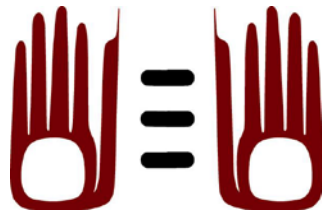


**1-3-5
Business Plan**



Gwaii Trust Society

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2010

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1.0 Introduction:

To ensure a sustainable “Islands community” we must plan and manage our development in ways that reflect our cultural and environmental uniqueness. The Gwaii Trust offers us an opportunity to pursue fundamental economic and social transition. The lack of some of the most basic community infrastructure demands immediate attention. The pursuit of a sustainable community requires us to address and implement responsible stewardship. The Gwaii Trust offers us an opportunity not readily available to the rest of the world. As individuals we may choose to act together for the common good of our “Islands community.”

Quality of life is an essential issue. As we make the “Islands community” a better place to live, we make it a more desirable place to visit and to conduct business. As the Islands economy and demographics shift so must the Trust’s responsibilities and priorities. The Trust’s current business plan mirrors the community’s changing needs – sharply focusing on collaboration, partnerships, and sourcing multiple income streams to creatively diversify and advantage leveraging opportunities whenever possible.

Project scale becomes less important than added sustainable community value and future positioning of our youth. While the Trust continues to support larger infrastructure projects, their quality must contain a measure of sustainability beyond the initial construction stage, employ locally, leverage all investment streams, and be significantly relevant to the future, economically, culturally, and socially.

The Gwaii Trust also carries an obligation to educate other like minded funds, societies and institutions whenever possible, assuming a leadership role based on its robust experiences and vision for the future. Only in this capacity can the Trust begin to seek creative solutions that will affect the roots of systemic social issues within our communities.

There are times when if all reasons have been considered, guidelines evaluated and a good project still just does not fit but it is the right thing to do, we must find a way to do that right thing. Here at the Gwaii Trust we feel that doing the right thing is, and has always been the original spirit and intention of our forefathers.

1.1 Executive Summary:

In March 1966 Chief Skidegate Lewis Collison said “people are like trees, and groups of people are like the forests. While the forests are comprised of many different kinds of trees, those trees intertwine their roots so strongly that it is impossible for even the strongest winds to uproot the forest”

Never have those words held more meaning than today. The Gwaii Trust’s future depends not only in the deepening of those roots within its own community but also by opening its resources and partnering with groups across the country. For we, even as an Island community, do not live in isolation from the world, we are dependent on its goods and services, its knowledge and its resources. Our children seek opportunities beyond our shores, while many others throughout the country work diligently on the same systemic social issues we face from day to day.

Partnerships in learning, information sharing, resource collaboration, and strategic business alliances are all strategies the Trust must embrace to bring the full potential of its resources to the benefit of Haida Gwaii. We also have an obligation to share the lessons we have learned over the years, to be more than just quiet providers working individually. It has been said that the greatest lessons learned are by those who openly teach others.

Moving forward the Trust has a vision of working with like minded organizations, creating a resource library for all to share, collaborating on projects and systems wherever possible, and of teaching, listening and learning from others.

In preparation for this exciting new phase of the Trust’s development the Gwaii Trust Executive team has been engaging in preliminary talks with small Trusts across the northwest to explore opportunities where partnerships might prove beneficial for communities and peoples in most need of assistance.

Locally the Trust is developing a foundational tool to enable small local groups to establish and access perpetual funding related to their specific causes. Working in direct partnership with Northern Savings Credit Union the Trust will establish opportunities for donors who favor a particular cause or organization to create a perpetual endowment, with the Trust offering significant investment incentives, and assisting the growth of the endowment with its own fund raising initiatives.

Continuing on the local front the Trust will begin to look beyond simply category based granting and move to include investing a portion of the Trusts portfolio in on Island entities, creating wealth and employment opportunities directly within our communities.

The task that lies before us is truly a journey without end, but like each successful journey it begins with a single step.

Today we take that step.

1.2 Where it all Began:

In 1985, the political standoff at Lyell Island brought worldwide attention to the Gwaii Hanaas issues of the land title dispute, the environment and economic matters. In 1987, the Haida Nation designated the area a Haida Heritage Site. In 1988, Canada designated the area a National Park Reserve.

Representatives of the Council of the Haida Nation (CHN) and the Residents Planning Advisory Committee (RPAC) established an Accord on a Community Development Fund. In spite of legislative hostilities and other societal encumbrances to cross-cultural understanding, and after years of difficult work, the results evolved into the Gwaii Trust Interim Planning Society (GTIPS).

The GTIPS was established in accordance with the Society Act of British Columbia in November 1991. Its purpose was to develop a permanent model for a locally controlled, interest-generating fund. The Gwaii Trust Society would be founded on principles to achieving a sustainable "Islands community". The Gwaii Trust Society was formed in September 1994 to operate the perpetual Trust Fund, and the GTIPS was dissolved as a society.

1.3 Our Mission:

The Gwaii Trust will enhance environmentally sustainable social and economic benefits to Haida Gwaii through the use of the fund.

1.4 The Vision:

The Gwaii Trust will advocate and support an Islands community characterized by respect for cultural diversity, the environment, and a sustainable and increasingly self-sufficient economy.

1.5 Values and Beliefs:

The Gwaii Trust Society values and believes in:

- fairness and equity;
- effective communication;
- willingness to change;
- building and demonstrating trust;
- a holistic approach to a healthy Islands community;
- consensus decision-making;
- a Trust Fund in perpetuity;
- credibility;
- collaborative problem solving.

1.6 Gwaii Trust Principles:

In delivering its business plan, the Gwaii Trust Society will:

- follow the constitution and bylaws;
- communicate effectively with Island communities;
- provide effective guidance to communities on proposal preparation,
- maintain a strong financial management plan that respects its investment policy and is reviewed on a regular basis,
- encourage all Islands participation in the Gwaii Trust and its programs;
- set consistent criteria for each program;
- be guided by principles of fairness and equity;
- emphasize programs that will lead to the vision of an Islands community;
- follow policies and criteria developed by the Board of Directors;
- listen to and consider public input;
- not replace or duplicate existing government programs;
- encourage partnering with existing programs or agencies to maximize benefit to the Islands Communities;
- continue to refine its programs and operations;
- attempt to maximize the available funding.

2.0 Board Structure:

The Gwaii Trust Society has a volunteer eight (8) member Board of Directors that represents all participating communities on Haida Gwaii. One Board member represents each of the following communities:

Graham Island North; Latitude 53° 50' north

Graham Island Central; Between Latitude 53° 50' north and 53° 30' north

Graham Island South; South of Latitude 53° 30' – Graham Island

Area E (Regional District – Sandspit including South Moresby)

Council of the Haida Nation (CHN) 4 members

(In addition CHN appoints a non- voting Chairperson.)

Each Board member or that Board member's community appoints an Alternate, whose purpose is to fill in when the Director is unavailable. Alternates are also invited to attend Board Strategic Planning sessions where their input will be called upon to shape future Trust decisions.

