

ANNUAL REPORT  
2015-2016

FNFA 

FIRST NATIONS FINANCE AUTHORITY











The objective of the  
**FNFA** is to ensure  
continuous access to  
affordable financing  
for First Nation  
Governments.



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# Board of Directors

The FNFA was created by and for First Nations to enable our communities to access loan financing on the same terms as other governments.



DEPUTY CHAIR **Chief Joseph Bevan, BC**

Joe Bevan is the elected Chief Councillor of Kitselas First Nation and is the son of the Hereditary Chief of the Killer Whale Clan. He draws his inspiration from his father and believes in good governance, progressive thinking, openness, honesty and professionalism. Having received an education in business administration, accounting and finance, Chief Bevan worked in various senior finance roles in the private and public sectors for over 25 years. In addition to the First Nations Finance Authority, he has represented the Canadian Council for Aboriginal Business, Vancouver Chapter to the Northwest Loggers Association, First Nations Major Projects Coalition and First Nations LNG Alliance. Chief Bevan brings his northern sense of family values, work ethic and fiscal responsibility to the FNFA.



COUNCILLOR **Cathy Hall, BC**

Councillor Cathy Hall, Tzeachten First Nation, carries expertise in Finance, Housing, Education, Youth and Land Codes. Tzeachten First Nation is located east of the Greater Vancouver/Lower Mainland Region of British Columbia; this area is also referred to as the Fraser Valley Regional District. The Tzeachten Council and their administration strive to work with the entire community to preserve and promote their language and culture, support the educational, social and economic growth of the community so that the membership and residents can flourish and prosper. Councillor Hall has served the First Nations community for many years and sits on a wide variety of committees. She is very active in many aspects of First Nations daily life and planning for the future. Her tireless effort is to achieve self-sustainability for First Nations through good governance, financial management and responsible land use policy. Councillor Hall brings her positive outlook and vast knowledge of First Nations Administration to the FNFA.



COUNCILLOR **Veronica McGinnis, BC**

Councillor Veronica McGinnis, Osoyoos Indian Band, a staunch advocate of transparency and accountability for First Nations band members. The Osoyoos Indian Band is renowned as a leader in First Nations Economic Development and for the tenacity of its people. The Osoyoos Indian Band honours the hard working, self-supporting lifestyle of their ancestors by developing their own economy through homegrown business initiatives, including the spectacular Spirit Ridge Resort and the award winning Nk'Mip Wine Cellars. Councillor McGinnis places her focus on the stabilization of the physical, emotional and mental wellbeing of First Nations with a priority on prevention methods. Councillor McGinnis brings her 25 years of experience in nurturing the social fabric of the First Nations community to the FNFA.





**COUNCILLOR Patrick Courtois, QC**

Councillor Patrick Courtois, la Première Nation de Mashteuiatsh, adds representation from the First Nations communities of Quebec. Mashteuiatsh First Nation is in the Saguenay-Lac-Saint-Jean region of Quebec, located on a headland jutting out on the western shores of Lake Saint-Jean known as Pointe-Bleue. Economically, Mashteuiatsh is heavily involved in producing hydro-electricity and are building their third generating station. The nation is also involved in logging, construction, transport, and tourism. There are some 130 businesses on the reserve that provide services such as: food, hotel accommodations, sawmills, electrician, auto mechanics, taxi, arts and handicrafts, post office, excavation, plumbing, translation, camping, hardware, convenience stores and restaurants. Mashteuiatsh has the distinction of being the first Quebec First Nation to be certified by the First Nations Financial Management Board and to achieve Borrowing Membership in the FNFA. Councillor Courtois works with First Nations youth to preserve culture, increase sustainable employment and reduce poverty. He brings his bridge-building skills to the FNFA to open communication and create unity among nations.



**CHIEF Warren Tobobondung, ON**



Wasauksing First Nation, is a builder and business leader in the community. Located near Parry Sound, ON, Wasauksing is the home community of legendary World War I hero Francis Pegahmagabow, previously neglected from the annals of Canadian history. The people of Wasauksing have taken great steps forward to have Pegahmagabow's rightful place as a hero and community leader restored and are having a statue dedicated in his honour. Chief Warren brings his business savvy and diplomatic competencies to the FNFA.

**COUNCILLOR Barry Yellow Fly, AB**

Siksika First Nation, one hour east of Calgary, believes in promoting healthy living and strengthening relationships within the community. In 2013, those relationships were tested when flooding ravaged much of the Blackfoot territory. In a time of great turmoil the people of Siksika rallied together as a community in order to begin the process of rebuilding the nation to its former glory. Councillor Barry brings his practicality and understanding of on-the-ground grassroots concerns to the FNFA.



**COUNCILLOR Alexander Cope, NS**



A member of the Millbrook First Nation Alexander Cope is presently serving his eleventh, two year term as Band Councillor. Alex graduated from the University of New Brunswick in 1987 with a Bachelor of Business Administration and currently holds the position of Band Administrator. Alex also serves on the Millbrook Gaming Commission, Millbrook Economic Development Corporation, Budget Review and Projects Committee and the Millbrook Housing Commission.

# Message from the Chair



Access to capital markets  
through the FNFA,  
combined with strong  
financial management  
that ensures political and  
financial accountability,  
can and is bringing about  
transformative change in  
First Nation communities.

In September, 2015, FNFA's Chair Jody Wilson-Raybould was elected as a Liberal Member of Parliament for the riding of Vancouver Granville. Subsequent to her election she was appointed to the position of Minister of Justice and Attorney General of Canada. Chief Joe Bevan, Kitselas First Nation, is FNFA's Deputy Chair and presents the 2015-16 Message from the Chair. The position of Chair will be filled at FNFA's next annual general meeting in July, 2016.

The FNFA is strategically situated to support Canada's renewed nation-to-nation relationship with First Nations. An idea created by First Nations for First Nations, FNFA's mandate is to ensure its borrowing members are on an equal footing with other levels of government in Canada. This is achieved by FNFA providing long term, fixed-rate financial loan access to the capital markets. These loans are fully supported by each member's own revenues, and are allowing community priorities to be achieved. These First Nations' projects create jobs, and in most cases the loan proceeds are spent within the geographical area of the community - a win-win for not only the First Nation but also the surrounding business areas and the Province in which the community resides.

During the past fiscal year, the FNFA issued \$160 million in loans (\$50 million through our July 2015 debenture plus a further \$110 million in Interim loans). This aggregates to a total of \$250 million in loans issued by FNFA since June 2014. Twenty-nine borrowing members have participated in the loan proceeds over that period of time.

To date, our members have used FNFA loan proceeds to:

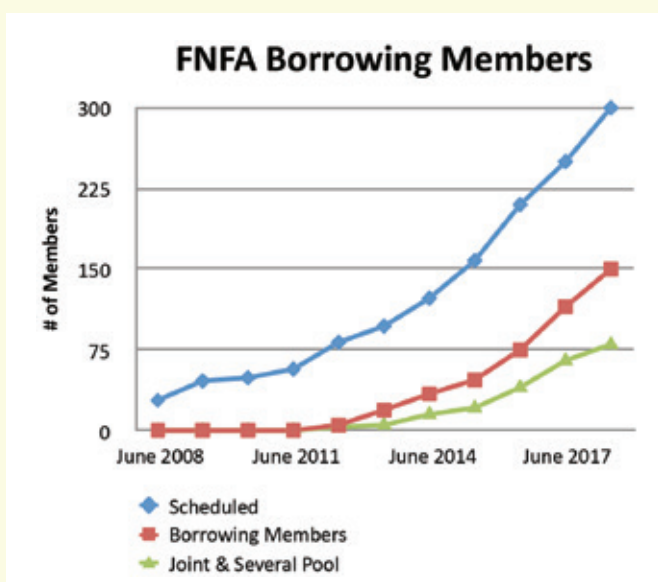
- build 71 houses, and remediate 30 houses damaged by flooding,
- develop two green energy projects (run-of-river, and solar),
- build one school that houses 300 students,
- build two Wellness Centres that house health, education and administrative functions,
- build administration buildings,
- complete community infrastructure, and
- participate in economic development opportunities.

190 First Nations have voluntarily requested to be scheduled, or pending to be scheduled, to FNFA's act (the First Nations Fiscal Management Act). These 190 communities are located in eight Provinces and one Territory. 66 of these communities have successfully passed the financial ratio tests performed on their audited financial statements, have developed their Financial Administration Law (FAL), and have received FMB certification to join as FNFA members. To date, 52 of these 66 communities have completed the FNFA processes towards membership and are eligible to request loan financing from the FNFA (see page 6 for how FNFA operates). The remaining scheduled communities are working through the process towards membership and we will welcome them in their own time.

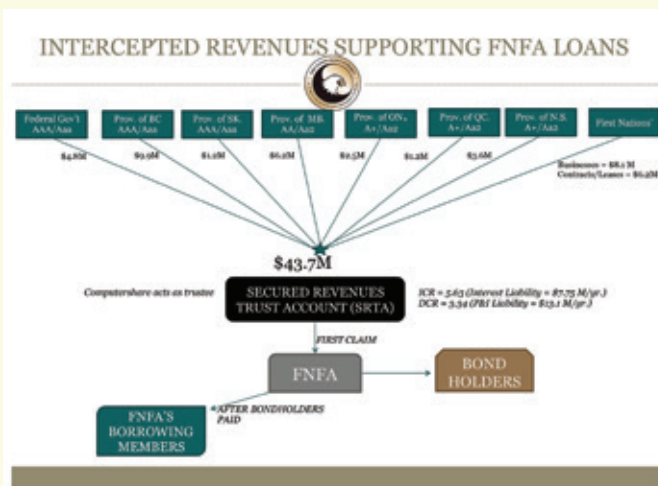
During the fiscal year the FNFA's staff worked with INAC to develop "housekeeping" amendments to our Act. The purposes of these



PROV.	SCHEDULED & PENDING	FNFA MEMBERS
AB	7	1
BC	95	36
MB	19	4
NB	7	0
NS	6	2
ON	22	5
SK	29	2
QC	4	2
NWT	1	0
	190	52



To further show the strength of our model, our members have pledged annually \$43.7 million to support the annual servicing of these loans. FNFA intercepts these revenue streams from the payor source for the life of the loan term. This has resulted in an “interest coverage ratio” (ICR) of 5.63 times, and a “debt coverage ratio” (DCR) of 3.34 times. This is a very healthy cash flow position. FNFA staff informed the FNFA Board that there were no late payments, or insufficient payments during the 2015-16 fiscal year. Indeed, no problems have occurred since the first loan in June 2012. Also, the FNFA ensures each member has additional revenue streams, besides the ones intercepted, to support annual loan payments in case a payment from a Province is received late. This has never occurred, but is an answer to a “What If” scenario. FNFA’s members, in their 2014-15 audited financial statements, had an average surplus on their Income Statements of 15.77%. This translates into a further free cash flow of \$75,858,865 to support annual loan service.



In closing, the 2015-16 fiscal year has been another remarkable 12 months not only for the FNFA, but also for our borrowing members – the communities that put their faith in the FNFA and its ability to help make their priorities become realities. On behalf of our very supportive Board of Directors, I would like to thank our staff for another successful year.



# How We Operate

**Legal Authority** | Under Part 4 of the First Nations Fiscal Management Act (FMA) which came into force on April 1st 2006, the First Nations Finance Authority (the FNFA) is established as a non-profit corporation without share capital. The FNFA is not an agent of Her Majesty or a Crown corporation. The FNFA is governed by the First Nations that join as borrowing members.

**Representation** | The FNFA has two types of members: borrowing members and investing members. Borrowing members are First Nations that have applied to and have been accepted by the FNFA's Board as a borrowing member. Investing members are First Nations that have invested in the FNFA's Pooled Investment Funds. The FNFA is managed by a Board of Directors, consisting of 5 to 11 directors, including a Chairperson and Deputy Chairperson. These Directors are elected by the borrowing members on an annual basis.

## Mandated Areas

The purposes of the FNFA are to:

- (a) secure for its borrowing members, through the use of property tax revenues,
  - (i) long-term financing of capital infrastructure for the provision of local services on reserve lands,
  - (ii) lease financing of capital assets for the provision of local services on reserve lands; or
  - (iii) short-term financing to meet cash flow requirements for operating or capital purposes under a law made under paragraph 5(1)(b) or to refinance a short-term debt incurred for capital purposes;
- (b) secure for its borrowing members, through the use of other revenues prescribed by regulation, financing for any purpose prescribed by regulation;
- (c) secure the best possible credit terms for its borrowing members;
- (d) provide investment services to its members and First Nations organizations; and
- (e) provide advice regarding the development of long-term financing mechanisms for First Nations.

