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DEH CHO FIRST NATIONS

Annual Report 2004-2005



Ndéh Gha Náhodhe
"Our struggle for the land"



“Strong, proud, happy people through self-government and sustainable economic development while maintain-



Congratulations to the following recipients for the Dehcho First Nations Scholarship of 2005.

- Jeremy Antoine—Liidlii Kue First Nation
- Cheryl Cli—Liidlii Kue First Nation
- Tina Fabian—Katlodeeche First Nation
- Kathleen Graham—Liidlii Kue First Nation
- Mary Grossetete—Liidlii Kue First Nation
- Jacqueline Hope—Liidlii Kue First Nation
- Marcie Lafferty—Liidlii Kue First Nation
- Bertha Landry—Deh Gah Gotie Dene Band
- Josanne Tanche—Liidlii Kue First Nation
- Tamara Thom—Deh Gah Gotie Dene Band
- Hilda Tsetso—Liidlii Kue First Nation
- James Tsetso—Liidlii Kue First Nation



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Grand Chief's Report

Hello friends, once again the Dehcho Annual Assembly has shown us, that even though we have made giant leaps in the Dehcho process, there is yet more work to contribute towards becoming a Sovereign Nation. This year's 13th Annual Assembly had a healthy outlook, it was an opportunity to come back and discuss the crucial issues our region is facing.



On top of that we had the honor to receive guests which enlightened our discussions, Mr. Justice Thomas Berger and Dr. David Suzuki.

Justice Berger was the man at the forefront of the whole Mackenzie valley pipeline inquiry. The outcome of the 'Berger Inquiry' was a recommendation that Land Use Planning should take place in a ten year moratorium, to allow time needed for us to prepare land claims. Justice Berger had prepared a presentation where the focus of his speech was not exclusively of the pipeline but where we have come from and progressed in the work towards becoming a recognized sovereign Nation. In comparison with the other regions, we are the only region who is undertaking the task of implementing 'Land management' instead of 'Land claims' and he was impressed by our endeavors. Young people and Elders, who had experienced the 'Berger Inquiry' and had been in attendance at the assembly, had a chance to express their feelings and Sincere gratitude towards the honest work Mr. Berger had done.

David Suzuki from the 'Nature of Things' also attended our assembly, opened our eyes to some key issues happening around the world concerning global climate and its current fragile state. Dr. Suzuki being an advocate for Green society was amazed in regards towards the achievements of the Dehcho, the protected area strategies, and implementing an Indigenous Government, especially one which is directed towards maintaining a sustainable environment by managing development. I believe for Dr. Suzuki and Justice Berger were both pleased at the level of progression we have taken towards implementing an Indigenous Government, especially in terms of trying to maintain a healthy ecosystem, a healthy state of the land and water. A key concern of Dr. Suzuki's and it should be one for all of us, not just the people of the Dehcho but for all people of Mother Earth.

So the assembly went fairly well, we had strong cultural events, the drum dances were inspirational. Insightful discussions were held on various topics such as; environmental concerns i.e. water contamination, protected area strategy and other issues such as,



Deh Cho First Nations Staff



Herb Norwegian
Grand Chief



Alison de Pelham
Executive Director



Dora Tsetso
Finance Manager



Leona Louie
A/Office/Travel
Manager



Sara McLeod
Executive
Secretary



Georges Erasmus
Chief Negotiator



Ria Letcher
Assistant
Negotiator



Samuel Gargan
Assistant
Negotiator



Rosa Wright
Senior Info.
Officer



Cynthia Mandeville
Negotiations
Secretary



Chris Reid
Legal Advisor to
DFN



David Cook
Resource
Management Coor.



Lee Thom
Local Contaminants
Coordinator



Gloria Buboire
AHRDA
Coordinator



Samantha Kovacs
AHRDA Clerk



Danita Allaire
Admin. Secretary/
Receptionist



Felix Isiah
Negotiations
Summer Student



Marcie Lafferty
Negotiations
Summer Student



Shannon Cazon
Admin. Summer
Student



Liam Hardisty
Grounds Keeper
Summer Student



**Robert
Stewart**

Chartered
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June 10, 2005

Graham Baptiste, Funding Services Officer
Indian and Northern Affairs Canada
4920 - 52 Street
Yellowknife, Northwest Territories
X1A 2R1

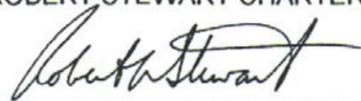
Re: Deh Cho First Nation Funding Reconciliation

At the request of Deh Cho First Nation, I provide the following responses to your fax of July 12, 2004 and the new mandatory requirement in the Year-end Reporting Handbook (#6.6) for a Funding Reconciliation. As reported in the audited financial statements:

- | | |
|---|---------------|
| 1. INAC Revenues per Financial Statements | \$5,198,411 |
| Reconciling items | <u>0</u> |
| INAC Revenues per Funding Confirmation | \$5,198,411 |
| 2. Amounts due from INAC - current year | \$ 600,294 |
| Amounts due from INAC - prior year | <u>56,179</u> |
| Amounts due from INAC - TOTAL per Note 3 | 656,473 |
| Amounts due to INAC | 0 |
3. Detailed explanation of the discrepancies between the amounts stated in the agreement and the amounts in the financial statements – None.
 4. Reference of the correspondent page of the Financial Statements – Schedules 2, 3 & 4.
 5. For Block Funded or Core Funded Services, details regarding transfers of INAC funding between Block Funded or Core Funded services – None.
 6. Other adjustments – None.

Yours truly,

ROBERT STEWART CHARTERED ACCOUNTANT



Robert A. Stewart, C.A., C.M.C.
CC. Deh Cho First Nation - Alison de Pelham



implementing an annual Youth and Elder gathering. The main issue, constitutional development, occupied a great deal of our time. The conclusion was that individuals had been identified by the assembly; the group identified will draft a new constitution, taking it to a higher plateau. The Dehcho constitution will be drafted in Dene, with direct input from Elders of communities.

Again in July there was this great opportunity to have our leaders and people participating in the first ever Assembly of First Nations (AFN) to be hosted in the area, normally these are held in southern Canada. There was a good showing; most of the leaders from the north were there. We are really honored that it was held in this part of the territory.

Towards the end of July, between the dates of 26th and 29th I was invited to attend a Dene Summit outside of Calgary. The Tsuu T'ina reserve, I believe had an early gathering last fall and the purpose was to bring all the Dene groups from across the western hemisphere, Gwich'in, Dene, British Columbia, Alberta, Yukon and Navaho Indigenous Nations were invited to the Summit. The Summit was to bring together the Dene nations and talk about the major issues affecting us. The first day we were there we signed a Dene proclamation, similar to the Dene Nation Declaration. Basically it spoke about bringing people together in such that we are the owners of the land and we are directly tied to Mother Earth and we have a commonality, for that reason I signed, on behalf of the Dehcho. This is simply to commit ourselves in recognition that we are of the great Dene Nation.

Finally the first week of August there was a significant event, the first anniversary of the Tlicho Government. I was present during the celebrations, to honor the implementation of the Tlicho government. Grand Chief Joe Rabesca with his people have taken their nation towards the success of land claims and self-governance. We hope, one day in our achievement of land management and self-governance, the leadership and the Elders would be able to share the excitement and accomplishment with our neighboring First Nations, and for that reason I wanted to attend and offer words of praise towards the Tlicho Nation.

On that last note, I hope we will have a productive leadership meeting and I look forward to the discussion which will happen in the next little while and negotiations will be shortly underway by the end of August. Finally we'll have that back on track, roll up our sleeves and get back to work. My gratitude and well wishes towards everyone of our great Nation, especially for being patient, tolerant and very supportive during these crucial times.

Mahsi Cho,

Herb Norwegian



Negotiations Update

In September, 2004 the DCFN began litigation to challenge Canada's decision to impose the *Mackenzie Valley Resource Management Act (MVRMA)* on the Deh Cho and to impose an environmental review process for the Mackenzie Gas Project in which the DCFN will not have any role in appointing the review panel.



On June 9, 2005 negotiators for Canada and the DCFN initialed a Settlement Agreement to end the legal challenges.

The Settlement Agreement provides that Canada will provide the DCFN with \$15 million in economic development funding over three years to assist DCFN communities in developing and implementing business opportunities related to the MGP. In addition, Canada will provide increased funding for the DCFN participation in the Deh Cho Process and funding for participation in the MGP assessment process.

The initialed Agreement does not include a commitment by Canada to recognize a Deh Cho Resource Management Authority (DCRMA) independent of the *MVRMA* regime. However, there is now a commitment that the Deh Cho Final Agreement "may" provide for a "stand-alone" DCRMA which would be "harmonized" with the *MVRMA*.

The Agreement includes a commitment by Canada to consult on the MGP when "appropriate", and a commitment to "seriously consider" mitigating "serious adverse effects", and to accommodate DCFN concerns "if appropriate".

The draft Agreement also does not contain a commitment by Canada to require Imperial Oil to negotiate access agreements and IBAs in good faith, or to impose an arbitration process on those negotiations if requested. However, Canada promises to "work with" the DCFN and Imperial to "develop" an alternative dispute resolution process.



The proposed Agreement includes a commitment to address, on an interim basis, the problem of DCFN communities not being considered "local governments" under the *MVRMA*. It also will commit Canada to consult on terms and conditions for new oil and gas exploration in the Deh Cho.

Article 25 provides that most of the Agreement is not legally binding, except to the extent that it requires the DCFN to abandon their legal challenges in exchange for cash payments. Article 4

(Consultation) will also be legally binding.



SCHEDULE 8
DEH CHO FIRST NATION
SCHEDULE OF FEDERAL FUNDING
FOR THE YEAR ENDING MARCH 31, 2005

INAC	Federal Funding Received	Unexpended Funding Beginning	Adjustments	Total Funding Available	Funding Expended	Unexpended Funding End of Year
Band Support	\$900,911	\$0	\$0	\$900,911	\$900,911	\$0
Economic Development	0	0	0	0	0	0
Other	4,297,500	183,064	0	4,480,564	4,208,480	272,084
	<u>\$5,198,411</u>	<u>\$183,064</u>	<u>\$0</u>	<u>\$5,381,475</u>	<u>\$5,109,391</u>	<u>\$272,084</u>

Note - this is a special purpose statement required by the Department of Indian Affairs and Northern Development ("DIAND" or "INAC")



DEH CHO FIRST NATIONS
SCHEDULE 7
SCHEDULE OF EXECUTIVE COSTS, OTHER REMUNERATION AND TRAVEL
FOR THE YEAR ENDING MARCH 31, 2005

Name	Position	Approved Salary Range \$	Per Diems/Other Remuneration \$	Travel \$
ELECTED OR APPOINTED OFFICIALS:				
Herb Norwegian	Grand Chief	85,000	15,000	37,672
Ted Landry	Executive/Leadership		2,400	1,537
Flora Cli	Executive/Leadership		900	4,018
Stanley Sanguéz	Executive/Leadership		2,550	5,282
Berna Landry			450	2,678
UNELECTED SENIOR OFFICIALS:				
Alison De Pelham	Executive Director	81,500	27,000	14,869

Note: amounts under \$2,000 not reported
Note - this is a special purpose statement required by the Department of Indian Affairs and Northern Development ("DIAND" or "INAC")

Background

The Joint Review Panel and the MVRMA

Major industrial projects such as the proposed MGP must go through environmental assessment hearings before they are approved. In the north, there is a complex maze of federal legislation governing environmental assessments. Three Boards – the Mackenzie Valley Environmental Impact Review Board (MVEIRB), the Canadian Environmental Assessment Agency (CEAA) and the National Energy Board - must review the project. The MVEIRB and CEAA must hold hearings on the project, but they do not make final decisions – they make recommendations to federal Ministers. The NEB must also hold hearings and approve the project.

