
Huu-ay-aht First Nations 2013/2014 Annual Report

*The Huu-ay-aht envision a strong, self-governing and self-reliant Nation.
Iisaak will guide us as we work together to foster a safe, healthy and sustainable
community; where our culture, language, spirituality and economy flourish for all.*

Greetings from the Executive Director

2013/14 saw significant growth in the Administration. We met together with Executive Council and determined the set of values that we all agree to work by. These values are Respect, Trust, Effective Communication, Support, Health and Professionalism. These value were defined with expected behaviors and we challenged each other to live up to them. The organization structure was redefined to one that focuses on results, service delivery and internal teamwork. New positions were planned and the organization grew and changed. Most significantly, we underwent an entirely new process in establishing the Strategic Plan. A process that took the previous successes and challenges as lessons of the past, the priorities and insights of the Huu ay aht Values Survey, the results of committee meetings and the goals and perspectives of Council to establish transformational long term strategic goals. These transformational goals were then assessed by the Senior Management Team and together with Council prioritized to identify short medium and long term outcomes to be achieved. The Strategic Plan is included in this Annual Report and defines the objectives for every activity we undertake. Our organization has come a long way , from a small treaty office and a couple of hardworking staff 20 years ago to an organization with more than 35 staff working on groundbreaking issues and establishing new governance process under Huu ay aht Law. With everyone working together these transformational goals will become a reality and Huu ay aht will continue to show why it is a leader among First Nations.

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1. Strategic Plan

Executive Council reviewed the current successes and challenges that the organization has faced, the opportunities that exist in our region and province and the feedback from HFN Citizens and Staff from the HFN Values Survey and the HFN Staff Survey in determining the 2014-2017 Strategic Plan.

Executive Council took into consideration the Treaty, their mandate as elected and hereditary leaders, the issues that face the Citizens, the Government, the Administration and the HFN Businesses, and best practices when setting strategic goals.

The outcome was the identification of five posts to support the Nation now and in the future and the following long-term goals were set by HFN Executive Council:

In 20 years:

- **Our People** will be free from the negative effects of colonization.
- **Our Children** will grow up safe, healthy, connected to the community and exemplify Huu-ay-aht values.
- **Our Home** will be a safe, healthy and appealing place where half our people choose to live.
- **Our Land** will continue to provide sustainable wealth that respects the Huu-ay-aht values of conservation.
- **Our Economy** will be operated sustainably and will be the major employer in the region and the major source of revenue for the Nation.

The HFN Senior Management determined that the goals set by Executive Council can be achieved by focusing resources and activities on short, medium and long term outcomes in the following areas:

- *Communication (COM)*: Informing, educating and engaging with HFN Citizens, Staff, and Businesses.
- *Children and Families (CF)*: Supporting, protecting and nurturing HFN Families and Children.
- *Integrated Culture and Values (ICV)*: Upholding the Hawiik Council to identify, support and promote all HFN Cultural Values.
- *Infrastructure (INF)*: Designing, building and operating enabling infrastructure.
- *Natural Resources and Trade (NRT)*: Developing, promoting and conserving natural resources for the benefit of the Nation

The activities for short, medium and long term outcomes were validated and prioritized through joint meetings of Executive Council and the Administration's senior management team. This process identified the top priorities for the Nation for 2014 through 2017

Top priorities for 2014/15

- 1 COM - Communication and Engagement with Citizens
- 2 COM - Increasing citizens satisfaction
- 3 ICV - Longitudinal Children's Study
- 4 NRT - Promote tourism and recreation opportunities
- 5 ICV - Increase the number of language speakers
- 6 NRT - Develop Integrated Resource Management Plan (IRMP)
- 7 NRT - Increase Own Source Revenue (OSR)
- 8 ICV - Education Streaming Program
- 9 CF - Children know HFN value and expectations

Strategic Priorities for 2015/16

- 10 INF - Develop community programs
- 11 ICV - Support Hawiilh mandate and program activities
- 12 CF - Families stay together
- 13 ICV - Identify, develop and support HFN cultural practices
- 14 CF - Improve family access to opportunities
- 15 INF - Improve telecommunications
- 16 NRT - Build, sustain and management wildlife and aquatic resources
- 17 CF - Provide education in Anacla preK – K12
- 18 CF - Support for families
- 19 INF - Focus on community law enforcement and emergency services
- 20 CF - Early intervention through ECE
- 21 INF - Marine security protected
- 22 INF - Decrease solid waste
- 23 CF - Increase school completion rates
- 24 NRT - Promote balance development
- 25 ICV - Market based skills and education training
- 26 ICV - Promote HFN employment

Strategic Initiatives 2016/17

- 27 CF - Access to quality health and dental care
- 28 INF - Develop the subdivision
- 29 INF - Improve the road in and to Anacla
- 30 INF - Ensure potable water and sanitary sewer
- 31 NRT - Increase citizen access to harvesting

- 32 ICV - Promote carvings in design and building materials
- 33 INF - Ensure power and security
- 34 NRT - Establish park strategy
- 35 INF - Develop rental / social housing policy
- 36 ICV - Promote HFN culture in administration

2. Committee Reports

(a) Citizenship

The Citizenship Committee consists of Derek Peters (Chair/Tayii Ha'wilt/Councillor), Jeff Cook (alternate), Judy Johnson, Benson Nookemus, and Marjorie White. Resource to the Committee is Kim Chretien.

