



First Nations
**FINANCIAL
MANAGEMENT
BOARD**

**LE CONSEIL
DE GESTION
FINANCIÈRE** des
Premières Nations

First Nations Financial Management Board

Corporate Plan 2018-2019

April 12, 2018

Table of Contents

EXECUTIVE SUMMARY	4
<i>2018/19 Strategic Goals</i>	<i>10</i>
MANDATE	12
CORPORATE PROFILE	13
CORPORATE HISTORY	14
ORGANIZATIONAL STRUCTURE.....	14
THE FMB MANAGEMENT TEAM.....	17
FISCAL MANAGEMENT ACT REGULATORY REGIME	19
BUSINESS LINES.....	22
MARKETING, FALS & STAKEHOLDER RELATIONS.....	22
CAPACITY DEVELOPMENT, INTERVENTION AND DEFAULT MANAGEMENT	23
STANDARDS AND CERTIFICATION	23
CORPORATE SERVICES	24
SEVEN STRATEGIC GOALS FOR 2018/19	25
STRATEGIC GOAL #1 – PARTICIPATE IN DEVELOPMENT OF 10 YEAR GRANTS	26
STRATEGIC GOAL #2 –BUILD NATIONAL PRESENCE.....	26
STRATEGIC GOAL #3 -PROVIDE CAPACITY DEVELOPMENT SUPPORT	26
STRATEGIC GOAL #4 - INCREASE TOTAL NUMBER OF CERTIFICATIONS	27
STRATEGIC GOAL #5 - INNOVATE AND LEVERAGE TECHNOLOGY.....	28
STRATEGIC GOAL #6 - MANAGE GROWTH THROUGH INTERNAL CAPACITY BUILDING.....	28
STRATEGIC GOAL #7 - EXPLORE STRATEGIC OPPORTUNITIES	29
ANALYSIS OF EXTERNAL ENVIRONMENT.....	30
ASSESSMENT OF CORPORATE RESOURCES	31
OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES	33
MARKETING, FAL’S AND STAKEHOLDER RELATIONS	35
CAPACITY DEVELOPMENT AND INTERVENTION AND DEFAULT MANAGEMENT	36
STANDARDS AND CERTIFICATION	38
CORPORATE SERVICES	39
FINANCIAL PLAN.....	41
NUMBER OF EMPLOYEES.....	42
PROJECTED OUTCOMES	42
APPENDIX A: DEFAULT MANAGEMENT PROGRAM PILOT PROJECT	38
APPENDIX B: FIRST NATION MAJOR PROJECT COALITION BUDGET	57
APPENDIX C: RESEARCH INTO SUPPORT SERVICES	91

List of Tables

TABLE 1 - FMB BUSINESS LINES AND ACTIVITIES	9
TABLE 2 – FINANCIAL PLAN	11
TABLE 3 - ACTIVITIES BY BUSINESS LINE.....	22
TABLE 4 - EXTERNAL ENVIRONMENT STRATEGIC ISSUES	30
TABLE 5 - ASSESSMENT OF CORPORATE RESOURCES.....	31
TABLE 6 - FMB BUSINESS LINES AND ACTIVITIES.....	34
TABLE 7 –MARKETING, FAL’S AND STAKEHOLDER RELATIONS STRATEGIES AND PERFORMANCE MEASURES	35
TABLE 8 – CAPACITY DEVELOPMENT AND INTERVENTION STRATEGIES AND PERFORMANCE MEASURES.....	37
TABLE 9 – STANDARDS AND CERTIFICATION STRATEGIES AND PERFORMANCE MEASURES	39
TABLE 10 – CORPORATE SERVICES STRATEGIES AND PERFORMANCE MEASURES	40
TABLE 11 - FINANCIAL PLAN.....	41
TABLE 12 - NUMBER OF EMPLOYEES	42

List of Figures

FIGURE 1 –FIRST NATIONS WITH FAL, FINANCIAL PERFORMANCE AND FMS’S THAT MEETS FMB STANDARDS – APRIL 1, 2018	7
FIGURE 2 – 2018/19 STRATEGIC GOALS.....	10
FIGURE 3 – PROJECTION ON NUMBER OF FIRST NATIONS SCHEDULED TO THE FMA, WITH A FAL, A FINANCIAL PERFORMANCE CERTIFICATE AND FINANCIAL MANAGEMENT SYSTEM CERTIFICATE	13
FIGURE 4 – FMB ORGANIZATIONAL CHART FOR 2018/2019	16
FIGURE 5 - AN OVERVIEW OF THE FMA REGULATORY REGIME	19

Executive Summary

The First Nations Financial Management Board (“FMB”) is Canada’s only legislated body that develops and publishes standards for First Nations’ financial management systems and financial performance. Upon request, the FMB certifies First Nations’ compliance to those standards.

The FMB provides a suite of financial management tools and services to First Nations governments seeking to strengthen their fiscal stewardship, accountability framework and develop necessary capacity to meet their expanding financial management requirements.

Since FMB became operational in 2007, the FMB has provided the tools to facilitate investment on First Nations’ lands through the certification process and the borrowing program established by the *First Nations Fiscal Management Act* (“FMA”). Through its body of standards and sample policies and procedures, the FMB upholds the principles of transparency and accountability within First Nation governments.

The FMB supports participating First Nations in the development of Financial Administration Laws and the achievement of FMB Certification. FMB Certification will not only strengthen the financial management and reporting of First Nations, but will also contribute to their access to more affordable and sustainable financing for investment in their communities.

In August 2017 the Prime Minister announced that the Government of Canada was going to dismantle the Department of Indian and Northern Affairs Canada (now called the Department of Indigenous Services Canada (“DISC”)). Since the announcement, the FMB has taken an active role in working with the DISC and the Assembly of First Nations (“AFN”) in the development of standard provisions for Financial Administration Laws (“FALs”) and Financial Performance ratios to determine eligibility for First Nations who would like to enter into a 10 year grant funding agreements with the DISC.

It is proposed by the DISC and the AFN that FMB will review and provide advice to the Minister of DISC on Financial Administration Laws that are submitted under a section 83 of the *Indian Act* and the FMB will also provide an opinion on the Financial Performance ratios of a First Nation to the DISC and the AFN so that they can determine the eligibility of First Nations for a 10 year grant funding agreement. It is important to remember that the FMB must not jeopardize its reputation with First Nations as it has built confidence with First Nations who are realizing the benefits of working with the FMB. The FMB is seen as a credible organization by First Nations across the country.

In the 2018 Federal Budget, it was announced that the *First Nations Fiscal Management Act* (“FMA”) institutions received new funds of \$50 million over the next five (5) years and then \$11 million thereafter. For the FMB this results in \$3.95 M in 2018/2019, \$5.52 M in 2019/2020, \$6.01 M in 2020/2021, \$7.13 M in 2021/2022 and \$7.7 M in 2022/2023. Additional funding from a different program is also being provided for Default Management Prevention in the amount of \$700,000 for the next two (2) fiscal years, \$1.4 M for year three (3) and then \$700,000 for years four (4) and five (5).

The excellent work the FMB has been delivering to First Nations by providing them the tools to improve their way of life through financial management is being recognized by the Government of Canada. This recognition resulted in providing the FMB with the ability to increase staffing resources from thirteen (13) to twenty eight (28) employees in the 2017/18 fiscal year. The FMB will continue to grow to forty-four-and-a-half (44.5) full time employees in 2018/19.

The Financial Management Systems (“FMS”) program is becoming widely accepted by First Nations. More and more First Nations are requesting to be added to the Schedule of the FMA. The FMB currently has approximately one hundred and twenty-eight (128) First Nations who are in the process of FMS implementation and ten (10) First Nations who have been certified.

It is anticipated that the FMB Certificates will increase across the board for all services, as will the demand for staffing resources as indicated by the table below. The additional employees still does not meet the FMB’s needs to meet the demands from its clients or with the additional requirements of 10 year grant funding agreements.

Staffing Requirement projections for the next 5 years:

	Previous Year	Forecast year				
	Fiscal 2017/2018	Fiscal 2018/2019	Fiscal 2019/2020	Fiscal 2020/2021	Fiscal 2021/2022	Fiscal 2022/2023
Corporate Services	7	12	12	12	12	12
Marketing Development, FAL SR	3	6	6	6	6	6
Standards and Certification	7	11	11	12	12	12
Capacity Development & Intervention	11	12	12	15	15	15
Default Management	0	4	4	5	5	5
Total Staffing Requirements	28	45	45	50	50	50

Some of key measures projections for the next 5 years:

	Previous Year	Forecast year				
	Budget					
	Fiscal 2017/2018	Fiscal 2018/2019	Fiscal 2019/2020	Fiscal 2020/2021	Fiscal 2021/2022	Fiscal 2022/2023
Total FMB Expense	\$9,735,875	\$11,270,300	\$14,037,849	\$14,899,685	\$15,597,043	15,982,594
FALS enacted FMA (Cumulative)	137	178	223	263	300	340
FALS 10 Year Grants (No Budget)	0	100	100	100	50	50
FP Certificate Reviews (Cumulative)	115	150	188	222	253	281
FP Reviews for 10 year Grants (No Budget)	0	100	100	100	50	50
FMS Reviews (Cumulative)	11	23	45	90	120	160

This year the budget has an increase in its annual base funding. An additional \$3.95 M was added plus new funds of \$700,000 for Default Management. This budget will also utilize surpluses from 2017/2018 annual base funding (\$1,304,912) and the Default Management Prevention Pilot Program (\$724,088). The FMB's total budget for the fiscal year will be \$11.27 M. The FMB's original ask was for \$13.5 M, in which FMB had to reduce its budget (Salaries and Benefits) for nine (9) people which affected every business line.

