

Mackenzie Valley
Review Board



ANNUAL REPORT

2018-2019





Mackenzie Valley
Environmental Impact Review Board
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MESSAGE FROM THE CHAIRPERSON



JOANNE DENERON
CHAIRPERSON

Welcome to the Review Board's Annual Report for 2018-2019. We continue to carry out our mandate under the *Mackenzie Valley Resource Management Act* (MVRMA). The Board is continually working to achieve the goals set out in its 2018-2022 **Strategic Plan** which are:

- Conduct timely, effective, and evidence-based Environmental Impact Assessment (EIA) processes;
- Be an efficient, innovative, adaptive and transparent Board;
- Enable and encourage inclusive and effective participation in EIA; and
- Strengthen our role in, and contribute to, an effective integrated resource management system.

This year has been another successful year in completing environmental assessments (EAs) so that development moves forward in a responsible way that ensures the protection of the environment and the well-being of Indigenous people and residents of the Mackenzie Valley.

- In February 2019, the Review Board started a new EA process for the **Diavik Diamond Mine** with the focus of examining the best method of dealing with processed kimberlite (a mine waste).




- The federal Minister accepted the Board's recommendation to approve the **Prairie Creek Mine All Season Road**, subject to the implementation of measures. After the Board sent its report to the federal minister, the minister required additional consultation with Indigenous governments and organizations and additional information to be provided by the developer.
- The Review Board submitted its report of EA and recommendation for the **Tłıchǫ All Season Road**. The measures recommended by the Board were modified based on consultation with the Board and parties and the project was approved by the GNWT and the Tłıchǫ Government (both have final decision-making authority in this case) made their final decisions on October 25, 2018.

We are awaiting project descriptions for the Mackenzie Valley Highway and Howard Pass All Season Road (HPAR) EAs and look forward to working with the developers and parties as the process progresses.

Finally, we cannot forget the individuals who have contributed immensely to the success of our process and continual improvement. We would like to thank James Wah-Shee who has been a Board member for multiple terms. He was a strong advocate for co-management, Indigenous culture, and the well-being of people and the land long before he came to the Review Board and he worked with the same drive to complete the work of the Review Board. We would also like to acknowledge former Board member and Dehcho nominee Percy Hardisty who passed away on Wednesday April 17, 2019. He will be missed.

We look forward to another year of fulfilling the Review Board's mandate and goals through innovation and continuous improvement to best serve the residents of the Mackenzie Valley.

Sincerely,



JoAnne Deneron
Chairperson



MISSION STATEMENT

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

- a) the protection of the environment from the significant adverse impacts of proposed developments;*
- b) the protection of the social, cultural, and economic well-being of residents and communities in the Mackenzie Valley; and*
- c) 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.

COMMITTED

- 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.

BALANCED

- We consider both traditional knowledge and scientific knowledge

DIVERSE

- We acknowledge and benefit from the diversity, unique backgrounds, knowledge, and perspectives of our Board and staff

FAIR

- Our processes are transparent to ensure fair, accessible, and accountable decisions and operations.

INCLUSIVE

- 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.

TRUST AND RESPECT

- We strive to create an environment based on mutual respect, trust, and honesty that enables effective and efficient teamwork and consensus decision making.

CONTINUOUS LEARNING

- We value continuous learning and improvement, fostering an environment of innovation and adaptation.

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 (CIRNAC). The chairperson is typically appointed on the nomination of the Review Board. The remaining eight regular board members are appointed in equal numbers from individuals nominated by government (federal and territorial) and Indigenous government organizations (IGOs).

As a result, the Review Board is a co-management board with an equal number of members from IGOs and federal/territorial governments.

There were some changes to the composition of the Board this fiscal year. Ms. Bertha Norwegian (a Dehcho nominee) was reappointed to a second term on the Board starting in May 2019. We thank Mr. James Wah-Shee who has served for several terms as the Tłıchǫ nominee on the Review Board. He started with the Board in February 2010 and was reappointed in 2013 and 2016. Mr. James Wah-Shee has decided not to accept another reappointment to the Board and to pursue other goals.

The Review Board continues to work with CIRNAC to ensure the Review Board vacancies do not give rise to quorum issues, which could delay Board business.

As of March 31, 2019, the Board has the following members:



James Wah-Shee
TŁIČHǪ NOMINEE



Yvonne (Doolittle) Nakimayak
SAHTU NOMINEE



Joe Handley
GOVERNMENT OF
THE NORTHWEST
TERRITORIES
NOMINEE



David Krutko
GWICH'IN
NOMINEE



JoAnne Deneron
CHAIRPERSON



Sunny Munroe
FEDERAL
NOMINEE



Kirby Marshall
GOVERNMENT OF
THE NORTHWEST
TERRITORIES
NOMINEE



Bertha Norwegian
DEH CHO NOMINEE



Jim Edmondson
GOVERNMENT
OF CANADA
NOMINEE



Back Row L-R: Chuck Hubert, Brett Wheler, Simon Toogood, Davin St. Pierre, Chris Rose, Jeremy Freeman.
Middle Row L-R: Mark Cliffe-Phillips, Amanda Annand, Catherine Fairbairn, Alan Ehrlich. **Front row L-R:** Therese Charlo, Stacey Menzies, Catherine Janz, Kate Mansfield.

Review Board Staff

The Review Board continued to operate with 14 employees, composed of environmental assessment, policy, and administrative support staff.

