



# Annual Report 2020-2021

And Audited Financial Statements



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## Message from the Chairperson



I am pleased to be reconnecting with you and to share the work the Review Board has done over the last fiscal year in this Annual Report. The Covid-19 pandemic affected us all in both our personal lives and in the work world. We all have had to adapt to dynamic situations, in which unpredictability has become the norm.

Beginning in March of 2020, our Board and staff pivoted to remote operations that would allow us to continue our work safely. In August of 2020, the Board released a Public Notice stating that meaningful engagement and consultation remains a central part of its work, but different approaches would be needed to protect the health and safety of our staff, individuals, and communities. We reopened our doors a few months later in late August with the flexibility of remote work as necessitated by the changing situation.

Despite the challenges of working in a remote and dynamic environment, the Review Board continued its work. The Pine Point Mine environmental assessment began in February 2020 and proceeded with online start-up and scoping meetings. At all stages of the assessment, the Board requested and worked with communities' preferred engagement methods to make sure that people can participate effectively and safely in our process safely even during these challenging times. We extend our deep gratitude to everyone who helped make this transition as smooth as possible.

The shift to remote work opened many doors to new opportunities for outreach and collaboration with external partners. Board members and staff attended and presented at conferences, workshops and continued collaborating in working groups within the Territory, across the North and nation-wide. Many of these opportunities focused on issues related to well-being, cumulative effects assessment and ongoing EA improvement initiatives.

Lastly, we thank our out-going Board member Kirby Marshall for his service and wish him well in his future endeavors. We look to the future with hope and look forward to the days when we can continue our work in-person in, and in service of the communities of the Mackenzie Valley.

Sincerely,

A handwritten signature in dark ink, appearing to read "JoAnne Deneron".

JoAnne Deneron  
Chairperson



## Mission Statement

We conduct fair, effective, timely, and evidence-based environmental impact assessment processes that consider:

1. the protection of the environment from the significant adverse impacts of proposed developments.
2. the protection of the social, cultural, and economic well-being of residents and communities in the Mackenzie Valley; and
3. the importance of conservation to the well-being and way of life of the Aboriginal peoples of the Mackenzie Valley.

## Vision Statement

Making wise environmental impact assessment decisions that balance the diverse values, interests, and knowledge of all residents of the Mackenzie Valley, while ensuring the protection of the environment for present and future generations.



## VALUES

The following values guide the Board's decisions as we work toward realizing our mission, vision, and goals.

<b>Committed</b>	<ul style="list-style-type: none"> <li>• We are committed to our obligation and duty to ensure our decisions are balanced and respect the interests and knowledge of all communities in the Mackenzie Valley.</li> </ul>
<b>Balanced</b>	<ul style="list-style-type: none"> <li>• We consider both traditional knowledge and scientific knowledge.</li> </ul>
<b>Diverse</b>	<ul style="list-style-type: none"> <li>• We acknowledge and benefit from the diversity, unique backgrounds, knowledge, and perspectives of our Board and staff.</li> </ul>
<b>Fair</b>	<ul style="list-style-type: none"> <li>• Our processes are transparent to ensure fair, accessible, and accountable decisions and operations.</li> </ul>
<b>Inclusive</b>	<ul style="list-style-type: none"> <li>• We are inclusive and open, considering holistic perspectives and consulting and collaborating with each other and our parties to ensure the highest benefits for all.</li> </ul>
<b>Trust and Respect</b>	<ul style="list-style-type: none"> <li>• We strive to create an environment based on mutual respect, trust, and honesty that enables effective and efficient teamwork and consensus decision making.</li> </ul>
<b>Continuous Learning</b>	<ul style="list-style-type: none"> <li>• We value continuous learning and improvement, fostering an environment of innovation and adaptation.</li> </ul>



## About the Review Board

The Review Board is an administrative tribunal that was established through the *Mackenzie Valley Resource Management Act* (MVRMA) that resulted from the Gwich'in Comprehensive Land Claim Agreement, the Sahtu Dene and Métis Comprehensive Land Claim Agreement, and the Tłıchǫ Agreement. The Review Board conducts carries out Environmental Impact Assessment (EIA) in the Mackenzie Valley.

## Board membership

The Review Board consists of nine members appointed by the Minister of Crown-Indigenous Relations and Northern Affairs Canada. The chairperson is typically appointed on the nomination of the Review Board. The remaining eight regular board members are appointed in equal numbers from nominees submitted by government (federal and territorial) and Aboriginal land claimant organizations. As a result, the Review Board is a co-management board with an equal number of members from Aboriginal land claimant organizations and from both levels of government.

There was only one change to the composition of the Board this fiscal year. Mr. Kirby Marshall (Yellowknife) completed his appointment term on November 20, 2020. He was nominated by the Territorial Government and served 2 terms from April 1, 2014, to March 31, 2017 and April 1, 2017 to November 20, 2021.

As of March 31, 2021, the Board has the following members:

JoAnne Deneron, Chairperson  
Jim Edmonson (Federal nominee)  
David Krutko (Gwich'in nominee)  
Sunny Munroe (Federal nominee)  
Bertha Norwegian (Deh Cho nominee)  
Dr. Ron Wallace (GNWT nominee)  
Ms. Jane Weyallon (Tłıchǫ nominee)  
Yvonne Nakimayak (Sahtu nominee)  
Vacant-GNWT nominee





