



TEMAGAMI FIRST NATION

2018-2019 Annual Report



Publishing this Annual Report is part of our governance process that allows Temagami First Nation to review the past year and reflect on the achievements towards the strategic objectives, finalize the financial statements, and to share how the Chief and Council and all staff are interpreting achieving the strategic priorities moving forward.



TEMAGAMI FIRST NATION

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Who we are

Introduction to our community

Temagami First Nation community of Bear Island lies at the cultural heart of N'Daki Menan (Our Homeland), which is the historic 10,400 square kilometre traditional territory of the Teme-Augama Anishnabai.

The Teme-Augama Anishnabai have documented 7000 years of occupation of their homeland, n'Daki Menan, surrounding the Lake Temagami area in what is now called northeastern Ontario.

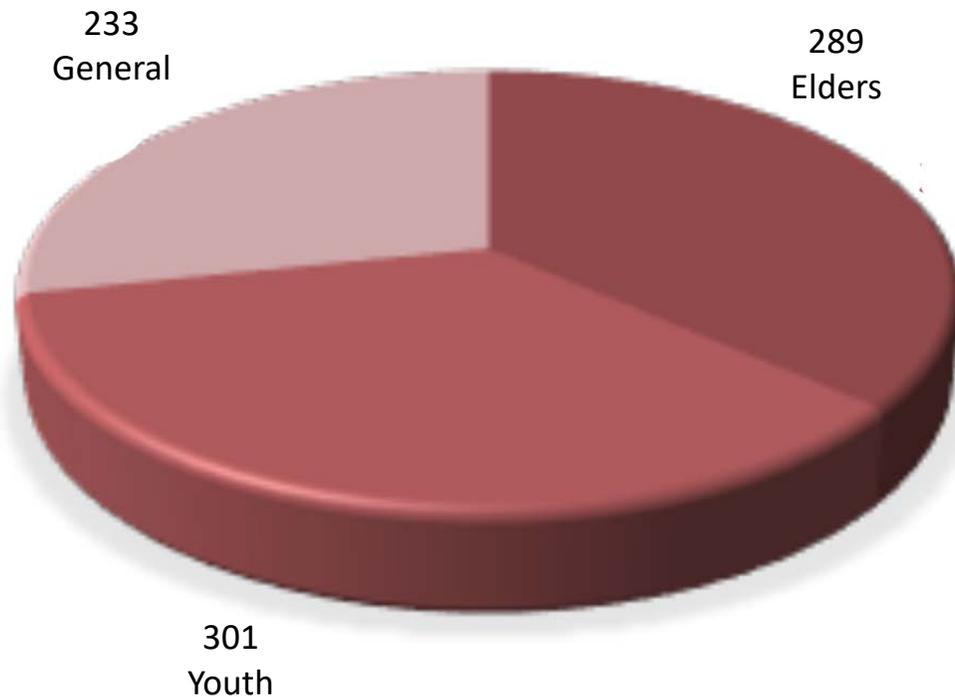
The Temagami First Nation Chief and Council is the governing body of the Temagami First Nation community under the *Indian Act*. The Temagami First Nation represents the interests of community members (on and off Bear Island) who have been recognized to have Indian status under the *Indian Act*. The Temagami First Nation is responsible for the administration of all programs and are responsible for the political agenda for the Temagami First Nation and its members.



Citizenship

Our Temagami First Nation citizenship as of March 31, 2019 had a total of 823 members.

Citizenship for our entire Nation is being revisited.



Governing Council



TEMAGAMI FIRST NATION



Chief & Council

Elected July 2017 for 3 Year Term

Chief	Arnold Paul
Second Chief	John Turner
Councillor	Michael Paul
Councillor	Wayne Potts
Councillor	Alice Moore
Councillor	Jamie Friday
Councillor	Jamie Saville
Councillor	Doug McKenzie Sr.



Message from Chief Arnold Paul

I am pleased to introduce this first ever Annual Report of the Temagami First Nation. The TFN is committed to good governance, excellent stewardship of our financial resources, and accountability to our community.

Highlights of the 2018 – 2019 year.

The Multi-Use Facility is substantially complete. The Facility will be a source of pride for our community for many years. The project was completed on budget. Favourable long-term financing is in place. In addition an Elders' Complex is well underway. The Project Management team under Jamie Koistinen has been providing regular community updates on the project.

Building on good Finance Policies developed over the past years the TFN has undertaken the certification process for accreditation with the First Nations Financial Management Board. Certification enables the TFN to borrow money at favourable interest rates for long-term projects such as the Multi-Use facility.

Highlights of the financial results for the year ended March 31, 2019 are included in this report. Our statements were audited by BDO, our independent auditors. Our operating results for the year were favourable and our financial position is strong. Our Finance and Audit Committee continues to provide guidance and oversight on TFN financial matters.

Looking forward

We have been revisiting the TAA citizenship issue. Chiefs & Councillors look forward to the work being completed by the Citizenship Committee. The TAA representative for this committee is Randall Becker and the TFN representative is John Turner. The members on this committee are Dwayne Becker, Raymond Katt, Hugh McKenzie, Virginia Hope, Julian Cote and Kathy Beddows. This committee is working to create a draft citizenship criteria that speaks to the outstanding beneficiaries question and is scheduled to be completed January 2020. The draft criteria will be provided to the Province at that time. Work will continue on the citizenship criteria through consultation and consensus building within our Nation.

The TFN/TAA has restarted active settlement negotiations. We expect to firm up a timetable for negotiations in the near future. We look forward to launching a negotiations office and hiring a Director of Negotiations. It is Chiefs & Councillors aspiration to have a settlement agreement wrapped up in the next year and a half. Chiefs & Councillors are working diligently and look forward to implementing the consultation and communication plan.

Our new Multi-Use Facility and Elders' Complex are important long-term assets for the TFN. We intend to introduce comprehensive asset maintenance standards to ensure that these assets remain in excellent condition. This will cost money that will add to the borrowing costs. These added expenses are significant but manageable from certain dedicated revenue sources. Nevertheless our long-term objective is to enhance our ability to generate new own-source revenues.

In conclusion our past has taught us valuable lessons. Our experience has provided us strength. We are moving forward together into a modern world that builds on these values and traditions.

I would like to thank Council and all TFN staff for their efforts this past year. Meegwich.