These Boards held a series of secret meetings between December, 2000 and September, 2001 with the intention of “streamlining” the environmental assessment of the proposed Mackenzie Valley pipeline. These Boards and agencies – including DIAND, MVEIRB, CEAA and the National Energy Board – produced a “Cooperation Plan” outlining how they would conduct a joint environmental assessment of the pipeline. Then they negotiated a draft Joint Review Panel Agreement (JRPA) setting out a process for conducting the environmental assessment of the proposed Mackenzie Valley pipeline. Under the Agreement, a 7 member Panel would be appointed to review the pipeline proposal: 4 members appointed by Canada (2 of the 4 would be nominated by the Inuvialuit) and 3 members would be appointed by the Mackenzie Valley Environmental Impact Review Board. The National Energy Board will hold its own separate hearings.

The Deh Cho First Nations were not included in the negotiations or in the draft Agreement. We asked for meetings to negotiate for the inclusion of the Deh Cho, but we were ignored.

In December, 2003 the DCFN tabled their own draft Agreement for a joint panel environmental assessment of the proposed pipeline. Grand Chief Norwegian also sent the DCFN draft Joint Panel Agreement to the appropriate federal ministers and to the other agencies which would have to be parties to the Agreement.

The DCFN draft Agreement would make the DCFN a full party to the Agreement, with the right to appoint 2 members of the 7 member Review Panel. The Deh Cho’s proposed Agreement improved on the draft Joint Review Panel Agreement by including all affected regions in the review process, and also by bringing the National Energy Board into a unified process, and incorporating current best practises for environmental assessments.



When the Minister of INAC met with Grand Chief Norwegian in March, 2004 he agreed with our suggestion that a separate table should be established to negotiate inclusion of the DCFN in the Joint Review Panel Agreement. The



Grand Chief and members of the PWG and the negotiating team then met with the Chairs of the Boards which negotiated the draft Agreement on May 28, 2004 in Yellowknife. The meeting resulted in an agreement-in-principle to amend the Joint Review Panel Agreement to make the DCFN a party to the Agreement with a role in appointing the members of the Panel. However, at a follow-up meeting held on June 11 in Yellowknife, the Boards reneged on the agreement-in-principle.

On August 3, 2004 the federal government and the Boards and agencies which will have a role in assessing and approving a pipeline signed a Joint Review Panel Agreement setting out a process for conducting the environmental assessment of the proposed Mackenzie Valley pipeline. Under the Agreement, a 7 member Panel has been appointed to review the pipeline proposal: 4 members appointed by Canada (2 of the 4 were nominated by the Inuvialuit) and 3 members were appointed by the Mackenzie Valley Environmental Impact Review Board. The DCFN was not included in the negotiations or in the Agreement.

The Joint Review Panel will only make recommendations to the parties to the JRPA - it will not make any final decisions on the project.

Legal Action Begins

The Deh Cho First Nations made numerous requests for negotiations and offered several compromises, all of which were rejected by Canada and the MVEIRB before the Leadership decided that legal action was necessary.

A Statement of Claim was filed in the NWT Supreme Court on September 2, 2004 against the Mackenzie Valley Environmental Impact Review Board (MVEIRB) and the Minister of the INAC. This action challenges the Joint Review Panel Agreement (JRPA) which was signed on August 3, 2004 on the grounds that the JRPA discriminates against the Dehcho First Nations and violates the Aboriginal and Treaty rights of the DCFN. The action also seeks a declaration that the *Mackenzie Valley Resource Management Act* (MVRMA) is constitutionally inapplicable to the Deh Cho territory. On September 17 the DCFN filed an Application in the Federal Court against the federal government and the Minister of the Environment. This application also challenges the signing of the JRPA and seeks a declaration that the *Canadian Environmental Assessment Act* is constitutionally flawed in its application to the Deh Cho.



Canada responded to the filing of court actions by requesting negotiations to resolve the issues which led to the legal challenges. A meeting was held on November 5 between Grand Chief Norwegian and Minister Andy Scott. At that meeting it was agreed that Canada and the DCFN would negotiate on a “without



Robert Stewart

Chartered Accountant/ Management Consultants

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AUDITOR'S DERIVATIVE REPORT

To Indian and Northern Affairs Canada
4920 - 52 Street
Yellowknife, Northwest Territories
X1A 2R1

I have audited the financial statements of the DEH CHO FIRST NATIONS as at March 31, 2005, and for the year then ended, and reported on June 10, 2005.

A Schedule of Executive costs, other remuneration and travel and a Schedule of Federal Government Funding is required to be presented to Indian and Northern Affairs Canada pursuant to the funding agreement between Indian and Northern Affairs Canada and the DEH CHO FIRST NATIONS. The schedules have been compiled by the management of the DEH CHO FIRST NATIONS from their records. For the purposes of understanding our involvement with these schedules, please note that:

- I have audited and separately reported on the financial statements;
- my audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole;
- the attached schedules are presented for the purpose of forming an opinion for the Department of Indian Affairs and does not form part of the financial statements; and
- the schedules have been subjected to the auditing procedures applied to the audit of the financial statements taken as a whole.

During the course of the aforementioned audit, we encountered no discrepancies on these schedules. However, no procedures have been carried out on these schedules in addition to those necessary to form an opinion on the financial statements.

This report has been prepared in accordance with generally accepted auditing standards in Canada.

June 10, 2005
Yellowknife, N.W.T

CHARTERED ACCOUNTANT



DEH CHO FIRST NATIONS
SCHEDULE OF OTHER REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2005

SCHEDULE #

	Wildlife RWED Project	Energy Setback	Language Evaluation Project	Language CA 04/05	Language Literacy	GNWT/ LSE	Home Policies Project	F.N. Forestry ASCP	First Nations Expend	AAROM Expend	Constitution Working Group	Maximize Gas Chart.2	PAS IPGN Project	CARC Project	TOTAL
REVENUES:															
4020 GRANT															\$0
4021 GRANT - Other Revenues															0
4030 GNWT	\$19,167			\$224,500	\$25,000	\$980	\$19,238								288,886
4040 HRDC															0
4050 Other								\$26,600	\$4,450	\$61,582	\$75,000	\$85,000	\$200,100	\$2,000	454,732
4110 Wage Revenues															0
4120 Travel Revenues											37				37
4130 Recoveries															0
4250 Deferred Revenue Transfers		2,875	\$3,789	-2,680			-2,808						-125,380	-1,858	-131,256
Total revenues	19,167	2,875	3,789	221,820	25,000	980	16,630	28,600	4,450	58,217	75,037	65,000	74,710	142	582,416
EXPENDITURES:															
5100 Laid Koe First Nation				44,431	6,750										51,181
5120 Deh Cho Gofie Dene Council				40,208	10,000		1,980								52,188
5130 Kallbodecher First Nation				23,307											23,307
5140 Parasho First Nation				17,874	8,240							52,000			77,914
5200 Kasape Tu First Nation				7,112											7,112
5210 JAR First Nation				9,225											9,225
5220 Nahani Gofie Dene Council				9,225	5,000										14,225
5225 Sambas Ka First Nation				8,521											8,521
5240 West Point First Nation				8,408											8,408
5260 Ft Providence Metis															0
5290 Ft Simpson Metis Local															0
5300 Acho Dene Koe				24,718	3,380										28,098
5410 Wages & Benefits						2,170									2,170
5450 Casual Wages															0
5610 Accounting & Legal															0
5615 Advertising & Promotions										827					827
5618 Equipment Rental															0
5620 Bad Debts															0
5625 Cash Grants				600				600		3,075					4,275
5630 GST Unrecovered															0
5634 Professional Services															0
5635 Subcontractors								13,500	11,500	30,000	800	2,000	400		58,200
5638 Sound & Translation	4,835							2,081							6,896
5640 Courier & Postage															0
5661 Capital Expenditures															0
5665 Insurance															0
5690 Interest & Bank Charges															0
5695 Licences, Regs & Membership															0
5700 Office Supplies				2,164			1,150	808		2,354	4,574		1,183	142	7,842
5705 Equipment Purchases															0
5710 Janitorial Supplies															0
5720 Property Taxes															0
5740 Miscellaneous															0
5760 Rent											1,050				1,050
5765 Repair & Maintenance		9,375													9,375
5770 Vehicle Payment															0
5771 Scholarships															0
5780 Telephone											88				88
5785 Travel - Air	1,280			1,250					373	6,837	9,405		18,817		37,542
5786 Travel - Accommodation	2,815			1,430				2,285	483	1,735	5,391		1,300		15,400
5787 Travel - Mileage	2,796			993				2,302	1,748	2,704	1,598				12,137
5788 Travel - Per Diem	5,181			671				2,712	687	1,898	6,281		1,200		18,388
5789 Childcare											225				225
5790 Power															0
5791 Heating Fuel															0
5792 Water & Sewer															0
5794 Admin Fees	2,500			0			4,063	580		0					7,143
5800 Expenses Accrued (note)												63,200			63,200
5805 Revenues Retained			2,341	787	11,846										14,874
5850 Transfers between programs				23,100	-15,228	-1,190				19,264	42,542				59,490
5960 Deh Cho Economic Corporation															0
Total expenditures	19,167	9,375	2,341	221,820	30,000	980	16,630	25,911	4,450	58,218	75,037	65,200	74,710	142	601,981
EXCESS REVENUES (EXPENDITURES)	\$0	-\$6,500	\$1,448	\$0	-\$5,000	\$0	\$0	\$689	\$0	\$0	\$0	-\$200	\$0	\$0	-\$9,565

Note: expenditures, retainers, etc. accrued at year end and incurred in the Subsequent Year but backdated to the Current Year to match Funding.

prejudice” basis. The Minister said that his negotiators had a mandate to explore any options except changes to the Joint Review Panel Agreement which was signed in early August, 2004.

Negotiations Begin

Negotiations to end the litigation began in November, 2004. The DCFN entered the negotiations with the intention of reaching an agreement to amend the Joint Review Panel Agreement to make the Deh Cho an equal party in the environmental assessment of the pipeline. However, Canada refused to consider amending the Joint Review Panel Agreement. As a result of Canada’s refusal, the negotiations focused instead on ensuring that DCFN communities are in a strong position to influence the pipeline approval process and ensure that in the future any large projects will require the approval of DCFN communities. Therefore, the negotiations also addressed some key issues related to a Deh Cho Process Agreement-in-Principle (AiP) and terms and conditions for new oil and gas exploration in the Deh Cho under the Interim Resource Development Agreement (IRDA). The DCFN negotiating position was based upon the December 1, 2004 proposed MoU which was ratified by Leadership.