Operations Budget	Fiscal 2018/19
Annual Base 2018/19	\$4,591,300
New Funds	3,950,000
Default Management Prevention	700,000
Current Year Base and New Funds	9,241,300
Surplus 2017/18 Fiscal	1,304,912
DMPP Surplus 2017/18	724,088
Total	11,270,300

Our Key measures for the 2018/19 Fiscal year will be as follows:

Description	FAL Updates			10 Year FAL & FMS Cert	
	FAL	FP Cert	FP Reviews	FMS Cert	
Balance at April 1st, 2018	137	115	0	11	
Estimates for the Year	35-40	29-34	100	13	
Balance estimate for March 31, 2019	173-178	145-150	100	23	

The number of First Nations participating in the FMA continues to grow. As at April 1, 2018 there were 229 (two hundred and twenty-nine) First Nations that had chosen to have their official name added to the Schedule of the FMA. The FMB will continue to reach out to those First Nations whose names are not yet on the Schedule of the FMA and will continue to encourage those First Nations who are striving to make their communities successful. The FMB estimates that approximately thirty-five to forty (35-40) additional First Nations will request to have their official names added to the Schedule of the FMA by the end of the 2018/2019 fiscal year.

In addition to the First Nations that are continuing their path through certification, the FMB is experiencing continued demand from First Nations that are beginning the process. As a national institution, the FMB will seek and respond to First Nations clients in all provinces and territories. It is anticipated that the upcoming 2018/2019 fiscal year will see a similar number of First Nations commencing the development of their FAL and requesting a Financial Performance Certificate.

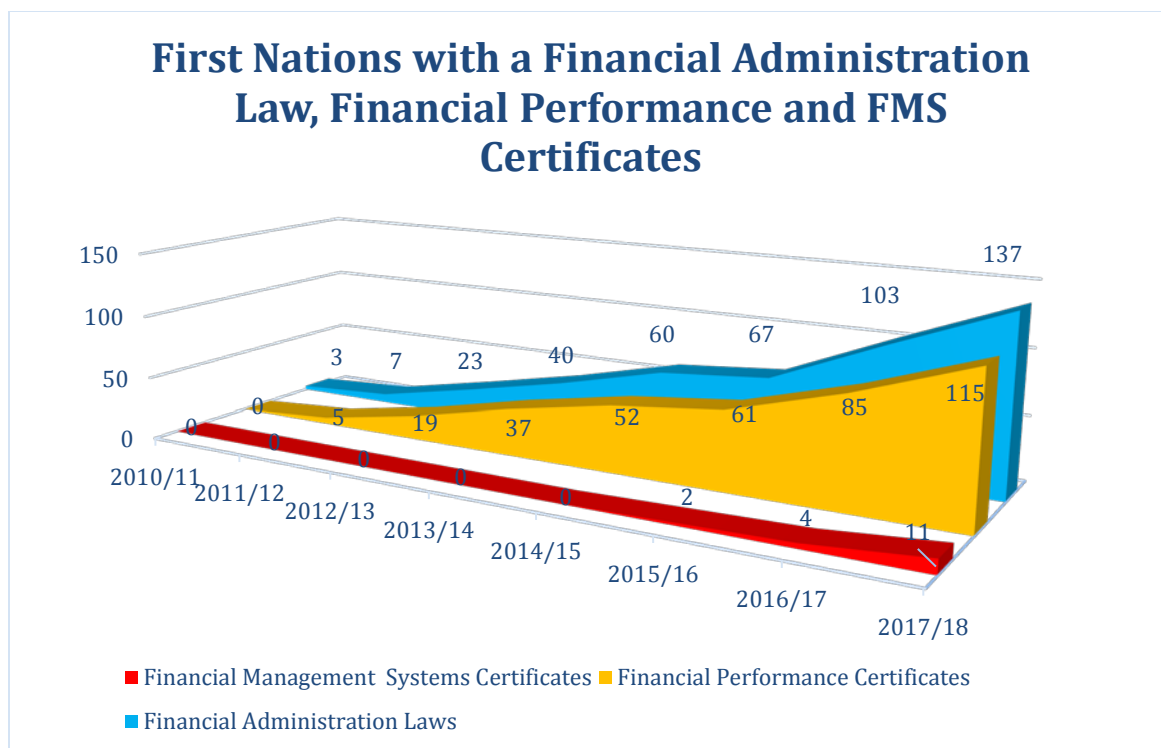


Figure 1 –First Nations with FAL, Financial Performance and FMS's that meets FMB Standards – April 1, 2018

In the 2018/2019 fiscal year the FMB expects to issue approximately thirty-five to forty (35-40) FAL compliance approvals, ten to fifteen (10-15) updated FAL compliance approvals, twenty-nine to thirty-four (29-34) Financial Performance Certificates, and ten to thirteen (10-13) Financial Management System Certificates, bringing the projected totals to one hundred and seventy eight (178) approved FALs, fifty one (51) updated FALs, one hundred and fifty (150) Financial Performance Certificates and twenty-three (23) Financial Management System Certificates.

Our focus this fiscal year are in two (2) main areas: 1) to work with the DISC and the AFN in the evolution of the Fiscal Relationship Initiative around 10 year grant funding agreements and Default Management, and 2) to properly manage the growth that we are experiencing as result of dismantling DISC by taking on new responsibilities and general growth as more and more First Nations are looking to the FMA regime as a way to improve their Financial Management practices and be accountable to their community.

There are currently one hundred and twenty-eight (128) First Nations who are in the Financial Management Systems development and implementation process. We are expecting another thirty-five to forty (35-40) to be added to the list this year. The Capacity Development and Intervention and Standards and Certification business lines will work closely together to coordinate time and staff resources to ensure those First Nations going through the FMS implementation process are reviewed and Certified in a timely and supportive manner.

Due to the increase in demand for FMS Certifications the following increase in Human Resources will take effect:

Department	Current FTE	New FTE	Improved FTE
Corporate Services	7	5	12
Market Development, FALs & Stakeholder	3	3	6
Standards & Certification	7	4	11
Capacity Development & Intervention	10	2	12
Default Management	1	3	4
Total	28	17	45

As First Nations continue to develop their economies and take greater control over their lands and resources, their financial management needs will continue to grow in scope and complexity. The legislative purposes of the FMB can support First Nations taking a greater role in the Canadian economy or moving beyond the *Indian Act* whether on a comprehensive basis through modern treaties or sectoral self-government initiatives such as the land management initiative.

Some First Nations have pursued self-government through the negotiation of treaties. A number of these communities have expressed an interest in access to capital through the FMA. The FMB along with the Government of Canada, Provincial Government and the other FMA institutions have been working on legislative amendments for a number of years. These are expected to be completed early in the 2018/2019 fiscal year. At that time the FMB will work with the Provincial Government to move the legislative amendments forward to allow Treaty and Self Government bands access to the FMA. If additional funds become available, the FMB would like to start to focus on legislative changes for the Yukon, the Northwest Territories and the James Bay Cree First Nations who are in Treaties.

An additional objective is to instill more confidence in the stability, accountability, transparency and financial stewardship in First Nation governments as they move to implement their community, social, and economic strategies. The FMB will deliver on this objective through its four business lines:

Marketing, FAL's & Stakeholder Relations	Capacity Development & Intervention	Standard & Certifications	Corporate Services and Legal
<ul style="list-style-type: none"> •Market Development •Stakeholder Relations •FAL Compliance Reviews •FAL compliance opinion to DISC under Sec 83 •Communications 	<ul style="list-style-type: none"> •Capacity Development tools and plans •Organizational capacity building •Intervention services under the First Nations Fiscal Management Act •Post-certification client support •Default Management Prevention 	<ul style="list-style-type: none"> •Design and develop FAL Compliance Standards and procedures •Perform FP ratio analysis •Perform FMS Certification analysis •FP Review for DISC for Non-FMA First Nations •Monitoring 	<ul style="list-style-type: none"> •Administrative management •Information management •Legal support •Financial reporting •Legislative amendments •Monitor FMB Compliance with relevant legislation •Human resources •Information technology •ATIP

Table 1 - FMB Business Lines and Activities

Strategically, the FMB has realigned its strategic objectives and will focus on the following strategic goals during the 2018/2019 fiscal year:



Figure 2 – 2018/19 Strategic Goals

The budget for core activities for the 2018/2019 fiscal year is \$8,105,012. The budget is summarized below:

