

GIANT MINE OVERSIGHT BODY SOCIETY
Verbatim Minutes of the ANNUAL GENERAL MEETING
November 30, 2021 10:30 A.M. (MST)
Via Zoom Conference Call

IN ATTENDANCE:

Giant Mine Oversight Board

David Livingstone - Chair
Ken Hall - Director
Ken Froese - Director
Mark Palmer - Director
Graeme Clinton - Director
Marc Lange - Director
Ben Nind – Executive Director
Paul Green – GMOB Contractor

North Slave Métis Alliance

Jessica Hurtubise

Yellowknives Dene First Nation

Lena Black
William Lines

City of Yellowknife

Kerry Thistle

Government of Canada (CIRNAC)

Natalie Plato
Katherine Ross
Andrei Torianski

Government of the Northwest Territories

Alex Lynch
Erica Nyssonen

Alternatives North

Katharine Thomas
Gordon Hamre
Michael Nabert

Guest: Meera Basnyat, EPR Yellowknife Accounting

Welcome, Introductions, and Confirmation of Chair

David: Welcome everyone. I know everybody is busy, particularly today, so I am just going to move directly into the agenda. The first item on the agenda is the Confirmation of the Chair. I am looking for volunteers. Not making eye contact will not help you. Do I have a volunteer?

Erika: I don't think you will ever get a volunteer.

David: Alright, well I will proceed as the Chair.

Approval of the Agenda and Approval of the Meeting Minutes

David: Are there any comments on the agenda? Are there any concerns or additions? Okay, could I get somebody then to move approval of the agenda?

Erika: Erika moves.

David: Seconder?

Ken F: I will second.

David: All in favor?

Alright, now for approval of the minutes of December 16th. They are verbatim. I think there is a list of action items at the back. Yes, three motions at the back. Are there any comments on the meeting itself, the minutes of the meeting?

Erika: Just looking through, I obviously was not around for the last GMOB meeting, but I noticed that the Minutes structure has changed as I was looking for the action items. There was not a clear sort of section for action items anymore. Maybe I missed it. Are there no actions, or is just sort of a structural change?

David: They are appended.

Erika: Oh, are they? Okay.

David: There is a separate page. I don't know exactly how that happened, but they are appended to the document that I have in front of me. Was it an add-on?

Ben: You have them. There were action items that came out of the agenda.

David: Oh, I see. Okay. There were motions to approve the agenda and approve the minutes, and then to adjourn. We are getting much more efficient, Erika, since you have been gone. No coincidence.

Alright, can I get somebody then to approve the minutes of December 16, 2020?

Ken H: Yes.

David: Ken Hall. A seconder?

Alex: I second it.

David: Okay. All in favor?

Alright.

Review of GMOB Activity Report 2021

David: The Chair Report: I am going to defer that to Ben to walk us through. I just noticed that in the budget, we actually took a cut last year as the inflation rate dropped by 1.4%. However, I have the feeling that we are going to more than make up for it this coming year the way things are going. I will turn it over to Ben to walk us quickly through it.

Ben: You have the document there. Going through the GMOB budget last year, you will see the number, \$958,771.00. There was a -1.4% given the CPI adjustment, resulting in a budget \$13,000.00 less. Core Operations were 72% percent of that at \$692,000.00, in that area. The Research Program was \$266,000.00, 28% of the total budget.

As you know, GMOB takes the surpluses from past years and has been rolling that into the Research Program account. These surplus funds are held in short-term GICs. The balance of these as of November the 18th is \$403,250.00.

Natalie: Can I just ask you, since you are not sharing on the screen, to tell us where you are so we can follow along, please? Like on what page? That would be very helpful. Thank you.

Ben: Page One. I am going to go through from page one all the way through.

David: Don't read every line, please.

Ben: The GMOB Work Plan was submitted and approved.

The GMOB Board transition: the Board is going through a transition. We have had two new Board members this past year. Dr. Kathy Racher has been replaced by Marc Lange. Tony Brown has been replaced by Graeme Clinton.

The Activities Summary: We have a compilation of all of the documents that GMOB has reviewed this year. We are monitoring the Socio-economic Action Plan, the Socio-economic Engagement Plan, and the Perpetual Care Framework Plan for the RFP.