## Review Board Members 2019-2020



Bertha Norwegian



Jane Weyallon



Ron Wallace



David Krutko



JoAnne Deneron-Chair



Jim Edmondson



Yvonne Nakimayak



Kirby Marshall

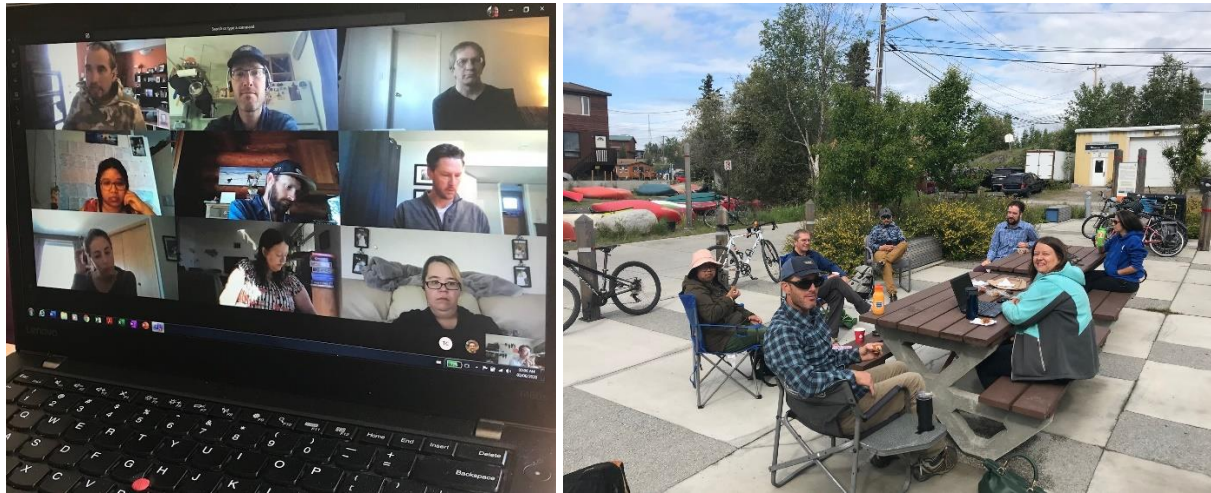


Sunny Munroe



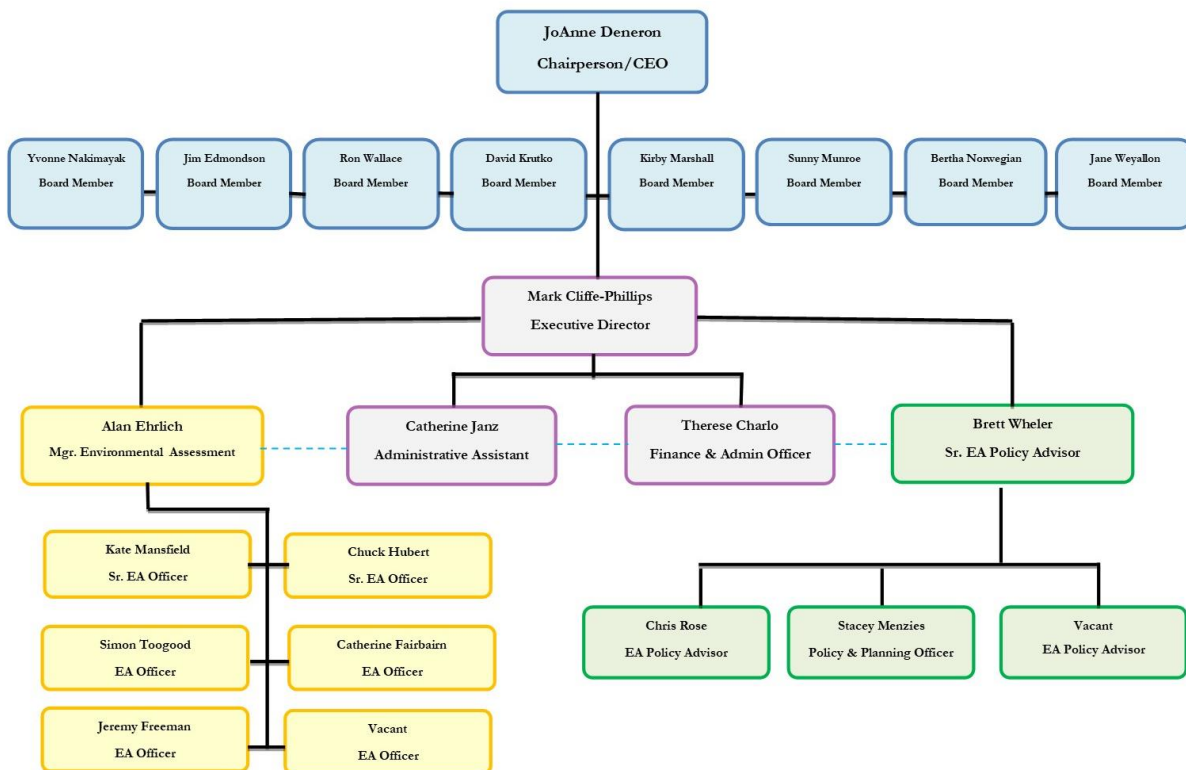
## Review Board Staff

In 2020-2021 there was one staffing change at the Review Board office. Brett Wheler, Senior Environmental Assessment Policy Advisor, left the Review Board in August 2020 to pursue other opportunities. Brett joined the Review board in 2015 and was instrumental in advancing many of the Review Board's strategic and operational goals. We will miss his enthusiasm, dedication, and creativity. We wish Brett all the best on his new adventures.



Review Board Staff were required to adapt to the changing public health orders and updated workplace health and safety policies throughout the fiscal year.

## Organizational Chart





## Working Strategically

In addition to carrying out its core functions as required by the MVRMA, the Review Board is working hard to achieve the goals of its Strategic Plan, which was approved in September 2018 for the period 2018-2022.<sup>1</sup> These goals help support continuous improvement in environmental impact assessment and the Mackenzie Valley's integrated resource management system.

Some of the work that we are doing to advance these goals, which is described in more detail throughout this annual report, include:

- engaging with parties to develop guidelines and policies including:
  - providing updated guidance to preliminary screeners,
  - clarifying information requirements to begin environmental assessments and
  - assessing impacts on people and well-being more effectively
- establishing working relationships with other co-management boards in the Northwest Territories, Nunavut, and the Yukon, as well as with federal and provincial assessment bodies, to address common challenges, share emerging best practices, and work towards practical solutions.
- ongoing outreach across the spectrum of participants in the EIA including communities, IGOs, federal and territorial governments, industry, to help promote effective participation in our processes.

### Strategic Plan Goals

**Goal 1-** Conduct timely, effective, and evidence-based Environmental Impact Assessment (EIA) processes

**Goal 2-** Be an efficient, innovative, adaptive, and transparent Board

**Goal 3-** Enable and encourage inclusive and effective participation in EIA

**Goal 4-** Strengthen our role in, and contribute to, an effective integrated resource management system

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<sup>1</sup> Available on the Review Board website at [https://reviewboard.ca/file/1153/download?token=fgMT\\_smU](https://reviewboard.ca/file/1153/download?token=fgMT_smU)

## Environmental impact assessment process

All development projects in the Mackenzie Valley undergo some level of environmental impact assessment:

- 1 **Preliminary Screening:** where projects are assessed, usually by regulatory authorities, to see if they MIGHT have significant adverse impacts or be a cause of public concern and should therefore be referred to the Review Board for further assessment
- 2 **Environmental Assessment:** where the Review Board looks at a development proposal in detail to see if there are likely to be significant adverse impacts, and what measures might be required to reduce or avoid those impacts
- 3 **Environmental Impact Review:** when the impacts of a proposal or part of a proposal require further assessment, a Panel conducts an environmental impact review to determine what measures might be required to reduce or avoid significant adverse impacts.

Projects typically follow a standard path through environmental assessment:







## Review Board Workload

Despite the emergence of and required response to the COVID-19 pandemic, the Review Board's workload has remained consistent with the previous fiscal year. The Review Board conducted (or was in the process of conducting) five environmental assessments during the 2020-2021 fiscal year, which required the use of Board staff resources, external technical support (consultants), legal review, and community and technical sessions.

### Working safely during the COVID-19 pandemic

The Review Board responded quickly and decisively to the COVID-19 pandemic and implemented a *COVID-19 Exposure Control Plan* to ensure the safety of our employees, Board members as well as members and the public. We embraced a remote workplace, made use of new and emerging technologies to conduct our work virtually and re-assessed and adapted the way we work as conditions changed through the year.<sup>2</sup>

### Environmental Assessments Summary

This table is an overview of the status of environmental assessments during the period from April 1, 2020, to March 31, 2021. Detailed information about each of these assessments is provided below the table. See [Appendix A](#) for map of locations of the developments currently undergoing environmental assessment.