## Our Capital Financing Programs

**LONG TERM LOANS** ... The FNFA's mandate allows First Nations to support loan requests with two types of revenue streams: property taxation revenues, and other revenues. Other revenues are defined in the Financing Secured by Other Revenues Regulations and are revenue streams other than property tax. This distinction is made since property tax revenues are almost exclusively collected from ratepayers that are

non-band members, and rules are established to protect their rights since they are non-voting. Other revenues are a First Nation's own monies, and might be subject to rules under which the revenues were generated or a band's own governance policies.

**INTERIM FINANCING LOANS** ... The FNFA offers all First Nations that become FNFA borrowing members access to Interim Financing. The current FNFA Interim Loan rate is 2.60% (bank prime for comparison is currently 2.70%).

Interim Financing is temporary financing and has two functions:

**1. To Cover Costs During Construction:** A borrowing member can request Interim Loans, to a maximum of five years from the FNFA to cover the construction costs of a project. When the project has been completed, these Interim Loans which are floating can be converted into a fixed-rate long term loan called a debenture which provides budget certainty.

**2. Bridge Financing Until FNFA Issues its Next Debenture:** Or, where FNFA does not plan to issue a debenture for a few months, but the borrowing member wants financing now to start a project, FNFA will lend monies from its Interim Loan program. When the debenture is issued, the borrowing member will have their Interim Loan rolled into a fixed-rate long term debenture loan.

The size of the loans a community may request is determined by the type and size and stability of the revenue stream that will be used to service the debt. Communities may use various revenue streams available to them to access the loans as long as FNFA's due diligence shows them to be stable, of duration similar to the loan repayment term, and of sufficient size. Revenue interception occurs prior to loan advance. All borrowing member communities receive the same rates.

**OVERSIGHT** ... Appropriate oversight has been established for property tax revenues in the FMA, and incorporates the First Nations Tax Commission (FNTC) approval process. The FNTC represents the collective interests of First Nations and ratepayers and promotes the fairness of the First Nation's property tax system, which safeguards ratepayer interests. Oversight processes regarding other revenues including the eligible revenue streams to support financing from the FNFA and the eligible uses of the financing are set in the FMA and in the Financing Secured by Other Revenues Regulations.

Regardless of which revenue stream the First Nation chooses to support its loan, they must receive certification from the First Nations Financial Management Board (FMB) prior to requesting borrowing member status in the FNFA. Certification is intended to provide comfort that a First Nation has implemented appropriate elements of a financial management system and has passed stringent financial ratio tests.

Acceptance of applications for both borrowing membership and loan requests must be by unanimous approval of FNFA's Board.



# How We Safeguard Our Investors

**Financial Protection** | The FNFA has structured various investor safeguards.

Firstly, borrowing factors, developed through banking syndicate feedback, are applied to each revenue stream. Under this approach a borrowing member's revenues must at a minimum be a certain prescribed amount greater than the annual debt service requirement on the loan.

Secondly, prior to the release of any loan to a borrower, the FNFA establishes for other revenues borrowers an irrevocable intercept mechanism (i.e. Trust Account arrangement) whereby the other revenues stream supporting a loan flows from the payor into the trust account, bypassing the First Nation. Under an agreement the FNFA has contracted with Computershare to act as trustee of these accounts, who firstly allocates out of the trust account the debt service payments to the FNFA, and secondly the remaining balance to the borrowing member. In 2015-2016, the FNFA's intercepted revenues had an interest rate coverage ratio of 5.63 times (revenues intercepted were 5.63 times greater than the debenture's interest liability). Approximately 70% of these revenues were from Federal/ Provincial revenue sharing agreements; the balance being contractual revenues, lease agreements and established Band businesses.

Thirdly, when a borrowing member requests a loan, the FNFA withholds 5% and deposits into a Debt Service Reserve Fund (DRF). A separate DRF is operated for property tax supported loans, and a separate DRF for loans supported by other revenues. Should a borrowing member default on its loan payment to the FNFA, the FNFA will pull sufficient funds from the appropriate DRF to fully cover its loan obligation to the lenders. The defaulting member must replenish their DRF within a reasonable period. If this does not occur, the FNFA's Board may then require the full borrowing membership to proportionally replenish the DRF. If the loan default is related to a property tax supported loan then those borrowing members with property tax loans outstanding will replenish the property tax DRF (no tax supported loans have yet been issued); and vice versa for borrowing members with other revenues supported loans. These

members will be reimbursed their replenishment monies when the defaulting member covers its default. The Board is obligated to initiate DRF replenishment should the value of the DRF fall below 50% of its intended value.

When a borrowing member has repaid its loan in full, the FNFA refunds back its 5% plus net interest earnings.

Fourthly, both the FMA and the Regulations provide the FNFA with the power of intervention through Third Party Management or Co-Management, should a First Nation default on its loan payments, or appear imminent of default. The FNFA works with the FMB in the intervention area. FMB has the authority to act as the treasurer of the First Nation's finances.

Fifthly, in addition to the DRF, the FNFA contracted an agreement with Canada in March 2011, and received \$10 million in Credit Enhancement Fund monies (CEF) on April 1, 2011. A further \$20 million will be received by FNFA in approximately the next 12 months.

This CEF is a secondary investor safeguard whose purpose is to support the DRF.

Sixthly, subsequent to the 2016 fiscal year-end, the FNFA entered into a Master Trust Indenture with Computershare to secure all FNFA debentures on a pari passu basis with its credit facility.

**Legislative Protection** | The FNFA operates under a Federal Act, and so has both contractual law and Federal legislation as supporting strengths. The FMA and the Regulations establish a strict regulatory system that ensures borrowing members are certified and meet specific borrowing standards that ensure safeguards on indebtedness are maintained. The FNFA shall only accept a First Nation as a borrowing member where the FNFA is of the opinion that the loan will be repaid. A First Nation may cease to be a borrowing member after all their outstanding loans have been repaid in full, and only with the consent of the other borrowing members.

# Our Pooled Investment Funds Program

**Organization** | The FNFA has established short-term pooled investment funds. These Funds are operated by the Municipal Finance Authority of BC, and are governed by the Investment Advisory Board which sets parameters around eligible investment purchases.



# What We Do

The FNFA provides First Nations access to the large amounts of capital required to finance social projects, economic ventures, community-owned housing, land purchases, infrastructure on reserve, equity participation and equipment. All FNFA loans are supported by qualified existing revenue streams.

## COMMUNITY INFRASTRUCTURE

The FNFA can open doors for development partnerships by providing First Nation governments with access to long-term loans that enable the development of infrastructure like water and sewer, sidewalks and street lighting.



## DEVELOPMENT OF SUSTAINABLE POWER SOURCES

Independent power projects are an excellent example of First Nations leading the way on sustainable and green energy development.

Several FNFA borrowing members have received FNFA loans to participate as equity holders in energy projects. Projects include run-of-river, solar and wind.



## INFRASTRUCTURE FOR PUBLIC USE

Rehabilitation, renovation, or expansion of existing infrastructure for public use or benefit such as community centres, recreational facilities, local arenas and further community and cultural facilities.



## Projects

- #1: Membertou road work and training program
- #2: Nipissing Solar project
- #3: Tzeachten Outdoor Fitness Circuit
- #4: Penticton Housing Development

- #5 Taku River Project
- #6 Membertou Highway Interchange
- #7 Membertou Sports Arena and Wellness Centre





### **HOUSING DEVELOPMENT PROJECTS**

First Nations communities don't have to start big. Many started small with sustainable housing developments. Over time, your community will grow and thrive! The FNFA can help your community develop the infrastructure needed to support housing developments



### **WATER AND WASTEWATER INFRASTRUCTURE**

One of the first steps with infrastructure development is clean water. Installation of new septic systems or repairing old ones ensures that raw sewage will not enter local streams and threatened water basins. The FNFA can provide loans to finance water and wastewater infrastructure. Improving water infrastructure on reserves contributes to improved health and safety in First Nations communities, which can help build the foundations for growth and prosperity.



### **TRANSPORTATION SYSTEMS**

Revitalization and repair of roads, bridges and other critical infrastructures. Streets and highways will remain critical transportation conduits, so their maintenance and improvement will remain an important challenge. But the greater challenge will be engineering integrated transportation systems, making individual vehicle travel, mass transit, bicycling, and walking all as easy and efficient as possible. An increasingly important question is the need to provide better access to transportation for the elderly and disabled.



### **DEVELOPING SOFT INFRASTRUCTURE**

Many communities request FNFA loans for infrastructure projects related to facilities providing enjoyment and recreation opportunities for their members.





# Financial Statements

## Statement of Management Responsibility

The financial statements of First Nations Finance Authority (the "FNFA") for the year ended March 31, 2016 have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS"). The integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit Committee. The Audit Committee meets with management no fewer than two times a year and the external auditors a minimum of two times a year.

The external auditors, KPMG LLP, conduct an independent examination, in accordance with Canadian generally accepted auditing standards, and express their opinion on the financial statements. Their examination considers internal control relevant to management's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purposes of expressing an opinion on the effectiveness of the FNFA's internal control. The external auditors have full and free access to the Audit Committee.

On behalf of First Nations Finance Authority

A handwritten signature in black ink, appearing to read "Ernie Daniels".

**Ernie Daniels**  
Chief Executive Officer  
May 26, 2016



**KPMG LLP**

200-3200 Richter Street  
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Canada

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## Independent Auditors' Report

### TO THE MEMBERS OF FIRST NATIONS FINANCE AUTHORITY

We have audited the accompanying financial statements of First Nations Finance Authority, which comprise the statement of financial position as at March 31, 2016, the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information.

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform an audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of First Nations Finance Authority as at March 31, 2016 and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

**Chartered Professional Accountants**

May 26, 2016  
Kelowna, Canada





# Statement of Financial Position

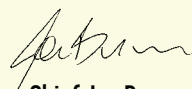
FIRST NATIONS FINANCE AUTHORITY | Year Ended March 31, 2016

March 31, 2016, with comparative figures for 2015

	2016	2015
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 2,165,305	\$ 2,236,568
Credit Enhancement Fund assets (note 2)	10,000,000	10,000,000
Debt Reserve Funds investments (note 3(a))	12,543,690	5,210,024
Sinking Funds investments (note 4)	2,129,624	-
Loans to members (note 5)	246,022,335	103,366,625
Restricted cash and cash equivalents (note 6)	6,169,524	2,372,949
	<b>279,030,478</b>	<b>123,186,166</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	282,579	175,245
Accrued interest payable	1,215,346	765,000
Principal and interest payments received in advance	5,845,489	2,048,914
Due to members (note 3(b))	12,543,690	5,210,024
Interim financing (note 7)	109,840,118	17,736,000
Debenture financing: (note 8)		
Principal	140,000,000	90,000,000
Unamortized premium (discount)	2,154,567	(432,900)
Unamortized debenture issuance costs	(3,462,652)	(2,481,645)
	138,691,915	87,085,455
	<b>268,419,137</b>	<b>113,020,638</b>
<b>Net Financial Assets</b>	<b>10,611,341</b>	<b>10,165,528</b>
<b>Non-Financial Assets</b>		
Tangible capital assets (note 9)	33,870	41,047
Prepaid expenses	267,143	124,884
	<b>301,013</b>	<b>165,931</b>
Commitments (note 10)		
<b>ACCUMULATED SURPLUS</b> (note 11)	<b>\$ 10,912,354</b>	<b>\$ 10,331,459</b>

See accompanying notes to financial statements.

On behalf of the Board:

  
**Chief Joe Bevan**  
 DEPUTY CHAIR

  
**Ernie Daniels**  
 CHIEF EXECUTIVE OFFICER



# Statement of Operations and Accumulated Surplus

FIRST NATIONS FINANCE AUTHORITY | Year Ended March 31, 2016

Year ended March 31, 2016, with comparative figures for 2015

	2016 Budget (note 1(g))	2016	2015
<b>Revenue</b>			
Grants and contributions (note 12)	\$ 2,200,099	\$ 2,227,975	\$ 2,078,349
Interest from members	640,640	6,279,163	2,900,775
Investment	275,000	409,233	128,185
Management fees	85,701	84,220	41,614
	<b>3,201,440</b>	<b>9,000,591</b>	<b>5,148,923</b>
<b>Expenses (note 1(h))</b>			
Interest on financing	-	5,863,938	2,749,379
Discount or premium amortization	-	(159,533)	35,100
Debenture issuance costs amortization	-	369,744	201,215
Interim financing fees amortization	-	33,668	71,042
Financing fees	331,205	256,033	463,780
Professional fees	891,925	491,076	411,331
Travel and workshops	410,230	220,934	101,198
Salaries and benefits	880,000	885,190	779,432
Operation and management	688,080	357,385	443,551
Investment income due to members	-	81,502	5,005
Amortization of tangible capital assets	-	19,759	15,271
	<b>3,201,440</b>	<b>8,419,696</b>	<b>5,276,304</b>
<b>Surplus (deficit)</b>	<b>-</b>	<b>580,895</b>	<b>(127,379)</b>
Accumulated surplus, beginning of year	10,331,459	10,331,459	10,458,838
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 10,331,459</b>	<b>\$ 10,912,354</b>	<b>\$ 10,331,459</b>

See accompanying notes to financial statements.