Our report: The GMOB 2020 Annual Report was released. We received feedback back from Natalie on that. As far as the socio-economic is concerned, you all know that we commissioned a report called, "Strengthening Socio-Economic Impacting Reporting and Analysis" for the Giant Mine Remediation Project. We met with the Project on that and received comments. We are currently reviewing those comments from the Project, in that regard.

There is an outline of the Perpetual Care Plan, which is essentially the timeline of what has happened with the Perpetual Care Plan and the plan for that, and GMOB's response to the Project regarding that. There will be more on that later.

The Education Module: We have met twice, I believe. Alex can confirm that, but we have not met since June 29th on that, but GMOB has a contractor that is currently ready to work on that piece with us.

As far as Engagements and Communications, the highlights of this, as noted in the document, include that GMOB Board members have attended 107 meetings over this past year. We produced the Annual Report. The Annual Public Meeting was held on Cabin Radio. We engaged in four media sessions. There is updating of the website and the archives on a continual basis.

There were two community public concerns that were shared with the GMRP this winter, and the Project responded very quickly to those.

Of course, the five-year review was held. GMOB committed to the recommendations in the five-year review and has moved forward on the Archive Strategy, the Community Survey, as well as the Communications Plan.

The GMOB Research Program: The document is available, taking a look at that for Year 3. The first quarter report is on the net. The infographics were developed. The expert panel was formed, and we took a look at the unsolicited proposals of which there is one that we are currently looking at now.

The arsenic sample request to CIRNAC: Currently right now, the Project has indicated that extraction is being scheduled for late 2022. In that regard, the sample storage remains at SGS Canada. We did do some sample shipping from Dundee Sustainable Technologies in Quebec to the University of Waterloo. We had a study that was done, a request for a review of extraction technologies regarding the arsenic trioxide dust. The good news is that NSERC Alliance funding was approved for the GMOB Research Program. The current payment amount right now is about a quarter of a million dollars and is managed by the University of Waterloo, but it will definitely have an impact for the next four years upon the Research Program.

Next then is Appendix 1, which is the GMOB Work Plan, which was approved by both the Board and by CIRNAC. Then following that are the GMOB Priorities and Planned Expenditures. This came out of a request that Todd had two years ago, basically to say where GMOB will be putting a little bit of emphasis in the past year. That has been regulatory, socio-economics, the Communications Strategy, the Archive Strategy, and the Community Survey. You will be able to see that.

Then Appendix 3 is the GMOB-mandated meetings. These come out of the Environmental Agreement. We have had, of course, the semi-annual meetings, the public meeting, the annual general meeting, and this semi-annual meeting, but we have not had a co-proponents meeting in two years. That might be something that the group may want to discuss.

Then Appendix 4 is all of the meetings that were attended by GMOB, giving the dates and the subject. As you can see, most all of this was online since we are living in an online world.

David: Alright. Thanks, Ben. Just in response to that last comment, I was hoping that this meeting could be held in person. We did not get on that in time. I am hoping that our next one can be held in person. We will find out who among you is actually real and who among you is an avatar. It is all dependent on COVID and the federal and territorial government constraints. We will get there when we get there, but I would really like to have the next meeting in person. Are there any comments on Ben's overview of the Activities Report? Natalie?

Natalie: Yes, thank you very much. Sorry, let me just check. All the pages are not numbered. Under the GMOB Perpetual Care Plan notes, I would just like to offer a correction. It says at the last bullet the GMRP has not responded. We did send a letter on October 21st responding to that letter, so I am not sure if it was not received or what happened there, but we certainly did respond.

Ben: Correction noted.

Natalie: Thank you.

David: Alright, are there any other comments from anyone? Are there any questions, concerns, or general observations? I forgot in my rush to get into the meeting, if people could identify themselves for the purpose of the transcript, then that would be helpful. That was Natalie the last speaker, then Ben, and now me, David.

Erika: I have just a question. I have seen some new faces on the Directorship on GMOB. I am just curious. I know that everyone sort of has their special skills that they are bringing to the table. I am just curious from Marc and Graeme, their specialty topics, or the experience they bring to the table. I am just curious to learn a little bit more about them.

David: Sure. I will briefly summarize, and then I will turn it over to those two to elaborate.

