies and Desired Diversity

Required Competencies	
Investment management	
Business management	
Community development/engagement	
Knowledge of how government operates	
Governance expertise	
Human resources	
Accounting expertise	
Desired Sector Knowledge	
Communications	
Labour relations	
Social	
Environment	
Economic development	
Power projects	
Legal expertise	
Diversity	
Age	
Gender	
Ethnicity	
Geography	