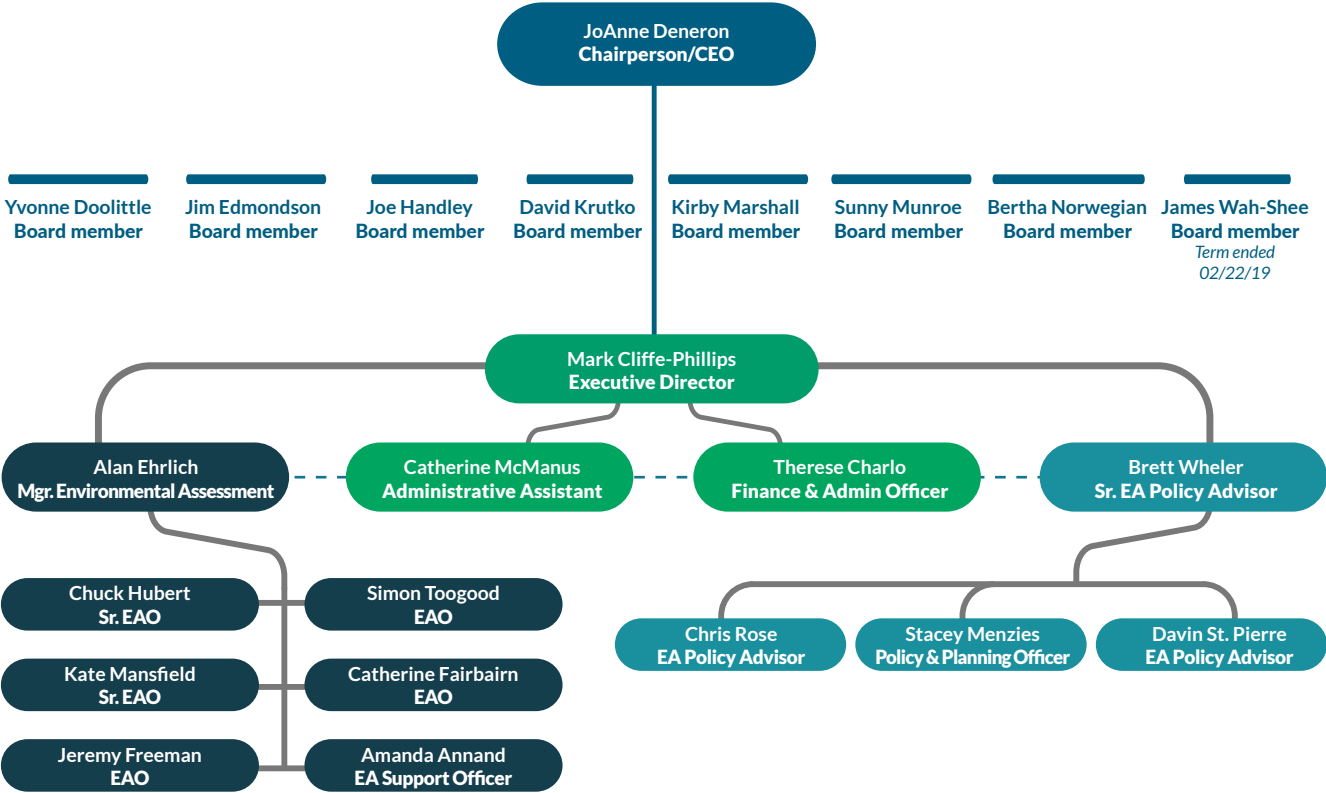
In 2018-19, there were a few staffing changes at the Review Board office.

Kate Mansfield was promoted to Senior Environmental Assessment Officer in September 2018.

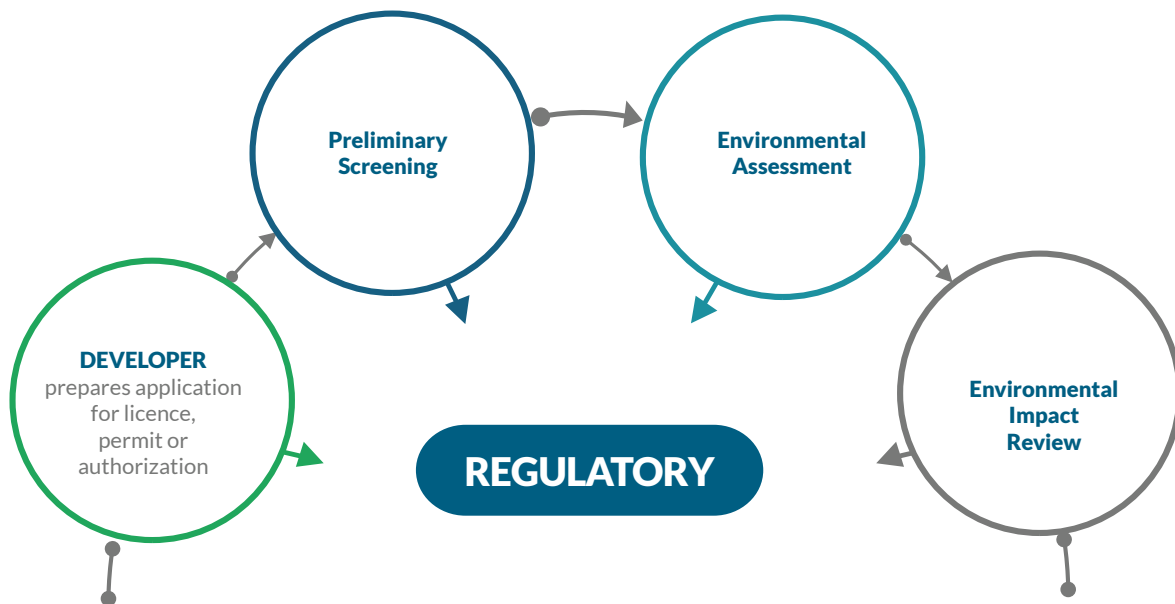
Davin St. Pierre, a Policy Advisor, left the Board in February 2019 to pursue career goals in Ottawa.



ORGANIZATIONAL CHART



ENVIRONMENTAL IMPACT ASSESSMENT OVERVIEW



ENVIRONMENTAL IMPACT ASSESSMENT PROCESS

There are three stages in the environmental impact assessment process in the Mackenzie Valley.

1. PRELIMINARY SCREENING

All proposed developments requiring a license, permit, or other authorization are subject to preliminary screening. Preliminary screening is the initial examination of a proposal for potential environmental impacts and the potential to cause public concern. It is the first, and often last stage in the Environmental Impact Assessment (EIA) process. Preliminary screenings are usually conducted by a land and water board (e.g. the Mackenzie Valley Land and Water Board) or by another regulatory authority. Preliminary screening is a cursory review of a proposed development to determine if it might have significant adverse impacts on the environment, or might cause public concern. If either of these is found to be the case, the application is referred to environmental assessment. If not, the application can proceed to permitting and licensing.

2. ENVIRONMENTAL ASSESSMENT

Only a small number—less than 5%—of proposed developments go through environmental assessment. Environmental assessment is a more thorough study of a proposal to decide if it is likely to have a significant adverse impact on the environment, or likely to be a cause of public concern. Upon completion of an environmental assessment, the Review Board issues a Report of Environmental Assessment and Reasons for Decision to the Minister of Lands (GNWT)¹ that includes the following:

- a) a recommendation that the project may proceed to regulatory permitting and licensing²; or
- b) a recommendation that the project may proceed to regulatory permitting and licensing subject to the imposition of mitigation measures; or
- c) a recommendation that the project be rejected without further review.

Alternately in the case of a) or b) above, the Review Board may decide based on the evidence presented during the assessment, to order an environmental impact review.

3. ENVIRONMENTAL IMPACT REVIEW

If the Review Board or Minister determines that a more comprehensive examination of a proposed development is needed, an environmental impact review is ordered following the environmental assessment. Environmental impact reviews are conducted by an independent panel. The panel may consist of both Review Board members and non-Review Board members, all appointed by the Review Board. An environmental impact review provides a more rigorous study of the issues raised during the environmental assessment.