For Graeme, it is the socio-economic portfolio primarily. He will be working with Ken Froese and Mark Palmer on that and leading the discussions there. For Marc Lange, it is regulatory, particular aquatic issues and research. We still have Tony Brown involved in the Research Program at sort of arm's length as a part-time contract, but Marc will be stepping into those shoes over time. I will turn it over to Marc first to add anything.

Marc: Yeah, that is about the summary. For those who don't know me, I have been here in Yellowknife since '99. I probably spent about 20 years doing regulatory work with federal and territorial agencies, so Fisheries and Oceans, CIRNAC for a while, GNWT, and the last seven years as a consultant. As David said, I will probably be focusing more on keeping the pulse on the regulatory process in general, but maybe more of a focus on aquatics and fisheries. I am excited to take on a little bit more of the research portfolio as well, taking over from Tony.

David: Thanks, Marc. I will just point out that we still have Paul Green also supporting us as a consultant on the regulatory side of things and helping out as well on the Research Program. Graeme?

Graeme: Hello to everyone. My name is Graeme Clinton. I am an economist by profession. I have been at it for about 25 years. I'm from Saskatchewan but I moved to Ottawa to take a job with the Conference Board of Canada as a senior economist there. Over 20 years ago, I moved to Yellowknife. I don't refer to myself so much as a consultant, but I am an economist for hire. You have probably seen, if you have paid attention to the economic discourse of the Northwest Territories and Nunavut, you have probably seen my name. If you are not interested in those things, you probably haven't. I am happy to be here.

David: Thanks, Graeme. Are there any questions of either Graeme or Marc?

Erika: Thanks, guys. That was great.

David: Sorry, Erika. I should have introduced them at the outset. Alright, so there are no further comments on the Annual Activities Report? If something comes up, people can interject later on. I'll turn it over to Ben to introduce the finance statement part of this agenda and the auditor.

Review of the Treasurer's Report

Ben: I am just waiting for the auditor to come in. I have to make sure she comes in.

David: Okay, we will take a short hiatus then.

Ken H: Maybe I will just say a couple of things. In my capacity as treasurer, as my predecessor, Tony Brown, freely admitted, he was not an accountant, nor would he make a good one. I can unequivocally claim the same thing. However, what we look to annually is the Auditor's Report on how we are doing financially.

I'll just read a little bit of it. The report this past year states, "In our opinion, the accompanying financial statement present fairly in all material respects, the financial position of the society as of March 31, 2021," etcetera, etcetera. In plain language for those like me, we have another clean audit. I would like to acknowledge the excellent work that Ben undertakes to keep our dollars in order. I am glad to hear that we have Meera, the auditor with EPR Accounting, coming on board to answer any questions you might have about the audit. Thanks.

Ben: So Meera is just joining.

David: Okay. Are there any questions of Ken in the meantime?

Alright, I will wait until Meera gets on. It should be very soon, I hope.

Ben: Welcome back, Erika.

Erika: Thank you.

Ben: Meera, are you online?

Meera: Yeah, good morning, everyone. Should I then start?

David: Yes, please.

Meera: I hope everyone has a copy of the Financial Statement?

Ben: Yes, everybody does.

Meera: Okay, so let's start with the Statement of Operation, which is Statement 2 on page number 2. During this fiscal year, March 31, 2021, the total revenue for the Society was \$809,603.00. That is the total revenue recorded. The total expenses were \$754,571.00 with a net surplus of \$55,000.00. I would like all of you to go to get a breakdown of this number. I want all of you to go and have a look at Schedule 1 and Schedule 2, which is pages number 10 and 11.

Let's start with page 10, which gives us kind of a breakdown. The total revenue we divide into Operating Fund and then Research Fund. For the Operating Fund, the total funding received was \$720,048.00. Then total expenses were \$665,015.00. The surplus we are seeing on Statement 2, the Statement of Operation, is actually from this funding, the operating funding, \$55,000.00 surplus recorded.

If we look at Schedule 2 for the Research Fund, the total funding received for this fiscal year was \$269,832.00. Then we can see that transfer from default revenue, which is the surplus amount from the last fiscal year, the fiscal year 2020. So, for the fiscal year 2020, if you look at the comparative number, we had received \$551,000.00. We had total funding of a level. The total expenses were \$383,000.00, and there was some unspent money, \$168,000.00, which we deferred to this fiscal year 2021. We took that into account, so total funding of a level for the Research Fund was \$440,202.00, and total expenses was less this fiscal with expenditure only \$89,554.00. This gives us a surplus amount of \$350,000.00. Then we again, default that amount for the next fiscal year to be spent, which we can see here.

