



FORT MCKAY  
FIRST NATION

# ANNUAL REPORT 2018

*INSPIRED BY OUR PAST,  
INVESTED IN OUR FUTURE*





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## INSPIRED BY OUR PAST

T'ANT'U NUHÉBA  
YANÉDHÉ SUGHA WALESI  
HA NUHÉ TS'EDI

SIHISKÁKEWIN TANSI  
Ē KICIPIMĀTISK

We are approximately 900 Cree and Dene people thriving on lands along the shores of the Athabasca River approximately 65 kilometres north of Fort McMurray, Alberta.

Our Nation's roots run deep. Our identity is rooted in time and place to the land. We have roamed this land, lived from this land and been part of this land for centuries.

This land gave abundantly to our ancestors. Their livelihood depended on a keen ability to gather, hunt, fish and work in harmony with nature. We gave back to it by honouring it and using its resources wisely. To this day, our people have an unbreakable connection to the environment and continually work to protect, respect and restore its natural beauty while attending to the economic health and growth of our people.

## OUR VALUES

- PROTECTING AND RESPECTING NATURE
- BUILDING THE LOCAL ECONOMY AND ENCOURAGING ENTREPRENEURIAL SPIRIT
- INVESTING IN THE COMMUNITY
- LOOKING TO THE FUTURE

## OUR PRIORITIES

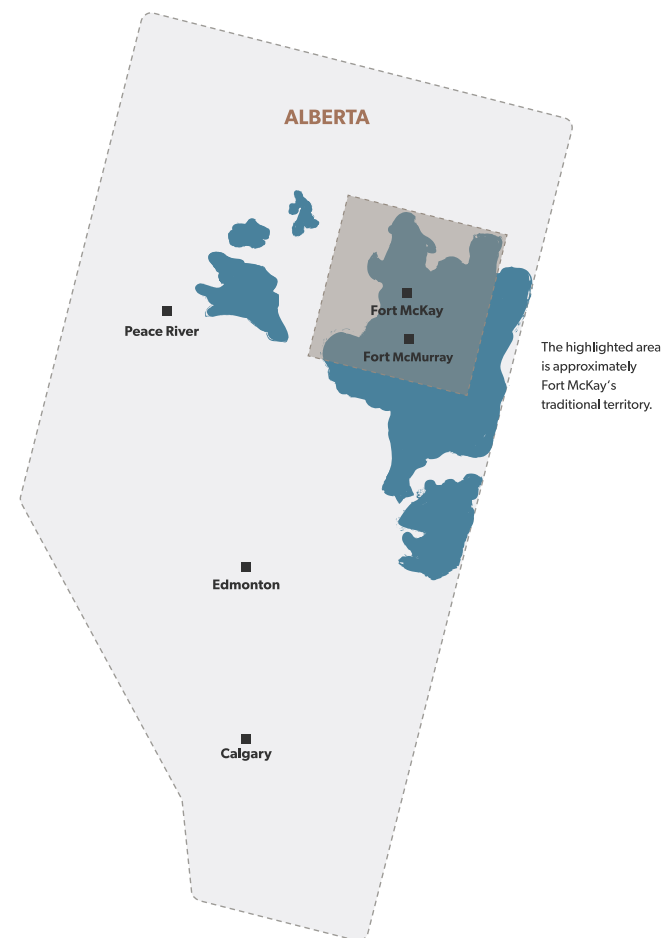
- INVESTING IN THE NATION'S PEOPLE AND COMMUNITIES
- ESTABLISHING AND MAINTAINING PARTNERSHIPS WITH INDUSTRY
- PROTECTING AND RESPECTING THE NATURAL HABITAT

## INVESTED IN OUR FUTURE

YANIZI T'ANT'U  
NÁHODHER NĪSI, EYI  
GHARE EDUHĪ KO'HUJA

TA-MAMAWI  
ATOSKITAMIK

We believe the practice and preservation of our traditional ways of life can occur simultaneously alongside continuous and responsible resource development. We work collaboratively with industry and hold a successful, long-established record of strong relationship-building with the various resource companies operating adjacent to our land. We've aimed to maximize our participation in the economy to create sustainable, long-term growth and development. This enhances our community's social and economic conditions through effective partnerships with industry and government. As a result, we have tremendous employment, education and economic advancement opportunities.





# STRONGER TOGETHER

## ETÁ DE NATÁITSER HA

### NAHIPAYWIN

### OTI-NAKAN OCHI

Over the past several decades, we’ve successfully built a growing business portfolio by providing high-quality services that are safe, timely and cost effective. Today, we generate 97% of own sourced revenue from Nation-owned companies. Profits go to Fort McKay to pay for the annual expenditures on important infrastructure and community services such as housing, health and education.

# FROM OUR

## CHIEF AND COUNCIL

### DENEK’ODHERI CHU DENE

### K’ODHERAZE OT’SI

### OKIMAHKÁN EKWO

### OWIYASIWEWIK

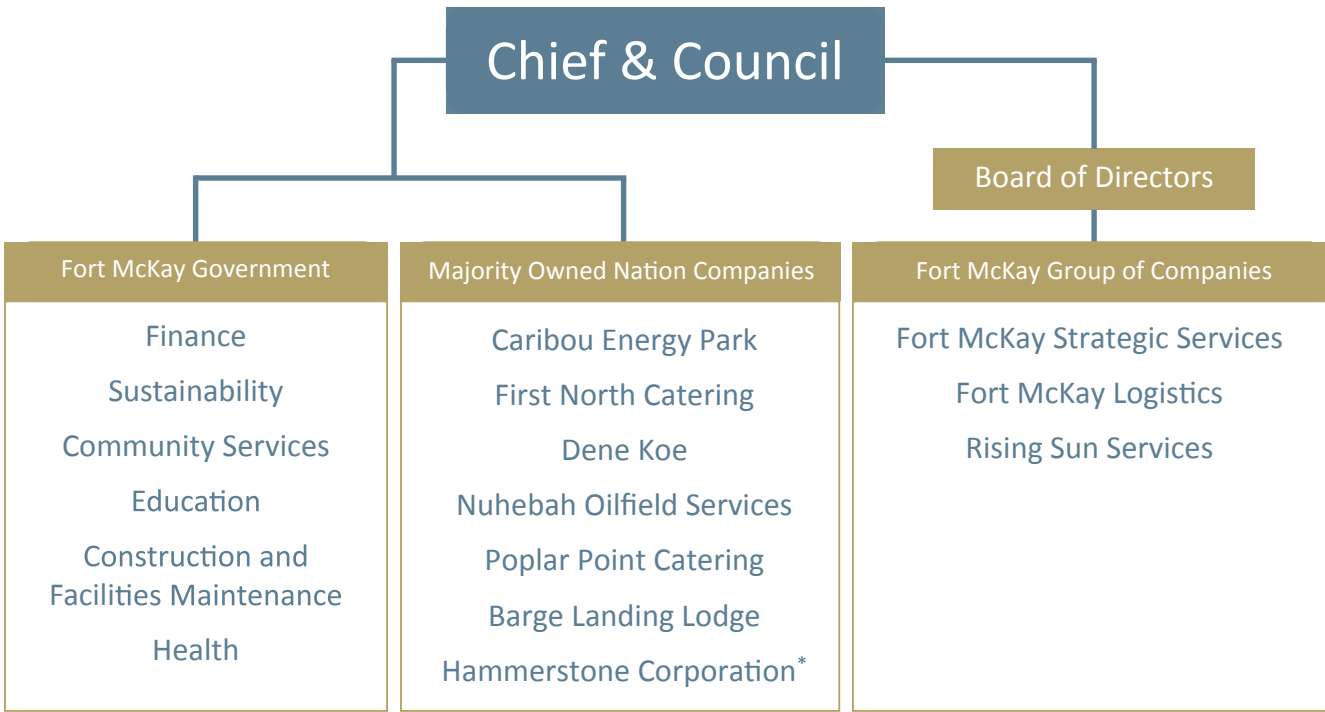
## OUR ORGANIZATIONAL STRUCTURE

Fort McKay is organized into two units: Administration and Business Portfolio. While separate, they share the common goal of building a strong and healthy community in Fort McKay.

**ADMINISTRATION** is responsible for providing governance and community services. Its main departments include:

- Business Development
- Community Services
- Finance
- Senior Services
- Capital Projects
- Culture
- Health
- Sustainability
- Communications
- Education
- Human Resources

**THE BUSINESS PORTFOLIO** comprises of seven companies, which serve as a revenue source for the Nation. The five majority-owned companies are managed by a dedicated team who oversee the Nation’s interests in these businesses. The three wholly owned companies are part of the Fort McKay Group of Companies (FMGOC), which has its own executive team responsible for day-to-day operations.



\*Investment in.

Both 2017 and 2018 have been years of significant progress and achievement for the people of Fort McKay First Nation (FMFN).

Although continuing shifts in the world’s economic climate presented unfamiliar challenges, the Nation’s rich history of collaboration, paired with our focus on innovation, has allowed us not only to rise to those challenges but to also seize new opportunities.

In 2017 the Nation was proud to reach a new milestone in business with the Suncor East Tank Farm purchase. The Nation is now an equity owner in the tank farm, which began operating in September 2018 and was renamed Thebacha LP. This deal is historic in Canada because it involved the largest bond ever raised by a First Nation and the largest equity purchase by a First Nation. Financial markets evaluated the deal on its merits and noted the Nation’s successful track record in business over the last 30 years. The result was a very competitive bond rate, with more institutional investors wanting to buy than there was available space.

Then in 2018 the Nation teamed up with Schlumberger, the world’s largest oilfield services provider, to form Nuhebah Oilfield Services LP—a new contender for oilfield chemistry. Working together, the Nation and Schlumberger share a mission to preserve the integrity of our clients’ assets, while thoughtfully protecting our resources for generations to come.

While engaging in these new collaborative enterprises, as well as building our long-standing businesses that support oil and gas development, we never lose sight of our ongoing priorities to protect our natural environment, preserve our culture and provide opportunities for our people to grow and prosper through education, employment and community services.

We’re particularly proud of the fact that in 2018 we opened a brand new facility to serve our Elders—the Riverside/Sonisipihk/Des k’e gah Continuing Care Centre. Our Elders had been asking for a facility of this kind for a long time. The spiritual and cultural health of Fort McKay residents relies on our Elders, so to have a place for them to receive the specialized care they need within the community means a great deal to us.

Looking to the future, the Nation now has a new school on the drawing board that we’re aiming to open in fall 2020. Education is vital to the health of our Nation, and it is our goal to see that every child in our community has access to a high-quality education. We’re preparing our youth to be the next generation of Fort McKay First Nation leaders and entrepreneurs, and we want to supply them with the necessary tools to be successful in their studies and growth as people.

As a Nation, we’re stronger together. We’re stronger when our people work together to build our community. And we’re stronger when we partner with the local energy and pipeline industry to help our people prosper. It is this collaboration, as well as the work of our staff and management, that has led to nearly zero unemployment and unprecedented economic success for our Nation. We look forward to continuing to make progress—by fostering existing relationships and seeking new opportunities for the betterment of all.

Chief and Council  
Fort McKay First Nation



## NEWLY ELECTED CHIEF AND COUNCIL

Facing page left to right: Councillor Raymond Powder, Councillor Crystal McDonald, Chief Mel Grandjamb, Councillor Melinda Stewart and Councillor David Bouchier.



## THE GLOBE AND MAIL

### FORMER CHIEF BOUCHER NAMED TO THE GLOBE AND MAIL'S POWER 50 LIST

"No one knows oil sands country like the long-serving chief of the Fort McKay First Nation," stated The Globe and Mail newspaper when naming Former Chief Jim Boucher to its annual 'Power 50' list of Canada's most influential business people for 2017. "While Boucher continues to battle projects near the remaining undisturbed parts of his reserve and traditional territory, he now stands apart from many Indigenous leaders in advocating in favour of pipelines and the oil and gas sector."

### FORMER CHIEF JIM BOUCHER NAMED 2018 CANADIAN ENERGY PERSON OF THE YEAR

In recognition of his role as "a true Canadian energy sector entrepreneur and leader," Former Chief Jim Boucher was named 2018 Canadian Energy Person of the Year in November by the Energy Council of Canada.

"Chief Jim Boucher has been, and continues to be, one of the most influential people in Canada and one of its most successful Indigenous leaders," the Energy Council of Canada said when announcing the award. They highlighted his leadership in developing and sustaining Fort McKay businesses into "one of the most successful First Nation-owned business ventures in Canada." The Nation has earned an average gross annual revenue of \$1.7 billion in the past five years.

"The success of Chief Boucher's vision is truly demonstrated within the community of Fort McKay itself," the Energy Council said. "Fort McKay First Nation offers the community a multitude of services, such as a Heath Care Centre, Family Support Centre, Riverside/Sonísipíhk/Des K'e gah Care Centre, Youth Centre, e-learning and radio broadcast station, and a community hockey arena. Fort McKay First Nation currently enjoys near-full employment with an average per capita income of \$73,500." According to Statistics Canada (2017), the average after-tax income in 2015 for Fort McKay residents was \$73,571—significantly higher than Alberta (\$50,683) and Canada (\$38,977).

The Energy Council of Canada brings together senior energy executives from industry and government to share in strategic thinking, dialogue, collaboration and actions involving energy matters in Canada and abroad.



## OUR ENVIRONMENT

### NUWE NÁRÉ ?ASI

### KITASKINAW EKWA NÎPÎY

#### OUR SUSTAINABILITY DEPARTMENT

The Fort McKay Sustainability Department (FMSD) advocates on behalf of community members on issues regarding the protection of Treaty and Aboriginal rights to hunt, fish and trap as a continuation of our way of life.