Chief Arnold Paul

November 13, 2019

Some Key Achievements / Milestones in the past year

- A Financial Administration Law was passed by Council in November 2018
- The success of the Youth Roots and Wings Theatre Group
- 13 Post-Secondary Graduates
- Tillie Missabie Family Centre implementing land based programming
- Official Opening of the Canoe House
- Miigwaan Jiimaan build
- Naloxone Program
- Increase from 2% to 9% harvest share
- TFN Junior Ranger Outland Camp
- Construction of the Multi-Use Facility began May 2018



Strategic Plan

Temagami First Nation Priorities

Negotiations

Education/Youth

Housing

Resource
Development
Plan

Staff Training

Governance

Communication

Stewardship



Health Services

Health Planning and Quality Management:

1. Design and implement health programs and plans
2. Optimize flexibility for health programming and services for recipients.
3. In-service training
4. Orientation plans
5. Effective communication with other First Nation, partners and affiliates

PROGRAM AREAS

- The suboxone treatment harm reduction program demonstrating flexible and responsive health services for clients struggling with addictions
- Strong focus on youth activities towards addiction prevention and mental health supports
- Activities directed toward adult addiction prevention and mental health supports.
- Development of the Aboriginal Children's Health and Well Being (ACHWM) tool kit to help support and give our youth a voice (see www.ACHWM.ca)
- Hosting NOSM medical students
- Partnering with Nipissing First Nation to bring a First Nation social worker into the community once a week to address mental health issues particularly with youth.
- Integrated Diabetes Care Team session with community members.
- Developing a model for a Land Based Healing approach to Healthy Communities in serving the clients and families of the TFN.
- Home and Community Care program to optimize service delivery and capacity building utilizing external expertise; developing a HCC Policy.

Health Services Continued

In-service Training is on-going and held on the following topics:

- Counselling staff and identify community needs
- Community wellness and development team
- Reconnecting Your Spirit training
- Native Horizons training on opiates and addictions
- Trauma Informed Training
- Traditional Family Values training

The Health Services Manager, Wayne Potts has responsibility to:

- manage and assist in the everyday operations of the Doreen Potts Health Centre unit including social services
- develop and approve annual activity plans and the 5-year Health Plan
- support operational plans: strengthen and enhance the accountability of TFN regarding the management and the delivery of quality health programs and services
- annual review of pandemic plan
- annual review of Emergency Preparedness Plan
- attend meetings as required for Independent First Nation (IFN) Health, North East Local Health Integration Network (NE LHIN), COO Health Forum
- participate on the Health and Social Committee
- attend Manager training



Social Services

The TFN Social Services department focuses on healing & wellness, traditional and cultural awareness through a variety of programming and services which is offered to all children, youth, women, men and families. The Family Healing and Wellness Centre mandate is to reduce family violence, promote healthy lifestyles, and deliver culture-based programs and services to promote holistic healing. The department operates out of the Doreen Potts Health Centre with staff members:

- Supervisor/NCWP– **Annette Paul**
- Native Alcohol and Drug Awareness Program Worker – **Fred Quesnelle**
- Healthy Babies/Healthy Children Worker – **Alice Moore**
- Community Wellness Workers – **Linda Paul and Alex Paul**
- Community Youth Worker – **Tyler Paul**
- Family Well Being Youth Worker - Vacant
- Child and Youth Strategy Worker – Vacant

The Family Healing and Wellness Centre has continued to bring traditional knowledge keepers, helpers and healers such as Perry McLeod and Louis Councillor to Bear Island.

The FHWC team planned and coordinated ongoing cultural activities e.g. quill box making, sharing circles, land base activities, cultural camps, along with other cultural activities. Other activities that are ongoing for this year are Youth workshops on variety of topics, children's programming, cooking, game nights, gym nights, ongoing youth, women/men dinners, ongoing shopping trips for clients, referrals, peer support, one on one counselling services with Kevin McPhee.

The Youth Roots and Wings Theatre Group was led by Christine Friday and held during the summer 2018. It was a great success with 8 participants.

The FHWC team are happy to announce that we will be moving back to the Family Healing and Wellness Centre building in October.



Social Services Manager: Annette Paul



Lands & Resources

Priority Areas:

- Monitoring developments on n'Daki Menan
- TEK – INTERVIEWS AND GIS
- Energy (Hydro, OPG, wind, solar)
- Mining
- Land Code
- Membership
- Forestry
- Water
- Tourism
- Climate Change
- Economic Development
- Aggregates
- Air Pollution
- Noise Pollution
- Fish and Wildlife

Strategic Goals

- 1) Community Engagement and Communications
- 2) Education and Awareness (external and internal)
- 3) Collaboration and Partnerships (external and internal)
- 4) Research and Risk Management & Co-management
- 5) Strengthen Capacity (training and development)
- 6) Youth Involvement and Programming
- 7) Economic Benefits – Resource Revenue Sharing (RRS) and Resource Benefit Sharing (RBS)

MISSION

To implement our sacred responsibility for stewardship and co-existence of the people of Daki Menan.

Youth Involvement & Programming

- Chainsaw training
- Career fair day
- TFN Outland Junior Ranger camp
- Mining/forestry/energy tours
- Youth Bursary – Tom Saville

Economic Development – Resource Revenue Sharing (RRS) and Resource Benefit Sharing (RBS)

- Forest management Plan for LSA was completed
- Increased from 2% to 9% harvest share, expect to receive economic benefits from new harvest blocks
- Business and marketing plan services
- Website development for businesses
- Mentoring for businesses
- ALTHOUGH WE ADVOCATE TREMENDOUSLY HARD, RRS and RBS is a TOUGH NUT TO CRACK

Monitoring on n'Daki Menan:

- Forest Harvesting Building & Roads
- OPG Access to Dams
- Mining Exploration
- Alamos Gold Environmental Effects
- Water Levels
- Bridges, ie. Makobe Bridge
- PowerTel

Lands & Resources Continued

Community engagement and communications

We aim to hold at least 6 community information sessions in a year on: forestry, mining, membership, economic development, land use planning and matrimonial real property law. In 2018-2019 we held:

- 1 Climate Change Info Session
- 2 Mining Info Sessions
- 3 Forestry Info Sessions
- 3 MRP Info Sessions W/Lawyer (BI, NB, Temagami)
- 5 Membership Info Sessions (BI, NB, Temagami)
- Land Use Planning Sessions (BI, NB, Temagami, Elders, LMLC Youth)
- 9 TEK INTERVIEWS AND MAPS were completed
- 48 Contributions To BI Blast from Staff
- Specific Targeted Notices, eg. Small Business Grants
- WEBSITE - website updated and maintained

Education and Awareness (external and internal)

In addition to Community Engagements

- Mining Tours – 3
- Forestry Tours – 1 Youth
- Energy tours – 1 Youth
- Meetings – 8 Staff Meetings, 6 Committee Meetings, Managers Meetings
- Meetings with government and other stakeholders – The L&R Director alone had 82 Meetings, 17 Teleconferences, 14 Chief and Council Meetings with many other L & R staff support.
- Gowganda Field Trips with Clayton Pearce, Craig & Doris McDonald and L&R Staff