Constitutional Development Process Report

Prior to the 2005, Kakisa Annual Assembly, Dehcho First Nations staff had embarked on a Constitutional Development Process. The consultation process was conducted in both the Dene and English languages. Grand Chief, Negotiators and Information Officers have traveled extensively throughout the Dehcho Territory and promoted the Constitutional Development process. Community meetings, public information sessions, door-to-door consultations, mail outs, press, school visits, leadership presentations and Elder Meetings were the forums used to progress the constitutional development process.

Throughout the process, emphasis was put on the need to have community input into the document and for this document to truly represent Dehcho membership positions on residency, composition of a Dehcho Government, land rights and decision making. It is important that the Dehcho constitution is reflective of the culture, language and traditions of the Dehcho Dene people.

The Constitutional Working Group, which consisted of the Grand Chief, Chief Negotiator, Negotiators, Executive Director, Language specialist, two Chiefs and two elders, would meet on a quarterly basis to review the community feedback and concerns. It was during these quarterly meetings that we would review the community feedback and through consensus of members on the content of the constitution, we would draft changes to the document with the assistance of a Constitutional Lawyer to ensure that the legalities of the document are covered. Through this process we have worked through four drafts of the Constitution.

Draft Six of the Dehcho Constitution was presented to the 2005 Dehcho Annual Assembly. Draft Six of the Constitution was neither rejected nor accepted. Draft Six of the Constitution was a document that was endorsed by the Dehcho First Nations Leadership at the Winter Leadership Meeting. The document will be used to further work on the jurisdictional issues relating to an Agreement in Principle.

At the 2005 Kakisa Annual Assembly it was discussed and decided the Dehcho Constitution must be developed in the language of the Dehcho, the Dene Language. The delegates of the Dehcho Assembly appointed various individuals specialized language skills to develop a draft constitution on the Dene Language. This new team of Constitutional drafters will be traveling to all Dehcho Communities seeking input into a new Dene language Dehcho Constitution.

In closing it must be emphasized that your input and contributions towards the development of a Dehcho Constitution is necessary to ensuring that the Constitution is reflective of the people it represents.



SCHEDULE 5

DEH CHO FIRST NATIONS

SCHEDULE OF ABORIGINAL HUMAN RESOURCE DEVELOPMENT REVENUES AND EXPENDITURES

FOR THE YEAR ENDING MARCH 31, 2005

	AHRDA CRF CA2001-04	EI CA2001-04	General Administration	Capacity Project	Small Urban Project	Child Care Project	Youth Program Project	Persons With Disabilities	TOTAL
REVENUES:									
4020 DIAND									\$0
4021 DIAND - Other Revenues									0
4030 GNWT									0
4040 HRDC	\$1,069,317	\$342,997							1,412,314
4050 Other	24		\$310						334
4110 Wage Recoveries									0
4120 Travel Recoveries			420			\$247			666
4130 Recoveries		0	-250						-250
4250 Deferred Revenue Transfers	0	-7,316							-7,316
Total revenues	1,069,341	335,681	480	0	0	247	0	0	1,405,748
EXPENDITURES:									
5100 Liidli Koe First Nation	117,985	80,410	17,505		8,000	84,071	13,390		321,062
5120 Deh Gah Gotie Dene Council	121,763	72,515	10,000		2,275	40,143	12,610		259,306
5130 Katlodeeche First Nation	43,167	8,525				90,471	4,911		147,074
5140 Pehdzeh IG First Nation	21,330	15,160				34,286	4,226		75,002
5200 Kaagee Tu First Nation	17,830	9,703					2,028		29,561
5210 JMR First Nation	19,016	10,348					2,163		31,527
5220 Nahanni Butte Dene Council	25,041	13,628					2,849		41,517
5225 Sambaa Ke First Nation	24,408	8,769	1,787				2,444		37,408
5240 West Point First Nation	19,460	10,590				10,435	2,214		42,699
5280 Ft Providence Metis									0
5290 Ft Simpson Metis Local	7,753	2,372					1,152		11,277
5300 Acho Dene Koe	72,159	29,453	2,428		2,000	31,357	8,210	4,000	149,607
5410 Wages & Benefits			96,821						96,821
5450 Casual Wages			1,260					3,997	5,257
5610 Accounting & Legal			5,026						5,026
5615 Advertising & Promotions			7,200						7,200
5618 Equipment Rental									0
5620 Bad Debts									0
5625 Cash Grants									0
5630 Cash Short/Over									0
5634 Professional Services									0
5635 Subcontractors			368	9,395		16,143			25,905
5636 Sound & Translation									0
5640 Courier & Postage			546						546
5661 Capital Expenditures									0
5685 Insurance			554						554
5690 Interest & Bank Charges			283						283
5695 Licences, Regist & Membership						3,190			3,190
5700 Office Supplies			2,343			81			2,425
5705 Equipment Purchases			11,493						11,493
5710 Janitorial Supplies									0
5720 Property Taxes									0
5740 Miscellaneous					10,234				10,234
5760 Rent			3,000						3,000
5765 Repair & Maintenance			3,778						3,778
5770 Vehicle Payment									0
5771 Scholarships									0
5780 Telephone			1,800						1,800
5785 Travel - Air			4,021	1,616		5,047			10,884
5786 Travel - Accommodation			1,856			9,513			11,369
5787 Travel - Mileage			8,136			3,395			11,531
5788 Travel - Per Diem			4,270			11,333			15,603
5789 Childcare			-150			1,025			875
5790 Power									0
5791 Heating Fuel									0
5792 Water & Sewer									0
5794 Admin Fees	5,053		1,729		15,025	4,606		5,521	31,933
5800 Expenses Accrued (note)									0
5805 Revenues Returned									0
5950 Transfers between programs	574,676	74,207	-185,574	-11,211	-37,534	-344,849	-56,197	-13,518	0
5960 Deh Cho Economic Corporation									0
Total expenditures	1,069,341	335,681	480	-0	0	247	0	0	1,405,748
EXCESS REVENUES (EXPENDITURES)									
	\$0	\$0	-\$0	\$0	\$0	-\$0	\$0	\$0	-\$0

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS
SCHEDULE 4
SCHEDULE OF DIAND CONTRIBUTION REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2005

	IRMA Resource Pressure (FTP/Cont.)	IRDA Resource Royalties (Cont.)	IRDA Oil/Gas Project (Cont.)	Oil & Gas Strategy Project (Cont.)	Pipeline Working Sched. (Cont.)	Community Particip. Project (FTP)	PWG Strategy Project (FTP/Cont.)	PWG Environment & Signg. (Cont.)	PWG Training Plan (Cont.)	PWG Winter Plan (Cont.)	LOC Mines & Minerals (Cont.)	CIMP Water Project (Cont.)	TOTAL
REVENUES:													
4020 DIAND	\$208,000	\$924,430	\$150,000	\$22,214	\$15,125	\$201,300	\$300,000				\$26,350		\$1,847,419
4021 DIAND - Other Revenues											27,000		27,000
4030 GNWT				8,000									8,000
4040 HRDC						201,300					300	\$20,000	221,600
4050 Other					-5,700	-2,100							-7,800
4110 Wage Recoveries					39								39
4120 Travel Recoveries												75	75
4130 Recoveries												-1,055	-7,783
4250 Deferred Revenue Transfer	968	-7,696	0				\$0	\$0	\$0	\$0	0		
Total revenues	208,968	916,734	158,000	22,214	9,464	400,500	0	300,000	0	0	53,650	19,020	2,088,550
EXPENDITURES:													
5100 Liili Koe First Nation		19,904	25,000			119,000							163,904
5120 Deh Gah Gottle Dene Coun	17,018	65,359											82,377
5130 Katlo'deeche First Nation	17,018	35,384				39,000							91,402
5140 Pendzeh Ki First Nation	17,018	30,061				39,000							86,079
5200 Kaagee Tu First Nation	17,018	16,092				39,000							72,110
5210 JMR First Nation	17,018					39,000							56,018
5220 Nahanni Butte Dene Coun	17,018					30,000							17,018
5225 Samba Kie First Nation	17,018	12,546					9,000						68,564
5240 West Point First Nation	17,018	43,170											60,188
5280 Ft Providence Metis	17,018	66,346											83,364
5290 Ft Simpson Metis Local	17,018	39,807				39,000							95,825
5300 Acho Dene Koe	17,018	66,346											83,364
5410 Wages & Benefits			37,657			19,591	41,123					4,004	98,371
5460 Casual Wages						1,270	4,300						9,574
5610 Accounting & Legal							68,271						68,271
5615 Advertising & Promotions						3,677							3,677
5616 Equipment Rental													0
5620 Bad Debts													0
5625 Cash Grants			1,250				1,050						2,300
5630 GST Unrecovered													0
5634 Professional Services							6,053						6,053
5635 Subcontractors	7,138	520,819	80,417		2,250	32,759	43,023				19,550		685,966
5636 Sound & Translation											7,533		7,533
5640 Courier & Postage			39				2,290						2,329
5661 Capital Expenditures													0
5685 Insurance							1,385						1,385
5690 Interest & Bank Charges													0
5695 Licences, Regist & Membership			696	2,600									3,296
5700 Office Supplies			1,206		30	4,570	12,188				460	2,444	20,897
5705 Equipment Purchases							9,261						9,261
5706 Equipment User Fee													0
5710 Janitorial Supplies													0
5720 Property Taxes													0
5740 Miscellaneous													0
5760 Rent			75		400	6,135	4,540				1,000		12,150
5765 Repair & Maintenance						258	2,138						2,396
5770 Vehicle Payment													0
5771 Scholarships													0
5780 Telephone			857		25	5,155	3,851						9,888
5785 Travel - Air			4,233	13,628	990	9,401	18,197				628	4,022	51,099
5786 Travel - Accommodation			618	3,501	1,730	4,062	5,093				6,013	3,446	24,463
5787 Travel - Mileage			2,544	2,048	849	3,522	4,455				4,365	1,323	19,107
5788 Travel - Per Diem			1,941	152	1,452	5,064	4,188				6,499	3,781	23,077
5789 Childcare													0
5790 Power													0
5791 Heating Fuel													0
5792 Water & Sewer													0
5794 Admin Fees	0	0		1,973			76		0		5,877		7,926
5800 Expenses Accrued (note)							76,200						76,200
5805 Revenues Returned							0		0		1,425		1,425
5950 Transfers between progr	14,631		22,516										37,147
5960 Deh Cho Economic Corporation													0
Total expenditures	208,968	916,734	159,048	21,929	9,699	400,464	0	316,683	0	0	53,350	19,020	2,105,896
EXCESS REVENUES (EXPENDITURES)	\$0	\$0	-\$1,048	\$285	-\$235	\$36	\$0	-\$16,683	\$0	\$0	\$300	\$0	-\$17,346

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding

Assistant Negotiator Report

Dehcho Process: The Dehcho Process was held up for the last eleven months due to litigation between Dehcho First Nation and the Federal Government. While this delay created some uncertainty, detail discussion and consultation with the communities continued on the "Towards a Dehcho Government" document. The Litigation was finally resolved through a Settlement Agreement between Her Majesty the Queen in Right of Canada and Grand Chief Herb Norwegian. Now that the litigation has come to a satisfactory conclusion the Dehcho Process is back on track with the first Negotiation scheduled for August 25-26, 2005



Katlo'deeche First Nation Specific Claims: Progress on Katlo'deeche First Nation Specific Claims has been slow, although on going discussion continue internally. The first specific claims internal session was on August 11 to review the Terms of Reference, fill the vacant Assistant Negotiator position and schedules. There was no clear direction on who the Chief Negotiator will be, however now that funding has been restored a normal KFN. Specific Claims Working Group sessions should resume.

