

Building a new path

2020/2021 Annual Report



First Nations Tax Commission



"Taksis," a Chinook word for taxation, is a concept that First Nation communities have embraced and used for many generations. It's part of our heritage. Today, in the here and now, the FNTC is helping First Nation communities leverage that concept of gathering taxes to create a common and productive resource for the whole community.



The drawings throughout this report are in the "ledger art" tradition of 19th-century Indigenous peoples of the Great Plains and Canadian Prairies. They were produced with pencil, ink and watercolours on paper pages of old ledger or account books, which offered an accessible and flexible substitute to traditional hides, especially as animal skins became more scarce.

Plains ledger drawings typically depicted communally-acknowledged events and items of tribal importance, with an emphasis on narrative action and elimination of unnecessary detail or background. Contemporary ledger artists offer a bridge of cultural continuity between historical and modern Indigenous life.

Permission to use the ledger drawings in this Annual Report was kindly granted by the artist C.T. (Manny) Jules.

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Mandate

The mandate of the *First Nations Tax Commission* (the FNTC) derives from the federal *First Nations Fiscal Management Act* (the FMA), which created the FNTC, and from a *Memorandum of Understanding (MOU)* with the *Minister of Crown-Indigenous Relations* (the Minister) to provide advice regarding approval of by-laws under section 83 of the *Indian Act*.

As set out in section 29 of the FMA, the mandate of the FNTC is to:

- a) ensure the integrity of the system of First Nations real property taxation and promote a common approach to First Nations real property taxation nationwide, having regard to variations in provincial real property taxation systems;
- b) ensure that the real property taxation systems of First Nations reconcile the interests of taxpayers with the responsibilities of chiefs and councils to govern the affairs of First Nations;
- c) prevent, or provide for the timely resolution of, disputes in relation to the application of local revenue laws;
- d) assist First Nations in the exercise of their jurisdiction over real property taxation on reserve lands and build capacity in First Nations to administer their taxation systems;
- e) develop training programs for First Nation real property tax administrators;
- f) assist First Nations to achieve sustainable economic development through the generation of stable local revenues;
- g) promote a transparent First Nations real property taxation regime that provides certainty to taxpayers;
- h) promote understanding of the real property taxation systems of First Nations; and
- i) provide advice to the Minister regarding future development of the framework within which local revenue laws are made.



In addition, under terms of the MOU with the Minister, the FNTC provides advice regarding the approval of by-laws under section 83 of the *Indian Act* and delivers services to First Nations exercising property tax jurisdiction under those provisions.

The work of the FNTC is supported through financial contributions from the Government of Canada. This consists of an annual funding arrangement for core ongoing operations, plus funding for special initiatives based on proposals submitted to the Minister. Advice, tax tools and services from the FNTC are available at no cost to all interested First Nations.



Vision and Mission

Vision

The FNTC has long maintained that First Nations are governments within the Canadian federation, that jurisdiction defines governments, and that tax revenues enable jurisdiction. First Nation tax jurisdiction is the basis for revenue-based fiscal relationships between First Nations and the federal and provincial governments. Most importantly, the assumption of tax jurisdictions by First Nations must be First Nation-led, optional, and supported by national First Nation institutions.

The FNTC operates in the larger context of First Nation issues, which go beyond property tax. The FNTC strives to reduce the barriers to economic development on First Nation lands, increase investor certainty, and enable First Nations to be vital members of their regional economies. The FNTC is working to fill the institutional vacuum that has prevented First Nations from participating in the market economy and creating a national regulatory framework for First Nation tax systems that meets or exceeds the standards of provinces. Through the development of a competitive First Nation investment climate, economic growth can be a catalyst for First Nation self-reliance.

Mission

Under the broad enabling authorities of its legislated mandate, and guided by the above Vision, the ongoing Mission of the FNTC is as follows:

Assist First Nation governments to build and maintain fair and efficient property and other tax jurisdictions, and ensure that those First Nation communities and their taxpayers receive the maximum benefit from their tax systems.



Charting a Long-Term Plan for Multi-Year Funding and Programming

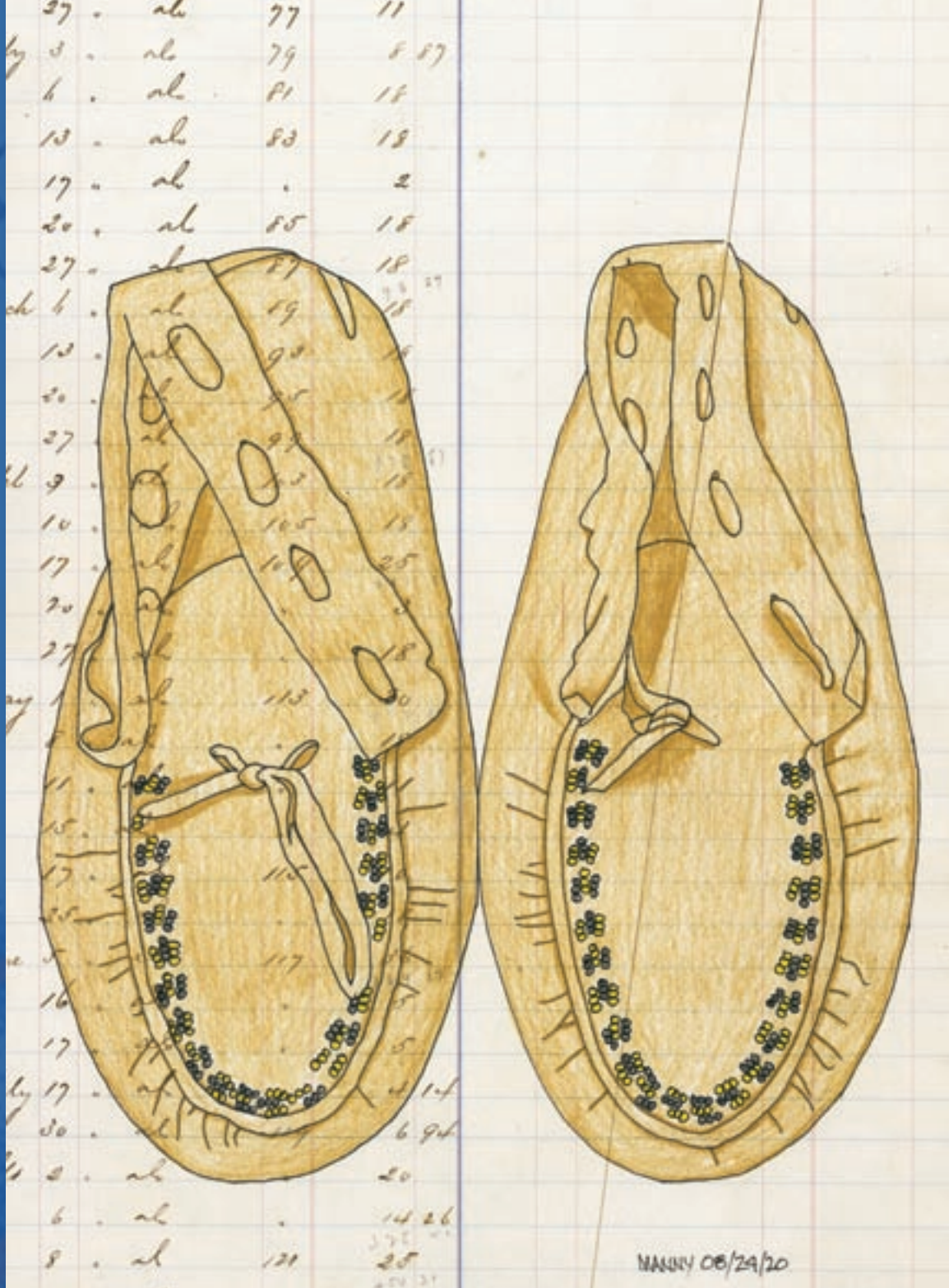
Since its establishment in 2007, the FNTC has been supported by the Government of Canada through funding every year to provide services to First Nations and pursue initiatives that promote, expand, implement and protect First Nation tax jurisdiction. The services and initiatives are set out in an annual Corporate Plan that affirms the above Vision and Mission, and identifies key strategic priorities for the coming year in areas of growth and emphasis for FNTC activities, notably:

- Facilitate growth of the revenue potential of First Nation tax bases through economic development.
- Support First Nation fiscal governance and administrative infrastructure.
- Promote First Nation taxation authorities and programs.
- Advance improved fiscal relationships for First Nations.

With a view to enabling and supporting longer-term plans and initiatives by FNTC that can significantly advance First Nation jurisdiction, fiscal capacity and economic development, the Commissioners in 2020 launched a process to develop, refine and implement a long-term vision and strategic plan for FNTC. When finalized in the coming year, this will provide the foundation for possible multi-year program planning and funding for FNTC that would enhance the stability, predictability and flexibility of FNTC's programs, services and projects.

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Message from the Chief Commissioner



For our part, we at FNTC will work with renewed vigour to advance the goals and aspirations of First Nations and their respected place in the future of Canada.

I am pleased to present the Annual Report of the First Nations Tax Commission (FNTC) for the year ending March 31, 2021. But I wish to begin by solemnly acknowledging the deaths of at least 215 children whose burial sites on grounds of the former Kamloops Indian Residential School—located within *Tk'emlups te Secwepemc*—were revealed in May 2021. The unmarked graves contain the remains of our little ones, buried in small boxes and blankets.

The Kamloops Indian Residential School was preserved in the 1970s to serve as a memorial, and to be converted into a facility for education. Our FNTC offices were intentionally located in the school—now known as the Chief Louis Centre—so that we could make it a home for positive new beginnings in a path of restoration for our culture. With this most recent discovery, and as a former student of this residential school myself, I can take some degree of comfort that Canadians across the land are now finally facing the painful truth of the colonial past. Our hope is that this will strengthen nationwide resolve to follow through on the *Calls to Action* of the Truth and Reconciliation Commission.

For our part, we at FNTC will work with renewed vigour to advance the goals and aspirations of First Nations and their respected place in the future of Canada. And we will honour and preserve the sacred site on our grounds so that the lives and fate of all victims of the residential school system are never forgotten.

In last year's Annual Report, I noted that the world was just beginning its fight with the COVID-19 pandemic. While the fight continues, I am pleased to note that signs are now pointing to ultimate victory. But the costs and burdens have been staggering, and they will continue well into this coming year.

The COVID-19 pandemic changed all of our lives. Many of us were unable to see our loved ones for months, and all of us were forced to adapt to new ways of working, socializing and even attending to basic daily needs. This was daunting, but it made us appreciate what is truly important and how much we rely on each other, especially in difficult times. And these have been difficult times. As we look forward to the prospect of soon putting the pandemic behind us, I hope you are all well. I also send my condolences to anyone who lost a loved one in this time. It would have been particularly hard to bear at a time when we cannot have in-person funeral services to pay proper homage to family and friends.

COVID-19 inflicted tremendous impacts and burdens on our communities. The shutdown interrupted property tax payments and, in many cases, our own ability to meet our financial obligations. In some cases, it created economic crises where businesses that were heavily reliant on travel and face-to-face interaction—notably tourism attractions, casinos, retail outlets and other services—were hit hard.



Our experience over the past year showed clearly that our tax system is resilient enough to withstand a major crisis, especially when we are willing and able to stand and work together.



But we First Nations have always been—and will continue to be—tremendously resilient. When the pandemic started, the FNTC worked with First Nation and other governments to chart a path forward through the challenges and uncertainty caused by the pandemic. Beginning last March, many long days and nights were devoted by the FNTC and the First Nations Financial Management Board to develop a *First Nations Fiscal Management Act*-led solution.

Our collective efforts led to establishment of a lost revenue program and an economic recovery strategy that are now in place for our communities. The FNTC developed the special *COVID-19 Pandemic Emergency Response Standards, 2020* to address impacts on taxpayers and the ability of First Nations to continue to provide local services. These new standards made it easier for First Nations to quickly amend their local revenue laws and to enact annual tax rates laws and annual expenditure laws that support their taxation systems and mitigate the economic and fiscal impacts of the pandemic. To assist with adjustments to new tax and fiscal challenges, we also provided increased law development support, and more assistance with service agreements across the country. With support from FNTC, the Tulo Centre of Indigenous Economics also quickly adapted its programs and courses to online formats and was able to deliver more courses to more students last year than in any previous year. For all this—and many other innovations and successes in 2020/2021—I offer my congratulations and thanks to everyone, along with my pledge of continued support into 2021/2022.

Our experience over the past year showed clearly that our tax system is resilient enough to withstand a major crisis, especially when we are willing and able to stand and work together. It also reinforced the importance of self-reliance: we want the ability to meet our needs, pursue our aspirations and deal with health and public safety emergencies with our own hands and on our own terms.

With the fresh lessons of the pandemic in mind, we have renewed our commitment to build resilient economies and financially secure governments so that we can better weather challenges in the future. In this regard, at the *First Nations Leading the Way 3* national meeting in February 2021, we advanced a number of important initiatives to expand our fiscal capacity and self-reliance at home, so that we can become more resilient and less reliant. These include the development of the First Nations Infrastructure Institute, the establishment of new tax powers related to cannabis, fuel, alcohol and tobacco and natural resources revenues on ancestral lands, and advancement of an initiative to improve data collection to enable timely and reliable analysis of economic problems and opportunities. These will give us the tools we need to build prosperity and be prepared for future challenges. I look forward to providing you progress reports and working with you on each of these initiatives throughout the next year. I believe we will emerge from this pandemic stronger and more united in our resolve to close the systemic gaps facing our communities.

As you take the opportunity to review this Annual Report and reflect on the events of the past year and the future that lies ahead, I encourage you to get vaccinated and pursue all of the vital public health precautions recommended by the experts. Hopefully we can all be together again very soon, continuing our important work to build strong and resilient First Nation economies.


C.T. (Manny) Jules
Chief Commissioner

Highlights of 2020/2021

Throughout the past year—despite the disruptions and challenges of the COVID-19 pandemic—the FNTC continued to support the expansion and implementation of First Nation tax jurisdiction through the ongoing development and maintenance of standards and processes that advance fiscal and economic goals.

Key Fiscal and Economic Goals

- Ensure the integrity of the system of First Nations real property taxation.
- Continue to support and build First Nation capacity to administer their tax systems.
- Promote transparency and understanding of First Nation real property taxation systems through engagement, education and communications.
- Provide support for negotiations and resolution of disputes.
- Advance proposals to expand jurisdiction and a new fiscal relationship.

This Annual Report reviews FNTC's major activities over the past year. This *Highlights* section provides short summaries of some of the most notable initiatives and achievements in 2020/2021. The subsequent *Progress on Special Initiatives* and *Report from the Business Lines* sections provide further details on these items along with other key activities, services and milestones.

Helping First Nations Address and Recover from the COVID-19 Pandemic

The COVID-19 pandemic affected First Nations across Canada profoundly—dramatically constraining economic activity, employment and revenue generation for First Nation communities, and imposing heavy burdens on businesses and families alike. The pandemic also presented many challenges to FNTC and its *First Nations Fiscal Management Act* (FMA) partner institutions in their efforts to deliver valued services and support to First Nations—restricting travel and face-to-face meetings while introducing a new range of fiscal, economic and social problems to address in the path to recovery.

