



Annual Report 2023/2024



FIRST NATIONS TAX COMMISSION

“Taksis”

A Chinook Word for Taxation

“Taksis” is a concept that First Nation communities have embraced and used for many generations. It’s part of our heritage.

Today, the FNTC is helping First Nation communities leverage that concept of gathering taxes to create a common and productive resource

for the whole community.

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The FNTC

The First Nations Tax Commission (FNTC) is a First Nations-led institution dedicated to advancing frameworks for First Nation jurisdiction over local revenues, and assisting interested First Nations across Canada in developing and implementing their local revenue systems, increasing their local revenues, and growing their economies.

The FNTC's mandate is set out in the *First Nations Fiscal Management Act* (the FMA). In this context, the FNTC regulates, supports and advances First Nation taxation under the FMA and under section 83 of the *Indian Act*. It reviews and approves local revenue laws, builds capacity, helps reconcile First Nation government and taxpayer interests, and provides research, advocacy and advisory services to advance First Nation fiscal and economic jurisdiction.

Participation in the FMA by First Nations—and certain other Indigenous groups covered under the Act—is optional. Interested First Nations request—through a Band Council Resolution (BCR)—to be added to the Schedule to the FMA. Participating First Nation governments can then exercise fiscal powers by enacting FMA laws—including property tax laws and financial administration laws—and to participate in pooled debenture financing for infrastructure and economic development.

Since its establishment in 2007, the work of the FNTC is supported through financial contributions from the Government of Canada. Recognizing the success and benefits of FNTC's and the other FMA institutions' work for First Nations, acknowledging the scope and complexity of advancing jurisdiction and building local capacity, and understanding the value of a new institute to support First Nations' infrastructure initiatives, Canada approved amendments to the FMA in 2023. In addition to broadening the scope of FNTC's mandate to better serve First Nations, the amended legislation formally established a five-year corporate planning framework for FNTC, commencing in 2024/2025. This now enables FNTC to plan longer-term research, analysis, advocacy and relationship-building work, and to make meaningful commitments to First Nations and partners on complex initiatives.

Guiding Philosophy and Concepts

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 and other fiscal and economic jurisdiction by First Nations must be First Nation-led, optional, and supported by national First Nation institutions.

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. Working to fill the institutional vacuum that has prevented First Nations from participating in the market economy, the FNTC is creating a national regulatory framework for First Nation tax systems that meet or exceed federal and provincial standards. Through the development of a competitive First Nation investment climate, economic growth can be a catalyst for First Nation self-reliance.

Mission

Operating within its legislated mandate under the FMA, the FNTC plays a significant leadership and facilitation role in supporting participating First Nations in advancing their development goals and aspirations, as summarized in FNTC's mission statement.

***Our mission is to help First Nations advance
self-determination and build strong
economies by clearing the path for
fiscal jurisdiction
and laying the foundation for
community development.***





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*As First Nation economies
continue to grow,
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More developments are
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Message from the Chief Commissioner



I am pleased to present the 2023/2024 Annual Report of the First Nations Tax Commission.

Each year, we report on our progress and reflect on our work with First Nations across Canada in advancing their fiscal jurisdiction and supporting them in growing their economies and building their communities. I am proud of what we have accomplished in the past year. I am also humbled and inspired by the hard work and deep interest of First Nations in using our services to achieve their aspirations.

As First Nations, our economic self-determination strategy is straightforward: initiate economic growth with our own fiscal powers and jurisdiction, and be prepared to move swiftly and with vision and confidence when opportunities knock. As our economies and fiscal means grow, we move further from the *Indian Act* and closer to our ultimate goal of true and full self-determination.

In 2023/2024, annual First Nation local revenues exceeded \$120 million for the first time—an 8% increase over revenues in 2022/2023. As First Nation economies continue to grow, they are delivering more local services and infrastructure to their communities. More developments are happening on First Nation lands, and total assessed values are increasing. This will only continue to increase, as more First Nations implement more fiscal powers every year—as evidenced by Tzeachten establishing an Accommodation Operator Tax, and Tla-O-Qui-Aht and Halalt newly implementing property taxes.

I believe that 2023/2024 will be remembered as an historic year for the FNTC, and indeed for the *First Nations Fiscal Management Act* (FMA) and for all participating First Nations across Canada. Over the course of the year, 16 First Nations from 7 different provinces plus, for the first time, a First Nation from Yukon Territory, newly joined the FMA, bringing the total to 364—57% of all First Nations in Canada.

In June 2023, significant amendments to the FMA received Royal Assent, with all-party support. The amendments included:

- Establishing the First Nations Infrastructure Institute (FNII), as the fourth FMA institution, whose development and design was led by the FNTC and proponent First Nations.

- Modernizing the FNTC’s mandate to: better support First Nations seeking to make local revenue laws beyond real property taxation; strengthen the education and capacity supports available; support local revenue-based service agreements; and broaden access to FNTC services for self-governing First Nations and other levels of government.