This can be challenging in an environment impacted by development. The FMSD records the members' concerns, which are then used to influence the conversations that department staff have with government and industry. Through its participation in regional and provincial multi-stakeholder groups and regulatory hearings, the Sustainability Department—with support from traditional land users—advocates for community members' concerns and identifies shortcomings in government policy and industrial practices. They advise on changes that will help sustain our traditional lands for generations to come.

In addition, the Sustainability Department runs the Community Enhancement Society, an industry-funded, community-run organization that allocates funding to various community programs. These include the annual harvest of bison and distribution of bison meat, and member flights to Moose Lake for cultural retreats.

#### OUR INITIATIVES AND ACHIEVEMENTS

##### WATER MONITORING OF MOOSE LAKE AND BUFFALO LAKE

A multi-year research and monitoring plan has been implemented to assess the environmental health of Moose Lake and Buffalo Lake, and produce reliable data to evaluate environmental changes to the areas that are subject to further industrial development. Preliminary results from 2018 show both the upper and lower sections of Moose Lake contain higher nutrient and algae values when compared to Buffalo Lake, which confirms the presence of algal blooms reported by community members in the past several years. In 2019, we plan to acquire new equipment to improve sampling and data collection for the lakes, while continuing to provide water quantity and quality assessments.

##### COMMUNITY-BASED MONITORING FUNDING

The federal government has awarded the FMSD funds to enhance its community-based monitoring, through which community members with 'on-the-land' experience provide valuable information during the planning, execution, analysis and reporting phases of our environmental monitoring and protection programs.

For hundreds of years, our ancestors and people have been one with the lands on which we've lived. Our deep respect for nature impels us to take significant action to protect the environment. We continue to be a firm voice for protecting and restoring the environment. We will not hesitate to raise our concerns to industry and government, nor will we shy away from being part of the solution.

##### OIL SANDS MONITORING PROGRAM

In 2017, the Governments of Alberta and Canada signed a Memorandum of Understanding (MOU) with the Indigenous communities in Athabasca, Cold Lake and Peace River oil sands regions to collaborate on oil sands monitoring (OSM). The MOU includes an affirmation of s.35 rights under Canada's Constitution and an intent that monitoring must include indicators that support these rights. After lengthy negotiation with the federal and provincial governments, the regions' First Nations and Métis communities adopted an Operational Framework Agreement that among other things established representation on the OSM Oversight Committee by Indigenous communities (6), federal government (2), provincial government (2) and industry (2). It was important to Indigenous participants that industry's membership on the Oversight Committee be limited to ensure it could not unilaterally affect decision-making outcomes.

##### RANGER PROGRAM

The Sustainability Department established a Park Ranger Program in 2016 in order to create and maintain a formal administrative presence by our Nation in the Moose Lake area. The program provides security and emergency support to community members travelling to Moose Lake and assists in several planned environmental protection and monitoring plans.

##### FEDERAL GOVERNMENT ADVOCACY

The Sustainability Department has also been advocating improved rights protection with the federal government. The Liberal government has proposed Bill C-69, which would replace the current Environmental Assessment Act with a new Impact Assessment Act. The new act would provide significantly more opportunity to protect Treaty rights, including significant changes to the consultation requirements for projects subject to a federal impact assessment. Chief Boucher traveled to Ottawa in April 2018 to deliver testimony to the House of Commons' environment committee, which has been reflected in amendments to the draft Bill.

The department also contributed to the review of Bill C-68, which will restore protection to fish and fish habitats eliminated by the federal Conservatives in 2012.

Lastly, the Sustainability Department sent representation to Ottawa to participate in a roundtable to create an Indigenous Centre of Excellence on Cumulative Effects Management hosted by Crown-Indigenous Relations. Further work to support the creation of the Centre is expected in early 2019.

##### PARTICIPATION IN RESEARCH STUDIES

We are participating in several research studies, including:

- Assessment of household dust to determine the presence of petroleum coke dust and dust from the 2016 wildfire
- Potential pulmonary impacts of the 2016 wildfire
- Toxicological loads in wild foods due to industrial development and the 2016 wildfire



## OUR INITIATIVES AND ACHIEVEMENTS

### COMMUNITY ADVISORY GROUPS

Our Community Advisory Groups (CAGs) consist of up to 15 community members who meet with various oil sands companies in order to learn about industrial development within our traditional territory. The purpose of the CAGs is to ensure that community members get to know the company representatives, have direct communication with companies to express their concerns, and to develop a better understanding of a project, its impacts, proposed mitigation and reclamation.

In 2018 the Sustainability Department changed the CAG format to better enable community members to ask questions and voice their concerns; furthermore, it allowed industry to be better prepared to respond to these concerns. The first CAGs of the year were held without industry representatives, which enabled members to identify their priorities for the year. The new format has been successful so far because the community members have articulated their concerns and feel that their questions and concerns are being heard and properly addressed by industry. This has improved the outcomes from CAGs. For example, the Sustainability Department initiated a traffic-safety report with the University of Alberta for the Fort McKay/Canadian Natural Resources Limited (CNRL) road intersection after receiving advice from the community. CNRL agreed to implement the recommendations from the study.

Community members have also expressed a desire to become more involved with site reclamation. As a result, Suncor, Imperial Oil and Shell (whose oil sands assets were purchased in 2017 by CNRL) agreed to start reclamation projects with a traditional plants and blessing ceremony performed by a Fort McKay Elder.

### MANAGEMENT OF CUMULATIVE EFFECTS

The Sustainability Department has been working with staff from the Athabasca Chipewyan First Nation, Chipewyan Prairie First Nation and Mikisew Cree First Nation—collectively known as the Athabasca Region First Nations (ARFN)—to advance provincial policy changes to better protect Treaty and Aboriginal rights and to acknowledge, manage and mitigate the cumulative effects of industrial development. Specifically, the ARFN is working collaboratively with Alberta Environment and Parks to develop significant changes to the Lower Athabasca Regional Plan (LARP). The need for the changes arose from a finding in an Expert Review Panel in 2015 that stated that the environmental protection provisions of LARP does not necessarily protect Treaty and Aboriginal rights. Among the changes anticipated are an amendment of LARP’s vision to better acknowledge Indigenous people, a new Indigenous pillar, corresponding changes to strategic direction and action, and updates of environmental management frameworks to better protect Treaty rights: including air, water quality, water quantity, biodiversity and tailings management.

### TRAPPERS

The Sustainability Department facilitates trappers’ interactions with industry and government. It also provides the necessary training to enable younger generations to become registered trappers in accordance with the rules of the Province of Alberta. The Sustainability Department engaged trappers in the development of a Trappers Succession Plan, which was recently approved by Chief and Council.



## FIXING FIRST NATIONS CONSULTATION

In September 2018, Chief Jim Boucher and Chief Archie Waquan of the Mikisew Cree First Nation co-authored an op-ed opinion piece championing improved protection of rights and management of cumulative effects.

In the article, which was published in the Edmonton Journal, Chiefs Boucher and Waquan said: “Alberta is due to renew its consultation policy; we have worked with the province—and industry—to encourage new ways to consider cumulative effects. Renewing the policy will, in fact, help Alberta’s largest industry, of which we are partners. But sharing in the prosperity generated by the oil sands should not mean we must abandon our culture, our sacred places, our fundamental identity.”

The full article is available at [edmontonjournal.com/opinion/columnists/opinion-fixing-first-nations-consultation-imperative-for-alberta](http://edmontonjournal.com/opinion/columnists/opinion-fixing-first-nations-consultation-imperative-for-alberta)

## FMFN SUES ALBERTA GOVERNMENT OVER PROPOSED OIL SANDS PROJECT

The FMFN filed a lawsuit in December 2018 against the Government of Alberta for a decision that opens the door to industrial development in the Moose Lake area that Alberta promised to protect.

In 2017, Alberta committed to take steps ‘to ensure this sacred land is protected for generations to come.’ We expended tremendous time and energy to develop a Moose Lake 10-kilometre Zone Access Management Plan, the purpose of which is to balance the protection of s.35 Treaty rights and the exercise of traditional land use and cultural practices.

However, in June 2018, the Alberta Energy Regulator approved Prosper Petroleum Ltd.’s Rigel project, which includes the placement of its central processing facility inside the Moose Lake 10-kilometre Zone.

“We will not stand idly by and let the area be destroyed,” said FMFN Chief Jim Boucher. “We have constitutional rights under Treaty 8 that are being completely disregarded. Moose Lake is the last place where our people can exercise those rights, which were promised to our ancestors in perpetuity under the Treaty.”



## STUDIES UNDERWAY

### CONTINUOUS AIR-QUALITY MONITORING AT FORT MCKAY’S NAMUR LAKE AIR MONITORING STATION

This monitoring station enables us to establish baseline air quality data in the Moose Lake area, demonstrate and understand the current impact on air quality from oil sands operations, and develop and implement air quality protection programs.

### FIRE ASH CHARACTERIZATION AND EVALUATION OF TOXICITY

This program helps assess the potential impacts and risks to human health due to forest fire contaminants in homes as a result of the 2016 Fort McMurray wildfire and future wildfires. There are also study participants from Fort McMurray.

### SETTLED HOUSE DUST

This study helps us understand the presence and potential consequences and health risks of different types of materials found in household dust in Fort McKay. It also identifies the origin of the contaminants and how to mitigate their presence and effect on human health, if any.

### ANALYSIS OF AIR-QUALITY MONITORING IN FORT MCKAY

These air-quality analyses provide ongoing support to the Sustainability Department’s message to industry and government that air quality improvements are still needed in proximity to Fort McKay. It also helps to establish actions and plans to protect the community in case of emergency situations arising from air quality deterioration.

### FOOD SAFETY POST-FOREST FIRE

This program helps community members and land users understand the risks to wild foods (e.g., moose, berries, and fish) that may have resulted from the 2016 Fort McMurray wildfire and future wildfires.



# OUR CULTURE

## NUHECH'ANIE

### TANSI Ē KICIPIMĀTISK

## OUR INITIATIVES AND ACHIEVEMENTS

These cultural activities were funded by us, as well as Imperial Oil, Suncor Energy and other partners.

### DRUMMERS, DANCERS AND REGALIA TRAINING

Audrey Redcrow, Cultural and Special Projects Lead for the Fort McKay Northwind Dancers and Drummers group, serves as the focal point for the cultural programs in Fort McKay. She also coordinates weekly group practices for traditional drumming, dancing, drum and regalia making. Elder Clara Mercer, a devout traditional teacher, supports Audrey in program planning and provides spiritual guidance to the group. Audrey also receives support from Elders and adults, who provide input on community cultural programs. .

The Fort McKay Northwind Dancers and Drummers participated in two round dances in Fort McKay, and six out-of-town community pow wows, including The Gathering of Nations in Albuquerque, New Mexico.

Nine new members (ages 3 to 12) joined the group. They were initiated into the pow wow circle at the Fort McKay 1st Annual Pow Wow. The initiation is a sacred ceremony in which each new member earns the right to drum, dance, and solo in competitions and performances.

From March 2017 to March 2018, the group had eight performances in three schools, two for Suncor Energy, and at local community events including the Elders Annual Christmas Party, the Multicultural Expo and the Alberta Winter Games.

The group engaged in drum-making with pow wow drum instructor Nicholas Giant. Male drumming and solo singing, as well as learning the basic Cree and Dene languages, are key activities for the group.

Our history and cultural practices are sustained through the passage of the Nation's lore from Elders to adults and children. We've been working to instill a sense of traditional history through a range of community initiatives, which brings together youths, adults and Elders. These activities have helped maintain our way of life, values and belief system, while keeping the Dene and Cree cultures alive.

## COMMUNITY TRADITIONAL CELEBRATIONS

### TREATY DAYS

Each year our small community's population doubles in size during Treaty Days. It is filled with hundreds of visitors who come to see and be part of Fort McKay's annual traditional celebration. Traditional events include:

- Hand-games
- Jigging
- Moose calling
- Laughing competitions
- Pow wow and give-away
- Demonstrations of traditional skills in beading, making fire, drying meat and fish, and making bannock, jam and tea over campfires.

### WINTERFEST

Winterfest is a fun-filled weekend that brings families and the community together to participate in many traditional events, including:

- Sled pulling and snowshoe racing
- Indian leg wrestling
- Moose calling
- Log toss
- Fire, tea and bannock making
- Drumming and singing
- Storytelling

The goal of Winterfest is to bring people together and bring traditional winter activities back into our community.

### ROUND DANCES

Round dances (Cree style) and tea dances (Dene style) are long-standing traditional events that community members look forward to. We hosted four round dances, including one with a sacred pipe ceremony for healing that attracted more than 200 community members, as well as Elders from Fort McMurray's Nistowayou Friendship Centre. In addition to feasting on traditional foods and a gift giveaway, Elders reminisced about their round dance experiences during their childhood and adulthood, and the spiritual and cultural significance of these events. There is a strong desire from community members to continue round dances and tea dances as annual cultural events.

## ACTIVITIES SUPPORTING CULTURAL TRADITIONS

### CREE AND DENE LANGUAGE CLASSES

(MARCH 2017 – MARCH 2018)

Elder Clara Mercer led Cree language classes twice a week for three months. The 17 students in the program learned basic Cree and conversational Cree, and then moved on to learning Cree Christmas songs. The songs were debuted at the Elders Christmas party and the Fort McKay First Nation Staff Christmas Luncheon.

Janette Flett-Jones led the Dene language class once a week for three months. Five students learned basic Dene words and conversation. Dene is a difficult language to learn, but the Nation strongly believes it is an important language to keep alive for our community. Cree and Dene language classes will continue in 2018–2019.