To help First Nations cope with the continuing negative impacts of COVID-19 and to support immediate and longer-term recovery, the FNTC took swift and decisive action:

- Arrangement for FNTC work to be undertaken safely by staff remotely.
- Strengthening of FNTC capacity to deliver information and services for First Nations online and through virtual communications and workshops.
- Development of the *COVID-19 Pandemic Emergency Response Standards, 2020* to address impacts on taxpayers and enable First Nations to continue to provide local services.
- Collaboration with FMA institution partners to develop, present and advance proposals to the Government of Canada to support First Nations economic recovery strategies.
- Support to the Tulo Centre of Indigenous Economics (the Tulo Centre) in its transformation of educational programming and distance learning to support critical fiscal and economic development needs of First Nations.



Supporting First Nations in the Implementation of Jurisdiction

The COVID-19 pandemic made more clear than ever the importance of fiscal stability and economic resilience for First Nations. At the same time, it also underscored the valuable role that the FNTC can play in helping to strengthen revenue sources and support new economic development opportunities for First Nations.

The FNTC made special efforts in 2020/2021 to ensure that First Nations had continued access to support for their effective planning, design and implementation of tax systems and other revenue-generating mechanisms, including:

- Convening of virtual regional workshops and delivery of virtual regional presentations on tax jurisdiction and fiscal management.
- Review, update and development of online-accessible guides, tools and sample laws and by-laws to support First Nations with the exercise of their tax jurisdiction.
- Provision of assistance to First Nations in their development of local revenue laws including property tax, property assessment, service tax, development cost charges, fees, property transfer tax and business activity tax.
- Modernization of the *First Nations Gazette* database platform providing faster and more extensive search capabilities.

Expanding First Nation Jurisdiction and Advancing a Revenue-Based Fiscal Relationship

In 2020/2021 the FNTC continued to advocate for and advance a new fiscal relationship between First Nations and the federal government, focused on expanded FMA fiscal powers and expenditure responsibilities, including fiscally sustainable economic infrastructure.

Such a First Nation revenue-based fiscal relationship with the Government is centred on First Nations establishing their own tax systems, collecting their own revenues, and determining how best to spend those revenues. Through annual FMA expenditure laws that establish a clear relationship between First Nation revenues and their expenditure responsibility, the revenue-based fiscal relationship provides greater transparency and better supports infrastructure financing and an improved investment climate.

Building on the momentum of earlier foundational research, advocacy and developmental work on new fiscal powers, the FNTC further developed and supported First Nation jurisdiction, through initiatives focused on:

- Advancement of proposals to Finance Canada to lift the moratorium on the three-product sales tax (fuel, alcohol and tobacco) and to add cannabis, so as to enable a more comprehensive four-product “FACT” tax option.
- Promotion of ideas and options for the inclusion of the First Nations Good and Services Tax (FNGST) in local revenues.
- Work with First Nation proponents to develop and advance proposals for a First Nation cannabis fiscal and regulatory jurisdiction arrangement.
- Collaboration with interested First Nations and provincial governments to advance a First Nation Resource Charge (FNRC) proposal focused on deriving fiscal benefits from charges on resource projects (e.g., mining and forestry) in ancestral lands.



Building First Nation Fiscal and Economic Capacity

The FNTC—along with its FMA institution partners and the Tulo Centre—have consistently maintained a strong emphasis on building fiscal, economic and management capacity for First Nations and their governments and institutions, and promoting active and productive partnerships with other key organizations and professional associations.

Major activities and accomplishments in 2020/2021 focused on:

- The Education, Training and Accreditation business line's transformation of its approach to curricula development and delivery in the face of COVID-19, including rapid enabling of virtual course access and distant delivery to ensure continuity of service and swift development of new core material focused on economic resilience and robust recovery from the pandemic.
- Co-hosting—with First Nations fiscal institutions and the Lands Advisory Board—of the national conference "*First Nations Economic Resilience: First Nations Leading the Way 3*," focused on sharing ideas, best practices and success stories in the exercise of First Nation tax, fiscal and economic jurisdiction.
- Signing of a Memorandum of Understanding (MOU) with BC Assessment, renewing commitments to work together to support and improve First Nation property assessment and taxation systems within British Columbia.
- Delivery of a virtual presentation to 2,000 employees of the Ontario Municipal Property Assessment Corporation and the sharing of experiences with property inspections under COVID-19 restrictions.
- Delivery of a virtual presentation to the Canadian Property Tax Association on *COVID-19: The Impact on First Nation Economies and a Strategy for Recovery*.
- Continuation of longer-term work—in partnership with the Tulo Centre—with the Bank of Canada, the Federal Reserve Bank of Minneapolis, the Reserve Bank of Australia, and the Reserve Bank of New Zealand to advance resilient Indigenous economies.

**We place strong emphasis
on building fiscal, economic
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Supporting On-Reserve Infrastructure

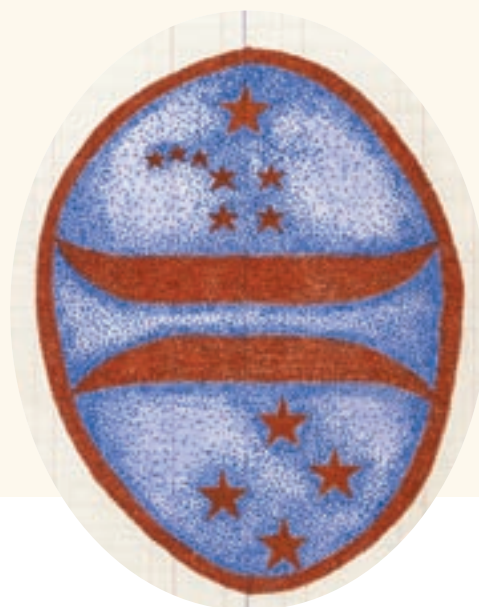
Central to the provision of essential community services and the facilitation of economic growth and prosperity is the ability of First Nations to: attract and leverage capital investments; effectively plan, manage and deliver infrastructure projects; and own and operate community-based facilities, ranging from water and wastewater treatment systems, roads, bridges and telecommunications systems, to recreational facilities, health and community centres, and commercial buildings.

With the aim of strengthening First Nation infrastructure capacity and investment opportunities, the FNTC was active throughout 2020/2021, focused on:

- Advancement of the design, development and demonstration of proof of concept for the new First Nations Infrastructure Initiative (FNII)—constituting a fourth institution under the FMA—to develop and promote standards and best practices in infrastructure project planning and management and facility maintenance and operation.
- Collaboration with other FMA institutions to advance regulatory amendments to the FMA that will enable First Nation organizations and Treaty First Nations to participate in the FMA and improve their access to long-term pooled borrowing for on-reserve infrastructure.
- Support for First Nation efforts in exercising their jurisdiction to generate local revenues to support community services and infrastructure construction, operation and maintenance.

Building on the momentum

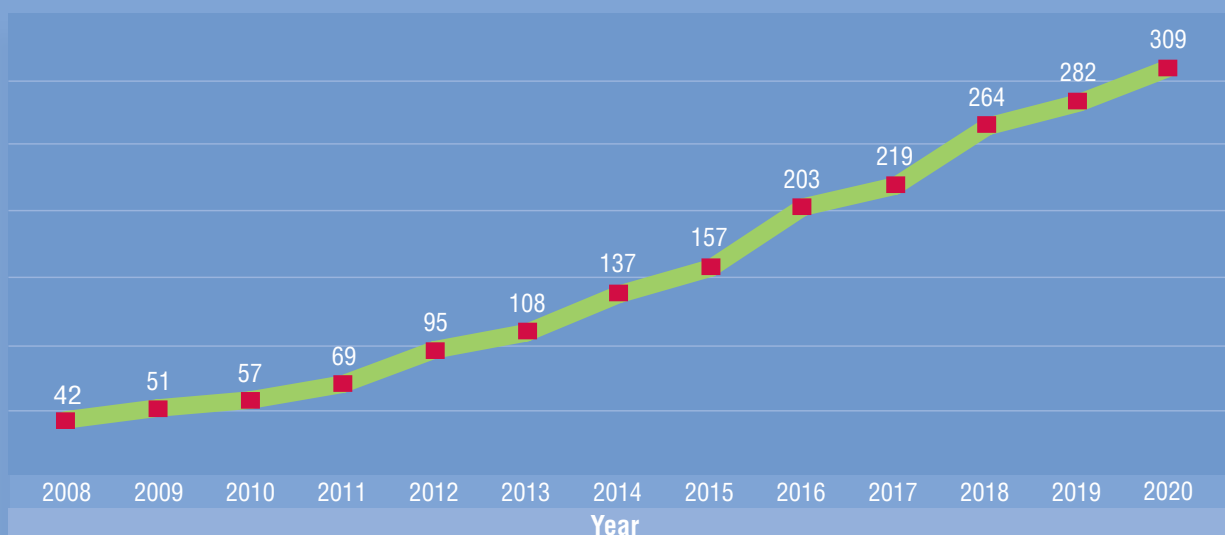
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FNTC—Growth and Progress

In 2020/2021 a total of 27 First Nations were scheduled under the *First Nations Fiscal Management Act*, bringing the total at fiscal year end to 309—now representing almost one half (49%) of all 634 First Nations across Canada.

Total First Nations Scheduled Under the *First Nations Fiscal Management Act*



- ▶ In 2020/2021 total annual tax revenues generated by participating First Nations exceeded \$97 million—a 40% increase over levels seven years earlier.
- ▶ Since its inception in 2007, the FNTC has helped First Nations generate over \$1 billion in revenues to support better community services and infrastructure, and has helped attract billions more in investments, leading to thousands of employment and business opportunities, higher incomes and improved social outcomes.
- ▶ To date, 195 students from 92 First Nations have participated in the *Certificate in First Nation Tax Administration* program delivered under a partnership between the FNTC, the Tulo Centre of Indigenous Economics, and Thompson Rivers University. More than 90 students from seven provinces have completed all eight courses for successful graduation from the program.
- ▶ Following the delivery of four inaugural sessions in 2008/2009, the number of First Nation tax-related courses, webinars and workshops conducted now ranges between 10 and more than 20 annually, with a total of 154 sessions delivered thus far. To date, some 2,043 First Nation participants have benefitted from this specialized instruction.

First Nation FMA Laws and Section 83 By-Laws Reviewed by FNTC—Cumulative to Date

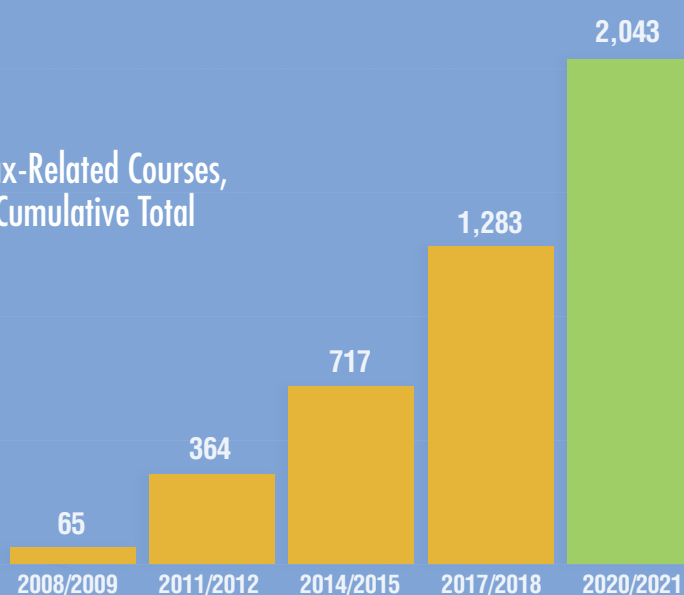
In 2020/2021 a total of 241 First Nation laws under the FMA and 32 First Nation by-laws under s. 83 were reviewed by the FNTC in support of enactment by the proponent First Nations. This brought

the totals to date since 2008/2009 to 2,072 FMA laws and 744 s. 83 by-laws.

FMA Laws												
81	171	255	360	482	619	768	957	1,163	1,388	1,600	1,831	2,072
Section 83 By-Laws												
63	122	182	254	325	390	449	508	569	625	671	712	744
2008/ 2009	2009/ 2010	2010/ 2011	2011/ 2012	2012/ 2013	2013/ 2014	2014/ 2015	2015/ 2016	2016/ 2017	2017/ 2018	2018/ 2019	2019/ 2020	2020/ 2021

Participants in First Nation Tax-Related Courses, Webinars and Workshops—Cumulative Total

Despite the challenges of COVID-19 in 2020/2021, more than 147 individuals participated in First Nation tax-related courses, webinars and workshops, bringing the cumulative total to date to more than 2,000 participants. That is a more than thirty-fold growth in total participation since 2008/2009.



- ▶ **FNTC's formal training and accreditation courses, webinars and workshops have been complemented by more than 735 presentations to date on First Nation tax jurisdiction to interested First Nations and other partners and stakeholders across Canada.**
- ▶ **The FNTC continues to make progress in broadening its reach in all regions, with active participation now in all provinces plus Northwest Territories. About two fifths (39%) of FMA participating First Nations are in British Columbia—the province with the largest concentration of First Nation communities—and the balance are now equally divided between the Prairie provinces (30%) and provinces from Ontario eastward (30%).**
- ▶ **The year 2020/2021 saw nine new graduates completing the formal First Nation tax courses, bringing the total thus far to 97 since 2008/2009.**

Progress on Special Initiatives

Each year, in addition to delivering ongoing services to First Nations, managing relations with partners and stakeholders, and undertaking continual innovation and improvement, the FNTC receives funding from the Government of Canada to pursue a select number of special initiatives. These special initiatives entail the dedication of considerable time and effort to explore important new opportunities for growth and development in the field of First Nations taxation, fiscal management and economic growth. They support the growth and evolution of the FNTC's authorities and capacity to work with First Nations and institutional partners in advancing the overall vision of a "competitive First Nation investment climate where economic growth can be a catalyst for First Nation self-reliance."

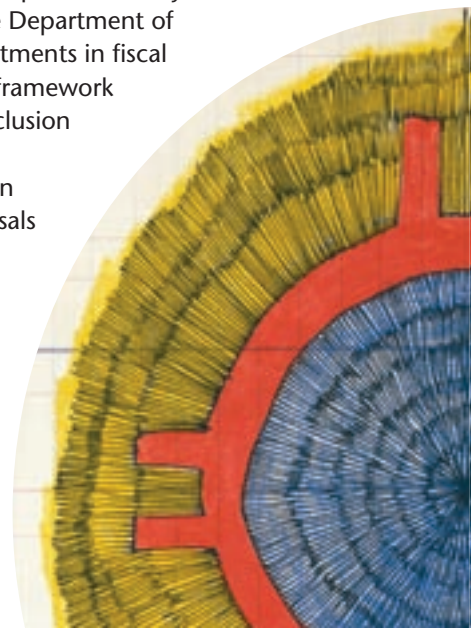
Below are summaries of progress made in 2020/2021 on the special initiatives for the year.

