

CLAYOQUOT BIOSPHERE TRUST  
BOARD OF DIRECTORS MEETING  
DRAFT MINUTES

Thursday, May 25, 2023  
1:00 – 4:00 p.m.  
Six Plex, Hitacu

**Present:** Naomi Mack, Sarah Butterworth, Toni Buston, Mike Davis, Brian Titaro, Elyse Goatcher-Bergmann, Nicky Ling, Zolie Schafer, Olga Nassinovskaia, Kendall Woo

**Staff:** Rebecca Hurwitz, Marianne Paquette, Jason Sam, Erika Goldt, Verena Merkel

1. Welcome and territorial acknowledgement from Nicky, and a round of introductions from members.

Nicky called the meeting to order.

2. Nuu-chah-nulth word of the meeting.

Naomi Mack shared the word: hupiit̓at – to help one another.

3. Consent agenda
  - a. Approval of the agenda
  - b. Board of Directors meeting minutes, April 20, 2023
  - c. Board of Directors in camera meeting minutes, April 20, 2023
  - d. Executive Committee meeting minutes, April 12, 2023
  - e. Committee meeting minutes
    - i. Community Services Recovery Fund, April 17, 2023
    - ii. Community Development, May 3, 2023
    - iii. Neighborhood Small Grants, May 9, 2023
    - iv. Education Award, May 17, 2023
  - f. Financial Reports
    - i. CBT balance sheet Mar.31.23
    - ii. CBT income statement Mar.31.23
    - iii. CBT all funds balance sheet Mar.31.23
    - iv. CBT all funds income statement Mar.31.23
    - v. CBT community fund balance change Mar.31.23
    - vi. CBT Operating Fund actual to budget Mar.31.23
  - g. Correspondence:

- i. District of Ucluelet re: Sarah Butterworth appointment, May 10, 2023

**Motion to accept the appointment of Sarah Butterworth as director by the District of Ucluelet effective May 9, 2023 passed by consensus.**

**Motion to approve the consent agenda carried by consensus passed by consensus.**

#### 4. Director Updates

Some of the directors provided a 2–3-minute update on items that relate to the CBT.

#### 5. 2022 Annual Report

Rebecca presented the 2022 draft annual report for review and approval. The annual report will be distributed during the AGM. There was mention of the potential for a year-end review video in January 2024.

The group identified a couple of errors for correction. The report will be available in print and online this year.

**Motion to approve the 2022 annual report and amended passed by consensus.**

#### 6. 2022 Financial Statements

The CBT's auditor Derek Lamb, of Chan Nowosad Boates, presented the 2022 financial statements for review and approval. Derek noted that the purpose of the audit is to make sure that there are no discrepancies in our financial records. Derek shared that there is nothing to bring to the board's attention. The CBT's records are very accurate and consistent, and Derek thanked Verena and Rebecca for their assistance with the audit this year.

Review of financial statements. Deposit receivable is up mostly because of the Biosphere Center and small pieces of equipment. The investment's market value has decreased significantly from 2021 to 2022. There have been losses related to the decreased value of the investment.

The group had no questions for Derek.

**Motion to approve the 2022 financial statements passed by consensus.**

#### 7. Board Recruitment

Rebecca has received correspondence from Tyson Atleo regarding Ahousaht's appointment. Rebecca has reached out to Chief n̓aasʔatuk who has confirmed support for the Hawi̓h to make appointments and representation at the CBT moving forward. He has also offered to assist with facilitating a dialogue with CBT and Ahousaht leadership moving forward. The Executive Committee recommends that the appointment be accepted as per the Hawi̓h.

Directors spoke in support of the appointment and looked forward to having more opportunity for in-person face-to-face meetings to develop stronger relationships. ECCC may also be available to participate in the follow-up discussions.

Rebecca shared that Chief n̓aasʔatuk has offered to facilitate a roundtable discussion and Hasheukumiss has suggested in person gathering at their new wilderness resort in September as a potential next step.

Rebecca will follow up regarding board orientation and arranging a time in September for an in person meeting.

**Motion to receive the appointment of Tara Atleo as primary director and Hasheukumiss (Richard George) as alternate director as of March 16<sup>th</sup>, 2023 passed by consensus.**

#### 8. COLA (Cost of Living Adjustment) Recovery Plan

With input from the Investment Committee and the help of Genus, Rebecca prepared the enclosed COLA recovery plan. The road to recovery is long and we're being stretched with new requirements to disburse increased funds from the CRA as of January 1, 2023.

The table is based on the return assumption of 6.2% (before fees) and a fee rate of about 0.35%, therefore after fee performance is about 5.85%. With an annual withdrawal rate at 4%, the capital will only grow at  $5.85\% - 4\% = 1.85\%$ . With assumed inflation rate at 3% (2023) and 2% (2024 and onwards), the capital growth will never catch up to inflation with these assumptions (1.85% vs. 2%), so the difference between the Funding Agreement Obligation (FAO) and ending account value at a given year is getting bigger and bigger.

Rebecca presented three scenarios for board consideration along with feedback from Environment and Climate Change Canada.