### TRADITIONAL HEALING

Our traditional healing program offers community members a chance to heal through traditional medicine practices, as well as a spiritual balance to heal from pain, illness, grief, loss, stress, addictions and self-harm. Community members continue to request traditional healing, with most preferring this way over Western doctors and medicines. Most of the traditional healing is performed inside the community with 20 participants over two to three days, while some community members prefer to travel outside the community seeking traditional healers.

### SUMMER CAMPS

We continue to commit resources to improve the amenities and services at Moose Lake and Buffalo Lake. We recently built a new bunkhouse that sleeps 16 people, an important addition to the summer camp. The area around the camp is one of the few places the community trusts to gather their traditional food supply. While at Moose Lake, community members can fish, hunt, collect berries and enjoy an environment that is reminiscent of the pre-development of the oil sands.

The Nation holds camps specifically designed to instruct young people in traditional skills and to teach them about their rich heritage. For example, we've taught youth how to build teepees using manual tools, a process that took three full days for processing logs and several practices of erecting the teepee. Other skills youth have learned at these camps include drum making, eagle-feather teachings, fishing, moose calling and hunting, trapping, and meat and fish drying.

Initiatives planned for 2018–2019 include:

- Addictions counselors holding camps at Moose Lake, employing traditional healers and counselors who use traditional medicines to help the less fortunate members of the community
- The Elders Centre will help organize a summer camp for Elders

## ELDERS' ANNUAL PILGRIMAGE TO HOLY LAC STE. ANNE

We provide our Elders with the opportunity to participate in an annual pilgrimage to Lac Ste. Anne, which is located 75 kilometres west of Edmonton. In 2017, approximately 25 of our Elders and their family members travelled to Lac Ste. Anne to gather and be blessed in the holy waters of the lake and to pray. Members of our Culture and Senior Services departments joined the pilgrimage and helped cook lunches and harvest sage and fresh mint.

Historically the first pilgrimage to Lac Ste. Anne occurred in 1889 in honour of Saint Anne, whose feast day is July 26. In 2004, the Lac Ste. Anne Pilgrimage was declared a National Historic Site of Canada for its social and cultural importance. According to Parks Canada, "Lac Ste. Anne Pilgrimage is a site of national historic significance because as early as 1889, Aboriginal people including Cree, Dene, Blackfoot and Métis, have been coming to Lac Ste. Anne to celebrate the Feast of Saint Anne. Saint Anne embodies for many Aboriginal peoples, the traditional importance of the grandmother figure. For the Aboriginal people of Western and Northwestern Canada, the pilgrimage site is an important place for social, cultural and spiritual rejuvenation, which are important aspects of the traditional summer gathering."



OUR YOUTH EDUCATION

DENE GÓDHE HÁDONILTEN

AWÂSISAK OCHI  
KISKINOHAMAKOSIWIN

We have a proven track record for developing and delivering youth education and skills training programs for our community. Our Education Department is the community resource for all-inclusive education programs. The department plays a key role in supporting and developing its students, while focusing on the delivery of exceptional educational services to its members. The Education Department currently offers fully staffed and funded programs in Cree and Dene language development, post-secondary funding, high school e-learning and mentoring, a middle school alternative program, and transportation services to Fort McMurray for all grade levels.

OUR INITIATIVES AND ACHIEVEMENTS

**NEW SCHOOL IN THE WORKS**  
We are moving forward with building a new school. Our Capital Projects Department facilitated two design meetings with the community and The Workun Garrick Partnership Architects. Workun designed the Fort McKay Youth Centre that opened in 2016, and provided input to develop initial concept options for the new school. We're aiming to complete construction and open the new school in the fall of 2021.

**STAFFING AND ORGANIZATION**  
In preparation for the new school, our Education Department has also been developing administrative structures to include policies and procedures, governance and parent advisory structure, as well as curriculum and instruction in Cree and Dene.

**E-LEARNING PILOT PROGRAM**  
The Education Department launched a pilot e-learning initiative to address the needs of students aged 12 to 15 who haven't experienced success in a regular school program. These students require an alternate setting to meet their academic, social and cultural needs. The goal of the pilot program is to assist these students to be more self-sufficient and successful, so they can further their academic and career aspirations.

Each student receives an individualized program and support from Alberta Distance Learning and Calgary-based SCyber E-learning Community for their academic courses. The students take options that include experiential learning and culture. Social and emotional learning supports are provided by the Fort McKay band and Fort McMurray-based Waypoints Community Services Association.

**CO-MANAGEMENT AGREEMENT WITH NORTHLANDS SCHOOL DIVISION**  
In 2017 our Education Department signed a co-management agreement with Northland School Division (NSD) with a working group formed to develop an implementation plan. Part of the arrangement is to ensure that culture and language are an integral part of the agreement. Upcoming tasks include providing an orientation to NSD staff on the spirit and intent of the agreement and the parameters of the working relationship.

**TRANSPORTATION**  
The number of parents or guardians choosing to have their children attend a school in Fort McMurray continues to increase. As a result for the 2017–2018 school year, Fort McKay had three buses transport a total of 110 students to Fort McMurray schools, compared to 80 students the previous school year. The Nation funds this entire program at an annual cost of \$300,000.

**STAFFING AND ORGANIZATION**  
In preparation for the new school, our Education Department has also been developing administrative structures to include policies and procedures, governance and parent advisory structure, as well as curriculum and instruction in Cree and Dene.

**FMGOC GOLF TOURNAMENT**  
Through their annual golf tournament, the Fort McKay Group of Companies has raised a tremendous amount of money for our education system. In 2018, the golf tournament raised a total of \$111,997, and in the past 10 years they've contributed \$812,147.

KEY EDUCATION DEPARTMENT STATISTICS			
Type of Program	Number of Graduates		Notes
	2017–2018 school year	2017–2018 school year	
E-learning	2	11	Two students were accepted into the Registered Apprenticeship Program (RAP) for the 2018–2019 school year
High school (from Fort McMurray schools)	4	4	
Upgrading and Postsecondary Education	6	10	These students are attending a range of universities and colleges in Alberta and British Columbia, including among others the University of Alberta, NAIT, the University of Calgary, Alberta College of Art and Design, SAIT, the University of British Columbia, and Simon Fraser University



STRENGTHENING CREE AND DENE CULTURAL TEACHINGS

We've joined the University of Calgary's Werklund School of Education to form a research partnership. The aim is to strengthen Cree and Dene cultural teachings as foundational knowledge through parent and community engagement, and validating local Indigenous cultures and languages.

The partnership's work has included community meetings to discuss the collaborative creation of a parent/community engagement framework, with an elder/community gathering to validate the findings. The anticipated end result of the partnership's work is a locally developed, culturally responsive parental engagement framework that can be used within our community.





## OUR HEALTH AND WELLNESS

TANT’U HOTIYE GHĪDA HEL  
NUHEBA HORELYA WALÉ HA

MIYO MAHCIHOWAN

We aim to deliver the highest standard of community health services to our people. In achieving that goal, we offer a broad range of community-based infrastructure, services and activities to enhance the health and well-being of community members. We reached an important milestone in 2018 with the opening of the \$20 million Riverside/Sonîsipîhk/Des k’e gah Care Facility for the long-term care of elders.

The Health Centre is operated by our own administration. Its mission is to optimize the well-being of our community members. It manages all aspects of community health, as well as social services supporting health assessment and maintenance. Services include primary care, public health, pre-natal and well-woman visits, mental health, physiotherapy, geriatric/care specialist services, lab testing and telehealth consults.

## OUR INITIATIVES AND ACHIEVEMENTS

### HEALTH PROGRAM UPDATES

The Health Centre had approximately 3,000 patient-care visits in 2018. Through the Centre, transportation for medical appointments, home care, homemaking and physiotherapy services are provided. We also host daily lunches for elders.

A doctor visits the community one week per month. The Health Centre has hired a registered nurse (RN), licensed practical nurse and certified health care aide. These individuals provide our health care program with greater flexibility and band members with better access to services.

Health Centre staff carry out daily testing of the community’s drinking water. In 2018, water test results consistently came back clean and safe, and the water treatment plant continues to provide clean water to the community.

### ALLIANCE HEALTH STUDY

We are participating in the Alliance Health Study, a landmark national research study aimed at understanding the causes and the development of chronic diseases by Canadians. Diseases—such as heart disease, stroke, dementia and cancer—are responsible for the high rates of death in Canada, including Indigenous communities. By better understanding the causes of poor health, we will be able to identify the risk factors at an earlier stage, thus allowing us to provide better health services and treatments for people at risk.

Across Canada, approximately 10,000 people are being recruited for this study. Participants include 2,000 individuals from Indigenous communities, with 200 men and women aged 18 to 65 years old from Fort McKay. The study will look at the role played by the environment where we live and work, and contextual factors, such as how societal structure, activity, nutrition, smoking and access to health services play in the development of cancer, diabetes, heart disease, stroke and other brain disorders.

All parts of this study are voluntary. Participants will undergo a range of measures, including an MRI scan, blood tests and questionnaires about themselves and their environments, and agree to have their health followed. Several organizations are funding the study, including Fort McKay First Nation, The Canadian Institutes of Health Research, McMaster University, the Heart and Stroke Foundation, the Canadian Partnership Against Cancer, among others.

For more information on the study, please visit [cahbm.mcmaster.ca](http://cahbm.mcmaster.ca).







## RIVERSIDE CONTINUING CARE FACILITY OPENS ITS DOORS SONÎSÎPHK DES K'E GAH

We have long sought to build a facility for the long-term care of our elders. After many years of planning, building and hard work, construction of the \$20 million Riverside/Sonîsîphk/Des k'e gah Care Facility (Riverside) was completed in December 2017. The grand opening ceremony for the facility was held on June 22, 2018.

"Our elders have asked for this continuing care centre for a long time," said Councillor Crystal McDonald. "The spiritual and cultural health of Fort McKay residents relies on our elders, so to be able to have a place for them to receive the specialized care they need within the community means a great deal to us."

Riverside is the first of its kind in Alberta. It is a state-of-the-art long-term residential care facility constructed in a First Nations community specifically with elder comfort in mind. Our vision is to be a leader among First Nations in the delivery of quality age-in-care for our elders and other members of First Nation communities.

The Centre includes 16 single and two double units, for a combined total of 18 beds. All bedrooms are completely furnished, comfortably spacious with more than 500 square feet, and include a separate seating area and private bathroom. The building also includes beautiful visitor spaces, a kitchen, large dining/lounge room, cultural room and offices for staff.

Riverside is managed by our Health Department and is open 24/7, 365 days a year. The Centre has created approximately 23 new jobs for our Nation members. The Centre is staffed with doctors, registered nurses (RNs), licensed practical nurses, certified health care aides, custodians, cooks and cook helpers, security guards, janitors and transportation drivers.

Dietitians assist with developing menus based on each resident's individual dietary needs. Meals are nutritionally balanced and special consideration is given to residents to maintain the cultural and traditional foods they prefer.

Riverside residents are encouraged to participate in activities that have been designed to help them with their range of motion, cognitive learning, as well as culturally inspired arts and crafts. The Centre strives to maintain the cultural, traditional and spiritual needs of the residents, and offers them the opportunity to participate in smudging, pipe ceremonies, sweats, pow wows, and community celebrations and gatherings.

Since July 2016, we have worked collaboratively with Clark Builders and WGP to complete this project. Construction presented an opportunity for some of our community members to receive training in various aspects of construction, with the majority of the labour provided by our members for the project.



## OUR COMMUNITY

## HÁYORJLA

## KITASKIYNAK

With 97% of 97% of own sourced revenue generated from band-owned companies, profits from those businesses continue to pay for the cost of our all-important community services. Those services include our Elders Centre, Youth Centre, playgrounds and parks, a baseball diamond and a community arena offering a range of recreational opportunities for the entire community.

Elders are intricately vital to the spiritual and cultural health of Fort McKay residents. The Elders Centre provides a space for elders to meet, socialize and celebrate special events. Lunch is provided for elders at the Centre twice a week.

We also have a modern Youth Centre that opened in 2016. Its mission is to create a safe, fun and empowering environment for our youth. The facility offers 13 computer stations, a movie and gaming room, an art room with pottery kiln, fully operational kitchen, and a large common area with pool table and other recreational games.

In addition, our Wellness Centre aims to provide a safe and nurturing environment where all children and youth have every opportunity to reach their full potential. The facility promotes skill building, self-reliance, personal development, recreation, cultural education and activities, and environmental and community awareness to children ages 6 to 17 years. Services include a children's after-school program, youth drop-in activities, youth leadership programs, a supper program, summer day camp programs and more.

## OUR INITIATIVES AND ACHIEVEMENTS

### SUMMER STUDENT PROGRAM

The Summer Student Program, which provides employment to members enrolled in school, has evolved considerably over the past couple of years. Initially the program was based on youth cutting grass, painting fences and doing other manual-labour tasks. The program now provides more educational programs and assists our youth with receiving school credits for their work experiences. The program begins the day after Canada Day and runs for eight weeks.

For 2018, we split the program into two age groups: a senior program for youth aged 15 to 18 and a new junior program for youth aged 12 to 14. Due to restrictions by law, students in the junior program are only allowed to do very specific types of labour tasks, so we designed the program to have more life-skill activities to get them ready for the senior program. We kicked off the junior program with an excursion to Moose Lake for three days for team building and cultural experiences.

### EDUCATIONAL COURSES

Our educational courses for youth covered a wide range of topics, including:

- Emotional intelligence
- Entrepreneurship
- Injury prevention
- Internet safety
- Mentoring
- Photography
- Physical education
- Self-esteem and positive attitude
- Social skills and anxiety
- Stress and time management
- Suicide prevention awareness
- Tanning hide (cultural workshop)
- Teen pregnancy and sex education

In addition, Lee Mason, a nationally known Certified Addictions Counsellor from British Columbia, discussed with our youth the dangers of drugs and the importance of staying in school.