# Statement of Changes in Net Financial Assets

FIRST NATIONS FINANCE AUTHORITY | Year Ended March 31, 2016

Year ended March 31, 2016, with comparative figures for 2015

	2016 Budget (note 1(g))	2016	2015
<b>Surplus (deficit)</b>	<b>\$ -</b>	<b>\$ 580,895</b>	<b>\$ (127,379)</b>
<b>Changes to non-financial assets</b>			
Acquisition of tangible capital assets	-	(12,582)	(3,617)
Amortization of tangible capital assets	-	19,759	15,271
	-	7,177	11,654
Net change in prepaid expenses	-	(142,259)	(80,039)
	-	(135,082)	(68,385)
<b>Increase (decrease) in net financial assets</b>	<b>-</b>	<b>445,813</b>	<b>(195,764)</b>
Net financial assets, beginning of year	10,165,528	10,165,528	10,361,292
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 10,165,528</b>	<b>\$ 10,611,341</b>	<b>\$ 10,165,528</b>

See accompanying notes to financial statements.



# Statement of Cash Flows

FIRST NATIONS FINANCE AUTHORITY | Year Ended March 31, 2016

Year ended March 31, 2016, with comparative figures for 2015

	2016	2015
<b>Cash provided by (used in):</b>		
<b>Operating transactions:</b>		
Surplus (deficit)	\$ 580,895	\$ (127,379)
Discount or premium amortization	(159,533)	35,100
Interim financing fees amortization	33,668	71,042
Debenture issuance cost amortization	369,744	201,215
Amortization of tangible capital assets	19,759	15,271
Net change in non-cash assets and liabilities:		
Accounts receivable	-	2,899
Prepaid expenses	(142,259)	(80,039)
Accounts payable and accrued liabilities	107,334	(58,705)
Accrued interest on debenture financing	450,346	765,000
	<b>1,259,954</b>	<b>824,404</b>
<b>Investing transactions:</b>		
Loans to members issued	(145,877,471)	(49,655,731)
Repayment of loans to members	3,221,761	432,000
Acquisition of investments	(9,463,290)	(2,465,373)
Increase in amounts due to members	7,333,666	2,465,353
Increase in restricted cash	(3,796,575)	(1,694,642)
Principal and interest payments received in advance	3,796,575	1,694,642
	<b>(144,785,334)</b>	<b>(49,223,751)</b>
<b>Financing transactions:</b>		
Debenture financing issued, principal	50,000,000	90,000,000
Premium (discount) on debenture issuance	2,747,000	(468,000)
Debenture issuance costs	(1,350,750)	(2,682,860)
Proceeds from interim financing	110,412,471	17,736,000
Repayment of interim financing	(17,736,000)	(54,120,000)
Interim financing fees paid	(606,022)	-
	<b>143,466,699</b>	<b>50,465,140</b>
<b>Capital transactions:</b>		
<b>Purchase of tangible capital assets</b>	<b>(12,582)</b>	<b>(3,617)</b>
<b>Increase (decrease) in cash and cash equivalents</b>	<b>(71,263)</b>	<b>2,062,176</b>
Cash and cash equivalents, beginning of year	2,236,568	174,392
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<b>\$ 2,165,305</b>	<b>\$ 2,236,568</b>

See accompanying notes to financial statements.





# Notes to Financial Statements

FIRST NATIONS FINANCE AUTHORITY | Year Ended March 31, 2016

First Nations Finance Authority ("FNFA") was announced April 1, 2006 as a result of Bill C-20 and operates under the First Nations Fiscal Management Act (the "Act") as a not for profit corporation without share capital to develop borrowing capacity for First Nations governments and to provide investment pooling arrangements for its investing members. FNFA, through an agreement with the Municipal Finance Authority of British Columbia ("MFA"), acts as a non assignable corporate investment vehicle with MFA for the provision of investment services for FNFA unit holders. FNFA is exempt from income taxes pursuant to Section 149 (1)(c) and 149 (1)(d.5) of the Income Tax Act (Canada).

## 1. Significant accounting policies:

The financial statements of FNFA have been prepared by management in accordance with Canadian Public Sector Accounting Standards, applying the following significant accounting policies.

### (a) Basis of presentation:

These financial statements reflect the assets, liabilities, revenues and expenses of FNFA's Operating, Credit Enhancement, Sinking and Debt Reserve Funds. All transactions and balances between the funds have been eliminated upon combination. Descriptions of FNFA's funds are as follows:

#### OPERATING FUND:

FNFA's Operating Fund includes revenue and expenses for all aspects of operations, including corporate administration and finance.

#### CREDIT ENHANCEMENT FUND:

Under the Act, FNFA is required to establish a Credit Enhancement Fund for the enhancement of FNFA's credit rating.

#### SINKING FUNDS:

Under the Act, FNFA is required to establish Sinking Funds to fulfill its repayment obligations to the holders of each debenture security issued by FNFA. Sinking Fund payments are required as a condition of loan agreements with members and are invested by FNFA, and occur based upon the frequency of FNFA intercepting the revenues supporting the loans. Sinking Funds are not required for interim financing loans to members.

#### DEBT RESERVE FUNDS:

Under the Act, FNFA is required to establish a Debt Reserve Funds. FNFA withholds 5% of the loan amount requested under a member's borrowing law. If at any time, FNFA lacks sufficient funds to meet the principal, interest or sinking fund payments due on its obligations because of a default in payment by the payor of the intercepted revenue stream or from a borrowing member using its own source business revenues, the FNFA can utilize the Debt Reserve Funds to satisfy these obligations. Upon extinguishment of a member's loan, the Debt Reserve Fund contributed by the member and net earnings on investment of the funds are repaid to the member. The Debt Reserve Fund terms do not provide for an accumulated surplus or deficit.

FNFA follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable (note 1(b)). Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

### (b) Revenue recognition:

Transfers from governments are recognized as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made. Transfers which include stipulations that give rise to an obligation are recognized as revenue in the period the stipulations giving rise to the obligation have been met.

Interest on loans to members is recorded as revenue in accordance with FNFA's loan agreements with its members. Investment income is recorded as revenue in the period earned.

### (c) Cash and cash equivalents:

Cash and cash equivalents includes cash and investments in highly liquid money market funds, with a term to maturity of 90 days or less and are readily convertible to cash.

### (d) Financial instruments:

Financial instruments are initially classified upon initial recognition as a fair value or an amortized cost instrument. The fair value category includes investments in equity instruments that are quoted in an active market, freestanding derivative instruments that are not in a qualifying hedging relationship and any other items elected by FNFA to be recorded at fair value. All other financial instruments are recorded at amortized cost. Transaction costs directly attributable to the acquisition or issuance of a financial instrument are added to the amortized cost or expensed if related to instruments are recorded on a fair value basis. The effective interest rate method is used to measure interest for financial instruments recorded at amortized cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss, calculated as the excess of the net recoverable amount of the asset and its carrying value, is reported in the statement of operations. Any unrealized gain or loss for financial assets or liabilities measured at fair value is recorded through the statement of remeasurement gains and losses. When the asset is sold, the unrealized gains and losses previously recognized in the statement of remeasurement gains and losses are reversed and recognized in the statement of operations.

As at March 31, 2016, FNFA does not have any financial instruments that required or were elected to be recorded at fair value. Accordingly a statement of remeasurement gain (loss) has not been presented.

### (e) Tangible capital assets:

Tangible capital assets are recorded at cost, net of accumulated amortization. Contributed tangible capital assets are recorded at fair value at the date of contribution and are also recorded as revenue. When management determines that a tangible capital asset no longer contributes to FNFA's operations, the tangible capital asset's net book value is written down to its net realizable value. Amortization is provided over the asset's estimated useful life at the following basis and annual rates:

Asset	Basis	Rate
Furniture and equipment	Declining balance	20%
Computer equipment	Declining balance	30 - 45%
Leasehold improvements	Straight-line	lease term

**(f) Use of estimates:**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from these estimates. Significant areas requiring management estimates include the net recoverable amount and any impairment of financial assets, the fair value of financial liabilities on issuance and the effective interest rate of financial assets and liabilities measured at amortized cost. Actual amounts can differ from these estimates.

**(g) Budget data:**

The budget data presented in these financial statements have been derived from the budget approved by the Board of Directors on May 28, 2015. The budget is reflected in the statement of operations and accumulated surplus and the statement of changes in net financial assets.

**(h) Segmented disclosure:**

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. FNFA has determined that it had only one operating segment for the year ended March 31, 2016. Accordingly, segmented disclosures have not been presented in these financial statements.

**2. Credit Enhancement Fund assets:**

FNFA entered into an agreement with Indigenous and Northern Affairs Canada ("INAC"), on March 24, 2011 to transfer funds to FNFA for deposit into the Credit Enhancement Fund. Funds included in the Credit Enhancement Fund may be invested only in securities, investments or deposits specified under the Act. Investment income from the Credit Enhancement Fund may be used to temporarily offset shortfalls in the Debt Reserve Funds, to defray FNFA's costs of operation, and for any other purpose prescribed by regulation. The capital of the Credit Enhancement Fund may be used to temporarily offset shortfalls in the Debt Reserve Funds and for any other purpose prescribed by regulation.

The Credit Enhancement Fund assets, as at March 31, 2016 consist of the following:

	2016	2015
Cash and cash equivalents	\$ 8,000,000	\$ 8,000,000
Investments	2,000,000	2,000,000
	<b>\$ 10,000,000</b>	<b>\$ 10,000,000</b>

**3. Debt Reserve Funds:**

**(a) Investments:**

FNFA holds investments for their Debt Reserve Funds consisting of cash and cash equivalents. The Debt Reserve Funds investments are held by FNFA as security for debenture payments to bondholders and interim financing providers. If, at any time, FNFA does not have sufficient funds to meet payments or sinking fund contributions due on its obligations, the payments or sinking fund contributions will be made from the Debt Reserve Funds.

**b) Due to members:**

Amount due to members in the Debt Reserve Funds will be repaid to a member when the member has satisfied all obligations related to the applicable loan agreement. The balance owing to members as at March 31, 2016, is due upon extinguishment of the underlying loan, consistent with the term of the financing agreements.

**4. Sinking Funds:**

The Sinking Funds consists of cash and cash equivalents and relate to principal repayments received by members to fulfill the repayment obligations of the debentures.

**5. Loans to members:**

	2016	2015
Debenture financing loans	\$ 136,107,477	\$ 85,628,238
Interim financing loans	109,914,858	17,738,387
	<b>\$ 246,022,335</b>	<b>\$ 103,366,625</b>

The aggregate maturity of loans to members as at March 31, 2016 are as follows:

2017	\$ 113,327,036
2018	3,412,178
2019	3,412,178
2020	3,412,178
2021	3,412,178
Thereafter	119,046,587
	<b>\$ 246,022,335</b>

**(a) Debenture financing loans:**

Debenture financing loans to members consists of loans to twenty four (2015 - thirteen) borrowing members. The loans, documented by way of a promissory note, are repayable in annual principal payments to maturity, with interest payable semi-annually at 2.985% to 3.79%.



**5. Loans to members:** [continued]

**(b) Interim financing loans to members:**

Interim financing loans to members as at March 31, 2016, consists of loans to nineteen (2015 - six) borrowing members. The loans bear interest at 2.6%, payable monthly, and are due on the earlier of demand or the expiry of FNFA's interim financing credit facility described in note 7. The interim financing loans have been issued by FNFA in anticipation of a bond issuance. The interim financing loans will be replaced by long-term financing agreements upon the issuance of such securities and the earlier of five years from the date of the issuance of the interim financing or the completion by the member of the purpose, as defined in their borrowing agreement, for the FNFA financing.