The Committee continues to review and apply Citizenship criteria to all applicants. The Committee will continue to review the *Citizenship Act* to pull out potential changes and or highlight any areas of concern. Huu-ay-aht citizenship cards will be developed.

(b) Citizen Development

The Citizen Development Committee consists of Jeff Cook (Chair/Councilor), Charlie Clappis (alternate) Sherri Cook, Sarah Johnson, Kathy Happynook and Ed Johnson. Resource to the Committee is Kathy Waddell

The Citizen Development Committee has worked on a number of key initiatives:

Crisis Grant Policy

The purpose of the Crisis Grant Policy is to provide one time assistance (per fiscal year) to HFN citizens experiencing unforeseen hardship or crisis.

Children and Family Services

We have created a child and family services department. We have hired a coordinator whose responsibility is to support children and families who become involved with the child protection system and build stronger families through prevention, education and connections to family. We hosted a community forum in January that allowed citizens to discuss the challenges and successes with regards to children in care. We invited Mary Ellen Turpell Lafond to join us in dialogue to discuss ways we can utilize the Treaty to create better outcomes for families working with Usma. We also discussed ways to keep children connected to community and best practices in BC. We will be continuing these conversations with Ms. Turpell Lafond with the goal of creating a better system for Huu-ay-aht families.

Port Alberni Paawats

HFN is building on its strengths! We are using the model of the Anacla Paawats and creating a similar program in Port Alberni. The program is a language and culture based early learning program. The program will operate 3 days a week in the beginning and as demand requires build to a licensed child care and learning program. In addition, the child and family services coordinator will work with the Paawats Coordinator to put on events, play opportunities and educational/support sessions for families. At this time, we are still looking for a permanent home for the program but anticipate a November start up in a temporary location.

USMA Protocol Agreement

The USMA Protocol Agreement was signed in April 2014. The agreement serves to strengthen our relationship with USMA by allowing HFN more input and communication regarding the children in Usma care and to put more focus on prevention; also, while holding USMA more accountable. We worked at creating a relationship with the foster parents who have Huu-ay-aht children in their care. We are hoping that through a positive relationship with foster parents we can keep children connected to the Nation and its supports.

Youth Culture Camp

In July 2014, HFN facilitated a culture camp for HFN youth. The camp was a fun and educational experience. Some of the topics covered include: HFN History and where you come from, which house are you from and why, who you are related to, roles of Hawiḥ, traditional lands & foods, Sarita Bay clam dig, crafts, singing, drumming, traditional BBQ, field trip about cedar harvesting, Kiix̄in tour, and dry land sort tour. The camp was considered a success and the community services department is already thinking about ideas for next year.

Youth Conference 2014

On November 7/8, 2014, the Huu-ay-aht education department will be hosting a youth conference. The conference is targeted at citizens aged 15 – 30 years old. The goal of the conference is to engage youth in exploring potential career and education opportunities. There are several workshops scheduled including: Island Health, Western Forest Products, Steelhead LNG, UBC, and a cultural workshop about colonialism. We hope to have 50 – 60 youth attend the two day event.

Research

HFN has been working with several partner Universities to conduct important research related to Treaty Implementation. One study is through the University of BC and focuses on 3 questions: In what ways can the Hawiḥ be involved in Social justice? What role should Elders play in governance? How can we build an economy

through effective and legitimate governance? Citizens will be hearing a presentation about the findings of this study at the 2014 People's Assembly.

The second research project is under the Queen's University and will be conducted by Heather Castleden. Many citizens have worked with Heather under 2 previous research projects. Heather's latest project is a complete case study which intends to document, understand, and evaluate the Huu-ay-aht journey to accepting the Maa-nulth Treaty, as well as the issues and decision-making processes and outcomes associated with Treaty implementation. To fulfill these objectives, the proposed research will combine Indigenous and western research models. Heather is planning on attending the 2014 People's Assembly and will be looking forward to connecting with her Huu-ay-aht friends!

The third research project has not begun yet but will be a childhood study of the Huu-ay-aht children. We want to understand how treaty will affect the generation of today. Some questions could be: What success will they have? What challenges will they have? What types of supports are most effective? The scope and goals of the study are not formalized. We are still looking for a University partner. We hope to have more exciting news about this project in 2015!

Employment Strategies

HFN, HDC and Western Forest Products have been building a partnership that we hope will see more Huu-ay-aht First Nations' citizens gaining employment in the forestry sector. Key opportunities include partnering on funding proposals, encouraging HFN citizens to apply for work opportunities, and assisting HFN citizens to get the training they need to get involved in forestry.

(c) Co-operative Management Board CMB (Parks Canada)

CMB representatives

Chair: Sheila Charles, Derek Peters and Jack Cook

National Cost Sharing Program

A callout for the National Cost Sharing Program for protecting the Kiix?in National Historic Site went out and HFN did not make the application deadline. The application is presently being updated and getting prepared for the next call out.