Advancing proposals for First Nations jurisdiction

Over the course of 2020/2021, the FNTC continued to advance for more FMA fiscal powers for First Nations. This included work to advance a proposal to Finance Canada to lift the moratorium on the three-product sales tax (fuel, alcohol and tobacco) and to add cannabis, so as to enable a more comprehensive four-product "FACT" tax option for interested First Nations. It also included advancement of proposals for the inclusion of the First Nations Goods and Services Tax (FNGST) in the *First Nations Fiscal Management Act* (FMA), to enhance the scope for debenture financing by First Nations. To support this initiative, the FNTC developed estimates of the fiscal implications of such a change, and developed and promoted the supporting policy rationale.

In the subsequent federal Budget 2021, the Government committed to engaging with interested Indigenous governments and organizations on a framework for the negotiation of agreements that would enable interested Indigenous governments to implement a FACT sales tax within their reserves or settlement lands. The Government also announced its intention to amend legislation and regulations to expand the types of revenues that First Nations may use to support borrowing from the First Nations Finance Authority (FNFA), specifically to include revenues from the FNGST and the First Nations Sales Tax, as one element under the Budget theme of "Strong Indigenous Communities—Securing Capital for Community Investments."

These significant developments have paved the way for the FNTC to continue working with the Department of Finance to implement these commitments in fiscal year 2021/2022. The creation of a framework to support the FACT tax and the inclusion of FNGST revenues within the FMA framework will be important steps in supporting the FNTC's other proposals and ongoing work with interested First Nations and provinces related to First Nation cannabis and tobacco tax frameworks, excise tax sharing and an improved jurisdiction-based fiscal relationship.





Fiscal and regulatory jurisdiction for cannabis

Since national implementation of the new legalized cannabis regime in 2017, First Nation communities have been left out of the fiscal and regulatory framework of the recreational and medical cannabis industry in Canada. To address this omission, First Nation proponents and the FNTC continued to work together over 2020/2021 to develop and advance proposals for a First Nation cannabis fiscal and regulatory jurisdiction arrangement.

The proposal includes the following features: opt-in or voluntary participation by interested First Nations; a jurisdictional framework for regulation and licensing that will utilize the successful FMA framework; a fiscal framework that will include excise, FACT (fuel, alcohol, cannabis, tobacco) sales tax and other provincial-type taxation options with revenues brought into the FMA local revenue and borrowing framework; a cannabis distribution system including a First Nation cannabis commission, distribution network, and stamp system; and practical fulfillment of provincial and federal licensing quotas.

Activities over the course of 2020/2021 by First Nation cannabis jurisdiction proponents and supportive First Nation institutions—including the FNTC—focused on key design features of the potential regime, including: research on factors such as progress of the industry, First Nations inherent rights and land code laws and participation activities, and the viability of a First Nations distribution and stamping system; continued engagement and communications with communities, First Nation leaders, government officials, Indigenous cannabis advocacy groups—including the Assembly of First Nations (AFN) Chiefs Committee on Cannabis—and First Nation entrepreneurs; and discussions with government departments on proposal elements such as regulations, health, education, licensing, taxation, and distribution.

The foundation laid in 2020/2021 led to Budget 2021 commitments of resources towards the development of the FACT tax component of the First Nation cannabis fiscal and regulatory jurisdiction proposal.

Further communications, engagement, research on the policy and legislative elements of the cannabis jurisdiction proposal, and initiation of (a) potential pilot project(s) will continue over the coming year.

Progress on the First Nation Resource Charge

The FNTC worked with interested First Nations and provincial governments throughout 2020/2021 to advance a First Nation Resource Charge (FNRC) proposal. The proposal supports the interests of First Nations who want to derive a fiscal benefit from charges on resource projects they support in their ancestral lands (e.g., mining and forestry). It also addresses the interests of provincial governments who want to establish an improved resource project investment climate and fiscal sustainability in their jurisdiction. The resource charge would provide an important contribution to First Nations revenues, and facilitate projects of benefit to their communities, i.e., through local business and employment opportunities. Provincial governments are particularly supportive of a proposed federal tax credit that resource companies could use to offset their payment of the FNRC to First Nations.

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In 2020/2021 the FNTC worked on FNRC-related initiatives in New Brunswick, Manitoba and British Columbia. These were focused particularly on research to demonstrate how an FNRC arrangement can support First Nation jurisdiction, enhance infrastructure and services, and contribute to improved Federal/Provincial/First Nation fiscal relationships.

Moving forward with the First Nations Infrastructure Institute

The FNTC continued to collaborate with the First Nations Infrastructure Institute (FNII) development board and technical team to design alternative approaches to the development of infrastructure in reserve communities. The aim of FNII is to serve as a centre of expertise in developing, sharing and promoting methods and standards for infrastructure project planning and management. This will enable First Nations to deliver more durable infrastructure projects faster and more cost effectively for the economic benefit of their communities

With a view to developing and testing proof-of-concept project models and business cases for infrastructure project management, work in 2020/2021 focused on engagement with First Nations, First Nation Regional Organizations and other First Nations Groups. One initiative focused on the development of a business case for a wastewater system in collaboration with the *Chippewas of Kettle and Stony Point First Nation* (Ontario) (CKSP). Another entailed work with the First Nations Health Authority (FNHA) to support community health and healing centres. In addition, FNII provided ad hoc project support to the Atlantic First Nations Water Authority by analyzing best practices in procurement.

Building on progress made in the previous year, FNII in 2020/2021 continued to advance establishment of an institution to support First Nations to develop more sustainable infrastructure by developing strategies, tools, templates and approaches for First Nation infrastructure.

Building on progress made in the previous year, FNII in 2020/2021 continued to advance establishment of an institution to support First Nations to develop more sustainable infrastructure by developing strategies, tools, templates and approaches for First Nation infrastructure. This proof-of-concept work supports and informs the development of FNII standards for infrastructure planning and procurement. It will position FNII to begin offering services once it is formally established as the fourth institution under the *First Nations Fiscal Management Act* (FMA), alongside the FNTC, the First Nations Financial Management Board (FNFMB) and the First Nations



A Centre of Excellence for First Nations Infrastructure Projects

The First Nations Infrastructure Institute is a First Nations-led initiative that supports improved Indigenous infrastructure outcomes. It promotes and shares the skills and processes necessary for First Nations to plan, procure, construct, operate, manage and own infrastructure assets in line with professional standards and recognized best practices in the field. Once established and fully operational, FNII will work with First Nations, Tribal Councils, existing First Nation organizations and other groups in a coordinated manner, and will support infrastructure projects for facilities in all asset classes, including water and wastewater, health, education, roads and bridges, and telecommunications.



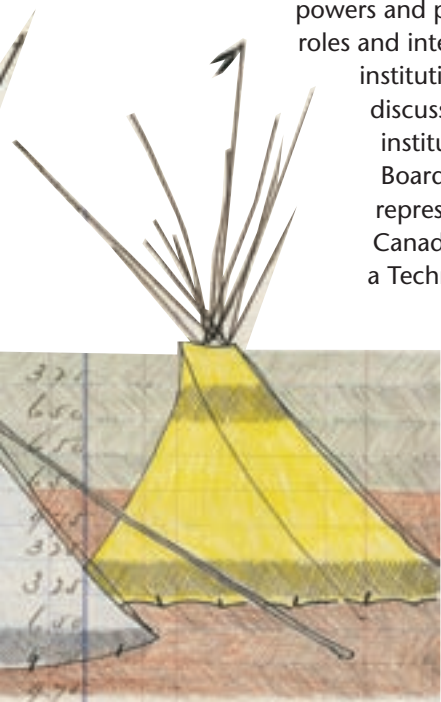
Building Fiscal Management and Economic Development Capacity

Incorporated on January 31, 2008, the Tulo Centre is a Canadian charitable organization whose mission is to assist interested First Nations in building legal and administrative frameworks that support markets on their lands. It delivers education programs and conducts research in the areas of First Nation public administration. It works in close partnership with the FNTC in advancing and supporting economic development and fiscal management capacity of First Nations.

Finance Authority (FNFA). Together, these four FMA partner institutions will offer a more complete suite of fiscal management services and support to improve the ability of First Nation governments to advance the economic well-being of their communities.

Progress in the growth and development of FNII in 2020/2021 included: participation in the www.fnleadingtheway.ca virtual conference (highlighted elsewhere in this Annual Report); hosting of a series of five webinars that attracted participation from over 30 First Nations and featured speakers from the FNII Development Board and Technical Team as well as the FNTC, the FNFMB and the FNFA; and development of infrastructure planning tools and resources available online, including a project charter, a business case template, a procurement options backgrounder, and a guide on cost-sharing concepts.

FNII also undertook critical research on service and governance models and technical analyses of potential legislative proposals for FNII under the FMA, including options and scenarios for FNII's mandate, functions, powers and program design, law-making roles and interoperability with other relevant institutions. This research supported discussions with FMA partner institutions, the FNII Development Board, working group experts, and representatives of the Government of Canada, leading to development of a Technical Discussion Paper—a key reference document that describes how the FMA can be amended to establish FNII. Work on advancing the design and proof-of-concept of FNII will continue in 2021/2022.



FNTC implementation of COVID-19 recovery strategies

As the full longer-term impacts of the COVID-19 pandemic became clear early in 2020, the FNTC took swift action in close collaboration with the Tulo Centre of Indigenous Economics (the Tulo Centre), to overcome the obstacles presented for normal face-to-face teaching and training courses.

In view of the ever-tightening restrictions on travel and in-person programming, the FNTC and the Tulo Centre—supported by special initiatives funding from the Government of Canada—launched into an ambitious program of transforming its approach to curricula development and delivery. The aim was twofold: a) rapidly enable “virtual” course access and “distant” delivery to ensure continuity of service for students and participants; and b) swiftly develop and introduce new core material focused specifically and directly on economic resilience and robust recovery from the impacts of the pandemic on businesses and communities.

The transformation in response to COVID-19 was rapid and significant. Major initiatives undertaken in the first year of the pandemic have included:

- Updating the Tulo Centre's textbook on First Nation Applied Economics, incorporating new courses in Applied Economics Programs and adding digital content to support distance learning.
- Converting seven of the eight courses of the *Certificate in First Nation Tax Administration* and two of the eight courses of the *Certificate in First Nation Applied Economics* into a virtual classroom and interactive learning program.
- Upgrading distance online learning platforms and learning systems, including the addition of equipment and software to support the new learning platforms.

Budget 2021 Support for Expanded First Nation Tax Jurisdiction

On April 19, 2021, the federal government delivered its first Budget in over two years. As expected, the Budget contained prioritized spending to spur a sustainable recovery from COVID-19. In that regard, Budget 2021 largely adopted the FNTC's recommendation that was included in the Standing Committee's report to the House of Commons: *"Budget 2021 announces the Government of Canada's intention to engage with interested Indigenous governments and organizations on a framework for the negotiation of agreements that would enable interested Indigenous governments to implement a fuel, alcohol, tobacco, and cannabis sales tax within their reserves or settlement lands."*

- Developing and publishing a new podcast series on strategies to renew and develop sustainable economies—complemented by related case studies—that support a faster economic recovery.
- Developing and publishing a series of "explainer" videos about past pandemics, resilience and strategies and case studies that support speedy economic recovery.
- Researching, designing and delivering an economic recovery workshop for First Nation leadership and staff to discuss economic impacts of the pandemic and explore and understand necessary elements to build a more sustainable Indigenous economy.
- Developing an outline for a new tax administration program textbook to support distance delivery of the program.

With a Canada-wide mandate, and active participation over the years from all corners of the country, it was vital that the FNTC rapidly transform to a more flexible model of curricula development and delivery.

With a Canada-wide mandate, and active participation over the years from all corners of the country, it was vital that the FNTC rapidly transform to a more flexible model of curricula development and delivery. While face-to-face offerings are expected to return in the post-pandemic timeframe, the distance learning and virtual access arrangements will be a new permanent feature, adding greatly to the options available to interested First Nation participants from across Canada.

Commons Finance Committee adoption of FNTC Budget 2021 recommendation

On December 11, 2020, Chief Commissioner Jules appeared before the Standing Committee on Finance, as part of their Pre-Budget Consultation process for Budget 2021. He outlined the COVID-19 Economic Recovery Strategy as contained in the FNTC's Pre-Budget Submission, which offered several recommendations: amend the FMA to create the First Nations Infrastructure Institute; monetization of major capital transfers; amend the FMA to expand First Nation fiscal powers; amend the FMA to expand the mandates of the institutions and provide statutory funding; amend the FMA to make it available to Treaty and Self-Government arrangements and all Indigenous organizations; and provide federal support for the development of an Indigenous land registry to improve access to capital.

On February 16, 2021, the Standing Committee submitted its report to the House of Commons, setting out recommendations for Budget 2021. Included in the report was one of seven Pre-Budget recommendations made by the FNTC, namely: "The House of Commons Standing Committee on Finance recommends that the Government of Canada, in accordance with the powers of each jurisdiction: Expand Indigenous fiscal powers to include sales, resources, tobacco, cannabis, excise and income, or *taksis*."



First Nations Leading the Way 3 national meeting

Building on the extremely successful First Nations Leading the Way national meetings in 2018 and 2019, the First Nations fiscal institutions and the Lands Advisory Board (LAB) hosted the “*First Nations Economic Resilience: First Nations Leading the Way 3*,” on February 17–18, 2021. Due to the COVID-19 pandemic, the national meeting was held on a virtual platform.

The meeting brought together leadership from First Nations who are currently scheduled on the FMA, taxing under section 83 of the *Indian Act*, signatories to the Framework Agreement on First Nation Land Management (FAFNLM), and First Nations who have submitted an Expression of Interest for 10-Year Grants.

The purpose of the national meeting was to:

- Share institutional tools and support services.
- Learn about successes that First Nations are experiencing as a result of working outside of the *Indian Act*.
- Unify a collective voice for First Nations-led initiatives and innovations.
- Set a clear path forward for building prosperous and vibrant First Nation communities.

The national meeting showcased First Nations at the forefront of expanding jurisdiction. It highlighted their achievements in using First Nation-led agreements and legislation to improve their economies through greater fiscal independence, improved financial management, debenture financing, and sound land governance. It also provided an opportunity for First Nations to learn

more about how the First Nation institutions and the LAB can support and enhance innovations in First Nations fiscal relations with the Crown, including 10-Year Grants.

The national meeting had more than 260 participants on day one, whose theme was “First Nations Success Stories,” followed by 240 participants on day two, with the theme “First Nations Economic Resilience in Action.”

The presenters included influential leaders of the host institutions: FNTC Chief Commissioner Jules, Harold Calla (Executive Chair, First Nations Financial Management Board), Ernie Daniels (President & CEO, First Nations Finance Authority), and Robert Louie (Chairman, Lands Advisory Board), as well as Elder Eugene Louie (*Tla’amin Nation*), Chief Misel Joe (*Miawpukek First Nation*), Chief Evan Taypotat (*Kahkewistahaw First Nation*), Chief Derek Epp (*Tzeachten First Nation*), Chief Willy Sellars (*Williams Lake First Nation*), and Chief Billy Morin (*Enoch Cree Nation*).

Welcoming remarks were provided by the Honourable Carolyn Bennett, Minister of Crown-Indigenous Relations, and Pam Damoff, Parliamentary Secretary to the Minister of Indigenous Services. Minister Bennett pledged to continue to work in collaboration with the financial institutions on enhancements to the FMA, congratulated the LAB on the 25th anniversary of the Framework Agreement, and signalled a willingness to explore the potential creation of a new infrastructure institute under this regime. Parliamentary Secretary Damoff indicated that the Government had committed more than \$330 million in the 2020 Fall Economic Statement in response to the loss of community revenues, including business income, revenue sharing and taxes, caused by the COVID-19 pandemic.