Table 2 – Financial Plan

Description	2018/19	2019/2020	2020/2021	2021/22	2022/23
Salaries & Benefits	\$5,590,258	\$5,590,258	\$6,340,258	\$6,657,271	\$6,823,702
Client Services	\$1,139,289	\$1,167,771	\$1,196,966	\$1,244,131	\$1,398,433
Policy Development	\$422,000	\$200,000	\$205,000	\$350,000	\$350,000
Operations & Management	\$2,410,705	\$2,410,705	\$2,516,217	\$2,579,123	\$2,793,601
Board fees & Travel	\$613,934	\$629,282	\$645,014	\$661,140	\$677,668
Program Travel	\$531,992	\$531,992	\$545,291	\$558,924	\$572,897
Intervention Reserve	\$200,000	\$100,000	\$100,000		
Capital	\$262,122	\$56,383	\$300,000	\$200,000	\$200,000
Amortization	\$100,000	\$125,000	\$150,000	\$175,000	\$175,000
Total	\$11,270,300	\$10,811,391	\$11,998,746	\$12,425,587	\$12,991,301
By Business Line					
By Business Line	2018/19 fiscal	Region 1	Region 2	Region 3	Region 4
Corporate Services	\$4,560,987	4,213,203	132,850	204,934	10,000
Market Development FAL & S R	\$1,581,116	1,076,963	104,000	332,153	68,000
Standards and Certification	\$1,654,537	1,544,531	-	110,006	-
Capacity Development & Intervention	\$2,115,758	1,440,081	340,247	323,630	11,800
Default Management	\$1,357,902	190,445	837,120	319,697	10,639
Total Budget by Region	\$11,270,300	8,465,223	1,414,217	1,290,420	100,439

Mandate

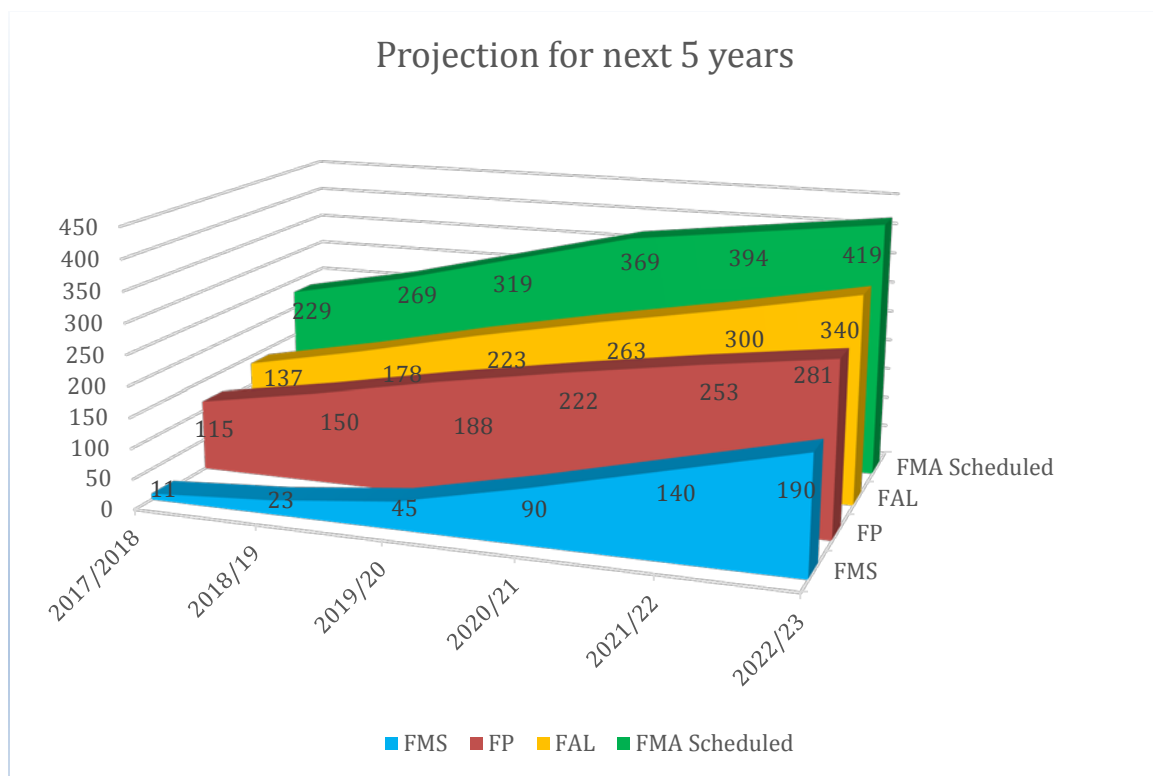
The FMB will provide the tools and guidance that will instill confidence in First Nations' financial management and reporting systems to support economic and community development.

Section 49 and 55 of the FMA establish the following legislative mandates for the FMB:

- Assist First Nations in developing the capacity to meet their financial management requirements;
- Develop and support the application of general credit rating criteria to First Nations;
- Provide review and audit services respecting First Nation financial management;
- Provide assessment and certification services respecting First Nation financial management and financial performance;
- Provide financial monitoring services respecting First Nation financial management and financial performance;
- Provide co-management and third party management services;
- Assist First Nations in their dealings with other governments respecting financial management, including matters of accountability and shared fiscal responsibility;
- Assist First Nations in the development, implementation and improvement of financial relationships with financial institutions, business partners and other governments, to enable the economic and social development of First Nations;
- Provide advice, policy research, and review and evaluative services on the development of fiscal arrangements between First Nations' governments and other governments; and,
- Set standards respecting:
 - The form and content of Financial Administration Laws;
 - Approvals of Financial Administration Laws;
 - Certification of First Nation Financial Management Systems;
 - Certification of Financial Performance; and,
 - Financial reporting for the Local Revenue Account.

Corporate Profile

The FMB operates as a shared governance institution under Parts 3 and 6 of the FMA, which came into effect on April 1, 2006. The FMA is an optional initiative. In order to participate, a First Nation must pass a Council Resolution to request the Minister of Indigenous and Northern Affairs Canada add their community's name to the Schedule of the FMA. As of April 1, 2018 there were two hundred and twenty-nine (229) First Nations listed on the Schedule of the FMA. These communities are the primary client base of the FMB. As the FMB is gaining momentum, we expect the number of First Nations scheduled to the FMA will increase dramatically over the years to come due to 10 year grant funding agreements and changes to legislation to include Treaty Bands, First Nation organizations, and Tribal Councils.



*as of April 1, 2017

Figure 3 – Projection on Number of First Nations scheduled to the FMA, with a FAL, a Financial Performance Certificate and Financial Management System Certificate

The FMA sets out the purposes, functions and powers of the FMB and establishes an at-arms-length relationship between the FMB and the federal government. Accordingly, the FMB is not an agent of the Crown and has the capacity, rights, powers and privileges of a natural person.

Corporate History

The FMA was originally drafted in 2001. The BC First Nations Summit supported the draft legislation and began sponsoring the FMB in 2002. An FMB advisory panel was established in 2002 to support the legislative process and the development of FMB.

The FMA had all party support in both the House of Commons and the Senate during the legislative process of 2004 and 2005. It received Royal Assent on March 23, 2005 and came into force April 1, 2006.

In order to provide access to non-taxing First Nations and to support the FMA regime, the GIC made regulations on September 29, 2011 that enabled the securitization of various other revenue streams in addition to property tax revenues.

In addition to those First Nations listed on the Schedule of the FMA, there has been interest by non-scheduled and non-taxing First Nations interested in securitizing their own source revenues. Others simply wish to improve their financial management system and work with the FMB. Some First Nations have come forward to work with the FMB and are awaiting the Ministerial approval process to conclude so that they can be listed on the Schedule of the FMA.

In August, 2017 Canada made an announcement that would change the history for First Nations in Canada by dismantling INAC (now DISC). This announcement also changed the history of the FMB. This announcement means that the FMB work would be made a focal point for how First Nations become eligible for 10 year grant funding agreements. Since then FMB has been working with the DISC and the AFN to work through this initiative.

Organizational Structure

The FMB operates under a shared governance model that makes the Board of Directors of the FMB accountable to the Minister of Indigenous Services Canada, who is responsible for ensuring that the FMB fulfills its legal and regulatory mandate. Under this model, the Board of Directors consists of a minimum of nine (9) and a maximum of thirteen (13) directors, including a Chairperson and a Vice-Chairperson. A majority of the members (10) are named by the GIC and up to three (3) members are appointed by the AFOA Canada.

To date, the Board of Directors have formed six (6) committees:

- Audit and Risk Management Committee;
- Governance and Human Resources Committee;
- Standards, Approvals, and Certification Committee;
- Marketing and Capacity Development Committee;

- Special Projects Initiative Committee and,
- Executive Committee

The current Organizational Chart and Board Committees of the FMB are shown in Figure 3 on the following page.