Steelhead is contributing \$25,000 to the project. The CMB will soon be deciding where this donation will best be utilised within the project.

Board Review

The Huu-ay-aht/Parks Canada Co-operative Management Board 2013 Board Review was completed and passed by council and signed by the CMB chairs on November 7, 2014

Guardian Program Anniversary Celebration 2015

Parks Canada will be throwing a celebration to mark the longest running Guardian program in the world (20 years) with plans in the works for a Guardian celebration in 2015.

Cape Beale

The Cape Beale project came to another halt after federal government budget cutbacks. Temporarily on hold till further notice

(d) Culture and Language

The Nation has been supporting several language speakers to continue their training in Aboriginal Language Revitalization through University of Victoria and North Island College Gathering in Penticton BC. The Nananiqsu Society spent the spring fundraising and with several very successful fundraisers, were able to send 11 Elders the event. The next AGM will be held November 21, 2014.

Staff have been working with Nellie Dennis and Clifford Nookemus to facilitate basic language lessons in the offices. The goal is to provide staff with opportunities for learning language and cultural aspects concerned with language. Staff have learned basic greetings and conversation sentences. We will be working on creating signs in Huu-ay-aht language. The goal is to create more opportunities for people to use the Huu-ay-aht language in everyday common situations.

(e) Economic Development**Membership**

Members of Council for the Economic Development Committee include Councillor John Jack as Chair, Sheila Charles as Alternate; and members include: Tayii Ha'wilt, Derek Peters; Angela Wesley, citizen; Ed Johnson Senior, citizen; and John Mass from the Bamfield community.

Meetings

The Economic Development Committee meets bi-monthly, with meetings in January, March, May, and July of 2014. It also had a joint or special meeting (with regular proceedings as well) with one in August, two in September and one in October, all in

2014. This is a total of eight committee meetings of a half-day or more during the last year.

Structure

Committee members are also members of the Board of Directors of the Huu-ay-aht Development Corporation; who, in a separate meeting, oversee the strategic operation of Huu-ay-aht commercial enterprises such as the forestry company, the restaurant and store in Bamfield, the Pachena Bay Campground and Gravel Pit. Another board exists below them called the Operating Board, which oversees the month-to-month operations of our businesses. This was done on purpose, because evidence across the continent states that the most successful economic development initiatives for First Nations are the ones that keep ground-level business decisions at arms-length from politics and political pressure. So, we have two levels of oversight boards, one responsible for strategic direction which includes political representatives and one responsible for general operations which does not include political representatives. For further information regarding the structure and state of our businesses, please see their website for more information: <http://hfndevelopmentlp.org/>

Vision

The Vision Statement for Economic Development is *“Together, the Huu-ay-aht Economic Development Committee and Development Corporation strive to achieve a flourishing Huu-ay-aht economy through initiatives that provide sustainable benefits for all.”*

Purpose

Ultimately, the Economic Development Committee works to do two things: (1) to create profitable businesses to provide revenue to the government for maintaining, increasing and expanding government programs and services like medical and education and (2) to further enhance the economic opportunities for its people by creating reliable job opportunities when they are justified in a profitable business. Job creation without sustainable business practices result in jobs that are only temporary. If we are to be a successful Nation, we need to have the discipline and patience to grow reliable, reasonable and full-time jobs not temporary make-work projects which will boost numbers year-to-year but won't be able to support families over the long term.

The Economic Development Plan

In the previous report from last year, we reported that we adopted and followed the Economic Development Act. This year, we adopted and updated a document that the Economic Development Act requires called the “Economic Development Plan.”

This document sets out the context, values, objectives, relating factors and recommendations of the economic development plan to set out and guide the economic activities of the Huu-ay-aht First Nations over the short term. The Economic Development Plan sets out different methods of listing for projects to be investigated, to be developed and that are currently active. It is the result of committee work, but also the consultation of hereditary leaders in the Ha'wiih Council, the Finance Committee, the Lands Committee and a large portion of the Citizen Development Committee (though that was informal).

The Plan: Core Values

For example, the Economic Development Plan outlines the values by which we will choose, investigate and evaluate projects. These values are our traditional core values of iisaak, uu-a-thluk, and hish-uk tsa-wak. To reproduce what is written here would take up a lot of space, especially when we could simply distribute the Economic Development Plan itself.

The Plan: Current Projects

The Economic Development Plan also lists out the historical economic projects and business relationships: the West Coast Trail, the Pachena Bay Campground, the Gas Bar, the Bamfield Market and Café, the Bamfield East Dock, the Gravel Pit, as well as HFN Forestry LP (FN Woodlot and HFN TSL), HFN Fisheries LP and HFN Lands LP. The plan also lists projects that are on-going in development: the Micro Hydro Project, comprehensive tourism development, mineral cataloging and exploration, shellfish aquaculture, real estate and communications infrastructure.