If we go back now to Statement 2 where we see the net surplus amount of \$55,032.00, that is from the Operating Fund. I would also like you to have a look at Statement 3, which gives a total change in the net assets on page number 3. There, we will see we had the beginning balance of the net asset on the Operating Fund. We had a negative net asset for the Operating Fund, \$8,811.00 from the prior fiscal year. For the Research Fund, we had \$208,000.00. What we did was the excess fund of \$55,000.00 was there, and then the rest of the amount, \$46,000.00 we actually transferred it to the Research Fund. Basically, we have nothing at the Operating Fund at the end net asset-wise, but for the Research Fund, we have \$254,737.00. That is our net assets.

Now, if we go to Statement 1 on the Financial Position of the Society as of March 31, 2021, we had cash asset on March 31st on the bank at \$339,000.00. This is because we got some deferred revenue. This cash is basically that deferred revenue that we received, which we will be spending for the next fiscal year, \$339,000.00.

We also have \$300,000.00 on the deposit as of that time. Account Receivables was \$14,781.00, which if you want to look at the detail of the Account Receivables, we will have to go to 6... on page number 7. Part of that is GST Receivable. I believe it has already been received now, but it is as of March 31st. Then we had a little bit Interest Receivable, \$18.51.00. So, the total is \$14,781.00 of the Account Receivables.

Let's go back to Statement 1 again. It is just the insurance, prepaid insurance. Let me go back and check on that. Yeah, it is prepaid insurance. That is because we paid insurance in a bulk amount for the whole year. Then because our fiscal year end is March 31st, there is a tiny difference, and we had to record that prepaid, which will be used for the next fiscal year.

Then we had Tangible Capital Assets of \$6,880.00, a very small amount, which we will see in Note 8 the detail of the Tangible Capital Assets. We have furniture and equipment, cost-wise almost fully depreciated everything. Computer equipment is almost fully depreciated. The website is leasehold improvement. Those are the details of the capital assets on Note 8, on page 7. Those are the Capital Assets of the Society.

Then we have Accounts Payable and Accrued Liabilities, again on Statement 1, of \$23,000.00. I think part of is accounting auditing accruals and other payables. If you want the details, I can give you the details of that, which were like payables at the yearend but were already paid, I believe, after the yearend. Then Wages and Benefits Payable. We were just accruing Wages and Benefits Payable because of the timing difference. Payroll Tax Payable of \$10,417.00. Then there is Default Revenue of \$350,000.00, which is the unspent money that we had. We will be spending it the next fiscal year.

Then we have the Default Capital Contribution. Basically, a couple of years ago, the Society received the funding to buy the capital assets. Every year what we do is we...We did not expense all of those funding at that time, but what happened is we capitalized those expenses. Then every year, we depreciate that. So basically, it is in and out. We recognize the revenue every year. Then we also take part of the expenses out from those capital assets. We have now \$7,149.00 left for this Default Capital Contribution. On the Net Asset Operating Fund, we have nothing because we transferred that \$44,000.00 up to the Research Fund. We had a net asset of \$254,000.00 for the Research Fund.

This was the total overall Financial Statement. We have all those notes. Are there any questions you can ask me?

David: Are there any questions from folks? That was blasting right through the Financial Statement. Natalie?

Natalie: I guess you cannot see the hand up on the screen. I'm sorry. Like Ken, I am not an accountant either, so if this is a stupid question, please bear with me. I see you have \$350,000.00 in the deferred revenue.

Meera: Yes.

Natalie: Perhaps I don't understand what that means, but to me, that means you are just carrying that forward. Is that correct?

Meera: Yes.

Natalie: So, should that not go into the Research Fund? That is, I think, what the Agreement says. Any surplus would carry into the Research Fund, and is that happening?

Meera: Yes. It is in the Research Fund. If you look on Schedule 2, there we are showing that is our total revenue. Then we defer, so that is part of the Research Fund. Yes, you are right.

Natalie: Sorry, on Schedule 2?