2.1 Roles and Responsibilities of the Board:

- All Board members have a duty to be fully aware of Gwaii Trust Society policies, criteria and implementation procedures;
- Every Board member is encouraged to share his or her opinions;
- Full disclosure of pertinent information is expected in order to make informed decisions;
- If conflict occurs between or amongst Board members, the Chair will call a break, and attempt using mediation to find middle ground;
- If mediation does not work within 15 to 20 minutes, the Chair will reconvene the meeting and move on to the next agenda item;
- All Board members will honor Board decisions, both within and outside of the organization;
- In-camera sessions are defined as those pertaining to issues of personnel, legal, financial matters, and program allocation discussions;
- After the Board has taken a decision, the results will be published to the public at large.
- The Chair and Board members will attend meetings punctually or provide 24 hours notice for their alternates to attend;
- Board development and training will be scheduled throughout the year, but held at least annually;
- The Board may at its discretion, schedule separate session(s) prior to Board meetings to obtain any needed technical advice.

2.2 Committee Responsibilities:

- The Executive Committee is responsible for recommendations to the Board on all matters pertaining to:
 - a) Media relations;
 - b) Investment management;
 - c) Personnel changes and disciplinary actions (pending or potential) senior employee performance management;
 - d) Policy changes and deletions;
 - e) Any other matters the Board may assign.

- The Arts Committee is responsible for recommendations to the Board on all matters pertaining to:
 - a) Arts policies and procedures;
 - b) Project approvals under the Arts and Arts Workshop programs.

- The Media Committee is responsible for recommendations to the Board on all matters pertaining to:
 - a) All press releases;
 - b) All published material;
 - c) All web design and content.

- The Audit Committee is responsible for recommendations to the Board on all matters pertaining to:
 - a) Finance policy and procedure;
 - b) Administrative review;
 - c) Financial Statement approval;
 - d) Auditor recommendations.

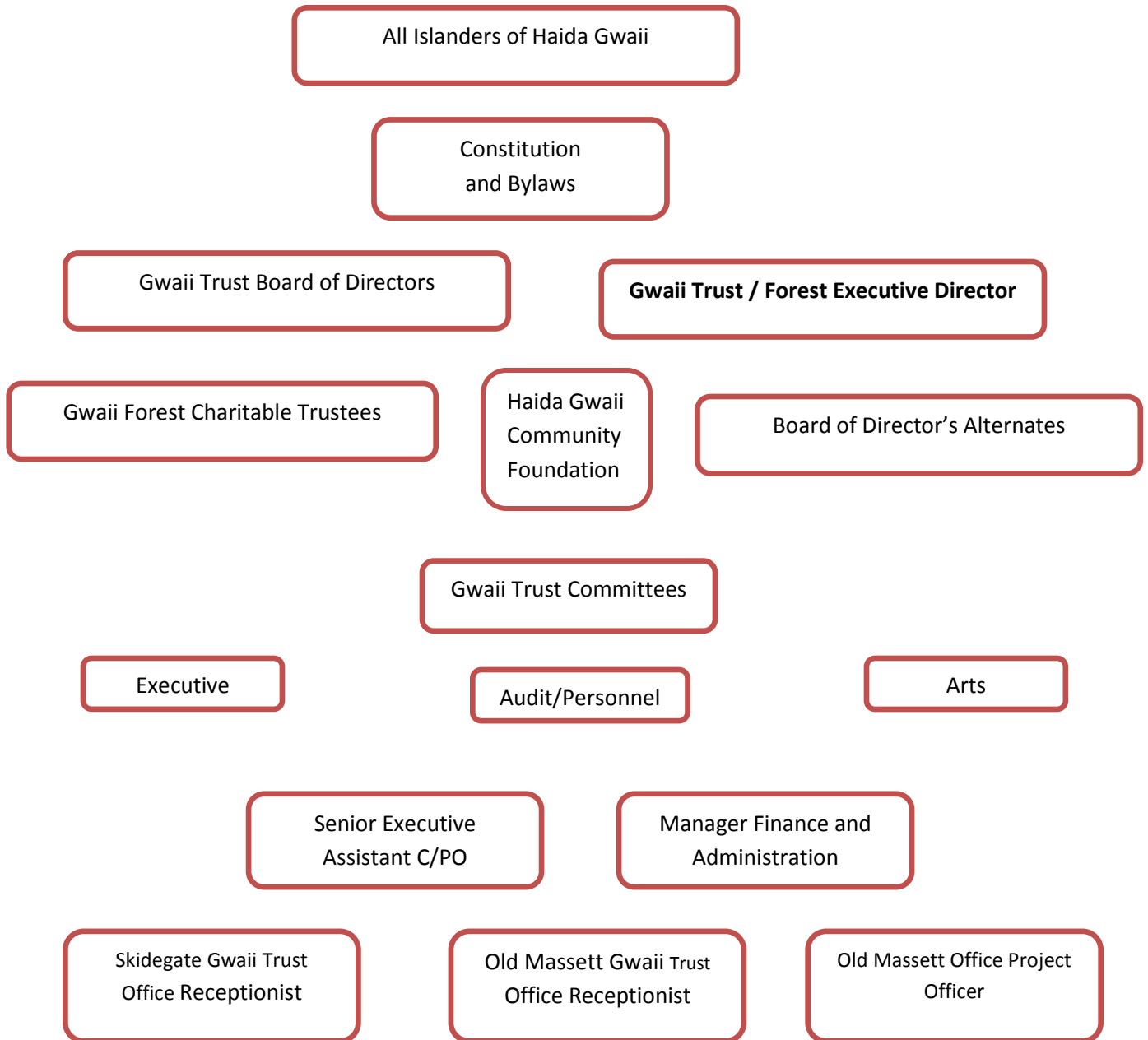
2.3 Legal Status:

The Gwaii Trust Society is registered as a not for profit Society to maximize tax exemption for the Trust. In addition, the Gwaii Trust Society will research the possibility of becoming designated as a “Charitable status” organization.

2.4 Organization Chart:

The Constitution and Bylaws govern a consensus Board which sets out policy for management to run the day to day business affairs of the Trust. Based in two locations, offices are at either end of the island archipelago, to actively serve the needs of all island residents, The staff of the Gwaii Trusts consists of an Executive Director one Senior Executive Assistant/Project Officer, a Manager of Finance and Administration one Project Officer and two Receptionists. An Organizational Chart is provided below to visually outline the flow of information within the organization.

Organizational Chart



2.5 Management Structure:

The Trust is a “Board Driven” organization, as opposed to a “Management Driven” organization. This means that while the management is responsible for the day to day operation of the Trust, when any question arises regarding the future direction of the Trust or has the potential to impact the Trust in anyway, management’s only role is to supply the Directors with as much relevant and factual information as possible, up to and including referrals to outside consultants, and then to defer all final decisioning to the Board. As stated earlier the Board is a consensus Board, which means that all Board members must agree and support any and all resultant decisions. The Trust has created a process for determining consensus which can be found in its entirety under the Gwaii Trust Society’s Constitution and Bylaws. The purpose of this Business Plan is to provide Management and staff with clear direction of Board intention. This enables management to make critical day to day decisions without having to convene the Board for approval on items of a general or trivial nature; secondarily, it provides a definitive measure to gauge the performance of senior management, and therefore supporting staff; and finally it ensures continuity of intent throughout possible annual Director changes.

2.5 a Consensus decisioning, as mentioned above, is the mandated method of reaching all decisions at the Gwaii Trust board table. The intention of consensus decisioning is to ensure all area Directors have an equal voice when decisions are required. The primary goal of the discussion is unity rather than unanimity. (See definitions for a further explanation)

2.6 Outside Resources:

The Gwaii Trust relies on many outside sources of expertise to assist in matters such as financial investment management, probability analysis, custodial management, external audit functions, and third party legal opinion. The Trust believes in obtaining a broad and diverse spectrum of input prior to Board decisioning, in conjunction with this philosophy the Board also supports periodic independent reviews of all Trusts activities.