First Nation Fiscal and Economic Development Jurisdiction

First Nations across Canada are exercising their jurisdiction and striving to move beyond the *Indian Act* with First Nation-led initiatives that enhance the growth and sustainability of First Nations, ultimately supporting higher standards of community well-being. Currently, more than 300 First Nations, from all regions in Canada, are participating in the *First Nations Fiscal Management Act*.



The assumption of tax jurisdictions by First Nations must be First Nation-led, optional, and supported by national First Nation institutions.

Report from the Business Lines

The year 2020/2021 was a year of challenges presented by the impacts of the COVID-19 pandemic. It was also a year of great progress in the growth and evolution of the FNTC's programs, support and outreach to First Nations in advancing First Nation fiscal and economic jurisdiction through the strong commitment and dedicated service of the FNTC's seven business lines.

FNTC Business Lines

- ▶ **Corporate Services**
- ▶ **Legal and Policy Services**
- ▶ **Law/By-Law Review and Outreach**
- ▶ ***First Nations Gazette***
- ▶ **Education, Training and Accreditation**
- ▶ **Communications**
- ▶ **Dispute Management and Negotiations**

Directions and Priorities 2020/2021

The major actions and accomplishments highlighted in this Annual Report for 2020/2021 reflect the strategic directions and priorities set out in the official Corporate Plan for the year:

- 1 Continue to provide effective property tax system advice and support to First Nations.
- 2 Strengthen FNTC service delivery through innovation and renewal.
- 3 Improve the FNTC performance measurement system.
- 4 Increase the number of First Nations with First Nation property tax systems.
- 5 Expand and enrich FNTC services for First Nations.
- 6 Advance a jurisdiction-based fiscal relationship for First Nations.
- 7 Contribute to amendment of the FMA and regulations to expand First Nation participation.
- 8 Develop and strengthen partner institutions to enrich support for First Nations.



Corporate Services

Corporate Services includes provision of ongoing advice, logistical support and services for the Commission and its Committees. The objective is to ensure the timely and efficient functioning of the Commission in all aspects of its review, decision making, leadership and advocacy functions. This includes: oversight of processes for the appointment/reappointment of Commissioners and the orientation of new Commissioners; planning, scheduling and coordination of regular Commission and Committee meetings, as well as special processes and events; preparation of briefing and presentation materials for Commission operations; recording and distribution—as appropriate—of relevant proceeding minutes, records and decisions; and other support as required.

Corporate Services also includes the provision of planning, financial/accounting, personnel, administrative, legal, office facility, technology management, contracting and other support services to the Commission and the FNTC. The objective is to: operate the Commission in keeping with the FMA and the Corporate Plan; create an efficient and effective work environment for other service areas; and fulfill the financial management and control functions and requirements set out in the FMA. This consists of: coordination and support for the annual Corporate Plan and the Annual Report; capital management for the Head Office and National Capital Region Office; financial, human resource and administrative management; compliance with the *Access to Information Act*, the *Privacy Act* and the *Official Languages Act*; staff and executive recruitment, training and professional development; negotiation of funding; information and technology management; staff training and professional development; and development and implementation of the FNTC's human resource, financial and management policies and procedures.

Major Initiatives and Accomplishments in 2020/2021

- **Chief Commissioner leadership and outreach:** The Chief Commissioner maintained an active schedule in 2020/2021, with a special emphasis on discussions with the Government of Canada and collaboration with the FNTC's FMA partners on both immediate and longer-term responses to—and recovery from—the impacts of COVID-19 on First Nations communities across Canada.
- **Staff review, recruitment and succession management:** In 2020/2021, the FNTC began a proactive recruitment process to address anticipated personnel vacancies and emerging human resource needs. This is responding to growth in demand for FNTC services, broadening of the scope of FNTC services and activities and a number of staff retirements, along with a strategic commitment to strengthen in-house capacity. Key activities included the hiring of a Director of Corporate Services, establishment and staffing of a Manager of IT/Records Management position, and recruitment of an Administrative Assistant for Education programming. A new Records and Information Coordinator position was also created and successfully staffed internally. Recruitment processes were also



started for several other expanding service areas in the areas of legal and policy services, law/by-law review, corporate services, and communications, with staffing to take place in the coming fiscal year.

- **Organization and services review:** The FNTC completed an organizational review and assessment of core services in 2019/2020. This entailed evaluating the FNTC's management and organizational structures and service delivery models and designing a more effective and cohesive organizational structure. Implementation has included recruitment and staff planning as well as realignment of the FNTC's organizational structure and business lines. Action on some of the recommended initiatives has had to be delayed pending the return of staff to more normal operations following the COVID-19 pandemic.
- **Information technology:** A review of the FNTC's Information Management and Information Technology (IT) systems was undertaken, including review of IT security and key IT systems. Transition to a new records management system was put well into progress. Other accomplishments in 2020/2021 include: enhancement of security protocols; implementation of new IT control systems; completion of updates to IT technologies such as new video conferencing capabilities, updating and expansion of web hosting and software hosting systems; and expansion of IT support capabilities to strengthen IT-enabled operations and services.
- **Team building and collaboration:** With an ongoing commitment to strengthening internal collaboration, the FNTC continued its annual team training and capacity development initiatives. With the implementation of video conferencing capabilities in response to travel restrictions imposed by the COVID-19 pandemic, the FNTC undertook a number of virtual team building and collaboration initiatives and training exercises.
- **Performance measurement:** Through its 2020/2021 Corporate Plan process, the FNTC established a set of internal performance measures and indicators that will be regularly updated and periodically expanded and refined.
- **New economic and financial data for decision making:** The importance of timely data on the fiscal, social, economic and infrastructure needs and circumstances of First Nations served by the FNTC was brought to the forefront by the COVID-19 crisis. In response, the FNTC initiated working groups and engaged experts to scope a future project to address statistical data and related information gaps, including those identified in responses to COVID-19.
- **COVID-19 safety protocols:** The FNTC developed and implemented COVID-19 safety protocols and monitoring measures, to safeguard the health, safety and sense of security of staff and contracted personnel.
- **Transition to a remote work environment:** A focus in 2020/2021 of the Corporate Services business line was on planning, implementing and continually refining measures for the FNTC's transition to remote work arrangements for staff, in response to COVID-19. This addressed a wide range of changes in FNTC operations, including: IT and records management processes; financial procedures; Commission meeting protocols; and virtual service delivery and communication.

A focus in 2020/2021 was on planning, implementing and refining FNTC's transition to remote work arrangements in response to COVID-19.



Legal and Policy Services

Legal and Policy Services includes monitoring legal developments and rulings, analyzing and providing advice regarding legislative and regulatory processes, and supporting other legal initiatives. The objective is to provide advice and to support decision making by the Commission, and to contribute to policy and standards development in the ongoing evolution and maturation of the regulatory framework for First Nation local revenue systems. This work includes four inter-related elements:

- **Legal Framework Analysis and Development:** Support for the design and implementation of First Nation tax systems, including working with the federal government to improve the legislative and regulatory framework, and monitoring legal developments that may impact First Nation property taxation under the FMA and the *Indian Act*.
- **Sample Law and By-Law Development:** Development and updating of sample laws and by-laws and provision of related tools and advice, to support First Nations and professionals working with First Nations in law and by-law development processes. Sample laws/by-laws: are based on best practices; comply with applicable statutory requirements, regulations and FNTC standards/policies; and help to support the timely and efficient development of local revenue laws.
- **Research and Innovation:** Research, exploration, testing and analysis of innovative approaches and mechanisms for the design, expansion and administration of First Nation tax systems, to: continually improve and enhance local revenue systems; expand First Nation jurisdiction; inform development of policies and standards; and identify means to reduce barriers to First Nation economic development.
- **Policy Development:** Design, development and promotion of policies and standards that support the FNTC's policy objectives: expanding First Nation jurisdiction; promoting harmonization; fostering efficiencies; increasing First Nation, taxpayer and investor confidence in the integrity of the First Nation local revenue systems; and reconciling the interests of First Nation governments with those of stakeholders in the First Nation tax system.



Major Initiatives and Accomplishments in 2020/2021

- **Renewal and modernization of FNTC's mandate:** Throughout 2020/2021, the FNTC continued its engagement with the Government of Canada on potential changes to legislation governing the FNTC's mandate. This has entailed participation in a Government of Canada working group to study ideas and options under section 29 of the FMA, with a view to being able to proceed with legislative drafting for consideration in the coming fiscal year.
- **Broadening eligibility for participation in the FMA:** The FNTC continued its longer-term research, analysis and advocacy work to advance regulatory amendments that would enable First Nation non-profit entities, treaty First Nations, and self-governing First Nations to



participate in the FMA, so as to broaden the overall scope for the exercise of First Nation fiscal powers in matters affecting their communities.

- **Introduction of new fiscal powers for the FMA:**

Throughout 2020/2021, the FNTC continued consultations and collaboration with the Department of Finance to promote and support the expansion and modernization of the FMA to broaden its scope so as to respond to the modern fiscal needs of First Nation communities, and more effective arrangements with the First Nations Finance Authority (FNFA). Among other provisions and benefits, this is designed to enable the FNTC to support First Nations in generating more secure revenue streams to access the FNFA—i.e., to enable borrowing by First Nations for longer-term investments and economic infrastructure projects.

- **Other fiscal and taxation innovations:** The FNTC continued with longer-term research and policy advocacy to advance amendments to *First Nations Taxation Enforcement Regulations* and *First Nations Assessment Appeal Regulations*, pursue the development of an Indigenous Land Title Registry System (ILTRS), and promote the establishment of a statistics institute under the FMA and/or the building of statistical functions and capacity within each FMA institution. In the meantime—as spurred by the demands of an economic recovery strategy for First Nations—the FNTC continued to compile statistics on local revenues and other relevant factors to support evidence-based planning and decision making for economic recovery and longer-term growth and fiscal stability.

The FNTC continued with longer-term research and policy advocacy to advance amendments to *First Nations Taxation Enforcement Regulations* and *First Nations Assessment Appeal Regulations*, and promote the establishment of a statistics institute under the FMA and/or the building of statistical functions and capacity within each FMA institution.



Law/By-Law Review and Outreach

Law and By-Law Review Outreach includes support for the development—and review and approval by the Commission—of First Nation local revenue laws under the FMA, and Commission review and provision of recommendations to the Minister on by-laws under section 83 of the *Indian Act*. This work includes four inter-related elements:

- **Law/By-Law Review:** Preparation of technical reviews to support the Commission's review of submitted laws and by-laws, entailing assessment of compliance of First Nation laws and by-laws with applicable legislation, regulations, standards and policies, and to support and facilitate First Nations in designing and developing their applicable laws and by-laws.
- **Registries:** Maintenance and updating of registries of originals of all approved local revenue laws and financial administration laws—as required under the FMA—and of all by-laws approved by the Minister under section 83 of the *Indian Act*, for formal reference as required.
- **Service Agreements:** Support—including development of samples, models and templates—for the design of service agreements between First Nations and local governments to advance implementation of property tax systems, additions to reserves, and treaty land entitlements, to help First Nations negotiate fair, efficient and effective service arrangements with local governments.
- **Law/By-Law Development Support and Outreach:** Support to First Nations—including those entering the field of property taxation for the first time or transitioning to the FMA from *Indian Act* taxation—in their development and implementation of local revenue laws and by-laws, entailing presentations to First Nation governments on the law development process, and response to enquiries.



Major Initiatives and Accomplishments in 2020/2021

- **Adjustment in FNTC outreach to adapt to travel limitations under COVID-19:** In the face of the pandemic, the FNTC shifted from planned regional in-person visits to the convening of two regional workshops delivered virtually. It similarly shifted from planned in-person visits and working sessions promoting tax jurisdiction face-to-face with First Nations in British Columbia, Saskatchewan, Manitoba, Ontario and Atlantic Canada, to individual virtual presentations. A total of 22 such virtual visits were completed in the year. Additional FNTC virtual presentations in 2020/2021 included the national meeting in February 2021 and a component of the First Nations Infrastructure Institute (FNII) webinar series in March 2021.
- **Attention to unique First Nation needs and circumstances:** The FNTC designed and delivered virtual presentations to individual First Nations based on the particular needs and circumstances of each region. In Atlantic Canada, presentations were developed to describe the framework of laws required and how to complete the annual law requirements to ensure efficient



administration of existing tax systems. In Ontario, the presentation focused on broadly explaining property taxation, how to set up a tax system, and what FNTC support is available during and after implementing a tax system.

- **Assistance with law development:** In 2020/2021, the FNTC assisted 15 First Nations in the development of several local revenue laws, including property tax, property assessment, service tax, development cost charges, fees, property transfer tax and business activity tax. This work included clarifying the implementation of property tax for First Nations situated in Québec, as well as assisting several First Nations in Ontario in addressing property valuation issues in advance of the development of property tax laws. The FNTC also worked with several First Nations in Saskatchewan who have large leasehold residential developments and are seeking to replace the current “fee for service” model with *ad valorem* taxation.
- **Review of laws and by-laws:** In 2020/2021, the FNTC reviewed and approved 241 laws under the FMA (220 annual laws and 21 non-annual laws), and reviewed and recommended 32 by-laws for Ministerial approval, under section 83 of the *Indian Act*.
- **Presentations on property taxation and FMA fiscal powers:** Over the course of the year, the FNTC delivered 22 presentations to First Nations on property taxation and the FMA fiscal powers, including benefits of First Nation tax jurisdiction, how to access provisions under the FMA, and how tax jurisdiction helps support economic growth. During the interactive presentations, the FNTC described how interests in land are taxable, the function of the assessment process and capacity development options. In later correspondence, First Nation representatives were able to seek additional information as they considered property taxation for their community. Three of the presentations focused on outlining the annual law cycle process and the required process that First Nations should complete to ensure efficient operation of their existing tax systems. In addition to the presentations, the FNTC provided interested First Nations with sample FMA laws, administrative templates, tools and regional workshops.

Signing of Agreement with British Columbia Assessment

The FNTC and British Columbia Assessment (BC Assessment) signed a Memorandum of Understanding (MOU) at a virtual signing ceremony event held on October 27, 2020. The organizations renewed their commitment to continue to work together to support and improve First Nation property assessment and taxation systems within British Columbia. The FNTC and BC Assessment will maintain an open dialogue concerning First Nation property assessment issues, and property assessment generally, by discussing matters of mutual concern or interest as they arise or are identified. The FNTC and BC Assessment will also share information on emerging issues and policies that may impact First Nation assessment systems or be of interest to the other Party. Further, the FNTC and BC Assessment will work together to identify and pursue collaborative initiatives to support First Nation assessment and taxation, including joint communications, presentations and educational initiatives. To commemorate the event, the Commission produced a five-minute video with messages from Manny Jules (Chief Commissioner, FNTC) and Silvia Bishop (Board Chair, BC Assessment) that was posted to each of the organization’s websites and shared through social media channels.