Akaitcho / Dehcho First Nation meeting: On going concern over fresh water by the leadership, Elders and membership has warranted the Negotiation Team to table Water as a specific item for negotiation. Fresh water concerns, Commercial Fishing, pollution etc continue to be expressed. Akaitcho, Treaty 8 also wish to share information on Conservation Zone Act. August 30-31 meeting has been scheduled for Yellowknife.



Towards a Dehcho Government Consultation: During the last eleven months the Negotiation Team have scheduled numerous internal, home visits, public forums and community discussion detailing specific section of the Towards a Dehcho Government document. To date six drafts has been discussed and revised based on continuous leadership, Elders and membership input, however since the Annual Assemble in Kakisa a different approach has been taken by the leadership to develop a Dehcho constitution

only in the Dene Language which would eventually be translated into English I'm sure. A Constitutional Development Working Group is now in established to take on that task.

Naxecho (Elders) Up Dates: Since 2004 to date the Naxecho (Elders) have gathered five times and a smaller working group meeting the same amount of times. The Elders have successfully completed many task including their Term of Reference, Traditional Knowledge Protocol, Annual Assembly Protocol etc. On going discussions continue with our Dehcho



Constitution, Dehcho Government, Language and Culture, Special Areas Initiative, Aboriginal and Treaty Rights, Mackenzie Gas Project and Trans Boundary Water shed initiative. The next Naxecho (Elders) Gathering is scheduled for September 6-8 in Phedzeh Ki and a Working Group Meeting schedule for November 22-24 on the Hay River Reserve.

Dehcho First Nation Language and Culture Working Group. Although on going discussions and concerns continue to be expressed by our leaders and Elders on numerous occasions the language and culture continue to decline. Specialist, Working Groups and Language Programs have met up to the challenge on how we can revitalize what all First Nation desire for their people. We need to reevaluate what exists today, consider alternative, learn by other examples, take control of the programs and the funding that goes with it. This issue has been a concern, however no real direction or solution has been found to date. Is it time to negotiate this item as essential to our survival and need absolute control now?

Dehcho Oil and Gas Working Group: Not much movement or progress has been made regarding Oil and Gas development in the Dehcho since there was differences of opinion on the interpretation of the Petroleum Act between Dehcho and the Federal Government. Since I am no longer part of this group I am not to sure what the progress is.

Trans Boundaries Water Shed Initiative; The Naxecho (Elders) felt it necessary to work with other First Nation, create alliances to address the issue of water across our land and that artificial boundaries shouldn't stop us discussing this very important commodity. Future discussion and a strategy plan needs to be worked on soon.



DEH CHO FIRST NATIONS SCHEDULE 3
SCHEDULE OF DIAND CONTRIBUTION REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2006

	Self Government (Contr.)	Gathering Strength (Contr.)	Negotiations Preparedness (Contr.)	Community Negotiation (FTP)	Annual Assembly (Contr.)	Traditional Mapping (Contr.)	Deh Cho Process Claims (Contr.)	Local Contaminants Coordinator (Grant)	Deh Cho Youth Camp (Contr.)	ASEP Project (Contr.)	TOTAL
REVENUES:											
4020 DIAND	\$700,000	\$600,000	\$850,000		\$30,000		\$191,043	\$27,355	\$15,000	\$36,684	\$2,450,082
4021 DIAND - Other Revenues								331			331
4030 GNWT					5,000			14,313			19,313
4040 HRDC								8,000			8,000
4050 Other	5,000	3,171								423,698	431,869
4110 Waive Recoveries	-11,153	-2,126	2,356							-1,950	-12,873
4120 Travel Recoveries	416		521				307	838		4,550	6,632
4130 Recoveries		10,658	700		0		4,738	114			16,210
4250 Deferred Revenue Transfers	0	0	1,842			5,000	1,481	-6,361		-227,381	-225,619
Total revenues	694,263	611,702	855,219	0	35,000	5,000	197,569	44,590	15,000	235,601	2,693,944
EXPENDITURES:											
5100 Liidli Koe First Nation		27,083		65,000	928					39,580	132,592
5120 Deh Gah Gotie Dene Council		21,041		65,000	201						86,241
5130 Katjodeeche First Nation		9,876		45,000	279						55,156
5140 Phedzeh Ki First Nation		8,498		45,000	1,065						54,563
5200 Kaagee Tu First Nation		4,079		35,000	25,819						64,899
5210 JMR First Nation		4,351		35,000	240						39,590
5220 Nahanni Butte Dene Council		5,729		35,000	408						41,137
5225 Sambaa Ke First Nation		4,916		35,000	309					21,366	61,591
5240 West Point First Nation		4,452		35,000	140						39,592
5280 Ft Providence Metis		2,317		35,000	67						37,383
5290 Ft Simpson Metis Local		2,317		35,000	309						37,626
5300 Acho Dene Koe	15,000	16,509		45,000	904	5,000					82,413
5410 Wages & Benefits	93,537		250,891				47,101	32,188		10,042	433,759
5450 Casual Wages	1,571		50		3,932						5,553
5610 Accounting & Legal	2,240		38,615								40,855
5615 Advertising & Promotions	739	10,002	3,192		243		726		496	2,652	18,050
5616 Equipment Rental	902										902
5620 Bad Debts											0
5625 Cash Grants	6,750	150	14,088		32,625		2,800			2,063	58,475
5630 GST Unrecovered											0
5634 Professional Services	39,068		72,382				1,303				112,772
5635 Subcontractors	105,794	54,368	71,180		3,000		62,501	2,970	15,000	107,046	421,858
5636 Sound & Translation	8,408				6,795						15,203
5640 Courier & Postage	351	437	4,378		564		1,480	72		6	7,287
5661 Capital Expenditures											0
5685 Insurance	554	554	554				554				2,217
5690 Interest & Bank Charges	4		1,083				1,048	51			2,186
5695 Licences, Regist & Membership		2,112	710								2,822
5700 Office Supplies	9,850	20,956	3,257		13,128		6,100	120		1,644	55,056
5705 Equipment Purchases			9,916		1,216		5,291	1,775			18,198
5706 Equipment User Fee	10,345	15,321			6,814		5,861				38,341
5710 Janitorial Supplies											0
5720 Property Taxes											0
5740 Miscellaneous											0
5760 Rent	1,400	1,050	8,796							2,930	14,176
5765 Repair & Maintenance	1,356		6,439		770		3,918	1,500			13,984
5770 Vehicle Payment	448										448
5771 Scholarships											0
5780 Telephone	18,314	5,080	11,882				8,022			130	43,428
5785 Travel - Air	69,595	6,925	55,765		1,180		13,710	3,655		21,328	172,158
5786 Travel - Accommodation	8,725	3,666	23,647		1,384		3,677	310		10,377	51,786
5787 Travel - Mileage	33,834	3,538	23,784		7,476		7,844	330		7,746	84,550
5788 Travel - Per Diem	14,450	2,346	23,037		39,733		8,484	1,094		8,616	97,760
5789 Childcare	550		1,500		300		50	525		75	3,000
5790 Power											0
5791 Heating Fuel											0
5792 Water & Sewer											0
5794 Admin Fees	0	2,000	294				0				2,294
5800 Expenses Accrued (note)											0
5805 Revenues Returned											0
5950 Transfers between programs	270,000	375,000	230,000	-510,000	-114,830		17,368			0	267,538
5960 Deh Cho Economic Corporation											0
Total expenditures	713,805	614,670	855,440	0	35,000	5,000	197,838	44,590	15,496	235,601	2,717,440
EXCESS REVENUES (EXPENDITURES)											
	-\$19,541	-\$2,968	-\$221	\$0	\$0	\$0	-\$270	-\$0	-\$496	-\$0	-\$23,496

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS
SCHEDULE OF CORE REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2005

SCHEDULE 2

	Core (Grant)	General Fund (FTP)	Carens (Grant)	Band Employee Benefits (Contr.)	Executive Committee (Contr.)	Fall Leadership	Elder Council	Spring Leadership	Winter Leadership	Restricted Investment Fund	Advisory	TOTAL
REVENUES:												
4020 DIAND	\$765,418	\$66,284	\$5,225	\$57,016							\$6,970	\$900,911
4021 DIAND - Other Revenues											0	0
4030 GNWT		330									0	330
4040 HRDC											0	0
4050 Other	3,741	52,664		22,548						\$26,891	0	105,844
4110 Wage Recoveries	0	2,520									0	2,520
4120 Travel Recoveries	2,160	47,835				\$405					0	50,399
4130 Recoveries	10,893	15,550		200	575	0					0	26,518
4250 Deferred Revenue Transfers											0	0
Total revenues	782,010	185,182	5,225	79,764	75	405	0	0	0	26,891	6,970	1,086,522
EXPENDITURES:												
5100 Lidlil Koe First Nation											0	0
5120 Deh Gah Gobe Dene Council											0	0
5130 Katlodeeche First Nation											0	0
5140 Pehdzeh Ki First Nation											0	0
5200 Kaagee Tu First Nation											0	0
5210 JMR First Nation											0	0
5220 Nahanni Butte Dene Council											0	0
5225 Sambaa Ke First Nation											0	0
5240 West Point First Nation											0	0
5280 Ft Providence Metis											0	0
5290 Ft Simpson Metis Local											0	0
5300 Acho Dene Koe											0	0
5410 Wages & Benefits	393,450	5,612		77,764							0	476,825
5450 Casual Wages		2,924									1,065	3,989
5610 Accounting & Legal		20,222									5,000	25,222
5615 Advertising & Promotions		5,911									0	5,911
5616 Equipment Rental											0	0
5620 Bad Debts		-597									0	-597
5625 Cash Grants	5,550	1,050			11,100	26,675	35,000	25,350	26,100		0	130,825
5630 GST Unrecovered		-1									0	-1
5634 Professional Services											0	0
5635 Subcontractors	8,202	1,371	4,698		5,906	6,325	1,575	2,000	1,400		0	31,477
5636 Sound & Translation	1,680					6,360		5,203	3,972		0	17,215
5640 Courier & Postage	1,884	154					68		23		0	2,130
5661 Capital Expenditures											0	0
5685 Insurance	21,092										0	21,092
5690 Interest & Bank Charges	3,909										0	3,909
5695 Licences, Regist & Membership	53	517		600	3,274						0	4,444
5700 Office Supplies	2,827	1,172			87	73	85	1,225	1,193		0	6,682
5705 Equipment Purchases		44,829									0	44,829
5706 Equipment User Fee	3,969										0	3,969
5710 Janitorial Supplies	2,573										0	2,573
5720 Property Taxes	4,108										0	4,108
5740 Miscellaneous	1,312										0	1,312
5760 Rent				1,384	1,925	2,025	1,500	1,600			0	8,434
5765 Repair & Maintenance	4,131					75					0	4,206
5770 Vehicle Payment											0	0
5771 Scholarships	22,000	1,000									0	23,000
5780 Telephone	3,582				22						50	3,653
5785 Travel - Air	4,884	61,073	348		2,083	3,706	5,317	5,802			0	83,012
5786 Travel - Accommodation	2,160	11,696	210		1,695	5,480	12,759	10,365	9,560		800	54,705
5787 Travel - Mileage	4,745	10,151			3,024	2,573	10,771	6,162	7,558		0	44,984
5788 Travel - Per Diem	2,228	9,993			2,109	8,742	13,680	7,928	9,953		0	54,633
5789 Childcare	75						25		300		25	425
5790 Power	6,725										0	6,725
5791 Heating Fuel	4,884										0	4,884
5792 Water & Sewer	2,910										0	2,910
5794 Admin Fees	480			1,400			3,551	65			0	5,496
5800 Expenses Accrued (note)	0										0	0
5805 Revenues Returned		2,306									0	2,306
5950 Transfers between programs	250,379	-135,116			-30,000	-62,413	-80,299	-65,000	-60,000		0	-182,450
5950 Deh Cho Economic Corporation		37,000									0	37,000
Total expenditures	788,649	52,210	5,256	79,764	684	-499	4,557	599	1,660	0	6,940	939,819
EXCESS REVENUES (EXPENDITURES)	-\$6,639	\$132,972	-\$31	\$0	-\$609	\$904	-\$4,557	-\$599	-\$1,660	\$26,891	\$30	\$146,703