**(c) Secured Revenues Trust Account:**

FNFA determines, after reviewing contractual and other supporting revenue stream documents, which of the member's revenue streams are to be intercepted. These revenues are intercepted directly from the payor, and are specified in the member's Borrowing Law. Each revenue stream must maintain a minimum debt service coverage ratio established by FNFA's Board. These intercepted revenues cover both interest and principal payments and are deposited by the payor into a Secured Revenues Trust Account ("SRTA"), as governed by a Secured Revenues Trust Account Management Agreement between the member and FNFA. As directed by FNFA, the following amounts are withdrawn from the SRTA:

- Scheduled principal and interest payments to FNFA in accordance with the terms and timing outlined in the respective promissory notes and borrowing agreements; and
- The excess in the SRTA may be paid to the member based on the terms of their respective promissory note or borrowing agreement.

**(d) Loan impairment:**

FNFA conducts periodic evaluations of its loans to members to determine if the loans are impaired. No impairment provision has been recorded to March 31, 2016 (2015 - \$nil). A reduction in the carrying value of a loan may be recovered by a transfer from the applicable Debt Reserve Fund and, ultimately, intervention with First Nations Management Board on eligible revenue streams if it is believed that payments under the loan agreements may not be recovered within a reasonable period of time.

**6. Restricted cash and cash equivalents:**

	2016	2015
Members capital (note 11(b))	\$ 324,035	\$ 324,035
Principal and interest payments received in advance	5,845,489	2,048,914
	<b>\$ 6,169,524</b>	<b>\$ 2,372,949</b>

**7. Interim financing:**

	2016	2015
Bankers acceptance liabilities, bearing interest at an average rate of 2.1236% (2015 - 2.2408%)	\$ 110,412,471	\$ 17,736,000
Deferred interim financing fees	(572,353)	-
	<b>\$ 109,840,118</b>	<b>\$ 17,736,000</b>

The interim financing credit facility is available up to a maximum aggregate amount of \$130 million. The credit facility is available through the issuance of bankers acceptances ("Bankers Acceptance Liabilities") or the issuance of loans bearing interest calculated in relation to the lender's prime rate ("Prime Rate Loans"). The applicable margin and stand-by fees are based on the credit rating of FNFA. Based on the credit rating as at March 31, 2016 the margins and rates are as follows. The Bankers Acceptance Liabilities as at March 31, 2016 bear interest at the lender's 30 to 60 day bankers' acceptance fee plus a stamping fee of 1.25%. The Prime Rate Loan as at March 31, 2016 bears interest at the lender's prime rate plus 0.25% with interest-only payments on a monthly basis. The undrawn portion of the revolving credit facility is subject to a standby fee of 0.25%. Amounts borrowed under the revolving credit facility are due the earlier of the terms of FNFA's interim financing loans to members (note 5(b)) and February 23, 2018.

The interim financing is secured by liens on all real and personal, corporeal and incorporeal, present and future assets, including on all of the accounts of FNFA and the debt accounts of members with outstanding loans and the rights of FNFA in the Secured Revenues Trust Accounts.

**8. Debenture financing:**

The debenture financing consists of unsecured and unsubordinated bonds issued by FNFA. The bonds provide for semi-annual interest payments at 3.4% and payment of the principal at maturity on June 26, 2024. Debenture discounts or premium and debenture issuance costs including bond forward fees are amortized over the debenture term under the effective interest method. The resulting effective interest rate for the debenture financing is 3.524% (2015 - 3.828%).

**9. Tangible capital assets:**

March 31, 2016	Furniture and equipment	Computer equipment	Leasehold improvements	Total
<b>Costs:</b>				
Balance, beginning of year	\$ 50,165	\$ 122,875	\$ 115,709	\$ 288,749
Additions	-	12,582	-	12,582
Disposals	-	(54,998)	-	(54,998)
<b>Balance, end of year</b>	<b>50,165</b>	<b>80,459</b>	<b>115,709</b>	<b>246,333</b>
<b>Accumulated amortization:</b>				
Balance, beginning of year	35,845	96,148	115,709	247,702
Amortization	2,864	16,895	-	19,759
Disposals	-	(54,998)	-	(54,998)
<b>Balance, end of year</b>	<b>38,709</b>	<b>58,045</b>	<b>115,709</b>	<b>212,463</b>
<b>NET BOOK VALUE, END OF YEAR</b>	<b>\$ 11,456</b>	<b>\$ 22,414</b>	<b>\$ -</b>	<b>\$ 33,870</b>

**9. Tangible capital assets:** [continued]

March 31, 2015	Furniture and equipment	Computer equipment	Leasehold improvements	Total
<b>Costs:</b>				
Balance, beginning of year	\$ 50,165	\$ 119,258	\$ 115,709	\$ 285,132
Additions	-	3,617	-	3,617
<b>Balance, end of year</b>	<b>50,165</b>	<b>122,875</b>	<b>115,709</b>	<b>288,749</b>
<b>Accumulated amortization:</b>				
Balance, beginning of year	32,265	84,457	115,709	232,431
Amortization	3,580	11,691	-	15,271
<b>Balance, end of year</b>	<b>35,845</b>	<b>96,148</b>	<b>115,709</b>	<b>247,702</b>
<b>NET BOOK VALUE, END OF YEAR</b>	<b>\$ 14,320</b>	<b>\$ 26,727</b>	<b>\$ -</b>	<b>\$ 41,047</b>

**10. Commitments:**

The FNFA entered into a lease agreement for office space, which expires February 2018 and various office equipment leases expiring in January 2021. Total estimated operating lease commitments to maturity are as follows:

2017	\$ 89,406
2018	75,418
2019	5,309
2020	5,136
2021	3,852
	<b>\$ 179,121</b>

**11. Accumulated surplus:**

(a) Accumulated surplus consists of the individual fund surpluses and reserves as follows:

	2016	2015
<b>Accumulated surplus:</b>		
Credit Enhancement Fund	\$ 10,000,000	\$ 10,000,000
<b>Operating Fund:</b>		
Invested in tangible capital assets	33,870	41,047
Unrestricted	878,484	290,412
	<b>912,354</b>	<b>331,459</b>
	<b>\$ 10,912,354</b>	<b>\$ 10,331,459</b>

(b) **Members capital:**

On April 1, 2006, assets and liabilities of the FNFA Inc., a predecessor organization which was controlled by the same Board as the FNFA, were transferred to the FNFA. The FNFA's Board of Directors has resolved by way of a bylaw that, upon dissolution of the FNFA, the total contribution to the FNFA of \$324,035, being tangible capital assets and retained earnings of the FNFA Inc. on April 1, 2006, shall be first distributed to the public bodies having an interest in members capital. The members' capital has been recorded as restricted cash and cash equivalents.

(c) Change in accumulated surplus is calculated as follows:

	Credit Enhancement Fund (note 2)	Operating Fund		Total
		Invested in tangible capital assets	Unrestricted	
Balance, March 31, 2014	\$ 10,000,000	\$ 52,701	\$ 406,137	\$ 10,458,838
Surplus (deficit)	123,181	(15,271)	(235,289)	(127,379)
Acquisition of tangible capital assets	-	3,617	(3,617)	-
Transfers	(123,181)	-	123,181	-
<b>Balance, March 31, 2015</b>	<b>10,000,000</b>	<b>41,047</b>	<b>290,412</b>	<b>10,331,459</b>
Surplus (deficit)	122,233	(19,759)	478,421	580,895
Acquisition of tangible capital assets	-	12,582	(12,582)	-
Transfers	(122,233)	-	122,233	-
<b>Balance, March 31, 2016</b>	<b>\$ 10,000,000</b>	<b>\$ 33,870</b>	<b>\$ 878,484</b>	<b>\$ 10,912,354</b>

**12. Grants and contributions:**

During the year, FNFA received the following funding arrangements from the INAC:

	2016	2015
Comprehensive Funding Arrangement	\$ 1,727,975	\$ 1,578,349
Grant Agreements	500,000	500,000
	<b>\$ 2,227,975</b>	<b>\$ 2,078,349</b>

INAC provided a Comprehensive Funding Arrangement, for delivery of specific programs, services and activities as set out in the arrangement. This funding agreement is reviewed annually based on the needs and the financial results of the FNFA.

Under the terms of the Grant Agreements, which is for the purpose of covering costs associated with the FNFA's core business, the FNFA is to receive an annual maximum of \$500,000. This arrangement expires on March 31, 2016 and has been renewed for the March 31, 2017 fiscal year.



### 13. Financial instruments:

#### (a) Liquidity risk:

Liquidity risk is the risk that FNFA will not be able to meet its financial obligations as they become due. For the year ended March 31, 2016, each interim financing loan to members was funded through interim financing with the same term. FNFA maintains Sinking Funds (note 1(a)) to assist with managing its liquidity risk with respect to its debenture financing. FNFA monitors the maturity of its financial liabilities and assesses whether it has sufficient cash to settle these financial obligations when due.

FNFA is subject to non-financial covenants and restrictions in relation to its interim financing (note 7) and Credit Enhancement Fund (note 2). As at March 31, 2016, FNFA was in compliance with these covenants and restrictions.

The following table summarizes the remaining contractual maturities of FNFA's financial liabilities:

In thousands of dollars	On demand	Within 1 year	Greater than 1 year	2016 Total
Accounts payable and accrued liabilities	\$ -	\$ 283	\$ -	\$ 283
Accrued interest payable	-	1,215	-	1,215
Principal and interest received in advance	-	5,845	-	5,845
Due to members	12,544	-	-	12,544
Interim financing	109,840	-	-	109,840
Debenture financing	-	-	140,000	140,000
	<b>\$ 122,384</b>	<b>\$ 7,343</b>	<b>\$ 140,000</b>	<b>\$ 269,727</b>

In thousands of dollars	On demand	Within 1 year	Greater than 1 year	2015 Total
Accounts payable and accrued liabilities	\$ -	\$ 175	\$ -	\$ 175
Accrued interest payable	-	765	-	765
Principal and interest received in advance	-	2,049	-	2,049
Due to members	5,210	-	-	5,210
Interim financing	17,736	-	-	17,736
Debenture financing	-	-	90,000	90,000
	<b>\$ 22,946</b>	<b>\$ 2,989</b>	<b>\$ 90,000</b>	<b>\$ 115,935</b>

#### (b) Credit risk:

Credit risk refers to the risk that counterparty may default on its contractual obligations resulting in a financial loss. FNFA holds its cash and cash equivalents, Credit Enhancement Fund assets and investments with federally regulated chartered banks who are insured by the Canadian Deposit Insurance Corporation.

FNFA's investment policies for its Credit Enhancement Fund, Debt Reserve Funds, and Sinking Funds are governed by the Act, which specifies eligible investments. FNFA's investment policy for other cash and investments is monitored by management and the Board, consistent with its mandate.

#### (c) Interest rate risk:

Interest rate risk relates to the impact of changes in interest rates on FNFA's future cash inflows from its investments and loans to member and future cash outflows on its interim financing. FNFA's cash and cash equivalents, Credit Enhancement Fund assets and investments are held in cash or short term money market instruments, accordingly, FNFA is not subject to significant interest rate risk in regards to these financial assets.

FNFA is subject to interest rate risk with respect to its interim financing, which bears interest at variable rates based on the lenders' prime rate and 30-60 bankers' acceptance rates. A 10 basis point change in variable interest rates would impact interest expense on interim financing by approximately \$110,000. FNFA monitors interest rate risk on interim financing borrowing and negotiates and renegotiates interest rates on interim financing loans to members in relation to these rates.

### 14. Comparative figures:

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.



# FNFA Pooled Investments

FIRST NATIONS FINANCE AUTHORITY | Year ended December 31, 2015

## POOLED INVESTMENTS

### Statement of Net Assets (unaudited)

December 31, 2015, with comparative information for 2014

	Money Market Fund		Intermediate Fund		Bond Fund		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
<b>Assets</b>								
Cash	\$ 342	269	308	138	9,989	-	\$ 10,639	\$ 407
Unitholder receivable	-	2,021	-	1,203	-	7,388	-	10,612
Investments (note 3)	13,744,205	12,493,707	4,216,383	4,155,118	1,898,648	1,766,753	19,859,236	18,415,578
	<b>\$ 13,744,547</b>	<b>12,495,997</b>	<b>4,216,691</b>	<b>4,156,459</b>	<b>1,908,637</b>	<b>1,774,141</b>	<b>\$ 19,869,875</b>	<b>\$ 18,426,597</b>
<b>Liabilities, Net Assets and Unitholders' Equity</b>								
Accrued management fees	\$ 1,921	1,757	773	777	337	316	\$ 3,031	\$ 2,850
Unitholder payable	82,484	23,354	-	-	6,395	-	88,879	23,354
	<b>84,405</b>	<b>25,111</b>	<b>773</b>	<b>777</b>	<b>6,732</b>	<b>316</b>	<b>91,910</b>	<b>26,204</b>
<b>Net assets and unitholders' equity</b>	<b>13,660,142</b>	<b>12,470,886</b>	<b>4,215,918</b>	<b>4,155,682</b>	<b>1,901,905</b>	<b>1,773,825</b>	<b>19,777,965</b>	<b>18,400,393</b>
	<b>\$ 13,744,547</b>	<b>12,495,997</b>	<b>4,216,691</b>	<b>4,156,459</b>	<b>1,908,637</b>	<b>1,774,141</b>	<b>\$ 19,869,875</b>	<b>\$ 18,426,597</b>

See accompanying notes to financial statements.

