



**St'at'imc 2011 (PC) Trust  
Summary of Minutes  
Trustee Meeting  
December 3, 2015  
Conference Call**

Meeting commenced at 9:05 am.

Melinda opened the meeting by expressing condolences to the people and families of Xwisten who were affected by the recent tragic events in the community.

**Administrative Matters**

**Agenda**

The Trustees reviewed and approved the agenda.

**Status of Trustee Appointments**

The Administrative Trustee had received the Band Council Resolution (“BCR”) and Trust Deed of Appointment and Consent for Johnny Sam to continue as the Trustee for Skatin.

**Review of September 10, 2015 Meeting Minutes**

The September 10, 2015 meeting minutes were reviewed and approved with a few minor additions.

**Financial**

**Status of Trust Funds**

The Status of Trust Funds was reviewed. A total of \$48M had been received from BC Hydro to date. Earnings on these funds have totaled \$2.8M. Legacy funds held at Barrantagh total \$17.5M. It was determined that the Trust is on track to meet the upcoming Minimum Protected Amount (“MPA”) requirements.

**Review Summary of PC balances**

The Summary of the Segregated Beneficiary Balance for each participating community was at October 31, 2015 was reviewed. It was noted that the MPA balance was approximately \$17.5million (book value) and there is approximately \$1.9 million in unrealized gains making the total roughly \$19.4 million.

**Budget to Actual at October 31, 2015 and November 25, 2015**

The Budget to Actual schedule was reviewed by the Trustees. Out of a budget of \$626,000, the actual expenditures to November 25, 2015 totaled \$483,542. Melinda noted that the Trust would be receiving billings from the investment manager, custodian, investment consultants and Farris before the end of the year. The October budget was also provided to ensure reconciliation with the rest of the financial information.

**2016 Draft Budget**

The Trustees reviewed the attached draft budget for 2016. Surplus funds from the 2015 budget will roll over to the following year and would be used for Trust operations until further funds are received from BC Hydro in May. The surplus 2015 budget is estimated to be approximately \$90,000 which is not sufficient to carry the Trust operations for 6 months. It is standard for there to be a 10-20% contingency built into a budget. The Trustees were in agreement with this approach and directed that a note be added to the budget to explain the need for 1.5 years of funding to cover expenses.

In reviewing the budget it was discussed to what extent the communities would likely use the services of TE Wealth going forward. There was a discussion on the costs incurred to date and the value of the services provided. Based on this, the Trustees concluded that the current fee arrangement for the expanded services made sense in the past but would probably not provide the same value in the future. This topic will be brought to the meeting with the Chief's in February.

### **Nation Annual Payments**

#### **Update on PC Audit reports**

All audits have come in from the communities with the exception of one community.

Two communities requested funds from their available balances. Requests were reviewed and approved for payment.

### **Other**

#### **Responses to 149(1)(c) Letters to PC's**

Three communities have provided their responses confirming that they remain compliant with section 149(1)(c) of the Income Tax Act and are therefore not taxable. The Trustees agreed to follow up with their communities to ensure the letters are sent in.

#### **Farris Opinion**

The Trustees reviewed a memorandum from Farris, the legal firm retained by the Trust. It was noted that Farris has agreed with the Deloitte tax group letter which indicated that the money that is contributed to the St'at'imc (PC) 2011 Trust from BC Hydro, at the direction of the PC's, is capital and not income. Farris also agreed that Trust money is one pool and is only separated for accounting purposes not for tax purposes. This opinion was requested due to a question raised by the auditor last year regarding how the incoming funds were being categorized in the financial statements.

#### **MNP Engagement Letter**

The Trustees reviewed the email from Stephanie Light of MNP. MNP agreed that they will attend the two AGM's and will only bill the related out-of-pocket costs, but there would be no additional fees for attending. The Trustees agreed to retain MNP for this year's audit.

#### **Update on NATOA Course**

All but three trustees have enrolled and/or taken the National Aboriginal Trust Officers Association (NATOA) course. The Administrative Trustee agreed to contact NATOA and arrange for the last few to complete the course in the next intake.

#### **Update on NATOA Conference**

The Trustees reviewed the NATOA conference poster. The Trustees were asked if interested in attending, as this would be taken into account when producing the 2016 budget. The Trustees needed more information before a decision would be made. It was suggested a larger contingency be added to the budget until decisions are made on this; the Trustees agreed.

### **Chromebooks**

Many of the Trustees are having issues downloading documents from the Eroom with the Chromebooks. The Administrative Trustee would discuss the issues with Deloitte's IT department and seek a solution.

### **Next Meeting**

The next Trust meeting will be February 3, 2016 and the Trustees will join the Chiefs the following day on February 4. The meeting location is yet to be determined as the Administrative Trustee is waiting to hear from Stacey Austinson on where the Chiefs meeting is being held.

The meeting was adjourned.