Collaboration & Partnerships

- MOU w/ Municipality
- MOUs w/ Mining companies
- Meetings with industry
- Local forest management corp.
- OPG Past Grievance
- TFN Outland Junior Ranger Program
- Lake Temagami Access Point Parking Discussions With Mun Of Temagami
- Briggs Landfill Discussions with Municipality
- Fish hatchery involvement with TAFIP
- TFN Joint Health & Safety Check
- Alamos Fish Compensation Plan
- OMB Hearing on Lake Temagami Development Applications
- TFN Job Fair – showcasing staff of TFN
- Gezhtoojig Visits
- BDO Corporate Governance Training - Chief and Council and Staff
- OPG Tour to Cross Lake & Austin Bay

Strengthen Capacity (Training And Development)

- Chainsaw course
- Membership Training – 4
- Land Code Training – 9
- Climate Change Training – 2
- Working on Ice Safety Training
- Mining Training - 3
- Duty to Consult Training with all staff and Chiefs and Council
- Computer software training all staff, including staff from other departments
- Staff training and development
- Internship programs
- TFN Outland Junior Ranger program
- GPS Training
- PDAC Mining Symposium

Lands & Resources Director: Robin Koistinen

Stewardship & TFN Summer Camp Fund

Canoe House

Creation of a safe and accessible community cultural learning space to revitalize our traditional knowledge.

Official opening of Canoe House was held on June 21, 2018 with over 60 community members in attendance.

So far, the Canoe house is home to:

Makwa Jiimaan (2016 build),

Oodin Jiimaan (2017 build)

Miigwaan Jiimaan (2018 build)

Birch Bark Canoe Build Project Summer 2018

As part of a cultural stewardship initiative, the Canoe House hosted Algonquin Metis Canoe Builder, Marcel Labelle (from Mattawa) to mentor 2 post-secondary students to build a 16ft. Birch Bark Canoe. This was a 12-week project that started in May – Aug. 2018.

The birch bark canoe (Miigwaan Jiimaan) was taken on a week long trip down the Missinaibi River.



Stewardship & TFN Summer Camp Fund Continued

Some Stats:

- 18 youth earned ORCKA Certs & graduated
- 3 rangers are now attending post-secondary education
- 18 youth earned their S102 Fire Fighting Certs
- 34 High School Co-op Credits were earned
- 3 work projects completed for clients
- 18 youth earned First Aid Certs.
- 3 youth earned G1 Drivers Licenses
- 30,000 trees planted in Temagami Forest Management area.

Stewardship & TFN Summer Camp Fund Coordinator: Robin Potts

ESKER RANGERS 2018

Temagami First Nation and Outland Camps Partnered on the Esker Ranger Stewardship Initiative, also known as the Outland Youth Employment Program.

This is a regional stewardship initiative that provides youth employment and training that introduces them to the forestry industry.

TFN Summer Camp Fund 2018

37 TFN/TAA youth attended Summer Camp in summer 2018

Impacting a total number of 104 weeks of camp programming throughout the months of July – August.

Our partnering camps for 2018:

- ✓ Wabun – 7 youth
- ✓ Canadian Adventure Camp – 21 youth
- ✓ Wanapitei – 7 youth
- ✓ Wabikon – 2 youth



Education

Education Transformation

Beginning April 1, 2019, the education department is in the first year of the 3-year interim funding approach. For the next 3 years the TFN has a protection on the amount of funding they receive meaning they will not receive less funding than what they are receiving now. In this time period the TFN/BIEA can negotiate a Regional Education Agreement (REA) with the government or stay as status quo, keeping in mind the funding protection is only for the next 3 years.



Education Manager: Lynn Mongrain

40 LMLC
STUDENTS*

Summary

The Bear Island Education Authority (BIEA) oversees Elementary, Secondary and Post-Secondary Education for the Temagami First Nation. The BIEA was established in 1998 when the Laura McKenzie Learning Centre (LMLC) transferred from Timiskaming Board of Education to a Band Operated School. In 2005 the TFN Education Committee for Secondary and Post-Secondary was dissolved and the BIEA assumed these responsibilities.

Key Accomplishments

- 13 Post-Secondary Graduates*
- 2 Secondary Graduates*
- 4 Elementary School Graduates*



Reflection

Education is important to the BIEA and it continues to work hard on serving the TFN students to the best of their ability. Culturally appropriate programming for the LMLC is of utmost importance.

Department Strategic Alignment

The BIEA is looking to build up the education department. There has been a proposal submitted to hire an Education Researcher/Developer and a Trauma Informed Teacher for the Laura McKenzie Learning Centre.

The BIEA would like to see more land-based learning at the Laura McKenzie Learning Centre. We live in such an ideal environment that our children just need to step out their back door to learn!

The community infrastructure department is in the planning stages of an extension to the LMLC.

The BIEA has been working on the BIEA policy over the past year.

*These figures reflect numbers as of end of 2018-2019 school year, June 2019

Tillie Missabie Family Centre: Daycare & Aboriginal Head Start



Summary

The Tillie Missabie Family Centre (TMFC) supports families and children from ages 0 – 6. The Tillie Missabie Family Centre is a licensed daycare for 26 children from ages 9 months to 6 years old. The daycare provides culturally enriched programming for the children enrolled, to promote school readiness, in a safe, nurturing environment. The TMFC also engages parents and children in family programming, as well as programming to enhance parenting skills.

Key Accomplishments

- Introducing land based programming to the children and families of the TMFC
- Training for the staff to implement programming based on the children's interest and on the Early Learning Curriculum.
- Building relationships with the school for easier transition for children entering the school.
- More parental involvement

Evidence

- A variety of land based activities (setting nets, ice fishing, snaring rabbits, attending culture camp, visiting the maple sugar bush, visiting the community garden, berry picking, boat and snowmobile trips out on the land).
- Staff are using the Hi Mama app more frequently and using the observation, reflection, and planning tool provided by one of the trainers. The staff participated in a variety of training opportunities throughout the year to enhance their planning and programming skills.
- The school and the TMFC plan more activities together. We also work together to make the transition to Junior Kindergarten easier. The children attend school for a short period of time, a couple of days a week to become familiar with the school environment and schedule.
- Parents participate in family activities and workshops and activities for parents that occur at the daycare, in the evenings and on weekends. Some examples of the activities include: Family trips to pow wows, parent paint afternoons, family feasts, semi-annual parent meetings, parent committee, community kitchen, bread making class, attending land based activities with their children.

Reflection

The TMFC has had great success in introducing land based activities to their children and the families. We believe we are heading in the right direction. Anishnabemowin has been introduced into our setting and further enhancements are planned. The TMFC has been recognized by other Early Years and child care centres for our land based programming. In the near future, we will be having different agencies visiting our daycare to see how our program is run.