Over the course of the next several years the Trust hopes to expand the diversity of expertise and opinion it receives through the placement of honorary Directorship. This concept places well known practitioners within a particular field of endeavor as advisors to the Board. These advisors would have no voting authority but would bring an added dimension of expertise when needed to the Board.

Gwaii Trust Professional Advisors:

Auditor’s	McAlpine and Company
Legal Advisor	Knox and Co.
Actuary	Towers Watson
Custodian	RBC-Dexia
Investment Advisor- Domestic	Philips Hagar North
Investment Advisor – Global	Templeton

3.0 Market Research and Analysis

Over the course of the last 12 months the Trust has been gathering data on the local market economic factors, socioeconomic conditions, social justice, housing, education, youth and some of the Island's unique systemic issues. The Board felt that at the base of these issues lay two immediate community priorities. The Trust decided to focus its energies where it felt it could create the most impact within our communities, both at present and in the future. Analysis directly incorporated many of the specific areas mentioned above; however data interpretation was combined to sharpen this focus on economic development and youth. The Directors felt that if the Trust could positively impact these two areas it would be a good first step in grappling with the other challenges that hinge upon both these sectors. Presented here is a brief overview of these two critical areas.

3.1 Our Market Economy

The Gwaii Trust has been funding initiatives on Haida Gwaii since 1994. During this time the Islands have witnessed many changes, politically, economically, and demographically. Today the Islands are home to roughly 4,700 inhabitants. Spread along Hwy.16, the 130 km spine of Haida Gwaii, the balance of peoples reside in the seven major communities: starting in the South and working North they are; Sandspit, The Village of Queen Charlotte, Skidegate, Tlell, Port Clements, Masset, and Old Massett Village.

The communities are both unique and similar. Their uniqueness is defined by their individual economic dependence on completely differing resources. For instance virtually the entire Village of Port Clements depends on the forestry sector. The Village of Queen Charlotte is home to the bulk of the Islands governmental workers. Masset depends heavily on the fishing industry.

Yet they are similar in that all are part of the mosaic that is "Island life". The dependence on off Island goods and services, the high cost of transportation of those goods and services, the remote nature of the Islands themselves, has proven to exacerbate rather than insulate any economic slowness the rest of the Province or country may experience.

The demographic makeup of Haida Gwaii is:

45% Haida

55% Settled Societies

The population is equally split between males and females, with the average age being 45
Island incomes are varied, from to those whose intent is to "just working enough to live" as a lifestyle choice, to government contract workers here for a specific time and assignment.
Unemployment is also aligned geographically, with the numbers varying wildly in the differing communities.

Old Massett Village claims an unemployment figure of some 80-85%

While The Village of Queen Charlotte touts a more conservative 15%

The Village of Port Clements, which was recently hit hard by the pull out of Western Forest Products, removing with it some 110 Island jobs – most of which are held by residents of Port Clements has lost the bulk of its population and is what some consider a lost company town.

The Islands economy has been resource dependent for many years, and as a result the communities are experiencing difficulty coming to grips with its decline. While there is ability to have both the logging and fishing industries contributing to a well rounded economy, these two industries will never be the mainstays they once were. Sustainable practices in both industries have reduced Island dependency to roughly thirty percent of what has become the new Island economy. While still significant contributors, both industries are working hard to undergo some significant changes in order to qualify as sustainable. Community forest concepts have been talked about, along with the communal purchase of Tree Farm Licenses, for years, but some of the challenges yet to be overcome include: a limited skilled work force; a workable infrastructure to take maximum advantage of the harvested wood; secondary manufacturing ideas and supporting infrastructure; and a focused all Island leadership initiative, have road-blocked these concepts to the planning stages.

Fishing catches have been in decline through over use for many years. Local fishers lament the sports fishery industry taking a large share of the dwindling stocks, and civic fishers are claiming First Nations catch quotas provide an unfair market advantage. Again the common theme here needs to be working together for the common good of all islanders.

The tourism industry is also in its infancy, with a significant percentage of the Islands population still seeing visitors as more of an intrusion than an opportunity. Retailers complain of difficulty in finding staff, visitors cite sporadic operating hours, limited availability of reasonable accommodation, and a minimum of dining choices; with the weather constricting the tourist season to a little less than 120 days, every advantage must be leveraged to inveigle clients to visit, and more importantly to return. The average tourist will part with roughly \$2,500.00 per couple to simply fly from one of the closest metropolises and to spend two days on Haida Gwaii. Individuals making this type of vacation commitment have an expectation of service delivery that is often a challenge for current Island tourism infrastructure. And yet engage any person throughout the country, and most will express a notion that Haida Gwaii is a magical place that they would love to one day visit.

It is clear that opportunity exists to capitalize upon this notion, but without consensus the road will be both long and arduous.

As one would expect, in an environment of economic hardship there is no shortage of systemic societal concerns, suicide, three times the provincial average, property crime double the provincial average, alcohol consumption double the provincial average, and an infant mortality that is the highest in the province. (Source: BC Stats 2009)

The Gwaii Trust believes it can assist in helping communities with these economic issues in several ways;

- Through its support of collaborative initiatives working to first bring groups, then communities together;
- By creating synergies and partnerships wherever possible;
- Through the support of small self sustaining business development initiatives;
- By creating self wealth building foundations that can become capable of perpetual core funding to the least advantaged among our societies.

3.2 Our Youth

From the preschools to secondary schools that anchor each end of the Island, Haida Gwaii is home to seven schools serving some 750 students throughout the communities. Declining enrollment and budgets, a contiguous staffing complement, food for students, high school students commuting up to an hour each way, travel to interschool events, oft times held off island, and often inadequate role models, are but some of the major concerns within the local school system. While it is true that there is unparalleled wilderness opportunity and access to symbiotic cultural integration, each does not come without its own cost. Serious juvenile crime rates are among some of the highest in the Province, with people aged 12-17 committing 17 offences per 1,000 populations, or more than 4 times the provincial average of 4.2; even with our relatively low to moderate student teacher ratios more than 51% of our 18 year olds still do not graduate from high school. (Source: BC Stats 2009)

In today's connected global world, the islands geographic isolation further marginalizes those that cannot or will not embrace technology, and lifelong learning.

The Gwaii Trust believes it can make a difference in this vital area by:

- Supporting appropriate mentorship programs;
- Championing the coordination of island youth projects;
- Committing to a Youth Coordinator to research and solution find with local youths any roadblocks that may hinder a healthy lifestyle and transition into adulthood;
- Encouraging cultural relevance within the public school system;
- Supporting Haida language initiatives;
- Continuing to raise the bar on excellence in academic and trade school excellence;
- Continue to assist with off island travel initiatives for youth;
- Encourage physical activity programs;
- Encourage and champion technology development and use wherever/whenever possible.

3.3 Gwaii Trust's Investment Outlook 2010 – 2013:

The Trust's market analysis for the near term reflects the reality of remote Northern community living. Weak socio-economic drivers and an aging transitioning workforce are dynamic factors that have been exacerbated by a steadily weakening natural resource extraction market. Any recovery or long term sustainable project of an appreciable size will take a minimum of three years to begin to cycle through the local economy. Funding requests are anticipated to remain high throughout this business plan period. In fact all long range indicators suggest that both the population and the economic growth will remain flat or slightly decline over the next decade. The Trust believes that in order to maintain true sustainability and diversification within this environment emphasis must shift to small to midsized stand alone producers, rather than dependence on large group projects, as these larger employers

tend to be cyclical in nature, require mass capital, are typically of a boom and bust nature, and heavily reliant on outside markets. Sufficient capital must be available to adequately fund these initiatives, statistical analysis consistently reveal that the number one reason for new business failure is under capitalization.