The Plan: Areas of Interest

The Economic Development Plan also gives a general listing of wider areas for general inquiry in the development of a feasible project. Note that these are pre-approved for investigation, but not necessary adoption as an active project. There are still steps where the Committee and ultimately the Executive Council may initiate or stop work on a given piece of work. The categories for economic investigation are: agriculture and livestock, power generation, fisheries and ocean resources, forestry and non-timber forest products, mining and minerals, deep sea port development, retail goods and services, local and regional real estate and property development, comprehensive tourism (cultural, hospitality, ecological, recreational and adventure), and service provision to the Huu-ay-aht and other governments.

Update on MicroHydro

The Sarita Microhydro Project continues to see a measure of progress based on feasibility and environmental studies. There are two power projects: the Sarita site

and the BAM400 site. Last year, there were concerns. The first was whether the electrical capacity of the distribution lines for us to transmit our power to the grid was sufficient for the project. As of this date, BC Hydro has been conducting a study to answer those questions and has been forthright in answering any communications sent to them regarding the project. The second concern was regarding how the Standing Offer Program of BC Hydro could change and alter the viability of the project. Fortunately, the program was not changed in a way that would harm the project.

Update on Timber Harvest

Timber Harvest on Huu-ay-aht Treaty Settlement Lands has been successful after its first year, and harvest for the second year has begun. There was a slight overharvest the first year, so the targets for the second year have been adjusted down to compensate. As we move into the next year, work should begin on developing a “made in Huu-ay-aht” long term harvesting license that brings together our business needs with our core values and consultation with our hereditary leaders and citizens.

Update on Deep Sea Port

Work continues on “deep sea port development” as a project. This consists of exploring the opportunities in both container ship port development and/or a liquefied natural gas facility on our Treaty Settlement Lands. Both projects are being developed concurrently. The container port transfer station has been slated for land outside of our TSL but within our traditional territory. The LNG facility would potentially go on a site south of the Sarita River in the bay. This project is the center of a lot of activity at this very meeting, so I will not take up too much space in this report.

A Reminder

Once again, to get further information on the performance of our companies in the context of the economy, please take the time to refer to reports produced by the Huu-ay-aht Development Partnership in addition to what is reported here in this reporting material. As there is a strategic separation between the government and the businesses owned by the HFN, the whole story can be had by referring to reports from both halves.

(f) Finance

The Finance Committee consists of Tom Happynook (Chair) effective January 2014, Karen Haugen, Marjorie White, Molly Clappis and James Edwards, HFN Executive Director.

The Huu-ay-aht Finances are in good shape. Under strong financial leadership and policies we were able to balance our budget a year earlier than expected. This was accomplished by tightening our department budgets and staying within our budgets. Thanks to the department heads for doing an awesome job. All the departments are on budget.

The purchase of the new PAGO is done and the renovations will begin soon.

The purchase of the Pawaats is on hold as there is an encroachment issue. The garage is a few inches on to the neighbour's property. The HFN Government has instructed the executive director to renegotiate a new price and still move forward on the purchase of the property and figure out a solution to the encroachment issue.

We continue to hold regular monthly meetings plus several special meetings to provide information regarding our finances to HFN Executive Council.

The Finance Committee implemented a new method of budgeting revenues where the total expected to be received is not detailed out before the Budget Act is passed. In other words, governments aren't able to spend money that they haven't budgeted at the beginning of the year, and this is a central means of ensuring good conduct by the government. Some of the funds and grants we apply for don't come through until after the Budget Act has dropped, so technically we had no spending authority to spend it even though it was of great benefit to our community. We now have a new method built into the Budget Act to receive those moneys and legally spend them as it comes in.

As the budget proceeded, it was identified that there were costs that weren't accounted for at the beginning of the year. Primarily, this had to do with costs of being associated with the Maa-nulth Treaty Society. We can control the costs of being involved with groups like Maa-nulth, all we need to do is ensure they forward any costs needed before the beginning of the fiscal year and make decisions from there. The Tribunal is our main avenue of internal dispute resolution and it has statutory spending authority, which means that if it is active, we must pay for it. To remove funds from the Tribunal would be unethical and illegal.

This last year was also about getting costs under control, costs which were still influenced by pre-Treaty urgency. Costs like consultant fees, legal fees and related contract costs were reviewed and reduced as time went on.

(g) Fisheries

The Fisheries Committee consists of Tom Happynook (Chair), Charlie Clappis (alternate), Ed Johnson, Bill Frank and Roy Werner. Resource to the Committee is Bob Bocking, Christine Gruman, Manager of Natural Resources and Trade (as of July 2014), and Johnson Ginger, Director of Government Services.

The purpose of this annual report is to lay out the general approach that the Huu-ay-aht Government is taking to put our treaty food fish on the tables of our citizens. The goal is to make sure we meet our legal treaty obligations to catch our treaty fisheries allocations each year.