Environmental assessment	Referred	Status at April 1, 2020	Status at Mar 31, 2021	Notes
Pine Point Mine Project, Pine Point Mining Ltd. (EA2021-01)	February 4, 2021		Review Board hosts EA start-up and information sessions March 5 and 12, 2021	Review Board planning technical and community scoping meetings for April, May 2021

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<sup>2</sup> For more information on how we evolved to continue working safely during the pandemic, please see our Public Notice on engagement and consultation during COVID-19 online here: [https://reviewboard.ca/sites/default/files/news/files/public\\_notice\\_on\\_engagement\\_and\\_consultation\\_during\\_covid-19\\_-\\_august\\_13\\_2020.pdf](https://reviewboard.ca/sites/default/files/news/files/public_notice_on_engagement_and_consultation_during_covid-19_-_august_13_2020.pdf)



Environmental assessment	Referred	Status at April 1, 2020	Status at Mar 31, 2021	Notes
Depositing Processed Kimberlite in Pits and Underground -Diavik Diamond Mines (EA1819-01)	February 19, 2019	GNWT and Canada were conducting consultation with Indigenous organizations on the Board's Report of EA April-June 2020.	June 4, 2020: the responsible Minister's accepted the recommendation with associated measures in the Review Board's Report of EA	In the fall of 2020, the licence amendment proceeded to the regulatory phase. In April 2021, the WLWB sent its recommendation for approval of the Type A Water Licence to the GNWT Minister, ENR for decision.
Howard's Pass Access Road- Selwyn Chihong Mining Ltd. (EA1516-01)	June 10, 2015	Selwyn Chihong preparing its Developer's Assessment Report	Selwyn Chihong preparing its Developer's Assessment Report	On March 4, 2021, Selwyn Chihong advised that it had paused work on its DAR. The developer will do additional design work to make a viable Project before re-commencing the EA.
Mackenzie Valley Highway, Wrigley to Norman Wells, GNWT - Infrastructure (EA1213-02)	February 8, 2013	GNWT Infrastructure preparing its Developer's Assessment Report	GNWT Infrastructure preparing its Developer's Assessment Report	GNWT's revised project description (321 km all-weather gravel highway from Wrigley to Norman Wells) was submitted Aug 2014. Revised terms or reference approved by the Board February



Environmental assessment	Referred	Status at April 1, 2020	Status at Mar 31, 2021	Notes
				2015.
Yellowknife Gold Project- Tyhee NWT Corporation (EA0809-003)	September 2008	EA suspended.	EA suspended.	Review Board issued letter July 25, 2013 suspending EA until developer provides requested information.  Last communication from Tyhee to Review Board received August 19, 2013.

### **EA2021-01: Pine Point Mine Project, Pine Point Mining Ltd.<sup>3</sup>**

Pine Point Mining Limited is proposing to build a zinc and lead mine 42 km east of Hay River and 53 km southwest of Fort Resolution. Construction will take approximately 1.5 years with a mine life of 10 to 15 years. Zinc and lead will be mined using both open pit and underground mining methods. A process plant, camp and other facilities will be built. Once mining is finished closure and reclamation will take place.

#### **Referral to environmental assessment**

Pine Point Mining Ltd. submitted its EA Initiation Package on February 2, 2021, and on February 4, the Review Board ordered the project to environmental assessment. The Review Board's Reasons for Decision to conduct an environmental assessment of the

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<sup>3</sup> Please see the public registry for this file at <https://reviewboard.ca/registry/ea2021-01>



Project included the following rationale:

- the Project involves a large-scale industrial development
- the area is traditionally used by several Indigenous groups and is relatively close to Indigenous communities and the Town of Hay River
- the Project partially overlaps and uses the location of the historic Pine Point Mine, which has not been fully reclaimed
- the potential impacts of the Project may combine cumulatively with past, present, and future activities in the area

### **Scoping phase**

On March 5, the Review Board hosted an online meeting with parties to describe the steps in the start-up phase and scoping phase. This meeting also described how the submission of the EA Initiation Package is different from the start of past EA's, some tips about how to prepare for the scoping phase, and a request to parties asking for preferred engagement methods during the time of COVID-19 gathering restrictions.

On March 12, the Review Board hosted a second online meeting where Pine Point Mining Ltd presented its EA Information Package, described the structure of the document, and presented the project description and Developer's Assessment Proposal. The purpose of the meeting was also to prepare parties for upcoming community and technical scoping meetings.

### **EA1819-01: Depositing Process Kimberlite in pits and underground – Diavik Diamond Mines<sup>4</sup>**

Diavik Diamond Mines Inc. (Diavik) proposed to amend its water licence to deposit processed kimberlite, a mine waste, into mined out open pits and underground mine workings. Diavik proposed to then cover the processed kimberlite in the pits with fresh water from adjacent Lac de Gras. Diavik would then breach the dykes around the pits, reconnecting the flooded pits to Lac de Gras.

### **Review Board Report of EA with recommendation and measures**

The Review Board submitted its *Report of Environmental Assessment and Reasons for Decision* (the Report) on Diavik's Depositing Process Kimberlite in pits and underground

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<sup>4</sup> Please see the public registry for this file at <http://reviewboard.ca/registry/ea1819-01>



project to the GNWT Minister of Lands on January 6, 2020. The Review Board's recommendation, pursuant to subparagraph 128(1) (b) (i) of the *Mackenzie Valley Resource Management Act* (the Act), was that the Project be approved subject to the implementation of six measures and Diavik's commitments as recorded in the Report of EA.

In the Report, the Review Board found that the project is likely to cause significant adverse impacts on the environment and recommended the following measures to mitigate those impacts:

- ensure that water in the pit lake(s) meets new water quality objectives
- collaboratively develop criteria for judging if water will be good for cultural use
- update water quality modelling
- establish an independent review panel to improve updated modelling
- conduct additional and more effective engagement with potentially affected Indigenous communities

The Review Board also directed a measure to the GNWT to work with potentially affected communities to develop community-specific indicators of well-being and adaptively manage project specific and cumulative impacts on cultural use of Lac de Gras.

### **Responsible Ministers' Adopt the Review Board's Recommendation**

On June 4, 2020, the delegated Minister (GNWT Lands), on behalf of the other responsible ministers, decided to adopt the Mackenzie Valley Environmental Impact Review Board's January 6, 2020 recommendation.<sup>5</sup> This recommendation, pursuant to subparagraph 128(1) (b) (i) of the Act, was that the Project be approved subject to the implementation of six measures and Diavik's commitments as recorded in the Report of EA. These measures and commitments are to prevent significant adverse effects on the cultural use of Lac de Gras, including cumulative impacts.

### **Consideration of potential adverse effects to Aboriginal and Treaty Rights**

During January through May 2020, the GNWT and Government of Canada conducted Crown consultation activities with Indigenous governments and organizations. Specifically, GNWT and Canada asked Indigenous governments and organizations whether, after considering the Review Board's Report and recommendations, they

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<sup>5</sup> Available online at [Decision letter - Responsible Ministers adopt Review Board's recommendation](#)



identified any outstanding adverse impacts on established Treaty rights or asserted Aboriginal rights.

The responsible ministers completed a fulsome analysis of the Review Board's recommendation (including the measures) in addition to considering new evidence from correspondence from Indigenous organizations and governments.

### **Decision of responsible ministers – June 4, 2020**

Pursuant to sub-paragraph 130(1)(b)(i) of the Act, the responsible ministers have agreed to adopt the recommendation of the Review Board as worded. The responsible ministers also noted the Review Board's suggestions and follow-up program in the Report of EA. The responsible ministers encouraged the Wek'èezhìi Land and Water Board, Diavik, and Indigenous government organizations, as applicable, to give due consideration to these suggestions and the follow-up program as the GNWT and Government of Canada commit to doing the same.