3.4 Income

Fund growth through the Trust's diversified bond and equity portfolio is predicted to match typical corporate benchmarks for a conglomerate average return of roughly 6.5% per annum over the term of this report. Uneasy, shifting global markets are predicted to have a relatively minor affect on the overall value of the Trust, thanks in large part to the Trust's well balanced investment structure. While there can be no accurate predictor of "significant one time" events we can ensure we are well positioned to weather a series of negative circumstance events such as was recently witnessed in 2009/2010.

The Gwaii Trust has recently undergone a series of revisions to its Statement of investment Policies (SIP) which can found in its entirety on the Trusts website at www.gwaiitrust.com. These changes came about from lessons learned throughout the global financial crisis and on the advice of many members of the Gwaii Trust's professional investment team. One of the main changes to the Trust's SIP is the Trust's ability to more readily move within market sectors as economic conditions change globally. The other main change was the implementation of a fixed spending policy, capping annual expenses at 4.0% of assets under administration. (AUA)* This revision is a return to the original intent and purposes of the Trust, spending only what we made in the previous year.

Other income opportunities will be explored through partnership agreements, outsourcing of our administration services to smaller trusts and charitable institutions, and through a collaborative managing of like minded community funds as a collective, thereby reducing overall fund management fees to all.

In the longer term the Trust plans to establish a foundational arm that will create and secure individual legacy funds to repetitive clients with real socioeconomic needs. It is envisioned that once up and running the foundational component will support a myriad of island needs, allowing for the Trust to manage, champion and administer larger economic projects in a real and meaningful way.

*The Trust's balanced portfolio earns approximately 4.0% of AUA from interest and dividends paid in an average fiscal year. A further 2.5% is earned through capital appreciation of the Trusts portfolio.

3.5 Expenses

The Trust's expenses have typically maintained a proportional percentage of the fund itself. As the fund grows and programs expand a cumulative volume of work begins to reveal itself. Over the years the Trust has chosen to grant to a wide variety of sectors and individuals. Each year over 400 grants are dispersed from the more than 600 applicants. Projects typically require three draws, and the majority of projects accrue over 12 months. With a continuous volume of applicants to a variety of programs, it becomes evident that responsible project management, data compilation and extraction, and audit functions will continue to expand as the Trust grows. When coupled with raising fund fees, investment management costs, and the necessary increasing staff expertise necessary to handle increasingly complex systems, expenses will, at a minimum, keep pace with inflation.

Over the budget period the Trust will look to optimize its current staff compliment through training initiatives, mentorships and on the job experiences where appropriate. Where necessary the Trust may seek the addition of an external fundraiser, technology and web designer, Youth Coordinator and perhaps an internal financial investment analyst through contract initiatives until viabilities can be substantiated.

Future capital expenditures may include the purchase and or redevelopment of the Skidegate Branch to a standalone facility capable of accommodating full Board meetings and our existing staff, who currently share office space as necessary. Additional capital expenditures will be required to our current accounting and web systems, with the largest of these being the purchase and or development of a "banking style" integrated account management system. This system enhancement would enable applicants, both local and outsourced clients, to view project status, history and account requirements in real time, with additional features such as direct deposit, statement analysis, and personal project review to clients who receive multiple grants within the year. Also available will be self navigation of individual projects income and expense requirements, and on line viewing of all project applications, evaluations, including photos and live streaming audio.

3.6 Challenges:

Community diversity, broad expanse of service area, and the omnipotent, cost of goods and transport to our remote island area, are challenges that lay at the root of all subsequent issues. While employment, declining natural resources, inadequate housing, energy, cost of food, fuel and all other goods, including tourists, can all be lamented as cause for contention, the sole

common denominator is transport. As a major distributor of Island funds the Trust's business is likewise affected by the costs of local goods and services. Off island travel to engage in educational experiences, fund management review, and partnership agreements have continued to rise exponentially for all Islanders. Island isolation limits potential specialized staffing resources, and makes educational seminars costly. Our Northern location also translates into technology gaps not faced by our urban partners. Limited bandwidth prohibits reliable teleconferencing unless great expense is authorized. A diversified community Board both inhibits and augments new initiatives. With the Trusts many diverse programs, burgeoning new business partnerships, advancing technology, and complex investment strategies, a two year Board term leaves many members breathless with the volume of learning materials they must master before turning the torch over to a new representative. Volunteer Board members unfamiliar with corporate office equipment and procedure are challenged by the volumes of electronic correspondence and projects which need their attention sometimes on a daily basis. Consensus decision making as mandated by the originating constitution and bylaws ensures fair discussion and end goal decisioning, however at times, can slow the organization down to a crawl operationally.

3.7 Opportunities:

Economic challenges bring forth many creative solutions in a closed marketplace. The Trust has noted many signs of the emergence of a more collective direction from key community participants. Continued community collaborative efforts among like minded organizations and partnerships between symbiotic groups have begun to appear through funding requests. The Board believes that these are indicators that clearly demonstrate more of a willingness to work together through difficult economic times. If it has been said that the sole common denominator for challenges on Haida Gwaii has been the issue of transport, then the sole common denominator for opportunity must be collaboration.

Local Board members are intimately familiar with the innuendos of local politics, and respectfully working with mixed cultures. Many are passionate about their communities, and ensuing potential projects. Bringing an extraordinary amount of energy to the organization, the consensus Board eagerly engages in all aspects of the operations, from publically representing the Trust at community meetings to suggesting alternative operational procedures and strategies.

4.0 Community Priorities:

Through a succession of Strategic Planning meetings the Board of Directors brought the following forward from their communities as representing the key areas of concern from their districts.

It should be noted that while there are many areas of vital importance for the Islands of Haida Gwaii the Board of the Trust, as mentioned previously, has deemed the following two to be over arching, believing that foundationally supporting these two main areas is the surest path to ensuring the future of Haida Gwaii.

1) Youth:

Projects that enable youth access to opportunity for experiences that will have a measurable positive impact on their future.

2) Economic Development:

Projects where a primary focus or a significant secondary focus is job creation.

4.1 Defining Parameters:

Within the scope of these two main priorities the Board encourages projects which while favoring the priorities; also serve to incorporate the following additional core values:

- Environmental stewardship with a demonstrable responsibility to the land, sea and air;
- Sustainability in all aspects; environmentally, fiscally, socially, culturally;
- Recognition of the Island's need to develop food security;
- Responsible *infrastructure* development;
- Island wide collective initiatives (collaborative governance of like minded groups and outcomes).

The Gwaii Trust representing the best interests of the community adopted these five areas as underlying covenants in support of the community priorities for the framework of this 1-3-5 year Business Plan

4.2 Success Statements:

After identifying community priorities the next step was to quantify, in some stated measurable terms, what would be considered a measure of success for each one of the proceeding priorities. Or more simply stated the Trust wanted to create realistic societal goals and answer the following questions:

- Which results will we hold ourselves accountable for?
- How will we achieve them?
- What are the overall costs to achieve, or make substantial headway in achieving these goals; should we fund projects through traditional granting, through the use of patient capital, or by creating equity partnerships?
- Do we need to build additional organizational capacity to deliver the desired results?

To successfully navigate this process the Trust followed these steps:

Determine and gather all related information to properly assess the depth of the issue
What is our view of success within the short term / long term; (What would the Gwaii Trust consider a success) and host community consultation meetings to ensure all islanders had an opportunity for additional input.

