

	<p style="text-align: center;"><b>stqa?kʷnɨw` t</b>  <b>WESTBANK FIRST NATION</b>  515 Highway 97 South  Kelowna, B.C. V1Z 3J2  Phone: (250) 769-4999 Fax: (250) 769-4377  <a href="http://www.wfn.ca">www.wfn.ca</a>  <i>Community. Leadership. Pride.</i></p>	<p style="text-align: center;"><b>MINUTES  ADVISORY  COUNCIL</b></p> <p style="text-align: center;"><b>ᓃʷiʔᓃʷiʔtán</b>  <b>(August) 11,  2020</b>  <b>Approved</b>  <b>sk'əlwístən</b>  <b>(September) 8, 2020</b></p>
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Meeting took place via the Zoom Meeting Platform.

**ADVISORY COUNCIL IN ATTENDANCE:**

Terry Turcan - Chair	Gord Couch - Vice-Chair
Ludwig Teichgraber	John Cole
Rick Ould	

**STAFF IN ATTENDANCE:**

Jeniffer Bellingham	Self-Government Implementation Coordinator/Researcher
Carla Znak	səxʷk'ətq'əq'aym / Recording Clerk
Raf De Guevara	Manager, Intergovernmental Affairs/Title and Rights
Ashley Mazur	Executive Assistant to the Council Secretariat
Alix Larsen	Interim Director of Finance

**GUESTS IN ATTENDANCE:**

Jeromy Spence, CPA	Senior Manager, Indigenous Services MNP (Meyers Norris Penny)
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<b>CALL TO ORDER</b>	<b>Agenda is attached to these minutes as Exhibit "A."</b>
Staff entered	A. Larsen entered at 9:00 a.m. via the Zoom meeting platform.
<i>T. Turcan</i>	Called the meeting to order at 9:06 a.m.
	<b><u>Motion to Adopt the Agenda of ᓃʷiʔᓃʷiʔtán (August) 11, 2020</u></b>
<b>MOTION</b>	<b>MOVED BY J. COLE</b> <b>Seconded by G. Couch</b> <b>THAT</b> the Advisory Council hereby approves the agenda of ᓃʷiʔᓃʷiʔtán (August) 11, 2020. <b>CARRIED</b>
	<b><u>Motion to Adopt the Minutes of tɨ ʷtán (July) 21, 2020</u></b>
<b>MOTION</b>	<b>MOVED BY R. OULD</b> <b>Seconded by J. Cole</b> <b>THAT</b> the Advisory Council hereby approves the minutes of tɨ ʷtán (July) 21, 2020. <b>CARRIED</b>



<b>NEW BUSINESS</b>	<b><u>Confirmation of September Date for Zoom Call with WFN Council</u></b>
<i>J. Bellingham</i>	Confirmed that it would be beneficial for this Advisory Council to meet with Chief and Council prior to the election.
	It was agreed that the best date to meet with Chief and Council would be the morning of September 8, 2020. Advisory Council will have their regular meeting shortly afterward in the morning.
<b>ACTION ITEM</b>	J. Bellingham to prepare a Staff Report to Council requesting the Advisory Council meet with Chief and Council on September 8, 2020 at 9:00 a.m. via Zoom.
	<b><u>Interim Director of Finance Introduction</u></b>
<i>T. Turcan</i>	Welcomed the Interim Director of Finance to the Advisory Council Meeting.
<i>A. Larsen</i>	Introduced herself to the Advisory Council. She has a five month contract with WFN as the Interim Director of Finance that may end earlier depending on when a new permanent Director of Finance can be secured. Now that the audit is complete we are in the process of completing the financial information for April 2020 going forward. As soon as we have those results we will make those available at a future meeting, which will likely be in October.
Staff entered:	R. De Guevara entered at 9:13 a.m. via the Zoom meeting platform.
Guests entered:	J. Spence entered via Zoom at 9:14 a.m. via the Zoom meeting platform.
	<b><u>Audited Financial Statement</u></b> <b><u>Audited Local Government Services Financial Statements dated March 31, 2020 are attached to these minutes as Exhibit "B".</u></b>
<i>J. Spence</i>	<p>Overviewed the Financial Statements with the Advisory Council. He expressed that there have been changes made to the layout from previous years and encouraged feedback from the Advisory Council in regards to the presentation perspective.</p> <p>This year we've had an unmodified opinion as opposed to the clean audit opinion done in previous years. There were no issues of concern. Noted is that another accounting firm has previously performed the audits.</p>



Key points made on the Statement of Financial Position were:

- Decrease in cash but a sizable increase in the marketable securities. There is a lot more funds sitting in a secured low risk GICs. A strong correlation of a decrease of \$5 million and an increase of \$13 million for the marketable securities.
- The AR stayed relatively flat. Accounts payable was higher than normal, of about \$600,000, likely to do with how busy things were at the end of the year.
- An increase to the deferred development cost charges ("DCCs") of about \$3 million. I think as budgeted, the TSAs remain relatively flat.