Department Strategic Alignment

There is so much emphasis on land based programming over the past few years. The **TMFC** would like to collaborate with other programs in the community to provide more enriched programming for the families and the community. We are fortunate to live in a environment where we have the opportunity right out our front door for land based activities.

R.E.C.E. Program Supervisor: Michelle Polson

Justice & Victim Services

Strives to develop positive relationships that will support future generations in our community; mentally, physically, spiritually and emotionally by understanding historical trauma, the cause and effect.

We have an open-door approach that services our community to ensure that justice and integrities are a human right.

By restoring trust and building relationships we are creating a safer and healthier community that will empower Temagami First Nation and future generations to support each other and in the development of creativity, academics and well-being.

For Historical proposes: The Justice and Victim Service where created by the Police Committee, the Terms of References were approved by Temagami First Nation Chief and Council November 15, 2016.

Our Objectives and Goals:

To build relationships within the community and with the local municipalities by enhancing community awareness so that individuals know that we can support them in a time of crisis by providing them with the proficiencies or traditional services they may require.

- Capacity Building (relationship building)
- New police station funding
- Probation and Parole Officer visits to Bear Island
- Restorative Justice training
- Sixties Scoop information sessions - Bear Island & North Bay
- Day school Information Sessions - Bear Island & North Bay
- Confirmation of an additional Police Officer
- Women's retreat
- Girls' Youth retreat
- Missing and Murdered Women Awareness Dinner
- Working with school, prevention of victimization through awareness.
- Restorative Justice Circles, restoring relationships.
- Reports, and government involvement in social change, such as incarceration and reintegration.
- Meetings with OPP, Crown & Lawyers
- Private consultation with members in regards to historical trauma.
- Lobbying for social change
- Gathering information and exchanging it
- Community awareness: Human trafficking & prevention.
- Victim Services supporting safety of victims and/or relocation.

JUSTICE SERVICES
TEMAGAMI FIRST NATION



Public Works/ Community Services

Public Works has been very busy this year. The crew consists of 6 workers. These men are always there to assist and troubleshoot to make sure that any potential problems that may arise are handled and dealt with promptly and efficiently.

Public Works looks after services such as water, sewer, roads, garbage, recycling, heavy equipment operations, barging, shuttle service, tree removal, grass cutting, brush cutting, winter road maintenance, vehicle maintenance, boat maintenance, building maintenance and repairs, etc... so there's never any shortage of work to do.

Looking forward to another great year!



Community Infrastructure Manager: Jamie Koistinen

Summary

Public Works includes all common infrastructure within our community such as the water treatment plant, as well as the administrative and health buildings.

Key Accomplishments

- Fill potholes, grading, calcium – dust suppressant
- Hydrant Flushing
- Sewer line flushing
- Community Clean-up
- Barging Operations
- Moving of Storage sheds
- Public Works yard surveyed
- Numerous Staff/Community Trainings- (*Heavy Equipment Training, Hoisting Rigging, Transport of Dangerous Goods, Chainsaw, Working at Heights, Confined Spaces, Plow Training, Barge Operator Training*)
- Community Waste Management maintenance
- Assist contractors with various details during construction projects
- Ice Road Plowing and maintenance
- Bear Island roads plowing and maintenance
- Purchase of new Shuttle Snow-machine
- Purchase of newer slightly used PW Truck
- Tree removal and brushing
- Flyers bay Clean Up

Evidence

Public Works and Infrastructure staff are highly visible in the community and are doing a great job keeping everything going and providing great services to the community. Many of the accomplishments are visible in the community and many more are less visible but highly used and well taken care of (i.e. water and sewer services).

Reflection

We will continue to work on keeping the community clean and all services up and running to the best of our ability. Our staff continues to receive ongoing training to increase their knowledge base in keeping the community going.

Department Strategic Alignment

By investing in our assets and proper care and maintenance practices, we will be able to maximize our efforts to operate effectively and efficiently. This will also help maximize the use of our infrastructure.



Capital Projects

2018-2019 has been exciting, and we have managed to accomplish a lot. The MUF is entering the final year of construction and will be ready for occupancy by the end of 2019. The Elders Housing Complex contractor has been chosen and shop drawings are in the works to get the shovel in the ground as soon as the ground thaws. The Phase 1 and 2 ESA is underway as we work to clean up any contaminated sites on Bear Island. We added onto the daycare to give them more space for their programs and storage. The Airboat shack was dismantled and will be put back up in the pit and used as a shelter for our winter sand in 2019-2020. The Canoe shed was demolished to make room for the Elders Housing Complex. The Public Works Garage that collapsed in February was cleaned up and a new steel building will be ordered to replace it once the insurance claim is settled. We started working on a plan for a school addition to grow with the increasing enrollment. We are seeking additional dollars for the Police leasehold upgrades that will take place once the MUF is completed. Funding applications currently waiting approval are: \$750k for rink, Sonny Moore Building and ballfield upgrades; \$200k for MUF geothermal. We expect to see some more funding opportunities coming up in the next few months and will be applying for anything that will support development of our community projects.

Summary

The department has been busy with the 2 big projects, being the MUF and the Elders housing Complex, but has also been busy with a number of other community initiatives and projects. Below are some of the key accomplishments of the department.

Key Accomplishments

- Multi-Use Facility and Elders Housing Complex
- Phase 1 and 2 Environmental Site Assessments (ESA)
- Daycare addition
- Airboat shack and old canoe shed demolition
- Public Works Garage Demolition
- School Addition Planning
- Police Leasehold Upgrades
- Funding Applications

Evidence

The MUF is in the final phases of construction and will be ready for occupation in the near future. The elders Housing Complex is coming along

Reflection

Capital Projects still have a lot more to do as many projects are just getting started. The projects that are being worked on are for the betterment of Bear Island and it's residents and will allow for economic development opportunities and will support a clean, refreshing community. It will help us become more efficient in how we are using lands and in the way we use energy.

Department Strategic Alignment

Capital Projects is working on projects that support and align with the community's vision and strategic Plan.



Finance

The Finance department consists of Finance Manager, Vicky Blake; Finance and Payroll Clerk, Joy Cooper; Enrichment Program and Finance Clerk, Bev St. Denis and Courtney Saville was hired at the end of January 2019 to assist with all aspects of administration including finance and started a 2-year Internship April 1, 2019.



A Financial Administration Law was passed by Council in November 2018. The First Nation Financial Management Board (FNFMB) is assisting with a thorough review of existing and new TFN policies pertaining to financial management, governance, information management and human resources. Following adoption of the Financial Administration Law, TFN received a Financial Performance Certificate in February 2019. This certification allowed for TFN to become a borrowing member of the First Nation Finance Authority (FNFA).