The following strategy will form the foundation for our long term HFN Fisheries objectives:

- Allocate the funds to meet our legal obligation to catch all of our treaty fish allocations
- Participate fully in the Maa-nulth Fisheries Committee (MFC), the Joint Fisheries Technical Committee (JFTC) and the Joint Fisheries Committee (JFC) processes
- The negotiated Barkley Sound Accord provides for a meeting with Tseshaht every fall and as needed to discuss the next year's fishing plans
- Use Request for Proposals approach to contract fishers to catch all our treaty allocations
- Schedule HFN Fisheries Committee meetings every month during the fishing season
- Conduct workshops for our fishers so they don't break our fisheries laws and keep good catch records
- Assist our fishers to make sure we can catch our allocations each year

Progress

We continue to participate on the Maa-nulth Fisheries Committee, the Joint Fisheries Technical Committee; the Joint Fisheries Committee (Canada, B.C. and Maa-nulth) and the Uu-a-thluk Council of Ha'wiih. Additional resources were identified in support of the food fish budget, including funding from the shared Geoduck license administered by NTC Fisheries. This year the food fish budget was increased to \$67,000 from \$40,000 the previous year.

This past year saw the retirement of long-time Fisheries Manager, Stefan Ochman, and hiring of new Manager of Natural Resources and Trade, Christine Gruman

While plans to purchase a freezer truck were not realized (there were none available within our budget), we did purchase a new Dodge Ram 3500 truck, better equipped for transport of food fish than other vehicles in the fleet.

HFN fishers have caught high percentages our domestic fish allocations of some species and stocks, while others remain relatively low. Table 1 below outlines our progress to date, as taken from the Maa-nulth Electronic Reporting Program (MERP).

Table 1 - Fish Allocations Caught as of November 2014

Species	Stock	HFN Allocation (29.3% of MFN Total)	Unit	Total Caught	% Allocation Caught
Sockeye Salmon	Fraser Sockeye	4252	Pcs	40	1%
Sockeye Salmon	Henderson Sockeye	2689	Pcs	524	19%
Sockeye Salmon	Somass Sockeye	6706	Pcs	4428	66%
Sockeye Salmon	Power Lake Sockeye	0	Pcs	0	0%
Chinook Salmon	Ocean Chinook	1621	Pcs	94	6%
Chinook Salmon	Terminal Chinook	440	Pcs	32	7%
Coho Salmon	Ocean Coho	2051	Pcs	21	1%
Coho Salmon	Terminal Coho	1064	Pcs	60	6%
Chum Salmon		1905	Pcs	1	0%
Pink Salmon	Pink Salmon	2124	Pcs	1	0%
Halibut, Pacific		15908	Lbs.	4065	26%
Groundfish		3809	Lbs.	142	4%
Rockfish		5407	Lbs.	85	2%

Sablefish (Black Cod)		1084	Lbs.	0	0%
Herring	Herring	52740	Lbs.	400	1%
Sockeye Salmon	Comm Henderson	1465	Pcs	0	0%

After last year's negotiations with Fisheries and Oceans Canada (DFO) based on our treaty rights, we saw improvement in getting our food fishers out first before the commercial and recreation fisheries this season.

Our share in Nuu-cha-nulth Seafood Development Corporation (NSDC) is doing very well. The company continues to grow and our shares build along with it. The shared Nuu-cha-nulth geoduck licenses will be fished in January and we will again receive a share in the profits.

Challenges

On April 03, 2012 we received our share (\$1.2 million) of the \$4.15 million we negotiated to purchase fishing licenses. With the recent Pacific Integrated Commercial Fishing Initiative (PICFI) program, the cost to buy licenses and quota doubled in price. We still have the \$1.2 million in an account, waiting to be used to purchase new fishing licenses. The prices of licenses are still elevated, but we will continue to look for licenses this year to purchase.

The return of Sockeye to the Fraser River was high this year, giving Maa-nulth Nations the right to approximately 12,682 pieces and Huu-ay-aht a share of 3,716 fish, based on return estimates at the time of the fishery), However, the vast majority of the stock migrated through the Queen Charlotte Strait at the North end of Vancouver Island, and bypassed the Maa-nulth Domestic Fishing Areas (MFDA). The diversion rate this year we 98% down the East Coast of Vancouver Island and only 2% down the West Coast of Vancouver Island. As such, we applied for a supplemental harvest document from DFO to allow us to access our allocation outside of the MFDA and instituted protocol with the A-Tlegay Fisheries Society to have them fish our allocation in Johnstone Strait. This request was denied by DFO, and the Maa-nulth Nations are currently working on a strategy to address this issue and to help ensure that we do not miss out on our treaty allocated fish in the future.

(h) Ha'wiih Council

The Ha'wiih Council consists of Derek Peters (Chair), Jeff Cook, Tom Happynook, Andy Clappis, Darlene Nookemus and Bill Frank.

The Ha'wiih had a couple of meetings this fiscal year and is working on developing a regular schedule along with a work plan. The Ha'wiih continue to apply our cultural practices when and where we can.

(i) Infrastructure

The Infrastructure Committee consists of Charlie Clappis (Chair), Jack Cook (Alternate)(Council Member), and currently the Finance Committee acts as the Infrastructure Committee. Technical Recourse is Stephen Rayner as the Manager of Community Infrastructure and Engineering Services. Stephens' team included Wayne Newfield as the Public Works supervisor, Amelia Vos as the Environmental Technician, Bruce Nookemus and Wilfred Dennis as the grounds keepers. The following highlights the major capital projects.

