



## **D.F.N. Investment Management Board**

### **February Winter Leadership 2013**

#### **Back Ground**

The Dehcho Master Trust came into effect on August 21, 2006, after the settlement agreement was signed and processed with Canada and Dehcho First Nations. The amount received was \$15,000,000.00

CIBC Trust Corp. Of Canada (CIBC Trust) acts as a Corporate Trustee for the Trust.

The Trustee is responsible for ensuring that the Trust funds are received and invested as authorized under the Trust Agreement, and that all distributions of funds out of the Trust Accounts are properly authorized and documented.

The Trust Agreement requires that, within 120 days of the end of each fiscal year, the Trustee must prepare and Annual Report, This is presented annually to the Dehcho First Nation's Assembly's.

We the Investment Management Board are required to provide a report twice a year to the Dehcho First Nations Leadership, once at the Annual Dehcho First Nation Assembly & once at the Winter Leadership.

The Trust funds are audited along with year-end financial statements, by an Independent auditor under the terms of the Trust Agreement. This firm is McKay & Partner's from Yellowknife N.W.T.

Members of the Investment Management Board are appointed by Dehcho First Nations Annual Assembly. The board consists of a: Chair Person, Vice Chair, Secretary- Treasurer and a member at large.

The Investment Management Board (IMB) is responsible for the management of the Trust Funds as well as administration and distributions under the terms of the Trust Agreement. The IMB members accept the obligation to perform certain significant duties and will assume board responsibilities in relation to the administration of the trust funds, to preserve and protect for the benefit of the Dehcho First Nation's future generations of our membership.

The IMB is unique and the first of its kind in Canada, it was established to bring learning and understanding to the members of the Dehcho First Nation's membership. The board makes the decisions for the trust with oversight of the trust officer's following the ruses of the Trust Agreement. This is in line of the Dehcho Process where the Dehcho First Nations members

determine their own future. There are checks and balances at every point where money is drawn out or distributed to ensure accountability of the trust monies.

### **Investment Management Board**

Richard Lafferty's 3 year term ended on June 2012, at which time the Dehcho First Nation's annual assembly appointed: Nellie Hardisty for a three year term on June 2012. Which makes the board of four member's at our November 2012 face to face meeting the board elected the following as the Executive directors.

- Karen Felker                      Chair Person
- Mavis Cli-Michaud              Vice-Chair
- Nellie Hardisty                  Secretary Treasurer
- Eric Menicoche                  Voting board member

Mavis Cli-Michaud three year term ends on June 2013. At which time the annual Dehcho Assembly will appoint another board member for a three year term.

### **Trust Accounts**

#### ***Master Trust Account:***

This account received all the capital of the settlement funds and any other distributions

#### ***Immediate Opportunities Account:***

The funds in this account are invested to produce income, the secondary income from this account to the Business Ventures account, which is governed by the terms of the Trust agreement.

#### ***Economic Development Account:***

The income from this Trust account is distributed out of the trust to the economic account. Which is an account governed by the terms of the trust agreement.

#### ***Community Development account***

The funds invested in this account are invested to produce income. The secondary income from this trust account is distributed out to the Community development account, which is governed by the terms of the trust agreement.

#### ***Elders Heritage account***

The income from this trust account is distributed out of the trust to the Elder's Heritage account, which is governed by terms of the trust agreement.

### ***Education Account***

The secondary income is distributed out to the Education account, which is governed by the terms of the trust agreement.

### ***Land Acquisition Account***

In accordance with the Master Trust dated March 8<sup>th</sup>, 2006. **NO FUNDS** are to be paid out of this account until December 31, 2031. On December 31, 2031 the Land Acquisition account is to be established and 25% of the increase in value of the fund allocated every twenty five (25) years.

### **2011/2012 Distributed funds**

From the Education Trust fund, Dehcho Regional office received \$23,017.10 this funding was for the Scholarship fund.

### **Advance Tax Ruling**

Since the inception of the Trust in 2006, the IMB operated under the DFN Master Trust. Upon review, in the best interest of DFN, it was decided to develop a “Replacement Trust” as defined by clause 43 of the Master Trust Agreement. The rationale for this decision was due to taxes being paid on the Master Trust. As allowed under Clause 43 of the Master Trust Agreement the “Replacement Trust” is a working document until such time that we receive a: Advance Tax Ruling from Canada Revenue Agency.

### **Investment Policy Statement**

The Trust and all sub components must be managed according to the: Prudent Investor’s Rule.

This Trust fund has a long-term outlook and no regular income distributions. This gives the ability to tolerate volatility, which has historically been rewarded by higher long-term returns.

***Investments & Market Values as of December 31, 20112***

<b>Master Trust Account</b>	<b>\$</b>	<b>16,623.00</b>
<b>Community Development Fund</b>	<b>\$</b>	<b>2,753,910.77</b>
<b>Economic Development Fund</b>	<b>\$</b>	<b>2,529,062.80</b>
<b>Elder's Heritage Fund</b>	<b>\$</b>	<b>792,170.39</b>
<b>Education Fund</b>	<b>\$</b>	<b>1,539,682.61</b>
<b>Imedmediate Oppertunities Fund</b>	<b>\$</b>	<b>5,948,684.02</b>
<b>Land Acquistion Fund</b>	<b>\$</b>	<b>1,610,099.16</b>
<b>Total amount</b>	<b>\$</b>	<b>15,190,232.75</b>