



Quarterly Report

1st Quarter

January to March 2020

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OKIB Management Services LP (MS LP)

Mandate: To provide management, administrative, financial, record keeping, accounting and advisory services to the businesses of the Okanagan Indian Band.

Strategy: Meeting the Mandate

MS LP manages all the operating companies while developing new strategies for the Group of Companies.

Duck Lake Development Strategy

The Duck Lake land designation process has been approved by ISC to move forward. A designation vote with membership will be held, as soon as it is safe to do so.

New conceptual designs including commercial and residential options have been produced to maximize the potential for revenue generation.

MS LP was successful in the application for the ISC CORP National Business Park Infrastructure Fund in the amount of \$2,200,000; which required a comprehensive business plan, professional project design and class 2 construction estimates and proof of the ability to fund the remaining 33.33% of the project.

Economic Development Plan

As a mandate from the GFA, the Economic Committee consisting of Band Council; Councillors, Tim Isaac and Sharon Cullen, Tom Christensen, Firman Latimer (chair), Victor Rumbolt, Don Riemer, Lee Anne Cameron, Colleen Marchand and Jenelle Brewer, working with Urban Systems provided oversight to the development of the Community Economic Development Plan.

The final draft is completed, and will be presented to Council in June 2020.

Networking

MS LP joined the Vernon Chamber of Commerce in January, and have attended a few of the events.

MS LP attended the AFOA Economic Development Conference in March 2020.

Employment to OKIB members

As a start-up company there are limited employment opportunities; currently there are 3 full-time positions; 2 of the positions are held by Band members.

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Contract and training opportunities to OKIB Members	OKIB Management Services LP's sole purpose is to manage all the operating companies. There are no contracts or assets held under this company. As the company experiences growth; there will be more opportunities.
Financial Results and Quarterly Comparisons	See Financial Statements for January to March 2020

Financial Results

OKIB MANAGEMENT SERVICES LP				
Statement of Revenue Expenses and Surplus				
January to March 2020				
		YTD ACTUAL 2020	ANNUAL BUDGET	VARIANCE
REVENUE				
Due From OKIB Forestry LP	2691	100,000	403,200	303,200
Due From OKIB Holdings (OKIB ISC)	2693	0	91,300	91,300
Total Revenue		100,000	494,500	394,500
EXPENDITURES				
Wages and Benefits				
Wages, Benefits, Remittances	5410	69,982	308,000	238,018
Total Wages and Benefits		69,982	308,000	238,018
Operating Expenses				
Advertising & Communications	5615	364	15,000	14,636
Business Fees & Licenses	5625	149	3,000	2,851
Consulting Fees	5635	2,400	50,000	47,600
Contractor Costs	5637	990	2,400	1,410
Equipment Purchase	5655	0	5,000	5,000
Interest & Bank Charges	5690	649	0	(649)
Legal Fees	5700	573	30,000	29,427
Meeting Costs	5725	1,318	19,000	17,682
Membership Fees & Subscriptions	5728	669	1,500	831
Office Supplies	5745	739	5,000	4,261
Postage, Shipping & Trucking	5747	20	70	50
Rent	5760	7,200	22,680	15,480

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Repair & Maintenance	5765	0	2,000	2,000
Telephone-Mobility	5780	386	3,000	2,614
Telephone-Office & Fax	5781	504	3,500	2,996
Training & Workshops	5783	725	10,000	9,275
Travel Employment Related	5784	(268)	10,000	10,268
Travel-Directors	5785	1,202	0	(1,202)
Utilities	5790	778	4,200	3,422
Total Operating Expenses		18,399	186,350	167,950
Total Expenditures		88,382	494,350	405,968
Surplus (Deficit) for this period		11,618	150	(11,468)
Surplus (Deficit) Beginning		16,841		
Surplus (Deficit)		28,459		

OKIB Assets LP (OALP)

Mandate: To hold capital assets utilized in the operation of the Okanagan Indian Band or Okanagan Indian Band businesses.

Strategy: Meeting the Mandate

A land designation is planned for Lots 1, 13 and 14 on Duck Lake IR No. 7 for commercial/light industrial uses. A head lease will be initiated and this will be the first OKIB asset that is held by this company.

This property will need to be developed in phases due to the investment required for the whole property. Currently, we are pursuing a commercial development but also exploring mixing the development with residential.

The next steps can be taken after Covid-19 restrictions are lifted to allow us to move forward with a vote, including the requirements of sending out information to the community and hosting community meetings.

Employment to OKIB members

The planned business park would provide multiple employment opportunities through sub-lessee's; it would be similar to how SRI Homes provides jobs.

Contract and training opportunities to OKIB Members

There will be contracting opportunities during the construction of the business park.