### WORK-RELATED COURSES

Our work-related courses for youth also covered a wide range of topics, including:

- Careers workshop
- Welding workshop
- Babysitting course
- Career research workshop
- Women Building Futures workshop
- Three day health sciences career camp at the University of Alberta in Edmonton
- Five day science and technology careers camp at Mount Royal University in Calgary

### YOUTH CENTRE

The number of youth attending our Youth Centre increased in 2018, with more than 30 youths attending on any given night. We expect a further increase in 2019, where an additional 15 to 20 youths become eligible to attend. This modern Centre has four full-time staff and is open for drop-ins on Mondays to Fridays from 3 to 9 pm for youths aged 12 to 17. The Centre also offers a supper program every night, where youths are provided with a cooked meal. Youths are encouraged to participate in the planning and preparation of healthy and fun meals.

Youth Centre programs included:

- Arctic Winter Games/Dene games practices
- Beading
- Climate change presentation
- Cultural nights of drumming and dancing with Cultural Coordinator Audrey Redcrow
- Gym time once a week at school
- Hiking
- Mini-tournaments (e.g., ping pong, pool, air hockey)
- No-school-Friday outings to Fort McMurray (e.g., movies, dinner, Corn Maze)
- Photography
- Pottery
- Sewing classes
- Ski trips
- Some Other Solutions mentoring program
- Special-events activities (e.g., Halloween dance, Christmas dinner, Valentine's Day)
- Sweat lodge

In addition, Youth Centre staff took a total of 30 youths on two separate trips to Edmonton. Renowned First Nation artist John Rombough conducted a three-day painting technique workshop during which our youth painted a teepee that was displayed in the Cultural Village at our Treaty Days.

### SPORT AND RECREATION PROGRAMS

Our Community Services Department organized programs during the 2017–2018 activity year for the youth, adults and families of our community, including:

- A hockey academy
- Adult volleyball
- Art clinic
- Basketball
- Bike club
- Birchwood Trails in Fort McMurray
- Fitness challenges
- Football games and football camp
- Girls Inc. Leadership and Community Action to help girls build their leadership skills
- Gymnastics and a gymnastics camp
- Paint nights
- Santa Claus Parade
- Science camp
- Skating lessons
- Fitness challenges
- Snowshoeing and hiking outings
- Soccer camp
- Swimming and swimming lessons
- Taekwondo camp
- Yoga
- Zombie Run

### INFRASTRUCTURE PROJECTS

The following infrastructure projects were completed in 2017 and 2018:

**ARENA:** The ammonia ice plant condenser was upgraded with funding from the Canada 150 Infrastructure Program. This upgrade allows us to open the arena during the summer months. We also replaced all the arena roof gutters with a heavier-gauge material and installed solar panels on the roof of the arena.

**WELLNESS CENTRE:** Upgraded with the installation of a new stainless-steel kitchen, new microwave and conventional oven, a barbecue and cooking utensils. We also repainted the interior and installed new floors.

### 2019 PLANNED INITIATIVES

The following infrastructure projects were completed in 2017 and 2018:

- Provide more recreational opportunities for adults 18 and up
- The Fort McKay Youth Council, which was created in March 2018, is taking more of a lead in the planning and implementation of their own programs and activities
- Find better solutions for our youth who are struggling with anxiety and substance abuse issues
- Create a plan to address the needs of our youth, who are coming forward wanting part-time jobs after school and weekends
- Attract more outside groups to use our arena complex in order to generate revenue to offset the high cost of operation



MAJOR SPECIAL EVENTS



**ARCTIC WINTER GAMES**  
Four athletes from Fort McKay participated in the Dene competition at the 2018 Arctic Winter Games held in March in Hay River and Fort Smith, Northwest Territories. Reanna Whiteknife won gold for All-Around Juvenile Female, silver in Stick Pull, bronze in Finger Pull and silver in Pole Push. Mikeela Cooper won silver in Pole Push. Hanna Black participated in junior girls Finger Pull and Riley Whiteknife in open male Finger Pull and Stick Pull competitions.

**FORT MCKAY HOSTS ALBERTA WINTER GAMES SPEED SKATING EVENT**  
Hundreds of visitors came to Fort McKay over three days in February 2018. This is because we hosted the speed-skating competition for the 2018 Alberta Winter Games. Approximately 90 athletes from across the province, ranging in age from 11 to 14 participated in various events, including the 1,500 metre, 400 metre, 300 metre, and 200 metre races. We received accolades from Alberta Speed Skating for the quality of our ice and the effort we made to transform our rink to meet the needs of a professional event. As a legacy for the event, we received the protective matting used at the event. We also pursued a partnership with Fort McMurray volunteers to create a regional speed skating club in Fort McKay.



**MARK MESSIER INTERNATIONAL HOCKEY CAMP (JULY 16-20, 2018)**  
We partnered with the Bouchier Group and CEDA to host the first-ever Mark Messier International Hockey Camp in Fort McMurray. A total of 38 young players participated in the camp, while 102 players aged 6 to 13 from the region participated in a week-long skills development camp.

The Mark Messier Camp consisted of two on-ice sessions per day, dryland training, video instruction and a free lunch. Messier, who is considered one of the greatest NHL players of all time, brought his whole family to be part of this great event. The community was blown away by how hands-on Mr. Messier was throughout the week—coaching, refereeing and signing autographs for all.

Two days before the camp started, organizers held a charity golf tournament that raised more than \$30,000. The money was split between the Mark Messier Foundation and Kids Sport Wood Buffalo. A second Mark Messier Camp will be held in July 2019.



**AMAZING RACE CANADA 2018**  
Fort McKay's own Dylan Elias, who is the Youth Mentor Coordinator at our Youth Centre, teamed up with his friend Kwame Osei for the Amazing Race Canada 2018 Edition. Dylan and Kwame had a great run and finished third in the nationally televised race.



**TED NOLAN COACHING SYMPOSIUM AND 3 NOLANS HOCKEY CAMP (FEBRUARY 23-25, 2018)**  
Ted Nolan (First Nations NHL coach and former head coach of the Buffalo Sabres) and Brandon Nolan (First Nations NHL player) offered a coaching clinic and player development camp for First Nations youth in the Region of Wood Buffalo. Ted Nolan made a presentation to 40 coaches and community members at our Youth Centre, and Brandon ran a three-day player development camp for 60 young players.



## OUR ECONOMY

T'ANTU NUHE  
TSAMBA GHÉTILI

NAHIPAYWIN



### FORT MCKAY GROUP OF COMPANIES

The Fort McKay Group of Companies (FMGOC) is a large oilfield construction and services company located in northern Alberta. FMGOC is 100% owned by Fort McKay and consists of three separate businesses offering a range of services—from earthworks and site services to reclamation support and logistics. The three businesses are Fort McKay Strategic Services, Fort McKay Logistics and Rising Sun Services.

Established in 1986, FMGOC started with a single janitorial contract. Since then, it has aggressively grown to take advantage of its proximity to the oil sands region and has become a strong partner to industry. By providing high-quality cost-competitive products and services in a safe environment, FMGOC is today a financially stable multi-million-dollar operation.



#### FORT MCKAY LOGISTICS

Fort McKay Logistics is the first certified ISO 9001:2015 Aboriginal Supply Chain Management service provider in Canada. We are a one-stop shop for clients. We offer sourcing, buying and moving materials from suppliers; stocking the materials in warehouses; and delivering materials to customers on time. We can pick up your material and equipment from suppliers and manage it through our comprehensive supply chain process to end users. Although primarily North American focused, Fort McKay Logistics can manage material from anywhere in the world via its strong partnerships in transportation, rail, marine and air.

Learn more at [fortmckaylogistics.com](http://fortmckaylogistics.com).

#### 2017–18 HIGHLIGHT

- Exclusive distributor for Mobil bulk-packaged lubricants
- Named one of Canada's Fastest Growing Companies in 2018 by Growth 500 magazine for its exceptional company growth (209% in the past five years)
- Successfully achieved ISO 9001:2015 certification
- Continually demonstrates and exceeds client and customer satisfaction for its Quality Management System

Fort McKay First Nation is located in the centre of Alberta's oil sands region and is the community most impacted by the development of the natural resource. Since oil sands development began, we have always sought to work with energy companies to find a balance between commerce, the environment and our traditional way of life.



Fort McKay Strategic Services

#### FORT MCKAY STRATEGIC SERVICES

Fort McKay Strategic Services offers a diverse set of services that deliver reliable and cost competitive advantages to its clients in the oil sands region. Our expertise includes earthworks, site services, heavy equipment, fuel and lube services, client embedded equipment operators, and reclamation support services.

The Construction & Earthworks division has a fleet of more than 50 pieces of heavy equipment, and provides mining services to oil sands projects.

The Site Services division offers direct access to an experienced labour force year-round for both long- and short-term projects.

Learn more at [fortmckaygroup.com/companies/strategic-services](http://fortmckaygroup.com/companies/strategic-services).

#### 2017–18 HIGHLIGHT

Fort McKay Strategic Services won the light civil earthworks contract to support the construction of new transmission lines and the new Thickwood Hills Substation Project. These projects are co-led by ATCO Electric and Valard Construction. The Thickwood Hills Transmission Project is connecting critical transmission infrastructure to reinforce the electrical system in northeast Alberta to the provincial electric system. The project is located approximately 16 kilometres west of Fort McMurray.



#### RISING SUN SERVICES

Majority owned by FMGOC and our newest company, Rising Sun Services is the only GM Warranty-approved automotive service centre in Fort McKay. The strategic and convenient location of this service centre allows industrial vehicles, mine sites and contractor trucks to get their vehicles serviced quickly, which translates to less downtime and a shorter commute for clients. Rising Sun Services' minority co-owner is Kaizen Automotive Group, which is Alberta's leading automotive group.

Learn more at [risingsunservices.ca](http://risingsunservices.ca).

## MAJORITY-OWNED COMPANIES



#### NUHEBAH OILFIELD SERVICES LP

Formed in 2018 between Fort McKay First Nation and Schlumberger, the world's largest oilfield services provider, Nuhebah Oilfield Services LP is a production and refinery chemicals company that provides full-service production technologies to midstream companies.

Nuhebah's global footprint and dedicated service delivery helps maximize production safely and reliably, regardless of system complexity or geography. Specialized research laboratories and field-support operations analyze issues across the entire spectrum of production operations, and engineer optimal solutions to protect asset integrity, safely maximize production and enhance product quality, while minimizing the impact on the environment.

Learn more at [nuhebah.com](http://nuhebah.com).



#### DENE KOE

By bringing together our Nation's trusted relationship-driven approach to business and the regional industry expertise of Civeo, the global workforce accommodation specialist, Dene Koe delivers unmatched hospitality and comfort through its offering of reliable, high-value remote lodging services, business cooperation and community engagement. Dene Koe's model supports the longevity and sustainability of communities in the oil sands by ensuring long-term development that considers the interests of the community.

Dene Koe is a service provider at Civeo's facilities near Suncor's Base Plant. This includes Fort McMurray Village, a five-lodge 3,500 room property; Hudson Lodge (624 rooms) and Borealis Lodge (1,504 rooms). Dene Koe offers comfortable rooms, excellent food and all the amenities that workers need to stay active and healthy, unwind and well rested.

Learn more at [denekoe.com](http://denekoe.com).

#### 2017–18 HIGHLIGHT

- Dene Koe won a contract with Syncrude in spring 2017. In the process, Dene Koe acquired three camps from Suncor—Millennium, Hudson and Borealis.

The Fort McKay First Nation is also majority owner of five companies that are managed by a dedicated team who oversee the businesses on behalf of the Nation. The companies include: Dene Koe, First North Catering, Fort McKay Caribou Energy Park, Hammerstone Corporation and Nuhebah Oilfield Services.



#### HAMMERSTONE

Hammerstone is part of the Brookfield Asset Management group of companies. Hammerstone's Muskeg Valley Quarry was established in 2009 and is centrally located within the mineable oil sands area. The quarry covers an area of about 3,600 acres, and with over 750 million tonnes of directly accessible limestone and gravel reserves, it is well positioned to supply the North Athabasca market for decades to come.

Learn more at [hammerstonecorp.com](http://hammerstonecorp.com).

#### 2017–18 HIGHLIGHT

- Hammerstone won a five-year contract with Suncor in the fall of 2017



#### FIRST NORTH CATERING

First North Catering is co-owned by Fort McKay First Nation and ESS Support Services, the market leader in providing remote foodservice and related support assistance. First North Catering has a long history of successfully operating in the oil sands region and meeting the unique needs of clients. With the support of both owners, First North provides high-quality and cost-effective remote camp services and related support assistance to clients in northern Alberta.



#### FORT MCKAY CARIBOU ENERGY PARK

Located 54 kilometres north of Fort McMurray, Fort McKay Caribou Energy Park is ideally situated to support the operation of various commercial industries supplying northern oil sands development. The park is owned by Fort McKay First Nation and Waiward Management Inc. It uses green technology to support infrastructure, while ensuring safety and security across all lots.

Learn more at [fortmckayproperties.com/parks/caribou](http://fortmckayproperties.com/parks/caribou).



OUR TRUSTS

In 1987, about the same time that Fort McKay started to participate in the oil sands industry, we filed a Treaty-land entitlement claim arguing that the Nation’s population had been undercounted when our land reserves were surveyed in 1915. Our claim was successful, and as a result the Fort McKay Treaty Land Entitlement Settlement Agreement (Settlement Agreement) was signed in 2003. Fort McKay received 20,000 acres of additional land and \$31 million in compensation from the Government of Canada for lost opportunity. From the start, our policy has been not to spend those funds, but to use the investment proceeds as a source of revenue for our annual budget. To ensure the funds are professionally managed, the Nation has established the followings trusts.

