



Memorandum

To: Chief and Council

From: Robert Weston, Comptroller

Date: June 8, 2006

Subject: Mould Phase 2

Cc: Ernest Elliott, General Manager

Part of Cowichan Tribes equity in Phase 2 is \$1,600,000 that has been allocated from the Community Improvement Fee revenue in 2006/07. Because the equity has to be contributed before we can make draws on the \$10,632,000 bank financing, the Bank of Montreal has been approached to advance \$1,350,000 as a short-term loan to be repaid from the CIF funds within the next 9 months. The only security that they require for this advance is a BCR worded as follows

"Cowichan Tribes Chief and Council hereby authorize the borrowing of \$1,350,000 from Bank of Montreal by way of demand loan at an interest rate of Bank of Montreal prime rate plus ½%. The loan will be repaid by monthly installments in the amount of \$150,000 plus interest."

I recommend that this BCR be passed.

W

7. Sustainable Housing Department
Phase 2

Attached is a memo from Robert Weston regarding Phase 2. A BCR is required.

8. Cowichan Gaming Centre

Attached is an e-mail from Robert Weston requesting that Chief & Council pass a motion appoint Ernest Elliott as signor on the joint account with Kinnetic.

9. Finance Department

Attached is a memo from Robert Weston together with the draft Financial statements to March 31, 2006, together with the motions from the Finance Committee with the following recommendations:

- a) That the \$8814.00 surplus in land management to go towards the 5% increase in salary for 2 employees in Land Management.
- b) Approve the draft Financial statements to March 31, 2006 with the revisions to be forwarded to Council.
- c) Approve the Toba cco Administration fee that it remain at \$198,000 for the 2006/07 fiscal year and be reviewed again in the following year.
- d) Joint Personnel/Finance Committee Meeting



Sustainable Housing Department

Cowichan Tribes
5760 Allenby Road
Duncan, BC V9L 5J1
Tel: 250-715-3302
Fax: 250-715-3304

May 9th 2006

FYI

CIF Funds

There exists within the CIF funds the capability of covering a further \$3.1 million in loans from the BMO.

This has been verified by Robert Weston and the Finance committee.

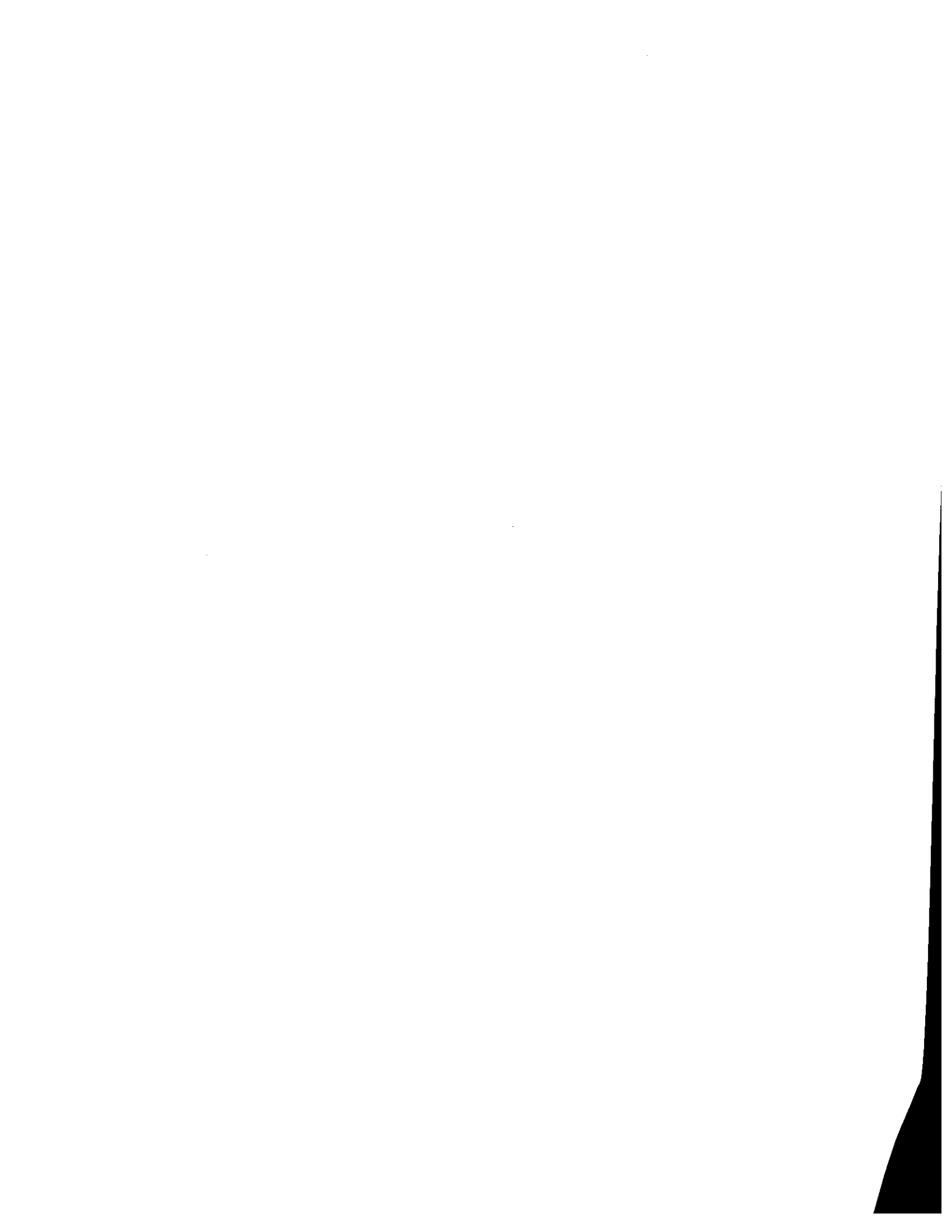
This would require a further ministerial guarantee.