Upon completion of the environmental impact review, the panel will issue a report to the Minister of Lands (GNWT)³ recommending whether the proposal for the development should be approved, with or without mitigative or remedial measures or a follow-up program, or rejected.

¹For projects partly or wholly on Federal (Crown) land or Tłı̨chǫ lands, or for which an authorization is needed from a designated regulatory agency (e.g. NEB), the Review Board's report is sent to the Minister of Indigenous and Northern Affairs Canada, the Tłı̨chǫ Government, and the designated regulatory authority, respectively.

²Alternately, the report may be made to the federal Minister, a designated regulatory agency (e.g. NEB), or Tłı̨chǫ Government, as the case may be.

³Alternately, the report may be made to the federal Minister, a designated regulatory agency (e.g. NEB), or Tłı̨chǫ Government, as the case may be.

STRATEGIC PLAN

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. The Board continues to focus on its main function of conducting EIA. The remaining goals are actioned out to support continuous improvement in EIA and support the integrated resource system in the Mackenzie Valley. The Review Board continues to develop relevant guidelines and policies to assist in effective participation in EIA. The Review Board has established working relationships with other co-management

boards in the NWT, Nunavut, and the Yukon, as well as with federal and provincial assessment bodies, in order to address common challenges, share emerging best practices, and work towards practical solutions. The Review Board continues to do outreach across the spectrum of participants in the EIA including communities, IGOs, federal and territorial governments, industry, etc.

Goals

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

2
Be an efficient, innovative, adaptive and transparent Board

3
Enable and encourage inclusive and effective participation in EIA

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



ENVIRONMENTAL ASSESSMENTS SUMMARY

The table is an overview of the status of environmental assessments during the period from April 1, 2018 to March 31, 2019.

Environmental assessment	Referred	Status at April 1, 2018	Status at Mar 31, 2019	Notes
Depositing Processed Kimberlite in Pits and Underground - Diavik Diamond Mines - EA1819-01	February 19, 2019		On March 18, 2019 the Review Board hosted a scoping meeting in Yellowknife to identify and prioritize issues to focus on in the EA	The project was referred to EA by the Review Board on its own motion
Tłıchq All-Season Road -GNWT Infrastructure EA1617-01	July 27, 2016	March 29, 2018 Review Board submitted the Report of EA to GNWT Minister of Lands and Tłıchq Government	October 25, 2018 GNWT and Tłıchq Government issued a final decision to accept Review Board Report of EA with modifications to measures, particularly on boreal caribou	After decision on Report of EA, project proceeded to regulatory phase with Wek'èezhìi Land and Water Board
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	Selwyn Chihong continues to update Review Board on baseline data collection work in support of Developer's Assessment Report
Prairie Creek All-Season Road- Canadian Zinc Corporation (CanZinc) EA1415-01	May 22, 2014	CanZinc engaged with Indigenous groups in response to Minister's information requests as part of Crown consultation after Report of EA issued Sept 2017	October 9, 2018 Federal Minister issued final decision to accept Review Board Report of EA with measures	After decision on Report of EA, project proceeded to regulatory phase with the Mackenzie Valley Land and Water Board
Mackenzie Valley Highway - 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 2015.

Environmental assessment	Referred	Status at April 1, 2018	Status at Mar 31, 2019	Notes
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.

Review Board Workload

The Review Board's EA workload has remained consistent with the previous fiscal year. The Review Board conducted or was in the process of conducting six technical Environmental Assessments during the 2018-2019 fiscal year, which required the use of not only Board staff resources, but also required external technical support (consultants), legal review, and community and technical sessions.

The six active Environmental Assessments during the 2018-2019 fiscal year were:

1. EA1819-01 Diavik Diamond Mines Inc.– Depositing Processed Kimberlite in Pits and Underground
2. EA1415-01 – Canadian Zinc Corporation– Prairie Creek Mine – All-Season Road

3. EA1617-01 – Government of Northwest Territories (GNWT)-Department of Transportation – Tłı̄chq All Season Road
4. EA1213-02 – Government of Northwest Territories (GNWT)-Department of Transportation – Mackenzie Valley Highway Extension
5. EA1516-01 – Selwyn Chihong Mining Ltd.— Howard's Pass Access Road Upgrade Project
6. EA0809-003: Tyhee NWT Corporation– Yellowknife Gold Project (2008)

In addition, the Review Board received and reviewed follow-up and monitoring program reports for the following project:

1. EA1314-01 – Dominion Diamond Ekati Corporation – Ekati Mine Jay Expansion Project



ENVIRONMENTAL ASSESSMENTS ACTIVE IN 2018-2019

The following environmental assessment (EA) status updates are provided for the reporting period from April 1, 2018 to March 31, 2019.

1. EA1819-01: Depositing Process Kimberlite in pits and underground – Diavik Diamond Mines Inc.

<http://reviewboard.ca/registry/ea1819-01>



Diavik Scoping session held in Yellowknife, March 2019.



Diavik Scoping session held in Yellowknife, March 2019.

Diavik Diamond Mines Inc. (Diavik) proposes to amend its water license to deposit processed kimberlite, a mine waste, to mined out open pits and underground mine workings. In its amendment application, Diavik proposes to cover the processed kimberlite in the pits with water before breaching the dykes and reconnecting the flooded pits to Lac de Gras.

On February 19, 2019, the Review Board decided on its own motion, pursuant to subsection 126(3) of the MVRMA, to conduct an environmental assessment of the proposed changes to processed kimberlite containment.

The Review Board's reasons for referral stated that:

- the original 1999 Canadian Environmental Assessment Act (CEAA) Comprehensive Study did not assess the placement of processed kimberlite in the pits;
- putting processed kimberlite in pits is outside the scope of the 1999 CEAA Comprehensive Study, the existing Interim Closure and Reclamation Plan, and the existing Fisheries Authorization;
- the kimberlite placement would be permanent and irreversible;



- restoring the pits to fish habitat within Lac de Gras was part of the original CEAA decision;
- the potential impacts of the proposed changes on traditional use of Lac de Gras and Indigenous cultural values needs careful consideration.

On March 15, the Government of Canada and GNWT issued a joint notification of environmental assessment and the initiation of government's Indigenous consultation for EA1819-01. The notification to Indigenous organizations and governments also advised that participant funding would be available through the Participant Funding Program administered by CIRNAC. A Participant Funding Guide specific to this environmental assessment was submitted to the Review Board on March 20. The purpose of the funding is to allow Indigenous groups and the public to participate more fully in this EA.

On March 18, the Review Board hosted a scoping meeting in Yellowknife. The purpose of the meeting was to identify and prioritize issues to focus on in this EA and to discuss questions related to a coordinated EA/water licensing process. Participants included representatives from Yellowknives Dene First Nation, Łutsel

K'e Dene First Nation, North Slave Métis Alliance, Tłıchǫ Government, Environmental Advisory Monitoring Board, Federal and GNWT departments, and Diavik.