FORT McKay SETTLEMENT TRUST

The Fort McKay Settlement Trust was created in 2005 to protect and preserve the Nation’s wealth for future generations. The main purpose of the Settlement Trust is to preserve the funds received from the Settlement Agreement for the use and benefit of the Fort McKay First Nation. Investment counsellors for the Settlement Trust are Leith Wheeler Investment Counsel and Jarislowsky Fraser Ltd.

MILLIONS OF CANADIAN DOLLARS	2018	2017
Gross Income	2.33	2.60

FORT McKay BARE TRUST  
AND FORT McKay COMMUNITY TRUST

Both of these trusts were established in 2013 to manage the funds payable to the Nation under certain agreements with industry stakeholders.

The Bare Trust receives stakeholder payments and allocates them to the Nation’s Community Trust. The Bare Trust transferred \$3.6 million to the Fort McKay Community Trust in 2017, and \$3.7 million to the Community Trust in 2018.

The Community Trust was established to manage the payments from the stakeholders and use the funds for various purposes, including:

- Purchasing authorized investments
- Distributing funds to the Nation to enable it to pay for infrastructure that will benefit the Nation
- Financing or securing debt obligations relating to infrastructure

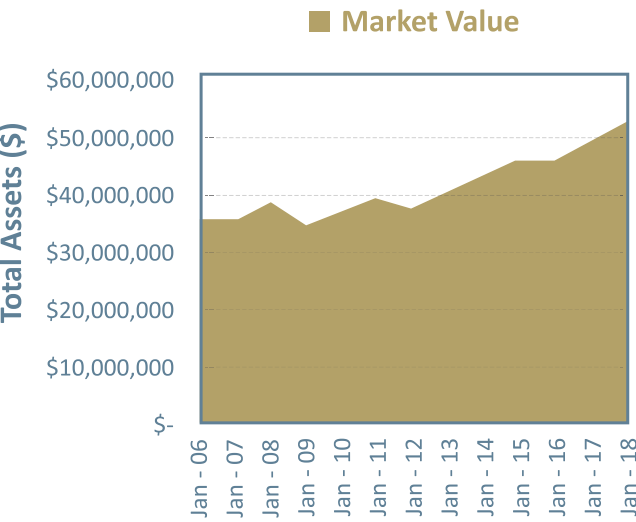
In addition to the funds received from the Bare Trust in 2017 and 2018 as mentioned above, the Community Trust also received \$2.5 million in 2017 and \$7.7 million in 2018 from industry stakeholders, and made distributions to Fort McKay First Nation totaling \$7.6 million in 2017 and \$5.6 million in 2018.

FORT McKay 2008 BUSINESS TRUST

Established in 2008, this trust holds an interest in two limited partnerships. The partnerships are:

- Fort McKay Landing Limited Partnership
- Fort McKay Group of Companies Limited Partnership

Market Value Since Inception



MILLIONS OF CANADIAN DOLLARS	2018	2017
Income attributable from limited partnerships	33.5	33.8
Distributed to the Nation	27.8	28.1

FORT McKay FIRST NATION RECOGNIZED FOR ITS ACHIEVEMENTS



2018 ABORIGINAL ECONOMIC DEVELOPMENT CORPORATION OF THE YEAR AWARD

Fort McKay First Nation and Fort McKay Group of Companies received this award in May 2018 from the Canadian Council for Aboriginal Business and award sponsor Sodexo Canada. The award recognizes the Nation’s success in seizing the opportunity for its community in business and partnership with the forestry, oil sands and pipeline industries in Canada, while respecting and preserving cultural values.

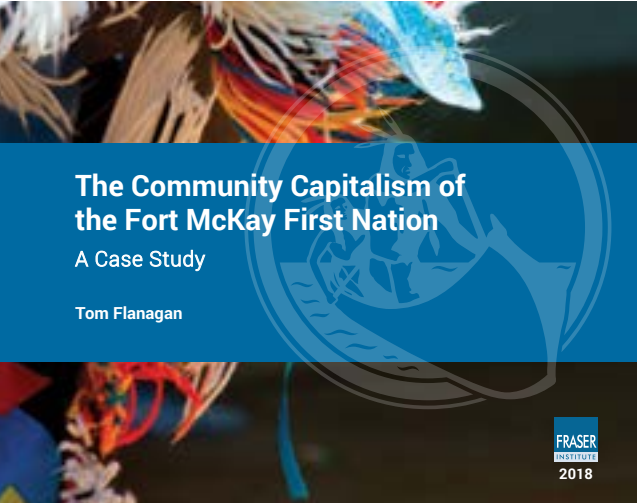
Pictured receiving the award are former Chief Jim Boucher, Councillor Crystal McDonald and former Councillor Peggy Lacord.



MONTREAL ECONOMIC INSTITUTE ‘FIRST ENTREPRENEURS’ CASE STUDY

Our economic success story was featured in a Montreal Economic Institute case study published in November 2018. The study concludes that First Nations communities and members involved in resource development earn multiples of what both Indigenous and non-Indigenous people earn in other industries. The First Entrepreneurs states: “The Fort McKay Nation is recognized as an entrepreneurial model among the country’s First Nations. Thanks to its entrepreneurship, this Nation of just under 900 members has reported annual revenues of \$60 million in recent years, reaching a peak of \$80 million in the 2017–2018 fiscal year.”

The full report and additional background is available at <https://www.iedm.org/85482-first-entrepreneurs-natural-resource-development-and-first-nations>.



FRASER INSTITUTE ‘COMMUNITY CAPITALISM’ CASE STUDY

We were the subject of a major case study published in March 2018. The study was called The Community Capitalism of the Fort McKay First Nation by Tom Flanagan, Senior Fellow with the Fraser Institute, which is ranked as the top think-tank in Canada. “Fort McKay is a success story, not just among First Nations, but all communities across Canada, and proof that sound political and economic leadership can dramatically improve living standards in big cities or rural settings,” Professor Flanagan states.

The full report and additional background is available at <https://www.fraserinstitute.org/studies/community-capitalism-of-the-fort-mckay-first-nation-case-study>.



CONSULTING ENGINEERS OF ALBERTA AWARD

Fort McKay’s Namur Lake Air Monitoring Station was recognized for its innovative and environmental design during the 2018 Consulting Engineers of Alberta Showcase Awards Gala on February 23, 2018. Fort McKay received the Environmental Award of Merit for its off-grid solar-powered air quality-monitoring station, which was installed in 2016. Thirty-six solar panels provide the primary source of electricity for the Namur Lake Station, which is one of the world’s first off-grid continuous air-monitoring stations.



## EAST TANK FARM PARTNERSHIP LARGEST FINANCIAL INVESTMENT BY FIRST NATIONS IN CANADA'S HISTORY

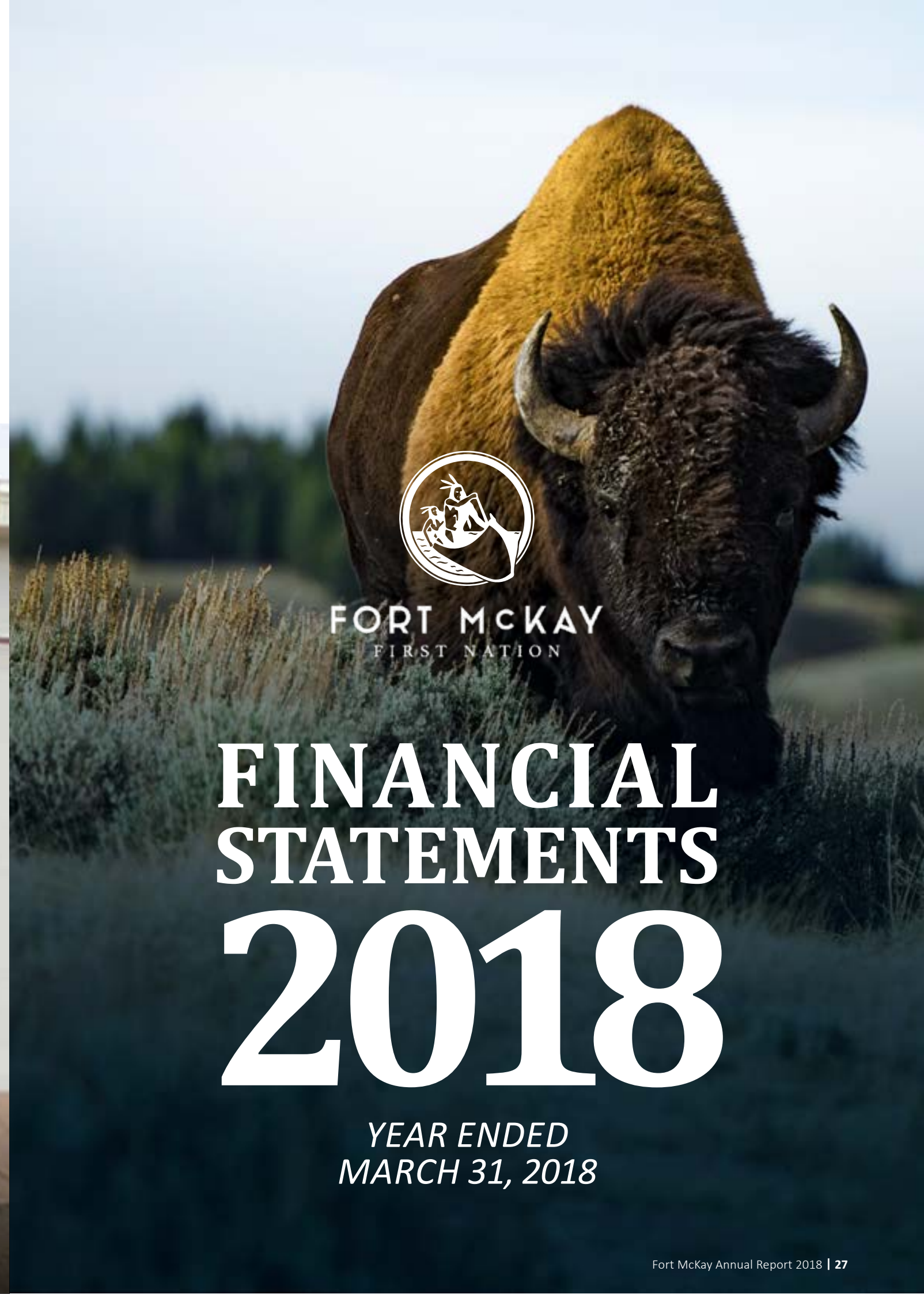
On November 22, 2017, Suncor Energy, Fort McKay First Nation and Mikisew Cree First Nation (MCFN) announced the completion of the acquisition by Fort McKay and MCFN of a 49% partnership in Suncor's East Tank Farm Development for total proceeds of \$503 million.

"The deal represents the largest business investment to date by a First Nations entity in Canada, and not only demonstrates the great potential for partnerships between First Nations and industry, but serves as a model for how First Nations can achieve greater self-determination through financial independence," said Councillor Raymond Powder.

This venture was completed without any government funding or involvement. It was strictly a commercial deal between Suncor Energy and two First Nations. The two First Nations independently financed the acquisition through the issuance

of a \$545 million senior secured note due December 31, 2041. The bond offering, which was structured and marketed by RBC Capital Markets, is the largest bond raised by First Nations in Canadian history.

The agreement has been named "Thebacha," a Dene word that means "river." The \$1 billion East Tank Farm Development, which opened for operation in September 2018, is a bitumen and diluent storage, blending and cooling facility located approximately 30 kilometres north of Fort McMurray, Alberta. It is primarily dedicated to servicing bitumen production from the Fort Hills oil sands mining project. Revenue from long-term terminals service agreements with the Fort Hills oil sands partners underpins the financing. Suncor is the operator of the East Tank Farm Development, which is expected to provide steady income to Fort McKay and MCFN for years to come.



# FINANCIAL STATEMENTS 2018

YEAR ENDED  
MARCH 31, 2018



## INDEPENDENT AUDITOR'S REPORT



## FORT MCKAY FIRST NATION STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2018



To the Members of Fort McKay First Nation

We have audited the accompanying financial statements of Fort McKay First Nation, which comprise the statement of financial position as at March 31, 2018 and the statements of operations and accumulated surplus, changes in net financial assets, and cash flows for the year then ended, and 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.