In response to T. Turcan, DCC's are commonly reported as a liability since they are a deferral of revenue. It is reported like this in many municipalities. The deferral of revenue will sit in here until we want to flow it through and recognize it as revenue and then offset by the asset. It is made up of several ongoing projects that continue to build and is a deferral of the actual development. If the money was spent it wouldn't show up there but would show up in note 7 as contributions.

Statement of Operations and Accumulated Surplus overview included:

- Difference in reporting here from previous years, specifically around program expenses. We had several conversations with WFN around what this would look like and how it was broken out historically versus how it's generally presented to Membership, Chief and Council and yourselves. We broke it out into the four Food Chiefs and capital. Only three of the Food Chiefs pertain to the LGS.
- Home owner grants and user fees are broken out and aren't showing as net anymore.
- Property taxes may look like a lot more than previous years but it's because there is \$2 million that is actually sitting as an expense that's been pulled out. It's now gross versus net, which would explain what that difference is and it's reflected in both years.
- Increase to property taxes and water and sewer.
- Government funding remained relatively unchanged, as far as the INAC funding or financial transfer agreement and other government grants.
- Increase to the planning and development



	<p>revenue, consisting mostly from building permits, which is the majority of the change that happened for the revenues of about \$700,000.</p> <ul style="list-style-type: none"> <li>• Expenses year over year are relatively unchanged.</li> <li>• \$500,000 increase in the expenses where you will see the homeowner grant. As a relation for the increased fees, it won't necessarily exist for the actual homeowner grant as well.</li> </ul> <p>Overview of Program Expenses by Object:</p> <ul style="list-style-type: none"> <li>• This is the standard statement of operation and is where the home owner grant and sewer user fees are listed. The net format used in this report makes it easier to see the difference between the budget and actual.</li> <li>• The budget for home owner grants was a lot less than what was actual.</li> </ul> <p>In response to T. Turcan, the increase of \$30,000 in bad debts from the previous is larger than anticipated and is all under the provision for taxes in dispute. No specifics were available but will be provided to the Advisory Council. The accumulation of that would be sitting on our Statement of Financial Position under Accounts Receivable. The total allowance year to date is approximately \$518,000.</p>
<p><b>ACTION ITEM</b></p>	<p>J. Spence and Interim Director of Finance to provide the Advisory Council with details of the increase in bad debts from the previous year of \$30,000.</p>
	<p>The four Food Chiefs are broken out like you would see a normal income statement and be able to view the details.</p> <p>The transfer line item is another change that has been made. For example when the funds are being transferred from administration, we put this in the line below so they don't go into the operational expenses or budgeted expenses above. It sits there as a transfer to be transferred out. We thought this helped with the readability of the actual statements.</p> <p>Overview of Schedule of Revenue and Expenses:</p> <ul style="list-style-type: none"> <li>• This is more of a snapshot.</li> <li>• Property taxes and home owner grants are found under our Governance Statement, Chief Black Bear.</li> <li>• Found at the bottom of the statement is the transfers that have been transferred to other</li> </ul>



	<p>initiatives or service lines, or in this case administration.</p> <p>In response to L. Teichgraber, explained that the “related Nation entities and departments” amount is if it was not withheld. The best way to think about is in this financial statement. The amounts that are transferred to administration get a separate audit done, which would be completely out of local government services. The line below that, the “transfers between segments” are the transfers that actually live between these four schedules: Chief Black Bear, Chief Bitterroot, Chief Saskatoon Berry and then capital. That bottom line is something that's occurring amongst these schedules, where it was transferred to. We're working on more detailed schedules that break out the Four Food Chiefs. It's a way of transferring surpluses to cover expenses that are within LGS.</p>
<i>L. Teichgraber</i>	Requested that in the future a list is provided of all the transfers in which they were individually done so as to prevent any gaps.
<i>J. Spence</i>	It's one of the final deliverables we have that will show each individual department. The one that I will provide will be to Advisory Council will show the details of the transfer and where the transfer went to. This was prepared for public sector purposes and doesn't have that detail. We would have this detail on schedules that support but will leave these audited financials as is.
<b>ACTION ITEM:</b>	J. Spence will provide a detailed list of the transfers of “related Nation entities and departments” and “transfers between segments” to the Advisory Council.
<i>R. De Guevera</i>	In response to the last question, the internal and external language is written in a different way that must've been added in working with other First Nations. If it was labelled differently the question wouldn't come. You're using the template language that you use for First Nations and if some clarity is provided this will prevent this question coming up in the future.
<i>J. Spence</i>	<p>In response to R. De Guevera, the external to LGS but internal to Westbank First Nation (government) would be the best way to put that.</p> <p>That will be taken under discretion and I will work with the Interim Director of Finance on that. We would like to</p>