Meera: It is on page 11.

Natalie: It says just transfer to deferred revenue, but if you go to the Research Fund, it is not showing it. That is where I am confused, I guess.

Meera: Oh, okay. What you are saying is on Statement 3.

Natalie: Yes.

Meera: Because that is still not part of the Net Assets, because we are going to be spending it next year. So, right now it is in the bank. It is part of the Research Fund, though, which we will spend next year.

Natalie: Yeah, I guess I don't understand, because the \$160 from last year should have gone into the Research Fund, right? It should be accruing, but is there somewhere that is showing that overall number?

Meera: The policy, I believe, is that the Research Fund if there is any extra, would try to put it into term deposits as a restricted fund. Right now, because it is going to be spent next year, there is no kind of segregation on the funding part, on the cash-wise, because they only have one bank account.

David: I think what Natalie is trying to get at is how much money do we have in the Research Fund right now?

Meera: On the cash-wise, right?

Natalie: Or overall, right? Research is probably going to get pricy in the next couple of years, right? So, it would be nice to know how much there is overall. Yes, thank you, David.

David: Yes.

Meera: For that, the Society for next year, or going forward, needs to segregate even the funds, all the Research Funds in one account and the Operating Fund on the other account.

Ben: We do have two accounts, Natalie. One bank account is the Research Account. One bank account is the Core Account, which is for core operations.

Natalie: Oh, okay, okay. Sorry, yes.

Ben: Then what we have been rolling because we had so much money in the account. We put it into GICs. As of November, the 18th when I gave you the update, we have \$403,250.00 in GICs. That will not be reflected in the financial statement that you are looking at now, because we have rolled that money over.

Meera: Sorry, Natalie. There is one other thing. Sorry, my mistake. Also, if you go to Note 4 on page 7 of the Financial Statement, you will see the breakdown of those two bank accounts.

Male: Research is 197 plus the other 300...

Meera: And the GIC also. On the research bank, we had \$197,000.00, and after the GIC it is \$300,00.00, which is also part of the Research Fund.

Male: So, it is just about \$500,000.00 total in research.

Natalie: So, next year we will see \$350,000.00 added to that?

Meera: If there is any surplus amount. Yes, if there is any cash, unspent money.

Natalie: But you just said there was \$350,000.00 surplus. According to the way I thought it was supposed to work, that surplus would go directly into the Research Fund.

Meera: Yes, so what happened Natalie, as of March 31st, 2021, there was a surplus amount of \$ 351,000.00 on deferred revenue. If we look at the GIC and the research bank, \$300, \$400, almost \$500,000.00 there, right?

Natalie: Yeah, okay. I do not want to hold you up.

Meera: It is actually a very valued question. It should be clear, but it is like that. If you look at Statement 3, we had a net asset of \$254,000.00 for the Research Fund. We also have that surplus amount. That is what I think you were trying to understand. We also have that unspent surplus fund there. If we do that \$300,000.00, \$450,000.00, I know it is not exactly the same on the cash-wise, exactly matching, but that is what the concept is. It is \$254,000.00 net asset, and then we had that extra fund also, \$300,000.00, around \$500,000.00.

David: I am going to suggest that we fix this, not fix the accounting, of course, but fix the explanation so that next time around we all know clearly, including myself, what we have in our research pot.

Meera: Cash-wise, right.

David: What is available for research, let's put it that way.

Natalie: Thank you very much. That would be great.

David: I would like that too.

Meera: Okay.

David: Are there any other questions from folks?

Meera: I see...hold on one second. I see there is some question here. Hold on.

Ben: Is there a reason the GIC is not listed in the Research Fund breakdown under Schedule 2? That might make things clearer.

Meera: Sorry, can I have the question again? Is there any reason?

Ben: Is there a reason that the GIC is not listed in the Research Fund breakdown under Schedule 2? That might make things clearer.

Meera: Under Schedule 2... Oh, Schedule 2 is just the income statement, the Statement of Operation, whereas GIC is the balanced items. So, we cannot put that in here.

David: Okay, well, the world of accounting is mysterious at best for most of us.

Meera: What we can definitely do better is clarifying exactly, as Natalie said. Maybe what we will do going forward is we will make sure that the cash amount in the research bank and the GIC exactly reflects what the amount was available for the Research Fund.