Scenario 1 = Status Quo

Scenario 2 = Met in 2054

### Scenario 3: Met in 2043 (Rebecca's recommendation)

Rebecca also noted that the CBT has not been drawing on the Canada Fund since last fall as other cashflow was available.

The board asked the following questions: Could the increase in the CRA's disbursement quota amount be covered by other flow-through funds? Rebecca felt confident that would be the case for the next couple of years, but it is difficult to forecast beyond that as those granting opportunities are usually more short-term. The board also asked if a 20-year repayment schedule be approved by the Government. ECCC will be the conduit for that request and may require further information. Fundraising seems to be going well, is there a possibility for administrative costs to go down? Rebecca noted that it would be difficult to cut administrative costs to the degree needed to reduce the annual withdrawal by .5%. CBT is already running quite lean in admin costs but will look to leverage funds through fundraising towards core operating costs. The board also noted that the Canada Fund value has increased since year end but has been sitting at approx. \$17M for the past few months. The investment strategy hasn't changed, the increase in value has driven by market fluctuations.

**Motion to approve the COLA recovery plan scenario 3 and to communicate the plan and management actions to Environment and Climate Change Canada passed by consensus.**

The board also discussed the possibility of amending appropriate governance documents to update the appointing bodies for the participating communities. Rebecca will bring this forward as part of strategic planning in the fall.

#### 9. Committee and Granting Overview

Jason provided a brief overview of the committee grant review process.

2022 – Focus on trust-based philanthropy, making CBT grants more accessible and reducing reporting. Reporting options have been expanded, which was received positively by grantees. \$200,000 in ask for \$80,000 available. Advisory committees are formed of volunteer community members that have interest or expertise in the specific sector. Orientation manual was created for the advisory committees. Due diligence was done with organizations that are not registered charities or qualified donees.

Toni asked in the case of an individual receiving the money, is that taxable income? Rebecca – CRA will hopefully answer that question soon. We're waiting for their guidance.

Sarah – Is it sustainable to keep going in that direction? Jason – Yes, but it was a steep learning curve this past year.

Staff will meet to debrief and plan for next year over the summer. Arts and culture grants received the most applications in 2022.

#### 10. Vital Grant Recommendations

Erika presented an overview of the Vital Grants process and the resulting 2023 Vital Grant recommendations. Small grants with a short timeframe are not always sustainable for organizations and complex challenges. Vital Grants are connected to SDG's.

Vital Grants projects in 2022:

- Rising Tide Surf Camp – NCN leadership and stewardship through healing (recommended for funding - \$20 000)
- Shifting Frameworks – program for org and businesses to be LGBTQ2+ friendly (not recommended for funding – Coastal Queer are being considered for other grants)
- Ahousaht Stewardship Repatriation/Restoration – Youth Stewards (possible funding – opportunity to be funded through other sources)
- Critical Incident Debriefing Team (recommended for funding \$20 000 + multi-year funding)
- Tla-o-qui-aht Youth-led festival (recommended for funding – \$20 000)

Toni – Rising Tide & TFN Youth event – consideration of allocating two grants to the same Nation? Erika – yes has been considered by the committee.

**Motion to approve the 2023 Vital Grant project funding recommendations and the resulting next steps passed by consensus.**

#### 11. Education Award Recommendations

Jason presented the 2023 Education Award recommendations, as well as a short summary of the review process. We had 12 applications this year with growing graduation classes. The awards increased this year to \$4,000 per year. Thanks to the three evaluators. Two students stood out to the evaluators and have been recommended Koya Morgan-Bank and Suzi Crosby to each receive the awards this year. The students had exceptional academic excellence as well as community service.

Toni – opportunity for a reference letter template (idea from Nora) to help with the volume of demands.

Jason – set expectations that community involvement is considered above grades. Acceptable grade = C. Reference letter – Jason will be writing a template.

2024 – discussions with other granting organizations to share information about funds being distributed to avoid some individuals accessing all the funds and distribute them more equitably.

Elyse – could a hierarchy of criteria and goals be included in our policy (community involvement). Letting people know what we are trying to achieve with this scholarship could help give direction to youth that might hesitate to apply because of their grades.

**Motion to approve the 2023 Education Award recommendations passed by consensus.**

#### 12. Clayoquot Sustainability Fund

Rebecca presented the terms of reference for a new donor-advised fund being established by the Tofino Resort + Marina to support education, protection, and conservation of the natural ecosystems in the Clayoquot Biosphere Region. The draft terms of reference have been reviewed by CBT's lawyer and were presented for approval.

**Motion to approve the Clayoquot Sustainability Fund deed of gift as presented passed by consensus.**

#### 13. In Camera

The board went in camera to receive an update on community funds.

Nicky and Mike shared the results of Rebecca's annual performance review.

Came out of In Camera at 3:41 pm.

#### 14. New business

#### 15. Adjourn

**Motion to adjourn carried by consensus.**

The CBT AGM and a short board meeting will be held Thursday, June 15<sup>th</sup> via zoom.