	<p>provide extra support because we recognize that this used to be seven different schedules and now provides less detail within fewer schedules. Our goal is going to be to give you more details subsequent to this.</p>
<p><i>L. Teichgraber</i></p>	<p>If more detail is provided it would eliminate the questions. The transfers are one of the things that the Advisory Council has been monitoring over the years and how the money's flowing back and forth since LGS shares functions with the major WFN accounts. This new report makes it difficult to know what constitutes some of these numbers if the details aren't included.</p>
<p><i>J. Spence</i></p>	<p>This is something that gets discussed throughout the year, including on the reporting when you do the budgetary considerations. I can discuss this further with the Interim Director of Finance after this meeting.</p>
<p><i>J. Spence</i></p>	<p>Continued on with highlights from the Statement of Financial Position on the reserve accounts and the breakdown of cash in note 3. The breakdown includes where the restricted marketable securities are. This shows if your internally restricted funds are over/under funded.</p> <p>The contingency reserve has decreased substantially throughout the year. This is where cash currently exists in the account, the remainder of that would be sitting in marketable securities. It is funds that weren't anticipated on being spent, but moved to a secured investments so your money is working for itself.</p> <p>In response to T. Turcan regarding past reports where these funds would be in contingency but have now been moved out, this is a very similar note to add to the past. This \$11 million existed. It seems you didn't have as much in contingencies as you have historically. There is a \$6 million difference from the prior year of just marketable securities or GIC. This looks a lot different from what you saw last year. This isn't a reporting issue, it is where the funds are held right now.</p> <p>Continued to highlight the schedules:</p> <ul style="list-style-type: none"> <li>• Note 6 identifies where those transfers to those related nation entities and departments are. Administration and museum received some of these funds.</li> </ul>



	<ul style="list-style-type: none"> <li>• Note 10, reserve funds, show the contingency funds, which is the fund that makes up part of the accumulated surplus.</li> <li>• The funds as a whole are underfunded by \$4.8 million. This is what that cash is comparing it to. The cash and restricted marketable securities is short on this by about \$4 million. There continues to be an influx of GICs since the cash will keep increasing. The cash will not be spent in the short term.</li> <li>• The local government services reserve is an offset for reserves. It's a reserve that's that that has been there in the past and was not changed from the prior year and can be found under the significant accounting policies where there is a breakdown of each reserve fund.</li> </ul>
<i>T. Turcan</i>	I thought previously in year-end surpluses we were going into the stabilization reserve fund. But now, it seems we are putting the year-end surpluses into the local government services research.
<i>J. Spence</i>	In response, to T. Turcan, this would be done only if approved by Chief and Council.
<i>L. Teichgraber</i>	Shared concerns in understanding this report in comparison to prior years' reports. It is difficult to match things to previous years. He questions why it was necessary to create a new category.
<i>J. Spence</i>	The reasons it was created is not known but we made sure it was created. As far as why, that doesn't fall under what we do is an audit.
<i>A. Larsen</i>	Will look into this, with J. Spence referring back to any notes that he may have, and report back to the Advisory Council.
<b>ACTION ITEM</b>	Interim Director of Finance to provide the Advisory Council with information collected from the auditor's notes as to the reasoning for generating a new category.
<i>J. Spence</i>	There is a significant event that is in all of our audited financial statements about the COVID-19. It is something that we can't confirm. In the case of LGS, it may be collectability of property tax, things like that, although fairly secured because of potential tax sales. It's very standardized because of the uncertainties related to the pandemic.