On behalf of the Board:

**Ernie Daniels**  
CEO/President



## POOLED INVESTMENTS

### Statement of Earnings and Unitholders' Equity (unaudited)

Year ended December 31, 2015, with comparative information for 2014

	Money Market Fund		Intermediate Fund		Bond Fund		2015	Total 2014
	2015	2014	2015	2014	2015	2014		
<b>Investment income:</b>								
Interest income	\$ 118,533	154,175	118,355	196,305	47,926	42,785	\$ 284,814	\$ 393,265
Less management fees	18,221	19,361	8,802	13,138	3,865	3,293	30,888	35,792
	100,312	134,814	109,553	183,167	44,061	39,492	253,926	357,473
<b>Gain (loss) on investments:</b>								
Net realized gain (loss)	-	-	(60,522)	(99,383)	170	6,960	(60,352)	(92,423)
Net unrealized gain (loss)	-	-	11,206	(2,770)	(201)	2,640	11,005	(130)
Net gain (loss) on investments	-	-	(49,316)	(102,153)	(31)	9,600	(49,347)	(92,553)
<b>NET EARNINGS DISTRIBUTED</b>	<b>\$ 100,312</b>	<b>134,814</b>	<b>60,237</b>	<b>81,014</b>	<b>44,030</b>	<b>49,092</b>	<b>\$ 204,579</b>	<b>\$ 264,920</b>
<b>Net assets and unitholders' equity:</b>								
Units outstanding, beginning of the year	\$ 12,470,886	9,511,751	4,155,682	7,404,649	1,773,825	1,523,535	\$ 18,400,393	\$ 18,439,935
Units subscribed	3,864,566	4,425,584	-	-	139,650	469,986	4,004,216	4,895,570
Distributions reinvested	100,312	134,814	60,236	81,014	44,031	49,092	204,579	264,920
Units redeemed	(2,775,622)	(1,601,263)	-	(3,329,981)	(55,601)	(268,788)	(2,831,223)	(5,200,032)
<b>UNITS OUTSTANDING, END OF THE YEAR</b>	<b>\$ 13,660,142</b>	<b>12,470,886</b>	<b>4,215,918</b>	<b>4,155,682</b>	<b>1,901,905</b>	<b>1,773,825</b>	<b>\$ 19,777,965</b>	<b>\$ 18,400,393</b>

See accompanying notes to financial statements.

**Notes to Financial Statements** (unaudited)

Year ended December 31, 2015

First Nations Finance Authority (the "FNFA") was announced April 1, 2006 as a result of Bill C-20 and operates under the First Nations Fiscal Management Act (the "Act") as a non-profit corporation without share capital to provide investment pooling arrangements and to develop borrowing capacity for First Nations governments. The FNFA acts as a non-assignable corporate investment vehicle with the MFA for the provision of investment services for FNFA unitholders.

Under the Act the FNFA may establish short-termed pooled investment funds. Funds in FNFA short-term pooled investment funds may be invested only in:

- a. securities issued or guaranteed by Canada, a province or the United States;
- b. fixed-term deposits, notes, certificates or other short-term paper of, or guaranteed by, a bank, trust company or credit union, including swaps in United States currency;
- c. securities issued by the Authority or by a local, municipal or regional government in Canada;
- d. commercial paper issued by a Canadian company that is rated in the highest category by at least two recognized security-rating institutions;
- e. any class of investments permitted under an Act of a province relating to trustees; or
- f. any other investments or class of investments prescribed by regulation.

In accordance with the Pooled Investment Regulation made under the First Nations Fiscal Management Act, the Authority has arranged to continue to participate in the short to intermediate term investment pools established by the Municipal Finance Authority of British Columbia (the "MFA"). These funds are the Money Market Fund, the Intermediate Fund and the Bond Fund.

**1. Significant accounting policies:**

Monies received from unitholders are invested in three pooled investment funds administered by the MFA:

- Money Market Fund;
- Intermediate Fund; and
- Bond Fund.

These funds are authorized to issue an unlimited number of units, each of which represents an equal undivided interest in the net assets of the respective funds, pro rata, with all other units from time to time issued and outstanding. Units are issued or redeemed at \$10 per unit. Under Section 149(1)(c) of the Income Tax Act, the funds are exempt from income taxes.

The following is a summary of the significant accounting policies used in the preparation of the financial statements.

**(a) Money Market Fund:**

- (i) Investments are carried at market value.
- (ii) Interest income is recognized as earned.
- (iii) Management fees are accrued daily at the rate of 0.15% per annum of the net assets of the fund and are paid monthly to the MFA.
- (iv) Net earnings from operations are distributed to unitholders daily as additional units of the fund.

**(b) Intermediate Fund and Bond Fund:**

- (i) Investments are carried at market value.
- (ii) Investment transactions are accounted for on the trade date and gains/losses from such transactions are calculated on an average cost basis.
- (iii) Interest income is recognized as earned.
- (iv) Management fees are accrued daily at the rate of 0.20% per annum of the net assets of the fund and are paid monthly to the MFA.
- (v) Net earnings from operations are distributed to unitholders weekly and at month end as additional units of the fund.
- (vi) Accretion of discounts and premiums are amortized on a straight line rate basis over the term of the investment.

**2. Financial instruments:**

All unitholder receivables, accrued management fees and unitholder payables have been classified as loans and receivables or other liabilities and are recorded at amortized cost using the effective yield basis.

Transaction costs are expensed and included in the statement of earnings and unitholders' equity in the period incurred.

Investments are designated as held for trading and recorded at market value measured at mid-market prices which approximate bid values.

**a. Risk management:**

Risk management is achieved through segregation of duties whereby the investment management decisions are undertaken by a professional fund manager (Phillips Hager North Investment Management Ltd.), custody of the assets and accounting functions undertaken by a professional custodian (CIBC Mellon Trust Company), and overall governance of the funds monitored by the Investment Advisory Committee comprised of Trustees of the MFA. The Investment Advisory Committee establishes the investing guidelines and reviews the fund manager's compliance and assesses performance in comparison to the FTSE TMX 30-Day Treasury Bill Index, the FTSE TMX 365-Day Treasury Bill Index, and the FTSE TMX Short Term Index.

**b. Liquidity risk:**

Liquidity risk arises from the risk that a portfolio may not be able to settle or meet its obligation on time or at a reasonable price.

Each portfolio is exposed to daily cash redemptions of units at the current Net Assets Value per unit at the option of the unitholder. The funds invest



the majority of their assets in securities that are traded in an active market and can be readily disposed of. In addition each Fund retains sufficient cash and cash equivalent positions to maintain liquidity.

As of December 31, 2015 the duration of the funds was 67 days for Money Market Fund, 1.1 years for the Intermediate Fund and 2.9 years for the Bond Fund.

**c. Interest rate risk:**

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or fair values of financial instruments.

The funds invest primarily in interest bearing securities and are therefore susceptible to market rate fluctuations. The short duration of the investments lessens the affect of changes in interest rates.

**d. Credit risk:**

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge its obligation or commitment.

The fund manager moderates risk through a conservative selection of securities and diversification within the parameters of the investment policy.

The investment portfolio is carried at fair value and represents the maximum credit risk exposure as at December 31, 2015.

**e. Currency risk:**

The funds are not subject to currency risk. The functional currency is the Canadian dollar and all transactions are denominated in Canadian dollars.

**3. Investments:**

The investments held by the FNFA represent their unitholders proportionate share of securities invested in the Money Market Fund, Intermediate Fund and Bond Fund administered by the MFAs Pooled Investment Funds.

As at December 31 the Money Market Fund, Intermediate Fund and Bond Fund of the MFA held the following securities:

	2015			2014		
	Money Market Fund	Intermediate Fund	Bond Fund	Money Market Fund	Intermediate Fund	Bond Fund
Bankers' acceptance	9.32%	-	-	8.84%	-	-
Corporate bonds	11.00%	56.84%	38.17%	6.02%	69.90%	48.54%
Treasury bills and term deposits	-	15.36%	-	-	14.26%	-
Commercial paper	79.68%	-	-	85.14%	-	-
Federal bonds	-	-	30.26%	-	-	30.40%
Provincial bonds	-	14.76%	17.63%	-	15.84%	7.08%
Mortgages	-	13.04%	9.50%	-	-	7.91%
Pooled funds	-	-	4.44%	-	-	6.07%
	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

The investments of the FNFA unit holders represent approximately 1.23% (2014 - 1.01%) of the Money Market Fund, 1.13% (2014 - 1.27%) of the Intermediate Fund, and 0.25% (2014 - 0.29%) of the Bond Fund administered by the MFAs Pooled Investment Funds.

## MFA OF BC - INTERMEDIATE FUND as of December 2015

### SHORT TERM

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
BC PROV DPN	DISCNT	NOV 25 16	14,200,000	14,107,274.00	3.80%
ONTARIO PROV PTB	DISCNT	AUG 24 16	11,735,000	11,672,100.40	3.14%
ONTARIO PROV PTB	DISCNT	JUN 15 16	17,009,000	16,878,297.19	4.55%
ONTARIO PROV PTB	DISCNT	MAY 04 16	2,547,000	2,529,547.30	0.68%
ONTARIO PROV PTB	DISCNT	MAY 11 16	5,341,000	5,305,484.94	1.43%
QUEBEC PROV PTB	DISCNT	SEP 23 16	6,800,000	6,762,940.00	1.82%
<b>SHORT TERM TOTAL</b>				<b>57,255,643.83</b>	<b>15.42%</b>

### BONDS

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
ONTARIO PROV	3.200	SEP 08 16	24,980,000	25,419,739.93	6.85%
ONTARIO PROV	4.300	MAR 08 17	10,000,000	10,425,337.60	2.81%
QUEBEC PROV	4.500	DEC 01 16	18,215,000	18,851,107.51	5.08%
BANK OF MONTREAL	2.390	JUL 12 17	23,950,000	24,386,738.07	6.57%
BANK OF N.S.	2.100	NOV 08 16	25,700,000	25,919,661.24	6.98%
bcIMC REALTY CORP	2.650	JUN 29 17	16,055,000	16,380,216.02	4.41%
BELL CANADA	4.370	SEP 13 17	2,500,000	2,613,336.78	0.70%
BELL CANADA	5.000	FEB 15 17	2,250,000	2,335,036.14	0.63%
BROOKFIELD ASSET MGT	5.200	SEP 08 16	2,225,000	2,276,635.33	0.61%
CHOICE PROP LP	3.000	APR 20 17	3,135,000	3,178,961.16	0.86%
CIBC	2.350	OCT 18 17	24,315,000	24,761,905.08	6.67%
ENBRIDGE GAS DIS	1.850	APR 24 17	3,500,000	3,518,516.50	0.95%
GENESIS TRUST II	2.295	FEB 15 17	25,785,000	26,101,249.67	7.03%
HOLLIS REC TR II	2.235	SEP 26 16	22,075,000	22,289,122.42	6.00%
HSBC BANK CANADA	2.901	JAN 13 17	17,625,000	17,927,818.30	4.83%
MASTER CR CARD TRUST	2.626	JAN 21 17	8,525,000	8,656,275.71	2.33%
NATIONAL BK CDA	2.702	DEC 15 16	23,340,000	23,703,264.93	6.38%
ROGERS COMMUNICATION	3.000	JUN 06 17	2,500,000	2,547,320.48	0.69%
ROYAL BANK CDA	3.660	JAN 25 17	17,950,000	18,422,488.88	4.96%
TD BANK	2.433	AUG 15 17	13,465,000	13,730,763.82	3.70%
TELLUS CORP	4.950	MAR 15 17	2,500,000	2,599,875.20	0.70%
WELLS FARGO FIN CDA	2.774	FEB 09 17	17,620,000	17,939,026.66	4.83%
<b>BONDS TOTAL</b>				<b>313,984,397.43</b>	<b>84.58%</b>
<b>PORTFOLIO TOTALS IN CANADIAN DOLLARS</b>				<b>371,240,041.26</b>	<b>100.00%</b>
<b>TOTAL INCLUDING ACCRUED INTEREST</b>				<b>373,799,768.88</b>	