First Nations Gazette

The FNTC operates and maintains the *First Nations Gazette* (FNG), a legal gazette for First Nation governments to publish laws, by-laws and other enactments as well as public notices. Items published in the FNG are made available on a free searchable database on the website www.fng.ca. The objective—as set out in the FNG mission statement—is to “provide a comprehensive source for First Nation legislation in Canada, including laws, by-laws and other enactments, and to provide a public notification service for matters affecting First Nations.” The *First Nations Gazette* is the official record and source of publication of: all local revenue laws approved by the Commission; all standards and procedures established by the Commission under section 35 of the *First Nations Fiscal Management Act* (FMA); by-laws under section 83 of the *Indian Act* approved by the Minister; financial administration laws approved by the First Nations Fiscal Management Board (FNFMB); and standards developed by the FNFMB under section 55 of the FMA.

Major Initiatives and Accomplishments in 2020/2021

- **Launch of new database platform:** The FNTC developed a modern database platform for the *First Nations Gazette* (FNG) in partnership with Lexum—the leading online legal information delivery software company in Canada which was responsible for the development of legal information technology for the Canadian Legal Information Institute (CANLII) and developed database platforms for the Supreme Court of Canada, the British Columbia Civil Resolution Tribunal, and numerous other organizations. The new FNG database platform was modelled after the CANLII database and provides a standard-setting search system with faster and more extensive full text and “Boolean” searching (which allows use of the operators “and,” “or” and “not”) and other significantly improved search filter systems. The new database platform was launched on Aboriginal Day, June 21, 2020—the 23rd anniversary of the *First Nations Gazette*.
- **Redesign of website:** In concert with the development of the new *First Nations Gazette* database platform, the FNTC redesigned the website to create a modern visual language that better reflects the FNG’s identity as a service primarily for First Nation governments to publish laws, by-laws, codes, other enactments and notices. The website was rewritten to better reflect the purpose of the FNG as a means for First Nation governments to provide greater access to legislation to increase transparency, to provide notices to the public and their members, and to provide a stable and reliable repository of legislation. The information architecture was updated to make it easier for viewers to understand the purpose of the FNG and how to use it, as well as for First Nation governments and other submitters to better understand the submission process.

- **Development of new submission forms:** In 2020/2021 the FNTC developed new submission guides and forms that provide all the information necessary for contributors to conveniently submit notices, laws, by-laws, codes and other enactments for publication in the FNG. The guides and forms are published as PDFs, making them easy to distribute both separately from and through the website.
- **Law publication highlights:** The year 2020/2021 saw 344 laws, by-laws, codes and other enactments newly published in Part II of the FNG, bringing the cumulative total in Part II to 7,697. Publications in 2020/2021 included multiple COVID-19-related laws and by-laws, demonstrating the utility of the *First Nations Gazette* as a practical tool in supporting First Nation governments in exercising their jurisdiction.



First Nations Gazette

The Largest Single Source of Publicly Available First Nations Legislation

The *First Nations Gazette* (FNG) has established itself as the largest single source of publicly available First Nations legislation in Canada. Part I is the public notification service for notices published by First Nation governments—as well as other governments, corporations and organizations—respecting Aboriginal matters. Part II is the register of First Nations legislation—including laws required by federal statute to be published in the FNG, as well as other laws, by-laws, codes and other enactments submitted by First Nations for publication. Part III contains documents related to First Nation law-making, such as standards, policies, procedures, and sample laws and by-laws. With some 1,425 notices published in Part I and 7,697 legislation items published in Part II, the *First Nations Gazette* now accounts for more than 9,100 documents relevant to First Nations legislation, not counting the numerous standards, policies, samples and tools in Part III.



Education, Training and Accreditation

Education, Training and Accreditation activities include the development and delivery of specialized training and formal certification for First Nation government staff in implementing FMA jurisdictions that lead to greater economic growth, investments, revenues and employment for First Nation communities. The objectives are to: promote understanding of the taxation systems of First Nations; develop knowledge and skills for First Nation real property tax administrators; and build capacity in First Nations to administer their taxation systems. This entails: sharing practical skills and knowledge for rebuilding the economic foundations for First Nation communities; developing and facilitating workshops; developing webinars; and providing logistics and support for students, graduation and convocation services, and alumni relations. It also includes implementation of a working agreement with the Tulo Centre of Indigenous Economics (the Tulo Centre) and partnership with Thompson Rivers University (TRU) for design and delivery of courses leading to an accredited *First Nation Tax Administration* certificate and an accredited *First Nation Applied Economics* certificate.



Major Initiatives and Accomplishments in 2020/2021

- **Rapid pivot to address the challenges of COVID-19:** Supported by special project funding from the Government of Canada, the FNTC and the Tulo Centre planned, designed and implemented a major transformation in delivery offerings and methods to overcome the challenges imposed on traditional face-to-face learning in the context of COVID-19.
- **Continuous growth and improvement:** The Education, Training and Accreditation business line continued with its long-term commitment to expand and strengthen its administrative capacity and its planning and reporting systems, and to provide assistance for course delivery, student support, administrative support and educational multi-media productions. Accomplishments in 2020/2021 included commencement of a feasibility study for a new modern shared FNTC/Tulo Centre facility that will include classroom and research space for the Tulo Centre, which considers both in-person and virtual teaching and learning interests, needs and capabilities.
- **Ongoing course delivery:** Responding to strong—and even growing—interest among First Nation communities, the FNTC delivered seven courses from the Tulo Centre's *Certificate in First Nation Tax Administration* program in 2020/2021, three of which welcomed a new cohort of 20 students. The FNTC also delivered two courses from the Tulo Centre's *Certificate in First Nation Applied Economics* program, reflecting the growing interest in economic development as a tool for self-determination and viable communities.

Online Economics Learning Game

One highly popular innovation in 2020/2021 was the development of an online learning game *Building a Sustainable and Resilient Indigenous Economy*. The objective is to make a series of strategic choices to create an indigenous economy that is sustainable and resilient. Game players have the experience of having a “shock” to their economy, which allows them to see how their choices responded to the economic shock. The game players then have a chance to make further choices to strengthen their economy and are then scored on how their economy fared (App.tulo.ca).

- **Graduation celebration on temporary hold:**

Originally scheduled for June 5, 2020, the in-person convocation and graduation celebration for the 2020 graduates was cancelled due to COVID-19. The graduates received their certificates and graduation gifts via post, with the hope and expectation that they will have their due recognition alongside the next graduating class.

- **Educational Podcast Series:** The FNTC developed and launched nine episodes of a podcast series addressing a range of issues related to economic development and fiscal health, including some specifically focused on understanding and addressing the Indigenous experience with pandemics, and

others dealing with broader issues of Colonization, fiscal gaps, renewal of Indigenous economics, land tenure, and infrastructure (<https://www.tulo.ca/podcast>; also available on Apple Podcast and Spotify).

- **Explainer Video Series:** In addition to the above podcasts, the FNTC developed and shared two Explainer Video Series (three videos each). The series on *Power of Pandemics* consisted of: Indigenous Communities and Pandemics; The Power of Pandemics; and The Tzeachten First Nation Story. The series on *Indigenous Economics* consisted of: How Economies Grow; Indigenous Creative Destruction; and Economic Growth Model (<https://www.tulo.ca/video-series>).

The Value of Tulo Training in Tax Administration

The enthusiastic insights and observations from Graduating Student Sue Ellis, Finance Supervisor, Akisqnuk First Nation, are typical of Tulo Centre students:

“The role of tax administrator fell into my lap after our Senior Finance Officer left. I didn’t know what I was doing the first year and am so thankful for all the help that I received. The first class laid out the foundation of why First Nations are where they are, which is very eye opening from an outsider’s perspective. There are many opportunities on the horizon for First Nations to exert their jurisdictions and start collecting more of their own revenues.

“There were many laws that we worked through, and now I have my own templates, briefing notes, and notices already done for when those opportunities arise in my community.

“Every First Nation should have one of their staff attend this course as it teaches them not only about the taxation opportunities; it allows them to meet people from other First Nations to share ideas and knowledge, which is truly valuable.”

(<https://www.tulo.ca/news/student-spotlight-sue-ellis-akisqnuk-first-nation>)





Communications

Communications includes liaison and engagement activities, partnership development and the design and development of targeted products and materials to promote the understanding of First Nation real property taxation systems. The objectives are to: support the voice of the FNTC in advocating for First Nation tax jurisdiction; promote broad understanding of the First Nation real property taxation systems and their benefits; strengthen linkages with other organizations and governments; promote best practices; and facilitate access to local revenue options and tools. This entails: aligning liaison, consultation and communications activities and messages with the FNTC's goals, objectives and plans; demonstrating the success and benefits of First Nation implementation of FMA powers; encouraging, engaging and supporting First Nation communities; building relationships with partners and stakeholders; and incorporating innovative media content in advancing the FNTC's communications and outreach goals.

Major Initiatives and Accomplishments in 2020/2021

- **Ongoing communications, information and awareness:** The FNTC information and communications activities were accelerated in 2020/2021 to respond to the demands and pressures of the COVID-19 crisis affecting First Nation communities and the FNTC itself. This entailed the development and dissemination of special materials and the organization of special briefings to support the Chief Commissioner and staff in a wide range of policy, advocacy and communication initiatives.
- **FMA Indigenous Recovery Strategy:** In support of an FMA economic recovery strategy for First Nations, the Chief Commissioner made various presentations to parliamentary committees including:
 - **Economic Recovery Presentation to the House of Commons Standing Committee on Indigenous and Northern Affairs (INAN):** On June 5, 2020, the Chief Commissioner appeared—by invitation—before the INAN Committee, as part of their study of the Government's general and economic response to COVID-19. He was joined on a panel by Mr. Harold Calla, First Nations Financial Management Board, Mr. J.P. Gladue, former President of the Canadian Council for Aboriginal Business, and Mr. Kirt Ejesiak, Inuit Business Council. Their presentation of a collaborative and cohesive *FMA Indigenous Recovery Strategy* was well received and supported by the Committee.
 - **Presentation to the Senate Standing Committee on National Finance (NFFN):** On June 9, 2020, the Chief Commissioner appeared—by invitation—before the NFFN Committee, as part of their study of the Government's general and economic response to COVID-19. He was joined on a panel by Mr. Harold Calla, First Nations Financial Management Board, and Mr. Shannin Metatawabin, CEO, National Aboriginal Capital Corporation Association. The Committee expressed particular interest in the proposed First Nations Infrastructure Institute (FNII) (highlighted elsewhere in this Annual Report). At the request of the Committee Chair, the Chief Commissioner provided a response in writing, expanding on the FNTC proposals.
 - **Appearance before the Indigenous Senators Working Group (ISWG):** On June 11, 2020, the Chief Commissioner appeared before the ISWG at the invitation of Senator Marty Klyne. He was joined by Ms. Tabitha Bull, President, Canadian Council for Aboriginal Business, and Ms. Erica Beaudin, Director, Regina Treaty Status Indian Services. Each panelist made a presentation about the impact of COVID-19 from their organization's perspective, the actions taken by each organization, and the response from the Government to date. The response to the *FMA Indigenous Recovery Strategy*, as presented by the Chief Commissioner, was very positive.



- **Address to the Ontario Municipal Property Assessment Corporation (MPAC):** On October 19, 2020, the Chief Commissioner made a virtual presentation to some 2,000 employees of MPAC, the provincial body responsible for creating and maintaining a comprehensive database of information for each of the more than five million properties in the province and delivering property values, insights and services to taxpayers, municipalities, governments and businesses. Noting its positive relations with First Nations in Ontario, MPAC shared its experiences with adapting to the limitations imposed by COVID-19 on conventional approaches to the conduct of property inspections. This included the use of digital imagery to assess certain types of renovations and validate information in remote areas faster and more efficiently—the latter of particular interest and relevance to rural and remote First Nation communities.
- **Address to the Canadian Property Tax Association (CPTA):** On October 7, 2020, the Chief Commissioner made a virtual presentation to the CPTA—the national organization that provides a forum for the exchange of ideas and information

relating to both commercial and industrial property tax issues arising across Canada. The Chief Commissioner's presentation—entitled *COVID-19: The Impact on First Nation Economies and a Strategy for Recovery*—shared scenarios for hypothetical 6-month and 12-month economic recovery timeframes and strategies for First Nations, addressing the serious impacts of estimated losses in terms of local revenues, First Nation-owned businesses, First Nation own revenues, borrowing capacity and First Nation GST revenues.

- **Expansion and enhancement of communications:** In 2020/2021 FNTC's Communications business line continued to implement recommendations flowing from the FNTC organizational review completed in 2019/2020. Key initiatives include: redesign of the FNTC website; development of a formal communications strategic plan; development of an internal communications policy; staffing of vacant communications positions; increasing regional communications activities; enhancing the delivery and participant experience of virtual webinars and workshops; creating a digital catalogue of promotional material; and updating website content and other communication materials and content management systems.

FNTC Proposals for Economy Recovery Strategy

Noting that First Nation businesses, households, financial institutions and governments remain disproportionately vulnerable to adverse events like COVID-19, the FNTC has recommended a six-point recovery strategy: 1) assume more fiscal powers; 2) lower transaction costs through land management; 3) implement more jurisdictions to support economic growth; 4) build sustainable economic infrastructure; 5) create innovative and responsible administrative and governance systems; and 6) share information, learn and innovate.

To put this into force, FNTC's strategy proposes four specific actions:

- Expand the FMA to improve access to long-term capital for interested First Nations.
- Support more federal tax room for interested First Nations (e.g., through FACT and FNGST taxes, and resource charges).
- Advance the creation of the First Nation Infrastructure Institute.
- Support the work of the Tulo Centre.