On February 26 the Review Board issued its draft Scoping Document which describes the proposed scope of assessment for EA1819-01 for the activities proposed by Diavik. The draft Scoping Document noted that the Diavik diamond mine has been in operation for 18 years and clarified that the proposed amendment activities (developments) are limited to the deposition of processed kimberlite into open pits and underground mine workings. Parties submitted comments on the draft Scoping Document on March 22 and Diavik responded on March 29. The Review Board released its Scope of Environmental Assessment and Reasons for Decision for EA1819-01 on April 18, 2019.



2. EA1415-01: Prairie Creek All-Season Road - Canadian Zinc

http://reviewboard.ca/registry/project.php?project_id=680

Canadian Zinc Corporation (CanZinc) proposes to construct, operate, and close an all-season 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 CIRNAC.

The Review Board submitted its Report of Environmental Assessment and Reasons for Decision for the Prairie Creek All Season Road to the Federal Minister on September 12, 2017.

In its Report of EA, the Review Board found that the Project is likely to cause significant adverse impacts on the environment and recommended measures to mitigate those impacts. The developer is required to:

- create an Independent Technical Review Panel, to ensure that the road is designed to a standard that is highly protective of people and the environment;
- create a Traffic Control Mitigation and Management Plan;
- conduct systematic wildlife monitoring and adaptive management incorporating
- Traditional Knowledge;
- prepare a Wildlife Management and Monitoring Plan;
- install stations to collect baseline water flow data, to use when designing water crossings;
- collect detailed baseline information, monitor effects and make an adaptive management framework for the Sundog Creek diversion;

- further engage Aboriginal groups and consider Traditional Knowledge in all project phases including monitoring;
- further engage Traditional Knowledge holders about cultural and heritage resources in the Project area, and conduct an Archaeological Impact Assessment incorporating this Traditional Knowledge;
- conduct a rare plant survey and establish a Rare Plant Management Plan;
- conduct permafrost investigations to inform road design and appropriate permafrost mitigations and create a Permafrost Management Plan with systematic permafrost monitoring and adaptive management;
- carry out monitoring and reporting and support independent community monitoring of the Project.

In January 2018, the federal Minister requested additional information from the developer to address specific issues raised during its consultation with Indigenous groups. The Minister required the developer to describe how it would implement measures in the Review Board's Report of EA involving Traditional Knowledge from the Nahanni Butte Dene Band (NBDB), Liidlii Kue First Nation (LKFN) and Dehcho First Nation (DFN) and how it would involve Indigenous groups in monitoring.

The information requests from the Minister specifically require the developer to report on its:

- engagement with Indigenous groups on how Dene knowledge would be incorporated into the implementation of Report of EA measures and developer commitments;



- engagement with LKFN on a Traditional Knowledge study;
- engagement with Indigenous groups on the independent third party review of the
- Sundog Creek diversion;
- method for involving Indigenous groups in monitoring required for the implementation of Report of EA measures;
- support for independent monitoring by Indigenous groups.

In June 2018, the developer responded to the information requests. The responses included details of its engagement with NBDB and LKFN on how they would implement the Review Board's mitigation measures. Agreements were made on implementing measures regarding incorporation of Dene traditional knowledge and values into project design and inclusion of Indigenous communities in monitoring wildlife in the project area. Correspondence from NBDB and LKFN supported this understanding with the developer in the form of an Environmental Agreement.

In July the federal Minister accepted the responses from the developer and resumed its decision making. On October 9, 2018 it accepted the Review Board's recommendation to approve the project subject to implementation of the measures and the developer's commitments.

In their decision, the Minister determined that potential adverse impacts from the project on established and/or Indigenous treaty rights had been meaningfully and completely consulted on. The Minister noted, however, that consultation with respect to Indigenous and/or treaty rights, as it relates to the Project, does not end with the decision to adopt the Review Board's recommendation. The land use permitting and water licensing phase and other post-environmental assessment processes will add further opportunity for Indigenous governments and organizations to provide input to ensure potential adverse impacts to Indigenous and/or Treaty Rights from the Project are addressed.



3. EA1617-01: Tłıchǵ All-season Road, GNWT, Department of Infrastructure http://reviewboard.ca/registry/project.php?project_id=958



Tłıchǵ All-Season Road- consult to modify meeting in Yellowknife, July 2018

The Tłıchǵ All-season Road project consists of the construction and operation of a 94 km all-season road from Highway 3 at km 196 west of Behchokǵ, 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.

This EA focused on impacts from the all-season road on caribou, impacts to people in Whatı, traditional harvesting success by Indigenous people, impacts on fish and fish habitat, and the economic well-being of Tłıchǵ citizens.

On March 29, 2018, the Review Board submitted its *Report of Environmental Assessment and Reasons for Decision for the Tłıchǵ All-season Road* to the GNWT Minister of Lands and the Tłıchǵ Government. Both governments are decision makers for the project because the road passes through both territorial and Tłıchǵ titled lands.

In its Report of Environmental Assessment, the Review Board recommended that the Tłıchǵ All-Season Road Project is likely to cause significant adverse impacts on the environment. To mitigate these impacts so they are no longer significant, the Review Board requires the developer and other organizations to implement the following mitigation measures:

- track and manage project-related changes to well-being of Whatı residents, including harmful behaviours associated with increased access to drugs and alcohol, traffic accidents, safety of young women and changes in harvest success;
- require policies that increase the safety of young women in work camps and communities;
- for boreal caribou (tǵdzı) in the Project area, make a range plan with actions to reduce or avoid impacts and protect boreal caribou, offset habitat, and create a temporary no- hunting corridor where non-indigenous hunting of boreal caribou (tǵdzı) will be prohibited;

- use Traditional Knowledge in barren-ground caribou (ækwǝ) habitat monitoring
- complete the Bathurst Caribou Range Plan as soon as possible;
- create an Integrated Fisheries Management Plan that prevents significant impacts from additional fishing pressure resulting from increased access;
- monitor harvest and manage wildlife to help maintain successful Indigenous harvesting;
- conduct, and take actions based on, a bird survey before construction;
- include important details in the Wildlife Management and Monitoring Plan;
- establish and fund the Tłıchǝ All-Season Road Corridor Working Group.

On June 22, 2018, the GNWT Minister of Lands initiated consultation with the Review Board and Indigenous organizations and governments on its proposed modifications with supporting rationale to measures required to mitigate significant adverse impacts to boreal caribou. The modifications to measures for boreal caribou included:

- adding “to the greatest extent possible” to the requirement to meet thresholds for protecting critical habitat under the boreal caribou range plan;
- removing the monitoring of boreal caribou abundance;
- removing a temporary no hunting corridor along the road;
- changing the habitat offset requirement from a fixed amount of habitat to an amount to be developed later as part of an offset plan.

