



**St'at'imc (PC) 2011 Trust
Trustee Meeting
February 4, 2019
9:00 am – 4:00 pm
Sekw'el'was**

Attendees

Nation Trustees

Adele Alexander (10:10am)	Raquel Kane
Trish Andrew	Karen Mitchell
Cecille Comeau	Vanessa Mountain
Dustin French (by phone)	Johnny Sam
Florence Jack (9:10am)	

Deloitte LLP

Lisa Ethans (minutes)
Melinda McKie (Chair)

Investment Managers – Barrantagh

Wally Kusters / Alan Daxner

Investment Consultant – T.E. Wealth

Jack Jamieson / Victor Pelletier

Regrets

Diana Adolph

The agenda was reviewed and approved as presented. It was noted that Lisa will be retiring from Deloitte once there is a plan in place for her replacement as one of the joint Administrative Trustees.

Trust meeting minutes from the December 6, 2018 meeting were reviewed.

Annual Sign-off on Code of Conduct

It was explained that the review and sign-off on the Code of Conduct is done annually for purposes of understanding conflicts of interest, and what is expected of the Trustees. Section 6 was highlighted regarding attendance and timeliness at meetings to remind the Trustees of the importance of attending all meetings unless there is a significant extenuating situation and also the importance of being on time. The Trustees discussed that further action would be considered for Trustees that are regularly late for meetings. A discussion also occurred on the confidentiality requirements that is required of a Trustee.

Videography Project Update

The Chiefs had requested that other names be added to the end of the video to recognize people involved in the negotiations. The changes are to be completed in time to show to the Chiefs tomorrow.

Financial

The Trustees reviewed the financial position of the trust including the Status of Trust Funds, Budget to Actual, and the Summary of PC Balances – both funds available to be drawn on and those in the Legacy Fund. It was noted that the amount held in the Legacy Fund exceeded the required Minimum Protected Amount (“MPA”) at December 31, 2018.

The Trustees reviewed the Administrative Trustee’s 2018 invoices and had no issues.

The Trustees reviewed the draft 2019 Trust Operations Budget of note were:

- review and approval of the fee information letter for 2019 for the Administrative Trustee;
- the Trustees reviewed the revised engagement letter that MNP had requested as changes to the audit standards were occurring for 2018 and the engagement letter needed to reflect the changes.

It was noted that the fees remained unchanged from the engagement letter which had been

approved in December 2018. The Trustees also reviewed the Audit Service Plan. The auditors indicated they had no independence issues; and

- information for the 6th Annual NATOA Conference in Vancouver on May 13-14, 2019 was provided and it was agreed that the budget would be approved to accommodate all Trustee's attending the learning session.

The Trustees had no concerns with the 2019 Budget and it was approved.

The Trustees discussed that rates for the expense reimbursement policy were set at 75% of the federal rates based on the prior policy. After much discussion the Trustees decided that 75% of the federal government rate was reasonable. It was agreed the policy would be updated annually in January.

Review Cash Flow Projections for Legacy Fund

A cash flow schedule was reviewed noting that it is a projection only, but that the Trust is well within the MPA requirement. The detailed schedule is provided to the Trustees to show how the graphs that will be presented to the Chiefs the next day are prepared. It was discussed that the Norway Sovereign Wealth Fund ("SWF") video was very powerful based on feedback from the Chiefs and Councils that saw the presentation.

There was discussion as to what type of GIC, and length the Trustees would like to invest the monies that are securing the line of credit. The Trustees decided to wait to make a decision until after talking to the investment manager and investment consultant.

Nation Annual Payments

It was noted that a couple of audits are still outstanding from a couple of the communities as well as one community still needs to submit its Section 149(1)(c) confirmation PCR. Certain audit submissions were discussed with the Trustees in detail with direction provided to the Administrative Trustee. There were no requests to review for funding.

Investments Manager

Barrantagh noted that in Q4, the market had a huge pullback, putting the investment performance in the negative territory at year-end. It was explained that this was attributed to trade talk uncertainty, the US government shutdown, and other global events at the time. For the year ended December 31, 2018, the Trust's portfolio finished at -3% compared to a -1.7% benchmark. He informed the Trustees that most of the ground lost in Q4 had since been made up in January 2019. On an annualized basis since inception, the Trust earned 7.9% compared to a benchmark of 6.6% at December 31, 2018 which is strong performance.

The investment managers were consulted and agreed that a shorter period for a GIC investment is better since interest rates are still going up. The Trustees agreed.

TE Wealth took the Trustees through a slide deck. The Investment Consultant let the Trustees know that inflation, on an average annual basis since inception was approx. 1.48%, so the Trust is doing very well on a long-term growth basis. Overall, both managers were meeting all of the requirements at December 31, 2018 and TE Wealth had no concerns.

Other

Additional matters discussed included:

- the 2019 proposed Trust meeting agenda;
- AGM's for 2019 and sharing the video on how the Agreement was achieved;
- the US tax withholdings opinion was received from Max Reed from SKL Tax. It was noted that it was a favourable opinion and discussion occurred on obtaining a quote in case any of the PC's wish to obtain a similar opinion;
- recent communications were reviewed with the Trustees which included questions from PC's;
- it was discussed that an information handout about the Trust should be prepared for the purpose of handing it out to membership to understand the Trust;
- it was also discussed that the Trustees should have a table at the St'at'imc Gathering (May 11) with the handouts being provided and "save the date" notices for the AGMs.

It was noted that the next Trust meeting will be March 26, 2019.