Engineering Firm

This year the Huu-ay-aht Government retained a new Engineering firm on a standing offer through a Request for Proposal process that is in the Purchasing Policy. McElhanney Engineering was the successful firm.

Sewer Project

The Partnership with the Bamfield Marine Station has gone in a new direction of discussing land and operations. Negotiations continue.

Pachena River Pedestrian Bridge

A feasibility study was completed which indicated the costs and placement of a bridge across the Pachena river connecting the two sides of the community. At this time the project will sit idle until there is a decision to invest in this project.

Anacla Tri-plex renovation

A second phase was completed this year where a second unit was completed. There are now two one bedroom suites to utilize.

Subdivision Phase one: Nookemus road upgrade. It was a long time coming but there was an investment this year into the main access road that leads up to the House of Huu-ay-aht and Office.

Anacla Internet Project

The contract with Telus has been signed and we are just waiting for the project to be completed. The first phase will be an upgrade up to 30 mbps for the Anacla Administration Office from its current 1.5 mbps service.

Port Alberni Government Office

This was a multiyear process of looking for office space in Port Alberni. There was over a dozen buildings considered but a very few would be a good fit for Huu-ay-aht. In September HFN received the keys for a building that is 7000 square feet which is double the space than the current location on third avenue. Port Alberni has approximately 40% of our Huu-ay-aht citizens living there so at this time Executive Council feels it makes sense to invest in a building in Port as the current lease is expiring in February of next year.

Port Alberni Pawaats

The Huu-ay-aht Government have been on a search for a building to house a Port Alberni Pawaats program.

Cemetery Project

This year there is a budget to invest in burial space for Huu-ay-aht Citizens. There are two options either extending the current Sarita site or a new location.

House of Huu-ay-aht Floor

There is a budget for this work.

Bamfield/Anacla Pedestrian Path Project

This project has been of discussion by many bodies. The groups included in the Community Accord process with the community of Bamfield has decided to have this project as the first community project. This work would provide a safe walking cycling area between the communities. Steelhead LNG has also dedicated five thousand dollars towards this project with a current pot of eleven thousand dollars.

(j) Lands & Natural Resources

The Lands and Natural Resources committee consists of Charlie Clappis(Chair), Jeff Cook (Alternate) Derek Peters (Tayii Haw'ilth Councillor), Angela Wesley, Sarah Johnson, Ed Johnson Sr. Stephen Rayner and Johnson Ginger as technical resource as Director of Government Services. The administrative team consists of Rita Johnson as administrative officer, Christine Gruman as manager of Natural Resources, Stephan Smith as Wildlife and Non timber forest products Coordinator, Clifford Nookemus and Corey Howard as the fisheries technicians.

The administrative support for this committee went through a large restructuring this year. A huge appreciation needs to be mentioned for Larry Johnson and Stephan Ochman who both put in many years towards their programs.

There have been preliminary discussions on the strategies to be prepared for development on Treaty Settlement Lands (TSL). The 20 year strategic plan is for over half of Huu-ay-aht citizens choosing to live at home on TSL. This is a challenging goal but can be accomplished if the government is fully prepared for a wide range of development opportunities.

The committee met a number of times as a joint committee meeting with other committees to discuss the Economic Development Plan and also to discuss various business opportunities that affected Huu-ay-aht Lands. This year the government purchased 4 parcels of land that were a part of the pre-approved lands that included Santa Maria Island. These Lands are located in Sarita and they are adjacent to existing Huu-ay-aht Lands.

(k) Treaty Implementation

The Treaty Implementation Committee consists of Tom Happynook (Chair), Jack Cook (Alternate), Derek Peters (Tayii Ha'wilth/Councillor), Ed Johnson and Martha Johnson

The purpose of the Huu-ay-aht Treaty Implementation Committee (HTIC) is to provide a forum to discuss successes and challenges of the implementation of the Maa-nulth Treaty with Huu-ay-aht public officers while ensuring that the benefits of the Treaty flow to the citizens. The committee will also create and implement a system to measure the success of the Treaty. The HTIC may work with the Maa-nulth Implementation Committee (MIC) from time to time as needed. The committee is budgeted for three meetings per year.

The committee created the following strategy and works closely with people in the organization to support and manage the transition of treaty implementation for everyone. To guide us, the committee created the following implementation strategy – we work on each item each time we meet:

- Huu-ay-aht Benefits List
- Implementation Challenges
- Huu-ay-aht Implementation Work Plan
- Maa-nulth Treaty 15 Year Review Indicators

Huu-ay-aht Benefits List

The committee's mandate is to ensure that the benefits of the treaty flow directly to the citizens (see purpose) so we have created a list (we will keep adding to this list) to track treaty benefits that our citizens can take advantage of as individuals. The

committee works with the Communications department to provide this information to you.