As an example:

Success Statement:

Every District Fire Department is well trained and outfitted by 2012.

Review all island fire departments and find out what the standard is.

Which departments are in the most need, the least. Is it really a problem – issue?

Then redefine – realign or eliminate this as a goal. (depending what research has yielded)

What would be considered an achievable level of success within this business plan period?

Perhaps something like the following;

- All districts have operable fire trucks less than five years old;
- All districts fire departments have at least 75% of their protective gear be less than five years old;
- All districts firefighter volunteers have at least two individuals trained in life saving;
- All districts have training education material not less than two years old.

Then the staff and Board of the Gwaii Trust Society will both make the necessary commitments (or action plans) in order to take ownership in achieving the success statements by:

Staff Commitment:

Create specific action plans for staff around achieving a successful outcome. (Set these actions within the appropriate employee's annual performance appraisal.)

In the above example carried forward that would translate to:

- Meet with all fire departments by Oct 2011 and engage them in setting a timetable for grant submissions targeting their specific needs in order to achieve success;
- Provide 2 fundraising initiatives (\$50 per truck load of garbage goes to fire equipment purchase, or \$50 for each cord of wood cut goes to gear purchase) by Aug 1st 2012;
- Advertise for donation champions (begin a GTS directed fund to the fire departments) by May 31st 2012, to create an individual community fund to support island fire departments.

Board Commitment:

- Re assess projects guidelines, to ensure best practices encourages volunteerism, and specifics in facilitating these types of grant applications by April 30th 2011;
- Board to advise public through all information points regarding Gwaii Trusts intentions by June 25th 2011;
- Ensure Board approval of appropriate funding levels in order to meet commitments
- Review or delegate review of quarterly performance of staff in relation to their stated performance reviews.

In this way both parties are committed to the goals success in a specific written and verbalized manner. Each party is clear on whose responsibility is what, and when to expect the other to complete their task, forming a cohesive and symbiotic relationship.

Success statements for this business plan period are:

Youth:

To foster growth and development within the youth population of Haida Gwaii by:

- 1) *Strive for a high school graduation rate of 100% of Haida Gwaii students;*
- 2) *Engage 15 Students in a corporate or educational mentorship or apprentice program;*
- 3) *Ensure every 13 year old the opportunity to participate in a Haida Gwaii wilderness camp;*
- 4) *Support an active Teen Centre in every community;*
- 5) *Fund 4 youth excellence in leadership awards a year.*

Economic Development:

To foster a climate of positive economic opportunity for both current and potential employees and employers to:

- 1) *Facilitate the creation of 20 new full time Island jobs per year.*

Each success statement will have a supporting staff commitment and a supporting Board commitment component. (See Program Activities section 5.0 for Action Plans, Success Statements and Staff & Board Commitments)

5.0 Program of Activities:

Activities are based on consensus based management where the primary objective is achieving the society's success statements. Both parties (the Staff and Board) commit resources to make this possible under specific timelines. The results are tracked through regular performance appraisals and quarterly operational reviews. Feedback is processed internally at an individual level, enabling all participants to carry at least some ownership in attaining the success statement.

*Note the following staff and Board commitments are for the fiscal year 2011/2012 unless otherwise stated.

Youth:

Success Statement No. 1

Strive for a high school graduation rate of 100% of Haida Gwaii students.

Staff commitment:

- Attend all Island educational institutions to assess current needs and gather data on existing programs currently in place by Sep 30th 2011;
- Identify co-coordinators within each institution;
- Engage at least five individual youth per institution for direct program feedback including educational gaps, resources and needs;
- Pull, review and summarize all historical and current, approved and set aside project proposals that relate to student education initiatives for Board reference.

Board commitment:

- Support staff funding for a designated Youth Coordinator;
- Continue to retain current levels of educational support;
- Continually review and assess education program guidelines focusing on fairness and ease of access;
- Continue to support islands school food initiatives.

Success Statement No. 2

Engage 15 Students in a corporate or educational mentorship or apprentice program.

Staff commitment:

- Coach / mentor a summer student through each Gwaii Trust office;
- Source out funding opportunities to leverage student summer employment;
- Host at least three late teens from each community to the office to have the opportunity to see a “business” work day;
- Pull review and summarize all historical and current, approved and set aside project proposals that relate to mentorship or apprentice initiatives for Board reference.

Board commitment:

- Refer at least three business owners within each geographic community region that may be appropriate to host an apprentice program;
- Actively promote mentorship within the community;
- Take a minimum of three youth through a Gwaii Trust Directors “day”;
- Actively engage or support a youth activity (IE coach, volunteer, or otherwise support);
- Be readily available to advise project applicants, encouraging them to include youth and a local component of economic development within their proposals;
- Support the Haida Gwaii Community Foundation in its ideals to complement the Board with younger members in a mentorship and education role.

Success Statement No. 3

Ensure every 13 year old the opportunity to participate in a Haida Gwaii wilderness camp

Staff commitment:

- Meet with each island camp organization independently to understand their annual fiscal needs and future requirements;
- Host and facilitate at least two Islands camp strategy sessions; inviting all camp leaders to seek out synergies and opportunities for collaboration and funding;
- Pull, review and summarize all historical and current, approved and set aside project proposals that relate to wilderness camp initiatives for Board reference.

Board commitment:

- Support the creation of the Haida Gwaii Community Foundation to eventually core fund camp opportunities;
- Encourage and facilitate camp leadership in your geographical area to work in collaboration with camps in other island geographical areas;
- Engage key opinion leaders in creating volunteer fundraising activities for camps.
- Support and engage a professional fundraising position.

Success Statement No. 4

Support an active Teen Centre in every community

Staff commitment:

- Research and inventory all current facilities in all communities collating: availability, distance, and facility condition and usage information;
- Engage at least 10 teens of a variety of ages in each community and solicit their feedback as to needs, wants, and suggestions;
- Pull review and summarize all historical and current, approved and set aside project proposals that relate to teen centre initiatives for Board reference;
- Prepare a Youth coordinator job posting including roles and responsibilities as outlined below;
- Prepare a “Report on Youth” using extraneous services to source out key opportunities, challenges, and inventory of current youth services for Board review by June 30th 2011.

Board commitment:

- Support the appointment of a Youth Coordinator within the following parameters:

Youth Coordinator

- Be retained out of contingency if possible;
- Have their own stand alone roles & responsibilities;
- Must encompass all community Youth organizations;
- Facilitate promote and assist in youth related fundraising initiatives;
- Coordinate existing youth/education initiatives;
- Look for external funding opportunities;
- Work closely with the Gwaii Trust Haida Gwaii Child Family fundraiser;
- Define expected outcomes to a shortened scale (Jan - Jun);
- Source common needs;
- Strive to work collaboratively and collectively;
- Uncover any potential road blocks to success;
- Develop an inventory of who is doing what;
- Identify what resources are currently available to youth including HR and Physical;
- Identify what’s missing for island youth.

The candidate should also demonstrate:

- A visionary analysis;
- Strong organization skills;
- Competent team building skills;
- Research & analysis abilities;
- A proven track record of working with youth;
- Report writing skills;
- Access to a vehicle;
- Valid driver’s license;
- Willing to undergo a criminal record check;

- Strong interpersonal skills;
- Demonstrated interviewing skills.

Success Statement No. 5

Fund 10 youth excellence in leadership awards a year.