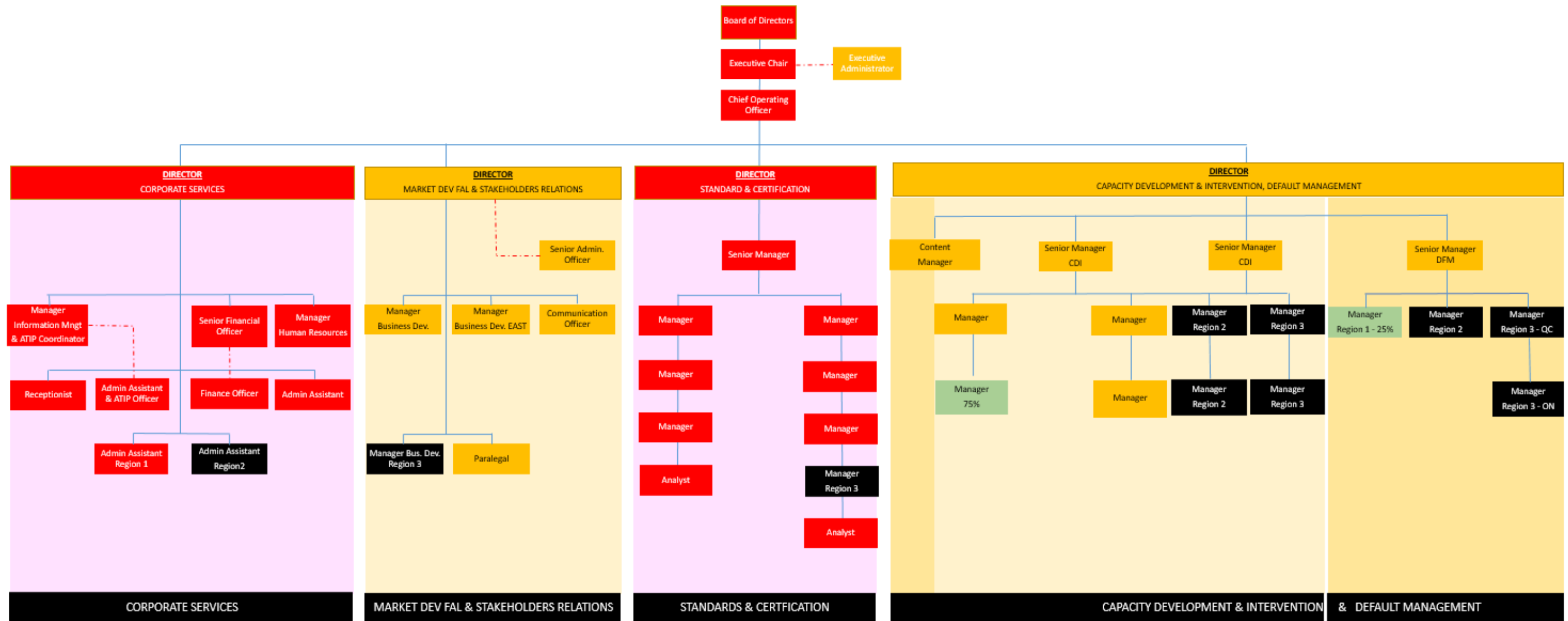


Figure 4 – FMB Organizational Chart for 2018/2019

The FMB Management Team

Executive Chair-Harold Calla

The Executive Chair is responsible for providing executive oversight of the decisions of the Board of Directors of the FMB, for supporting and implementing the vision of the Board, as well as for overseeing the strategic and corporate plans for the organization.

Chief Operating Officer- Brian Titus

The Chief Operating Officer (“COO”) is primarily responsible for the implementation of the strategic direction of the Board and the Executive Chair of the Financial Management Board. This high level position meets with Government officials from the DISC, the AFN, and other institutions in the development of New Fiscal Relationships and moving forward initiatives such as legislative amendments, monetization of federal transfers, pilot projects and monitoring and evaluating the FMB’s performance of the Board’s plans. The COO reports to the Board and the Executive Chair.

Director of Corporate Services

The Director of Corporate Services is primarily responsible for the management of the day-to-day operations including human resources, information management, information technology, and administering contracts. The Director of Corporate Services reports to the COO.

Director of Market Development, FALs & Stakeholders Relations-Shayla Point

The Director of Market Development, FALs and Stakeholders Relations is part of the senior management team reporting to the COO and is responsible for managing the ongoing relationship with First Nations, including marketing and business development efforts to engage new clients. This Director is also responsible for providing operational support to First Nations wishing to enact a FAL, and conducts legal reviews and provides feedback to clients regarding compliance with FAL standards for FMA and non-FMA bands. For non-FMA Bands, the Director will provide a legal opinion to the DISC that a section 83 bylaw meets the minimal provision of a FAL so that a First Nations can enter into a 10 year grant funding agreement. The Director provides the FMB Board of Directors with legal opinions and recommendations regarding FAL compliance approvals. With respect to stakeholder relations, this Director also ensures that the engagement approaches (across all business lines) responds to client needs. Finally, the Director develops and maintains relationships with other First Nations organizations.

Director of Capacity Development, Intervention and Default Management -Suzanne Trottier

The Director of Capacity Development, Intervention and Default Management is part of the senior management team reporting to the COO and is responsible for managing and monitoring capacity development for First Nations organizations and helps develop and implement Financial Management Systems for certification, as well as performs the duties of the Intervention Officer, as required by the regulations. This Director oversees the Default Management Prevention Program until it is determinable that it requires its own business line or not.

Director of Standards and Certification-Scott Munro

The Director of Standards and Certification is part of the senior management team reporting to the COO. The Director is responsible the development of standards for Financial Administration Laws, Finance Performance, Financial Management Systems, and Local Revenue Financial Reporting. The Director is accountable for the timely completion of all financial performance and financial management system reviews and for making recommendations for Certification. The Director provides an opinion of First Nations who are non-FMA Bands to the AFN and the DISC so that they can determine the eligibility of a First Nations who wants to enter into a 10 year grant funding agreement. The Director also works with the senior management team in various initiatives such as monetization, monitoring and re-certification.

Fiscal Management Act Regulatory Regime

The FMB is part of the regulatory regime established by the FMA that enables First Nations to finance public infrastructure by pledging either (a) property tax revenue; and/or, (b) other own source revenues to repay the loan. First Nations interested in participating must first apply to be added to the FMA schedule. *Figure 4* below describes the scenario of a First Nation pledging property tax or other revenues to repay an infrastructure or economic development loan.

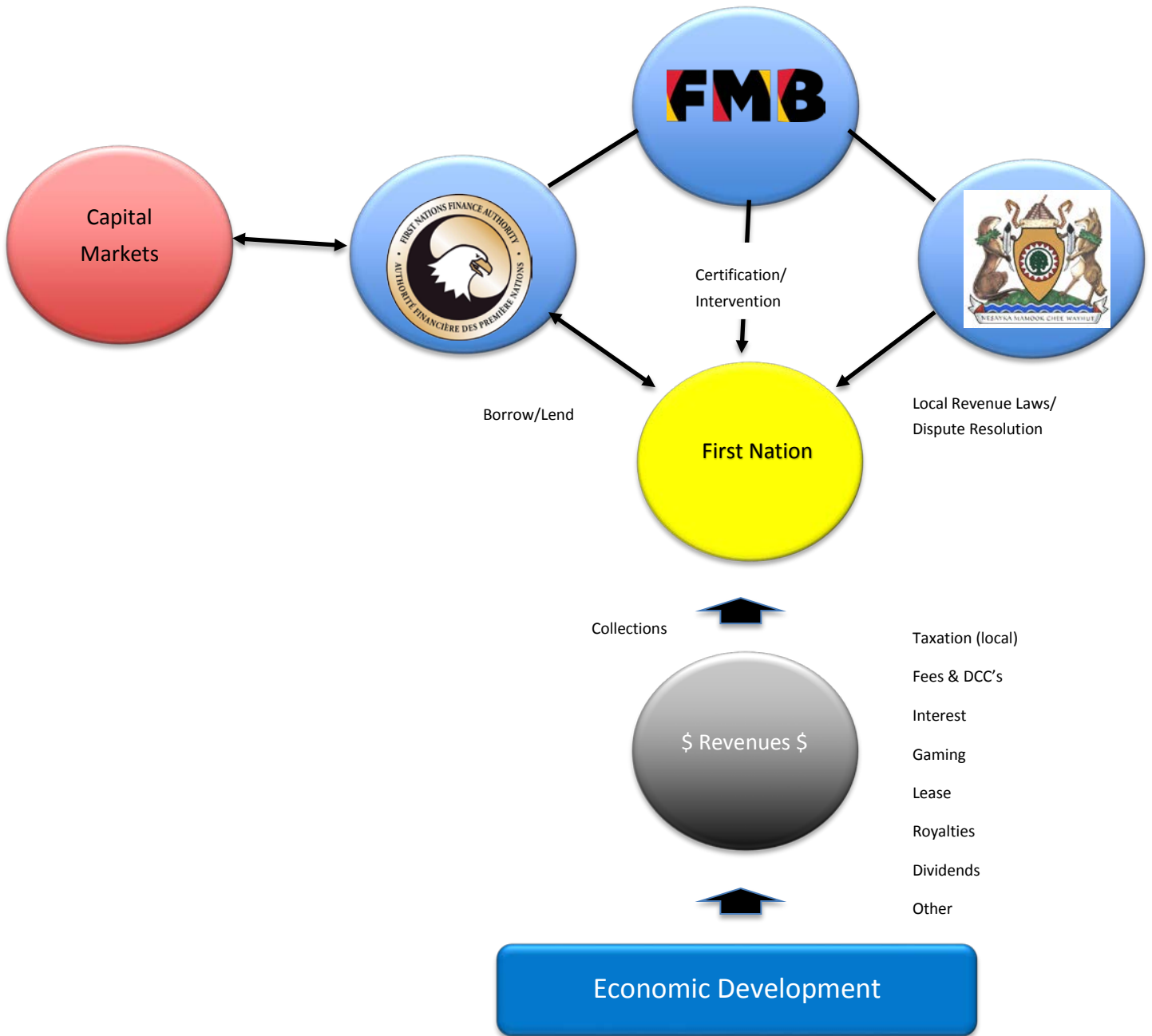


Figure 5 - An overview of the FMA regulatory regime

In the property tax scenario, investment and economic development on First Nations' lands creates a tax base. Lessees pay property taxes to a First Nation in return for the provision of services. The First Nations Tax Commission ("FNTC") regulates the property tax system (including property taxation, assessment, rates and expenditure laws).