In addition to becoming eligible for borrowing, the certification also opens the option for TFN to enter into a 10-year grant arrangement with the Government of Canada. This is a new funding arrangement that is intended to provide more First Nation control and flexibility over financial resources.

The Audit Committee that was established in January 2011 has been meeting semi-annually to oversee the audit and financial processes. In January 2019, it was agreed that the scope of the Audit Committee would be expanded to include increased financial oversight and reporting to Council through quarterly meetings. Committee members of the Finance and Audit Committee have not changed and include Walter Ross, Chair, Councillors Doug McKenzie and Jamie Saville and community members Tom Mathias and Courtney Saville.

*GWAY-A-KO-CHI-GEWIN
The Principle of Strong Accountability*

Finance Manager: Vicky Blake

Financials



Summary

The consolidated financial statements of the Temagami First Nation (TFN) for the year ended March 31, 2019 have been completed by TFN financial staff and audited by BDO Canada LLP. These statements include the Daki Menan Lands & Resources Corporation (DMLRC) and the Enrichment Program.

This report summarizes and discusses the highlights of the financial situation of Temagami First Nation. More detailed information is contained in the audited consolidated financial statements and are available for review along with the BDO audit opinion.

Highlights

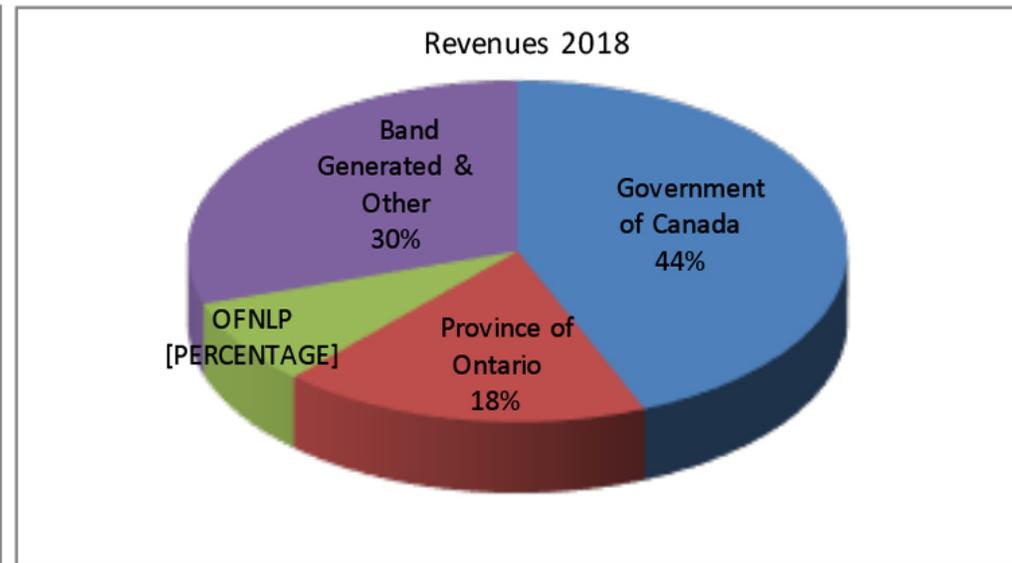
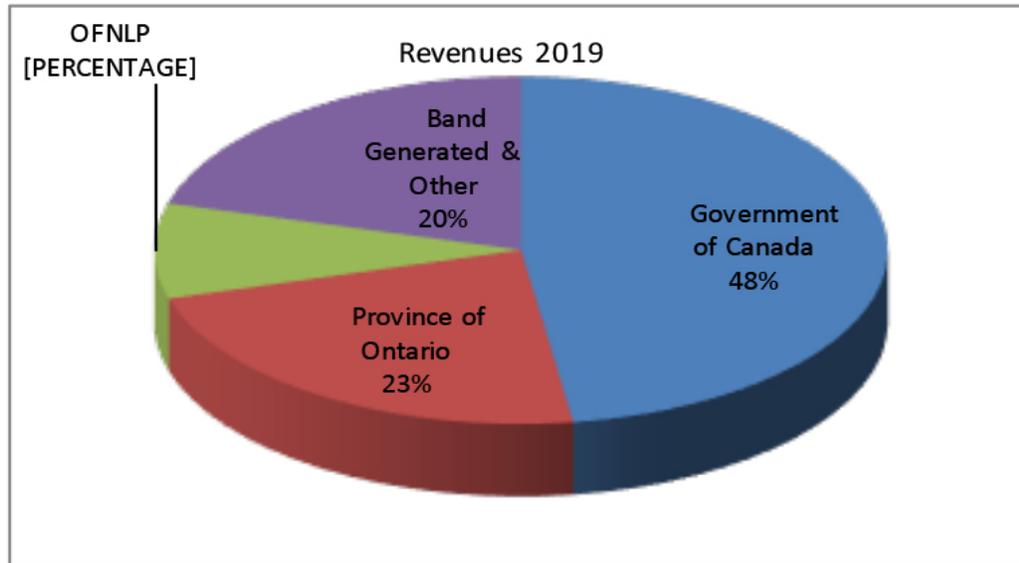
2019 has been a very busy year on Bear Island. Regular updates have been provided to community members on the construction of the Multi-use Facility (MUF-expected completion date October 2019) and now the Elders' Complex (expected completion date August 2020). In total construction is underway for \$18 million of new long-term infrastructure.

Approximately half of the funding for construction of these projects comes from the Federal and Provincial Governments (5.36 million) as well as own source revenues through the Enrichment funds (\$1.95 million) and IBA funds (\$1.82 million). While some further grants and private sector support are anticipated we expect to borrow approximately \$9 million from the FNFA at favourable long-term Government of Canada interest rates of approximately 3%.

New assets such as the MUF, Elders' Complex and Construction Camp (as well as other TFN assets such as the school, water treatment plant, health centre, daycare etc.) require regular maintenance and upkeep to remain in good condition through their useful life. Our auditors and the Audit and Finance Committee of the TFN wish to emphasize the importance of the establishment of good maintenance and upkeep programs for all TFN capital assets. This will involve additional ongoing operating costs as well as approximately \$300,000 in annual interest on the FNFA loan.

Our Major Sources of Operating Revenue and Grants Received

	2019	2018	Variance
Government of Canada (further breakdown below)	6,368,414	4,990,898	1,377,516
Province of Ontario	3,036,171	2,068,158	968,013
Ontario FN Ltd Partnership (OFNLP)	1,181,629	931,162	250,467
Band Generated & Other (further breakdown below)	2,757,299	3,427,263	(669,964)
TOTAL	13,343,513	11,417,481	1,926,032





Breakdown of revenues received from the Government of Canada.

