

Key First Nation Pelly Haylands Trust 2020 Annual General Meeting

Sangita Bhalla, Associate Director
Royal Trust Corporation of Canada
Indigenous Wealth

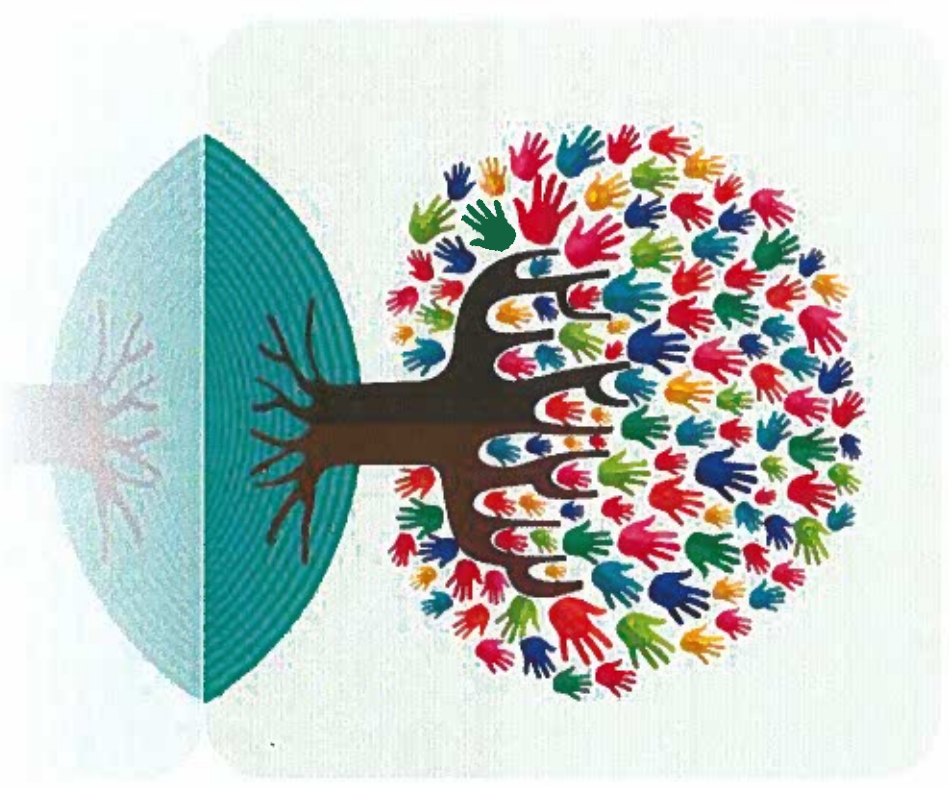


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Agenda

- Introduction
- Review of Key First Nation Pelly Haylands Trust
- Roles and Responsibilities of Trustee and Council
- 2020 Highlight of Trust Activities





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Your Trustee

- Royal Trust Corporation has over 100 years managing trusts with a team of specialists dedicated to the administration of First Nation Trusts
- Corporate Trustee for over 100 Aboriginal Trusts, with over \$2B in assets
- Offices in Winnipeg, Calgary and Vancouver, with National support