The Tłıchǝ Government, in coordination with the GNWT Lands, also initiated consultation on its proposed modifications to measures. These modifications related to:

- including the Tłıchǝ Community Services Agency as a full participant in measures related to monitoring and reporting of health and well-being impacts in Whatı and accident response planning;
- removing “Integrated” from the Fisheries Plan to avoid misunderstanding with the scope of this plan;
- making Aboriginal harvest and reporting non-mandatory.

On July 3, Review Board staff hosted a meeting with parties to discuss the modifications proposed by GNWT Lands and the Tłıchǝ Government. Parties submitted comments on the modifications to the Review Board on July 23. The Review Board considered the modifications proposed by the decision makers, along with comments from parties and responded back to GNWT Lands and the Tłıchǝ Government on August 15.

In September 2018, the GNWT Minister of Lands consulted with Indigenous organizations and governments on proposed final modifications to four measures from the Report of Environmental Assessment. The GNWT and Government of Canada asked Indigenous organizations whether there were any specific components of the modifications to the measures that might have the potential to adversely impact asserted Indigenous and/or treaty rights.

On October 25, 2018, the GNWT Lands and Tłıchǝ Government, submitted their respective decisions to the Review Board on the final wording of measures in separate correspondence. Pursuant to sub-paragraph 130(1)(b)(ii) of the MVRMA, the responsible ministers agreed to adopt the recommendation of the Review Board with modifications to selected measures. A table attached to the decision letters described final



approved wording of measures 6-1, 6-2 and 6-3 as modified by responsible ministers and final approved wording of measures 5-2, 5-6, 8-1, 9-1 and 9-2 as modified by the Tłıchǫ Government. The Tłıchǫ Government submitted a concurrent decision to the Review Board on October 25 that mirrored the decision from GNWT Lands.

The responsible ministers concluded that all points raised relating to potential adverse impacts from the proposed project on established Indigenous and/or treaty rights have been meaningfully and completely consulted on and will be adequately accommodated through the implementation of the measures in the Review Board's Report of EA and the developer's commitments.

4. EA1213-002: Mackenzie Valley Highway – GNWT

http://www.reviewboard.ca/registry/project.php?project_id=672

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-and 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. The Review Board issued its revised Terms of Reference for the all-season highway on February 13, 2015. The GNWT advised the Review Board that it is preparing its Developer's Assessment Report but did not propose a submission date.



5. EA1415-02: Howard's Pass Access Road – Selwyn Chihong

http://reviewboard.ca/registry/project.php?project_id=949

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.

The developer is preparing its Developer's Assessment Report but has not indicated a submission date.



6. EA0809-003: Tyhee NWT Corporation– Yellowknife Gold Project (2008)

http://reviewboard.ca/registry/project.php?project_id=71

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 is therefore suspended until further notice.



ENVIRONMENTAL ASSESSMENTS IN FOLLOW-UP AND MONITORING PHASE 2018-19

FOLLOW-UP MONITOR AND ADAPT

Everyone has an interest and a role to play in making sure the environment is protected through the life of the project



1. EA1314-01: Jay Project – Dominion Diamond Ekati Corporation http://www.reviewboard.ca/registry/project.php?project_id=674

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 Review Board submitted its *Report of Environmental Assessment and Reasons for Decision for the Jay Project* to the GNWT Minister of Lands on February 1, 2016. On May 19, 2016, the GNWT Minister of Lands agreed to adopt the recommendation of the Review Board that the project be approved subject to the implementation of measures required to ensure adverse impacts were not significant.

The Jay Project proceeded to the regulatory phase and received its permits and licenses in 2017. The following post-EA follow-up and monitoring reports were submitted June 29, 2018:

- Measure 13-3: Dominion Diamond Mines report on the implementation and effectiveness of its measures from the Jay Project Report of EA
- Measure 13-4: GNWT reported on the implementation and effectiveness of its measures from the Jay Project Report of EA

The Wek'eezhii Land and Water Board did not submit a report.

PRELIMINARY SCREENING

Review Board Staff continue to actively track preliminary screening notifications and compile screening reports for the online registry. Staff are also available to answer questions and provide support to preliminary screeners on an as-needed basis. The Review Board was notified of 82 preliminary screenings from April 1, 2018 through March 31, 2019. The screenings were conducted by:

- Mackenzie Valley Land and Water Board
- Wek'èezhìi Land and Water Board
- Sahtu Land and Water Board
- Gwich'in Land and Water Board
- Parks Canada, for tourism activities in Nahanni National Park Reserve
- Government of the Northwest Territories, Environment and Natural Resources, for timber harvesting
- CIRNAC, for activities on Indigenous reserve lands

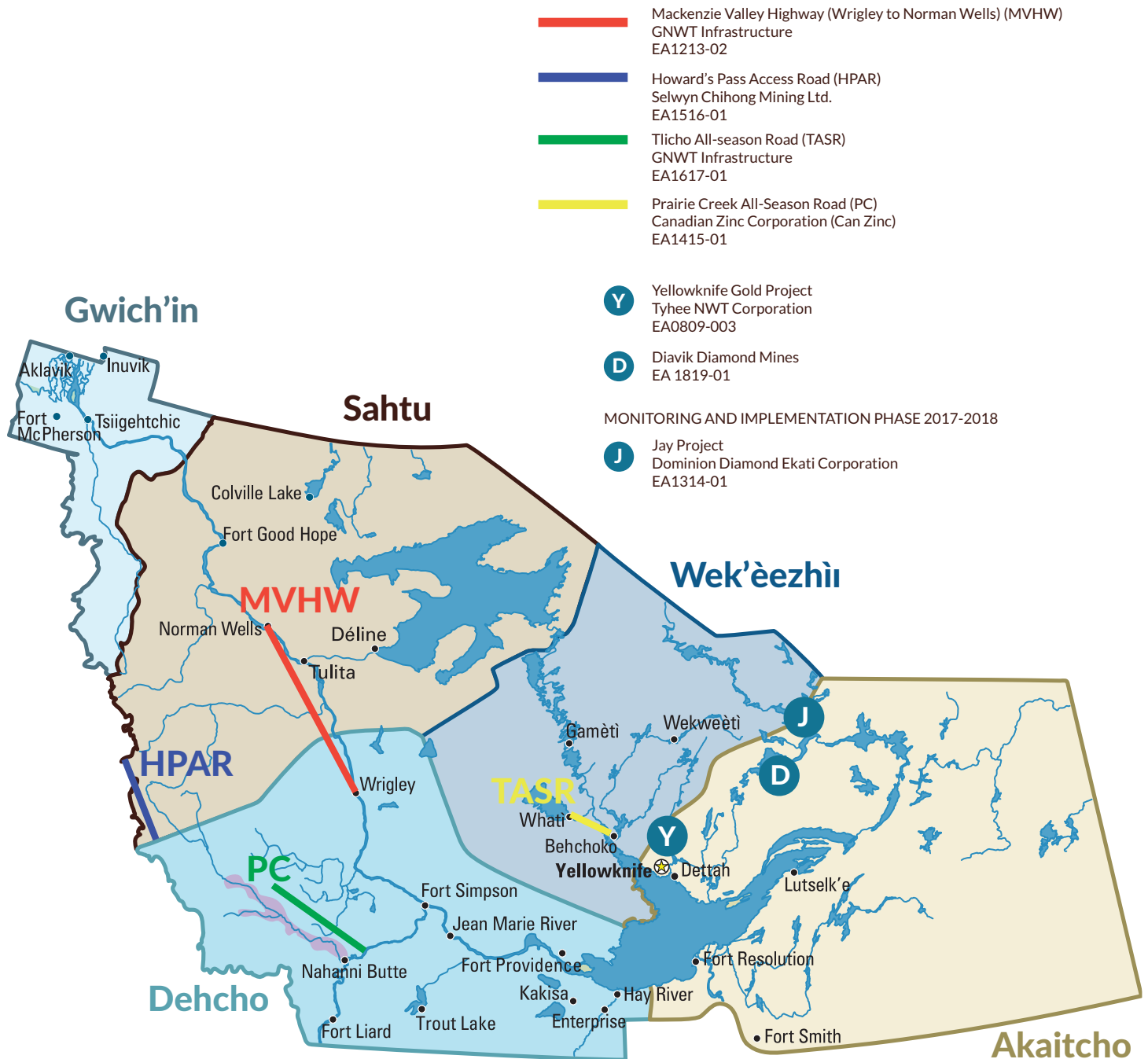
The Review Board was also notified of activities that were exempt from preliminary screening during the reporting period. These exemptions included amendment and extensions of existing permits and licenses as well as amendments.