In order for First Nations to pledge property tax or other own source revenues for loans through the FMA legislative program, the First Nation must become a "borrowing member" of the First Nations Finance Authority ("FNFA"). Before a First Nation is eligible to be considered for membership in the FNFA, the FMB must issue a FAL compliance review and a Financial Performance Certificate to the First Nation indicating that it meets the standards set by the FMB. For these purposes, the FMB has issued its *Financial Performance Standards*. This certificate may be used by a First Nation to support its application to become a borrowing member of the FNFA. Every borrowing requires the First Nation secure a new financial performance certificate.

A First Nation must obtain a Financial Management System Certificate from the FMB within 36 months after the First Nation receives proceeds for the first time from a debenture (or equivalent instrument) issued by the FNFA and before it may obtain a second loan from the FNFA. The FMB has issued the *Financial Management System Standards* for purposes of issuing a First Nation a Financial Management System Certificate. The FMB has also issued the *Financial Management System Certification Procedures* and the *Financial Performance Certification Procedures* to guide First Nations who are applying for a certificate from the FMB.

A First Nation will not be issued a Financial Management System Certificate or a Financial Performance Certificate by FMB unless the First Nation's law or laws respecting financial administration have first been reviewed and given compliance approval by the FMB. The First Nation's law or laws must meet the requirements of the *Financial Administration Law Standards* before they will be given a compliance approval. The FMB has issued the *Financial Administration Law Review Procedures* to guide First Nations who are applying for approval of their Law or Laws respecting financial administration.

Pursuant to section 142 of the FMA, the Governor-in-Council made "*Financing Secured by Other Revenues Regulations*", which enables a First Nation to use certain "other revenues" to secure financing from the FNFA. The regulation contemplates that a First Nation with both property tax revenues and other revenues can use either or both for borrowing. The regulation was developed by Canada in a collaborative effort with the FMA institutions. The FMB Certification and Intervention functions are an integral part of the process to borrow from the FNFA using "other revenues".

The FMA provides the FMB with authority to require First Nations to enter co-management or third party management in three circumstances. First, the FNTC may, in certain circumstances relating to First Nation tax laws, direct the FMB to impose co-management or third party management over the First Nation's local revenues. Second, the FNFA has the parallel power to direct the FMB to require a First Nation to enter co-management or third party management if a borrowing member First Nation has not met its payment obligations. Third, the FMB can self-initiate intervention, if in their opinion, there is serious risk that a First Nation will default on an obligation to the FNFA.

FMB certification coupled with the intervention authority gives the capital markets the confidence to invest in bonds issued by the FNFA, and are fundamental to the benefits that flow from this access to capital. The oversight framework of the FMA was reviewed by rating agencies and investment banks, and during this review the standards and certification processes were examined, which contributed to the achievement of the investment grade credit rating given to the FNFA. Beginning in the 2018/2019 fiscal year the FMB will begin to monitor the financial performance of the FNFA's borrowing members on an annual basis pursuant to a recently signed Memorandum of Understanding between both organizations.

The FMB Financial Performance Certificate has been accepted as a proxy in DISC risk based general assessment ("GA"). The GA works by taking an annual snapshot of a First Nation's past performance and identifies strengths and emerging risks that may have an impact on its future performance. Within the GA process each First Nation is assessed and rated as having a low, medium or high-risk level. The GA includes factors such as governance, operating environment, planning and financial management. FMB's Financial Performance Certificate can be used in place of the financial management aspect of the GA.

Currently there are one hundred and twenty-eight (128) First Nations in various levels of completion who are working towards FMS Certification. Approximately thirty-five to forty (35-40) First Nations are expected to be added each year thereafter.

Business Lines

The FMB has four (4) business lines. Activities are mapped to the business lines in the figure below.

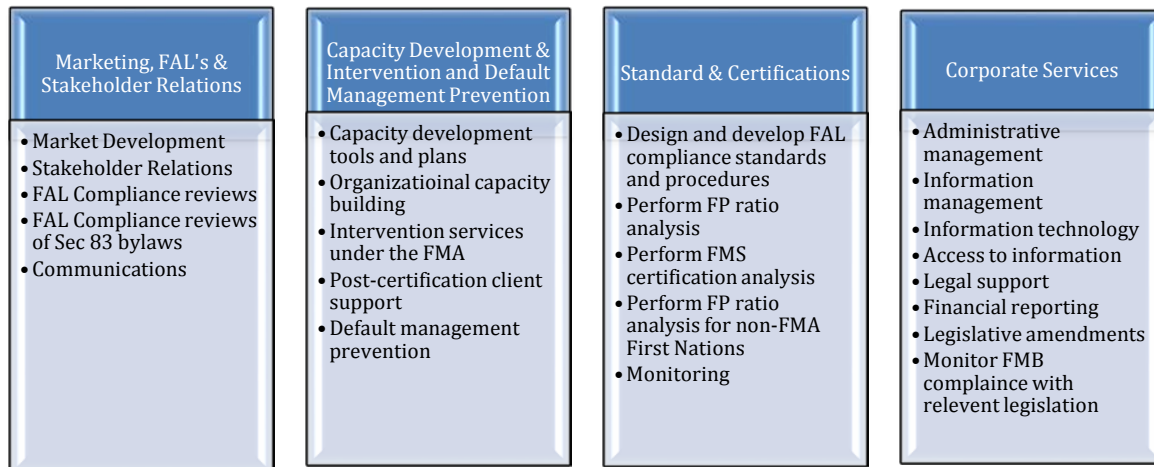


Table 3 - Activities by Business Line

Marketing, FALs & Stakeholder Relations

This business line comprises the ground floor work for those First Nations who are interested in taking the first step in the FMB process. This usually starts by a First Nation requesting a presentation to the Council on what the full process entails and its benefits. Staff then asks for a Letter of Cooperation from the First Nation, presents them with a sample Financial Administration Law, and works with the First Nation and/or its legal representative.

Once the FAL has been submitted by the First Nation, the Director of Marketing, FALs and Stakeholder Relations will do a legal review to ensure that it meets all the requirements of the FMB's standards.

New responsibilities in the 2018/2019 fiscal year will include communications, where a strategy will be developed and implemented to attract First Nations who are interested in 10 year grant funding agreements and who also want to utilize the FMA regime, and reviewing and providing legal opinions to the DISC on section 83 FALs.

In addition, this business line will continue to keep the relationship moving forward with First Nations during the development of the FMS process and marketing the brand of the FMB to clients and prospective clients.

Capacity Development, Intervention and Default Management

This business line is responsible for primary interaction between the FMB and its clients for capacity development, intervention activities and default management services. This business line supports First Nations by building capacity for First Nations as a whole by helping to implement their FMS system to meet the FMB standards.

Over the past year-and-a-half the Default Management Prevention Pilot Program has been very successful. First Nations under the program who were in third party management have been de-escalated to recipient appointed co-management. In the Federal Budget, the FMB received new funds for Default Management Prevention program and will continue to develop the guidelines and procedures and work with First Nations in Regions One, Two and Three, primarily focusing on Regions Two and Three.

This business line currently has one hundred and twenty-eight (128) First Nations that are working towards FMS certification. Approximately thirty-five to forty (35-40) new First Nations are expected to start the process each year thereafter.

Focus will be working with First Nations in the Default Management Prevention Pilot Program along with conducting outreach with other First Nations who have recipient appointed managers to start working on capacity development and to improve the financial management of the First Nation. This year we will have a staff of four (4) professionals who will work with First Nations in default management.

The FMB expects to see approximately 10-13 First Nations achieve FMS Certification this year, with this number rising in future years as the FMB's funding and resources also increase.

Standards and Certification

This business line is responsible for the development and improvement of standards for financial administration laws, financial management systems, financial performance, local revenue financial reporting, and for providing certification services in relation to those standards. The business line has been actively updating standards and delivering certification services to First Nations upon their request.

The workload of the Standards and Certification business line has grown in recent years, as the number of First Nations implementing their FAL and seeking FMB certification services has increased due to a large number of First Nations that are going through the FMS process.

Over the next couple of years, we expect that there will be large number of First Nations who will be developing and implementing their own Financial Management Systems and looking for certification from the Standards and Certification team.

As of April 1, 2018, there are one hundred and twenty-eight (128) First Nations who are in the process of developing and implementing their FMS and another thirty-five to forty (35-40) First Nations each year will be added to this process.