	2019	2018	Variance
ISC Core	2,309,322	2,256,902	52,420
ISC Non-Core	1,318,273	981,740	336,534
Health Canada	1,481,896	1,271,648	210,247
Other Gov't of Canada	1,136,557	237,789	898,768
CMHC Subsidy	122,367	242,820	- 120,452
Total	6,368,414	4,990,898	1,377,516

Indigenous Services Canada (ISC, formerly INAC and AANDC) core funding increased by \$52K as an adjustment for inflation.

Non-core funding increased by approximately \$2 million for the land code plan and administration, climate monitoring, contaminated sites, negotiations, child and family services, youth employment and funding for the Elder's Complex. Most of this is not reflected on the chart above because \$1.8 million is for expenditures in the 19/20 fiscal year.

Health Canada funding increased for Home and Community Care and Jordan's Principle. There was also one-time funding received for a medical transportation pontoon boat.

Other Government of Canada funding consists of Canada Post, Employment and Social Development Canada, FedNor, Heritage Canada and Public Safety Canada. The increase is a result of one-time funding for the Multi-Use Facility.

Funding from CMHC decreased this year because in 17/18 there were Residential Repairs Assistance Programs (RRAP's) but none in 18/19.

Government of Ontario funding is from several different Ministries. Increases are attributed to one-time funding for the Multi-Use Facility (detailed later in the report), additional funding for Home & Community Care and from the Aboriginal Healing and Wellness Strategy. New funding was received from the Province for the Stewardship Program, from the Community Water-Wastewater Fund and for the Daki Menan Lands and Resources Corporation (DMLRC).

Revenues from the OFNLP increased because there was a special payment of \$203,754 for the OLG (Ontario Lottery & Gaming) Reserves Settlement. Regular ongoing payments were \$977,875 compared to \$931,162 in 17/18.

Breakdown of Band Generated and Other Revenues

	2019	2018	Variance
Various Organizations	1,092,177	786,384	305,792
Rent	189,932	172,056	17,876
Rent - Construction Camp	556,113	0	556,113
Band Administration Revenues	353,631	268,288	85,343
IBA funding	25,305	1,941,733	(1,916,429)
Band Enterprise - Water/Sewer, Ferry, HE Rental	338,675	171,076	167,598
Interest and Investments	201,466	87,725	113,741
TOTAL	2,757,299	3,427,263	(669,964)

The increase in revenues from various organizations was for summer camps, wage subsidies, language and cultural initiatives and student support.

The increase in rent is for office space for Land Code Administration and the Victim Support Program. The construction camp has been in operation since July 2018.

The band administration increase is a direct result of the additional funding received from various funders.

IBA funding includes approved allocations for Elder's, Youth, Membership and TAA administration. Last fiscal year there was a Special IBA Payment of 1.92 million as a

result of the June 2017 community vote that allocated \$1.82 million for the Multi-Use Facility and \$100,000 for Joint Council administration.

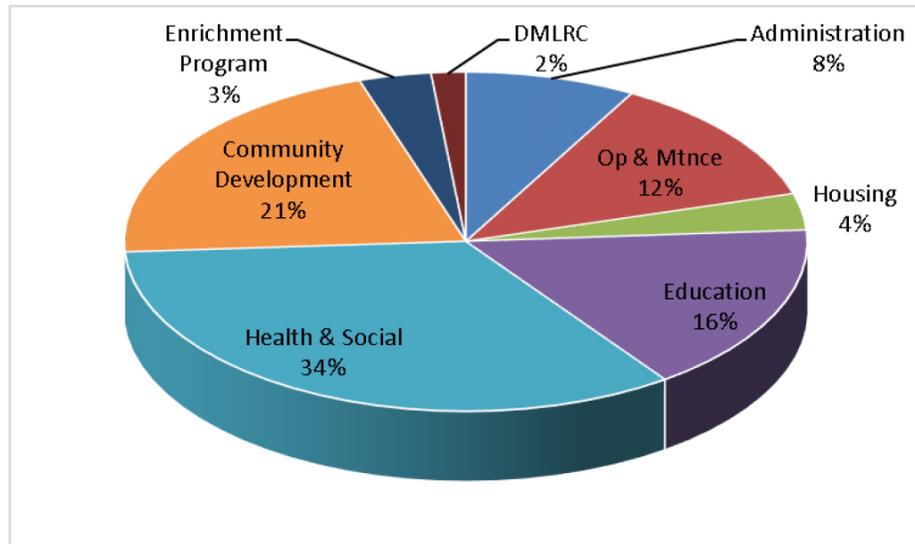
Band generated revenues consist of water payments, donations, heavy equipment rental, land leases. The increase is a result of increased program contributions towards the shuttle service, increased barging revenues with construction of the Multi-Use Facility.

Investment returns for the Future Generations Fund in 2019 was \$151,534 compared to \$48,001 in 2018. Interest increased by \$10K due to better GIC rates.

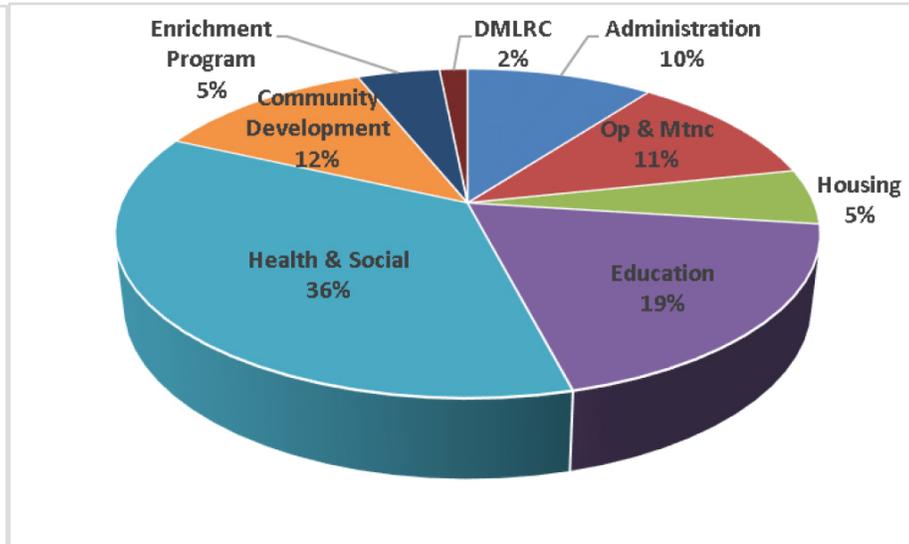
The Cost of Our Programs (including amortization but not the purchase of tangible capital assets)

Segment	2019	2018	Variance
Administration	868,330	868,250	80
Operations & Maintenance	1,330,388	966,957	363,431
Housing	375,293	462,221	(86,928)
Education	1,739,609	1,605,404	134,205
Health & Social	3,644,735	3,047,823	596,912
Community Development	2,253,368	1,022,664	1,230,704
Enrichment Program	366,801	382,837	(16,036)
Daki Menan Lands & Resources Corp	175,845	130,175	45,670
TOTAL	10,754,369	8,486,331	2,268,038

2019



2018



The cost of our programs includes amortization expenses of \$783,328 however it does not include the cost of the tangible capital assets (TCA's) purchased in the amount of \$6,247,815. The details of the TCA's are contained in this report.