### **Regulatory phase - amendment to Type A Water Licence**

After the completion of the environmental assessment, the regulatory phase of the licence amendment was conducted by the Wek'èezhìi Land and Water Board (WLWB). Diavik submitted its amendment application in the fall of 2020 based on the requirements of the Report of Environmental Assessment. Interventions were submitted by parties and a public hearing was held. In April 2021, the WLWB sent its recommendation for approval with the Type A Water Licence to the GNWT Minister of Environment and Natural Resources for a decision. The Minister signed the Water Licence in June 2021.

### **EA1213-002: Mackenzie Valley Highway – GNWT Infrastructure<sup>6</sup>**

The Mackenzie Valley Highway Project is the construction and operation of a 321 km permanent all-season gravel highway from Wrigley to the Norman Wells. The route mostly follows the existing on-land winter road. The Project includes water crossings, temporary and permanent quarry sites, and maintenance camps along the route.

The developer is the Government of the Northwest Territories, Department of

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<sup>6</sup> Please see the public registry for this file at:

[http://www.reviewboard.ca/registry/project.php?project\\_id=672](http://www.reviewboard.ca/registry/project.php?project_id=672)



Infrastructure. The Review Board issued its revised Terms of Reference for the all-season highway on February 13, 2015. The GNWT continues to update the Review Board on its community engagement and baseline information collection activities in support of its Developer's Assessment Report but has not proposed a submission date.

### **EA1415-02: Howard's Pass Access Road – Selwyn Chihong<sup>7</sup>**

The Howard's Pass Access Road project is an expansion and upgrade of the existing 79 km mineral exploration road in the NWT between Cantung and Howard's Pass. The developer is Selwyn-Chihong. The project begins at km 188 of the Nahanni Range Road, east of the Yukon border near Cantung, and continues north in the NWT to Howard's Pass where the road turns west into the Yukon. The majority of the project passes through the Nahanni National Park Reserve and the Naats'ihcho'oh National Park Reserve in the NWT.

Project activities include widening and clearing the existing road right of way, upgrades to bridges and culverts, extraction of borrow materials, and use of the road for a proposed lead- zinc mine site in the Yukon west of Howard's Pass. The scope of development for the project includes use of the road by the Yukon mine throughout its operations phase, to haul lead and zinc concentrates from the mine through the NWT south to markets. In addition, supplies needed to construct and operate the mine throughout its life, including fuel, milling reagents, camp supplies, and consumables will be transported north through the NWT along the project to the Yukon mine site.

The project was referred to the Review Board for environmental assessment by Parks Canada in June 2015. The Review Board began its review of the developer's proposed Terms of Reference and conducted scoping meetings in NWT and Yukon communities during the summer and fall of 2015.

The Review Board drafted a Terms of Reference in February 2016 based on information gathered during scoping meetings, information from the developer, and suggestions from parties. Parties submitted comments on the draft Terms of Reference in early winter 2016 and on March 17, 2016, the Review Board issued its *Final Terms of Reference* for the environmental assessment of the project.

On March 4, 2021, Selwyn-Chihong advised the Review Board that it had paused work on the Project. The developer asked for this pause to take time to improve the mine plan

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<sup>7</sup> Please see the public registry for this file at [http://reviewboard.ca/registry/project.php?project\\_id=949](http://reviewboard.ca/registry/project.php?project_id=949)



which would give a better understanding of the type of access road required.

### **EA0809-003: Tyhee NWT Corporation– Yellowknife Gold Project (2008)<sup>8</sup>**

The Yellowknife Gold Project is a proposed open pit gold mine located 88 km northeast of Yellowknife and is adjacent to the historic Discovery Mine site. In August of 2012, the developer advised the Board of changes to the project description and indicated that a revised project description and responses to information requests would be submitted.

In June 2013, the developer stated to the Review Board that it required additional time to prepare an updated project description and respond to information requests from parties and the Board. On July 25, 2013, the Review Board told the developer in writing that failure to provide the required information within one month would result in suspension of the EA. The developer responded on August 19, 2013, that it was unable to provide the information as requested. The Yellowknife Gold Project was therefore suspended until further notice.

### **Follow-up and monitoring phase for environmental assessments**

In recent *Report of Environmental Assessment and Reasons for Decision* documents, the Review Board included measures requiring developers and regulatory authorities to report on the implementation and effectiveness of Report of EA measures. The Review Board was actively monitoring the follow up and monitoring programs for the following projects:

1. EA1314-01 – Dominion Diamond Ekati Corporation – Ekati Mine Jay Expansion Project
2. EA1415-01 – Canadian Zinc Corporation – Prairie Creek Mine – All-Season Road
3. EA1617-01 – GNWT, Infrastructure – Tłıchǫ All Season Road

### **EA1314-01: Jay Project – Dominion Diamond Ekati Corporation<sup>9</sup>**

The Jay Project is an expansion of the existing Ekati diamond mine and consists of a proposed open pit at Lac du Sauvage. The developer is Dominion Diamond Mines. The Report of Environmental Assessment with its measures was accepted by the Minister in 2016.

Measure 13-3 in the Report of EA, requires that Dominion Diamond Mines annually report on the implementation and effectiveness of its measures directed to it. In its June

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<sup>8</sup> Please see the public registry for this file at [http://reviewboard.ca/registry/project.php?project\\_id=71](http://reviewboard.ca/registry/project.php?project_id=71)

<sup>9</sup> Please see the public registry for this file at [http://www.reviewboard.ca/registry/project.php?project\\_id=674](http://www.reviewboard.ca/registry/project.php?project_id=674)





30, 2020, Annual Measures Report, Dominion advised that work related to the Jay Project was on hold until the completion of an optimization study. This means that some of the measures do not have any actions to report. The reporting period for this annual report is January 1, 2019 – December 31, 2019.

Highlights from Dominion's Annual Measures Reporting June 30, 2020 include updates on measures related to:

- Closure objectives and criteria for the Jay Project components (Measure 4-1)
- Dike stability and safety (measure 4-4)
- Protection of the narrows (measure 5-1)
- Caribou offset and mitigation plan (Measure 6-2a)
- Supporting increased employment opportunities for women (Measure 8-2)
- Incineration stack testing and reporting (Measure 9-1)
- Engagement on cultural impacts (Measure 13-2)

Measure 13-4 from the Report of EA requires that GNWT reported on the implementation and effectiveness of its measures from the Jay Project. Some measures had no reporting during the reporting period due to a delay in the Jay Project expansion. Highlights from GNWT Annual Measures Reporting 2020 includes updates on measure related to the timely completion of caribou management plans (Measure 6-6)

#### **EA1415-01: Prairie Creek All-Season Road - NorZinc<sup>10</sup>**

NorZinc (formerly Can Zinc) proposes to construct, operate, and close an all-season gravel road from the Liard Highway at the Nahanni Butte access road to the Prairie Creek mine. Approximately half of the proposed 180 km road passes through the Nahanni National Park Reserve. The majority of the other half is on GNWT lands, with a small portion passing through lands administered by Crown-Indigenous Relations and Northern Affairs Canada. Construction will take 3 years and the operational phase of the road is 17 years.

On October 9, 2018, the Minister of Crown-Indigenous Relations accepted the Review Board's recommendation to approve the project subject to implementation of the measures and the developer's commitments.