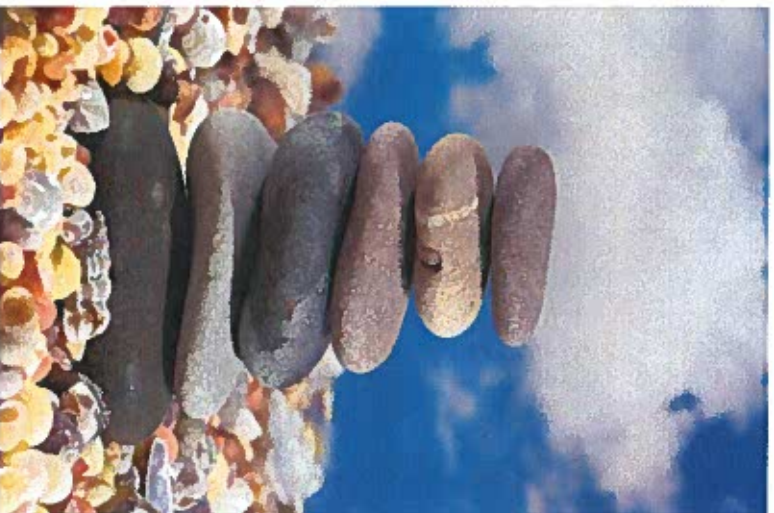




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Our Service

Key First Nation benefits from our years of expertise in providing
five key Trust services:

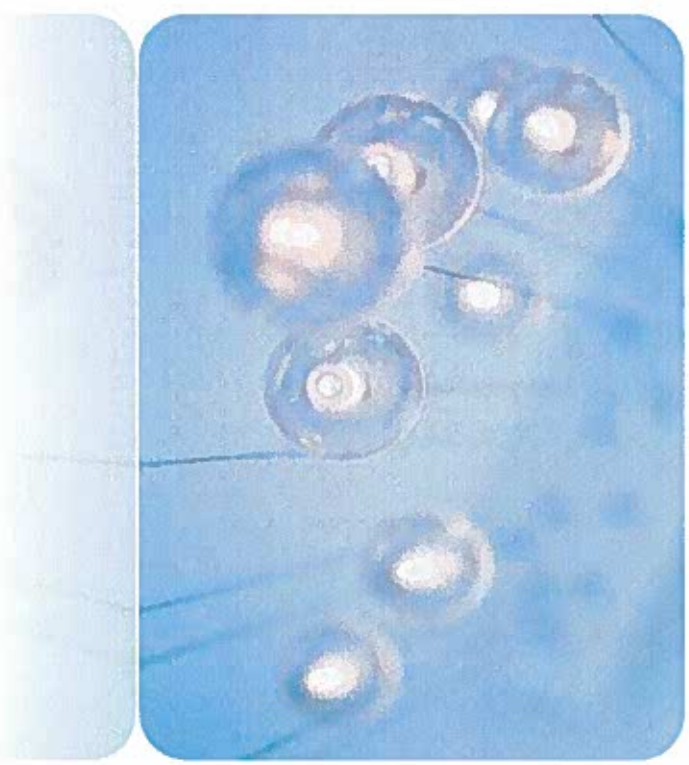


- **Fiduciary Services**
- **Investment Policy and Oversight**
- **Trust Accounting and Reporting**
- **Education and Training**
- **Custody and Administration**



Trust Summary

- Key First Nation Pelly Haylands Trust was created on October 24, 2008, with \$21,703,326. paid by Canada
- CIBC Trust Company was the Initial Trustee of the Trust
- Beutel Goodman was appointed as Investment Manager in April, 2009
- Royal Trust Corporation of Canada became Trustee in 2011





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Primary Purpose of the Trust



- To provide ongoing financial benefits to Key First Nation and its members
- To maintain and grow the Trust for future generations



Initial Uses of Trust Property

- To transfer the Net Revenues Realized to the Band Account
- To pay up to \$3,000,000 from the Capital of Trust for Land Purchase
- To pay up to \$450,000 from the Capital of Trust for Acquisition Costs related to the Purchase of Land or Improvements
- To pay up to \$250,000 from the Capital of Trust for Authorized Expenses incurred by Council in carrying out the terms of the Trust





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Non-permitted Uses of Trust Property



- No further per capita distributions can be made
- Cannot borrow, mortgage or pledge assets or the income from the Trust except as permitted
- Cannot lend, invest, distribute or advance funds except as authorized by Settlement Agreement, Trust Agreement and Investment Policy



Land Purchases

- As of December 31, 2019, Council has purchased 3,044.87 acres of land costing \$2,949,998.00
- Balance of New Acres is 1,221.83 (4,266.7 acres less than acres purchased)
- \$50,002.00 of the \$3,000,000.00 is available for the purchase of new land



2020 Trust Highlights



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Opening Value: January 2020 \$ 20,031,909.

