



**St'at'imc (PC) 2011 Trust
Trustee/SA Meeting
February 4, 2016
9:15 am – 2:30 pm
SCC Council Chambers**

The meeting opened with a prayer from Chief Kevin Whitney.

The Investment Manager, Barrantagh, presented on the Trust's 2015 performance. Robert Cruickshank noted Barrantagh beat the benchmark 3 out of 4 quarters through 2015. Overall, the benchmark return for the year was 4.71% but the Trust earned 6.56%. So even though the markets were quite volatile during the year, the Trust investment return was solid.

Leanne Kruger from TE Wealth, Investment Consultant to the Trust, presented to the group. She explained as Investment Consultant, she will be presenting on two areas of Barrantagh's performance; compliance and objectives. She also explained why the Trustees needed to have an investment consultant to fulfill their responsibilities under the Trust. The 2 main goals of the Trust as stated in the Investment Policy: modest growth of income and preserve capital; and maintain the Minimum Protected Amount ("MPA"). She explained that the Trust funds were well above the MPA, with the funds having a market value of \$19.7 million.

Leanne also advised that the Trusts goal is to maintain stable returns at an average annual return of at least 5%. Since inception, the annual average has been 12%.

Melinda McKie of Deloitte reviewed the Legacy Fund, which has the MPA, cash flow and a projection of where it will be in relation to the MPA on the 5th anniversary of the Trust. It was noted that the projected Legacy Fund balance on the 5th anniversary is expected to exceed the minimum required.

Two new Trustees had been appointed this past year and introduced themselves to the Chiefs. Melinda discussed that 3 had returned to their roles and the other 5 Trustees roles are expiring in 2016. The Trustees discussed the importance of having the Trustees appointments renewed or replaced in a timely manner as Trust quorum is high and is needed so Trust business can continue.

Feedback was requested from the St'at'imc Authority ("SA") regarding communications between the Trust and the SA now that Cathy Narcise and Stacey Austinson are in place. It was explained the reason for the joint meeting in February was to share information on the Trust so the SA are able to better understand the Trust and work done over the year. It was noted that if there is a change in the Administrative Trustee there is a need to consult with the SA on that process. The Trustees recognize there is a need for a good relationship and want to make sure communication stays open and to see if there is anything needed. A question was raised regarding when there would be an invitation

to the PC's to share the information on the Trust and investments. The Annual General meeting is the place where this occurs. It was noted the Trustees held two meetings last year, one in the North and one in the South, to share this information.

One of the Trustees advised the SA that Lisa Ethan's term as Administrative Trustee is expiring in July 2016 and that for both risk and consistency reasons the Trustees had unanimously agreed to reappoint Lisa for a further 5 year term and also have Melinda appointed as a 2nd Administrative Trustee, so either on their own could attend meetings. There was a lengthy explanation as to how and why Lisa was singly appointed as Administrative Trustee. The Trustees' solution of adding an additional Administrative Trustee while keeping Deloitte LLP to provide support services, protects the Trust, it protects them, and also allows the operations to continue and not be halted.

A request was made by the Chiefs for a meeting between the Trustees and the SA regarding the appointment/reappointment of the Administrative Trustee to ensure the SA was fully advised of the Trustees decision. It was noted that the decision is not being challenged, but that the Chiefs want to ensure they are fully informed on the matter.

The Trustees advised the SA as part of the Trustees discussion the previous day the contract with TE Wealth, Investment Consultant, was amended to provide a similar level of service as per the previous contract, however TE Wealth would no longer be engaged by the Trust to work with each participating community ("PC") as may be requested by the PC. This change will reduce the annual fee to TE Wealth.

There was a lengthy discussion regarding the idea of an annotated Trust Indenture. This idea was first brought up at the time of the settlement occurring. Given the complexity of the Trust, it was indicated that having the background and the knowledge of why items were written the way they were would be very useful. For example, the reason that the Trust quorum is 8 of 10 Trustees was because community leaders didn't want a majority vote; they wanted consensus. It was agreed that this item would be added to the meeting of the Trustees and SA for further discussion.

The Trustees advised that in the previous two years the Trustees had gone to all communities to provide Trust training for Council and Administration. The Chiefs were asked if there is any further interest in this continuing. The Chiefs were reminded that each Trustee does have 10 hours to meet with Council, Administration and membership and the Trust pays that time. Anything over the 10 hours will be a cost to the PC. The Trustee keeps track of their time spent. One chief expressed interest and the others said they will speak to the Council and Administration.

The schedule of trust meetings and the AGM was shared with the Chiefs. The idea of having a meeting in the Fraser Valley instead of the South was seen as beneficial by the Chiefs. This will be looked in to for 2017. Also the idea of video streaming will also be considered.

There was an open discussion on community activities. Each Chief shared what some of the activities are underway. A few communities have started their own unique programs funded by Trust monies. They have even produced their own guidelines and policies. The Chiefs were advised that the Trustees like to share what the PCs are doing and share it in the Trust AGM materials. Should anyone have concerns with having the shared information included please let your Trustee know. It was also requested that the SA let the Trustees know if there is anything else that they would like included in the AGM report.

Meeting adjourned.