### *Auditor's 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 the 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 the auditor's 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, the auditor considers 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 Fort McKay First Nation as at March 31, 2018 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

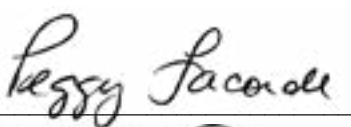
### Chartered Accountants

July 20, 2018

	2018	2017
<b>FINANCIAL ASSETS</b>		
Cash (Note 3)	\$ 1,439,174	\$ 7,582,044
Cash held in trust (Note 4)	5,413,730	6,321,580
Accounts receivable (Note 5)	5,630,698	3,929,579
Investment in Settlement Trust (Note 6)	53,297,444	48,040,131
Investment in Business Enterprises (Note 7)	103,726,462	79,111,504
	<b>\$ 169,507,508</b>	<b>\$ 144,984,838</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 8)	\$ 6,966,352	\$ 8,806,626
Unexpended grants (Note 9)	3,098,417	8,205,845
Debt (Note 10)	40,939,796	41,877,933
	<b>51,004,565</b>	<b>58,890,404</b>
<b>NET FINANCIAL ASSETS</b>	<b>118,502,943</b>	<b>86,094,434</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Note 11)	120,934,470	115,638,998
Prepaid expenses	291,167	247,116
	<b>121,225,637</b>	<b>115,886,114</b>
<b>COMMITMENTS AND CONTINGENCIES (Note 13)</b>		
<b>ACCUMULATED SURPLUS (Note 14)</b>	<b>\$ 239,728,580</b>	<b>\$ 201,980,548</b>

APPROVED BY THE CHIEF AND COUNCIL

  
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Peggy Saccorale



FORT MCKAY FIRST NATION  
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS  
YEAR ENDED MARCH 31, 2018



	(Note 19) Budget 2018	2018	2017
REVENUE			
Business enterprise income	\$ 21,439,695	\$ 49,140,648	\$ 27,395,208
Industry grants	16,796,306	10,947,780	16,140,082
Long-term sustainability funding	8,038,081	8,193,510	6,336,515
Indigenous and Northern Affairs Canada	1,656,083	2,861,717	3,257,895
Property tax income	2,702,887	2,411,683	2,623,846
Rent	1,300,000	2,333,638	2,395,012
Investment income	3,800,000	1,606,532	4,948,435
Health Canada	728,299	803,543	935,525
First Nations Development Funding	700,000	632,522	700,000
Miscellaneous and other	754,600	743,882	1,088,312
Athabasca Tribal Council	102,400	182,823	105,251
Canada Mortgage and Housing Corporation	136,000	139,021	205,494
Interest	-	112,313	58,815
	58,154,351	80,109,612	66,190,390
EXPENSES			
Education (Schedule 1)	3,310,428	2,353,814	1,889,654
Social development (Schedule 2)	519,278	810,422	446,120
Operation and maintenance (Schedule 3)	2,472,718	3,815,181	3,189,972
Housing and capital projects (Schedule 4)	8,435,892	5,977,489	5,989,479
Government support and administration (Schedule 5)	8,698,487	9,384,240	10,087,503
Economic development and human resources (Schedule 6)	3,694,200	1,653,789	1,653,484
Land trusts and claims (Schedule 7)	204,000	552,459	188,521
Community health services (Schedule 8)	5,033,751	3,326,185	3,261,750
Enterprise fund (Schedule 9)	320,670	1,728,842	3,305,881
Sustainability department (Schedule 10)	9,102,118	5,691,603	4,876,468
	41,791,542	35,294,024	34,888,832
SURPLUS BEFORE THE FOLLOWING	16,362,809	44,815,588	31,301,558
OTHER ITEMS			
Depreciation	-	4,473,780	4,791,450
Business profit distributions	-	2,593,776	2,042,149
	-	7,067,556	6,833,599
ANNUAL SURPLUS	\$ 16,362,809	37,748,032	24,467,959
ACCUMULATED SURPLUS AT BEGINNING OF YEAR		201,980,548	177,512,589
ACCUMULATED SURPLUS AT END OF YEAR		\$ 239,728,580	\$ 201,980,548

FORT MCKAY FIRST NATION  
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
YEAR ENDED MARCH 31, 2018



	2018	2017
Annual surplus	\$ 37,748,032	\$ 24,467,959
Acquisition of tangible capital assets	(9,769,252)	(13,655,608)
Depreciation	4,473,780	4,791,450
	(5,295,472)	(8,864,158)
Net acquisition of prepaid asset	(44,051)	(35,454)
INCREASE IN NET FINANCIAL ASSETS	32,408,509	15,568,347
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	86,094,434	70,526,087
NET FINANCIAL ASSETS AT END OF YEAR	\$ 118,502,943	\$ 86,094,434





	2018	2017
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING ACTIVITIES</b>		
Cash receipts from revenues	\$ 24,048,104	\$ 43,425,036
Cash paid to suppliers and employees	(35,475,463)	(33,468,781)
Interest received	112,313	58,815
Interest paid	(1,702,886)	(1,677,522)
	<u>(13,017,932)</u>	<u>8,337,548</u>
<b>INVESTING ACTIVITIES</b>		
Investment in business enterprise	24,525,690	23,300,144
Purchase of tangible capital assets	(9,769,252)	(13,655,608)
Increase (decrease) in cash held in trust	907,850	(3,216,758)
Investment in settlement trust	(5,257,313)	(1,297,449)
	<u>10,406,975</u>	<u>5,130,329</u>
<b>FINANCING ACTIVITIES</b>		
Business profit distributions	(2,593,776)	(2,042,149)
Repayment of debt	(1,386,396)	(3,264,995)
Proceeds from debt	448,259	-
Repayment of short-term borrowings, net	-	(578,689)
	<u>(3,531,913)</u>	<u>(5,885,833)</u>
<b>(DECREASE) INCREASE IN CASH</b>	<b>(6,142,870)</b>	<b>7,582,044</b>
<b>CASH - BEGINNING OF YEAR</b>	<b>7,582,044</b>	<b>-</b>
<b>CASH - END OF YEAR</b>	<b>\$ 1,439,174</b>	<b>\$ 7,582,044</b>

The Fort McKay First Nation (the First Nation) is a First Nation Settlement located in Fort McKay, Alberta, Canada and operates under the provisions of the Indian Act.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the First Nation are as follows:

### *Reporting Entity*

The financial statements reflect the revenues, expenses, assets, liabilities and accumulated surplus of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of the financial affairs and resources of the First Nation and which are owned or controlled by the First Nation. In addition to general government tax-supported departments, they include the following:

- Education
- Social Development
- Operations and Maintenance
- Housing and Capital Projects
- Government Support and Administration
- Economic Development and Human Resources
- Land Trust Claims
- Community Health Services
- Enterprise Fund
- Sustainability Department

The Fort McKay 2008 Business Trust holds investments which the First Nation is the beneficiary of and also is controlled through a trust agreement. These investments include:

- Fort McKay Group of Companies Limited Partnership
- Fort McKay Landing Limited Partnership

Investments in these limited partnerships are accounted for using the modified equity basis, consistent with the generally accepted accounting treatment for a government business enterprise. Under the modified equity basis, the government business enterprise's accounting principles are not adjusted to conform with those of the First Nation and inter-organizational transactions and balances are not eliminated.

### *Basis of Accounting*

The financial statements are prepared using the accrual basis of accounting. Revenues are accounted for in the period in which they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as unexpended grants until used for the purpose specified.

Property tax revenue is based on market value assessments. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

Government transfers to the First Nation are recognized in the financial statements as revenues 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. Prior to that time, any amounts received, along with restricted interest thereon is recorded as unexpended grants.

Rental revenue is recognized over the term of the rental agreement and when collection is reasonably assured.

Expenses are recognized as they are incurred and measurable based upon receipt of the goods and services and/or the legal obligation to pay.

Budget information, as approved by Chief and Council, is reported on an accrual basis, consistent with principles applied in the financial statements (Note 19).





## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Use of Estimates*

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and 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 those estimates.

Administration has used estimates to determine accrued liabilities, tangible capital asset useful lives as well as provisions made for allowances for amounts receivable or any provision for impairment of investment values.

### *Asset Classification*

Assets are classified as either financial or non-financial. Financial assets are assets that could be used to discharge existing liabilities or finance future operations. Non-financial assets are acquired, constructed or developed assets that do not provide resources to discharge existing liabilities but are employed to deliver government services, may be consumed in normal operations and are not for resale. Non-financial assets include tangible capital assets and prepaid expenses.

### *Cash and Cash Equivalents*

Cash includes cash on hand, balances with banks net of bank overdraft, and short-term investments which mature at various times during the next fiscal year and are deemed to be temporary in nature. The short-term investments are recorded at cost.

### *Investment in Settlement Trust*

Investments in cash and marketable securities are accounted for at market value. The Fort McKay Settlement Trust holds the Heritage Fund of which the First Nation is the beneficiary and also controls through a trust agreement. These funds are derived from the Fort McKay Treaty Entitlement Settlement Agreement, are held in trust by the Royal Trust Corporation of Canada and are subject to audit by the office of the Trustee. The management of these funds is governed by the Fort McKay Settlement Trust Agreement.

### *Tangible Capital Assets*

Tangible capital assets include acquired, built, developed and improved tangible capital assets, whose useful life extends beyond one year and which are intended to be used on an ongoing basis for delivering services.

Tangible capital assets are reported at net book value. Contributions received to assist in the acquisition of tangible capital assets are reported in income in the period received. Contributions received to assist in the construction of tangible capital assets are reported in deferred revenue and are amortized into income under the percentage of completion method.

Tangible capital assets are depreciated over their estimated useful lives using the declining balance method at the following rates:

Housing, buildings and improvements	4% and 5%
Infrastructure	4%
Office furniture and equipment	20%
Vehicles	30%

In the year of acquisition, one-half of the annual depreciation is recorded. Tangible capital assets under construction are not depreciated until the asset is available to be put into service.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### *Tangible Capital Assets (continued)*

Leases are classified as capital or operating leases. Leases which transfer substantially all benefits and risks incidental to ownership of property are accounted for as capital leases. Assets under capital lease are included within the respective asset classifications. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

### *Equity in Tangible Capital Assets*

Equity in tangible capital assets is included within accumulated surplus. It represents the investment in tangible capital assets, after deducting the portion financed by long-term debt.

### *Long-Lived Assets*

A long-lived asset is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

### *Net Financial Assets*

The First Nation's financial statements are presented so as to highlight the net financial assets as the measurement of financial position. The net financial assets of the First Nation is determined by its financial assets less its liabilities.

### *Employee Benefits*

The First Nation has a defined contribution pension plan. Employer contributions to the plan are expensed as employees earn the entitlement and contributions are made.

### *Financial instruments*

The First Nation's financial instruments recognized in the statement of financial position consist of cash, cash held in trust, accounts receivable, investment in settlement trust, investment in business enterprises, accounts payable and accrued liabilities, unexpended grants, and debt. Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in operations. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments, which are subsequently measured at fair value, are expensed when incurred. All other financial instrument transaction costs are capitalized and amortized over the life of the instrument.

### *Comparative figures*

Certain of the comparative figures have been reclassified to be consistent with the presentation for the current period.

### *Changes in Accounting Policy*

The First Nation has prospectively adopted the following standards with an effective date of April 1, 2017: PS 3210 Assets, PS 3320 Contingent Assets, PS 3380 Contractual Rights, PS 3420 Inter-entity Transactions and PS 2200 Related Party Disclosures. These standards only impact note disclosures in the financial statements.





## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Future Accounting Standard Pronouncements

The following summarizes upcoming changes to public sector accounting standards issued by the Public Sector Accounting Standards Board (PSAB). In 2019, the First Nation will continue to assess the impact and prepare for the adoption of these standards.

### PS 3430 Restructuring Transactions

Effective April 1, 2018, this standard provides guidance on how to account for and report restructuring transactions by both transferors and recipients of assets and/or liabilities, together with related program or operating responsibilities.

### PS 3450 Financial Instruments

Items within the scope of the financial instruments section are assigned to one of two measurement categories: fair value, or cost or amortized cost. Fair value measurement will apply to derivatives and portfolio investments in equity instruments that are quoted in an active market. Also, when groups of financial assets and financial liabilities are managed on a fair value basis they may be reported on that basis. Other financial assets and financial liabilities will generally be measured at cost or amortized cost. Until an item is derecognized, gains and losses arising due to fair value remeasurement will be reported in the Statement of Remeasurement Gains and Losses.

The First Nation has not yet adopted this standard. The effective date of this standard has been deferred to April 1, 2021. Adoption of this standard requires corresponding adoption of PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3041 Portfolio Investments in the same fiscal period.

### PS 3280 Asset Retirement Obligations

Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.

The First Nation is currently assessing the impact of these standards on the financial statements.

## 2. ECONOMIC DEPENDENCE

The First Nation receives a major portion of its revenues from its Business Enterprises, funds operational requirements with cash generated from these investments, and is dependent on continued cash flow from these investments.

## 3. CASH

	2018	2017
Cash	\$ 1,868,184	\$ 8,318,055
Outstanding items	(429,010)	(736,011)
	<u>\$ 1,439,174</u>	<u>\$ 7,582,044</u>

The First Nation has available a revolving demand line of credit of \$2,000,000 bearing interest at prime plus 0.25% and is secured under the same terms noted for the Royal Bank of Canada loan (Note 10). At year-end the First Nation has not drawn on this facility.

## 4. CASH HELD IN TRUST

Consolidated Revenue Fund accounts arise from monies derived from revenue sources as outlined in Section 62 of the Indian Act (lease of reserve lands). These funds are held in trust by Indigenous and Northern Affairs Canada ("INAC") in the Consolidated Revenue Fund of the Government of Canada, and are subject to audit by the Office of the Auditor General of Canada. The management of these funds is primarily governed by Sections 63 to 69 of the Indian Act. In 2018, \$2,000,000 was withdrawn from the Trust (2017 - \$nil).

The Fort McKay First Nation Community Trust holds funds for which the First Nation is the beneficiary and also controls through a trust agreement. These funds are derived from long-term sustainability agreements, are held in trust by the Royal Trust Corporation of Canada and are subject to audit by the office of the Trustee. The management of these funds is governed by the Fort McKay First Nation Community Trust Indenture.