Staff commitment:

- Post award parameters in youth related spaces, the website, and local news outlets;
- Engage at least five youth per community and research what they feel “excellence in leadership” in a youth means or represents;
- Pull review and summarize all historical and current, approved and set aside project proposals that relate to youth leadership initiatives for Board reference.

Board commitment:

- Support / Host an annual Youth Leadership Awards;
- Advise your community leaders, educators and business people of the awards;
- Develop qualifying expectations for award parameters.

Economic Development:

Success Statement No. 1

Facilitate the creation of 20 new full time Island jobs per year.

(Supporting one or more, larger project requests for economic development proposals to a maximum of \$10,000,000.00 per call out on an “as can afford” basis.) as the markets determine and the value of the Trust increases in terms of annual income earned, fund valuation leads to a broader buffer, which is the difference between the actual cash value of the fund and the amount set aside as “protected”. The Board has deemed a conservative buffer to be any amount in excess of \$20,000,000.00 over and above our mandated protected value. It should be noted however that any reduction in overall funds reduces the funds ability to return absolute income on an annual basis, which in turn reduces the amount available for program and administrative funding.

The Gwaii Trust Board of Directors began by expanding on the list of criteria surrounding a large economic development call out, parameters suggested for the program were:

- A 2 year roll out time line;
- The project should be market driven that is to say not introduced by the GTS, but rather from the marketplace to the Trust;
- The project must produce and maintain sustainable jobs year after year;
- Create Direct jobs, spin offs will be considered, but the primary focus will be in the creation of direct project related jobs;

- The project should generate a minimum of 3 full time persons for every million dollars of project budget;
- The project must support jobs that provide a competitive wage;
- The projects total salary budget must average out a living wage (considered at to be at least two times the Provincial minimum wage);
- Full time positions must be filled by live in residents within six months;
- Preference will be given to projects that support on island employees;
- Preference will be given to projects that contain a significant capacity building (on island) component;
- Project equity requirement will be 50%;
- The Trust may consider part ownership through shareholder equity;
- The Trust may consider securitization;
- The Trust's expected rate of return will be equal to or greater than the annual current portfolio yield. Exception to this will be considered only if overall economic benefit can demonstrate mitigation;
- All projects must undergo independent professional third party review, and meet or surpass the Trust's Statement of Investment guidelines for sound investing;
- Undertake a duty to consent (where appropriate IE land use initiatives or resource extraction initiatives);
- Priority will be given to proposals that support:
 - Transportation;
 - Energy (sustainable green);
 - Collaborative Initiatives;
 - Partnership;

Staff Commitment;

- Gather all statistical information related to employment on Haida Gwaii for distribution by Sep 30 2011;
- Identify major markets, and apparent opportunities, available workforce and trends;
- Advise marketplace of any program changes through all available media streams;
- Amend project evaluations to reflect emphasis on job creation, specifically type and duration;
- Organize community consultation with local area Directors for broad input and discussion;

- Post informational updates and host web discussion Boards through the Gwaii Trust website giving all islanders an opportunity for voice;
- Pull review and summarize all historical and current, approved and set aside project proposals where specific job(s) or permanent job creation is one of the main deliverables for Board reference.

Board Commitment:

- Review all program guidelines, and benchmarks to include a job component where ever possible;
- Liaise with community leaders to source out a minimum of one project per area per annum with the potential to develop a realistic business plan for consideration within the Gwaii Trusts investment strategy;
- Engage in community consultation process to encourage two way communication and information flow;
- Recommend and approve program parameters for this economic development callout including the following criteria:
 - a. Priority given to applications that create or foster new businesses;
 - b. Priority given to those applicants that encourage migration;
 - c. Priority given to those applicants that create or enhance infrastructure (defined by Gwaii Trust as the provision of clean water, sewer upgrading and waste management infrastructure for Haida Gwaii communities. Or any other public enhancement that may be viewed as the foundation for building a sustainable Islands' economy);
 - d. Projects that expand existing business to create employment opportunities;
 - e. Projects must include a sustainability component and be required to demonstrate the project will in fact create real jobs. (Gwaii Trust defines a real job unit as a sustainable source of employment with a reasonable living wage);
 - f. Limit support to project applications that are for a short duration. (IE several weeks);
 - g. Projects that encourage value added products to reduce raw materials being shipped off island, reduce goods being shipped on island and create further jobs;
 - h. The Board will encourage and facilitate the flow of ideas from all islanders with respect to economic development.

5.1 Annual Granting

The Gwaii Trust Society's Board of Directors has approved an annual granting budget of 4.0% of AUA (less administrative expenses) for the following three years, with the possible exception of:

- Final payout(s) of any multiyear project funding;
- Parity disbursement in an effort to repatriate these committed funds as quickly as possible;
- Community wide economic development allocation call out.

In an effort to maximize the benefit of community funding the Trust will be looking for leveraging opportunities, partnership agreements, and collaboration wherever possible. Applicants with matching funding and vigorous outside fundraising will be given due consideration in conjunction with the application's merit and need. Only applicants that have taken the time to fully research their project, complete their application, work with their area Director and submit their project on time, with all support documents, will be considered.

Gwaii Trust 2011/2012 Proposed Program Budget

Arts	25,000.00
Arts (workshops component)	10,000.00
Travel Assistance	120,000.00
High School Bursary	40,000.00
Post Secondary School	75,000.00
University Tours	30,000.00
Mature Student Grants	125,000.00
Special Initiatives in Education	50,000.00
Christmas	60,000.00
Haida Parity Program	TBD
Island Food Security	165,000.00
Major Contributions	<u>300,000.00</u>
Total Program Budget	1,000,000.00
	Plus Parity & Ec. Dev.
Multi Year Commitments (2011/2012)	
Literacy Haida Gwaii (Included in SIE Budget)	<u>(6,400.00)</u>
Economic Development	TBD
Community Granting Available for 2011/2012	<u>TBD</u>

5.2 2011/2012 Program Rollout Schedule:

Program Allocation Dates for 2011/2012

Date	Program	Budget
September 01 st 2011	Travel Assistance	\$25,000.00
	Mature Student Bursary	\$31,250.00
September 30, 2011	Arts-Workshop Funding	\$35,000.00
	Announcement	
	Island Food security	\$165,000.00
October 29, 2011	Christmas Allocation	\$60,000.00
January 02, 2012	Travel Assistance	\$25,000.00
	Mature Student Bursary	\$31,250.00
January 27, 2012	Major Program	\$300,000.00
	Arts Program	TBD
February 24, 2012	Economic Development	TBD
April 02, 2012	Travel Assistance	\$25,000.00
	Mature Student Bursary	\$31,250.00
Jul 01, 2012	Travel Assistance	\$25,000.00
	Mature Student Bursary	\$31,250.00
Aug 26, 2012	Post Secondary Grant	\$75,000.00

Open programs

Programs which may be accessed at anytime of the year, and decisioned at any of our regularly scheduled Board meetings – as long as the project is received in concert with any regularly scheduled program allocation deadline. Requests received beyond the deadline will be carried forward to the following allocation deadline.

Arts Workshops

Special Initiatives in Education

Parity

Travel

5.3 Administration

The Gwaii Trust has been gradually increasing capacity to match a superior level of compliance based on a diverse set allocation programs. A high volume of applicants over a broad range of programs has the bulk of the Trusts annual granting dollars split into two distinct categories. Numerous small grants to individuals' account for over 90% of the administrative staffs' time, with the remaining efforts put into larger project allocations. Put another way the Trust spends over 90% of its staffing resources in the management of less than 10% of its annual funding, and less than 10% of its administrative resources on 90% of funds annually disbursed. By choosing this type of programming disbursement the Gwaii Trust will always be

administratively heavy in proportion to the dollars spent within the community. The Trust's recognition of the value of numerous projects points to a small economically challenged environment where parity, and direct grass roots participation temporarily best suits the marketplace.