## MFA BC - BOND FUND - December 2015

### SHORT TERM

ISSUER	ISSUE	HOLDINGS	MARKET VALUE	% OF TOTAL
PHILLIPS HAGER&NORTH	INST STIF SR 0	3,385,695	33,856,954.87	4.45%
<b>SHORT TERM TOTAL</b>			<b>33,856,954.87</b>	<b>4.45%</b>

### BONDS

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
CANADA GOVT	0.750	SEP 01 20	57,018,000	57,075,221.55	7.51%
CANADA GOVT	1.250	AUG 01 17	7,199,000	7,286,015.46	0.96%
CANADA GOVT	1.250	MAR 01 18	3,395,000	3,451,382.97	0.45%
CANADA GOVT	1.500	MAR 01 20	2,935,000	3,038,773.18	0.40%
CANADA GOVT	1.750	MAR 01 19	1,945,000	2,018,832.76	0.27%
CANADA GOVT	1.750	SEP 01 19	958,000	997,814.41	0.13%
CANADA GOVT	2.750	JUN 01 22	155,000	171,496.85	0.02%
CANADA GOVT	3.250	JUN 01 21	1,798,000	2,024,796.99	0.27%
CANADA GOVT	3.750	JUN 01 19	1,405,000	1,556,107.40	0.20%
CANADA GOVT	4.250	JUN 01 18	1,215,000	1,324,016.09	0.17%
CANADA HOUSING TRUST	1.450	JUN 15 20	20,709,000	20,961,884.02	2.76%
CANADA HOUSING TRUST	1.700	DEC 15 17	32,690,000	33,319,450.53	4.38%
CANADA HOUSING TRUST	1.750	JUN 15 18	2,018,000	2,064,883.57	0.27%
CANADA HOUSING TRUST	1.950	JUN 15 19	1,232,000	1,272,485.43	0.17%
CANADA HOUSING TRUST	2.000	DEC 15 19	20,570,000	21,298,969.74	2.80%
CANADA HOUSING TRUST	2.050	JUN 15 17	37,893,000	38,672,892.51	5.09%
CANADA HOUSING TRUST	2.050	JUN 15 18	9,109,000	9,386,498.12	1.23%

MFA BC - BOND FUND - December 2015 - (continued)

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
CANADA HOUSING TRUST	2.350	DEC 15 18	20,412,000	21,281,773.89	2.80%
CANADA HOUSING TRUST	4.100	DEC 15 18	2,835,000	3,099,607.28	0.41%
NHA MBS 97500715	1.650	MAR 01 18	3,191,657	3,221,291.91	0.42%
NHA MBS 97500720	0.650	JUN 01 16	982,561	981,869.22	0.13%
NHA MBS 97500721	1.250	DEC 01 17	1,775,008	1,779,774.24	0.23%
NHA MBS 97500982	1.650	APR 01 18	2,895,054	2,921,552.08	0.38%
NHA MBS 97501189	1.670	MAY 01 18	1,310,600	1,323,122.85	0.17%
NHA MBS 97501190	1.500	DEC 01 17	1,345,440	1,354,159.52	0.18%
NHA MBS 97502888	1.600	MAR 01 19	2,038,095	2,055,228.91	0.27%
NHA MBS 97503417	1.750	AUG 01 19	3,377,971	3,412,842.25	0.45%
NHA MBS 97503875	2.000	SEP 01 19	2,571,703	2,616,638.17	0.34%
NHA MBS 97504101	1.900	NOV 01 19	1,682,034	1,705,448.36	0.22%
NHA MBS 97504367	1.800	DEC 01 19	1,251,879	1,264,888.38	0.17%
NHA MBS 97504749	1.200	FEB 01 20	1,541,790	1,530,207.68	0.20%
NHA MBS 97505604	1.200	JUN 01 20	2,434,099	2,411,262.77	0.32%
NHA MBS 97505980	1.386	SEP 01 20	2,632,803	2,616,107.98	0.34%
NHA MBS 97537187	1.700	DEC 01 17	2,898,731	2,925,152.50	0.38%
NHA MBS 97570790	1.200	AUG 01 16	237,365	237,687.83	0.03%
NHA MBS 97572770	1.500	SEP 01 16	1,088,702	1,092,098.50	0.14%
NHA MBS 97577399	1.500	DEC 01 16	1,619,798	1,626,437.46	0.21%
NHA MBS 97578983	1.350	MAR 01 16	406	406.00	0.00%
NHA MBS 97591051	1.700	AUG 01 17	2,940,682	2,965,845.80	0.39%
NHA MBS 97592331	1.950	SEP 01 17	2,257,989	2,286,191.44	0.30%
NHA MBS 97594733	1.500	SEP 01 17	1,872,522	1,884,253.84	0.25%
ALBERTA PROV	1.250	JUN 01 20	8,838,000	8,802,026.25	1.16%
ONTARIO PROV	2.100	SEP 08 18	60,123,000	61,960,411.79	8.15%
ONTARIO PROV	4.200	JUN 02 20	27,425,000	30,779,823.73	4.05%
ONTARIO PROV	4.400	JUN 02 19	29,101,000	32,282,780.82	4.25%
407 INTL INC	3.870	NOV 24 17	2,341,000	2,445,044.22	0.32%
ALTAGAS INCOME TRUST	5.490	MAR 27 17	1,303,000	1,360,382.71	0.18%
ALTAGAS LTD	4.550	JAN 17 19	355,000	377,195.64	0.05%
ALTALINK INV LP	2.244	MAR 07 22	911,000	893,363.19	0.12%
ALTALINK INV LP	3.265	JUN 05 20	695,000	722,576.08	0.10%
ALTALINK INV LP	3.674	JUN 05 19	2,226,000	2,331,756.86	0.31%
ALTALINK LP	3.621	SEP 17 20	765,000	829,304.31	0.11%
ALTALINK LP	5.207	DEC 16 16	1,557,000	1,609,270.87	0.21%
AT&T INC	3.825	NOV 25 20	3,095,000	3,286,197.43	0.43%
BANK OF MONTREAL	2.100	OCT 06 20	1,675,000	1,685,379.94	0.22%
BANK OF MONTREAL	2.240	DEC 11 17	2,908,000	2,958,728.23	0.39%
BANK OF MONTREAL	2.960	AUG 02 16	8,998,000	9,099,296.33	1.20%
BANK OF MONTREAL	3.490	JUN 10 16	2,941,000	2,972,789.03	0.39%
BANK OF MONTREAL	4.550	AUG 01 17	1,915,000	2,013,182.41	0.26%
BANK OF MONTREAL	6.020	MAY 02 18	1,185,000	1,308,638.98	0.17%
BANK OF MONTREAL F/F	5.100	APR 21 16/21	1,020,000	1,031,252.03	0.14%
BANK OF NOVA SCOTIA	1.330	MAY 01 18	8,194,000	8,167,801.08	1.07%
BANK OF NOVA SCOTIA	2.090	SEP 09 20	715,000	716,633.45	0.09%
BANK OF NOVA SCOTIA	2.242	MAR 22 18	2,780,000	2,828,511.78	0.37%
BANK OF NOVA SCOTIA	2.370	JAN 11 18	3,000,000	3,057,303.63	0.40%
BANK OF NOVA SCOTIA	4.100	JUN 08 17	7,017,000	7,300,802.85	0.96%
BC GAS UTILITY	10.300	SEP 30 16	869,000	924,830.33	0.12%
bcIMC REALTY CORP	2.100	JUN 03 21	686,000	687,922.90	0.09%
bcIMC REALTY CORP	2.650	JUN 29 17	1,861,000	1,898,697.10	0.25%
BELL CANADA	3.500	SEP 10 18	1,890,000	1,971,635.34	0.26%
BELL CANADA	4.370	SEP 13 17	455,000	475,627.29	0.06%
BELL CANADA	4.400	MAR 16 18	625,000	660,629.12	0.09%
BELL CANADA	4.880	APR 26 18	390,000	417,001.02	0.05%
BELL CANADA	5.520	FEB 26 19	2,196,000	2,429,830.94	0.32%
BELL CANADA	3.000	OCT 03 22	2,190,000	2,212,094.01	0.29%
BK OF MONT NVCC F/F	3.120	SEP 19 19/24	3,476,000	3,501,224.32	0.46%
BK OF MONT NVCC F/F	3.340	DEC 08 20/25	2,445,000	2,466,180.33	0.32%
BLACKBIRD INFRA F/F	1.713	JAN 08 20/21	1,026,000	1,024,827.45	0.13%
BROOKFIELD ASSET MGT	3.950	APR 09 19	1,585,000	1,660,127.32	0.22%
BROOKFIELD INFRASTR	3.538	OCT 30 20	875,000	881,327.29	0.12%
BROOKFIELD INFRASTR	3.455	OCT 10 17	268,000	272,957.16	0.04%
BROOKFIELD RENEW PWR	5.140	OCT 13 20	220,000	244,123.45	0.03%
CAMECO CORPORATION	3.750	NOV 14 22	980,000	1,006,412.44	0.13%
CARDS II TRUST	2.100	JUN 03 22	4,214,000	4,214,816.13	0.55%
CARDS II TRUST	2.650	JUN 29 18	3,005,000	3,027,541.35	0.40%
CDN CREDIT CRD TRUST	3.500	SEP 10 19	2,505,000	2,501,902.62	0.33%
CDN NATURAL RESOURCE	4.370	SEP 13 18	1,985,000	1,981,678.82	0.26%
CDN NATURAL RESOURCE	4.400	MAR 16 19	430,000	432,851.08	0.06%
CHOICE PROP LP	4.880	APR 26 19	1,501,000	1,502,661.83	0.20%
CHOICE PROP LP	5.520	FEB 26 20	755,000	765,587.14	0.10%
CHOICE PROP LP	3.000	OCT 03 23	3,535,000	3,725,806.40	0.49%
CHOICE PROP REIT	3.120	SEP 19 19/25	1,490,000	1,560,059.74	0.21%
CI FINANCIAL	3.340	DEC 08 20/26	1,680,000	1,699,231.31	0.22%



MFA BC - BOND FUND - December 2015 - (continued)