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.

Executive Committee

In 1999, the Dehcho Annual Assembly passed a resolution for the selection of the Executive Committee (2 leaders, 2 elders and 2 members at large). The term of the Executive Committee is three years concurrent with the term of the Grand Chief. The Dehcho First Nations Executive Committee currently consists of:

- Herb Norwegian, Grand Chief/Chair
- Berna Landry, Chief
- Roy Fabian, Chief
- Flora Cli, Elder
- Ted Landry, Elder
- Celine Antoine, Member at Large
- Stanley Sanguez, Member at Large

The Chiefs and Members at Large were appointed November 2003 by way of a motion in a Leadership meeting held in Ft. Simpson. Elder Flora Cli was appointed in December 2003 and Elder Ted Landry was appointed in March 2004 in an Elders meeting.

The Executive Committee had eight face-to-face meetings and one teleconference for fiscal year 2004-2005.

The draft Dehcho Constitution authorizes the Executive Committee in its roles as the body responsible for the administration of the Dehcho First Nations office.

The Executive Committee monitors the overall office operations and financial integrity, authorizes major financial transactions and ensures operations and protocols are reflective of the 1993 Dehcho Declaration. The Executive Committee reports to leadership quarterly and Assembly annually.



IRDA Resources Royalties

1. Acho Dene Koe
2. Allan (Julian) Landry
3. D.A. and Associates
4. Deh Gah Gotie Dene Council
5. Deh Gah Gotie Dene Council
6. Fort Providence Métis Nation
7. Fort Simpson Métis Nation
8. Horizon (5227 NWT Ltd)
9. JMR Log Homes Ltd.
10. Kaadule Enterprises
11. Ka'a'gee Tu First Nation
12. Ka'a'gee Tu First Nation
13. Katlodeeche First Nation
14. Land is Life
15. Liidlii Kue First Nation
16. Lucy's Bed and Breakfast
17. Murray Sibbeston
18. Nogha Enterprises
19. North Nahanni Lodge
20. Pehdzeh Ki First Nation
21. R and D Contracting
22. Robert Hardisty
23. Sambaa K'e Dene Band
24. Starving Marvin: Welding
25. T'thenaago Development Corporation
26. West Point First Nation
27. Wind Dancer Contracting
28. Xah Ndah Resources

SCHEDULE 1

DEH CHO FIRST NATIONS
SCHEDULE OF CONSOLIDATED REVENUES AND EXPENDITURES
FOR THE YEAR ENDING MARCH 31, 2006

	Core (Schedule 2)	DIAND #1 (Schedule 3)	DIAND #2 (Schedule 4)	AHRDA (Schedule 5)	Other (Schedule 6)	Total
REVENUES:						
4020 DIAND	\$900,911	\$2,450,082	\$1,847,419	\$0	\$0	\$5,198,411
4021 DIAND - Other Revenues	0	331	0	0	0	331
4030 GNWT	330	18,313	27,000	0	288,886	335,529
4040 HRDC	0	8,000	8,000	1,412,314	0	1,428,314
4050 Other	105,844	431,869	221,600	334	434,732	1,194,378
4110 Wage Recoveries	2,520	-12,873	-7,800	0	0	-18,153
4120 Travel Recoveries	50,399	6,632	39	686	37	57,774
4130 Recoveries	28,518	16,210	75	-250	0	42,552
4250 Deferred Revenue Transfers	0	-225,619	-7,783	-7,316	-131,238	-371,956
Total revenues	1,086,522	2,693,944	2,088,550	1,405,748	592,416	7,867,180
EXPENDITURES:						
5100 Liidli Koe First Nation	0	132,592	163,904	321,082	51,191	668,749
5120 Deh Gah Gotie Dene Council	0	86,241	82,377	259,306	52,186	480,111
5130 Katlodeeche First Nation	0	55,156	52,402	147,074	23,307	277,939
5140 Pehdzeh Ki First Nation	0	54,563	86,979	75,002	77,914	294,458
5200 Kasee Tu First Nation	0	64,899	72,110	29,561	7,112	173,683
5210 JMR First Nation	0	39,590	56,018	31,527	9,225	136,360
5220 Nahanni Butte Dene Council	0	41,137	17,018	41,517	14,225	113,898
5225 Sambaa Ke First Nation	0	61,591	68,564	37,408	8,521	176,084
5240 West Point First Nation	0	39,592	60,188	42,699	5,408	148,888
5280 Ft Providence Metis	0	37,383	83,384	0	0	120,748
5290 Ft Simpson Metis Local	0	37,826	95,825	11,277	0	144,728
5300 Acho Dene Koe	0	82,413	83,364	149,607	28,096	343,480
5410 Wages & Benefits	476,825	433,759	98,371	96,821	2,170	1,107,946
5450 Casual Wages	3,989	5,553	5,574	5,257	0	24,373
5610 Accounting & Legal	25,222	40,855	88,271	5,026	0	139,373
5615 Advertising & Promotions	5,911	18,050	3,677	7,200	827	35,664
5616 Equipment Rental	0	902	0	0	0	902
5620 Bad Debts	-597	0	0	0	0	-597
5625 Cash Grants	130,825	58,475	2,300	0	4,275	195,875
5630 GST Unrecovered	-1	0	0	0	0	-1
5634 Professional Services	0	112,772	6,053	0	0	118,826
5635 Subcontractors	31,477	421,858	685,956	25,905	58,200	1,223,396
5636 Sound & Translation	17,215	15,203	7,533	0	6,696	46,647
5640 Courier & Postage	2,130	7,287	2,329	546	0	12,292
5661 Capital Expenditures	0	0	0	0	0	0
5685 Insurance	21,092	2,217	1,385	554	0	25,248
5690 Interest & Bank Charges	3,909	2,186	0	283	0	6,378
5695 Licences, Regist & Membership	4,444	2,822	3,296	3,190	4,574	18,325
5700 Office Supplies	6,662	55,056	20,897	2,425	7,842	92,881
5705 Equipment Purchases	44,829	18,198	9,261	11,493	0	83,780
5706 Equipment User Fees	3,969	38,341	0	0	0	42,310
5710 Janitorial Supplies	2,573	0	0	0	0	2,573
5720 Property Taxes	4,108	0	0	0	0	4,108
5740 Miscellaneous	1,312	0	0	10,234	0	11,546
5760 Rent	8,434	14,176	12,150	3,000	1,250	39,010
5765 Repair & Maintenance	4,206	13,984	2,386	3,778	9,375	33,739
5770 Vehicle Payment	0	448	0	0	0	448
5771 Scholarships	23,000	0	0	0	0	23,000
5780 Telephones	3,653	43,428	9,888	1,800	89	58,858
5785 Travel - Air	83,012	172,158	51,099	10,884	37,542	354,695
5786 Travel - Accommodation	54,705	51,786	24,463	11,369	15,400	157,723
5787 Travel - Mileage	44,984	84,550	19,107	11,531	12,137	172,311
5788 Travel - Per Diem	54,633	97,760	23,077	15,603	18,388	209,462
5789 Childcare	425	3,000	0	875	225	4,525
5790 Power	6,725	0	0	0	0	6,725
5791 Heating Fuel	4,884	0	0	0	0	4,884
5792 Water & Sewer	2,910	0	0	0	0	2,910
5794 Admin Fees	5,496	2,294	7,926	31,933	7,143	54,793
5800 Expenses Accrued (note)	0	0	76,200	0	63,200	139,400
5805 Revenues Returned	2,306	0	1,425	0	14,974	18,705
5950 Transfers between programs	-182,450	267,538	37,147	0	59,490	181,726
5960 Deh Cho Economic Corporation	37,000	0	0	0	0	37,000
Total expenditures	939,819	2,717,440	2,105,696	1,405,748	601,981	7,770,884
EXCESS REVENUES (EXPENDITURES)	\$146,703	-\$23,496	-\$17,346	-\$0	-\$9,565	\$96,296

Note: expenditures, retainers, etc. accrued at year end incurred in the Subsequent Year but backdated to the Current Year to match Funding.



DEH CHO FIRST NATIONS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 4 DEFERRED REVENUE

Deferred revenue is comprised of amounts received but not yet earned as follows:

	<u>2005</u>	<u>2004</u>
Permit & Regulations	\$ -	\$ 60,559
Training Plan	-	46,672
IMA Traditional Mapping #8	25,954	30,954
IRMA #6 (JMRFN)	-	968
Winter RAN	-	19,495
Self Government	-	14,924
Contaminants	6,361	-
IRDA Resource Royalties	12,388	4,692
ASEP	227,381	-
Negotiations Preparedness 800K #4	-	1,642
Deh Cho Process Claims	-	1,481
Gathering Strength	-	970
Oil & Gas Project Strategy	-	604
Total DIAND	<u>272,084</u>	<u>183,064</u>
Protected Area Strategy/PKFN	125,390	-
AAROM	5,366	-
HRDC CRF	10,969	-
HRDC EI	7,316	-
CIMP Water Project	1,055	-
Horn Plateau	2,609	-
CARC	1,858	-
Energy Savings	-	5,742
Language Evaluation	-	3,789
Aboriginal Summit	<u>2,680</u>	<u>-</u>
	<u>\$418,357</u>	<u>\$192,595</u>

NOTE 5 COMPARATIVE AMOUNTS

The format of the Statement of Consolidated Revenue and Expenditures of the current year has been changed with respect to the allocation of AHRDA Costs by type of expenditure. The comparative amounts for expenditures could not be restated.