Measure 15-2 and Measure 15-3 require the developer and GNWT respectively to report on the implementation and effectiveness of measures directed to them in the

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<sup>10</sup> Please see the public registry for this file at [http://reviewboard.ca/registry/project.php?project\\_id=680](http://reviewboard.ca/registry/project.php?project_id=680)



Report of EA. The reporting date is the end of June 2019 and annually on that date for the life of the project. This project has not yet commenced. However, GNWT reported updates on measures related to:

Managing traffic on the road (Measure 5-2 Part 2)

- Wildlife Management and Monitoring Plan (Measure 6-2:  
Archaeological Impact Assessment (Measure 10-2)

The Review Board did not receive a measures implementation report from NorZinc. Road construction for the project had not yet started during the reporting period.

### **EA1617-01: Tłıchq All-season Road, GNWT Infrastructure<sup>11</sup>**

The Tłıchq All-season Road (TASR) project consists of the construction and operation of a 94 km all- season road from Highway 3 at km 196 west of Behchokq, north to Whatı. The two-lane road will have a gravel surface with a 60m wide right-of-way. Road construction is expected to take up to four years to complete and the road will be permanent. The developer is the Government of the Northwest Territories – Infrastructure (INF).

Measure 14-1 requires the developer GNWT Infrastructure to report on the actions taken to implement the measures directed to it and to evaluate the effectiveness of measures directed to it. Measure 14-2 requires other GNWT departments, the Tłıchq Government, and other regulators to similarly report on measures directed to their organizations. Annual measures reporting is required each year beginning on October 25, 2019, the date of final approval of the Report of Environmental Assessment by the decision makers.

Responses to measures implementation from the Territorial and Tłıchq Governments are closely linked due to the close working relationship between the two governments in health and social services and other program delivery in Tłıchq communities. Highlights from the [GNWT Annual Measures Reporting 2020](#) and [Tłıchq Government Annual Measures Reporting 2020](#) included updates for measures related to:

- Monitoring adverse health and well-being impacts to Whatı (Measure 5-1)
- Tłıchq monitoring, engagement and reporting of adverse health and well-being impacts (Measure 5-2)

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<sup>11</sup> Please see the public registry for this file at [http://reviewboard.ca/registry/project.php?project\\_id=958](http://reviewboard.ca/registry/project.php?project_id=958)



- Safety of young women in relation to work camps (Measure 5-3)
- Employee awareness training and policies (Measure 5-4)
- Community engagement and grievance mechanisms (Measure 5-5)
- Including Behchokò in accident response planning (Measure 5-6)
- Prioritizing northern hiring (Measure 5-7)
- Developing and implementing boreal caribou range plans and information and adaptive management requirements (Measure 6-1)
- Determining sustainable harvest levels for boreal caribou (tòdzì) and implement measures to ensure harvest is sustainable (Measure 6-2)
- Habitat offset and restoration plan (Measure 6-3)
- Incorporating Traditional Knowledge into monitoring of barren-ground caribou (ᑲekwò) (Measure 7-1)
- Barren-ground caribou mitigation and policy changes (Measure 7-2)
- Fisheries Management Plan (directed to Department and Fisheries and Oceans and Tłıchǫ Government) (Measure 8-1)
- Monitoring harvest and managing wildlife to maintain successful harvest (Measure 9-1)
- Cultural sensitivity in work camps (Measure 9-2)
- Including Traditional Knowledge into project design from all relevant groups (Measure 9-3)
- Wildlife Management and Monitoring Plan (Measure 10-2)
- Permafrost Management Plan (Measure 11-1)
- Project working group (Measure 14-3)

## Preliminary screening registry

In April 2019, the Review Board created a public registry for preliminary screening on its website.<sup>12</sup> The preliminary screenings page is provided for the public because the Mackenzie Valley Review Board has a legislated responsibility to ensure all preliminary screenings are viewable online. Members of the public, regulators and Indigenous organizations and governments can subscribe to receive notification of screening documents.

The registry lists all preliminary screening notifications and screening reports from all regulatory authorities that conduct screenings. While most screenings are conducted by the Land and Water Boards, the registry also includes screening by Parks Canada, GNWT, ENR, Office of the regulator of Oil and Gas Operations (OROGO), and other regulators.

## Tracking screenings

Review Board Staff continue to actively track preliminary screening notifications and

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<sup>12</sup> Available online at <http://reviewboard.ca/registry/preliminary-screenings>



compile screening reports for our online registry. From April 1, 2020 to March 31, 2021 the Review Board received 70 preliminary screening notifications.

In addition, there were several notifications of developments from OROGO where the regulator adopted the preliminary screening from the Land and Water Board. There were five notifications of developments that were eventually found to be exempt from screening.



## **Outreach and communications**

In addition to the core work of conducting EAs, the Review Board has been actively working towards its strategic goals. Outreach and communication with Indigenous groups, government, industry, and other agencies on the function of the Board and as part of the larger co-management system unique to the North is a big part of achieving these strategic goals.

### **CFX 2020 Cumulative Effects Conference October 5-8, 2020**

Executive Director Mark Cliffe-Phillips presented on the Review Board's approach to assessing cumulative effects in impact assessments.

### **International Association of Impact Assessment 2020 Virtual Symposium**

This virtual symposium is an international exchange of best practice and current thinking in impact assessment. It included a presentation on the Review Board's experience assessing impacts on Indigenous well-being and way of life by Executive Director Mark Cliffe-Phillips.

### **Virtual Indigenous Conference on Cumulative Effects**

This conference brings together Indigenous communities and organizations as well as national and international thought leaders to explore and discuss strategies to effectively manage the cumulative effects resulting from changes to the environment or to the human well-being from past, present and future development projects and human activities.

### **Resource Co-Management Workshop (MVRMA)-March 9-11, 2021**

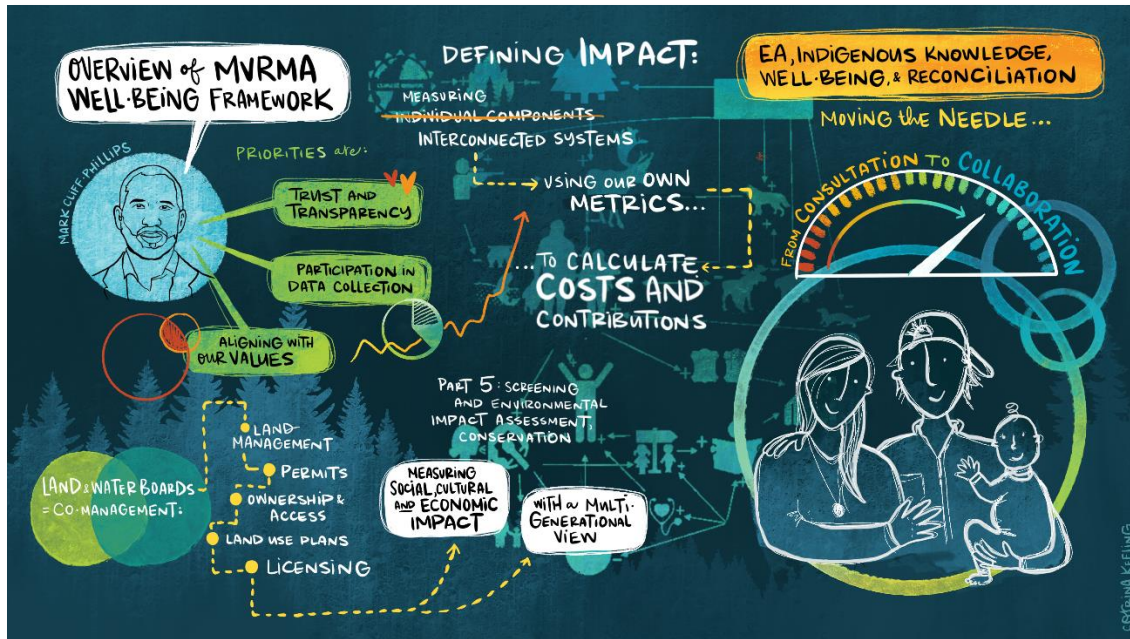
The Review Board, Land and Water Boards of the Mackenzie Valley, the Government of Northwest Territories and Crown-Indigenous Relations and Northern Affairs Canada held a resource co-management workshop to build capacity among all partners to participate in the NWT's co-management system. The theme of this year's workshop was "Well-being & MVRMA: Making Good Co-management Decisions in the Mackenzie Valley". The workshop included online participants from across the Northwest Territories and Canada, as well as small in-person groups located in Yellowknife, Inuvik, Behchokò, Fort Good Hope and Hay River.