In February 2019, the Review Board created a public registry for preliminary screening on its website. The preliminary screenings page is provided for the public because the Review Board has a legislated responsibility to ensure all preliminary screenings are viewable online. Members of the public, regulators and Indigenous organizations and government 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. Most screenings are conducted by the Land and Water Boards, but the registry also includes screenings by Parks Canada, GNWT-Environment and Natural Resources (ENR), Office of the Regulator of Oil and Gas Operations, and other regulators.

<http://reviewboard.ca/registry/preliminary-screenings>

ENVIRONMENTAL ASSESSMENTS MAP



SUMMARY OF REVIEW BOARD OPERATIONS

Apart from the core work of conducting EAs the Review Board had a busy year doing activities that help to complete its other strategic goals. Partaking in these goals proves to be helpful in looking at ways to continuously improve our EA practices and it also familiarizes 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.

POLICY & GUIDELINE DEVELOPMENT

The Review Board continues its work on key activities which included the release of the EA Initiation Guidelines for Major Projects, as well as updating the Environmental Assessment Guidelines and Policies, including the revision of the Rules of Procedure.



EIA Initiation Guidelines of Major Projects- community presentation in Fort Simpson March 2019

WEBSITE AND ONLINE REGISTRY

The Review Board continues to host the online public registry as well as a real time on-line review system for projects/developments in environmental assessment. The Board is in the process of upgrading web services to meet the

requirements of a fully online public registry required by the amended MVRMA. The Board will be moving to a software system for the Board's Decisions and reports that is used by the Supreme Court of Canada, as well as other courts and tribunals.



EIA Initiation Guidelines of Major Projects- community presentation in Fort Simpson March 2019

FORUMS AND WORKING GROUPS

NWT Board Forum

The Review Board attended the NWT Board Forum in Yellowknife and Behchokq in September. It was hosted by the Wek'èezhì Land and Water Board and the Wek'èezhì Renewable Resources Board. The focus of the Forum was around the theme of "Information Requirements for Making Good Decisions". The purpose was to develop a better understanding of knowledge sources and their relevance and application to Board decision-making; identify information requirements for the Boards; improve understanding and capacity to ensure decisions and actions reflect best available information and discuss key decisions/recommendations that are affected by information and how these experiences are important lessons in the co-management system.

NWT Board Forum Training

2018-2019 was another successful year for Board Forum Training. The Review Board administered training funds given by CIRNAC. The focus of the training was a Renewable Resources Management Course as it plays an integral role in the co-management and the integrative nature of the regulatory system in the North. Following the similar format for past courses such as Administrative Law and Board Orientation, this course will also have an on-line version accessible to Boards, government departments and the public.

Pan-territorial Forum

The Review Board and the Mackenzie Valley Land and Water Board (MVLWB) co-hosted the Pan-Territorial Assessment and Regulatory Board Forum in September. These meetings continue to be a useful forum to share challenges and best practices, initiate transboundary discussions, and identify areas for collaborative work between regulatory and assessment Boards in the three territories. There has been a variety of ongoing discussion with partners in Nunavut and Yukon, for example: staff supported the Nunavut Impact Review Board (NIRB) in organizing scoping sessions for the review of the proposed Grays Bay Road and Port Project and staff are discussing transboundary regulatory pathways for developments along the Yukon-NWT border.

CEAA WORKING GROUP / EA IMPROVEMENT INITIATIVE

The Review Board also works with other EA jurisdictions including the Canadian Environmental Assessment Agency (CEAA). Following initial meetings in November 2017 and March 2018, where a mutual interest to work together was established, Review Board staff met with staff from CEAA, (NIRB) and the Yukon Socio-economic Assessment Board (YESAB) in April 2018 to discuss best practices and challenges related to socioeconomic and cultural impact assessment. CEAA's role is set to



Renewable Resources Management Course held as part of the Board Forum training in Yellowknife, March 2019

expand into these areas with Bill C-69 and they want to learn from northern boards' experience. Northern Boards also recognize the expertise of CEAA with experience on a large number of different types of development projects, and common challenges/priorities like cumulative effects assessment, climate change, and species and risk. Beginning in May 2018, this year the northern Boards and CEAA held monthly calls to keep informed of emerging issues and practices, with a focus on effective conditions and mitigation measures and a general goal of working together to improve impact assessment practices. The Review Board hosted a second in-person meeting in September 2018 alongside the Pan-Territorial Forum meeting.

CUMULATIVE IMPACTS MONITORING PROGRAM (CIMP)

Review Board staff continues to actively participate in CIMP steering committee meetings and in the annual results workshops.

MVRMA AMENDMENTS

Review Board staff continues to engage in discussions related to amendments of the MVRMA and associated regulations. In particular, the Review Board continues to encourage government to bring into force the MVRMA provisions for development certificates.