Implementation Challenges

The committee has decided to bring treaty implementation related challenges to our group discussions. We discuss the challenge, potential solutions and provide that info to the group that has the authority and responsibility to manage for example: concerns about fish access that we know is a concern – we provide the issue, suggested solutions to the Lands & Natural Resources Dept./Fisheries Committee.

Huu-ay-aht Implementation Work Plan

The committee reviews the Maa-nulth Implementation Plan along with the Treaty. From that review, we track “flags” or “reminders” for the various departments for obligations we may have (or BC, Canada), opportunities or important things we think our citizens should be aware of like benefits/opportunities etc.

Maa-nulth Treaty 15 Year Review

We are working with the other four Maa-nulth Nations on a project that will help us prepare for the 15 Year Review of the Treaty. The 15 Year Review is a commitment we have in the Treaty where Maa-nulth, BC & Canada will sit to review how the implementation of this treaty is working.

To prepare for these discussions, Maa-nulth Nations will track how each party is meeting obligations on an annual basis. The intent is to see trends over years and to use that data to discuss how to make the government to government relationship / implementation better. The tracking will be done within our administration by departments. This is the first year information will be tracked.

Treaty Project – Dr. Heather Castleden

We have partnered with Dr. Heather Castleden again. She has secured a large grant to conduct research on our Treaty journey. This will be an exciting project as we work together to review how we managed to actually get a treaty done.

Harvard Governance Project - Nikolakis, William

We have been approached by a student from UBC (William Nikolakis) who is undertaking a study associated with Dr. Steven Cornell’s “Project on American Indian Economic Development”. Our Nation was chosen because we have a modern day Treaty and have negotiated a new governance structure which includes our hereditary institution. The Harvard project through William will have a good look at our governance structure.

Huu-ay-aht / Steelhead Liquefied Natural Gas Project

In the spring of 2014 we were introduced by the Port Alberni Port Authority to a BC based LNG company who came to us with an idea on building an LNG facility on our treaty lands. On July 08, 2014 we publically announced the Huu-ay-aht / Steelhead LNG partnership. We showed them some land that we could purchase and turn into Treaty Settlement Lands which could be suitable for an LNG project. They agreed that the lands we proposed were indeed a good site for an LNG facility. Island Timberlands agreed to sell us the property, so we made the purchase. This piece of property was identified in our treaty as pre-approved lands for purchase. Our Huu-ay-aht vote on whether to proceed with LNG project will take place at the November 29th & 30th 2014 People's Assembly.

Media & Communications

This year we put in place a Huu-ay-aht communications department. This was much welcomed addition to our organization. We heard loud and clear that our citizens wanted to be kept up to date on a more regular basis. So we have hired three people to keep our citizens informed.

We have reinstated our Huu-ay-aht newspaper (Uyaqhmis) and will be publishing the paper every couple of months to start.

The Communications Department is working on our community engagement meetings and preparing materials on our LNG project to make sure our citizens are informed. We have been to Anacla, Port Alberni and Vancouver on a monthly basis since July, (five community engagement session to each location). We have been to Nanaimo and Victoria once.

The Communication Department is also organizing our up and coming home visits strategy.

We have also held an HFN youth conference in Port Alberni on November 7th & 8th, 2014.

Intergovernmental Relations

We have invited Shawn Atleo to attend our November People's Assembly and to give a keynote speech to our citizens.

We continue to attend functions of the provincial government to keep our nation in the minds of the provincial ministers.

We attended the BC Cabinet / FN Leaders Gathering on September 11th, 2014 in Vancouver.

We attended the BC LNG Summit in Vancouver on September 18th, 2014.

We attended the NCT AGM on October 01st, 2014

Attend Vancouver Island Economic Summit in Nanaimo on October 29t, 2014.

3. Huu-ay-aht First Nations 2013/2014 Budget

Treaty funds

Implementation Funds		3,562,640
Capital Transfer		3,017,215
Resource Revenue Sharing		<u>205,606</u>
		6,785,461
Transfer to Settlement Trust Fund	1,361,888	
Investment in HFN Wealth Fund	<u>3,017,215</u>	<u>4,379,103</u>
		2,406,358

Operating Income

Distribution from Settlement Trust	2,406,358	
Province of BC	247,428	
Nuu-chan-nulth Tribal Council	162,381	
FNESC	23,372	
Federal Block Funding	2,544,096	
Investment Income	296,524	
Special Claims Timber	55,130	
HFN Misc	143,117	
Other Rev. - HFN Development	656,378	<u>6,534,784</u>
		6,534,784

Operating Expenditures

Government	843,153	
Finance & Government Services	1,063,495	
Human Services	930,604	
Lands & Natural Resources	512,570	
Public Works & Infrastructure	341,570	
Depreciation	399,600	
Contingency	<u>300,000</u>	<u>4,390,992</u>
		2,730,768