David: Exactly. In three to four separate discrete categories, we answer the questions that people have when they are faced with this document, and speaking for myself, cannot necessarily follow the logic that auditors use.

Meera: Yes.

David: I am being gentle here. You guys speak a different language, and I have noticed from time to time that the words you use in auditing context, have the opposite meaning that we regular folks would attribute to.

Meera: Okay. I try to use general language. I know sometimes when we speak, we do use those kinds of terms, which might be a little bit confusing.

David: Well, it depends on which world you have your feet in at that time, I think. Yeah. Are there any other questions from anyone?

I did not see anything in the chat either. Alright. Well, I think that concludes the discussion then on the Financial Statement. Meera, you are welcome to hang in for the rest of the meeting.

Meera: Thank you so much. You know what? If there are any questions later, feel free to email me, or Ben can email me. Thank you, everyone.

David: Thank you, Meera.

Ben: Thank you, Meera. Appreciate it.

Meera: Bye.

Confirmation of Directors:

David: The next item on the agenda is confirmation of GMOB directors. I guess what I will do, just to save time again, is suggest that if anyone is planning to leave before their term ends or before the end of this coming year, let us know. Are any of the directors planning not to fill out their term or fill out the coming year, whichever comes first?

Alright, so we are all in.

Additional Issues and Next Meeting:

David: Okay, next is additional business. Is there anything that anybody would like to raise now, just noting that we will have more fulsome discussions this afternoon in the regular semi-annual meeting? For the purpose of the AGM, is there anything to raise? Yes, Natalie?

Natalie: I guess I would only raise it here, because I think Ben mentioned it in his summary about the co-proponents meeting not meeting in two years. Definitely, we would like to meet. Just for the record, we would welcome those to start again.

David: Thanks. Is there anybody else or anything else?

(Pause)

Alright, so the next meeting will be roughly six months from now. As I said, I would really like it if we could meet physically for those who can make it. We will look to the schedule and see where we can squeeze in the next semi-annual meeting. The next AGM will be in about a year from now. Hopefully by then, there will be no questions about meeting physically, but we never know.

Just on that, for the time being, Natalie and whoever wants to speak for the GNWT, are there any constraints that you guys have for physical meetings at this point, other than the usual Chief Public Health Officer?

Natalie: Nope, only the Chief Public Health Officer. I think our office is at a maximum of 25 people. We have not applied for an exemption, so that would be our restriction.

David: Okay, and of course I think if we did meet, everybody would need to be fully vaccinated. That goes without saying. Is there anything from the GNWT? Are there any constraints that you guys face currently? Erika?

Erika: Well, I am looking at Alex on his little screen like, "You go, Alex." He is the big boss. These days, he is Acting Director. We are able to meet. If we do want to have meetings anytime in the near future, our basement boardroom is available, our big one. We are able to meet with external parties, so we are good to go again, acknowledging the capacity limits.

David: Okay, that is great to know.

Ken H: Do you guys allow visitors in the offices yet?

Alex: We have an exemption from the Chief Public Health Officer as well that allows for visitors to come in for meetings, so we can actually meet on our floor as well. The boardroom is quite small, but folks can come to the office if they need to.

Ken H: So, that would be like a prearranged meeting and not a drop-in?

Alex: That's right. Yeah, for anything drop-in, there are two locked doors for each floor. We can meet folks in the lobby. If we invite external folks, they can visit the floor with our exemption.

David: Alright, so for the record, that was Ken Hall, Alex, and Erika. Let's adjourn. When do we get together again?

Ben: 1:00.

David: 1:00. Alright, that was short and relatively sweet. Thanks very much, folks. We will see you again at 1:00.

Natalie: Is the link the same as this one?

Ben: Yes, it is.

Natalie: Perfect. Thank you.

MEETING ADJOURNED



Ken Hall
Acting Chair, Giant Mine Oversight Board

December 5, 2022

Motions

Motion: Moved: Erica Nyssonen moved to approve the agenda

Seconded: K. Froese

Motion carried

Motion: Moved: Ken Hall Moved to accept the GMOB AGM Minutes of December 16, 2020.

Seconded: A. Lynch

Motion carried

Action Item

1. That future GMOB Audited Financial Statements will provide specific details about the GMOB funds for the GMOB Research program.
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