We have suggested a possible use for this money.

At this time the CIF committee has not yet approved the suggestion.

SHD does have some funding shortfalls that we are trying to find funds for.

- 40 new CMHC houses for 2006 need an extra \$1.68 million to cover a \$42,000 per unit shortfall between the cost of construction and what is available on a subsidized CMHC mortgage. Without this money we will not be able to build houses this year. The Quamichan Sewer project is also based on having 30 of these house in Quamichan to boost the level of service to justify having a sewer. Without this money the Quamichan sewer will not be built either.
- KMC is finished most of the new house and will be laying off new construction workers immediately. If we started 4 Phase 3 rebuilds immediately KMC could keep crews working. The money \$720,000 would ultimately come from the CIF /BMO source anyway.
- There is a \$417,000 deficit in the past CMHC house costs which needs to be covered.





2005-06 Annual Report

FINANCIAL SUMMARY

Message from:

Robert Weston
Comptroller

Revenue for the 2005/06 fiscal year was \$45,367,177, an increase of \$6,386,183 from the previous year. This was due mainly to the bank loans for the Housing Mould Phase 2 with significant increases also in funding from Health Canada and the Community Improvement Fee. Expenditure also increased this fiscal - \$42,524,009 up \$1,008,226 from 2004/05, mainly in construction and wages and benefits.

Cowichan Tribes Financial Audit is conducted by Hill & Partners, Chartered Accountants, and is submitted to Indian and Northern Affairs Canada (INAC) as required by law. The Financial Audit contains the following sections:

Consolidated Reports (Pages 1 to 25)

Summary reports combining all departments and business enterprises.

Pages 1 to 4 contain a complete summary of Financial Position, Equity, Revenues and Expenditures and Cash Flow.

Pages 5 to 17 contain the same information as above broken down by fund:

- The *Operations Fund* reports on the general activities of Tribes administration and the business enterprises which are not self-sustaining
- The *Capital Fund* reports on the capital assets and the related financing
- The *Trust Fund* reports on funds that are held by third parties
- The *Enterprise Fund* reports on the activities of self-sustaining business enterprises

Pages 18 to 25 contain explanatory information and schedules.

Revenue and Expenditure Statements (Pages 26 to 138)

Revenue and Expenditure statements for each program.

Additional Schedules (Pages 139 to 144).