WATER STEWARDSHIP STRATEGY

Review Board staff contributed to the review of progress and implementation actions for the

Water Stewardship Strategy (led by GNWT-ENR) and the annual workshop is scheduled for October 2019.

OUTREACH

CONFERENCES AND WORKSHOPS

Select staff and/ Board members attended conferences and workshops both in the north and in the south:

- Staff attended the Council of Canadian Administrative Tribunals conference in early April, where Executive Director Mark Cliffe-Phillips participated in a panel presentation and discussion about the Duty to Consult.
 - Staff and Board members attended a cumulative impacts workshop in Calgary in June 2018 where Manager of EA, Alan Ehrlich, presented on the topic.
 - The Review Board participated and helped host the Arctic Environmental Impact Assessment Workshop held in Yellowknife, Northwest Territories, April 2018. Board members and staff participated in panel discussions and gave
- plenary presentations on the Board's role in the environmental impact assessment process, with a focus on the role of Indigenous knowledge and cultural impact assessment in the Board's decision-making process.
- Executive Director Mark Cliffe-Phillips participated in a panel discussion at the Council of Canadian Administrative Tribunals Symposium in Gatineau, QC in June 2018) on *The Duty to Consult and Administrative Tribunals: Hamlet of Clyde River, Chippewas of the Thames First Nation and Ktunaxa Nation: What are the implications for administrative tribunals and regulatory agencies of the Supreme Court of Canada's recent decisions on the duty to consult when the decision may impact Indigenous or treaty rights?*
 - Executive Director Mark Cliffe-Phillips also presented a keynote address at the Resources for Future Generations Conference, June 2018 in Vancouver, BC on the *Incorporation of Traditional Indigenous Knowledge in environmental impact assessments.*
 - The Review Board worked in partnership with the Gwich'in co-management Boards and the GNWT in hosting a Resource Co-management workshop in February 2019 in Inuvik. This regional workshop was held



Renewable Resources Management Course held as part of the Board Forum training in Yellowknife, March 2019

to foster knowledge and discussion of the resource co-management system under the MVRMA. The goals were to discuss the history and implementation of the Gwich'in Comprehensive Land Claim Agreement relevant to resource management; inform participants on how the present co-management and integrated system works within the NWT; and share knowledge, ideas and experiences of the opportunities and challenges of working within the co-management system. Participants were from Indigenous organizations and governments, co-management boards, and government departments.

OTHER OUTREACH

Staff participated in various ways in giving input into legislative processes, research and public education and engagement. Some of these activities include:

- Interviews with various university researchers interested in co-management and northern environmental impact assessment;
- Various meetings with other organizations, for example: NWT Environmental Studies Research Fund (ESRF), GNWT Mineral Resources Act group, GNWT Lands EA staff, MVLWB policy staff (e.g., work on rules of procedure), etc.



Board and staff attend Round Up in Vancouver, January 2019

- Public engagement activities such as the (Resources and Energy Development Information) REDI Trade Show, Łutsel K'ę Career Fair, Yellowknife GeoScience Forum, (Association for Mineral Exploration (AME) Round Up, (Prospectors and Developers Association of Canada (PDAC) Convention, Rivers and Oceans Day.



Staff attend the Career Fair in Łutsel K'ę, June 2018

REVIEW BOARD FUNDING 2018-2019

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.

Fiscal Year	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Core	\$2,790,727	\$2,731,836	\$2,796,056	\$2,840,516	\$3,440,516	\$3,499,631
Supplementary Funding	NA	NA	NA	NA	\$8,750	NA
Deferred contribution to next fiscal year	\$121,536	\$469,942	\$176,640	\$373,854	\$209,706	\$791,897

FINANCIAL STATEMENTS

MARCH 31, 2019

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

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, 2019, 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, 2019, 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 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.



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 14, 2019

Crowe Mackay LLP

Chartered Professional Accountants



STATEMENT OF OPERATIONS

For the year ended March 31,	Budget 2019	Actual 2019	Actual 2018
Revenues			
Crown-Indigenous Relations and Northern Affairs Canada			
- Claims Implementation	\$ 3,499,631	\$ 3,499,631	\$ 3,440,516
- Board forum facilitation	-	-	54,275
- Board forum training	-	150,000	150,000
- MVRMA Consultation	-	-	8,750
	3,499,631	3,649,631	3,653,541
Expenses			
Amortization	-	47,225	33,444
Communications	40,000	16,721	9,157
Contract service	15,000	4,990	38,765
Honoraria	339,000	175,294	274,663
Office and administration	75,005	93,710	71,371
Office salaries	1,956,019	1,829,108	2,065,182
Professional fees	543,000	357,014	630,263
Rent	318,552	307,567	311,841
Training	48,000	14,032	14,987
Travel - board	105,500	107,921	189,514
Travel - staff	59,555	110,406	101,591
	3,499,631	3,063,988	3,740,777
Excess of revenues (expenses) before other items	-	585,643	(87,236)
Other items			
Loss on sale of capital assets	-	-	(3,683)
Transfer from deferred contributions	-	209,706	373,854
Transfer to deferred contributions	-	(791,897)	(209,706)
Excess of revenues over expenses	-	3,452	73,229
Transfer from (to) capital assets	-	(3,452)	(73,229)
Excess of revenues over expenses	\$ -	\$ -	\$ -

STATEMENT OF CHANGES IN NET ASSETS

For the year ended March 31, 2019

	Unrestricted	Investment in capital assets	Total 2019	Total 2018
Balance, beginning of year	\$ 1,991	\$ 142,081	\$ 144,072	\$ 70,843
Excess of revenues over expense	-	-	-	-
Amortization of capital assets	-	(47,225)	(47,225)	(33,444)
Additions of capital assets	-	50,677	50,677	110,355
Disposal of capital assets	-	-	-	(3,682)
Balance, end of year	\$ 1,991	\$ 145,533	\$ 147,524	\$ 144,072

STATEMENT OF FINANCIAL POSITION

March 31, 2019 2018

Assets

Current

Cash and cash equivalents	\$ 1,167,631	\$ 681,693
Accounts receivable (note 3)	26,221	138,924
Prepaid expenses	44,654	30,903
	1,238,506	851,520

Capital assets (note 4)

145,533	142,081
\$ 1,384,039	\$ 993,601

Liabilities

Current

Accounts payable and accrued liabilities	\$ 210,195	398,048
Salaries, vacation and severance payable (note 6)	229,143	236,495
Contributions repayable (note 7)	5,280	5,280
Deferred contributions (note 8)	791,897	209,706
	1,236,515	849,529

Fund balances

Unrestricted	1,991	1,991
Investment in capital assets	145,533	142,081
	147,524	144,072
	\$ 1,384,039	\$ 993,601

Approved on behalf of the board:

____ Original Signed ____ Director ____ Original Signed ____ Director

STATEMENT OF CASH FLOWS

For the year ended March 31,	2019	2018
Cash provided by (used for) Operating activities		
Excess of revenues over expenses Items not affecting cash	\$ -	\$ -
Amortization	47,225	33,444
Loss on sale of capital assets	-	3,683
Transfer to capital assets	3,452	73,229
	50,677	110,356
 Change in non-cash working capital items		
Accounts receivable	112,703	(81,333)
Prepaid expenses	(13,751)	(23,883)
Accounts payable and accrued liabilities	(187,853)	199,336
Salaries, vacation and severance payable	(7,352)	43,229
Deferred contributions	582,191	(164,148)
	536,615	83,557
 Capital activity		
Purchase of capital assets	(50,677)	(110,355)
 Increase (decrease) in cash	485,938	(26,798)
Cash, beginning of year	681,693	708,491
Cash, end of year	\$ 1,167,631	\$ 681,693



NOTES TO THE FINANCIAL STATEMENTS

March 31, 2019

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)(1) 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.