Financial Results and Quarterly Comparisons

See Figure 1-Appraisal Values below

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Figure 1: Appraisal Values of 1, 13 and 14 by Kent Macpherson

Lot	Use	Market
Lot 1, Plan 56119 CLSR	Industrial & Service Commercial	\$15,500,000
Lot 13, Plan 101195 CLSR	Industrial & Service Commercial	\$10,840,000
Lot 14, Plan 7331 CLSR	Industrial & Service Commercial	\$3,200,000
Lot 1, 13, and 14 (planned for designation)	Multi-family residential	\$800,000 - \$1,500,000

OKIB Forestry LP (OFLP)

Mandate: To engage in forestry and forest resource management operations of the Okanagan Indian Band.

Strategy:

Meeting the Mandate

Employment to OKIB members

Contract and training opportunities to OKIB Members

Financial Results and Quarterly Comparisons

See Financial Statement below

Financial Results

OKIB FORESTRY LP
Statement of Revenue Expenses and Surplus
January 1st-March 31st, 2020

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		YTD ACTUAL	ANNUAL	VARIANCE
		2020	BUDGET	
REVENUE				
Due From OKIB Forestry LP (OKIB)		228,579		(228,579)
Due From OKIB MS LP	2691	10,362	10,362	0
RFL A91117			810,000	810,000
Harvesting-NRFL			150,000	150,000
FLNRORD-Okanagan Shuswap Resource District		17,792	74,740	56,948
Interest Revenue			15,600	15,600
Total Revenue		238,941	1,060,702	788,370
EXPENDITURES				
Wages and Benefits				
Wages, Benefits & Staff Remittances	5410	6,244	0	(6,244)
Total Wages and Benefits		6,244	0	(6,244)
Operating Expenses				
Consulting/Contractor Fees (Tom /Forsite)	5635	27,603	124,000	96,397
Meeting Costs	5725		5,200	5,200
Rent	5023	43,142	59,677	16,535
Travel Employment Related	5784	1,703	3,600	1,897
Other: MS needed cheques	2691	10,362	10,362	0
Fees to Management Services		100,000	403,200	303,200
Forest Management Operations				
CP6 Timber Development			75,000	75,000
Other Project Expenses				
FLNRO Fuel Management Prescriptions			67,266	67,266
Total Operating Expenses		182,811	606,039	120,028
Total Expenditures		189,054	606,039	113,785
Surplus (Deficit) for this period		49,886	454,663	674,585
Surplus (Deficit) Beginning		262,584		
Surplus (Deficit)		312,470		

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OKIB Operations LP (OOLP)

Mandate: To engage in the development of economic opportunities for the Okanagan Indian Band both on and off reserve lands.

Strategy: Meeting the Mandate

The strategy includes leveraging the Okanagan Indian Band's Title and Rights within the Syilx territory to create partnerships with established businesses qualified to bid on industry projects.

UXO Bid

- DND has confirmed a \$2.0 million clearance program for 20 hectares of land at Madelaine Lake, this should be starting this summer in partnership with MRS.
- Structured incentives to employ OKIB members.

Silver Star Agreement

- Draft agreement has been reviewed, creating significant development opportunities with land in Town Centre, we are a Preferred Vendor status for developing contracts for operations.

Gravel Pit

- Review and Feasibility Studies based on existing reports and new studies.

Established a relationship with Okanagan Aggregates

- RFP sent out to identify the best suited joint venture
- Compiling of documents for permit process

Winery

- Developing relationship with Summerhill Vineyard
- UXO review and temperature gauges have been initiated with positive results for the environment to grow grapes.
- The business model is to grow grapes on their behalf and supply to a Summerhill grapes for their operations.
- Benefits are Summerhill's expertise and future employment opportunities

BC Hydro Partnerships

- OKIB GC have initiated several agreements (Cross Town, Glenn Power, HR Dozer, QM)
- This model allows certain rights to tender projects and we participate from a percentage of the total value of contract.
- Results have been disappointing from BC Hydro, they haven't been committed to their own program of tendering.

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	<ul style="list-style-type: none"> We have provided quality relationships and tendering, BC Hydro missed the opportunity. We want to have the chance at the big contracts not just the small ones. <p><u>COR Certification</u></p> <p>Currently waiting on Covid-19 requirements to move forward with certification. Training is needed and can only be taken in-class.</p>
Employment to OKIB members	All planned operations will create employment opportunities for Band members.
Contract and training opportunities to OKIB Members	All planned operations will create training opportunities for Band members.
Financial Results and Quarterly Comparisons	<p>The expected gross revenue of the BC hydro HVAC contract is \$15,000,000; OKIB Operations LP could expect to see 5-10% of this contract which would be \$1,500,000-\$750,000 in revenue.</p> <p>The financial projections for the gravel pit are under development.</p>

Approval by Senior Officials


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Firman Latimer, CEO
 OKIB Management Services LP

11/9/2020

Date

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Ian Rogers, Chairperson
 OKIB Holdings LP.

11/9/2020

Date