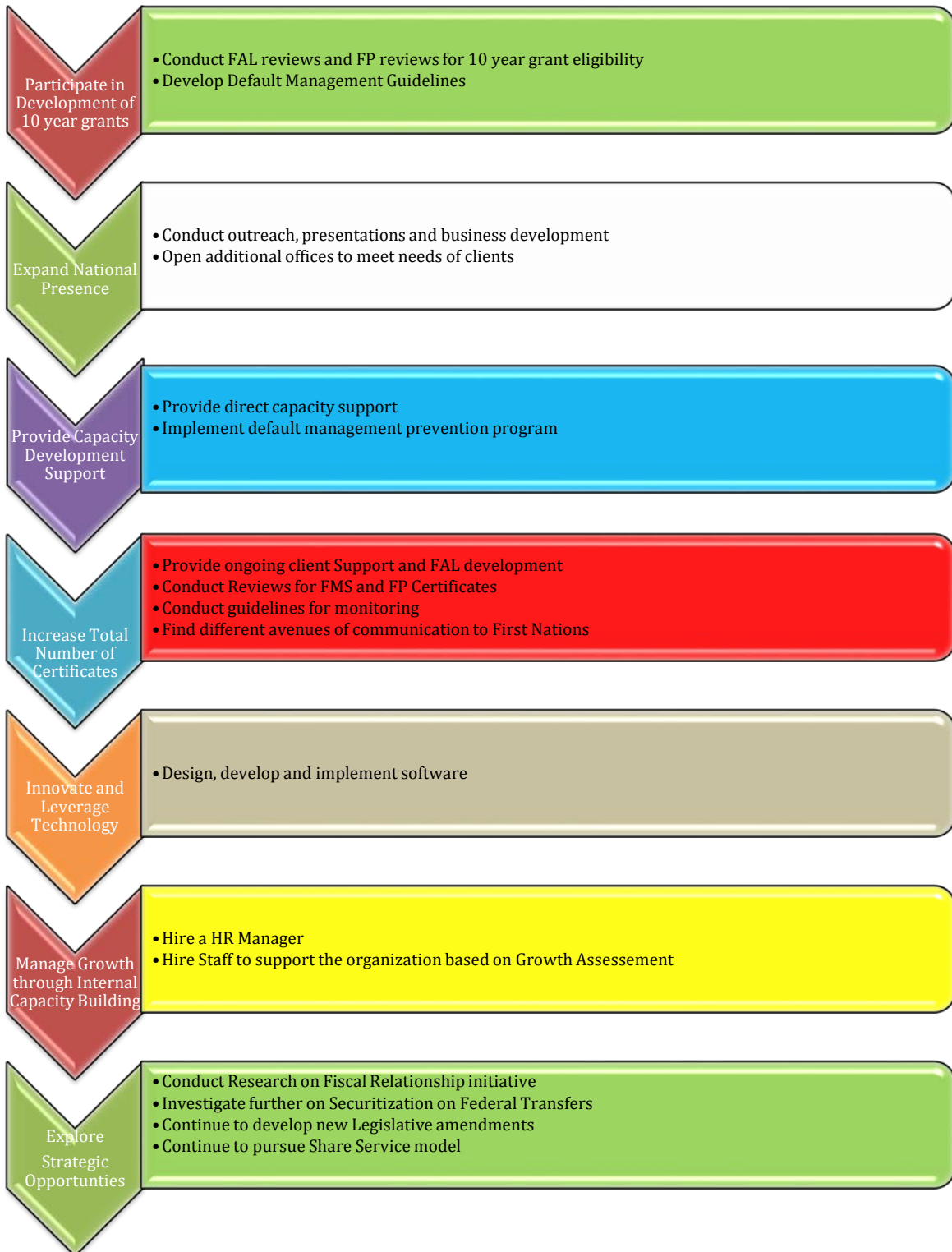
Currently it takes approximately two hundred (200) hours to do a risk based approach review of the FMS and forty to forty-five (40-45) hours for a financial performance review for a First Nation that is requesting certification. Last fiscal year the SAC team increased its staff resources to improve the efficiency and meet client needs in the area of Financial Performance and Financial Management certifications.

Additional staff will be hired this year. We expect to add a new Standards and Certification Manager in Quebec and British Columbia, along with two (2) analysts, as a result of the additional responsibilities of financial performance reviews for DISC on eligibility for 10 year grant funding agreements. Another responsibility is the development of Standards for First Nation organizations that will utilize the FMA under a monetarization of federal transfer pilot project along with standards for Treaty Bands and Self Government Bands.

Corporate Services

The Corporate Services business line is responsible for the activities that are carried out internally to provide operational and administrative support to enable the other business lines to carry out objectives in an economical, efficient, and effective manner. These activities include management functions, finance, human resources, reporting, information technology and evaluation. Other important function of corporate services is legal, attending to legislative amendments and exploring strategic opportunities.

Seven Strategic Goals for 2018/19



Strategic Goal #1 – Participate in development of 10 year grants

This strategic goal is heavily dependent on the DISC, AFN and First Nations, and will be an effort that will require participation in all business lines. This will be carried out by the entire team and it will be obtained by the following actions and measures:

Action One: Conduct services of FAL Review and FP Reviews for 10 year grant funding eligibility

- 100 Financial Administration Law reviews to provide the Minister of DISC with an opinion that a First Nation has meet the minimal provisions
- 100 Financial Performance Reviews to provide DISC an opinion that a First Nation has meet the ratios of the analysis

Action Two: Develop Default Management Program Guidelines

- Co-develop Default Management Guidelines draft for discussion with the AFN and report to the DISC on results.

Strategic Goal #2 –Build National Presence

This strategic goal is what will make the FMB successful in obtaining other goals such as increasing our total number of certifications. This will be carried out by the entire team and it will be obtained by the following actions and measures:

Action One: Conduct outreach, presentations and business development

- 100-120 Presentations to First Nations
- 4-6 Presentations to other Organizations
- Participation at 2-4 First Nations events
- Partnership with other FMA Institutions and FNLM in National Conference

Action Two: Open Office to better meet needs of clients

- Open Office in Quebec City and Ottawa and will be known as region 3

Strategic Goal #3 -Provide Capacity Development Support

This strategic goal is to build financial capacity within First Nations governments in regards to financial management as our CDI managers work with First Nations to develop and implement the Financial Management Systems. This will be carried out by the Capacity Development & Intervention Team and it will be obtained by the following actions and measures:

Action One: Provide direct capacity support

- Have approximately 35-40 for Phase I FMS Readiness Assessment and work plans
- Have approximately 20-25 move from Phase I to Phase II
- Have approximately 10-13 move from Phase II to Phase III for Certification Review
- Implement Default Management Prevention services to First Nations

Action Two: Implement Default Management Prevention Program

- Provide staff resources for program development and implementation

Strategic Goal #4 - Increase Total Number of Certifications

This strategic goal is to increase the number of First Nations eligible to enter the FNFA's borrowing pool and provide proof that FMB certification is an achievable outcome. The new 10 year grant agreements is a great opportunity to persuade those First Nations who are not in the FMA to become scheduled under the Act. This goal will be carried out jointly by the Marketing, FALs & Stakeholder Relations and the Standard and Certification Teams and it will be obtained through the following actions and measures:

Action One: Provide ongoing client support and FAL development services

- 35-40 Signed letters of Cooperation with First Nations
- 35-40 FAL's approved
- 10-15 FAL updates
- 100 FAL Reviews to express opinion to Minister of Indigenous Services Canada depending on Funding

Action Two: Conduct Reviews for FMS and FP Certificates

- 29-34 Financial Performance Reviews
- 100 Financial Performance Reviews to give opinion to DISC and AFN on 10 year grant agreements
- 10-14 Financial Management Systems Reviews

Action Three: Develop Guidelines for Monitoring

- Develop guidelines for Monitoring Financial Systems

Action Four: Find different avenues of Communication to First Nations

- Hire a Communications Officer

- Develop a Communications Strategy
- Start production of a Documentary (dependent on additional funding)
- 4 Regional Hospitality events to attract new clients on what FMB has to offer

Strategic Goal #5 - Innovate and Leverage Technology

This Strategic Goal is to modernize FMB through Technology in where it will become a helpful tool for the First Nations and FMB in managing files to become more efficient. This will be carried out by the SAC Team and Corporate Services and it will be obtained by the following actions and measures:

Action One: Design, develop and implement software

- Develop FP Certification software program
- Develop FMS Certification software program – dependent on additional funding
- Purchase and implement an Enterprise Resource Program-dependent on additional funding

Strategic Goal #6 - Manage Growth through Internal Capacity Building

This Strategic Goal is to manage the growth in caseloads of staff within the Capacity Development and Standards and Certification business lines through becoming more efficient and building capacity within. This will be carried out by Corporate Services and it will be obtained by the following actions and measures:

Action One: Hire a Human Resource Officer

- Implement training plan
- Start Individual Development Plans
- Update policies
- Recruit new staff
- Provide training
- Performance evaluations

Action Two: Hire /Staff to Support the Organization based on Growth Assessment

- Hire Corporate Services Director
- Hire administrative staff
- Hire CDI Content Managers, Default Management Managers, SAC Managers and SAC Analysts

