



# INVESTMENT GUIDE

## FOR FIRST NATION GOVERNMENTS

### Why should my First Nation have an investment strategy?

#### CREATE WEALTH

Put your assets to work, generating additional revenue for your First Nation.

#### PRESERVE WEALTH

Safeguard wealth for the long-term while ensuring savings and growth.



#### MEET FUTURE NEEDS

Investment strategies are forward looking. Provide for the seventh generation by creating intergenerational wealth.

### What should an investment strategy consider?

There is no one size fits all approach for investment strategies. A good strategy will consider the specific goals of your First Nation.

- How important is preservation of capital?
- How will our investments generate income?
- What are our short and long-term investment priorities?
- What is an acceptable level of risk for the First Nation?

## Who is responsible for the investment strategy?

Council has the responsibility to create an investment strategy and rules for investing, including what types of investment are allowed. Council ensures that the First Nation completes a risk assessment before investing and reviews the investment strategy on a regular basis. Although this responsibility rests with Council, they will want to rely on expert advice to develop the investment strategy.

The Finance and Audit Committee provides Council with financial advice and recommendations, including advice on risk and investments.

The Chief Administrative Officer and Director of Finance will likely play a supporting role.

## Do I need an investment manager?

The benefit of working with a professional is that they have the experience and financial knowledge that will help form a risk strategy based on the goals of the First Nation. There are many different options for investments and advice such as banks and trust companies. Other types of investment companies can be pension funds, financial planners, and specialized investment firms.

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*When assessing risk tolerance and considering investment opportunities, it is always a best practice to look for guidance and advice from trusted professionals such as financial advisors, lawyers, and financial institutions.*

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Directly investing in a company is another option, may create employment opportunities and allow the members to generate a good working wage, which can contribute to the overall well-being of members and create intergenerational wealth.

## Questions to consider when choosing an investment manager:

- Are they knowledgeable about your First Nation's values?
- Are they willing to share and teach?
- Are they experienced in the market?
- Are they cost effective?
- Do you already have relationships that could be a resource to you?
- Do they have time to work with you?

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