The workshop featured keynote addresses, presentations, panel and group discussions, breakout groups and Q&A periods. Day 1 of the workshop began with a virtual, on-the-land feeding the fire ceremony and focused on understanding the historical context of and developing a common understanding about well-being in the MVRMA system. Day 2 centered around understanding how well-being is considered in resource co-





management decision making processes. Day 3 looked to the future, including managing long-term and cumulative impacts on well-being through good decision making. The workshop concluded with an emerging leader's panel.







### **Board Forum Training: Land Use Planning (LUP) Course**

A new course, Land Use Planning in the NWT, is being developed through the NWT Board Forum. The course covers both the Mackenzie Valley and the Inuvialuit Settlement Region. This year, it was a virtual course due to the COVID-19 Pandemic restrictions. Participants from both jurisdictions attended. The course covered progression of regional plans and as well general components of land use planning. This course will be available on the Board Forum training platform at <https://training.nwtboardforum.com/>

Other courses available to the public to be taken include Administrative Law, Board Orientation, and Renewable Resources Management.

### **Other ongoing initiatives and outreach opportunities**

In addition to the activities described above, Review Board members and staff were active in several other initiatives including participation in:

- Pan-territorial and NWT Board Forum
- Canadian Environmental Assessment Act (CEAA) Working Group/EA Improvement Initiative
- Cumulative Impacts Monitoring Program (CIMP)
- MVRMA Amendments
- Ongoing updates to the website and online registry
- Ongoing meetings with the Land and Water Boards, GNWT, CIRNAC and other regulatory partners

## Review Board Funding 2020/2021

Every year, the Review Board develops a work plan submission to CIRNAC which describes the Review Board's plans and priorities for the upcoming fiscal year and identifies the human and financial resources required to carry out those activities. This provides the foundation for the funding agreements that the Review Board reaches with the department. This fiscal year was the second year of our 10-year flexible funding agreement from CIRNAC. Due to the impacts of the COVID-19 pandemic, the overall Board workload decreased, and the Review Board continues to hold a larger than normal fiscal year over year surplus.

Fiscal year	2016/17	2017/18	2018/19	2019/2020	2020/2021
Core	\$2,840,516	\$3,440,516	\$3,499,631	\$3,544,745	\$3,622,227
Supplementary or other program funds	N/A	\$8750	\$150,000 <sup>13</sup>	\$230,000 <sup>14</sup>	N/A
Deferred contribution to next fiscal year	\$373,854	\$209,706	\$791,897	\$1,199,696	\$2,080,642

<sup>13</sup> NWT Board Forum Training Funding

<sup>14</sup> NWT Board Forum Training and EA Indigenous Language Terminology Workshop



## APPENDIX A: ENVIRONMENTAL ASSESSMENT MAP 2020-2021



█ Mackenzie Valley Highway (Wrigley to Norman Wells) (MVHW)  
GNWT Infrastructure  
EA1213-02

█ Howard's Pass Access Road (HPAR)  
Selwyn Chihong Mining Ltd.  
EA1516-01

█ Yellowknife Gold Project  
Tyhee NWT Corporation  
EA0809-003

█ Diavik Diamond  
Mines EA 1819-01

### Monitoring and Implementation Phase 2019-2020

█ Jay Project  
Dominion Diamond Ekati Corporation  
EA1314-01

█ Prairie Creek All-Season Road (PC)  
Canadian Zinc Corporation (Can Zinc)  
EA1415-01

█ Tlcho All-season Road (TASR)  
GNWT Infrastructure  
EA1617-01



## **APPENDIX B: AUDITED FINANCIAL STATEMENTS**

### **2020-2021**

**Mackenzie Valley Environmental Impact Review Board**

**Financial Statements**

**March 31, 2021**

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## **Mackenzie Valley Environmental Impact Review Board**

### **Financial Statements**

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**March 31, 2021**

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Statement of Operations	5
Statement of Changes in Net Assets	6
Statement of Financial Position	7
Statement of Cash Flows	8
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## Independent Auditors' Report

### To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

#### *Opinion*

We have audited the financial statements of Mackenzie Valley Environmental Impact Review Board, which comprise the statement of financial position as at March 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Public Sector Accounting Standards for Not-for-Profit Organizations.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Public Sector Accounting Standards for Not-for-Profit Organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

## Independent Auditors' Report (continued)

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Yellowknife, Canada  
June 30, 2021

*Crowe Mackay LLP*

Chartered Professional Accountants

# Mackenzie Valley Environmental Impact Review Board

## Statement of Operations

For the year ended March 31,	2021 Budget (Unaudited)	2021 Actual	2020 Actual
<b>Revenues</b>			
Crown-Indigenous Relations and Northern Affairs Canada			
- Claims implementation	\$ 3,622,226	\$ 3,622,227	\$ 3,544,745
- Board forum training	-	-	230,000
	<b>3,622,226</b>	<b>3,622,227</b>	<b>3,774,745</b>
<b>Expenses</b>			
Amortization	-	41,744	44,409
Bad debts (recovered)	-	-	(5,430)
Training	-	15,981	38,172
Communications	20,986	6,481	11,684
Professional fees	553,000	312,483	620,288
Contract service	15,000	2,773	21,166
Honoraria	349,000	96,989	210,135
Office and administration	87,500	55,613	69,991
Office salaries	2,037,320	1,711,242	1,871,894
Outreach and workshops	40,000	15,605	30,497
Rent	318,552	302,414	306,240
Travel	113,153	7,437	135,054
Travel - Staff	87,715	4,658	49,880
	<b>3,622,226</b>	<b>2,573,420</b>	<b>3,403,980</b>
<b>Excess of revenues before other items</b>	-	1,048,807	370,765
<b>Other items</b>			
Transfer from deferred contributions	-	1,199,696	791,897
Transfer to deferred contributions	-	(2,080,642)	(1,199,696)
<b>Excess (deficiency) of revenues over expenses</b>	-	167,861	(37,034)
<b>Transfer from (to) capital assets</b>	-	(167,861)	37,034
<b>Excess of revenues over expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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## Mackenzie Valley Environmental Impact Review Board

### Statement of Changes in Net Assets

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For the year ended March 31, 2021

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	Unrestricted	Investment in capital assets	Total 2021	Total 2020
<b>Balance, beginning of year</b>	\$ 1,991	\$ 108,499	<b>\$ 110,490</b>	\$ 147,524
Excess of revenues over expenses	-	-	-	-
Amortization of capital assets	-	(41,744)	<b>(41,744)</b>	(44,409)
Additions of capital assets	-	209,604	<b>209,604</b>	7,375
<b>Balance, end of year</b>	<b>\$ 1,992</b>	<b>\$ 276,359</b>	<b>\$ 278,351</b>	\$ 110,490