Closing Value: December 2020 \$ 20,740,700.

Current Value: April 2021 \$ 21,554,418.

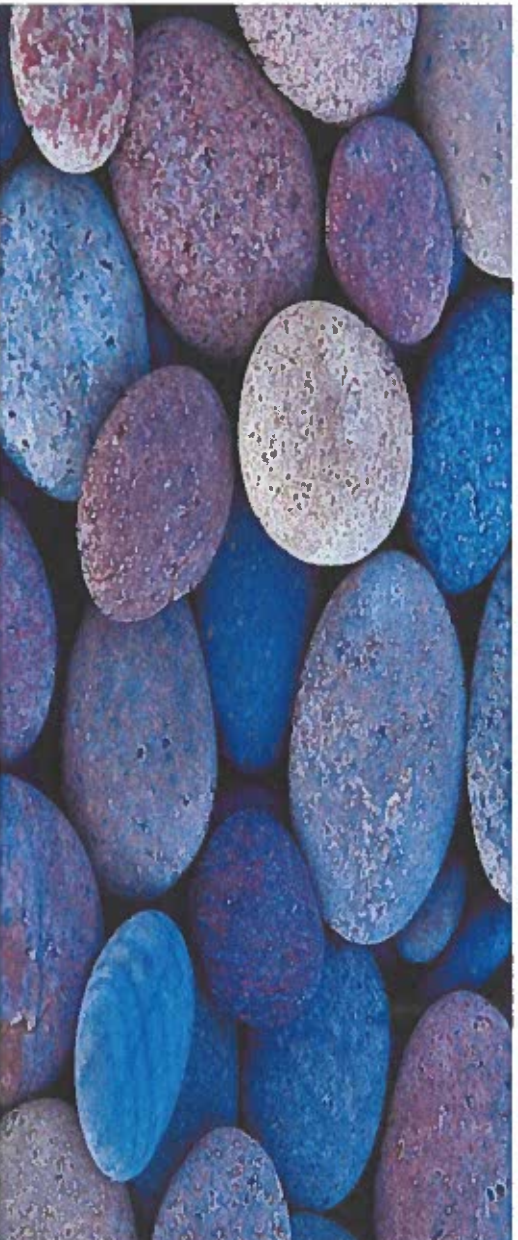




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2020 Trust Highlights

Revenue Earned:	\$ 1,768,199.80
Expenses:	\$ 150,694.91
Income paid out	\$ 1,617,504.89





Annual Income Distribution

Income Received:

Income	\$ 394,021.72
Realized Gains	\$ 1,112,574.74
Dividends	\$ 261,603.34.
Total Income:	\$ 1,768,199.80.

Less Authorised Expenses:

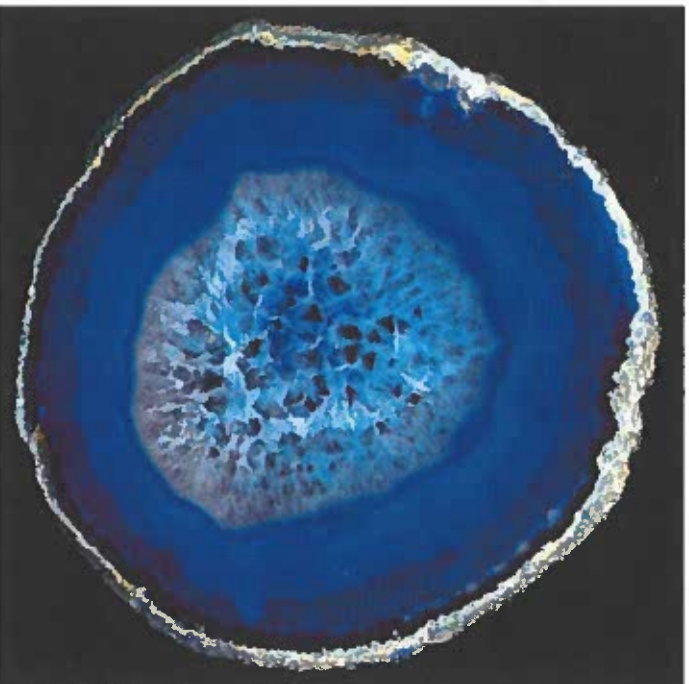
Beutel Goodman	\$ 84,904.81
MNP	\$ 9,354.00
Royal Trust	\$ 55,048.60
Legal Fees	\$ 1,386.00