Language Report

The language funding is received from ECE, GNWT to assist in the preservation and revitalization of the South Slavey language through programs and activities as outline in the Strategic Language Plan. The DFN regional administration holds the contribution agreement and distributes the funds to ten member organizations. The community allocations are done by formula (population percentage) per community:

Acho Dene Koe	\$24,715.50
Deh Gah Got'ie Dene Council	\$40,206.25
Jean Marie River First Nation	\$9,224.75
Ka'a'gee Tu First Nation	\$7,112.38
Katlodeeche First Nation	\$23,307.25
Liidlii Kue First Nation	\$44,431.00
Nahanni Butte Dene Band	\$9,224.75
Pehdzeh Ki First Nation	\$17,674.25
Sambaa K'e Dene Band	\$8,520.62
West Point First Nation	\$6,408.25

The language program is empowered by the communities and administered by DFN. The following is a summary of each community activities and programs for fiscal year 2004-2005:

Acho Dene Koe

In January 2005, Sewing/Slavey Classes were held for a period of 6 weeks. Approximately 6 youth attended the classes along with an elder who was the teacher. The elder taught the youth sewing/crafts, told them stories and encouraged the youth to use the language while doing their activities.

ADK assisted two traditional yearly events and was well attended by youth, adults and elders. The goals were to enable the youth to participate in the cultural activities, which encouraged culture, language and survival skills out on the land.



Deh Gah Got'ie Dene Council

DGG held various activities such as creating a calendar and dictionary in their dialect and both are on-going until the projects are completed. Also, they are also creating story booklets, which will provide the community members to learn to speak and read the proper dialect of their community.



Another project is preservation and development of audio/visual materials with the elders. The goal of this project is to preserve, revive, promote and develop their traditional Slavey dialect for community members.

Traditional and cultural activities were also held and were well attended (approximately 150 youth, 100 elders, 300 adult). The outcome of this provided communities and other members to increase and gain traditional knowledge in identity, skills on how to fix and prepare country food, skills on traditional crafts and respect for self, each other, language, tradition and culture.

Jean Marie River First Nation

No report.

Ka'a'gee Tu First Nation

For the past two years, KTFN did a bilingual incentive project. This project was to support the KTFN staff in promoting the Dene Slavey Language on a daily basis. This was important for the community and elders because it helped to have an effective communication with the elders to complete documents on their behalf.

The result in this project was that the KTFN staff are speaking more fluently in the Slavey language. It has improved language in the community from adults to elders.

Katlodeeche First Nation

The Chief Sunrise Education Centre Strategic Aboriginal Language Plan has been incorporated into their Community Education Plan. This strategic plan complies with the Dehcho Language Plan.

They have engaged in many activities such as providing language workshops and daily language programming in the school and community from all ages, supporting land base healing and cultural camps, promoting awareness of the importance of the Dene language, honoring and encouraging youth and people to use their language, coordinate language/cultural activities with Slavey people in Alberta and British Columbia.

Liidlii Kue First Nation

Liidlii Kue First Nation held two Slavey/Cultural camps at Kelly Lake on September 27, 2004 through October 3, 2004 and at Notana Lake on March 21-26, 2005. At both camps the language and culture was taught to the youths.



DEH CHO FIRST NATIONS

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2005

NOTE 3 ACCOUNTS RECEIVABLE

	2005	2004
Indian and Northern Affairs Canada	\$ 656,473	\$ 473,820
Human Resources Development Canada	129,660	146,628
Aboriginal Futures	211,399	-
Imperial Oil	116,160	-
Canadian Boreal Initiative	110,100	-
Canadian Environmental Initiative	58,157	-
Natural Resources Canada	31,511	-
Dene Nation	-	59,097
GNWT - RWED	-	56,400
Other	<u>23,183</u>	<u>36,378</u>
	<u>1,336,643</u>	<u>772,323</u>
Goods & Services Tax	82,883	76,823
Less Allowance for Doubtful Accounts - GST	<u>(82,883)</u>	<u>(56,823)</u>
	<u>-</u>	<u>20,000</u>
	<u>\$1,336,643</u>	<u>\$792,323</u>



DEH CHO FIRST NATIONS
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2005

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES (cont.)

- d) **Capital Assets**
 Capital Assets are recorded as expenditures in the year of acquisition and shown on the balance sheet at a nominal amount. Insured values at March 31, 2005 are as follows:

Office building	\$ 696,000
Office contents	<u>204,000</u>
	<u>\$ 900,000</u>

- e) **Funding Agency Contract Surplus (Deficit)**
 According to contracts or contribution agreements with funding agencies, primarily DIAND and Human Resources Development Canada, any contract surplus is to be recovered by the funding agency and any contract deficit is to be retained by the Deh Cho First Nations. Financial statements of the First Nations have not been reviewed by the funding agencies when these statements were prepared. Accordingly, any adjustments as a result of the review will be accounted for in the new year.
- f) **Delivery Agency Contract Surplus (Deficit)**
 According to contracts or contribution agreements with program delivery agencies, primarily First Nations located in the Deh Cho communities, any contract surplus is to be recovered by the Deh Cho First Nations and any contract deficit is to be retained by the respective First Nation. Financial statements of the various delivery agents have not been reviewed by the Deh Cho First Nations when these statements were prepared. Accordingly, any adjustments as a result of the review will similarly be accounted for in the new year.
- g) **Financial Instruments**
 The First Nations' financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, and deferred revenues. It is management's opinion that the First Nations is not exposed to significant interest, or credit risks arising from these instruments. Unless otherwise noted, the fair value of these financial instruments approximate their carrying value.



As part of the Kid's Corner Day Care Language/Cultural Program they hired two elders to teach the children the language, arts and crafts, etc. The outcome of the project was very successful. There were also other language and cultural activities that were held.

Nahanni Butte Dene Band

The community had completed a trail to an area where a camp would be set up and elders were involved. The youths learned to identify animal tracks and animal signs. They also had discussions on traditional medicines and where they are located and other land based healing issues. Basically, the youth learned survival skills and techniques while out on the land.

Pehdezeh Ki First Nation

In early October 2004 PKFN hosted a Slavey Language Camp at Jones Landing along the Mackenzie River. One coordinator, two elders, four camp attendants and youth had participated at the Slavey Language Camp. The youth were taught how to make fish nets, set snares, skin rabbits, trapping and hunting to survive on the land. The elders taught their skills and used the Slavey language to teach the youth. The youth learned new Slavey language words and even spoke the language.



Sambaa Ke' Dene Band

SKDB had approximately 44 members go out on the land from September 10-26, 2004 to a Cultural and Language Camp. The members going out on the land was to promote the traditional/cultural activities and speak the South Slavey language to the children.

West Point First Nation

West Point First Nation collected elders' stories on the history of the community of West Channel and the residing residents. They also plan to complete a calendar and booklet on all the elders and youth in the community relating to fishing and hunting experiences.



Literacy Report

The Literacy budget is received from Department of Education, Culture and Employment, GNWT to implement the South Slavey literacy strategy. The DFN regional administration holds the contribution agreement and distributes the funds to member communities.

The funding is directed to assist in promoting, enhancing and revitalizing the South Slavey language in the Deh Cho region. Also to enable young parents to converse with their children in the South Slavey and other community members. To encourage non-speaking people without fluency in South Slavey to learn traditional approaches to the language by conversing, reading and writing South Slavey. To promote language use through healing workshops.

There is no specific amounts identified for DFN communities and is accessed by proposal. The following is a summary of each community activities and programs for fiscal year 2004-2005

Deh Gah Gotie Dene Council

DGG has been working on a calendar for the year 2006. The calendar will promote their culture and Slavey language. They will also be producing a Slavey dictionary that will provide an opportunity to the members to learn to speak the proper and traditional dialect of their community. DGG continues to collect stories and data from the elders, which will be preserved and produced in booklet form.

Pehdzeh Ki First Nation

PKFN held an Adult Slavey Class in October-December 2004 for the community and was a success.



Liidlü Kue First Nation

LKFN held a Slavey Language Workshop with the participation of Elders and Communication Team. The aim of this workshop was to develop terminology words in the South Slavey language. The workshop was a success.



DEH CHO FIRST NATIONS NOTES TO THE FINANCIAL STATEMENTS MARCH 31, 2005

NOTE 1 NATURE OF ORGANIZATION

Deh Cho First Nations is the government of aboriginal peoples in the traditional Deh Cho territory of the Northwest Territories. The membership consists of 14 member community governments (11 First Nations and 3 Metis Locals). Deh Cho First Nations is registered as a not-for-profit society under the Societies Act of the Northwest Territories. The First Nations Office administers the affairs of the Deh Cho First Nations on behalf of its Members. At present, the First Nations Office is economically dependent on the Government of Canada.

NOTE 2 SIGNIFICANT ACCOUNTING POLICIES

- a) **General**
For purposes of its financial reporting, by virtue of the fact that the First Nations is a government, it applies the accounting principals for local governments as set out in the CICA Public Sector Accounting Handbook (PSA Handbook). It should be noted that recently there has been much discussion and research on the appropriate accounting policies for First Nations, and these principals are evolving.
- b) **Measurement Uncertainty**
The preparation of financial statements in accordance with stated accounting policies requires the First Nations to make estimates and assumptions that affect the amount of assets, liabilities, revenues and expenditures reported in the financial statements. By their nature, these estimates are subject to measurement uncertainty. The effect on the financial statements of changes to such estimates and assumptions in future periods could be significant, although, at the time of preparation of these statements, the First Nations believes the estimates and assumptions to be reasonable. Some of the more significant management estimates based on past experience relate to allowance for doubtful accounts, the accounting for capital assets, investments and deferred revenue valuation.
- c) **Inventory**
Inventory of materials and general supplies is considered a cost of operations and is not recorded on the balance sheet.



DEH CHO FIRST NATIONS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2005

	<u>2005</u>	<u>2004</u>
OPERATING ACTIVITIES		
Excess of revenue (expenditures) for the year	\$ 96,296	\$ (96,362)
Cash provided by (used for) changes in non-cash working capital:		
Accounts receivable	(551,164)	(393,263)
Prepaid expenses	-	58,060
Accounts payable and accrued liabilities	618,291	33,925
Deferred revenue	<u>243,574</u>	<u>(21,508)</u>
INCREASE (DECREASE) IN CASH	406,997	(419,148)
CASH AND EQUIVALENTS, OPENING	<u>141,150</u>	<u>560,298</u>
CASH AND EQUIVALENTS, CLOSING	<u>\$548,147</u>	<u>\$141,150</u>

Elder/Youth Gathering Report

The Elder and Youth Assembly was held in Kakisa from June 25 to 26, 2005. This was the first gathering and it turned out very well. All the youth were interested in what the Elders had to say.