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# Mackenzie Valley Environmental Impact Review Board

## Statement of Financial Position

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March 31,	2021	2020
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### Assets

#### Current

Cash	\$ 2,382,368	\$ 1,583,714
Accounts receivable (note 3)	247,378	44,402
Prepaid expenses	20,752	44,101

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2,650,498	1,672,217
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Capital assets (note 4)	276,359	108,499
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\$ 2,926,857	\$ 1,780,716
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### Liabilities

#### Current

Accounts payable and accrued liabilities	\$ 238,727	\$ 114,837
Salaries, vacation and severance payable (note 6)	323,857	350,413
Contributions repayable (note 7)	5,280	5,280
Deferred contributions (note 8)	2,080,642	1,199,696

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2,648,506	1,670,226
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### Fund balances

Unrestricted	1,992	1,991
Investment in capital assets	276,359	108,499

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278,351	110,490
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\$ 2,926,857	\$ 1,780,716
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Approved on behalf of the Board:

\_\_\_\_\_ Director

\_\_\_\_\_ Director

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## Mackenzie Valley Environmental Impact Review Board

### Statement of Cash Flows

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For the year ended March 31,	2021	2020
<b>Cash provided by (used for)</b>		
<b>Operating activities</b>		
Excess of revenues over expenses	\$ -	\$ -
Items not affecting cash		
Amortization	41,744	44,409
Transfer to (from) capital assets	167,861	(37,034)
	209,605	7,375
Change in non-cash working capital items		
Accounts receivable	(202,976)	(18,181)
Prepaid expenses	23,349	553
Accounts payable and accrued liabilities	123,890	(95,358)
Salaries, vacation and severance payable	(26,556)	121,270
Deferred contributions	880,946	407,799
	1,008,258	423,458
<b>Capital activity</b>		
Purchase of capital assets	(209,604)	(7,375)
<b>Increase in cash</b>	<b>798,654</b>	<b>416,083</b>
<b>Cash, beginning of year</b>	<b>1,583,714</b>	<b>1,167,631</b>
<b>Cash, end of year</b>	<b>\$ 2,382,368</b>	<b>\$ 1,583,714</b>

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# Mackenzie Valley Environmental Impact Review Board

## Notes to the Financial Statements

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March 31, 2021

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### 1. Nature of operations

Mackenzie Valley Environmental Impact Review Board (the "Board") was established under the *Mackenzie Valley Resource Management Act* with a mandate to conduct environmental impact assessments in the Mackenzie Valley of the Northwest Territories.

The Board is exempt from income tax under section 149(1)(l) of the *Income Tax Act*.

### 2. Significant accounting policies

These financial statements are prepared in accordance with Public Sector Accounting Standards for Not-for-Profit Organizations. The significant accounting policies are detailed as follows:

#### (a) Revenue recognition

The Board follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and its collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred or in which the associated services are provided.

#### (b) Financial instruments

The Board classifies its financial instruments at cost or amortized cost. The Board's accounting policy for financial instruments is as follows:

This category includes cash, accounts receivable, accounts payable and accrued liabilities, salaries, vacation and severance payable, and contributions repayable. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instruments.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the statement of operations.

#### (c) Capital assets

Capital assets are accounted for at cost. Amortization is based on their useful life using the declining balance and straight-line methods and rates as per note 4.

#### (d) Cash

Cash consists of cash on hand and cash held with a financial institution.



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# Mackenzie Valley Environmental Impact Review Board

## Notes to the Financial Statements

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March 31, 2021

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### 2. Significant accounting policies (continued)

#### (e) Employee future benefits policy

The Board has a defined contribution plan providing pension and post-employment benefits for its employees. The cost of the defined contribution plan is recognized based on the required contributions by the Board during each period.

Provisions has been made for the Board's liability for employee future benefits arising from services rendered by employees to the statement of financial position date. Accordingly, the Board has provided for obligations related to unused vacation and severance entitlement. The accrued amounts have been classified under accounts payable and accrued liabilities.

#### (f) Use of estimates

Preparation of these financial statements requires management to make certain estimates and assumptions that affect amounts reported and disclosed in the financial statements and related notes. Actual amounts could differ from those estimates.

### 3. Accounts receivable

	2021	2020
Land and Water Boards of the Mackenzie Valley	\$ 209,569	\$ -
Public Service Bodies rebate	22,809	28,245
Contribution receivable	15,000	15,000
Employee advances	-	1,157
	<b>\$ 247,378</b>	<b>\$ 44,402</b>

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# Mackenzie Valley Environmental Impact Review Board

## Notes to the Financial Statements

March 31, 2021

### 4. Capital assets

				2021	2020
	Rate	Cost	Accumulated amortization	Net book value	Net book value
FreshWorks Software	10-year straight line	\$ 201,603	\$ 10,080	\$ 191,523	\$ -
Leasehold improvements	20%	106,621	104,715	1,906	3,220
Furniture and fixtures	20%	180,797	105,766	75,031	88,388
Electronic data equipment	30%	1,066	848	218	311
Computer equipment	55%	94,505	86,824	7,681	13,915
Computer software	100%	17,253	17,253	-	2,665
		\$ 601,845	\$ 325,486	\$ 276,359	\$ 108,499

### 5. Bank indebtedness

A demand operating loan has been authorized to a maximum of \$100,000. It bears interest at CIBC's prime lending rate plus 1.5% per annum and is secured by a general security agreement, an assignment of insurance and all capital assets.

### 6. Salaries, vacation and severance payable

	Beginning of year	Used	Accumulated during the year	End of year
Severance payable	\$ 127,490	\$ -	\$ 2,979	\$ 130,469
Vacation and lieu time payable	102,382	(49,949)	73,318	125,751
Wages payable	120,541	(120,541)	67,637	67,637
	\$ 350,413	\$ (170,490)	\$ 143,934	\$ 323,857

During the year the Board included in the salaries, wages and benefits expense amounts of \$138,429 (2020 - \$144,965) of current and future employee benefits, excluding pension contributions.

### 7. Contributions repayable (note 7)

	2021	2020
Crown-Indigenous Relations and Northern Affairs Canada - Board Forum Training	\$ 5,280	\$ 5,280

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# Mackenzie Valley Environmental Impact Review Board

## Notes to the Financial Statements

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March 31, 2021

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### 8. Deferred contributions

	2021	2020
Crown-Indigenous Relations and Northern Affairs Canada		
- Claims Implementation for Environmental Evaluations	\$ 2,080,642	\$ 1,199,696

### 9. Impact of COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the Board's environment and in the global markets due to the possible disruption in supply chains, and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the Board's operations.

The extent of the impact of this outbreak and related containment measures has had logistical impacts on the Board. Due to the restrictions on travel to the NWT, developers, consultants and field workers were unable to conduct required operations to complete impact assessment requirements, which reduced travel and associated expenses. The overall operational impact to the Board was minimal.

### 10. Contractual rights

The Board has a long term contribution agreement with Crown-Indigenous Relations and Northern Affairs Canada for its regular funding which expires in March 2027.