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
CIBC	1.713	JAN 08 20/22	6,088,000	6,118,194.53	0.80%
CIBC	3.950	APR 09 20	5,855,000	5,874,058.14	0.77%
CIBC	3.538	OCT 30 21	985,000	1,002,456.17	0.13%
CIBC	3.455	OCT 10 18	403,000	410,407.06	0.05%
CIBC	5.140	OCT 13 21	2,312,000	2,342,545.61	0.31%
CIBC NVCC F/F	3.750	NOV 14 23	4,665,000	4,678,832.52	0.62%
COMINAR REAL EST	2.100	JUN 03 23	783,000	824,525.50	0.11%
COMINAR REIT	2.650	JUN 29 19	605,000	610,707.27	0.08%
COMINAR REIT	3.500	SEP 10 20	1,320,000	1,313,555.38	0.17%
COMINAR REIT	4.370	SEP 13 19	583,000	589,416.65	0.08%
CROMBIE REIT	4.400	MAR 16 20	1,291,000	1,278,323.96	0.17%
CROMBIE REIT	4.880	APR 26 20	41,000	42,115.75	0.01%
CROMBIE REIT	5.520	FEB 26 21	930,000	963,079.99	0.13%
EAGLE CREDIT CARD TR	3.000	OCT 03 24	2,740,000	2,834,058.01	0.37%
EAGLE CREDIT CR TRST	3.120	SEP 19 19/26	1,615,000	1,622,054.61	0.21%
EMERA INC	3.340	DEC 08 20/27	4,500,000	4,558,521.83	0.60%
ENBRIDGE GAS DIS	1.713	JAN 08 20/23	1,750,000	1,759,258.25	0.23%
ENBRIDGE GAS DIS	3.950	APR 09 21	1,500,000	1,637,898.29	0.22%
ENBRIDGE GAS DIS	3.538	OCT 30 22	1,530,000	1,633,624.50	0.21%
ENBRIDGE INC	3.455	OCT 10 19	3,862,000	3,817,688.65	0.50%
ENBRIDGE INC	5.140	OCT 13 22	415,000	432,035.20	0.06%
ENBRIDGE INC	3.750	NOV 14 24	1,996,000	2,120,678.64	0.28%
ENBRIDGE INCOME FUND	2.100	JUN 03 24	1,210,000	1,226,653.71	0.16%
ENBRIDGE INCOME FUND	2.650	JUN 29 20	379,000	393,727.93	0.05%
ENBRIDGE INCOME FUND	3.500	SEP 10 21	291,000	311,934.61	0.04%
ENBRIDGE PIPELINES	4.370	SEP 13 20	4,065,000	4,422,648.37	0.58%
ENBRIDGE PIPELINES	4.400	MAR 16 21	820,000	891,475.37	0.12%
ENBRIDGE PIPELINES	4.880	APR 26 21	2,085,000	2,355,338.29	0.31%
ENMAX CORP	5.520	FEB 26 22	1,600,000	1,760,014.30	0.23%
EPCOR UTILITIES	3.000	OCT 03 25	40,000	40,474.46	0.01%
FIRST CAP REALTY	3.120	SEP 19 19/27	1,738,000	1,886,894.49	0.25%
FIRST CAP REALTY	3.340	DEC 08 20/28	306,000	332,726.45	0.04%
FIRST CAP REALTY	1.713	JAN 08 20/24	235,000	265,583.76	0.03%
GENESIS TRUST II	3.950	APR 09 22	5,440,000	5,456,755.69	0.72%
GENESIS TRUST II	3.538	OCT 30 23	2,305,000	2,292,931.57	0.30%
GENESIS TRUST II	3.455	OCT 10 20	17,438,000	17,651,874.80	2.32%
GENESIS TRUST II	5.140	OCT 13 23	455,000	466,254.02	0.06%
GRANITE REIT HLDGS	3.750	NOV 14 25	750,000	769,429.97	0.10%
H&R REAL EST INV	2.100	JUN 03 25	535,000	546,766.73	0.07%
HEATHROW FUNDING	2.650	JUN 29 21	405,000	418,021.39	0.05%
HOLLIS REC TR II	3.500	SEP 10 22	3,805,000	3,790,526.35	0.50%
HOLLIS REC TR II	4.370	SEP 13 21	405,000	414,473.75	0.05%
HSBC BANK CANADA	4.400	MAR 16 22	145,000	142,523.05	0.02%
HSBC BANK CANADA	4.880	APR 26 22	2,740,000	2,756,691.70	0.36%
HSBC BANK CANADA	5.520	FEB 26 23	7,308,000	7,433,560.06	0.98%
HSBC BANK CANADA	3.000	OCT 03 26	1,360,000	1,389,660.02	0.18%
HSBC BANK CANADA	3.120	SEP 19 19/28	100,000	103,283.32	0.01%
HSBC BANK OF CDA	3.340	DEC 08 20/29	4,130,000	4,149,188.02	0.55%
HUSKY ENERGY INC	1.713	JAN 08 20/25	1,764,000	1,930,747.18	0.25%
HYDRO ONE	3.950	APR 09 23	1,547,000	1,605,890.93	0.21%
JOE BRANT ELLISON	3.538	OCT 30 24	1,387,000	1,397,416.37	0.18%
JOHN DEERE CDA FUND	3.455	OCT 10 21	5,000	5,040.58	0.00%
JOHN DEERE CDA FUND	5.140	OCT 13 24	704,000	704,106.82	0.09%
LOBLAW COS	3.750	NOV 14 26	2,355,000	2,491,769.99	0.33%
LOWER MATTAGAMI ENGY	2.100	JUN 03 26	755,000	767,545.73	0.10%
MAGNA INTERNATIONAL	2.650	JUN 29 22	515,000	522,199.33	0.07%
MAN TELECOM SVS INC	3.500	SEP 10 23	789,000	839,125.15	0.11%
MOLSON COORS INTL LP	4.370	SEP 13 22	3,020,000	3,017,997.86	0.40%
MOLSON COORS INTL LP	4.400	MAR 16 23	2,375,000	2,372,578.59	0.31%
MOLSON COORS INTL LP	4.880	APR 26 23	170,000	175,316.71	0.02%
NATL GRID ELECT TRAN	5.520	FEB 26 24	635,000	648,847.90	0.09%
NATL GRID ELECT TRAN	3.000	OCT 03 27	4,500,000	4,695,800.31	0.62%
NORTH WEST REDWATER	3.120	SEP 19 19/29	3,355,000	3,306,382.76	0.43%
NOVA GAS TRANS LTD	12.200	FEB 28 16	1,031,000	1,047,046.51	0.14%
OMERS REALTY CORP	2.473	NOV 12 19	915,000	941,733.32	0.12%
OMERS REALTY CORP	2.498	JUN 05 18	1,649,000	1,688,196.32	0.22%
OMERS REALTY CORP	2.971	APR 05 21	990,000	1,035,924.70	0.14%
OMERS REALTY CORP	3.203	JUL 24 20	840,000	890,155.84	0.12%
PEMBINA PIPELINE	4.890	MAR 29 21	1,607,000	1,765,921.18	0.23%
RIOCAN REAL ESTATE	2.870	MAR 05 18	250,000	254,868.83	0.03%
ROGERS COMMUNICATION	2.800	MAR 13 19	2,255,000	2,311,453.25	0.30%
ROGERS COMMUNICATION	3.000	JUN 06 17	713,000	726,495.80	0.10%
ROGERS COMMUNICATION	4.700	SEP 29 20	285,000	313,899.87	0.04%
ROYAL BANK CDA	1.920	JUL 17 20	4,025,000	4,024,040.88	0.53%
ROYAL BANK CDA	1.968	MAR 02 22	3,124,000	3,060,209.23	0.40%
ROYAL BANK CDA	2.260	MAR 12 18	2,017,000	2,053,305.27	0.27%

**MFA BC - BOND FUND - December 2015 - (continued)**

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
ROYAL BANK CDA	2.350	DEC 09 19	1,995,000	2,037,214.58	0.27%
ROYAL BANK CDA	2.580	APR 13 17	1,523,000	1,549,574.58	0.20%
ROYAL BANK CDA	2.770	DEC 11 18	530,000	548,006.83	0.07%
ROYAL BANK CDA	2.820	JUL 12 18	4,065,000	4,198,423.14	0.55%
ROYAL BANK CDA	2.890	OCT 11 18	1,418,000	1,469,727.52	0.19%
SHAW COMMUNICATIONS	5.650	OCT 01 19	2,708,000	3,009,638.46	0.40%
SHAW COMMUNICATIONS	5.700	MAR 02 17	1,213,000	1,266,932.36	0.17%
SOBEYS INC	3.520	AUG 08 18	1,871,000	1,938,658.77	0.26%
TD BANK	1.824	APR 03 17	8,638,000	8,709,899.52	1.15%
TD BANK	2.433	AUG 15 17	1,141,000	1,163,520.35	0.15%
TD BANK	2.621	DEC 22 21	2,400,000	2,452,632.62	0.32%
TD BANK	2.948	AUG 02 16	2,779,000	2,810,238.04	0.37%
TD BANK NVCC F/F	2.692	JUN 24 20/25	385,000	379,598.45	0.05%
TD BANK NVCC F/F	2.982	SEP 30 20/25	4,150,000	4,128,502.09	0.54%
TELUS CORP	2.350	MAR 28 22	1,525,000	1,488,333.66	0.20%
TELUS CORP	3.650	MAY 25 16	738,000	744,796.24	0.10%
TELUS CORP	5.050	JUL 23 20	1,151,000	1,285,777.31	0.17%
TERANET HOLDINGS LP	3.646	NOV 18 22	1,265,000	1,288,024.23	0.17%
THOMSON REUTERS CORP	3.309	NOV 12 21	590,000	605,209.83	0.08%
THOMSON REUTERS CORP	3.369	MAY 23 19	4,090,000	4,251,928.42	0.56%
TMX GROUP INC	3.253	OCT 03 18	2,680,000	2,794,523.61	0.37%
TMX GROUP INC FRN	FLTG	OCT 03 16	490,000	490,264.60	0.06%
TRANSCANADA PIPELINE	4.650	OCT 03 16	500,000	512,002.77	0.07%
TRANSCANADA PIPELINE	5.100	JAN 11 17	580,000	601,308.75	0.08%
TRANSCANADA PIPELINE	9.450	MAR 20 18	1,620,000	1,882,755.61	0.25%
UNION GAS LTD	2.760	JUN 02 21	705,000	725,552.42	0.10%
UNION GAS LTD	4.850	APR 25 22	2,077,000	2,374,342.53	0.31%
UNION GAS LTD	5.350	APR 27 18	1,175,000	1,276,190.22	0.17%
UNION GAS LTD	9.700	NOV 06 17	1,152,000	1,317,542.55	0.17%
WESTCOAST ENERGY	4.570	JUL 02 20	2,122,000	2,315,979.13	0.30%
WESTCOAST ENERGY	5.600	JAN 16 19	2,123,000	2,339,961.13	0.31%
<b>BONDS TOTAL</b>				<b>722,167,934.53</b>	<b>95.12%</b>
CMHC 1346915 AB LTD	3.240	JAN 01 19	893,134	930,100.09	0.12%
CMHC 79229 MANITOBA	4.530	JAN 01 17	1,416,880	1,462,131.43	0.19%
CMHC CYPRESS GLEN	4.4200	JUN 01 17	819,762	851,506.41	0.11%
<b>MORTGAGES TOTAL</b>				<b>3,243,737.93</b>	<b>0.43%</b>
<b>PORTFOLIO TOTALS IN CANADIAN DOLLARS</b>				<b>759,268,627.33</b>	<b>100.00%</b>
<b>TOTAL INCLUDING ACCRUED INTEREST</b>				<b>762,635,425.45</b>	

**MFA MONEY MARKET FUND 2015**

**SHORT TERM NOTES**

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
ALTALINK LP D/N	DISCNT	JAN 29 16	22,000,000	21,971,340.00	1.97%
ALTALINK LP D/N	DISCNT	MAR 07 16	10,000,000	9,983,300.00	0.90%
BANNER TRUST D/N	DISCNT	JAN 08 16	15,000,000	14,971,950.00	1.34%
BANNER TRUST D/N	DISCNT	MAR 21 16	19,240,000	19,196,902.40	1.72%
BANNER TRUST D/N	DISCNT	MAY 19 16	15,000,000	14,937,000.00	1.34%
BAY ST TRUST D/N	DISCNT	APR 05 16	16,500,000	16,433,670.00	1.48%
BAY ST TRUST D/N	DISCNT	APR 19 16	2,500,000	2,489,925.00	0.22%
BAY ST TRUST D/N	DISCNT	FEB 02 16	18,115,000	18,047,431.05	1.62%
BAY ST TRUST D/N	DISCNT	JAN 07 16	5,000,000	4,976,150.00	0.45%
BAY ST TRUST D/N	DISCNT	MAR 16 16	12,000,000	11,973,720.00	1.08%
BRKFLD ASSET MGT D/N	DISCNT	JAN 08 16	14,000,000	13,988,100.00	1.26%
C.I.B.C. B/A	DISCNT	FEB 01 16	25,100,000	24,972,492.00	2.24%
C.I.B.C. B/A	DISCNT	JAN 07 16	40,000,000	39,817,200.00	3.57%
CDN MASTER TRUST D/N	DISCNT	FEB 09 16	8,500,000	8,468,125.00	0.76%
CDN MASTER TRUST D/N	DISCNT	JAN 07 16	11,000,000	10,947,530.00	0.98%
CDN MASTER TRUST D/N	DISCNT	JUN 29 16	5,400,000	5,374,674.00	0.48%
CENTRAL 1 CU D/N	DISCNT	FEB 01 16	11,300,000	11,291,299.00	1.01%
CENTRAL 1 CU D/N	DISCNT	MAY 25 16	10,000,000	9,957,300.00	0.89%
CENTRAL 1 CU D/N	DISCNT	MAY 26 16	17,000,000	16,927,750.00	1.52%
CLARITY TRUST D/N	DISCNT	APR 18 16	9,000,000	8,962,740.00	0.80%
CLARITY TRUST D/N	DISCNT	JAN 14 16	12,000,000	11,977,560.00	1.08%
ENBR GAS DIST D/N	DISCNT	JAN 05 16	5,300,000	5,292,368.00	0.48%
ENBRIDGE PPL INC D/N	DISCNT	JAN 11 16	17,650,000	17,638,880.50	1.58%
ENBRIDGE PPL INC D/N	DISCNT	JAN 18 16	10,000,000	9,992,100.00	0.90%
FORTISBC ENRGY D/N	DISCNT	FEB 03 16	6,500,000	6,487,065.00	0.58%

