



New Fiscal Relationship Information Session: 10 Year Grant

3514 W Kalum Rd, Terrace, BC V8G 0C8

Jun 19, 2018 11:00am – 1:00pm

Minutes

See Appendix A, for a detailed listing of participants.

1. Introductions and Opening Remarks, Dillon Johnson, Temixw Planning
2. Opening Prayer, Elder Sherly Bolans
3. Opening Remarks, Bill Guerin, Associate Regional Director General, BC Region, Indigenous Services Canada (“ISC”)
4. Presentation: Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, Indigenous Services Canada
5. Presentation: First Nations Financial Management Board (“FMB”), Shayla Point, Director, Market Development, Financial Administration Laws (“FALs”) & Stakeholder Relations.
6. Questions and Answers:

Inquiry	Questions & Discussions
Doris Fraser, Council of the Haisla Nation	<p>How would this grant funding be different from a 10 year block funding agreement? We already have a lot of flexibility. We are in our sixth year. Does our block funding stop and switch? Can we switch mid-term? Will we wait until the funding is over? Do you use your current stats or rebase?</p> <p>I understand that there will be another engagement team with treaty and the government. The government will be taking a new fiscal policy in June. For First Nations it is hard to keep track of all of the new initiatives & policies.</p> <p>What is the Advisory Council and how do we get on it?</p> <p>Does the OSR claw back policy apply and how would it impact grant funding? The federal fiscal policy is the definition of own source revenue but is still a work in progress.</p>
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	<p>You still will have more flexibility in how you manage the funds. The reporting burden will be lighter. Even under the block there are a number of data collection points quarterly and annually. With the grants you will not be subject to audits.</p> <p>No, you can open up your current agreement and opt into the grant. They will be using the same amount of funding as in your block in year one. After year one there is a lot of work being done to address sufficiency and escalators that will be worked through with the new fiscal policy that they are currently working on.</p> <p>The self-government fiscal policy is not something I can address but will follow up to provide that to you later.</p>



	<p>The Minister makes the final decision on the Advisory Council composition, as recommended by the ISC, AFN, etc. It is still in the process of receiving recommendations for representation.</p> <p>Regarding claw backs I defer to FMB but will double check. I know that your own source revenue will not impact the grant.</p>
Dillon Johnson, Temixw Planning	<p>The way I understand it the self-government fiscal policy and new fiscal relationship being worked on between ISC and AFN are different. I am sure the ISC officials are speaking with one another, but they will be two separate fiscal policies. My understanding that the main difference could be the access to new revenues under self-governing fiscal arrangements.</p> <p>There is a draft ToR for the Advisory Council working through the federal system. At this time, it is being recommended that there are 8 representatives from the ISC side of things, with 10 from the AFN.</p> <p>For the grant you can keep your surpluses. There is a 3-year moratorium on own source revenue while a new OSR policy is developed. Self-governing indigenous governments obviously are pushing for zero claw backs.</p>
Shayla Point, Director, Market Development, FALs & Stakeholder Relations, FMB	<p>There are no claw backs under the 10-year grant.</p>
Shane Gibson, Gitanyow Band	<p>Are the 10-year grants all paid up front?</p> <p>If a First Nation cannot produce an audit what happens then, is the grant terminated?</p>
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	<p>When you are looking at appropriations you will only be getting the current funding and front load one year at a time. They will not front load the total 10-year amount into year 1.</p> <p>If something goes askew during the 10-year grant we would have a more proactive approach with the First Nation to meet their standards.</p>
Chief Willie Blackwater, Gitsegukla First Nation	<p>How will the formulas be calculated?</p>
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	<p>With the 10-year grant you can reallocate your funding to address different priorities. It will be up to you to decide and take that money to allocate it to address your community's needs. As you have changing priorities you have the ability to address your programs overall. Maybe six years down the line many things will change and you the ability to address those issues.</p>
Carrie Samuels, Finance Manager, Old Masset Village Council Band	<p>Would a BCR be required for the Expression of Interest?</p> <p>If it takes a few years to meet all of those requirements. This is a lot more extensive than we have and it will take more time to fit in.</p>



	It requires the Finance Committee, but our members are elected on a two-year term. So if we have to change our election policy to meet these requirements.
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	No BCR required. The intention is that every year there would be a call for expressions of interest to support First Nations to bring on them as they are ready.
Shayla Point, Director, Market Development, FALS & Stakeholder Relations, FMB	I will be getting in to the requirements. To have a Finance and Audit Committee is a minimum requirement, but who is appointed is not required. To achieve a Financial Management System is required for that, and for eligibility you just have to have it ready.
Dianne Shanoss, Executive Director, Gitanmaax First Nation	Do you have any idea of what that will look like for Tribal Councils?
Shayla Point, Director, Market Development, FALS & Stakeholder Relations, FMB	We have been asked to put together eligibility criteria for Tribal Councils. We have this as a priority over the coming months.
Carrie Samuels, Finance Manager, Old Masset Village Council Band	Will there be protections for First Nations who face pressure from community members with the loudest voice who want us to make exceptions to policy?
Shayla Point, Director, Market Development, FALS & Stakeholder Relations, FMB	We call that personality-based decision making, vs. process-based decision making. We do require process-based decision making. There are no specific requirements for that, but we would expect there to be a Nation policy to address that.
Terry Espejo, Co-Band Manager, Gitsegukla First Nation	I am curious how the application framework and how will it address our relationship with FNEESC and others?
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	We have not finalized this but we do recognize that there are aggregate services and the 10-year grant we are going to evolve this in future years.
Dillon Johnson, Temixw Planning	We have heard that ISC is working with FNHA to see how health funding could work with the grant, as well as with FNEESC and that the 10-year grant will be without prejudice to these areas of funding.
Robert Sampson, Councillor, Glen Vowell Band	We are in the final strokes of a new funding agreement and we sort these things out after?