Annual Income Payments



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2011	\$ 601,278.00
2012	\$ 546,171.00
2013	\$ 811,217.00
2014	\$ 924,054.00
2015	\$ 918,750.00
2016	\$ 899,489.00
2017	\$ 918,750.00
2018	\$ 967,448.00
2019	\$ 579,886.00
2020	\$1,617,605.89
TOTAL:	\$8,784,648.89



Inflation Adjusted Contribution Amount

- To ensure the Trust grows net of inflation, Chief and Council must make a contribution to the Trust to cover any growth shortfall

$$\begin{array}{r} \$14,423,611.60 \\ \text{(Base Capital Amount)} \end{array} \times \begin{array}{r} 133.6 \text{ (2020 Consumer Price Index)} \\ \text{-----} \\ 113.3 \text{ (2008 Consumer Price Index)} \end{array} = \underline{\underline{\$17,007,895.}}$$

Trust Property Value as of December 31, 2020 = \$20,031,909.



Band Account

Chief and Council operate the Band Account, and its permitted uses are:

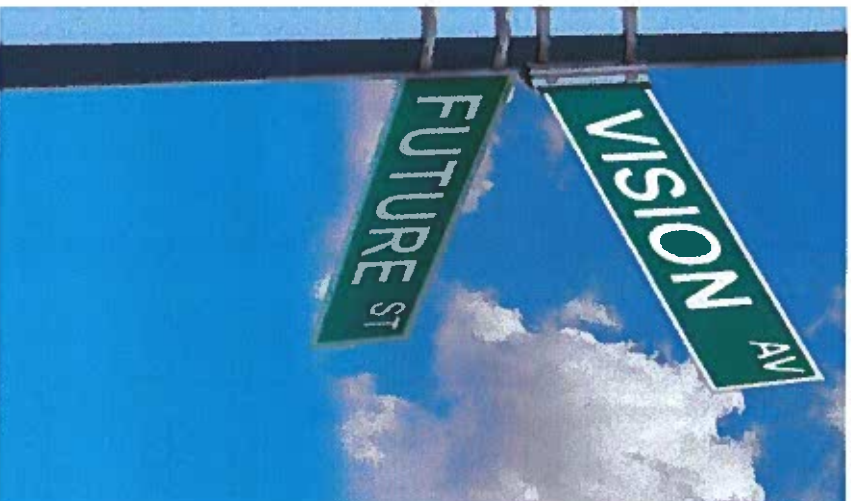
- One-time Per Capita payment
- Contribution Amount
- Authorized Expenses
- Band Development
- Authorized Investments
- Other Claims





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Prohibited Uses of Band Account



- No further per capita distributions
- Funds cannot be used to borrow, mortgage or pledge assets or the income from the Band Account
- Cannot lend, invest, distribute funds in the Band Account except as authorized by the Trust Agreement



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Key Minor's Trust



The Minor's share of the per capita distribution is held in trust until the minor attains the age of 18,

On becoming 18, the minor receives \$3,000 plus accrued interest,

Trustee must follow processes with respect to minor's payment.



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2020 Highlights – Minor's Trust

Opening Value	\$ 283,341	
Closing Value	\$ 196,569	<i>168,000 + May/21</i>
26 Minors Paid	\$ 89,724	
Minor payment December, 2020	\$ 3,550.68	





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THANK YOU!



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