<p><i>T. Turcan</i></p>	<p>In the past, auditors focused in on a particular area and provided fine details in relation to that. Inquired if that is still being done by auditors in general or if this was this done on any particular area this year.</p>
<p><i>J. Spence</i></p>	<p>This was not done on any particular this year as we didn't have an opportunity to review what's been given in the past. I think mostly due to the transition when we started to work on this. We wanted to get feedback and I think once we do these detailed reports those will actually provide a lot more detail. A standard report was provided to the Advisory Council since we were uncertain if you wanted to see an audit findings report, financial position or the full financial statements. It was decided to present the audited financial statements as a whole. Encouraged the Advisory Council to reach out if they have more detailed questions.</p> <p>The amount of detail that's provided on a specific area can vary between auditors. As an auditor our responsibility is that very first page you see, provide audited financial statements. It is management who takes responsibility of the statements, the details of the statements and would protect them. The previous Director of Finance intended to provide the detailed explanation since it was very similar to how she presents her reports. Every Director of Finance operates differently. We operate however is most effective for our client in the understanding that anything we present regarding the numbers is management's responsibility. If we are unable to answer questions related to specific details, management would be able to answer that.</p>
<p><i>L. Teichgraber</i></p>	<p>Requested additional clarification of the cash and cash equivalents under note 3, when the total internally restricted accounts are underfunded by \$4.8 million and they were under funded by \$2.8 million from the previous year.</p>
<p><i>J. Spence</i></p>	<p>If you had to use your entire reserve, the cash doesn't exist to cover. The number is derived from the cash which can be sitting in accounts receivable or a lot of different areas.</p> <p>A surplus and a reserve don't necessarily meet cash basis. A surplus is what we're basing reserves on, cash is what's actually in the door. It's likely the collectability on</p>





	<p>that tax. For added clarification, the following example was provided:</p> <p><i>If you have \$4 million in accounts receivable, it means you have a \$4 million increase through revenue in your surplus, which means you have a surplus but you don't actually have the cash for yet.</i></p> <p>In response to L. Teichgraber's concerns of being underfunded, this is a common practice. In something like local government services, you want to attribute most of your surplus somewhere. You want to say that that surplus isn't just going to sit in our account and we're going to pay out something on it. You want to say that this surplus that we made is attributable to stabilization and contingency. When you do that, you're actually attributing a surplus that doesn't necessarily mean you have the cash for it today.</p>
<i>A. Larsen</i>	In the Statement of Financial Position, because we haven't collected all of our receivables we aren't going to have the cash balance at the end of the year. In a perfect world, if we had collected everything, then we wouldn't have the shortfall.
<i>J. Spence</i>	Generally as a government we see those differences because they want to say that their reserve and surplus is attributable to something, even though they don't necessarily have the cash, so that discrepancy.
<i>J. Spence</i>	In response to L. Teichgraber, a brief explanation of what the miscellaneous expense was provided, which is some internal contracts that should be netted out, the golf tournament revenue, and donations for the youth center. It's made up of those types of smaller revenues.
<i>L. Teichgraber</i>	Inquired if, like in previous years, the revenue that was generated from the sort of a tax levy on Fortis was also included in LGS income as revenue this year. This item is significant and worthwhile knowing where it is.
<i>J. Spence</i>	We didn't take any revenue or expenses out of LGS. Whatever was reported an LGS is in there right now.
<i>A. Larsen</i>	This breakdown can be provided to the Advisory Council of what comprises the \$570,000.
<b>ACTION ITEM:</b>	<b>A. Larsen to provide a breakdown of the \$570,000 to the Advisory Council.</b>



<p><i>J. Spence</i></p>	<p>In response to G. Couch, there were no items of concern on this report. I would call this year and absorption year. As a new auditor for the first time in about 15 years, we approached things openly and tried to learn as much possible. We do have some recommendations but very few in relation to LGS. One recommendation was to provide more detailed reporting.</p>
<p><i>T. Turcan</i></p>	<p>Thanked J. Spence and Interim Director of Finance for committing to provide some additional information to the Advisory Council.</p> <p>I have found it difficult to follow today since we did not meet in person and we did not go in the same sequence as in the provided report.</p>
<p><i>J. Spence</i></p>	<p>For next presentation I can make sure it's in a PowerPoint format that we all share so that when questions arise, everyone can follow. Encouraged the Advisory Council reach out to him or the Interim Director of Finance should they have any questions after today's meeting.</p> <p>In response to T. Turcan, the acceptance of this report has already been done by Chief and Council and they are the ones who accept ownership of the balance sheet. Today was a presentation to update the Advisory Council.</p>
<p><i>T. Turcan</i></p>	<p>In the past, the Advisory Council has accepted the report. We do see ourselves as being responsible to the taxpayers for the expenditures that they are incurring. Therefore I think it's appropriate that the Advisory Council have this on record.</p>
<p>MOTION</p>	<p><b>MOVED BY R. OULD</b>  <b>Seconded by G. Couch</b>  <b>THAT</b> the Advisory Council acknowledges receipt of and accepts the Audited Financial Statements as presented.  <b>CARRIED</b></p>
	<p>Overall the Advisory Council was pleased with the report. The difficulty only lies in the comparison to other years.</p>
<p>Staff and guest left:</p>	<p>A. Larsen and J. Spence left the meeting at 9:49 a.m.</p>
<p>Staff entered:</p>	<p>R. De Guevera left the meeting at 9:50 a.m.</p>