Capital Expenditures

Administration Capital	399,600	
Major Projects	<u>773,500</u>	<u>1,173,100</u>

Surplus/(deficit) 970,692

4. Huu-ay-aht First Nations 2013/2014 Capital Expenditures

Finance and Government Services	Capital Budget
Server	15,000
Video conferencing equipment	12,000
New office relocation and fit up	50,000
Office Furniture	10,000
Computers, printers etc	10,000
	<u>97,000</u>
Human Services	
Truck	40,000
	<u>40,000</u>
Lands and Natural Resources	
Seine net	2,100
Boat motors	18,000
Sugsaw hatchery furnishings	3,000
	<u>23,100</u>
Public Works and Community Infrastructure	
Signage (including Fisheries)	7,500
Roof (Pawaats)	10,000
Fish prep bldg	50,000
Sugsaw road upgrade	10,000
Walking bridge Feasibility study	5,000
Trail to and from Bamfield	5,000
Table carving for EC chambers	5,000
Generator upgrade	65,000
Electrical room upgrade	35,000
Brush Cutter	35,000
Lawn mower	12,000
	<u>239,500</u>
TOTAL ADMINISTRATION CAPITAL	399,600
Major Projects	
<i>Sewer project</i>	500,000
<i>Emergency Ops Centre</i>	12,000
<i>Fire Equip and Service</i>	131,500
<i>Subdivision</i>	100,000
<i>Triplex</i>	20,000
<i>Misc Equip</i>	10,000
	<u>\$773,500</u>
TOTAL CAPITAL	<u>1,173,100</u>

5. Huu-ay-aht First Nations 2013/2014 Cash Management

CASH SOURCE	<u>Total</u>	<u>HFN Operating</u>	<u>Settlement Trust</u>	<u>Invested Wealth</u>
Treaty Funds	6,785,461		1,361,888	3,017,215
Province of BC	247,428	247,428		
Nuu-chan-nulth Tribal Council	162,381	162,381		
FNESC	23,372	23,372		
Federal Block Funding	2,544,096	2,544,096		
Special Claims Timber	55,130	55,130		
HFN Misc.	143,117	143,117		
Other Rev. - HFN Development	656,378	656,378		
	<u>10,617,363</u>	<u>3,831,902</u>	<u>1,361,888</u>	<u>3,017,215</u>
TRANSFERS				
Settlement to Operating		<u>2,406,358</u>	<u>(2,406,358)</u>	
	<u>-</u>	<u>2,406,358</u>	<u>(2,406,358)</u>	<u>0</u>
TOTAL CASH	<u>10,617,363</u>	<u>6,238,260</u>	<u>1,566,794</u>	<u>0</u>
DISBURSEMENTS				
Government Fin.& Gov't Services	843,153	843,153		
	1,063,494	1,063,494		
Human Services	930,604	930,604		
Lands & Natural Resources	512,570	512,570		
Public Works	341,570	341,570		
Contingency	300,000	300,000		
Capital	1,173,100	1,173,100		
	<u>5,164,491</u>	<u>5,164,491</u>	<u>0</u>	<u>0</u>

CASH AT YEAR END	5,452,872	1,073,769
RECONCILIATION OF CASH TO BUDGET		
CASH AT YEAR END	5,452,872	
Depreciation	(399,600)	
Increase in Invested Wealth	(3,017,215)	
Increase in Settlement	(1,361,888)	
Accured Interest	296,524	
Surplus/(deficit)	970,692	

6. Department Summary

OPERATING COSTS

Government	120		843,153
Finance and Government Services			
Administration	100	998,794	
Port Alberni Office	200	64,700	
			1,063,494
Human Services			
Social Development	210	463,452	
Cultural Program	405	46,492	
Communications	421	45,908	
Childcare	425	39,369	
Education	500	<u>345,383</u>	
			930,604
Infrastructure & Public Works			
Residential Maintenance	180	23,000	
Community Maintenance	190	180,897	
Infrastructure & Public Works	350	<u>137,673</u>	
			341,570

Lands & Natural Resources

Food Fish	430	67,000
Fisheries	600	209,260
Lands & Natural Resources	800	149,713
Cultural Referral	720	<u>86,597</u>

512,570

Depreciation

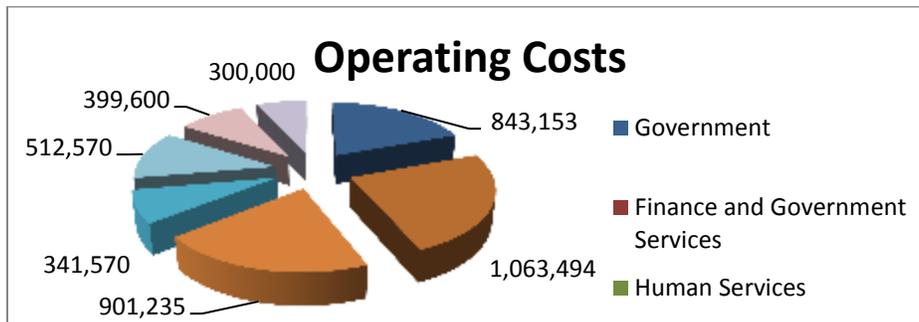
399,600

Contingency

300,000

Total Operating Costs

4,390,991



7. Audited Financial Statements

Separate document attached.

8. Quarterly Financial Statements to September 30, 2014

Separate document attached.