Strategic Goal #7 - Explore Strategic Opportunities

This Strategic Goal is multi-faceted in which they all will expand the Financial Management capabilities in First Nations as it is also within the mandate of the FMB. This will be carried out by the Executive Chair and the entire team of the FMB through the following actions and measures:

Action One: Continue to work on Fiscal Relationships initiative

- Work with various groups such as AFN, BC Summit, and DISC

Action Two: Continue work on Securitization of federal transfers

- Conduct Pilot Project on First Nations Health Authority (FNHA)

Action Three: Continue to pursue new legislative amendments

- Meet with DOJ and DOF, and various Committees to move forward the issue
- Continue with Section 141 working with the DISC, Province of BC and Treaty bands

Action Four: Continue with pursuing the Shared Services model

- Meet with proper government officials and get pilot funded

Analysis of external environment

A number of external environment strategic issues have been identified in *Table* below:

Table 4 - External environment strategic issues

Strategic Issue	Description	Action
Building capacity and/or meeting the required timeframe for Financial Management System Certification	<ul style="list-style-type: none"> • Currently most, if not all Financial Administration Laws contain “coming into force” provisions within a 36-months timeframe. Currently, there is 91 First Nations in the FMS Process, in which 6 have come to the 36 month deadline or coming close. • Certification requires dedication and significant time commitment. • Building capacity requires human and financial resources. • Turnover in employees within First Nation finance administration regime. 	<ul style="list-style-type: none"> • Increase Human Resources both in Capacity Development & Intervention and Standard & Certifications • Continue to employ a risk-based approach to FMS Certification • Employ a new service delivery model to better coordinate capacity development and FMS Certification services.
Business development	<ul style="list-style-type: none"> • DISC announced the dismantling of the INAC and replacing with 10 year Grant Agreements and AFN and DISC are looking toward FMB to take part in the development of the provisions for eligibility • Being listed on the FMA schedule does not necessarily indicate a willingness to develop a FAL or to get certified • FNFA wants to see 100 borrowing members by March 31, 2020, currently they are 65 borrowing members • FNFA wants to reach a \$2 Billion dollars in their portfolio in the next few years • FMB provides services to First Nations in different circumstances 	<ul style="list-style-type: none"> • Work with DISC and AFN on the development of the FAL Provisions, FP Ratio's and Default Management Prevention • Communicate the benefits of FMB certification and the FMA regime. • Continue the working relationship of the Major Projects Coalition to attract clients • To Communicate with FNFA on a regular basis • FMA and FNLM Conference to attract new clients
Competition	<ul style="list-style-type: none"> • Some First Nations are choosing conventional lenders, which do not require certification and have offered competitive rates. • Other groups have profited from providing refinancing or debt restructuring services to First Nations in exchange for significant fees. • Some First Nations have pursued certification from other for-profit standard-setting organizations (e.g. ISO). 	<ul style="list-style-type: none"> • Communicate the other benefits of FMB certification and that FMB services are free of charge. No hidden fees. • As the FNFA borrowing pool grows, rates will become even more favourable. • FMB Certification is risk mitigation when looking to Commercial lenders for Risk Lending.

Assessment of corporate resources

Table below summarizes some corporate strengths and weaknesses.

Table 5 - Assessment of Corporate Resources

Strategic Issue	Description	Action
<p>How will the FMB support First Nations efforts in capacity development?</p>	<ul style="list-style-type: none"> • More than 115 First Nations have achieved Financial Performance Certification and some have become Borrowing Members, and are now required to achieve Financial Management System Certification. • Currently 128 First Nations are actively working to implement an effective financial management system based on the FAL and expected to grow an additional 35-40 in 2018/19 • A First Nation's FAL needs to be updated to the current FMB FAL Standards prior to FMS Certification. • Each FMS Certification requires a significant commitment of resources on the part of the FMB. 	<ul style="list-style-type: none"> • Open offices in Ottawa and Quebec to be closer to client • Increase staff resources • Continue to provide direct financial support to First Nations to implement their FMS work plans. • Support advancement of Support Services Pilot Project.
<p>How does the Fiscal Relationship initiative affect FMB and First Nations under the FMA Regime?</p>	<ul style="list-style-type: none"> • DISC is looking to move from Contribution Agreements to 10 year Grant Agreements with First Nations, currently the Goal is to have a minimum of 100 First Nations signed up by 2019/2020 • Participating in Federal and First Nation discussions on the topic 	<ul style="list-style-type: none"> • Provide DISC the minimum provisions for FALs • Provide DISC FP Ratios and conduct Ratio analysis for opinion on eligibility status of FN • Monitor FN annual report • Get involved in the AFN/DISC special advisory Committee

<p>How will the FMB respond to requests to provide additional services in the future?</p>	<ul style="list-style-type: none"> • The FMB may be able to provide additional services, consistent with its legislative mandate, such as support for First Nations to exit Default management, Shared Services model, and services to self-governing First Nations. • FMB Section 141 working group to include Treaty Bands and Self Government Bands and possibly Tribal Councils under the FMA regime. 	<ul style="list-style-type: none"> • Develop Default Management Program and implement • Pursue Shared Services model Pilot project with DISC • Work with the federal government, FMA institutions, provincial governments and First Nations to develop option(s) for self-governing First Nation to participate in the FMA.
---	---	--

Objectives, Strategies and Performance Measures

The objective of the FMB is to provide tools and services to First Nations that will enable them to exercise greater control over their economic future and maximize the benefits of the FMA and other self-government initiatives aimed at supporting economic development. More specifically, the services offered by the FMB are meant to achieve the following objectives:

- Support First Nation access to lower cost of capital through market accepted standards and certification processes;
- Strengthen First Nation financial administration by promoting sound, stable, and transparent financial stewardship of First Nation assets;
- Promote financial relationships between First Nations and other governments that are appropriate, effective, efficient, and mutually beneficial and Reflect UNDRIP; and
- Respond to private sector requirements for investment on First Nation lands.

The FMB has four (4) business lines to achieve these objectives. The business lines and the objectives for each are presented in the table below.



Business Line	Activities
Marketing, FALs and Stakeholder Relations	<ul style="list-style-type: none"> ● Support First Nations in developing financial administration laws that comply with the FMB FAL Standards ● Provide service to DISC in FAL Reviews for 10 grant agreements ● Provide compliance approval of First Nations financial administration laws ● Provide Presentations to First Nations who request to meet ● Provide First Nations with a Letter of Commitment who request to join the FMA Schedule ● Outreach activities to increase client base and Develop new Markets ● Outreach to Stakeholders ● Oversee access to information requests ● Communications strategy
Capacity Development, Intervention and Default Management	<ul style="list-style-type: none"> ● Develop and deliver financial management capacity development tools and services ● Develop Policy and guidelines with AFN on Default Management ● Develop procedures for intervention ● Intervene on a First Nation's financial administration in accordance with the FMA ● Wrap up Default Management Prevention Pilot Project ● Implement Default Management Prevention Program
Standards and Certification	<ul style="list-style-type: none"> ● Develop and maintain standards for financial administration laws, financial performance, financial management systems, and local revenue financial reporting ● Develop and maintain standard for Financial Administration Law and Financial Performance provisions for DISC's 10 year grant agreements ● Develop a Monitoring System for Annual Reports of First Nations under the 10 year grant agreement ● Implement monitoring of FNFA borrowing members pursuant to MOU ● Develop Recertification guidelines ● Develop and maintain procedures for certification of First Nations against the FMB standards ● Certify First Nations for Financial Performance and Financial Management Systems based on Standards
Corporate Services	<ul style="list-style-type: none"> ● Provide internal financial management services ● Provide internal administrative support services ● Provide Human Resources services ● Provide Information Technology Services ● To strategically lead the organization based on direction provided by the Board of Directors ● Monitor FMB compliance with all relevant legislation and regulations ● Continue development with Special Project Initiatives on Natural Resource ● Gather documentation for access to information requests

Table 6 - FMB Business Lines and Activities

Marketing, FAL's and Stakeholder Relations

In 2018/19, the Marketing, FAL's and Stakeholder business line will:

Actions to meet Strategic Goals	Performance Measure
<ul style="list-style-type: none"> Conduct outreach, presentations and business development 	<ul style="list-style-type: none"> 100-120 Presentations to First Nations across Canada 4-6 Presentation to other Organizations Participation at 2-4 First Nation Events
<ul style="list-style-type: none"> Obtain Letter of Cooperation's from First Nation Communities who request to join the FMA schedule 	<ul style="list-style-type: none"> 35-40 Signed Letters of Cooperation
<ul style="list-style-type: none"> Provide Compliance approvals of First Nations Financial Administrative Laws 	<ul style="list-style-type: none"> 35-40 Reviewed and approved 10-15 Updated FAL's approved
<ul style="list-style-type: none"> Outreach with Stakeholders Regularly on various matters 	<ul style="list-style-type: none"> 2-4 meetings
<ul style="list-style-type: none"> Develop a Communications strategy 	<ul style="list-style-type: none"> Communications Strategy Plan

Table 7 –Marketing, FAL's and Stakeholder Relations Strategies and Performance Measures

Capacity Development and Intervention and Default Management

In 2018/19, the Capacity Development and Intervention and Default Management business line will:

Actions to meet Strategic Goals	Performance Measure
<ul style="list-style-type: none"> Provide direct capacity support 	<ul style="list-style-type: none"> Have approximately 10-13 ready for Certification Review Have approximately 20-25 move from Phase II to Phase III Have approximately 35-40 move from Phase I to Phase II
<ul style="list-style-type: none"> Develop services standards for program delivery 	<ul style="list-style-type: none"> Complete Phase 1 within 3 months Complete Phase 2 within 18 months Complete Phase 3 within 36 months
<ul style="list-style-type: none"> Implement Default Management 	<ul style="list-style-type: none"> Develop Policy and Guidelines around Default Management with AFN Conduct Outreach in Region 2 and 3 to First Nations in Default with assistance with DISC Implement Program and provide 2 staff in Winnipeg and 1 staff member in Ottawa, and 1 in Quebec
<ul style="list-style-type: none"> Conduct workshops 	<ul style="list-style-type: none"> 6 Regional workshops Develop a standardized series of FMS workshops
<ul style="list-style-type: none"> Continue to conduct and finish of Default Management Prevention Pilot Project 	<ul style="list-style-type: none"> Continue to Provide Guidance in the Default Management to First Nations under the Program

<ul style="list-style-type: none"> • Maintain program material 	<ul style="list-style-type: none"> • Complete review of tools, templates, workshops and align with FMB amendments
<ul style="list-style-type: none"> • Ensure intervention readiness 	<ul style="list-style-type: none"> • In collaboration with FMA institutions, the CDI team will take necessary steps to ensure FMB intervention readiness
<ul style="list-style-type: none"> • Retrofit FMS program for First Nation organization 	<ul style="list-style-type: none"> • In collaboration with FNFA and SAC develop guidelines for Financial Management systems for First Nation Organizations

Table 8 – Capacity Development and Intervention strategies and performance measures

Standards and Certification

In 2018/19 Standards and Certification business line will:

Actions to meet Strategic Goals	Performance Measure
<ul style="list-style-type: none"> Conduct reviews for FP and FMS 	<ul style="list-style-type: none"> 29-34 Financial Performance Reviews 10-14 FMS Reviews
<ul style="list-style-type: none"> Conduct standard setting activities 	<ul style="list-style-type: none"> Publish new FAL and FMS standards following an Exposure Draft Develop FP monitoring guidelines pursuant to MOU with the FNFA Develop Standards for FNHA Pilot Project
<ul style="list-style-type: none"> Develop monitoring program for FPs 	<ul style="list-style-type: none"> Develop FP standards for monitoring FNFA borrowing members Develop FP Standards for Monitoring FNHA
<ul style="list-style-type: none"> Assist DISC and the AFN in 10 year grant funding agreement initiative 	<ul style="list-style-type: none"> Develop and submit FAL and FP standards to AFN and DISC Conduct 100 FP reviews and provide opinion to DISC and AFN for eligibility of a First Nation in a 10 year Grant agreement Develop service guidelines with DISC around future FP monitoring of First Nation grant recipients
<ul style="list-style-type: none"> Implement FMS client review report 	<ul style="list-style-type: none"> Review the FMS client review report and consider possible changes to the program based on client feedback
<ul style="list-style-type: none"> Find efficient practices for FP and FMS reviews 	<ul style="list-style-type: none"> Develop a software program for FP Reviews Develop a software program for FMS Reviews (depending on additional funding)

<ul style="list-style-type: none"> • Conduct webinars 	<ul style="list-style-type: none"> • Webinars to profile the FMS to CPA Canada
<ul style="list-style-type: none"> • Launch FMS monitoring pilot project 	<ul style="list-style-type: none"> • Develop criteria around the monitoring pilot program • Conduct outreach of 2-3 First Nations who have a FMS Certificate • Conduct monitoring on First Nations and prepare report • Review Report with CEO and present to the Board on findings of the pilot program

Table 9 – Standards and Certification Strategies and Performance Measures

Corporate Services

In 2018/19 the Corporate Services business line will:

Action to meet Strategic Goals	Performance Measure
<ul style="list-style-type: none"> • Make preparations for strategic planning session to provide input for the Annual Corporate Plan and Budget 	<ul style="list-style-type: none"> • Annual Corporate Plan that is approved by the Board of Directors for DISC submission
<ul style="list-style-type: none"> • Prepare Annual Budget • Prepare Annual Report 	<ul style="list-style-type: none"> • Prepare Annual Budget that is approved by the Board of Directors for DISC submission • Prepare Annual Report that is approved by the Board of Directors for DISC submission
<ul style="list-style-type: none"> • Provide notice, undertake logistics for Annual General Meeting • Prepare presentation and materials for Annual General Meeting 	<ul style="list-style-type: none"> • Annual General Meeting
<ul style="list-style-type: none"> • Properly provide staff resources due to growth plan 	<ul style="list-style-type: none"> • Hire a Human Resources Officer • Hire Administrative Assistants/Receptionist for Regions 2 and 3 • Hire Director of Corporate Services

Action to meet Strategic Goals	Performance Measure
<ul style="list-style-type: none"> Investigate Fiscal Relationship Initiative 	<ul style="list-style-type: none"> Participate in the FMA and FNLM Conference Participate in special advisory committee for the AFN Continue to work with the BC Summit on Fiscal Relations
<ul style="list-style-type: none"> Continue on securitization of federal transfers 	<ul style="list-style-type: none"> Work with DISC and the First Nations Health Authority on a pilot project
<ul style="list-style-type: none"> Continue to develop new legislative amendments 	<ul style="list-style-type: none"> Develop and Present to DISC and FMA institutions FMB views and recommendations for substantive legislative changes around section 141 to allow Treaty First Nations to participate under FMA regime
<ul style="list-style-type: none"> Improve IT support services 	<ul style="list-style-type: none"> Evaluate the current IT Support services Do a Request for Proposals from various IT companies
<ul style="list-style-type: none"> Maintain Finance Policy 	<ul style="list-style-type: none"> Review and amend the current Finance Policy to meet current standards of the FMB
<ul style="list-style-type: none"> Implement Human Resources services to organization 	<ul style="list-style-type: none"> Review the current policies Develop a HR handbook Work with Staff on implementing Individual Development Plan Provide training to Staff Provide training on all policies Fully functional HR services

Table 10 – Corporate Services Strategies and Performance Measures

Financial Plan

The table below shows FMB's financial plan by activity:

Description	2018/19	2019/2020	2020/2021	2021/22	2022/23
Salaries & Benefits	\$5,590,258	\$5,590,258	\$6,340,258	\$6,657,271	\$6,823,702
Client Services	\$1,139,289	\$1,167,771	\$1,196,966	\$1,244,131	\$1,398,433
Policy Development	\$422,000	\$200,000	\$205,000	\$350,000	\$350,000
Operations & Management	\$2,410,705	\$2,410,705	\$2,516,217	\$2,579,123	\$2,793,601
Board fees & Travel	\$613,934	\$629,282	\$645,014	\$661,140	\$677,668
Program Travel	\$531,992	\$531,992	\$545,291	\$558,924	\$572,897
Intervention Reserve	\$200,000	\$100,000	\$100,000		
Capital	\$262,122	\$56,383	\$300,000	\$200,000	\$200,000
Amortization	\$100,000	\$125,000	\$150,000	\$175,000	\$175,000
Total	\$11,270,300	\$10,811,391	\$11,998,746	\$12,425,587	\$12,991,301

By Business Line	2018/19 fiscal	Region 1	Region 2	Region 3	Region 4
Corporate Services	\$4,560,987	4,213,203	132,850	204,934	10,000
Market Development FAL & S R	\$1,581,116	1,076,963	104,000	332,153	68,000
Standards and Certification	\$1,654,537	1,544,531	-	110,006	-
Capacity Development & Intervention	\$2,115,758	1,440,081	340,247	323,630	11,800
Default Management	\$1,357,902	190,445	837,120	319,697	10,639
Total Budget by Region	\$11,270,300	8,465,223	1,414,217	1,290,420	100,439

Note: This budget does not include Governance Accreditation project

Table 11 - Financial Plan

Number of Employees

The table below outlines the staff Resource that is required.

	Previous Year	Forecast year				
	Fiscal 2017/2018	Fiscal 2018/2019	Fiscal 2019/2020	Fiscal 2020/2021	Fiscal 2021/2022	Fiscal 2022/2023
Corporate Services	7	12	12	12	12	12
Marketing Development, FAL SR	3	6	6	6	6	6
Standards and Certification	7	11	11	12	12	12
Capacity Development & Intervention	11	12	12	15	15	15
Default Management	0	4	4	5	5	5
Total Staffing Requirements	28	45	45	50	50	50

Table 12 - Number of employees

Projected Outcomes

	Previous Year	Forecast year				
	Fiscal 2017/2018	Fiscal 2018/2019	Fiscal 2019/2020	Fiscal 2020/2021	Fiscal 2021/2022	Fiscal 2022/2023
FALS enacted FMA (Cumulative)	137	178	223	263	300	340
FALS 10 Year Grants (No Budget)	0	100	100	100	50	50
FP Certificate Reviews (Cumulative)	115	150	188	222	253	281
FP Reviews for 10 year Grants (No Budget)	0	100	100	100	50	50
FMS Reviews (Cumulative)	11	23	45	90	120	160