Detailed segment results are reported in note 17 of the consolidated financial statements. Program details are provided in the supplementary schedules of revenues and expenses. These unaudited supplementary schedules are not a required part of the Consolidated Financial Statements but are presented for more detailed program information. Some of our funders also require this information.

Administration includes Band office operations and Chief and Council governance.

Operations and Maintenance includes the operations of the Water Treatment Plant, Heavy equipment, maintenance of our roads, buildings and infrastructure. Half of the increase is for operations and maintenance and half for buildings and infrastructure.

Housing includes CMHC housing (14 Houses and 2 apartment buildings with 2 apartments each), band owned apartments and houses, and the two trailers for teachers. It also includes RRAP (Residential Repairs Assistance Program). There were RRAP's in 17/18 but none in 18/19.

Education includes the Laura McKenzie Learning Centre as well as funded secondary and post-secondary students. Post-Secondary costs increased by \$46K and secondary costs decreased by \$31K as a result of the number of funded students. Wages in the Education department increased by \$87,857.

Health and Social includes programs at the Doreen Potts Health Centre, Home & Community Care and the Tillie Missabie Family Centre. The large increase is mostly related to new and enhanced funding for Child, Youth and Family Well Being programs. The DPHC also had a \$37K increase in ongoing programs and the Daycare \$30K related to the Journey Together funding.

Community Development covers a wide range of activities including our Lands and Resources Department, transportation services, Powwow, economic development, and community services such as fire control, emergency services and post office. Also included are new special projects such as the Archives Project, Stewardship-Esker Lake, Roots & Wings, Language revitalization, Negotiations, Victim Support program and operations of the construction camp. These special projects account for approximately \$970K of the increase. The Lands and Resources department had increased expenditures of \$260K due to additional projects as well.

The Enrichment Program expenses are \$366,801 compared to \$382,837 in 2018. This only includes the expenses paid directly from the Enrichment Program and does not include the amounts transferred to TFN and DMLRC. The total spent from the Enrichment program is \$2,172,787 compared to \$1,036,869 in 2018, the increase is mainly the result of the capital projects.

The increase for the DMLRC is due to the construction of a road for forestry operations.

Tangible Capital Assets

The tangible capital assets include such things as the water treatment plant, roads, buildings, equipment, computers, furniture and vehicles. As mentioned above, the cost of our programs includes amortization of our band assets but not the cost of the assets purchased during the year. The amortized cost is recorded as assets are used and are based on the purchase price and the estimated useful life of the asset. The amortization expense for the year was \$783,328 (\$669,916 in 2018).

Assets purchased in 2019 amounted to \$6,247,815 (\$2,056,291 in 2018) and are noted below. The large increase is related to the construction of the Multi-Use Facility.

Asset Category	2019	2018
Land Improvements		
Buildings - Construction Camp, Air Condition L&R, DMLRC furnace	523,529	506,717
CMHC Houses - Bathroom Reno, Water, Doors, Hot Water Heater	21,220	6,968
Construction in Progress - Multi-Use, Elders Cmplx, Daycare	5,106,366	1,165,789
Infrastructure - WTP Pumps, Daycare Road	24,819	12,182
Vehicles (5) and 4 snow machines, 3 boats & trailers, Boat Motor	312,795	147,591
Furniture & Equipment - Gas Tank, Containers, Power Converter	190,753	160,220
IT Equipment - computers & video surveillance system	68,333	56,824
TOTAL	6,247,815	2,056,291

Net Result for the Year

For the year ended March 31, 2019 our expenses were \$2,589,144 less than our revenues, compared to a surplus of \$2,931,150 in 2018.

	2019	2018	2017	2016	2015
Surplus (Deficiency) for year	2,589,144	2,931,150	- 163,902	440,730	23,465
Accumulated surplus beginning of year	13,934,024	11,002,874	11,166,776	10,726,046	10,702,581
Accumulated surplus end of year	16,523,168	13,934,024	11,002,874	11,166,776	10,726,046

The growing surplus is largely the result of special grants received for capital purposes (which are included in TFN revenues) and spent acquiring Tangible Capital Assets, primarily the MUF and the Elders' Complex (which are capitalized in the accounts of the TFN).

	2019	2018
Multi-Use Facility		
Government of Canada - Public Safety Canada	87,880	
Government of Canada - FedNor	784,680	
Province of Ontario - Min Indigenous Relations & Reconciliation	390,000	
Province of Ontario - Community Safety & Correction Services	81,120	
Province of Ontario - Northern Ontario Heritage Fund	764,133	
IBA transfer (note 7)		1,820,000
Daycare	91,937	80,125
Medical Transportation Boat - Health Canada	44,745	
Canoe House - FedNor		100,000
	2,244,495	2,000,125

Breakdown of the accumulated surplus

- The accumulated surplus at the end of the year is not cash in the bank available for use (see note 5 of the consolidated financial statements). Much of the surplus is represented by TFN's infrastructure in the amount of \$13,186,892 (\$7,643,570 in 2018) which includes tangible capital assets less the CMHC debt. Some of the surplus has been earmarked for special purposes (noted to the right) leaving an unallocated surplus of \$769,795 at March 31, 2019 (surplus \$780,383 in 2018).

Breakdown of the accumulated surplus

	2019	2018	Variance
Accumulated Surplus	16,523,168	13,934,024	2,589,144
Less Tangible Capital Assets net of Debt	13,186,892	7,643,570	5,543,322
Less Reserve and Earmarked Funds	2,566,481	5,510,071	(2,943,590)
Unallocated Surplus	769,795	780,383	(10,588)

Breakdown of the reserve and earmarked funds

	2019	2018	Variance
Doreen Potts Health Centre Assets	1,560	1,560	0
Water Treatment Plant	71,194	71,194	0
CMHC Built Houses	269,397	275,226	(5,829)
Future Generations Fund	1,995,618	1,855,785	139,833
Housing	22,469	7,359	15,110
Elder's Complex	131,851	333,613	(201,762)
Multi-Use Facility	-	2,890,942	(2,890,942)
Manitou Proceeds	74,392	74,392	0
Total	2,566,481	5,510,071	(2,943,590)

The Housing reserve has increased with the addition of the Housing Improvement Program interest earned to March 31, 2019.