Over the plan period (5 years) our goal is to transition from many program offerings to specifically targeted initiatives of a larger magnitude. While the Trust does not anticipate divesting its granting process away from our education and travel programs (this is where the bulk of the sheer numbers of projects awarded come from) we do see a refinement of project allocation dollars to more accurately reflect today's island values.

One of the other ways to effectively manage this has been to use this expertise and robust administrative system to generate income opportunities through the sale of administrative management services to smaller organizations that may not be able to afford to both grant and operate effectively within their communities.

By continuing to leverage technology and refine systems the Trust is able to assist smaller community trusts reinvest more dollars directly into their host communities rather than into administrative services. Since the Trust already has these systems in place we are able to market them throughout the Province at an extremely competitive rate, often at less than half of what an organization would pay for a single staff member. When we combine this service with a teamed investment approach, partnering groups receive the double benefit of minimal operating costs and maximum earning potential of dollars returning to their communities in the form of grants. To date we have entered into formal discussions with several groups, and have signed one investment partnership agreement. We look forward to continuing this trend and expect to sign an average of three partnership agreements per fiscal year as we move through this reporting period.

5.4 Media & Public Relations

The Board puts forth a media committee whose sole responsibility is to oversee all media release items including; news articles, web content, grant distribution and notification, newsletters, press releases, project recognition and commemoration plaques, Directors/community leaders recognition. The Trust has maintained a very low media profile within the community preferring instead to allow the recipients projects successes to speak for themselves. Over this reporting period the Trust would like to formalize this role through regular media / web publications.

The other area where development is necessary is in the accumulation of community information and statistical data including public opinion. Starting in June 2011 the Trust will begin a rolling annual community consultation process that will entail the hiring of a returning post secondary student for each summer that will be tasked to liaise with one Director per annum to gather, analysis, and examine social and economic data from each one of our represented communities. The idea is to create a relevant pool of data for both Directors and applicants to access through the granting process ensuring that the most urgent community needs continue to be recognized.

A second area necessary to broaden public perception is the introduction of annual community fundraising events. As the Trust looks to exemplify community behaviors while it looks to

improving community spirit and developing the concept of appropriate volunteerism, a continuum needs to be maintained between concepts and reality. One sponsored fund raising event per community per year would set a positive role model for expected future behaviors. Each community would be polled for a charity event, the Trust would advertise and manage the event and collect donations to disburse net proceeds to the chosen project.

5.5 Training and Seminars

An atmosphere of lifelong learning and progressive business education are both hallmarks of a successful organization. The Gwaii Trust believes that by supporting its existing staff to new educational highs it brings significant dividends to the society. Creating and capitalizing on opportunities within the organization will only be possible if staff is encouraged to expand and build upon their existing knowledge base. As the Trust grows so too will its need for staff diversification and specialization, we look to expanding education within:

- Technology and web design;
- Fund raising;
- Securities licensing;
- Accounting systems.

5.6 Board Development

The role of Director of the Gwaii Trust comes with many responsibilities. Each Director assumes personal responsibility for the stewardship of the Trust and all its resultant activities during his or her tenure as Director. The Directors must fairly represent the wishes of their constituents within the overall context of the Islands welfare in general. Mandated to view things through the lens of perpetuity, balance, and fairness versus immediate need, the Directors must possess; a basic understanding of the complex nature of the Trusts investments, have a historical grasp of projects completed, be able to quantify and evaluate merit and need on numerous social and economic proposals, cope with a significant volume of written material, all while operating within an consensus environment, while keeping an eye to ensuring an ever present overarching harmonization and respect of cultures.

Since the Directors play such a key role within the Trust emphasis must be placed on their education and understanding of Trust issues. During this reporting period the Directors will receive a minimum of two live investment training sessions per year, (the Executive will receive four) returning Directors will be encouraged to mentor their new counterparts coaching an understanding of monthly and quarterly financial reports from the Trust's professional group and the basics of "introduction to investing". The Executive, will be required to spend considerably greater time understanding market fundamentals, and familiarizing themselves with the products and services our investment group offers. The Executive will also be required to meet with other Trusts and investment professionals including social enterprises community foundations, and First Nations villages.

There will also be an annual consensus workshop that all Directors and their Alternates will be required to attend, along with several teambuilding workshops held at various times throughout this reporting period.

Lastly Directors will revolve through both our professional group, charitable organizations, and charitable functions at least semi annually in an effort to remain current with peer groups, and form collaborative relationships wherever possible.

6.0. Funding

Currently almost all of the Gwaii Trust's funding comes from income earned through its equity investments in the form of dividends paid and interest earned. As previously mentioned this typically equates to roughly 3.5% of AUA. While the Trust may from time to time accumulate reserve capital from the growth of its portfolio to draw down upon, an increasing larger portion of this accumulation must be set aside as protected to ensure the capital base of the fund continues to remain intact, and to offset large variances caused by market fluctuations such as witnessed over 2008 and 2009.

The Directors, in a consensus vote, have elected to discontinue projects requiring multi-year funding commitments, instead preferring to wait until the fund has accumulated sufficient buffer growth to set aside project funding for specific, larger projects.

6.1 Investment Strategies

Since the inception of the Trust over 16 years ago investment strategies have evolved with our ever changing global financial markets. Early day's government mandating through the original Trustee Act allowed for very specific investment and sector options. As market changes brought pressure on the government to change underlying fundamentals of the Trustee Act, the Trust sought ways to further safely diversify their investment portfolio. The first opportunity arose in 2003 when the Trustee Act removed all sector and corporate contribution requirements to more closely match the realities of the day to day trading world. The Gwaii Trust maintained the balance of the previous guidelines with the exception of global diversification.

As the marketplace further evolved it became evident that adhering to the outdated principles would become increasingly difficult over time. During the financial crisis of 2008/2009 many longstanding blue chip companies, once the cornerstone of every investment trust, began to show signs of collapse, rendering them ineligible for investment under the previous Trustee Act guidelines.

Fortunately the market has regained most of its footing, particularly in the financial sector, an area the Trust was heavily involved in, however the time was at hand to consider a more diverse array of investment options.

In 2010 the Trust slightly adjusted its investment strategy to include the option to purchase all equities regardless of their dividend structure, while broadened its scope of income based investments to continually examine all opportunities to minimize risk and capitalize on market trends.

Another exciting frontier for the Trust is the restatement of the Trust's intention to look at more local investment opportunities, whether in the form of partnerships, interest ownership, patient capital, simple equity purchases, the Trust has committed to review whatever form these new opportunities may present themselves. What remains unchanged are the guiding principles; perpetuity, sound business principles and practices, and a reasonable return.

Over the next three years the Trust will continue to look at its investment strategy, fine tuning the legacy for future generations as global markets continue to shift.

6.2 Expenditures

Trust operational expenses have remained fairly consistent as a percentage of assets under administration. Over the coming business plan period the Board of Directors expect this trend to continue.

Capital projects on the horizon include renegotiation of the Skidegate premise, broadening of the Trusts information technology through the construction of a “banking” style based account platform, video conferencing facilities at both offices, and human resource investment initiatives that will include Board training, team building, fundraising and administrative expansion.