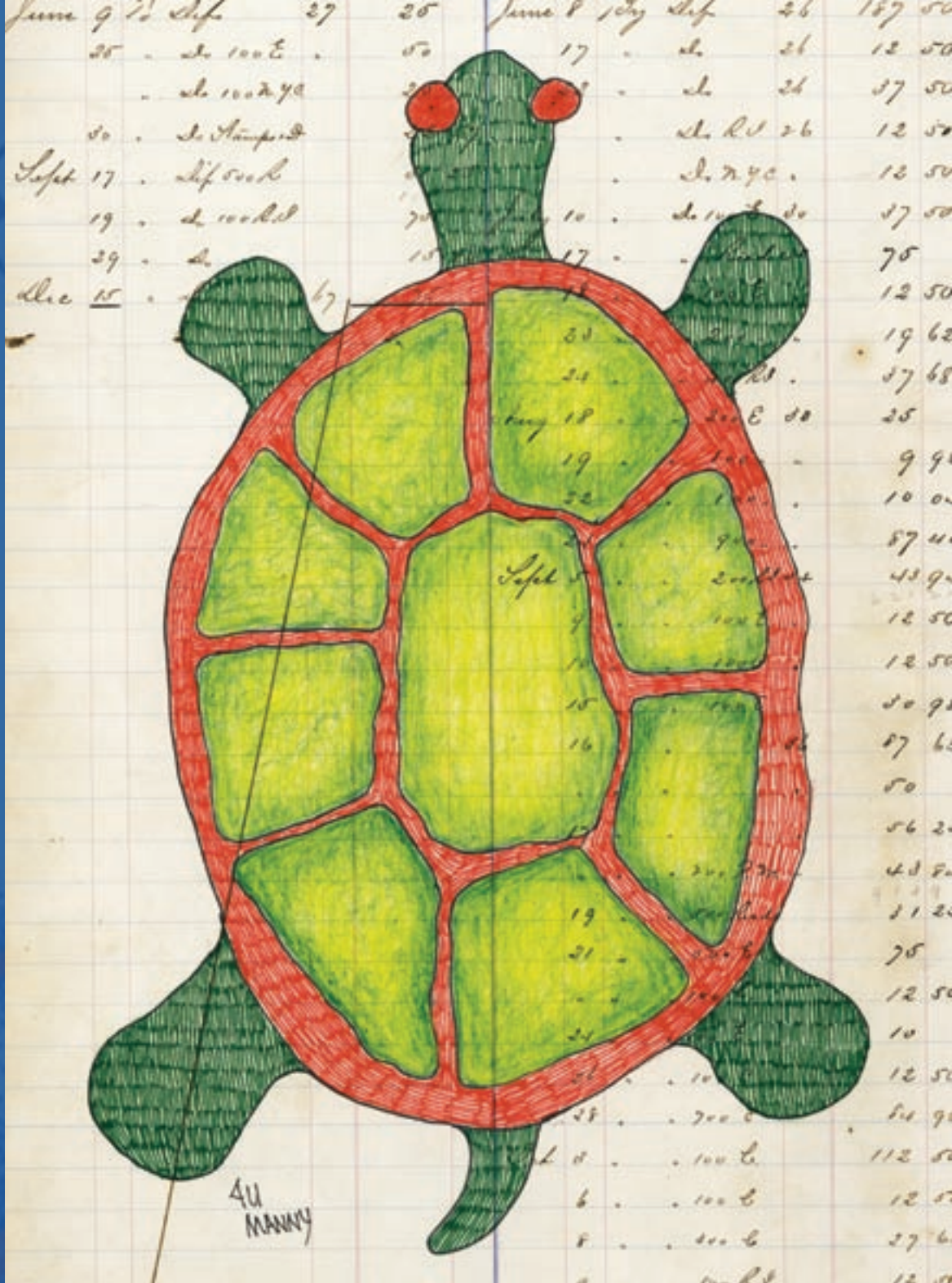
Dispute Management and Negotiations

Dispute Management and Negotiations includes support for negotiations relating to the implementation of First Nation property taxation and support for resolution of disputes in relation to the application of local revenue laws. The objective is to support dispute resolution in relation to the application of local revenue laws and, where disputes do occur, to facilitate their timely, efficient and amicable resolution consistent with the principles and objectives of the applicable laws, regulations and procedures. This work also includes support for: negotiations for the provision of provincial assessment services; negotiations and coordination of First Nation taxation implementation with local and provincial governments; transition to assessment-based tax rates from service fees; response to taxpayer inquiries; and taxpayer relations systems, including taxpayer representation to council laws.

Dispute Management and Negotiations includes support for negotiations relating to the implementation of First Nation property taxation and support for resolution of disputes in relation to the application of local revenue laws.

Major Initiatives and Accomplishments in 2020/2021

- **Response to inquiries:** In 2020/2021, the FNTC responded to a number of taxpayer inquiries, many of which were brought on by the impacts of the COVID-19 pandemic.
- **Support for service agreement negotiations:** In 2020/2021, the FNTC worked with several First Nations in facilitating the development of service agreements with local governments. Nearly all of the agreements dealt with services for urban reserve lands, and included work with First Nations in Manitoba, Saskatchewan and British Columbia.



The FNTC strives to reduce the barriers to economic development on First Nation lands, increase investor certainty, and enable First Nations to be vital members of their regional economies.

First Nations Tax Commission **Financial Statements**

For the year ended March 31, 2021

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Management's Responsibility for Financial Reporting

The accompanying financial statements of the First Nations Tax Commission (the "Commission") are the responsibility of management and have been presented to the First Nations Tax Commission for its acceptance.

The financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles for public sector accounting. Financial statements are not precise since they include certain amounts based on estimates and judgments. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances, in order to ensure that the financial statements are presented fairly in all material respects.

The Commission maintains systems of internal accounting and administrative controls of reasonable quality, consistent with reasonable cost. Such systems are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Commission's assets are appropriately accounted for and adequately safeguarded.

The Commission is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Commission carries out this responsibility principally through its Audit Committee.

The Commissioners review the Commission's financial statements and recommend their approval. The Audit Committee meets periodically with management, as well as external auditors, to discuss internal controls over the financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the Annual Report, the financial statements and the external auditor's report. The Commission takes this information into consideration when approving the financial statements. The Commission also considers the engagement of the external auditors.

The financial statements have been audited by BDO Canada LLP in accordance with Canadian generally accepted auditing standards on behalf of the Commission. BDO Canada LLP has full access to the Commission.


Chief Commissioner


Commissioner

Independent Auditor's Report

To the Commissioners of the First Nations Tax Commission

Opinion

We have audited the financial statements of the First Nations Tax Commission (the "Commission"), which comprise the statement of financial position as at March 31, 2021, and the statement of change in net financial assets (debt), statement of financial activities and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at March 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles for public sector accounting. The quantitative information is accurate in all material respects and was prepared on a basis consistent with that of the preceding year. The transactions of the institution that have come to our notice in the course of this examination were carried out in accordance with the *First Nations Fiscal Management Act*.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles for public sector accounting, 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.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Kamloops, British Columbia

June 23, 2021



Financial Statements

First Nations Tax Commission

Statement of Financial Position

As at March 31	2021	2020
Financial Assets		
Cash (Note 3)	\$ 6,999,217	\$ 4,093,262
Accounts receivable (Note 4)	99,447	377,624
	7,098,664	4,470,886
Liabilities		
Accounts payable (Note 5)	1,693,875	1,221,457
Contracts payable (Note 6)	3,771,726	2,348,331
Deferred revenue (Note 11)	1,640,242	935,267
	7,105,843	4,505,055
Net financial debt	(7,179)	(34,169)
Non-financial Assets		
Prepaid expenses	100,477	127,467
Tangible capital assets (Note 7)	251,218	171,379
	351,695	298,846
Accumulated Surplus (Note 12)	\$ 344,516	\$ 264,677

The accompanying summary of significant accounting principles and notes are an integral part of these financial statements.

Commitments (Note 10)

Approved on behalf of the Commission:

.........., Chief Commissioner

.........., Commissioner



First Nations Tax Commission

Statement of Change in Net Financial Debt

For the year ended March 31	Financial plan	2021	2020
Annual Surplus (deficit)	\$ 264,677	\$ 79,839	\$ (181,653)
Acquisition of tangible capital assets	—	(168,787)	(24,421)
Amortization of tangible capital assets	88,948	88,472	205,612
Write-downs of tangible capital assets	—	478	—
	353,625	2	(462)
Acquisition of prepaid expenses	26,990	26,988	(62,739)
Net change in net financial assets (debt)	380,615	26,990	(63,201)
Net financial assets (debt), beginning of year	(34,169)	(34,169)	29,032
Net financial assets (debt), end of year	\$ 346,446	\$ (7,179)	\$ (34,169)

The accompanying summary of significant accounting principles and notes are an integral part of these financial statements.



First Nations Tax Commission

Statement of Financial Activities

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada			
Corporate Plan	\$ 7,681,000	\$ 7,051,580	\$ 7,015,114
Research and other special projects			
Indigenous Cannabis & Tobacco Jurisdiction	270,864	270,864	—
First Nations Infrastructure Institution (FNII) 2021	437,000	437,000	—
First Nations Infrastructure Institution (FNII)			
Engagement & Project Support	817,992	817,992	1,255,086
First Nations Infrastructure Institution (FNII)			
Organizational Development Component	628,614	439,969	—
National Meeting II (2019)	—	—	644,052
National Meeting III (2020) Virtual	923,400	252,607	195,312
Toward an Improved First Nations			
Fiscal Relationship	—	—	226,800
Tulo Centre COVID-19 Economic Recovery	799,145	799,145	—
Interest and other income	12,000	21,731	58,551
	11,570,015	10,090,888	9,394,915
Expenses			
Corporate Plan	7,693,000	6,993,472	7,254,856
Research and other special projects			
Indigenous Cannabis & Tobacco Jurisdiction	270,864	270,864	—
First Nations Infrastructure Institution (FNII) 2021	437,000	437,000	—
First Nations Infrastructure Institution (FNII)			
Organizational Development Component	628,614	439,969	1,255,086
First Nations Infrastructure Institution (FNII)			
Engagement & Project Support	817,992	817,992	—
National Meeting II (2019)	—	—	644,052
National Meeting III (2020) Virtual	923,400	252,607	195,312
Toward an Improved First Nations			
Fiscal Relationship	—	—	227,262
Tulo Centre COVID-19 Economic Recovery	799,145	799,145	—
	11,570,015	10,011,049	9,576,568
Annual surplus (deficit)	—	79,839	(181,653)
Accumulated surplus, beginning of year	264,677	264,677	446,330
Accumulated surplus, end of year	\$ 264,677	\$ 344,516	\$ 264,677

The accompanying summary of significant accounting principles and notes are an integral part of these financial statements.



First Nations Tax Commission

Statement of Cash Flows

For the year ended March 31	2021	2020
Operating activities		
Annual surplus (deficit)	\$ 79,839	\$ (181,653)
Items not involving cash		
Amortization	88,472	205,612
Write-down of tangible capital asset	478	—
Changes in non-cash operating balances		
Accounts receivable	278,177	(280,709)
Prepaid expenses	26,988	(62,739)
Accounts payable and contracts payable	1,895,813	438,421
Deferred revenue	704,975	558,176
Cash flows from operating activities	3,074,742	677,108
Capital activity		
Purchase of tangible capital assets	(168,787)	(24,421)
Net increase in cash	2,905,955	652,687
Cash, beginning of year	4,093,262	3,440,575
Cash, end of year	\$ 6,999,217	\$ 4,093,262

The accompanying summary of significant accounting principles and notes are an integral part of these financial statements.



Notes to Financial Statements

March 31, 2021

1. Significant Accounting Policies

Accounting Principles

The First Nations Tax Commission (the “Commission”) prepares its financial statements in accordance with Canadian generally accepted accounting principles for public sector entities.

Revenue Recognition

Government contracts are recognized as revenue in the year in which the related expenses are incurred, and the amount to be received can be reasonably estimated and collection is reasonably assured.

Interest and other income are recognized as revenue when earned.

Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts directly attributable to acquisition, development or retirement of the asset. Proceeds on disposal of tangible capital assets are recorded as revenue in the appropriate program.

The cost less residual value of the tangible capital assets are amortized using the straight line method with no half year rule at the following annual rates, which approximates the useful life of the assets:

Asset	Rate
Equipment	3 years
Furniture and fixtures	3 years
Leasehold improvements	5 years

Government Transfers

Government transfers are recognized in the financial statements in the period in which events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from management’s best estimates as additional information becomes available in the future.

Segmented Information

Distinguishable functional segments have been separately disclosed in the segmented information. The nature of the segments and the activities they encompass are as follows:

Commission Services

The Commission has a Chief Commissioner, a Deputy Chief Commissioner, and seven Commissioners appointed by the Governor-in-Council and one Commissioner appointed by the Native Law Centre of Canada at the University of Saskatchewan. The Commission Services business line includes the operational and support costs of the Chief Commissioner and the Commissioners.



Communications

The Communications business line promotes the understanding of First Nation real property taxation systems and communicates policy initiatives for the Commission through the publication of newsletters, bulletins, meetings and presentations to First Nations, translation of materials, attending and hosting professional conferences, preparing and distributing the Commission's Annual Report, developing and maintaining internet websites, and preparing and distributing marketing materials.

Corporate Services

The Corporate Services business line provides financial, human resources, insurance, information management, information technology, facility management, audit and administrative services to the Commission and is responsible for meeting corporate planning and reporting requirements as well as coordinating the annual general meeting and Commission meetings. Corporate Services also has a lead role in meeting *Access to Information Act*, *Privacy Act* and *Official Language Act* requirements, corporate policy development and implementation, and providing management and support to meeting *First Nations Fiscal Management Act* (FMA) financial management and control requirements.

Dispute Management and Negotiations

The objective of the Dispute Management and Negotiations business line is to prevent or provide assistance with the timely resolution of disputes in relation to the application of FMA laws as well as to provide education, training and facilitation services to First Nation tax authorities as requested and negotiations assistance. Dispute Management and Negotiations supports and manages the review of complaints.

Education

The Education business line promotes understanding of the real property taxation systems of First Nations, through public education, through the development of training programs for First Nation property tax administrators, and through the development of administrative tools to assist those First Nations who have adopted property taxation.

First Nations Gazette

The First Nations Gazette business line manages the operation, publication and promotion of the First Nations Gazette. The First Nations Gazette publishes First Nations laws, by-laws, sample laws, and notices under the FMA and the *Indian Act* through an online website, www.fng.ca.

Law/By-Law Review and Outreach

The Law/By-Law Review and Outreach business line reviews local revenue laws to ensure that they comply with the FMA and the associated regulatory framework and also provides support to First Nations in the law development process. The Law/By-Law Review and Outreach business line reviews and liaises with Crown-Indigenous Relations and Northern Affairs Canada (CIRNA) on the approval of s. 83 by-laws and maintains a registry for both s. 83 by-laws and FMA laws.

Legal and Policy Services

The Legal and Policy Services business line develops and implements policies and standards to support administrative practices to increase First Nation, taxpayer, and investor confidence and certainty in the integrity of the First Nation local revenue system. The Legal and Policy Services business line also develops sample laws under the FMA and by-laws under s. 83 of the *Indian Act* and supports the development of regulations and legislative amendments.

Research and Other Special Projects

The Commission undertakes other special projects in support of its Corporate Plan activities and mandate under the FMA.



2. Nature of Operations

The Commission is a national shared governance institution with a head office on the reserve lands of the *Tk'emlŭps te Secwépemc* at Kamloops, British Columbia, and an office in Ottawa, Ontario. Its mission is to help First Nation governments build and maintain fair and efficient First Nation property tax regimes, and to ensure those First Nation communities, and their taxpayers alike, receive the maximum benefit from those systems. The Commission was created through passage of the *First Nations Fiscal Management Act*.

3. Cash

Cash is held in one Canadian Chartered Bank and earns interest at the current prevailing rate for business accounts. The Canada Deposit Insurance Corporation (CDIC) insures these deposits to the extent of \$100,000 per Canadian resident.

The Commission has an unused credit facility agreement with the Royal Bank of Canada which establishes an operating line with a credit limit of \$500,000. Interest is payable at the bank's prime rate plus 1.0%.

4. Accounts Receivable

	2021	2020
Government of Canada	\$ –	\$ 300,000
Goods and Services/Harmonized Sales Tax rebates receivable	53,156	73,787
Other	46,291	3,837
	\$ 99,447	\$ 377,624

5. Accounts Payable

The Commission is the sponsor of an employee benefit plan. Included in accounts payable at March 31, 2021, is \$356,461 (2020: \$340,797) of accrued benefits payable based on an actuarial report dated March 31, 2021.