	2018	2017
Consolidated Revenue Fund	\$ 4,915,367	\$ 4,812,658
Fort McKay First Nation Community Trust	498,363	1,508,922
	<u>\$ 5,413,730</u>	<u>\$ 6,321,580</u>

## 5. ACCOUNTS RECEIVABLE

	2018	2017
<b>Due from members:</b>		
Rent	\$ 122,381	\$ 189,608
Less: allowance for doubtful accounts	(122,381)	(189,608)
	<u>-</u>	<u>-</u>
<b>Due from others:</b>		
Trade accounts receivable	3,294,079	2,222,323
Property taxes receivable	629,776	670,716
Sustainability department and other receivables	547,931	497,625
GST rebate receivable	494,674	475,017
Indigenous and Northern Affairs Canada	406,710	295,982
First Nations Development Fund	321,522	-
Health Canada	286,302	75,662
Canadian Mortgage and Housing Corporation	72,080	-
Athabasca Tribal Corporation	2,769	-
	<u>6,055,843</u>	<u>4,237,325</u>
Less: allowance for doubtful accounts	(425,145)	(307,746)
<b>Total accounts receivable</b>	<u>\$ 5,630,698</u>	<u>\$ 3,929,579</u>





## 6. INVESTMENT IN SETTLEMENT TRUST

	2018	2017
Balance, beginning of year	\$ 48,040,131	\$ 46,742,682
Current year income, net of fees	1,585,772	2,996,115
Increase in fair market value	20,543	1,952,321
Contributions (Disbursements), net	3,650,998	(3,650,987)
Balance, end of year	<u>\$ 53,297,444</u>	<u>\$ 48,040,131</u>

The Settlement Trust annually distributes the earnings of the trust investments to the First Nation in accordance with the trust agreement. Pursuant to a community bylaw, the First Nation is required to reinvest a calculated amount designed to protect the value of the fund against inflation. At year-end the First Nation is in compliance with the bylaw.

## 7. INVESTMENT IN BUSINESS ENTERPRISES

	2018	2017
Balance, beginning of year	\$ 79,111,504	\$ 75,016,440
Equity earnings	49,140,648	27,395,208
Draws	(24,525,690)	(23,300,144)
	<u>\$ 103,726,462</u>	<u>\$ 79,111,504</u>

The following is a summary of Fort McKay First Nation's investment in it's fully owned business enterprise:

	2018	2017
<b>Unaudited aggregate balance sheet information:</b>		
Assets	<u>\$ 120,436,131</u>	<u>\$ 93,662,466</u>
Liabilities	<u>\$ 16,709,669</u>	<u>\$ 14,550,962</u>
Equity	<u>103,726,462</u>	<u>79,111,504</u>
	<u>\$ 120,436,131</u>	<u>\$ 93,662,466</u>

### Unaudited aggregate income statement information:

	2018	2017
Revenue	\$ 256,569,695	\$ 288,304,000
Expenses	207,429,047	260,908,792
Net income	<u>\$ 49,140,648</u>	<u>\$ 27,395,208</u>

## 8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018	2017
Trade payables and accrued liabilities	\$ 4,823,804	\$ 6,877,046
Business profit distribution payable	1,337,663	1,322,539
Accrued salaries and employee benefits payable	804,885	607,041
	<u>\$ 6,966,352</u>	<u>\$ 8,806,626</u>

## 9. UNEXPENDED GRANTS

	Unexpended 2017	Approved	Expended	Unexpended 2018
<b>INAC</b>				
<i>Education</i>				
Student transportation services - FTP	-	91,219	91,219	-
<i>Social Development</i>				
Basic needs - Contribution	-	457,670	457,670	-
Child out-parental home - Contribution	-	6,649	6,649	-
Service delivery - FTP	-	122,198	122,198	-
Parental & community engagement - FTP	-	41,277	41,277	-
<i>Operations and Maintenance</i>				
Fire protection - FTP	-	565,384	565,384	-
Wastewater systems - FTP	-	122,351	122,351	-
Water systems - FTP	-	18,965	18,965	-
Electrical services - FTP	-	7,211	7,211	-
Community buildings - FTP	-	47,371	47,371	-
Solid waste - FTP	-	90,667	90,667	-
<i>Housing and Capital Projects</i>				
Major renovations, extensions and repairs - FTP	-	816,225	816,225	-
Management support - FTP	-	2,200	2,200	-
<i>Government Support and Administration</i>				
Band support funding - Grant	-	305,705	305,705	-
Registry events - Contribution	-	17,024	17,024	-
<i>Economic Development</i>				
Economic Development Allocations - FTP	-	56,782	56,782	-
Summer work experience - FTP	-	9,738	9,738	-
Skill link program - FTP	-	24,666	24,666	-
<i>Community Health Services</i>				
In-home care - Set contribution payment	-	58,415	58,415	-
<b>TOTAL INAC</b>	<u>-</u>	<u>2,861,717</u>	<u>2,861,717</u>	<u>-</u>
CMHC Mortgage subsidy	-	139,021	139,021	-
Specific project grant funding	6,049,923	572,050	4,560,669	2,061,304
Sustainability payments	175,000	175,000	175,000	175,000
Deferred head lease payment	472,000	1,455,000	1,563,250	363,750
Community trust	1,508,922	7,182,951	8,193,510	498,363
<b>TOTAL</b>	<u>8,205,845</u>	<u>12,385,739</u>	<u>17,493,167</u>	<u>3,098,417</u>









## 15. RELATED PARTY TRANSACTIONS

The First Nation purchases certain products and services as well as charges rent and property tax to several of its Business Enterprises. Total purchases from related parties is \$82,977 (2017 - \$1,901,519) and total revenue charged is \$2,436,414 (2017 - \$2,514,752). These transactions are carried out at commercial terms offered to third parties.

Included in trade accounts receivable are amounts receivable from related parties of \$25,000 (2017 - \$275,631). Included in trade accounts payable are amounts payable to related parties of \$16,709 (2017 - \$42,940).

## 16. EMPLOYEE BENEFITS

The First Nation has a defined contribution plan for employees into which the First Nation contributes 5% of the base salary for each employee. During the year, the First Nation funded contributions of \$426,174 (2017 - \$291,106) to the defined contribution plan.

## 17. RISK MANAGEMENT ACTIVITIES

The First Nation has exposure to the following risks from its use of financial instruments: credit risk, market risk, interest rate risk, liquidity risk, and currency risk.

### Risk management framework

The Chief and Council has overall responsibility for the establishment and oversight of the First Nations risk management framework. The First Nation's risk management policies are established to identify and analyze the risks faced by the First Nation, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions to the First Nation's activities.

### Credit risk

Accounts receivable include balances from a large number of customers. The majority of customers are large oil companies and their contractors, consequently management is of the opinion that the First Nation is not exposed to significant credit risk arising from the accounts receivable and that an adequate allowance for doubtful accounts has been provided.

### Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than interest rate risk or currency risk. The First Nation enters into transactions to purchase portfolio investments for which the market price fluctuates in the Fort McKay Settlement Trust. This portfolio is spread over a large number of public companies in various industries and is invested in both equity and fixed income products in order to reduce market risk exposure.

The First Nation's investment in Business Enterprises is primarily in businesses involved in the oil sands service and development, as such the First Nation is exposed to fluctuations in commodity prices for natural gas, crude oil and natural gas liquids. Commodity prices are affected by many factors including supply, demand and the Canadian to U.S. dollar exchange rate. The First Nation has no financial hedges or price commodity contracts in place at year-end.

### Interest rate risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the First Nation manages exposure through its normal operating and financing activities. The First Nation is exposed to interest rate risk primarily through its floating interest rate short-term borrowings.

## 17. RISK MANAGEMENT ACTIVITIES (continued)

### Liquidity risk

Liquidity risk is the risk that the First Nation will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivery of cash or another financial asset. The First Nation enters into transactions to purchase goods and services on credit and borrow funds from financial institutions or other creditors for which repayment is required at various maturity dates. Liquidity risk is measured by reviewing the First Nation's future net cash flows for the possibility of negative net cash flow.

### Currency risk

Currency risk is the risk to the First Nation's operations that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The First Nation is exposed to foreign currency exchange risk via the Heritage Trust Fund. The First Nation does not use derivative instruments to reduce its exposure to foreign currency risk.

## 18. DISASTER RECOVERY CLAIM

### Overview

On May 1, 2016, a wildfire began southwest of Fort McMurray, in the Regional Municipality of Wood Buffalo. On May 3, 2016, it swept through the urban community, forcing the largest wildfire evacuation in Alberta's history. It continued to spread across northern Alberta and into Saskatchewan, consuming forested areas and impacting Athabasca oil sands operations. The fire spread across approximately 590,000 hectares (1,500,000 acres) before it was declared to be under control on July 5, 2016. It is the costliest disaster in Canadian history.

### Impact on Financial Results

Costs incurred as a result of response or recovery efforts are capitalized or expensed in accordance with the accounting policies in Note 1. Only costs that represent a betterment, enhancement or new asset are capitalized, with repairs and maintenance being expensed. All operating expenditures are recognized in the current year Statement of Operations and Accumulated Surplus in the general administration and public housing operations categories.

In 2017 the First Nation received cash advances of and recognized \$1,312,172 from INAC in revenue, on the Statement of Financial Position related to wildlife response and recovery efforts.

The First Nation applied and was approved for relief under the Province of Alberta's Alberta Emergency Agency's Disaster Recovery Assistance program (DRP). In 2017 an advance of \$1,312,172 was received from DRP to assist in paying for early financial commitments resulting from expenses incurred during and after the 2016 wild and interface fires. Management has determined the costs relating to the fires are in excess of the funding received. Eligible costs are currently under review by DRP and the total eligible costs incurred by the First Nation are unable to be quantified.

### Measurement Uncertainty

The impact of the wildfire was subject to a high degree of estimation and judgment, particularly as it related to the estimation of future expenditures and impairment of assets. The First Nation has used the best information at the time in all measurements and estimations related to the wildfire and those estimates may not materialize and the final results and adjustments to these estimates will be reflected in future financial statements.

## 19. BUDGET FIGURES

The 2018 budget figures represent the budget prepared by the First Nation for the fiscal period April 1, 2017 - March 31, 2018. The First Nation does not budget based on changes in net financial assets, therefore no budgeted numbers have been presented on the Statement of Change in Net Financial Assets. The budget figures have not been audited.



FORT MCKAY FIRST NATION  
SUMMARY OF SCHEDULES 1-10  
YEAR ENDED MARCH 31, 2018



FORT MCKAY FIRST NATION  
EDUCATION  
YEAR ENDED MARCH 31, 2018



	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Business enterprise income	\$ 21,439,695	\$ 49,140,648	\$ 27,395,208
Industry grants	16,796,306	10,947,781	16,140,082
Long-term sustainability funding	8,038,081	8,193,510	6,336,515
Property tax income	2,702,887	2,411,683	2,623,846
Rent	1,300,000	2,333,638	2,395,012
INAC - Fixed contribution payments	1,388,970	2,016,254	1,032,352
Investment income	3,800,000	1,606,532	4,948,435
Health Canada	728,299	803,543	935,525
Miscellaneous and other	754,600	743,881	1,088,312
First Nations Development Funding	700,000	632,522	700,000
INAC - Set contribution payments	-	539,758	1,932,420
INAC - Grants	267,113	305,705	293,123
Athabasca Tribal Council	102,400	182,823	105,251
Canada Mortgage and Housing Corporation	136,000	139,021	205,494
Interest	-	112,313	58,815
	<b>58,154,351</b>	<b>80,109,612</b>	<b>66,190,390</b>
EXPENSES			
Wages and benefits	16,834,857	12,541,294	13,263,663
Professional fees	4,084,500	3,991,050	3,245,391
Contract services	5,150,469	3,356,788	3,114,545
INAC - Fixed contribution expenses	-	2,298,427	1,032,352
Program payments and other	1,935,845	2,065,979	2,217,929
Interest on debt	3,281,372	1,702,886	1,677,522
Infrastructure and maintenance	3,662,232	1,609,305	2,320,124
Section 10 houses	1,832,785	1,495,904	1,149,340
Travel	557,000	916,750	1,369,876
Training, development and conferences	1,211,850	811,909	546,052
Telephone and utilities	506,360	681,317	502,426
Housing renovations, repairs and maintenance	174,500	663,126	468,297
Building repairs and maintenance	455,000	463,344	108,128
INAC - Set contribution expenses	-	440,213	1,738,735
Fuel and oil	213,750	324,445	216,033
Office	105,700	307,862	425,467
INAC - Grant expenses	-	305,705	293,123
Insurance	269,079	292,833	247,476
Special events	235,825	235,087	374,107
Honorariums	15,000	222,243	143,328
Advertising and promotion	143,300	183,513	115,141
Equipment repairs and maintenance	197,958	180,810	164,748
Donations	44,000	66,002	36,205
Rent expense	379,160	51,600	55,945
HRD - CRF expenses	150,000	46,267	21,774
Bereavement fund	1,000	39,365	50,145
Basic and special needs	350,000	-	-
Bad debt (recovery) expense	-	-	(9,040)
	<b>41,791,542</b>	<b>35,294,024</b>	<b>34,888,832</b>
SURPLUS FOR THE YEAR	<b>\$ 16,362,809</b>	<b>\$ 44,815,588</b>	<b>\$ 31,301,558</b>

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Industry grants	\$ 50,000	\$ 104,482	\$ 300,946
INAC - Fixed contribution payments	295,210	91,219	36,791
Athabasca Tribal Council	-	64,421	-
Miscellaneous and other	-	500	-
Business enterprise income	2,665,075	-	-
Long-term sustainability funding	323,393	-	-
	<b>3,333,678</b>	<b>260,622</b>	<b>337,737</b>
EXPENSES			
Wages and benefits	1,056,428	710,742	847,091
Contract services	872,200	694,880	374,227
Training, development and conferences	916,500	425,162	355,268
Program payments and other	329,800	266,032	241,765
Special events	37,000	101,912	4,621
INAC - Fixed contribution expenses (1)	-	91,219	36,791
Travel	21,000	29,335	12,240
Telephone and utilities	6,000	15,801	9,450
Office	6,500	8,651	4,796
Honorariums	15,000	5,925	-
Fuel and oil	-	3,005	-
Donations	-	1,150	-
Advertising and promotion	-	-	1,000
Professional fees	50,000	-	2,025
Equipment repairs and maintenance	-	-	380
	<b>3,310,428</b>	<b>2,353,814</b>	<b>1,889,654</b>
DEFICIT FOR THE YEAR	<b>\$ 23,250</b>	<b>\$ (2,093,192)</b>	<b>\$ (1,551,917)</b>

1) Fixed contribution expenses are allocated in full from contract services for the 2018 and 2017 fiscal years.