Some of these costs will be absorbed by the Trust as it continues to receive its annual offset management fee for Gwaii Forest Charitable Trust, including it’s continued payback of all accounts receivable and loans issued to the Gwaii Forest Charitable Trust in that organizations successful bid to stabilize the Gwaii Forest Society.

6.3 Other Income

The Gwaii Trust earns income in several ways. Traditionally the Trust’s portfolio consists of a split between bonds and equities. Equities provide opportunity for growth, but also many of these blue chip organizations also award annual dividend income to stock holders. These dividend payments provide a substantial income stream to Gwaii Trust annually. The second way in which the Trust earns income is through interest earned on fixed investments and some of its bond instruments.

Together these returns accounted for more than \$2.2 million of Trust income last year. Ideally this income stream was designed to cover administrative expenses and project funding, however over the decades rising operational costs, along with diminishing returns have offset this dependence to where other income opportunities need to be explored if the Trust is to continue to fund the multitude of projects the communities have grown accustomed to. While it is true that the fund has grown considerably over the years, it must be remembered that in addition to protecting an ever increasing inflation amount for future generations annually, that while the market value of the fund may appear large at any one moment, market fluctuations have the ability to reduce the net availability of funds at any given moment. Over the last 2 years we witnessed firsthand the effects of volatility the global marketplace can mete out.

In addition to investment income the Trust is developing opportunities to earn additional income through the sale of its administration services. Over the last 16 years the Trust has fine tuned its administrative organization in a simple, easy to understand format. Many community foundations and legacy trusts exist throughout the Province, each struggling with start-up systems and ongoing project management. Funds that are in their initial stages or where the seed money is less than \$50 million have a difficult time, particularly in this low interest period, funding administration services from earned income. The Trusts portable, on-line administration systems allow these small organizations to significantly reduce their administrative outlay costs while more fully funding grass root projects within their community.

The offset costs to the Trust are relatively small as these established systems allow for excess capacity within our current compliment. In this way the Trust can become a resource for other communities, earn additional income, and ensure more dollars actually go towards the purposes for which they were originally intended. A side benefit of this initiative is that joining organizations are all willing to share completed project files and evaluations on-line so all clients may experientially benefit.

7.0. Foundation Work

A cornerstone of the business plan is the Gwaii Trust's long term vision of creating smaller individual legacy funds that would enable smaller socially necessary groups self fund core programs. Groups such as food banks, island youth camps, emergency services and shelters all continue to have a need for ongoing core funding. Balancing volunteerism, donor fatigue, and a rising systemic need, are the goals of the proposed Haida Gwaii Community Foundation. The Board hopes to have the initial stages of the foundation up and running by early 2011. To support the Foundation through its infancy the Gwaii Trust will create a fund raising position to work hand in hand with community groups and their fund raisers to co-ordinate efforts toward particular needs.

7.1 Process

Separate entities each with their own Board, the Foundation will, over time develop individual funding initiatives that donors may choose to participate in. Efforts that will be given priority will be:

- Groups that encompass more than one group or organization;
- Groups that practice their own ongoing fundraising;
- Groups that have mandates which fall under one or more of the Gwaii Trust's community priorities.

Benefits to these participants will be:

- Investment management in a mirror fund of the Gwaii Trust;
- Management fees based on the overall conglomerate of assets under administration of the Gwaii Trust, Gwaii Forest Charitable Trust and any other partnership organization;
- In specific cases a matched investment return;
- Access to a nationwide fundraiser;
- Option of purchasing administrative services directly from the Gwaii Trust;
- Funds remain the organizations and may be withdrawn at any time without any penalty.

8.0. Partnerships

The Gwaii Trust believes that there is much greater strength and opportunity through strategic alignment with like minded partners. As the Trust grows, its internal capacity will need to continue to grow, however the Trust realizes that in order to maximized benefits to islanders, skill sets may be needed that reach beyond the Trusts current borders and cost benefit analysis may not justify maintaining all capacities in house.

Leveraging specific organizations whose targeted expertise is in unique fields may make for a good strategic alliance.

Currently on the Horizon:

In the creation of the Gwaii Trust's Haida Gwaii Community Foundation, a facility for Province wide donation gathering will be necessary. In this regard we have successfully engaged Northern Savings Community Credit Union to partner with the Trust. Northern Savings has also committed to reviewing any commercial lending opportunities that patient capital projects may require. They have also committed to work with the Trust on joint community education initiatives such as financial literacy.

The Tl'azt'en Nation outside of Fort St. James, has recently voted to join the Gwaii Trust in order to reduce overall financial management fees, and to return more real dollars to their community. In this partnership agreement both the Gwaii Trust and the Tl'azt'en Nation benefit through the collective cost of fund management. Fund balances are pooled; however fund dollars remain under the individual ownership and direction of the contributing group. As the fund pool grows the percentage charge for fund management fees declines, both parties benefit from substantial annual savings allowing for more real dollars to be reinvested back into the communities.

Many other groups in similar situations to Tl'azt'en Nation are currently engaging in preliminary discussions with the Trust. Be sure to watch the Trust's website at www.gwaiitrust.com under our partnerships section for new additions as the Trust adds new opportunities.

Administrative Budgetary Implications:

Implementation Item	Time Horizon	Commitment
Youth Coordinator	12 Months	\$40,000.00
Board Training	On Going	\$20,000.00
Board Travel	12 Months	\$15,000.00
Community Consultation	3 Months	\$10,000.00
Website	On Going	\$20,000.00
Fund Raising (Base+)	On Going	\$30,000.00
Student Research	3 Months	\$10,000.00
Youth Leadership Awards	On Going	\$5,000.00
Foundation Start up	12 Months	\$20,000.00
Total	1 Year	\$170,000.00
Capital		
Banking Platform	3 years	\$300,000.00
Skidegate	5 years	\$300,000.00
Foundation Seeding	2 years	\$600,000.00

Definitions:

Action Plans

Action Plans are the steps necessary to be taken in order to achieve your goal. Consider these as mini goals.

Assets Under Administration (AUA)

The total of all deposits and investments the Gwaii Trust Society manages through all its investment firms.

Consensus Decision-Making

A group decision making process that seeks not only the agreement of most participants but also the resolution or mitigation of minority objections. Consensus is defined by Merriam-Webster as, first – general agreement and, second – group solidarity of belief or sentiment. It has its origin in a Latin word meaning literally *feel together*. It is used to describe both general agreement and the process of getting to such agreement. Consensus decision-making is thus concerned primarily with that process

Economic Development

The facilitation or the creation of jobs.

Elders

Those members of our Island communities 60 and over

Goals

Gwaii Trust Goals are statements of objectives that are specific, measurable, attainable, timely, and realistic.

Infrastructure

What is infrastructure?

- Clean Drinking Water
- Safe Streets
- Fire Protection
- Non Polluting sewer outfalls
- Staffed Hospitals with sufficient beds

Job

Something which provides an island resident with a stream of income greater than or equal to an annualized continuous living wage, and is sustainable for a minimum of five years.

Living Wage

Gwaii Trust perceives this to be a company's average wage must equate to 2 times the B.C. Provincial minimum wage (currently \$8.00/hr)

Patient Capital

Funding done through loan instruments with negotiable terms of repayment with the flexibility of matching the term to the project as it unfolds.

Success Statements

What is our view of success within the short term / long term; (What we would consider a success)

Example: Every District Fire Department is well trained and outfitted by 2012.

Example: Every Household on Haida Gwaii has access to clean water by 2012.

Youth

Those members of our Island communities 18 years and younger.