Under Public Sector Accounting Standards for Not-for-Profit Organizations, funding received for restricted purposes that has not been expended is required to be deferred. The commitments of the Board under the funding agreement have been met; any remaining balance will be applied towards the planning and carrying out of duties and responsibilities assigned to the Board under the Gwich'in Comprehensive Land Claim Agreements, Implementation Plan, and related Act(s) of Parliament.

(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.



Notes to the Financial Statements (continued)

(c) Capital assets

Capital assets are accounted for at cost. Amortization is based on their useful life using the declining balance and rates in note 4.

(d) Cash and cash equivalents

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

(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

The preparation of financial statements in conformity with Board requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

3. Accounts receivable

	2019	2018
Trade	\$ 1,900	\$ 7,066
GST - Public Service Bodies rebate	24,321	60,890
Holdbacks receivable	-	67,104
Employee advances	-	3,864
	\$ 26,221	\$ 138,924

Notes to the Financial Statements (continued)

4. Capital assets

				2019	2018
	Rate	Cost	Accumulated amortization	Net book value	Net book value
Leasehold improvements	20%	\$ 106,621	\$ 101,847	\$ 4,774	\$ 6,717
Furniture and fixtures	20%	175,166	65,720	109,446	107,154
Electronic data equipment	30%	1,066	622	444	634
Computer equipment	55%	105,028	74,159	30,869	27,576
Computer software	100%	11,923	11,923	-	-
		\$ 399,804	\$ 254,271	\$ 145,533	\$ 142,081

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 and an assignment of insurance. Secured by capital assets with a net book value of \$145,533 (2018 - \$142,081).

6. Salaries, vacation and severance payable

	Beginning of year	Used	Accumulated during the year	End of year
Severance payable	\$ 98,947	\$ (10,047)	\$ 18,872	\$ 107,772
Vacation payable	103,287	(93,400)	85,484	95,371
Wages payable	34,261	(34,261)	26,000	26,000
	\$ 236,495	\$ (137,708)	\$ 130,356	\$ 229,143

During the year the Board included in the salaries, wages and benefits expense amounts of \$150,015 (2018 - \$137,467) of current and future employee benefits.

Notes to the Financial Statements (continued)

7. Contributions repayable

	2019	2018
Crown-Indigenous Relations and Northern Affairs Canada		
- Board Forum Training	\$ 5,280	\$ 5,280

8. Deferred contributions

	2019	2018
Crown-Indigenous Relations and Northern Affairs Canada		
- Claims Implementation	\$ 791,897	\$ 209,706

All deferred contributions from the March 31, 2018 fiscal year end were recognized as revenues during the year.

The full amount of the board forum facilitation funding was expended during the current fiscal year.

9. 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.

10. 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:

(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, special purpose funds, trust assets 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 \$1,193,852 (2018 - \$820,617).



(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 \$444,618 (2018 - \$639,823). 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.

11. Budget amounts

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

12. Pension plan

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

	2019	2018
Employers' contribution	\$ 53,099	\$ 50,757
Employees' contribution	53,099	50,757
Pension surplus	\$ 106,198	\$ 101,514

Participating employers in the Plan, including the Board are required to make contributions to the plan of 8% (2018 - 8%) of pensionable earnings, and to remit employee contributions of 8% (2018 - 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, 2019, the NEBS Pension Plan had a going concern surplus of \$25,300,000 (2018 - \$24,000,000) and a funded ratio of 112% (2018 - 113%). The Plan serves over 1700 employee members and 115 participating employers.



13. Related party transactions

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

	2019	2018
Honoraria	\$ 175,294	\$ 274,663
Travel - Board	107,921	161,835
	\$ 283,215	\$ 436,498

14. Commitments

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

2020	\$ 331,548
2021	\$ 331,548
2022	\$ 321,413
2023	\$ 6,257
	\$ 990,766

15. Comparative amounts

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



SCHEDULE OF REMUNERATION AND EXPENSES

MARCH 31, 2019

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INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Schedule of Remuneration and Expenses

Opinion

We have audited the Schedule of Remuneration and Expenses paid by the Mackenzie Valley Environmental Impact Review Board as at March 31, 2019 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, 2019 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 Financial Statements

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.



Auditors' Responsibilities 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.

Yellowknife, Canada
June 14, 2019

Crowe Mackay LLP
Chartered Professional Accountants



Schedule of Remuneration and Expenses

For the year ended March 31, 2019

Name	Position	Months	Salary and benefits (Inc. IPA and VTA)	Honoraria	Total	Travel Expenses
Elected or Appointed officials						
JoAnne Deneron	Chairperson	12	\$ -	\$ 44,150	\$ 44,150	\$ 44,150
James Wah-Shee	Board Member	12	-	\$ 13,731	\$ 13,731	\$ 1,991
Bertha Ruby Norweigian	Board Member	12	-	\$ 10,250	\$ 10,250	\$ 9,100
Yvonne Nakimayak	Board Member	12	-	\$ 13,263	\$ 13,263	\$ 1,499
Kirby Marshall	Board Member	12	-	\$ 18,019	\$ 18,019	\$ 10,991
Joe Handley	Board Member	12	-	\$ 14,950	\$ 14,950	\$ 1,751
David Krutko	Board Member	12	-	\$ 39,712	\$ 39,712	\$ 29,733
Sunny Munroe	Board Member	12	-	\$ 11,656	\$ 11,656	\$ 1,850
Jim Edmondson	Board Member	12	-	\$ 9,563	\$ 9,563	\$ 1,535
			\$ -	\$ 175,294	\$ 175,294	\$ 95,203
Unelected Senior Officials						
	Executive Director	12	\$ -	\$ 168,571	\$ 168,571	\$ 18,976

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

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.



Mackenzie Valley Review Board



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Environmental Impact Review Board
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