FORT MCKAY FIRST NATION  
CIAL DEVELOPMENT  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 2)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
INAC - Set contribution payments	\$ 450,000	\$ 464,319	\$ 555,805
INAC - Fixed contribution payments	69,278	163,475	84,000
	<u>519,278</u>	<u>627,794</u>	<u>639,805</u>
EXPENSES			
INAC - Fixed contribution expenses (1)	69,278	445,648	84,000
INAC - Set contribution expenses (2)	450,000	364,774	362,120
	<u>519,278</u>	<u>810,422</u>	<u>446,120</u>
(DEFICIT) SURPLUS FOR THE YEAR	<u>\$ -</u>	<u>\$ (182,628)</u>	<u>\$ 193,685</u>

1) In 2018 fixed contribution expenses are allocated from the following: wages and benefits \$426,378 (2017 - \$69,046), utilities \$802 (2017 - \$14,954), office \$6,741, travel \$56, training and development \$5,337, and contract services \$6,334.

2) In 2018 set contribution expenses are allocated from the following: utilities \$69,371 (2017 - \$73,467), basic needs \$295,403 (2017 - \$283,536), program payments \$nil (2017 - \$4,600), training and development \$nil (2017 - \$517). Additional payments of \$121,101 (2017 - \$120,066) were received in the 2018 fiscal year relating to the 2013/2014 (2017 - 2014/2015) funding year. These payments depict a large surplus in the current and prior year however they will be used to offset losses in previous years.

FORT MCKAY FIRST NATION  
OPERATION AND MAINTENANCE  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 3)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Long-term sustainability funding	\$ 1,735,866	\$ 2,185,867	\$ 1,538,587
INAC - Fixed contribution payments	204,982	851,949	177,456
Industry grants	-	607,014	120,000
Miscellaneous and other	-	69,797	-
Rent	-	27,880	15,500
Business enterprise income	358,028	-	-
	<u>2,298,876</u>	<u>3,742,507</u>	<u>1,851,543</u>
EXPENSES			
Contract services	315,700	890,070	1,052,012
INAC - Fixed contribution expenses (1)	-	851,949	177,456
Wages and benefits	1,057,234	642,520	1,221,057
Building repairs and maintenance	455,000	463,088	107,904
Telephone and utilities	220,000	372,289	280,674
Insurance	163,826	196,838	94,943
Fuel and oil	79,000	156,004	63,447
Equipment repairs and maintenance	82,558	117,005	111,947
Office	35,000	54,531	65,723
Professional fees	-	40,900	-
Training, development and conferences	-	19,749	9,085
Travel	-	9,590	5,724
Program payments and other	20,000	394	-
Advertising and promotion	-	254	-
Rent	44,400	-	-
	<u>2,472,718</u>	<u>3,815,181</u>	<u>3,189,972</u>
DEFICIT FOR THE YEAR	<u>\$ (173,842)</u>	<u>\$ (72,674)</u>	<u>\$ (1,338,429)</u>

1) Fixed contribution expenses are allocated in full from wages and benefits for the 2018 and 2017 fiscal years.



FORT MCKAY FIRST NATION  
HOUSING AND CAPITAL PROJECTS  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 4)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
<b>REVENUE</b>			
Industry grants	\$ 12,000,000	\$ 4,560,669	\$ 11,332,276
INAC - Fixed contribution payments	369,500	818,425	677,324
Rent	500,000	737,725	518,463
First Nations Development Funding	700,000	632,522	700,000
Miscellaneous and other	200,000	198,915	227,571
Canada Mortgage and Housing Corporation	136,000	139,021	205,494
Athabasca Tribal Council	-	6,939	-
Business enterprise income	4,772,864	-	-
Long-term sustainability funding	-	-	1,200,000
	<b>18,678,364</b>	<b>7,094,216</b>	<b>14,861,128</b>
<b>EXPENSES</b>			
Infrastructure and maintenance	3,662,232	1,609,305	2,320,124
Section 10 houses	1,832,785	1,495,904	1,149,340
Interest on debt	2,936,075	1,359,568	1,370,061
INAC - Fixed contribution expenses (1)	-	818,425	677,324
Housing renovations, repairs and maintenance	-	663,126	468,297
Professional fees	-	30,890	-
Office	4,800	271	4,333
	<b>8,435,892</b>	<b>5,977,489</b>	<b>5,989,479</b>
<b>SURPLUS FOR THE YEAR</b>	<b>\$ 10,242,472</b>	<b>\$ 1,116,727</b>	<b>\$ 8,871,649</b>

1) Fixed contribution expenses are allocated in full from wages and benefits included within infrastructure and maintenance for the 2018 and 2017 fiscal years.

FORT MCKAY FIRST NATION  
GOVERNMENT SUPPORT AND ADMINISTRATION  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 5)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
<b>REVENUE</b>			
Long-term sustainability funding	\$ 690,000	\$ 1,944,294	\$ 2,522,955
INAC - Grants	267,113	305,705	293,123
Industry grants	451,473	176,636	173,618
Athabasca Tribal Council	102,400	111,463	105,251
Miscellaneous and other	-	24,094	28,699
INAC - Set contribution payments	-	17,024	1,318,200
Rent	-	12,637	21,433
Investment income	-	217	-
Business enterprise income	7,371,326	-	-
Property tax income	252,887	-	-
Interest	-	-	140
	<b>9,135,199</b>	<b>2,592,070</b>	<b>4,463,419</b>
<b>EXPENSES</b>			
Wages and benefits	5,550,642	5,989,001	5,879,187
Contract services	1,142,625	541,836	377,560
Program payments and other	248,000	457,565	174,943
Travel	321,000	451,771	340,875
Professional fees	340,000	377,781	663,224
INAC - Grant expenses	-	305,705	293,123
Interest on debt	344,000	282,601	301,901
Training, development and conferences	104,000	182,329	80,351
Advertising and promotion	103,300	156,207	25,735
Telephone and utilities	58,660	141,381	108,652
Fuel and oil	48,500	90,880	93,991
Office	29,500	73,143	76,954
Insurance	65,000	71,035	145,283
Donations	24,000	64,852	36,205
Rent expense	92,160	51,600	49,750
HRD - CRF expenses	150,000	46,267	21,774
Equipment repairs and maintenance	41,800	34,078	25,669
Special events	34,300	30,916	33,369
Bereavement fund	1,000	17,474	49,573
INAC - Set contribution expenses (1)	-	17,024	1,318,200
Honorariums	-	538	-
Building repairs and maintenance	-	256	224
Bad debt (recovery) expense	-	-	(9,040)
	<b>8,698,487</b>	<b>9,384,240</b>	<b>10,087,503</b>
<b>DEFICIT FOR THE YEAR</b>	<b>\$ 436,712</b>	<b>\$ (6,792,170)</b>	<b>\$ (5,624,084)</b>

1) Fixed, set and grant contribution expenses are allocated in full from wages and benefits for the 2018 and 2017 fiscal years.



FORT MCKAY FIRST NATION  
ECONOMIC DEVELOPMENT AND HUMAN RESOURCES  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 6)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Industry grants	\$ 306,363	\$ 300,000	\$ 239,450
INAC - Fixed contribution payments	-	91,186	56,781
Long-term sustainability funding	1,704,294	-	-
Business enterprise income	1,250,354	-	-
Miscellaneous and other	412,000	-	-
	<u>3,673,011</u>	<u>391,186</u>	<u>296,231</u>
EXPENSES			
Wages and benefits	2,893,250	820,935	1,056,264
Program payments and other	587,400	671,142	526,756
INAC - Fixed contribution expenses (1)	-	91,186	56,781
Office	12,500	26,541	2,849
Contract services	18,000	25,352	1,982
Training, development and conferences	68,000	11,538	251
Travel	52,000	3,308	122
Equipment repairs and maintenance	18,500	2,989	7,116
Telephone and utilities	8,200	798	1,363
Special events	5,000	-	-
Fuel and oil	3,500	-	-
Professional fees	3,500	-	-
Insurance	3,750	-	-
Donations	20,000	-	-
Rent expense	600	-	-
	<u>3,694,200</u>	<u>1,653,789</u>	<u>1,653,484</u>
DEFICIT FOR THE YEAR	\$ (21,189)	\$ (1,262,603)	\$ (1,357,253)

1) Fixed and set contribution expenses are allocated in full from wages and benefits for the 2018 and 2017 fiscal years.

FORT MCKAY FIRST NATION  
COMMUNITY HEALTH SERVICES  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 8)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Long-term sustainability funding	\$ 3,000,000	\$ 3,000,000	\$ -
Health Canada	728,299	803,543	935,525
INAC - Set contribution payments	-	58,415	58,415
Industry grants	-	8,373	1,038
Miscellaneous and other	-	1,439	7,442
Business enterprise income	1,122,048	-	-
	<u>4,850,347</u>	<u>3,871,770</u>	<u>1,002,420</u>
EXPENSES			
Wages and benefits	3,719,707	2,152,254	2,022,967
Contract services	677,944	576,145	878,734
Program payments and other	330,500	180,613	147,507
Travel	38,000	119,407	39,121
Training, development and conferences	58,350	75,116	15,453
INAC - Set contribution expenses (1)	-	58,415	58,415
Office	2,400	45,967	24,516
Telephone and utilities	21,500	31,357	25,225
Fuel and oil	62,750	28,801	21,152
Special events	67,000	22,292	18,598
Bereavement fund	-	21,891	-
Equipment repairs and maintenance	34,100	11,968	7,217
Advertising and promotion	-	1,959	2,845
Rent expense	18,000	-	-
Insurance	3,500	-	-
	<u>5,033,751</u>	<u>3,326,185</u>	<u>3,261,750</u>
SURPLUS (DEFICIT) FOR THE YEAR	\$ (183,404)	\$ 545,585	\$ (2,259,330)

1) Set contribution expenses are allocated in full from wages and benefits in the 2018 and 2017 fiscal years.



FORT MCKAY FIRST NATION  
LAND TRUSTS AND CLAIMS  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 7)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Property tax income	\$ 2,450,000	\$ 2,411,683	\$ 2,623,846
Investment income	3,800,000	1,606,315	4,948,435
Rent	800,000	1,555,396	1,839,615
Interest	-	112,313	58,675
Industry grants	-	56,300	24,000
Miscellaneous and other	-	34,520	-
	<u>7,050,000</u>	<u>5,776,527</u>	<u>9,494,571</u>
EXPENSES			
Program payments and other	9,000	349,260	833
Professional fees	135,000	105,181	92,409
Contract services	60,000	47,000	-
Telephone and utilities	-	29,999	-
Special events	-	21,019	87,832
Office	-	-	1,252
Rent expense	-	-	6,195
	<u>204,000</u>	<u>552,459</u>	<u>188,521</u>
SURPLUS FOR THE YEAR	<u>\$ 6,846,000</u>	<u>\$ 5,224,068</u>	<u>\$ 9,306,050</u>

FORT MCKAY FIRST NATION  
ENTERPRISE FUND  
YEAR ENDED MARCH 31, 2018



(SCHEDULE 9)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Business enterprise income	\$ -	\$ 49,140,648	\$ 27,395,208
Miscellaneous and other	7,600	300	73,000
Industry grants	60,000	-	-
	<u>67,600</u>	<u>49,140,948</u>	<u>27,468,208</u>
EXPENSES			
Professional fees	-	823,232	693,329
Wages and benefits	-	744,011	408,234
Travel	-	55,945	830,424
Contract services	-	27,816	80,471
Advertising and promotion	-	25,093	74,875
Insurance	-	24,960	7,250
Training, development and conferences	-	12,879	840
Telephone and utilities	-	11,168	6,731
Program payments and other	303,145	2,718	885,630
Office	-	1,020	152,373
Fuel and oil	-	-	13,016
Interest on long-term debt	-	-	5,481
Special events	17,525	-	147,227
	<u>320,670</u>	<u>1,728,842</u>	<u>3,305,881</u>
SURPLUS FOR THE YEAR	<u>\$ (253,070)</u>	<u>\$ 47,412,106</u>	<u>\$ 24,162,327</u>





(SCHEDULE 10)

	(Note 19) Budget 2018	Actual 2018	Actual 2017
REVENUE			
Industry grants	\$ 3,928,470	\$ 5,134,307	\$ 3,948,754
Long-term sustainability funding	584,528	1,063,349	1,074,973
Miscellaneous and other	135,000	414,316	751,600
Business enterprise income	3,900,000	-	-
	<u>8,547,998</u>	<u>6,611,972</u>	<u>5,775,327</u>
EXPENSES			
Professional fees	3,556,000	2,613,066	1,794,404
Wages and benefits	2,488,318	1,481,831	1,828,863
Contract services	2,064,000	553,689	349,559
Travel	125,000	247,394	141,370
Honorariums	-	215,780	143,328
Program payments and other	282,500	138,255	240,495
Office	15,000	97,738	92,671
Training, development and conferences	65,000	85,136	84,804
Telephone and utilities	92,000	78,524	70,331
Interest on debt	1,300	60,717	79
Special events	75,000	58,948	82,460
Fuel and oil	20,000	45,755	24,427
Equipment repairs and maintenance	21,000	14,770	12,419
Rent expense	224,000	-	-
Bereavement fund	-	-	572
Advertising and promotion	40,000	-	10,686
Insurance	33,000	-	-
	<u>9,102,118</u>	<u>5,691,603</u>	<u>4,876,468</u>
SURPLUS FOR THE YEAR	<u>\$ (554,120)</u>	<u>\$ 920,369</u>	<u>\$ 898,859</u>

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