Terry Espejo, Co-Band Manager, Gitsegukla First Nation	What will the flexibility of the process look like for education (recruitment and retention of teachers, which has come to the forefront). How flexible is it to address emerging issues such as this?
Kathy Hryshiko-Renaud, Financial Advisor New Fiscal Relationship Secretariat, ISC	There will be investments in certain areas to address emerging issues. Funding for 10-year grants will be able to be adjusted for those.
Bill Guerin, Associate Regional Director General, BC Region, ISC	There will be more specific planning to address the escalators and sufficiency in the future. If there is a new stream of programming it may be eligible the same as they are under other agreements. The grant does not limit you from new programs and emerging issues will be considered in the escalation.
Angela McCarthy A/Director, Funding Services ISC – BC Region	If you have questions that come up after, come see me, and I will give you the dedicated email and phone number for future questions (as outlined on the bottom of the agenda).
Shane Gibson, Gitanyow Band	Regarding the P&ID funding can we apply to establish these policies?
Bill Guerin, Associate Regional Director General, BC Region, ISC	Yes, anything that is core administration or financial foundational capacity is eligible.
Shayla Point, Director, Market Development, FALs & Stakeholder Relations, FMB	FMB does have some money to help. If you do not have a FAL we can provide \$7,500 to offset the legal fees to review the policies.
Chief Willie Blackwater, Gitsegukla First Nation	Provided an update from his First Nation’s perspective, going from third-party management to using FMB tools to get out of third-party management.
Carrie Samuels, Finance Manager, Old Masset Village Council Band	Is a resolution required to be scheduled to the FMA? If our financial bylaw is already in place what do we do?
Shayla Point, Director, Market Development, FALs & Stakeholder Relations, FMB	A Band Council Resolution is available for download on our website at www.fnfmb.com . The laws outline and describe that one can take precedence. I do recommend that the financial bylaw be fully updated and replaced. The Cadillac version is available on our website.
Doris Fraser, Council of the Haisla Nation	I have one question regarding the ratios. I understand them, but wouldn’t expect the fiscal growth ratio to be part of the criteria. Can you expand on the logic of this requirement? So is the FMB playing the role of the FN Tax Commission? We have been working on updating our bylaw. Should we continue to send it to the Tax Commission?



<p>Shayla Point, Director, Market Development, FALS & Stakeholder Relations, FMB</p>	<p>The fiscal growth ratio is one that is normalized regularly. I will take your question and make sure you get an answer by Scott Munro at FMB.</p> <p>The FMB is just taking over the FNTC's responsibility for the limited purpose of reviewing financial administration bylaws. But the details are still being sorted out so if your bylaw is ready to go then I'd suggest you still send to FNTC.</p> <p>Let's connect after to answer your questions for reporting.</p>
<p>Lucy Gagnon, Administrator, Witsset First Nation</p>	<p>Do we need to get the audit in by July 29th?</p>
<p>Shayla Point, Director, Market Development, FALS & Stakeholder Relations, FMB</p>	<p>If you can't get it completed by July 29th, I recommend you get it in as soon as possible. The Sample FAL says by 120 days of the end of the fiscal year.</p> <p>Stay informed and get as much information as possible. Even if you are not interested in the 10-year grant you may be interested in working with the FMB for certification.</p>

- 7. Closing Comments, Dillon Johnson, Temixw Planning
- 8. Meeting adjourned 1:30pm



Appendix A:

Participants List

	<i>First Name</i>	<i>Last Name</i>	<i>Position</i>	<i>Nation</i>
1.	Shirley	Bolan	Elder	Kitsumkalum First Nation
2.	Shane	Gibson		Gitanyow Band
3.	Tony	Morgan	Chief Councillor	Gitanyow Band
4.	Willie	Blackwater	Chief	Gitsegukla First Nation
5.	Dylan	Thomas	Acting Band Manager	Gitsegukla First Nation
6.	Terry	Espejo	Co-Band Manager	Gitsegukla First Nation
7.	Dianne	Shanoss	Executive Director	Gitanmaax First Nation
8.	Alica	Morgan	Deputy Chief Councillor	Gitwangak First Nation
9.	Mary-Jane	Maitland	Finance	Glen Vowell Band
10.	Robert	Sampson	Councillor	Glen Vowell Band
11.	Doris	Fraser	Council	Haisla Nation
12.	Deb	Grant	Asst. Comptroller	Haisla Nation
13.	Maggie	Dennis	Band Manager	Iskut Indian Band
14.	Dawson	Jackovics	CFO	Kalum First Nation
15.	Teri	Muldon	Director of Finance	Kitselas First Nation
16.	Carrie	Samuels	Finance Manager	Old Masset Village Council Band
17.	Lucy	Gangon	Executive Director	Witset First Nation
18.	Priscilla	Mitchell	Post-Secondary Counsellor	Witset First Nation
19.	Angela			
20.	Kathy	Hryshiko-Renaud	Financial Advisor New Fiscal Relationship Secretariat	Indigenous Services Canada
21.	Bill	Guerin	Associate Regional Director General, BC Region	Indigenous Services Canada
22.	Shayla	Point	Director, Market Development, Financial Administration Laws & Stakeholder Relations	First Nations Financial Management Association
23.	Dillon	Johnson		Temixw Planning