The Multi-Use Facility Reserve has been depleted as construction costs were \$5,095,257 during 18/19.

In addition, the TFN and the TAA have \$673,540 from the Impact Benefit Agreement (IBA) that is unallocated compared to \$414,891 at the end of last fiscal year. Disclosure of the details of the IBA and the specific amounts received are restricted by confidentiality provisions in the IBA agreement. Consequently, the details are presented in a separate report for the information of community members only. Details are available to members at any time at the Band office.

Our Investments

At the end of March 2019 we had cash and investments totalling \$4,671,534 compared to \$6,667,170 the previous year, a decrease of \$1.996 million. The decrease is a result of the construction of the Multi-Use Facility.

The Future Generations Fund that is managed by Ridgewood Capital is valued at \$1,995,618 at March 2019 (\$1,855,785 in 2018), a \$139,833 gain from last year and an overall gain of \$823,295 since the initial investment of \$1,172,323 in April 2008. The average return for the past five years is 5.9%. The Audit Committee reports periodically, at least twice each year, to Chief and Council. Our investment advisor, Andrew Mitchell has left Ridgewood and has been replaced by Robert Cruickshank.

Wages and Benefits

	2019	2018	Variance
Chief & Council	142,957	123,025	19,932
Senior Management	754,153	647,576	106,577
Other Staff	3,302,832	2,823,042	479,791
Total	4,199,942	3,593,643	606,300

There is an increase for Chief and Council because 2 Councillors also serve on the TAA Council and those honorariums are also included. There is also one Councillor who is no longer on staff so all meetings are now paid by honorarium.

The increase for Senior Management is a result of the Daycare Supervisor and Home and Community Care supervisor positions filled for the full year compared to only partial the prior year. There was also a 6% cost of living allowance for all staff.

The increase for other staff is due to more positions being created in the Lands and Resources Department and Infrastructure/Capital Projects.

Accounts Receivable

There is \$3,763,912 in accounts receivable at March 31, 2019 compared to \$1,788,423 at March 31, 2018. This increase is attributed mostly to the timing of receipts from funders for the Multi-Use Facility.

Of the total receivables, \$146,956 is owed from band members compared to \$171,517 at March 31, 2018, a decrease of \$24,561. This is mostly a result of a decrease in housing arrears. The doubtful accounts decreased by 4,107 this year.

The breakdown of receivables from band members is as follows

	2019	2018	2017	2016	2015
Daycare	431	371	667	910	889
Education	29,083	24,726	30,244	35,009	34,229
Water/Heavy Equipment	10,284	8,258	7,268	9,293	6,439
Medical Trips	10,773	10,107	11,875	12,470	9,248
Housing, Hydro, Rent	93,865	123,027	149,315	148,654	157,915
Court Orders, Employee Related	2,520	5,028	6,770	8,754	7,183
Total	146,956	171,517	206,139	215,090	215,903

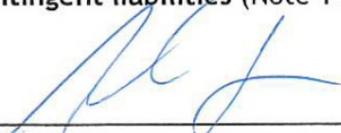
Consolidated Statement of Financial Position

March 31, 2019	2019	2018
Financial Assets		
Cash and cash equivalents	\$ 1,665,235	\$ 1,530,070
Investments (Note 2)	3,006,299	5,137,100
Funds held in trust by ISC (Note 4)	2,353	2,353
Accounts receivable (Note 3)	<u>3,763,912</u>	<u>1,788,423</u>
	<u>8,437,799</u>	<u>8,457,946</u>
Liabilities		
Accounts payable and accrued liabilities	1,965,962	912,288
Deferred revenue (Note 9)	2,247,396	354,051
Long-term debt (Note 10)	<u>2,355,735</u>	<u>2,444,063</u>
	<u>6,569,093</u>	<u>3,710,402</u>
Net financial assets	<u>1,868,706</u>	<u>4,747,544</u>
Non-Financial Assets		
Tangible capital assets (Note 8a)	14,542,045	9,087,051
Prepaid expenses	<u>112,417</u>	<u>99,429</u>
	<u>14,654,462</u>	<u>9,186,480</u>
Accumulated surplus (Note 5)	<u>\$ 16,523,168</u>	<u>\$ 13,934,024</u>

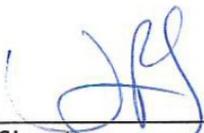
Commitments (Note 8b)

Contingent asset (Note 12)

Contingent liabilities (Note 14)



 Signature, Arnold Paul
 Title Chief



 Signature, Virginia Paul
 Title Executive Director

Consolidated Statement of Operations

For the year ended March 31, 2019	2019 Budget (Note 16)	2019 Actual	2018 Actual
Revenues			
ISC (Note 13)	\$ 3,125,968	\$ 3,627,595	\$ 3,238,642
Health Canada (Note 13)	1,273,550	1,481,895	1,271,648
Government of Canada	263,204	1,136,557	237,789
CMHC subsidy	183,902	122,367	242,820
Province of Ontario	1,716,542	3,036,171	2,068,159
Ontario First Nation General Partner Band Generated and other (Note 7)	639,859	1,181,629	931,163
	1,243,311	2,757,299	3,427,260
	<u>8,446,336</u>	<u>13,343,513</u>	<u>11,417,481</u>
Expenses (Note 15)			
Administration	808,994	868,330	868,250
Operations and maintenance programs	877,756	1,330,388	966,957
Housing programs	381,650	375,293	462,221
Education programs	1,729,180	1,739,609	1,605,404
Health and social programs	2,954,172	3,644,735	3,047,823
Community development programs	1,394,201	2,429,213	1,152,839
Ontario First Nation General Partner	429,000	366,801	382,837
	<u>8,574,953</u>	<u>10,754,369</u>	<u>8,486,331</u>
Annual surplus (deficit) for the year	(128,617)	2,589,144	2,931,150
Accumulated surplus, beginning of year	<u>13,934,024</u>	<u>13,934,024</u>	<u>11,002,874</u>
Accumulated surplus, end of year (Note 5)	<u>\$ 13,805,407</u>	<u>\$ 16,523,168</u>	<u>\$ 13,934,024</u>

Conclusion

Band members are encouraged to provide feedback on this report or suggestions for improvement to Vicky Blake, Finance Manager or Virginia Paul, Executive Director.

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ed@temagamifirstnation.ca

705-237-8943

Questions about this report or any matter dealing with the administration of Band financial resources are welcome at any time.