**MFA MONEY MARKET FUN 2015 - (continued)**

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
FORTISBC ENRGY D/N	DISCNT	JAN 06 16	7,150,000	7,139,704.00	0.64%
FORTISBC ENRGY D/N	DISCNT	JAN 07 16	5,000,000	4,993,000.00	0.45%
FORTISBC ENRGY D/N	DISCNT	JAN 27 16	9,000,000	8,986,860.00	0.81%
HSBC SECURITIES B/A	DISCNT	JAN 07 16	7,250,000	7,245,577.50	0.65%
HSBC SECURITIES B/A	DISCNT	JAN 19 16	15,000,000	14,979,300.00	1.34%
HUSKY ENERGY INC D/N	DISCNT	JAN 13 16	2,275,000	2,273,453.00	0.20%
HUSKY ENERGY INC D/N	DISCNT	JAN 20 16	10,000,000	9,992,300.00	0.90%
HYDRO ONE D/N	DISCNT	APR 29 16	3,500,000	3,485,860.00	0.31%
HYDRO ONE D/N	DISCNT	JAN 05 16	20,875,000	20,842,435.00	1.87%
HYDRO ONE D/N	DISCNT	MAR 08 16	6,650,000	6,635,569.50	0.60%
INTER PPL COR D/N	DISCNT	FEB 09 16	6,000,000	5,987,760.00	0.54%
INTER PPL COR D/N	DISCNT	JAN 08 16	7,050,000	7,043,161.50	0.63%
INTER PPL COR D/N	DISCNT	JAN 11 16	17,000,000	16,982,830.00	1.52%
KING ST TRUST D/N	DISCNT	APR 05 16	21,475,000	21,388,670.50	1.92%
KING ST TRUST D/N	DISCNT	APR 06 16	7,000,000	6,972,210.00	0.63%
KING ST TRUST D/N	DISCNT	MAR 18 16	2,000,000	1,992,300.00	0.18%
KING ST TRUST D/N	DISCNT	MAR 22 16	12,000,000	11,953,800.00	1.07%
KING ST TRUST D/N	DISCNT	MAR 24 16	10,000,000	9,961,000.00	0.89%
MERIT TRUST D/N	DISCNT	FEB 03 16	10,965,000	10,924,100.55	0.98%
MERIT TRUST D/N	DISCNT	JUN 28 16	5,000,000	4,976,550.00	0.45%
MERIT TRUST D/N	DISCNT	MAR 01 16	9,000,000	8,966,430.00	0.81%
MERIT TRUST D/N	DISCNT	MAY 19 16	16,000,000	15,932,800.00	1.43%
NISSAN CDA FIN D/N	DISCNT	JAN 06 16	16,000,000	15,987,360.00	1.44%
NOVA SCOTIA PWR D/N	DISCNT	JAN 05 16	5,000,000	4,995,750.00	0.45%
PLAZA TRUST D/N	DISCNT	FEB 09 16	20,840,000	20,761,224.80	1.86%
PLAZA TRUST D/N	DISCNT	JAN 06 16	7,600,000	7,565,268.00	0.68%
PLAZA TRUST D/N	DISCNT	JAN 20 16	10,440,000	10,401,058.80	0.93%
PRIME TRUST D/N	DISCNT	JUN 08 16	10,300,000	10,255,710.00	0.92%
PRIME TRUST D/N	DISCNT	MAR 22 16	31,200,000	31,133,232.00	2.80%
RIDGE TRUST D/N	DISCNT	APR 14 16	1,500,000	1,493,940.00	0.13%
RIDGE TRUST D/N	DISCNT	JAN 06 16	13,960,000	13,892,014.80	1.25%
RIDGE TRUST D/N	DISCNT	JAN 07 16	3,965,000	3,946,086.95	0.35%
SAFE TRUST S96 1 D/N	DISCNT	FEB 04 16	6,000,000	5,977,620.00	0.54%
SAFE TRUST S96 1 D/N	DISCNT	FEB 26 16	10,000,000	9,962,700.00	0.89%
SAFE TRUST S96 1 D/N	DISCNT	MAR 18 16	10,000,000	9,978,100.00	0.90%
SAFE TRUST S96 1 D/N	DISCNT	MAY 24 16	15,000,000	14,936,400.00	1.34%
SOUND TRUST D/N	DISCNT	APR 04 16	5,000,000	4,980,300.00	0.45%
SOUND TRUST D/N	DISCNT	APR 25 16	2,745,000	2,733,690.60	0.25%
SOUND TRUST D/N	DISCNT	FEB 04 16	6,000,000	5,977,620.00	0.54%
SOUND TRUST D/N	DISCNT	JAN 05 16	15,000,000	14,927,400.00	1.34%
SOUND TRUST D/N	DISCNT	JAN 06 16	8,000,000	7,984,880.00	0.72%
SOUND TRUST D/N	DISCNT	JAN 07 16	4,000,000	3,981,640.00	0.36%
SOUND TRUST D/N	DISCNT	JAN 15 16	5,850,000	5,845,905.00	0.52%
SOUND TRUST D/N	DISCNT	MAR 08 16	7,500,000	7,472,025.00	0.67%
STORM KING D/N	DISCNT	FEB 11 16	15,000,000	14,943,000.00	1.34%
SURE TRUST D/N	DISCNT	APR 26 16	5,000,000	4,979,400.00	0.45%
SURE TRUST D/N	DISCNT	JAN 14 16	20,000,000	19,962,600.00	1.79%
SURE TRUST D/N	DISCNT	MAR 03 16	25,000,000	24,948,500.00	2.24%
SURE TRUST D/N	DISCNT	MAY 02 16	3,135,000	3,122,052.45	0.28%
T D BANK B/A	DISCNT	JUN 30 16	16,825,000	16,749,792.25	1.50%
T D BANK BDN	DISCNT	JUN 03 16	45,000,000	44,797,950.00	4.02%
T D BANK BDN	DISCNT	JUN 07 16	25,000,000	24,887,750.00	2.23%
TMX GROUP LTD D/N	DISCNT	FEB 02 16	5,000,000	4,995,800.00	0.45%
TMX GROUP LTD D/N	DISCNT	JAN 13 16	2,625,000	2,622,926.25	0.24%
UNION GAS LTD D/N	DISCNT	JAN 14 16	16,275,000	16,269,141.00	1.46%
ZEUS REC TRUST D/N	DISCNT	FEB 05 16	13,275,000	13,224,953.25	1.19%
ZEUS REC TRUST D/N	DISCNT	MAR 01 16	6,000,000	5,977,500.00	0.54%
ZEUS REC TRUST D/N	DISCNT	MAY 26 16	32,775,000	32,637,345.00	2.93%

**SHORT TERM TOTAL**
**992,040,879.65**
**89.07%**
**BONDS**

ISSUER	ISSUE	MATURITY DATE	HOLDINGS	MARKET VALUE	% OF TOTAL
BANK OF MONTREAL	2.960	AUG 02 16	25,875,000	26,166,291.69	2.35%
BANK OF MONTREAL	3.103	MAR 10 16	7,800,000	7,830,438.33	0.70%
BANK OF N.S. FRN	FLTG	MAR 11 16	8,750,000	8,750,350.00	0.79%
BANK OF NOVA SCOTIA	1.800	MAY 09 16	15,580,000	15,634,307.05	1.40%
BANK OF NOVA SCOTIA	3.610	FEB 22 16	15,850,000	15,903,379.00	1.43%
CIBC	1.750	JUN 01 16	17,500,000	17,556,962.85	1.58%
CIBC	3.400	JAN 14 16	22,500,000	22,509,271.35	2.02%
TD BANK FRN	FLTG	APR 21 16	7,350,000	7,352,278.50	0.66%

**BONDS TOTAL**
**121,703,278.77**
**10.93%**  
**100.00%**



# FNFA Management Team



**Ernie Daniels** | PRESIDENT/CEO

As a Chartered Professional Accountant (CPA) and a Certified Aboriginal Financial Manager (CAFM), Ernie is well equipped to navigate the organization through new and unexplored territory. As President /CEO he has been delegated the authority by the Board of Directors to manage the business affairs of the FNFA. Prior to coming to the FNFA, he was President/COO of the Aboriginal Financial Officers Association of Canada and Director of Assessment and Finance Operations at the Aboriginal Healing Foundation.

Ernie has a lifetime of experience with Aboriginal development corporations and non-profit organizations in leadership and management positions. He was a member of the CICA Research Study Group looking at financial reporting by First Nations and has served as Chair of the NWT Legislative Assembly Society, Chair of the NWT Development Corporation and is a former Board member of the First Nations Financial Management Board (FMB). His dedication to advancing First Nations in business and finance has won him the AFOA-Xerox Excellence in Aboriginal Leadership Award.

Ernie is a member of the Salt River First Nation in the Northwest Territories.



**Steve Berna** | CHIEF OPERATING OFFICER

As COO, Steve is responsible for operating the loan programs of the FNFA, as well as managing the rating agency and banking syndicate relationships that lead to debenture issuances. Steve also manages FNFA's internal investment portfolios.

Steve spent 17 years, seven as CEO, developing the cooperative borrowing/investing model used in British Columbia, where all 210 local governments, regardless of size, received the benefits of a "AAA" credit rating (Municipal Finance Authority of BC). Debenture issuance was international in scope, and included complex Public Private Partnerships in Metro Vancouver area. Steve is a Chartered Professional Accountant (CPA) and has successfully completed the Canadian Securities Course with honours.



**Pam Severson** | FINANCE OFFICER/CORPORATE CLERK

As Finance Officer, Pam is responsible for all finance and accounting operations, payroll, management of the capital financing program, interim financing program, coordinating the information systems, and debenture software development. As Corporate Clerk, Pam is responsible to the Board of Directors, Committees and Senior Management for organizing and managing activities and records.

Pam has been with the FNFA since it started in the mid 1990's. Throughout the early development phase the FNFA was supported by the Westbank First Nation for which Pam was employed for ten years as manager and accountant of the property tax department.



**Jo-Ann Derrickson** | CLIENT SERVICES COORDINATOR

As Client Services Coordinator, Jo-Ann works very closely with the First Nations to assist them through the FNFA Membership and Borrowing processes. Her knowledge and experience in the area of First Nations business administration and governance provides an extensive skill set in leadership, managing both people and systems with a strong focus on organizational excellence.

Jo-Ann is a member of the Westbank First Nation (WFN) and contributed to her community through her various roles over the past twenty years as Health Care Administrator, Director of Operations, Residential Care Facility Administrator and Manager of Community Services.



**Frank Busch** | DIRECTOR OF INFORMATION AND MARKETING

As Director of Information and Marketing, Frank is responsible for building and maintaining relationships with First Nations and providing information to First Nation Councils, Finance Staff and Members that increases awareness of the FNFA Financing, Investment and Advisory Services.

Frank is a member of the Nisichawayasihk Cree Nation and grew up in Northern Manitoba. He was educated at the University of Manitoba and has spent his professional life in the Finance Sector. In addition to working with large corporations in Canada, he also has previous experience with First Nations business, non-profits and government at the band, regional tribal council, provincial, national and international levels.



**Shannon Jenner** | ADMINISTRATIVE ASSISTANT

Shannon is the voice you hear when you call, and the smile you see when you visit the FNFA. In addition to answering phones and greeting visitors, Shannon is responsible for staff travel arrangements, various office management functions, incoming and outgoing mail, assisting in conference organization, monitoring the FNFA website and assisting administrative personnel with overflow projects.

Shannon is a member of the Westbank First Nation (WFN) and prior to working with the FNFA she worked 15 years for the WFN in several administrative positions.



**Stephen Blancher** | SYSTEMS ANALYST

As Systems Analyst, Stephen monitors and manages many aspects of the FNFA's information technology systems. He performs various tasks under a multitude of studies which include Linux Administration, Oracle Database Administration, Application Development, and offers expert IT advice and troubleshooting.

Hailing from Prince Albert, SK, Stephen moved to the beautiful Kelowna, BC ten years ago. He graduated high school and quickly went on to post-secondary at Okanagan College. Obtaining his Bachelor's Degree in 2014, Stephen is fresh out of the oven with a vast set of skills and expertise under his belt.









FIRST NATIONS FINANCE AUTHORITY

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INDEPENDENT AUDITORS  
KPMG LLP, Kelowna, BC





Pictographs: The Mishibizhiw or Great Lynx, along with canoes and serpents, are part of the Agawa Rock Pictographs. The site is found in Lake Superior Provincial Park, in Ontario, Canada.