6. Contracts Payable

The Commission has committed funds by contract for work designated in the approved Corporate Plan or through specific amendments to its funding arrangement. The terms of these contracts vary in length due to the nature of the services being provided and are subject to change due to changes in federal government directives and initiatives, which can result in a redirection of resources. As at March 31, 2021, all accrued amounts are planned for completion as part of current funded initiatives.



7. Tangible Capital Assets

	2021			2020		
	Leasehold Improvements	Equipment, Furniture & Fixtures	Total	Leasehold Improvements	Equipment, Furniture & Fixtures	Total
Cost, beginning of year	\$ 623,540	\$ 1,406,487	\$ 2,030,027	\$ 623,540	\$ 1,511,817	\$ 2,135,357
Additions	–	168,787	168,787	–	24,421	24,421
Disposals	–	(399,293)	(399,293)	–	(129,751)	(129,751)
Cost, end of year	623,540	1,175,981	1,799,521	623,540	1,406,487	2,030,027
Accumulated amortization, beginning of year	518,802	1,339,846	1,858,648	442,052	1,340,735	1,782,787
Accumulated amortization of assets disposed of	–	(398,815)	(398,815)	–	(129,751)	(129,751)
Amortization	41,292	47,178	88,470	76,750	128,862	205,612
Accumulated amortization, end of year	560,094	988,209	1,548,303	518,802	1,339,846	1,858,648
Net carrying amount, end of year	\$ 63,446	\$ 187,772	\$ 251,218	\$ 104,738	\$ 66,641	\$ 171,379

8. Economic Dependence

The Commission receives substantially all of its revenue pursuant to a funding arrangement with the Government of Canada. In addition to the Government's funding of \$7,681,000 (2020: \$7,361,000) for Corporate Plan activities, contributions by the Government and through other income are necessary for the Commission to undertake specific research and special projects.

9. Financial Instruments

As part of the Commission's operations, the Commission holds various financial instruments, consisting of cash and accounts receivable. The nature of these instruments and the Commission's operations expose the Commission to credit risk.



10. Commitments

The Commission entered into an operating lease for its premises in Ottawa, Ontario. The office is leased at base rent of \$7,586 per month plus applicable taxes under a lease expiring in March 2024.

The Commission entered into an operating lease for its premises in Kamloops, BC. The office is leased at base rent of \$6,997 per month plus applicable taxes under a lease expiring in March 2022.

The Commission has entered into various operating leases for equipment and network services to be used in their offices. The monetary range of these lease agreements is \$101–\$381 per month plus applicable taxes with lease expiration dates ranging from February 2022 to August 2026.

The Commission entered into an operating lease for a printer in their office in Kamloops, BC. The printer is leased at base rent of \$1,143 per quarter plus applicable taxes under a lease expiring in February 2022.

The minimum annual lease payments for the next five years are as follows:

2022	\$ 180,776
2023	92,240
2024	92,240
2025	1,214
2026	506
	\$ 366,976

11. Deferred Revenue

Deferred revenue represents Government of Canada funding received for programs to be carried out in the following fiscal year.

	Balance March 31, 2020	Funding Received 2021	Revenue Recognized 2021	Balance March 31, 2021
Corporate Plan	\$ 345,886	\$ 7,681,000	\$ (7,051,581)	\$ 975,305
First Nations Infrastructure Institution (FNII) Organizational Development	810	628,614	(439,968)	189,456
First Nations FMA Institutions & LAB National Meeting	588,571	139,517	(252,607)	475,481
	\$ 935,267	\$ 8,449,131	\$ (7,744,156)	\$ 1,640,242



12. Accumulated Surplus

The Commission segregates its accumulated surplus in the following categories:

	2021	2020
Investment in tangible capital assets	\$ 251,218	\$ 171,379
Operational surplus	93,298	93,298
	\$ 344,516	\$ 264,677

The investment in tangible capital assets represents amounts already spent and invested in equipment, furniture and fixtures, and leasehold improvements.

13. Statements of Expenditures by Object

	2021	2020
Amortization	\$ 88,948	\$ 205,612
Goods and services	6,923,949	6,529,191
Salaries and honorarium	2,998,152	2,841,765
	\$ 10,011,049	\$ 9,576,568

14. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the presentation adopted in the current year.

15. Global Pandemic

As the impacts of COVID-19 continue, there could be further impact on First Nations Tax Commission, its customers, contractors, and other third party business associates that could impact the timing and amounts realized on First Nations Tax Commission's assets and future ability to deliver services and projects. Although the disruption from the virus is expected to be temporary, given the dynamic nature of these circumstances, the duration of disruption and the related financial impact cannot be reasonably estimated at this time. First Nations Tax Commission's ability to continue delivering non-essential services will depend on the legislative mandates from the various levels of government. First Nations Tax Commission will continue collecting receivables and managing expenditures to ensure it is able to continue providing its services.



16. Segmented Information

For the year ended March 31, 2021	Commission Services	Communications	Corporate Services	Dispute Management and Negotiations
Revenue				
Government of Canada	\$ 807,201	\$ 854,843	\$ 1,899,314	\$ 122,803
Interest and other income	–	–	21,731	–
	807,201	854,843	1,921,045	122,803
Expenses				
Salaries and honoraria	588,264	187,749	877,454	–
Goods and services	212,418	655,382	911,486	122,803
Amortization	6,519	11,712	52,266	–
	807,201	854,843	1,841,206	122,803
Net surplus (deficit)	\$ –	\$ –	\$ 79,839	\$ –

For the year ended March 31, 2020	Commission Services	Communications	Corporate Services	Dispute Management and Negotiations
Revenue				
Government of Canada	\$ 961,318	\$ 1,031,208	\$ 1,298,885	\$ 279,764
Interest and other income	–	–	58,551	–
	961,318	1,031,208	1,357,436	279,764
Expenses				
Salaries and honoraria	662,827	333,412	578,000	62,304
Goods and services	248,440	464,724	1,053,103	126,122
Amortization	13,028	14,109	141,003	–
	924,295	812,245	1,772,106	188,426
Net surplus (deficit)	\$ 37,023	\$ 218,963	\$ (414,670)	\$ 91,338



16. Segmented Information (continued)

For the year ended March 31, 2021	Education	First Nations Gazette	Law/By-Law Review and Outreach	Legal and Policy Services	Special Initiatives	2021 Total
Revenue						
Government of Canada	\$ 963,483	\$ 63,440	\$ 1,254,654	\$ 1,085,842	\$ 3,017,577	\$ 10,069,157
Interest and other income	–	–	–	–	–	21,731
	963,483	63,440	1,254,654	1,085,842	3,017,577	10,090,888
Expenses						
Salaries and honoraria	254,514	50,000	1,040,171	–	–	2,998,152
Goods and services	708,031	13,440	201,703	1,081,109	3,017,577	6,923,949
Amortization	938	–	12,780	4,733	–	88,948
	963,483	63,440	1,254,654	1,085,842	3,017,577	10,011,049
Net surplus (deficit)	\$ –	\$ –	\$ –	\$ –	\$ –	\$ 79,839

For the year ended March 31, 2020	Education	First Nations Gazette	Law/By-Law Review and Outreach	Legal and Policy Services	Special Initiatives	2020 Total
Revenue						
Government of Canada	\$ 970,322	\$ 128,814	\$ 1,704,735	\$ 640,068	\$ 2,321,250	\$ 9,336,364
Interest and other income	–	–	–	–	–	58,551
	970,322	128,814	1,704,735	640,068	2,321,250	9,394,915
Expenses						
Salaries and honoraria	157,070	51,686	863,776	132,690	–	2,841,765
Goods and services	813,632	125,505	747,776	628,178	2,321,711	6,529,191
Amortization	1,348	14,692	14,254	7,178	–	205,612
	972,050	191,883	1,625,806	768,046	2,321,711	9,576,568
Net surplus (deficit)	\$ (1,728)	\$ (63,069)	\$ 78,929	\$ (127,978)	\$ (461)	\$ (181,653)

First Nations Tax Commission **Statements of Financial Activities**

For the year ended March 31, 2021

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Notice to Reader

On the basis of information provided by management, we have compiled the statements of financial activities for various programs of the First Nations Tax Commission for the ended March 31, 2021.

We have not performed an audit or a review engagement in respect of this financial information and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

BDO Canada LLP

Chartered Professional Accountants
Kamloops, British Columbia
June 23, 2021

First Nations Tax Commission Schedule 1 – Corporate Plan

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ 7,681,000	\$ 7,051,580	\$ 7,015,114
Interest and Other Income	12,000	21,731	58,551
	7,693,000	7,073,311	7,073,665
Expenses			
Commission Services	992,293	807,201	924,295
Communications	631,674	854,843	812,244
Corporate Services	2,275,104	1,841,206	1,772,106
Dispute Management and Negotiations	224,341	122,803	188,426
Education	1,086,086	963,483	972,050
First Nations Gazette	177,124	63,440	191,883
Law/By-Law Review and Outreach	1,593,032	1,254,654	1,625,805
Legal and Policy Services	713,346	1,085,842	768,047
	7,693,000	6,993,472	7,254,856
Excess (deficiency) of revenues over expenses	\$ —	\$ 79,839	\$ (181,191)



First Nations Tax Commission

**Schedule 2 – First Nations Infrastructure Institution
Organizational Development Component**

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ 628,614	\$ 439,969	\$ 1,255,086
Expenses			
Organizational Development	295,800	211,081	222,645
Legislative Development	126,000	88,501	—
Engagement	108,600	28,213	196,767
Communications	51,650	65,610	30,865
Administration	46,564	46,564	—
Partnering with Regional Initiatives	—	—	72,184
Standards and Policy Development	—	—	30,750
Ad Hoc Project Support	—	—	148,900
Proof of Concept	—	—	552,975
	628,614	439,969	1,255,086
Excess of revenue over expenses	\$ —	\$ —	\$ —

First Nations Tax Commission

**Schedule 3 – First Nations Infrastructure
Institution Engagement & Project Support**

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ 817,992	\$ 817,992	\$ —
Expenses			
Engagement	116,100	73,768	—
Capacity Building	42,000	30,625	—
Ad Hoc Project Support	140,400	217,545	—
Project Development 1: CKSP	175,500	211,487	—
Project Development 2: FNHA NNADAP	283,400	223,975	—
Administration	60,592	60,592	—
	817,992	817,992	—
Excess of revenue over expenses	\$ —	\$ —	\$ —



First Nations Tax Commission

Schedule 4 – First Nations FMA Institutions & LAB National Meeting II (2019)

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ —	\$ —	\$ 644,052
Expenses			
Venue Rental & Catering	—	—	122,655
Media & Translation Services	—	—	35,068
Event Planning, Coordination & Registration	—	—	74,863
Support Services	—	—	61,359
Communications, Materials & Supplies	—	—	306,267
Travel & Accommodation	—	—	43,840
Administration & Reporting	—	—	644,052
Excess of revenue over expenses	\$ —	\$ —	\$ —

First Nations Tax Commission

Schedule 5 – First Nations FMA Institutions & LAB National Meeting III Virtual (2020)

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ 923,400	\$ 252,607	\$ 195,312
Expenses			
Venue Rental & Catering	—	—	30,000
Website	20,000	18,412	—
Portal	80,000	7,805	—
Youtube Development & Coordination	20,000	4,286	—
Digital Asset Management Systems DAMS	30,000	—	—
Organizational coordination and FN Database	10,000	3,800	—
Video Program Equipment	269,680	206,753	—
Communications Plan	20,000	—	62,620
Social Media Plan	10,000	—	192
Online outreach and security	20,000	641	—
Brand and brand guidelines	15,000	—	—
Organizational technical and communications support	160,000	10,910	—
DAM and video training development	80,000	—	—
Project coordination and implementation	124,082	—	102,500
Administration and organization	64,638	—	—
	923,400	252,607	195,312
Excess of revenue over expenses	\$ —	\$ —	\$ —



First Nations Tax Commission

Schedule 6 – Toward an Improved First Nations Fiscal Relationship

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ —	\$ —	\$ 226,800
Expenses			
First Nations Cannabis Tax Option	—	—	122,052
Ontario First Nations Tobacco Tax Jurisdiction	—	—	105,210
	—	—	227,262
Deficiency of revenue over expenses	\$ —	\$ —	\$ (462)

First Nations Tax Commission

Schedule 7 – Indigenous Cannabis and Tobacco Jurisdiction First Nations Fiscal Relationship

(Unaudited—see Notice to Reader)

For the year ended March 31	Financial plan	2021	2020
Revenue			
Government of Canada	\$ 270,864	\$ 270,864	\$ —
Expenses			
Tobacco:			
Consolidation of Previous Work	16,800	16,800	—
Research	79,500	79,500	—
First Nation Working Relationship and Proposals	19,650	19,650	—
Provincial Presentations and Pilots	12,000	12,000	—
Joint Working Group	22,500	22,500	—
Administration	12,036	12,036	—
	162,486	162,486	—
Cannabis:			
Consolidation of Previous Work	31,200	31,200	—
First Nation Working Relationship and Proposals	19,650	19,650	—
Provincial Presentations and Pilots	15,000	15,000	—
Joint Working Group	34,500	34,500	—
Administration	8,028	8,028	—
	108,378	108,378	—
	270,864	270,864	—
Excess of revenue over expenditures	\$ —	\$ —	\$ —



First Nations Tax Commission

Schedule 8 – Tulo Centre of Indigenous Economics COVID-19 Economic Recovery

(Unaudited—see Notice to Reader)