The Elders and Youth would like this gathering to continue. Every time this gathering happens, everyone will gain something from it. Some of the Elders told stories of how hard it was when they were younger, and how their first language was Slavey. They were very concerned because most of the youth didn't understand or speak Slavey.

The main concern during the gathering was the language. During this event the youth and elders got into three different sessions, such as, dry meat making, homemade snare making, and bannock making.

Other topics that were discussed were, what the youth and elders are expecting from this, and the future of Elder/Youth Gatherings. The suggestions that were given were, practising traditions and passing of Dene knowledge, having annual events like hand games, bow and arrow competitions, and pole pushing. Perhaps by annual meetings among elders and youth, will obtain a fundamental understanding of the two sections of life, such as, the winter and summer seasons. Longer periods of time spent on the land is needed because not much knowledge and skills can be learned in a week. Also to have the gatherings rotated throughout the Dehcho each year, out on the land rather than in the community, to make it a better experience. With this have more demonstrations, hands on learning and traditional events. Another suggestion is have the elders teach traditional ceremonies. Learning the old stories and the legends of the land and people will promote our culture and heritage through North American Indian history studies.

This experience should not be a one time event, however, have more gatherings throughout the year and have more youth and elders attend. Having Dene cultural workshops in between gatherings is also suggested. Also participants should get a follow up of the meetings with all the information from the gathering and be translated. The youth that will be attending should be willing to learn traditions, listen to the elders and pay attention.

As for the educating the Dene culture, there should be mandatory classes in Elementary and High School, especially High School. Have it a core course, one that needs to be done in order to graduate. Having an institution, like a school, for learning just the Dene culture, history and passing of traditional knowledge. The programs given at this school should only be delivered in Dene.

These suggestions will develop an understanding of the Dehcho Process, the constitution, land use, and encourage youth in developing skills and knowledge necessary for teaching the next generation.



Aboriginal Human Resources Development Agreement (AHRDA) Report

Introduction

The Aboriginal Human Resources Development Agreement (AHRDA) began as a five-year agreement between Dehcho First Nations (DFN) and Human Resources Development Canada (HRDC) in 1999. The Aboriginal Human Resources Development Strategy (AHRDS) Contribution Agreement was signed for the period of April 1, 1999 to March 31, 2004. An amending agreement was signed to extend AHRDA for one year from April 1, 2004 to March 31, 2005.

A four-year AHRDS Contribution Agreement was signed for the period of April 1, 2005 to March 31, 2009. The agreements are aimed at Labor Market Development programs such as post secondary education, training, wage subsidies, job creation partnerships, self-employment, and employment assistance services for aboriginal residents of each region.

The AHRDA consists of two main programs: The Consolidated Revenue Fund (CRF) and Employment Insurance (EI). The CRF Program and EI Program funds are distributed to the AHRDA holders based on a population ratio utilizing the First Nation and Métis Local membership numbers from the 1996 census. Payments to the 11 AHRDA holders are made on a quarterly basis. The quarterly cycle is:

- First Quarter – April 1st to June 30th
- Second Quarter – July 1st to September 30th
- Third Quarter – October 1st to December 31st
- Fourth Quarter – January 1st to March 31st.

The CRF Youth program also utilizes the same ratio for distributing Youth funds in the first quarter of the year. Funding for CRF Capacity and CRF Urban are proposal based. Funding for CRF Childcare is based on licensed daycare seats. Funding for EI Persons with Disabilities and EI Urban are proposal based.

DFN payments are triggered by the timely receipt of quarterly reports from the communities. Reports are due 10 days after the end of each quarter. The First Nations and Métis Local or the designated AHRDA holders must submit reports containing the following funding information:

- Activity Report: Describing what projects were sponsored.
- Type of funding provided: Wage subsidies, post secondary education, training courses and skills development.
- Client numbers: Total Number of CRF, EI, Disability and Youth.
- Financial Report: General Ledger (ACCPAC) or Project Detail Report (Simply Accounting).

DEH CHO FIRST NATIONS
STATEMENT OF CONSOLIDATED REVENUE AND EXPENDITURES
FOR THE YEAR ENDED MARCH 31, 2005

	<u>2005</u>	<u>2004</u> (Note 5)
REVENUE		
Indian and Northern Affairs Canada	\$5,198,411	\$3,729,978
Human Resources Development Canada	1,428,314	1,466,353
Government of the NWT	335,529	363,104
Other revenue	1,176,556	209,914
Travel and expense recoveries	100,326	68,594
Transfer from (to) deferred revenue	<u>(371,956)</u>	<u>21,837</u>
	<u>7,867,180</u>	<u>5,859,780</u>
EXPENDITURES		
Transfers to First Nations (Note 5)	3,098,672	1,150,712
AHRDA costs (Note 5 & Schedule 5)	-	1,513,978
Wages, benefits and other staff costs	1,150,472	815,839
Professional fees & subcontractors	1,620,995	951,267
Travel	894,191	716,271
Office expenses	248,132	176,393
Cash grants	195,875	175,200
Transfers between programs	165,006	23,500
Equipment purchases	126,090	71,498
Office supplies	92,881	80,496
Telephone	58,858	40,084
Sound and translation	46,647	59,859
Deh Cho Economic Corporation	37,000	110,000
Repairs and maintenance	33,738	36,382
Admin Fees	<u>2,327</u>	<u>34,663</u>
	<u>7,770,884</u>	<u>5,956,142</u>
EXCESS REVENUE (EXPENDITURES)	<u>\$ 96,296</u>	<u>\$ (96,362)</u>



DEH CHO FIRST NATIONS

STATEMENT OF SURPLUS

FOR THE YEAR ENDED MARCH 31, 2005

	2005	2004
GENERAL OPERATING:		
Surplus, Opening	\$490,009	\$586,371
Excess revenue (expenditures) for the year	<u>96,296</u>	<u>(96,362)</u>
Surplus, Closing	<u>\$586,305</u>	<u>\$490,009</u>



- **Contact IV:** Provide client date information for input or a copy of the disk with Contact IV information for clients or submit all client applications to Dehcho First Nations.

Failure to comply with the reporting requirements for quarterly reports results in withholding the next quarter funding for the region. The withholding of the regions funds are then brought to the attention of the Dehcho First Nations Executive Committee.

As the AHRDA agreement holder, AHRDA administrators must provide audited financial statements to DFN on an annual basis. The audited financial statements contain: an annual activity report; and a copy of the General Ledger or project detail for the fiscal year. Childcare, Disability and Urban Initiatives funding have been regionalized since October 1999, the AHRDA holders must submit a proposal to access Disability and Urban Initiatives funding. The CRF, EI and Youth programs are the only funding sources disbursed without a funding proposal.

PROGRAM DESCRIPTION

CONSOLIDATED REVENUE FUND (CRF)

The CRF provides a large portion of the AHRDA funding with the majority of CRF Programs funding being distributed regionally using a formula system based on the 1996 census to the 11 AHRDA holders through quarterly program payments and through baseline youth funding. Other programs utilizing CRF dollars are Capacity Building, Childcare and Urban Initiatives.

CRF Programs

Funding for the CRF Programs is distributed to the 11 AHRDA holders on a quarterly basis with each community utilizing the funding based on the educational and training needs of the community. The 11 AHRDA holders will encourage aboriginal community members to achieve their training and employment goals as a way to improve the quality of their lives and move forward on a path towards self-government.

The DFN and the AHRDA holders acknowledge the primary authority and responsibility over training with the region rests at the community level. Examples of how communities utilize CRF programs are as follows: providing assistance to individuals returning to school, post secondary education, providing tuition cost for courses related to on the job training, wage subsidies, job creation partnerships, skills development and self-employment initiatives.

CRF Youth

Funding for CRF Youth Program is distributed to the 11 AHRDA holders in the first quarter of the year. Each community utilizes the funding in its own unique way by





enabling youth to find or obtain summer employment and on the job experience. The main focus of the youth initiatives funding was used to create summer employment opportunities for students.

CRF Capacity Building

The Capacity Building Plan is the process of identifying labor market issues, setting objectives and priorities for results-oriented labor market issues, solving problems and

achieving objectives, understanding and dealing with labor market needs in a broad context and in a sustainable manner.

The following priorities have been established for the expenditure of Capacity Building Funds.

1. Certification in Aboriginal Employment Development (CAED).
2. Other accredited courses offered by post-secondary institutions which will enhance the delivery of the labor market programs.

Other capacity enhancement activities agreed to by the DFN and HRDC to enable DFN employees who work with the AHRDA programs to provide Capacity Building initiatives (i.e. workshops, meetings, etc.).

The Capacity Building funds are regionalized and are distributed based on proposals received by the DFN AHRDA office.

CRF Childcare

DFN has regionalized the childcare funding to meet specific needs of the communities within the region who have the population to support a daycare facility. These communities which have licensed daycare facilities receive ongoing support for childcare seats and specific training needs.

There are three existing licensed daycares in the Dehcho Region which access funds from the Childcare Program. The daycares are located in the Acho Dene Koe First Nation, K'atlodehechee First Nation and Liidlii Kue First Nation.

Two First Nations in the Dehcho Region have accessed funds from the Childcare Program to assist with the construction of daycares for their communities. The daycares under construction are located in Pehdzeh Ki First Nation and Deh Gah Gotie First Nation.

CRF Regional Childcare Training (Early Childhood Education)

The Regional Childcare Training program was sponsored to further the regions daycare staff career development in the Early Childhood program. The program was being offered in four modules throughout the year. DFN has sponsored 10 daycare workers to attend the following Early Childhood Education courses:



DEH CHO FIRST NATIONS

BALANCE SHEET

MARCH 31, 2005

ASSETS

	<u>2005</u>	<u>2004</u>
CURRENT		
Cash	\$ 548,147	\$ 141,150
Accounts receivable (Note 3)	1,336,643	792,323
Prepaid expenses	<u>10,000</u>	<u>10,000</u>
	1,894,790	943,473
CAPITAL ASSETS (Notes 2 and 4)	<u>1</u>	<u>1</u>
	<u>\$1,894,791</u>	<u>\$ 943,474</u>

LIABILITIES

CURRENT		
Accounts payable and accrued liabilities	\$ 890,129	\$ 260,870
Deferred Revenue (Note 5)	<u>418,357</u>	<u>192,595</u>
	<u>1,308,486</u>	<u>453,465</u>

MEMBERS' EQUITY

SURPLUS	<u>586,305</u>	<u>490,009</u>
	<u>\$1,894,791</u>	<u>\$ 943,474</u>

APPROVED:

 Grand Chief

 Executive Director



**Robert
Stewart**
Chartered
Accountant/
Management
Consultants

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AUDITOR'S REPORT

To the Members
DEH CHO FIRST NATIONS
Deh Cho Region, Northwest Territories

I have examined the Balance Sheet of the DEH CHO FIRST NATIONS as at March 31, 2005, the Statement of Revenue, Expenditure and Surplus and the Statement of Cash Flow for the year then ended. These financial statements are the responsibility of the First Nations' management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards in Canada. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the First Nation as at March 31, 2005, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles in Canada.