### 11. Financial instruments

The Board is exposed to credit and liquidity risks from its financial instruments. Qualitative and quantitative analysis of the significant risk from the Board's financial instruments by type of risk is provided below:

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# Mackenzie Valley Environmental Impact Review Board

## Notes to the Financial Statements

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March 31, 2021

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### 11. Financial instruments (continued)

#### (a) Credit risk

Credit risk is the risk of financial loss to the Board if a debtor fails to make payments of interest and principal when due. The Board is exposed to this risk relating to its, cash and accounts receivable.

The Board holds its cash with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation. In the event of default, the Board's cash is insured up to \$100,000.

Accounts receivable are receivable from government agencies. Credit risk related to accounts receivable is mitigated by internal controls as well policies and oversight over arrears for ultimate collection. Management has determined that no accounts receivable required impairment.

The Board's maximum exposure to credit risk is represented by the financial assets for a total of \$2,626,746 (2020 - \$1,628,307).

#### (b) Liquidity risk

The Board does have liquidity risk in their accounts payable and accrued liabilities, salaries, vacation and severance payable and contributions repayable of \$567,864 (2020 - \$470,460). Liquidity risk is the risk that the Board cannot repay its obligations when they become due to its creditors. The Board reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due and maintains an adequate line of credit to repay trade creditors.

### 12. Budget amounts

The budget figures presented are unaudited, and are those approved by the Board.

### 13. Pension plan

The contribution remitted by the Board to the defined contribution NEBS Pension Plan were as follows:

	2021	2020
Employers' contribution	\$ 48,237	\$ 50,770
Employees' contribution	48,237	50,770
	<b>\$ 96,474</b>	<b>\$ 101,540</b>

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## Mackenzie Valley Environmental Impact Review Board

### Notes to the Financial Statements

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March 31, 2021

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**13. Pension plan (continued)**

Participating employers in the Plan, including the Board are required to make contributions to the plan of 8% (2020 - 8%) of pensionable earnings, and to remit employee contributions of 8% (2020 - 8%). These contributions cover current service costs and a provision for adverse deviation.

The Plan is governed by the *Northern Employee Benefits Services Pension Plan Act* (in force October 1, 2015) (the Act) and a Plan text document maintained by the administrator of the Plan. Both the Act and the Plan text document provide that participating employers are liable for their share of any funding shortfalls in the Plan as determined on a going concern basis, and on Plan windup. The Act and the Plan text document provide any going concern shortfalls, should they arise, are to be paid down over no more than 15 years and that contribution rates may be increased if necessary to do so.

Pursuant to the Act, the Plan is exempt from compliance with the Pension Benefits Standards Act, 1985 (PBSA) and is not required to be funded on a solvency basis.

As at January 1, 2021, the NEBS Pension Plan had a going concern surplus of \$45,100,000 (2020 - \$31,200,000) and a funded ratio of 118% (2020 - 113%). The Plan serves over 3,534 (2020 - 3,364) employee members and 117 (2020 - 107) participating employers.

As of January 1, 2021, the excess (deficiency) of actuarial value of net assets over actuarial present value of defined benefits is estimated to be (\$164,720,000) on a solvency basis.

The solvency ratio is 66% (2020 - 66%).

During the year contributions made by the Board to the NEBS pension plan totaled \$96,475 (2020 - \$101,541).

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## Mackenzie Valley Environmental Impact Review Board

### Notes to the Financial Statements

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March 31, 2021

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#### 14. Related party transactions

During the year, honoraria and travel expenses were paid to members of the Board of Directors. These expenses were in the normal course of the Board's operations and were measured at the exchange amount.

	2021	2020
Honoraria	\$ 94,075	\$ 202,013
Travel - Board	1,270	110,587
	<b>\$ 95,345</b>	<b>\$ 312,600</b>

#### 15. Commitments

The Board's total obligation, under an equipment operating lease, software agreement, and a property lease agreement, is as follows:

2022	\$ 321,413
2023	6,257
	<b>\$ 327,670</b>

#### 16. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

**Mackenzie Valley Environmental Impact Review Board**

**Schedule of Remuneration and Expenses**

**March 31, 2021**



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## **Mackenzie Valley Environmental Impact Review Board**

### **Schedule of Remuneration and Expenses**

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**For the year ended March 31, 2021**

**Page**

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Schedule of Remuneration and Expenses	4
Notes to the Schedule of Remuneration and Expenses	5

## Independent Auditors' Report

### To the Board of Directors of Mackenzie Valley Environmental Impact Review Board

#### *Opinion*

We have audited the Schedule of Remuneration and Expenses paid by the Mackenzie Valley Environmental Impact Review Board as at March 31, 2021 and a summary of significant accounting policies (together "the schedule").

In our opinion, the accompanying schedule present fairly, in all material respects, the disbursements of the Board for the Mackenzie Valley Environmental Impact Review Board as at March 31, 2021 in accordance with the Year-end Reporting Handbook for the Department of Crown-Indigenous Relations and Northern Affairs Canada Recipient and Flow Through Organizations.

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Responsibilities of Management for the Schedule*

Management is responsible for the preparation and fair presentation of this schedule in accordance with the Year-end Reporting Handbook for the Department of Crown-Indigenous Relations and Northern Affairs Canada Recipient and Flow Through Organizations relevant to preparing such a schedule, and such for internal control as management determines is necessary to enable preparation of schedules that are free from material misstatement, whether due to fraud or error.

In preparing the schedule, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

## Independent Auditors' Report (continued)

### *Auditors' Responsibility for the Audit of the Schedule*

Our objectives are to obtain reasonable assurance about whether the schedule as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this schedule. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ♦ Identify and assess the risks of material misstatement of the schedule, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ♦ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- ♦ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ♦ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the schedule or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- ♦ Evaluates the overall presentation, structure and content of the schedule, including the disclosures, and whether the schedule represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant findings, including any deficiencies in internal control that we identify during our audit.

*Crowe Mackay LLP*

Yellowknife, Canada  
June 30, 2021

Chartered Professional Accountants

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## Mackenzie Valley Environmental Impact Review Board

### Schedule of Remuneration and Expenses

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For the year ended March 31, 2021

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Name	Position	Months	Salary and benefits (Inc. IPA and VTA)	Honoraria	Total	Travel Expenses
<b>Elected or Appointed officials</b>						
JoAnne Deneron	Chairperson	12	\$ -	\$ 22,900	\$ 22,900	\$ -
Ronald Wallace	Board Member	12	-	10,202	10,202	-
Allison (Sunny) Munroe	Board Member	12	-	13,463	13,463	-
Yvonne Nakimayak (Doolittle)	Board Member	12	-	6,250	6,250	-
Kirby Marshall	Board Member	12	-	2,888	2,888	-
Jane Weyallon	Board Member	9	-	10,858	10,858	-
Jim H. Edmondson	Board Member	12	-	8,538	8,538	-
David Krutko	Board Member	12	-	14,038	14,038	-
Bertha Ruby Norwegian	Board Member	12	-	4,938	4,938	-
			\$ -	\$ 94,075	\$ 94,075	\$ -
<b>Unelected Senior Officials</b>						
	Executive Director	12	\$ 163,890	\$ -	\$ 163,890	\$ -

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## **Mackenzie Valley Environmental Impact Review Board**

### **Notes to Schedule of Salaries, Honoraria, Travel Expenses and Other Remuneration**

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**March 31, 2021**

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**1. Basis of Presentation**

The financial information reflects only the salaries, honoraria, travel expenses and other remuneration paid to the senior officials and elected officials. It does not reflect the assets, liabilities or total revenue and expenses of the Mackenzie Valley Environmental Impact Review Board.