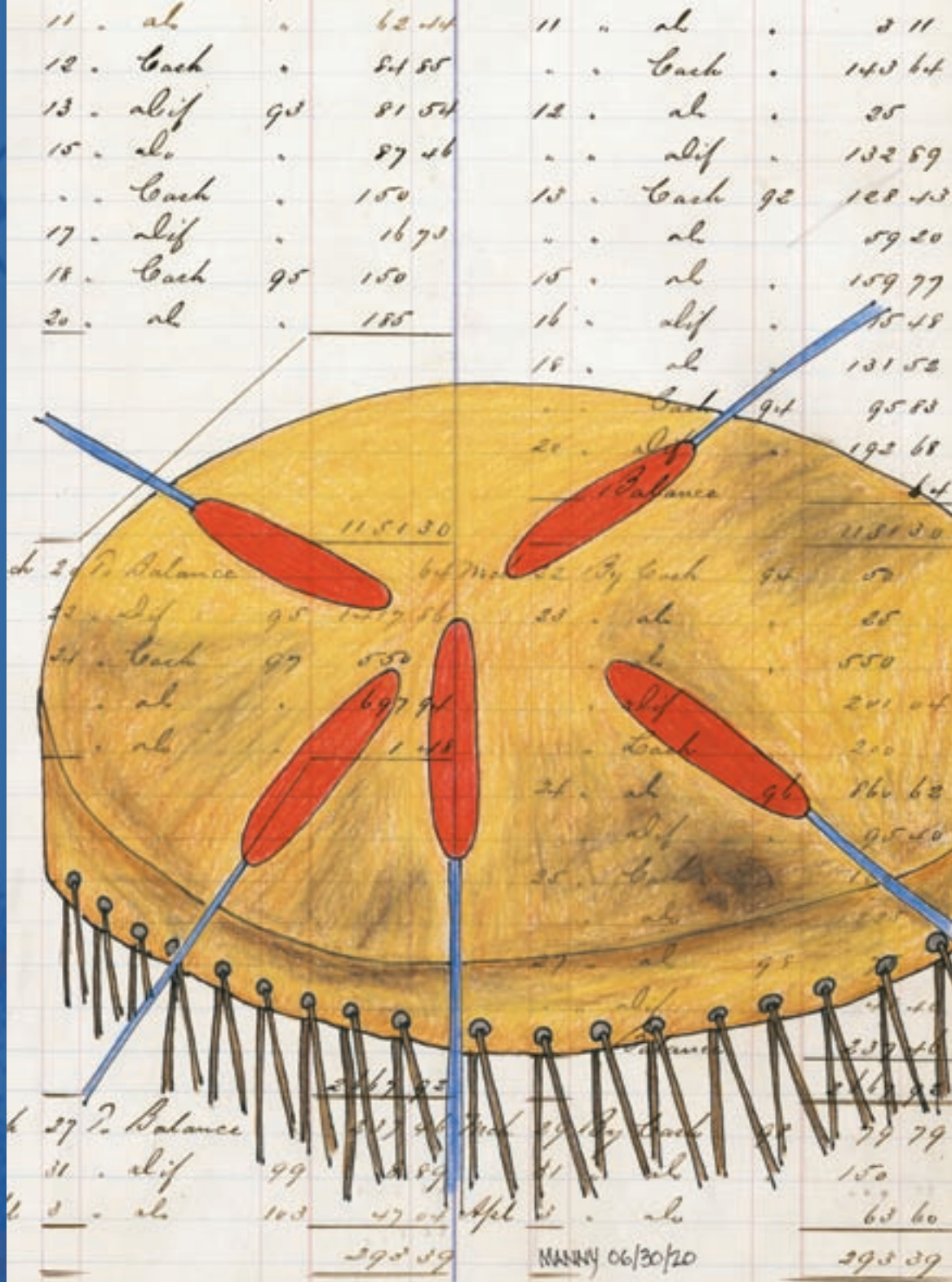
For the year ended March 31	Budget	2021	2020
Revenue			
Government funding	\$ 799,145	\$ 799,145	\$ —
Expenses			
Establish Tulo Centre Distance Capacity	278,000	278,000	—
Workshops	25,000	25,000	—
Course Conversion	172,000	172,000	—
Podcasts and Explainer Videos	106,500	106,500	—
Administrative Support	217,645	217,645	—
	799,145	799,145	—
Excess of revenue over expenditures	\$ —	\$ —	\$ —

First Nations Tax Commission

Schedule 9 – First Nations Infrastructure Institute Project Support 2021

(Unaudited—see Notice to Reader)

For the year ended March 31	Budget	2021	2020
Revenue			
Government funding	\$ 437,000	\$ 437,000	\$ —
Expenses			
Engagement	25,000	30,750	—
Ad Hoc Project Support	117,000	117,000	—
Project Development	295,000	289,250	—
	437,000	437,000	—
Excess of revenue over expenditures	\$ —	\$ —	\$ —



The FNTC is working to fill the institutional vacuum that has prevented First Nations from participating in the market economy and creating a national regulatory framework for First Nation tax systems that meets or exceeds the standards of provinces.

Corporate Governance

The Commissioners are responsible for reviewing and approving local revenue laws under the FMA and providing advice to the Minister on the approval of by-laws under section 83 of the *Indian Act*.

Commissioners

The FNTC consists of one Chief Commissioner (CC)—who also serves as Chief Executive Officer (CEO)—one Deputy Chief Commissioner (DCC), and eight other Commissioners, collectively supported by dedicated full-time staff, plus additional contracted professionals as needed.

On the recommendation of the Minister, the Governor in Council appoints nine of the ten Commissioners, consisting of:

- Chief Commissioner
- Deputy Chief Commissioner
- Three Commissioners who must be taxpayers using reserve lands—one for Commercial, one for Residential, and one for Utility purposes
- Four additional Commissioners

A tenth Commissioner is appointed by the Indigenous Law Centre, University of Saskatchewan (the ILC)—the appointing body prescribed by the *First Nations Tax Commissioner Appointment Regulations*.

When convened as the Commission, the Commissioners are responsible for reviewing and approving local revenue laws under the *First Nations Fiscal Management Act* (FMA) and providing advice to the Minister on the approval of by-laws under section 83 of the *Indian Act*.

The current Commissioners are:

C.T. (Manny) Jules (*Tk'emlúps te Secwepemc*, BC)—Chief Commissioner and CEO

David Paul (*Tobique First Nation*, NB)—Deputy Chief Commissioner

Dr. Céline Auclair (Gatineau, QC)—Commissioner

Terry Babin (Canal Flats, BC)—ILC-appointed Commissioner

Leslie Brochu (*Little Shuswap Lake Band*, BC)—Residential Taxpayer Commissioner

Ken Marsh (Okotoks, AB)—Utility Taxpayer Commissioner

William McCue (*Chippewas of Georgina Island First Nation*, ON)—Commissioner

Georjann Morriveau (*Fort William First Nation*, ON)—Commissioner

Randolph Price (North Vancouver, BC)—Commercial Taxpayer Commissioner

There is currently one vacancy on the Commission.



C.T. (Manny) Jules
(*Tk'emlúps te Secwepemc*, BC)
**Chief Commissioner
and CEO**



David Paul
(*Tobique First Nation*, NB)
**Deputy Chief
Commissioner**



Dr. Céline Auclair
(Gatineau, QC)
Commissioner



Terry Babin
(Canal Flats, BC)
**ILC-appointed
Commissioner**



Leslie Brochu
(*Little Shuswap Lake Band*, BC)
**Residential Taxpayer
Commissioner**

Governance and Organization

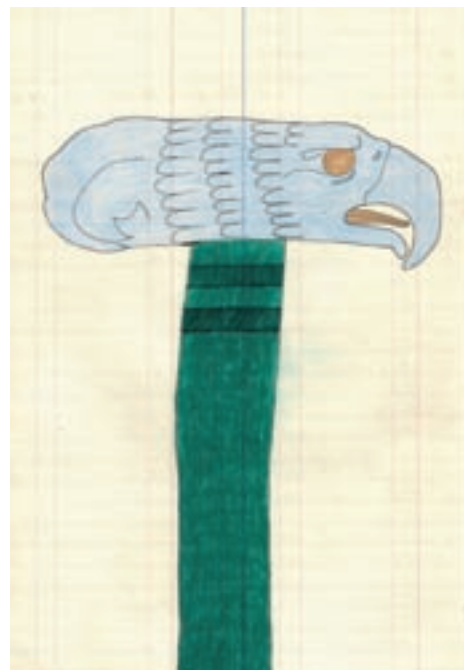
In addition to presiding over the Commission, the Chief Commissioner chairs the Executive Management Committee. In his capacity as CEO, the Chief Commissioner also oversees the general governance and operation of the FNTC.

Under the general direction of the CEO, the Chief Operating Officer (COO) is responsible for planning and coordination of FNTC staff and operations, and management of collaboration with the FNTC's external partners, consultants and advisors.

The Chief Commissioner has established a number of committees—which may consist of some Commissioners only, or some Commissioners plus staff and/or other professionals as appropriate—to guide and support the FNTC's work. These include: an Executive Management Committee (CC/CEO, DCC, COO); a Management Committee (COO and Directors); an Audit Committee, as provided under s. 128(2) of the FMA (three Commissioners); a Section 83 Rates Committee (DCC and two Commissioners); and a *First Nations Gazette* Editorial Board.

Staff

As provided under section 26 of the FMA, the FNTC maintains its Head Office on the reserve lands of the *Tk'emlúps te Secwepemc* in British Columbia. It also maintains an office located in Ottawa, Ontario. This arrangement provides flexibility in the FNTC's outreach and accessibility for First Nations across Canada.





Ken Marsh
(Okotoks, AB)

**Utility Taxpayer
Commissioner**



William McCue
(Chippewas of Georgina
Island First Nation, ON)

Commissioner



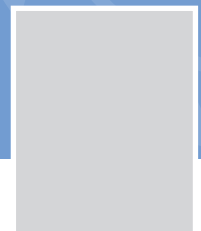
Georjann Morriseau
(Fort William First Nation, ON)

Commissioner



Randolph Price
(North Vancouver, BC)

**Commercial Taxpayer
Commissioner**



There is currently
one vacancy.

The FNTC is supported by a team of 25 full-time and contracted professionals dedicated to delivery of the functions and services detailed earlier. This arrangement ensures the FNTC has ready access to the best experts in critical disciplines such as law, dispute mediation, economic development, and policy research and analysis.

Institution Partners

In addition to the FNTC, the FMA established the First Nations Financial Management Board (FNFMB) and the First Nations Finance Authority (FNFA):

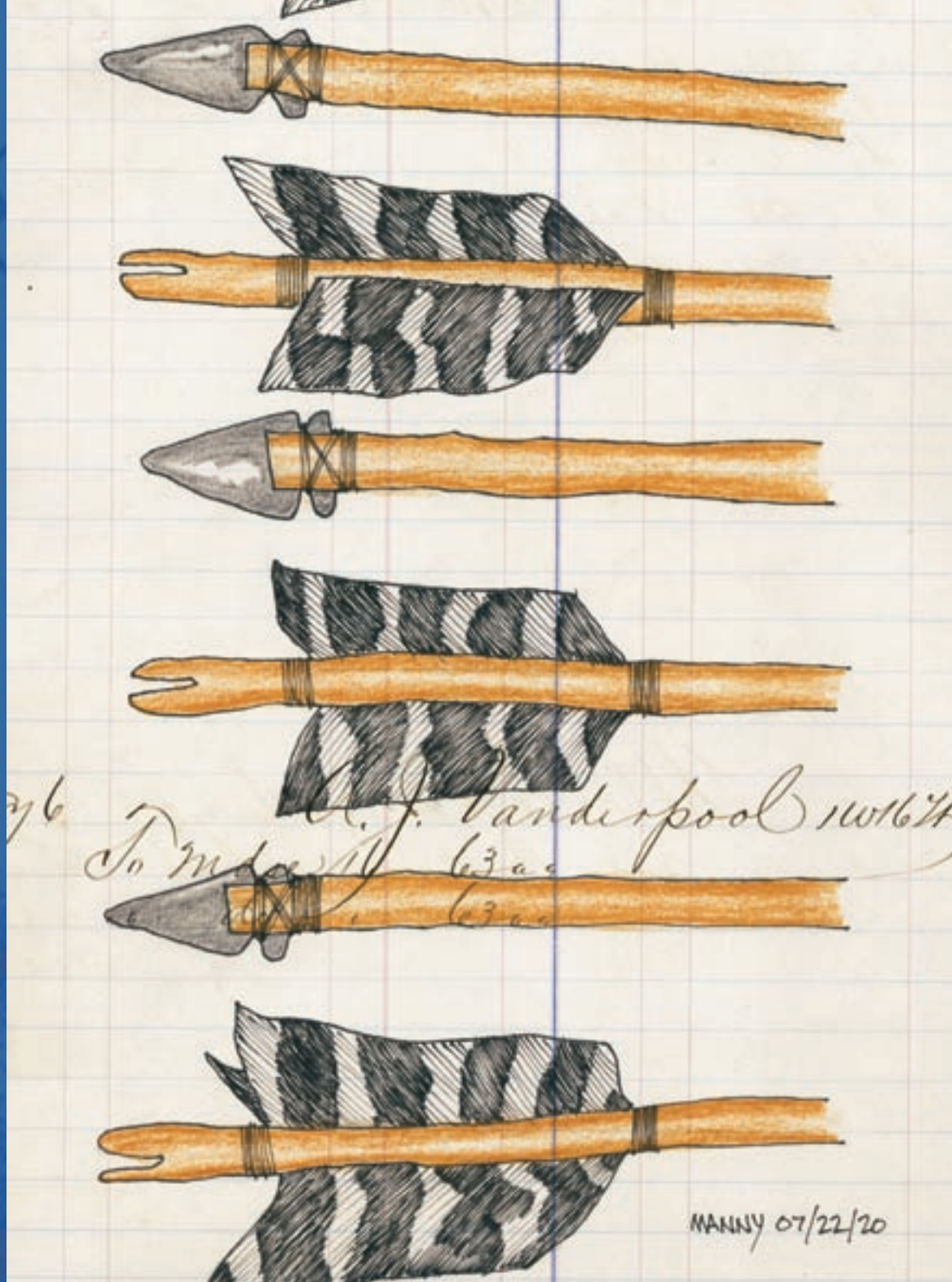
- **The FNFMB is a shared governance institution** that assists First Nations in strengthening their financial administration regimes—including the approval of First Nation financial administration laws—and provides independent certification to support borrowing from the FNFA, as well as First Nations economic and community development.
- **The FNFA is a non-profit corporation** that provides First Nation governments with access to affordable financing as well as investment and advisory services.

Once a First Nation has been added to the schedule of the FMA, it can access the services of any of the three FMA institutions. These institutions work together to improve the ability of First Nation governments to advance the fiscal and economic well-being of their communities, by providing participating First Nations with the kinds of modern fiscal management tools that are typically available to other governments.

Education and Accreditation Partners

The FNTC has established a partnership arrangement with the Tulo Centre of Indigenous Economics (the Tulo Centre) and Thompson Rivers University (TRU) to support university-accredited certificate programs and other training and workshops.

Incorporated on January 31, 2008, the Tulo Centre is a Canadian charitable organization whose mission is to assist interested First Nations in building legal and administrative frameworks that support markets on their lands. It delivers education programs and conducts research in the areas of First Nation public administration.



Through the development of a competitive First Nation investment climate, economic growth can be a catalyst for First Nation self-reliance.

Glossary of Acronyms

AFN—Assembly of First Nations

CANLII—Canadian Legal Information Institute

CC—Chief Commissioner (of FNTC)

CEO—Chief Executive Officer (of FNTC)

CIRNA—Crown-Indigenous Relations and Northern Affairs Canada

CKSP—*Chippewas of Kettle and Stony Point First Nation (Ontario)*

COO—Chief Operating Officer (of FNTC)

CPTA—Canadian Property Tax Association

DCC—Deputy Chief Commissioner (of FNTC)

FACT—fuel, alcohol, cannabis and tobacco (tax)

FAFNLM—Framework Agreement on First Nation Land Management

FMA—*First Nations Fiscal Management Act*

FNFA—First Nations Finance Authority

FNFMB—First Nations Financial Management Board

FNG—*First Nations Gazette*

FNGST—First Nations Goods and Services Tax

FNHA—First Nations Health Authority

FNII—First Nations Infrastructure Institute

FNRC—First Nation Resource Charge

FNTC—First Nations Tax Commission

ILC—Indigenous Law Centre, University of Saskatchewan

INAN—House of Commons Standing Committee on Indigenous and Northern Affairs

ISWG—Indigenous Senators Working Group

IT—Information Technology

ILTRS—Indigenous Land Title Registry System

LAB—Lands Advisory Board

MOU—Memorandum of Understanding

MPAC—Municipal Property Assessment Corporation (Ontario)

NFFN—Senate Standing Committee on National Finance

S. 83—section 83 of the *Indian Act*

TRU—Thompson Rivers University

Tulo Centre—Tulo Centre of Indigenous Economics



First Nations Tax Commission

NESAYKA MAMOOK CHEE WAYHUT