	<b><u>District Reports</u></b>
	<b><u>Lakeridge</u></b>
<i>L. Teichgraber</i>	The residents on Tomat Avenue were given written notice by Ntityix that the large speed bumps would be removed. One resident has concern about that. I spoke with the CEO of the Corporation about this matter and received some background information on it as was an update. There are a lot of mixed opinions on this matter and will continue to receive updates from Ntityix and the residents. The Advisory Council remains neutral in this matter.
	<b><u>Election Update</u></b>
Staff entered:	A. Mazur entered the meeting at 10:11 a.m. via the Zoom meeting platform.
<i>A. Mazur</i>	<p>Provided an update to the Advisory Council on the election process, in which the nomination period started yesterday:</p> <ul style="list-style-type: none"> <li>• There have been no nominations received and only one inquiry to date.</li> <li>• In response to T. Turcan, the nomination papers must be completed in person in front of A. Mazur by appointment, generally between 9:00 a.m. and 4:00 p.m.</li> <li>• The nomination papers can be emailed out to those who request them.</li> <li>• They have to register as an elector before they can officially nominate anyone. The nomination paperwork can then be signed and filed.</li> <li>• Advertising was in the Capital News last week and it'll be in the Westside Weekly later this week. The original notice had a typo so the newspaper will run it for an additional week, for a total of three times before the nomination periods are up.</li> <li>• As long as a person is an elector, which means they must be of age and reside in the district the person is running in, they can nominate someone, regardless of relation.</li> <li>• The end of the first period is Monday at 4:00 p.m. The second period starts at 4:01 p.m. if we haven't had nominations in each district. The periods run Monday to Monday.</li> <li>• If there's only one person running any electoral district your automatic acclimated.</li> <li>• If there's two people nominated and the second nomination periods end, then it will go to an election, unless one person either resigns or moves over to another district.</li> </ul>



	<ul style="list-style-type: none"> <li>Someone who wishes to withdraw a nomination would be required to provide A. Mazur with their written resignation.</li> <li>In the first nomination period you can only run in your own electoral district. If after that period there is a vacancy in another district you can run for that area.</li> <li>Normally, I would be available in the office without an appointment but due to COVID-19 pandemic, we are requiring appointments in advance.</li> </ul>
ACTION ITEM:	A. Mazur to send the nomination forms to the Recording Clerk who will provide them to the Advisory Council.
Staff left:	A. Mazur left the meeting at 10:11 a.m.
	<b><u>District Reports Continued</u></b>
	<b><u>Prairie</u></b>
<i>G. Couch</i>	Nothing to report except that the brochures and nomination notices have been circulated and I have not received any feedback from any of those places. There is still concern about the tree problem on Butt Road and I will be working on that until there is a resolution.
	<b><u>Lakeshore</u></b>
<i>R. Ould</i>	Nothing to report.
	<b><u>East Boundary</u></b>
<i>J. Cole</i>	Distributed the brochures and nomination notices. Nothing else to report.
	<b><u>Old Okanagan</u></b>
<i>T. Turcan</i>	Received an inquiry from a resident regarding their neighbor who rented a piece of equipment to level out his backyard to improve drainage. I followed up with WFN's Development Services Department who indicated there was not an issue unless he was moving more than 50 cubic meters, at which time he would be required to obtain a permit. In this instance, the neighbor is not moving that much soil so therefore it is not an issue to WFN, however they may decide to follow up.
Staff entered:	R. De Guevera entered the meeting at 10:29 a.m. via the Zoom meeting platform.
	<b><u>Next Meeting</u></b>
	The next meeting will take place on September 8, 2020 after they meet with Council.



<b>ADJOURNMENT MOTION</b>	<b>MOVED BY G. COUCH</b> <b>Seconded by L. Techgraber</b> <b>THAT</b> the Advisory Council meeting be adjourned. <b>CARRIED</b> The meeting adjourned at 10:31 a.m.
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**These minutes are certified correct:**

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Terry Turcan

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Gord Couch

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Ludwig Teichgraber

\_\_\_\_\_  
Rick Ould

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John Cole