CHARTERED ACCOUNTANT

June 10, 2005
Yellowknife, N.W.T



- Seminar 1 and Practicum 1
- Basic Early Childhood Methods
- Programs and Practices Related to Children
- Childhood Development 2



CRF Urban Initiatives

Urban Initiatives are targeted to three communities: Hay River, Fort Simpson and Fort Liard. Each AHRDA holder who qualifies for the urban funding follows the same AHRDA requirements for CRF. At the AHRDA regional meeting, HRDC explained that the Urban Initiatives funding is meant for students who fall between the cracks. DFN will now utilize the funding for those clients who are referred to the DFN Aboriginal Training Office by an AHRDA holder.

EMPLOYMENT INSURANCE (EI)

The EI provides a smaller portion of the AHRDA funding with the majority being distributed regionally using a formula system based on the 1996 census to the 11 AHRDA holders through quarterly program payments. Other programs utilizing EI dollars are Persons with Disabilities and Urban Initiatives.

EI Programs

Funding for the EI Programs is distributed to the 11 AHRDA holders on a quarterly basis with each community utilizing the funding based on the educational and training needs of the community. The 11 AHRDA holders will encourage aboriginal community members to achieve their training and employment goals as a way to improve the quality of their lives and move forward on a path towards self-government.

The DFN and the AHRDA holders acknowledge the primary authority and responsibility over training with the region rests at the community level. Examples of how communities utilize EI programs are as follows: providing assistance for clients to further their apprenticeship courses, providing wage subsidies to First Nations and other organizations creating employment for unemployed individuals, sponsoring clients to attend conference and training, providing training on the job wages for new employees and providing living allowances for trainees.

EI Persons with Disabilities

The purpose of the funding is for people who are not able to work, or are prevented from working and self-identified as disabled. The requirement to run the program effectively for persons with disabilities is not adequate with the level of funding provided. With such a shortage, there are instances where AHRDA holders utilized other funding pots such as EI or CRF.

At a regional meeting there was general consensus that the disability funding provided to the region was insufficient and other funding sources needed to be accessed. There are two funding



sources for the disabled, the NWT Disabled Association and Consulting & Vocational Rehabilitation Services, both located in Yellowknife. Information requests have been sent to access program information for the regional communities and the DFN is hoping this will relieve some the shortages in the region.

EI Urban Initiatives

Urban Initiatives are targeted to three communities: Hay River, Fort Simpson and Fort Liard. Each AHRDA holder who qualifies for the urban funding follows the same AHRDA requirements for EI. At the AHRDA regional meeting, HRDC explained that the Urban Initiatives funding is meant for students who fall between the cracks. DFN will now utilize the funding for those clients who are referred to the DFN Aboriginal Training Office by an AHRDA holder.

PROGRAM DELIVERY

AHRDA Renewal

The AHRDA Agreement has been extended to March 31, 2005. Full renewal of the Aboriginal Human Resources Development Strategy will be guided by the 2004 Speech from the Throne commitments and the new Cabinet Committee on Aboriginal Affairs, which is expected to undertake a review of Aboriginal policy and programming. A four-year AHRDS Contribution Agreement was signed for the period of April 1, 2005 to March 31, 2009.

NWT AHRDA Holders Meeting

An NWT AHRDA holders meeting was held in Yellowknife on February 3, 2005 to discuss the renewal of the 2005/09 AHRDA program.

AHRDA Regional Meetings

An AHRDA Regional Meeting was held in Fort Simpson on February 14-15, 2005 to discuss 2005/09 AHRDA and ASEP Contribution Agreements, 2005/06 AHRDA and ASEP Work Plans, Draft Joint AHRDA and ASEP Client Applications and Policy Revisions.

DFN Administration Budget

The AHRDA funding is allocated from Statistic Canada's 1996 Census, which includes all Aboriginals residing in the Dehcho Region, and the AHRDA funding released to the communities based upon band membership listing. As the program proceeds during the year, funds are disbursed and little remains for the third and fourth quarter requests. During the year many of these applications were forwarded to the DFN and some were funded by a portion of the Administration budget.

New Position AHRDA Community Finance Liaison

At the March 2003 AHRDA Regional meeting, the Executive Director made a recommendation for the small communities to have their AHRDA funding regionalized and hire a third AHRDA person to administer the program dollars at the regional level. The member organizations are



DEH CHO FIRST NATIONS

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Management's Responsibility for Financial Reporting

10 June 2005

To the Members
DEH CHO FIRST NATIONS
Deh CHO Region, Northwest Territories

The accompanying financial statements were prepared by management in conformity with generally accepted accounting principles appropriate in the circumstances.

The DEH CHO FIRST NATIONS maintains internal financial and management systems and practices which are designed to provide reasonable assurance that reliable financial and non-financial information is available on a timely basis and that the First Nation acts in accordance with the laws of the Northwest Territories and Canada. The First Nation's management recognizes its responsibility for conducting the First Nation's affairs in accordance with the requirements of applicable laws and sound business principles, and for maintaining standards of conduct that are appropriate to a First Nation.

The external auditor annually provides an independent, objective audit for the purposes of expressing an opinion on the financial statements. He also considers whether transactions which come to his notice in the course of this audit are, in all significant respects, in accordance with the specified legislation.

Alison de Pelham
Executive Director
DEH CHO FIRST NATIONS

Government of Denendeh



Resource Management Co-ordinator's Report

The Deh Cho First Nations Interim Measures Agreement provides the funding for a full time Resource Management Co-ordinator and support staff. The purpose of these positions is to provide the communities within the Deh Cho with technical expertise in regards to land use planning, environmental impact assessments and all commercial developments in the Deh Cho. The previous full time Resource Management Co-ordinator for the DCFN was Laura Pitkanen, Kelly Pennycook and also Stephanie Sibbeston was hired on a casual basis. Effective May 30, 2005, David Cook has taken the full time permanent posting to this position. Working closely with David is Lee Thom who is a member of the Northwest Territories Environment Contaminates Committee. She is in charge of the Northern Contaminates program and looking at;

- Impacts and risks to human health that may result from current levels of contaminants in key Arctic food species
- Temporal trends of contaminants of concern in important indicator Arctic species and air
- Improved education and communications activities involving northern communities
- Efforts to control and disposal at the international level

Laura Pitkanen is currently focusing her attentions and expertise on Canadian Zinc Corporation: Prairie Creek Mine.

To date there have been several applications for scientific research in the Deh Cho regarding waterfowl and migratory bird population studies. Also Parks Canada, Nahanni National Park and Reserve will be beginning a grizzly bear and doll sheep population study to take place in the lands adjacent to the park boundaries. This study will be used to help assess the new expanded park boundaries. Parks Canada has been in constant consultation with the Naha Dehe Consensus team and Grand Chief Herb Norwegian. Also on the research list is a study of groundwater conditions and spilt fuel to take place at the Wrigley Airport. The study will look at the extent of ground water contamination due to fuel being spilt during the refuelling of aircraft and the extent of spread of the contaminates. The study is scheduled for 10-14 days in July and August.

Please contact the DCFN office if you have any concerns regarding resource development or research proposals in your area.



Nahanni Butte Dene Band, Sambaa K'e Dene Band, Jean Marie First Nation and West Point First Nation. The First Nations took the information back to their Chief and Councils for review and approval.

The draft plan for the new position was presented on the May 6, 2003 Executive Committee, who supported the draft plan. Auke Praamsma from HRDC Yellowknife strongly recommended the communities take advantage of the third

position as he stressed the importance of accountability in the program. The decision was left to the community level.

The new AHRDA Coordinator hired in mid-June 2004 was prepared to accept this responsibility. Program dollars were to be spent in other areas.

Scholarship Program

DFN offered twelve \$2,000 scholarships to encourage Aboriginal students to pursue or complete their post-secondary education on a full-time basis. Students enrolling or registered in post-secondary educational institutes are encouraged to complete a scholarship application.

Scholarship applications collected throughout the year are assembled into packages for the Scholarship Committee to review. The Scholarship Committee is appointed by Leadership at the Annual Assembly in Kakisa Lake. It is the responsibility of the Scholarship Committee to make an informed decision regarding the awarding of scholarships.

To make an informed decision, the Scholarship Committee reviews the DFN Scholarship Policy and screening criteria. The Scholarship Committee evaluates each scholarship application based on policy and criteria and makes their recommendation to the Leadership on who will receive scholarships. On the final day of the Annual Assembly, a resolution is presented to the Leadership who then vote to accept the recommendations of the Scholarship Committee and the scholarships are awarded.

A Scholarship Program Information Package and Application Form drafted in March 2005 will be presented to the Executive Committee in 2005/06 for approval.



Aboriginal Skills and Employment Partnership (ASEP) Report

September 30, 2004—March 31, 2005

The Aboriginal Skills and Employment Partnership (ASEP) program contribution agreement was signed between Human Resources Skills Development Canada (HRSDC) and Aboriginal Futures on September 30, 2004. The agreement covers a four year period ending March 31, 2008 and provides for \$13.3 million in funds to be directed towards training for employment within the developing oil and gas industry. The GNWT, industry, HRSDC, and aboriginal organizations have made financial contributions towards this agreement with Aboriginal Futures as the managing society. In turn, Aboriginal Futures signed delivery contracts with Deh Cho First Nations, the Inuvialuit Regional Corporation, the Gwich'in Tribal Council, and the Sahtu Dene Council. The agreement with Deh Cho First Nations was effective September 30, 2004 and was signed on January 8, 2005.

The total funding available to DCFN under the ASEP agreement for training and administration for the year ending March 31, 2005 was \$413,698. Training funds were allotted to each AHRDA group within the Deh Cho First Nations. AHRDA groups were asked to submit annual work and expenditure plans covering both the 2004/2005 and 2005/2006 fiscal years, which were compiled by DCFN and forwarded to Aboriginal Futures. Given the last start on carrying out the annual work plan for 2004/2005 year, all DCFN AHRDA groups have carried over unused ASEP funding to the 2005/2006 fiscal year. During the first six months of the ASEP program, a lot of time and resources were spent meeting the requirements of HRSDC and Aboriginal Futures, as well as informing AHRDA groups about the ASEP program. Of the original 2004/2005 budget allotment, \$87,150 was spent on administration. A further \$23,768 was an in-kind contribution from DCFN, as required by the contribution agreement with Aboriginal Futures and HRSDC.



To March 31, 2005 training has been delivered in the following areas:

	Number of Trainees	Cost
Heavy Equipment Operator	8	\$18,109.94
Office Administration	3	\$5,210.99
Pre-Technology Training	1	\$556.01
Safety Training	55	\$44,728.64
Trades Access	15	\$58,957.00
Truck Driver Training	15	\$10,465.63
BEST	2	\$2,142.50
Drill Rig Training	1	\$1,719.58
TOTAL	100	\$141,890.29

During the first six months of the agreement, 100 DCFN members have enrolled in training courses and \$141,890.29 was spent to deliver the training. HRSDC has allowed Aboriginal Futures to carry over the balance of unused funds to the 2005/2006 fiscal year.