In 2023/2024, FNTC continued growth in the delivery of its core services to First Nations and taxpayers:

- A total of 255 laws were reviewed and approved by the FNTC. In addition, 34 by-laws were reviewed and recommended to the Minister for approval.
- 635 First Nation laws, by-laws and notices were published in the *First Nations Gazette*, bringing the total materials freely available to more than 11,000.
- The sixth annual *First Nations Leading the Way* Conference—in Gatineau, Québec—was attended by some 460 participants from across Canada.
- A total of 9 students graduated from the Tulo Centre of Indigenous Economics accredited programs—the *Certificate in First Nation Tax Administration* and the *Certificate in First Nation Applied Economics*.
- To meet the growing demand for education and training opportunities in response to the expanded fiscal and economic jurisdiction available with the amended FMA, the FNTC continued planning for the expansion of accredited and non-accredited programming.
- With a commitment to domestic and international collaboration, in July 2023, the FNTC facilitated a Memorandum of Understanding between the Tulo Centre, Thompson Rivers University, the University of Canterbury (New Zealand) and the Ngāi Tahu (Māori), to develop accredited programming that supports their shared interests in economic self-determination.
- The FNTC supported negotiations for 10 service agreements between First Nations and local governments.

I remain optimistic and enthusiastic for the year ahead. With the support and hard work of interested First Nations, I have no doubt that by working together we will make significant progress in pursuit of our mission to help First Nations advance self-determination and build strong economies. By clearing the path for fiscal jurisdiction and laying the foundation for community development and providing opportunities for First Nations to make their own decisions about their own communities, we know we are fulfilling our responsibility to the generations ahead.

Sincerely,



C.T. (Manny) Jules
Chief Commissioner



Highlights 2023/2024

This Annual Report reviews and summarizes FNTC's activities and accomplishments over the past year, including both special initiatives and ongoing services and functions in fulfilment of its mandate to support the development and implementation of First Nation local revenue jurisdiction and economic development.

Summarized immediately below are highlights of major FNTC initiatives and achievements in 2023/2024.

Broadening of FNTC's Mandate and First Nation Eligibility for Participation in the FMA

Working closely with other FMA institutions—and guided and supported by input from First Nations across Canada—the FNTC continued to work hard to promote and support legislative and policy initiatives designed to advance First Nation jurisdiction in fiscal management and economic development. This includes measures to broaden the eligibility for First Nations and related key organizations dealing with community economic development to participate in, and benefit from, the provisions of the FMA, notably, Self-Government and Modern Treaty First Nations.

The year witnessed a landmark achievement when, on June 20, 2023, *Bill C-45—An Act to Amend the First Nations Fiscal Management Act*—received Royal Assent. Among other things, the amended Act clarified and strengthened First Nation jurisdiction by explicitly recognizing such factors as: supporting and protecting the integrity of First Nation local revenue systems; supporting and promoting reconciliation; assisting First Nations in growing their economies and increasing their local revenues; and an FNTC mandate for data collection, analysis and publication, including information-sharing agreements. The amended Act also formally authorized the establishment of the First Nations Infrastructure Institute (FNII) as a fourth FMA institution, for which FNTC continues to provide support in development of FNII's programs, governance and strategic plans for launch in the coming year.

Development of New First Nation Institutions Under the FMA

With the approval of Bill C-45 in 2023, the First Nations Infrastructure Institute was approved for formal establishment and launch. FNTC continued to work with an expert development team to develop and seek to finalize details for FNII's full-scale operations, including: formal business lines and service offerings; organizational structure; governance; human resources and operational plan development; client outreach and engagement approaches; and resource requirements for initial phases of launch and implementation. Building on its experience and success with FNII, the FNTC also continued work in 2023/2024 to advance concepts, proposals and supporting rationale for other new First Nation institutions such as a First Nation Property Assessment Authority.

Co-Convening of the Sixth Annual *First Nations Leading the Way* Conference

In collaboration with FMA partners, participating First Nations and other presenters and supporters, the FNTC co-convened the sixth annual *Leading the Way* Conference in Gatineau, Québec, November 14–16, 2023. With 460 attendees and the theme “Taking Control of Our Destiny,” the Conference showcased the work of FMA First Nations in pursuing their economic and community development goals and asserting fiscal jurisdiction in support of growth and community well-being. As part of a highly varied agenda of keynote addresses, presentations, panel discussions, and breakout room engagement sessions, the Conference shared valuable insights and information from FNTC programs and services, the *First Nations Gazette*, the Tulo Centre of Indigenous Economics (the Tulo Centre), and the First Nations Infrastructure Institute.

Signing of Collaboration Agreements with the Ngāi Tahu Research Centre of New Zealand

In August 2023, the Tulo Centre and the First Nations Tax Commission hosted a delegation of students and faculty from the Ngāi Tahu Research Centre of the University of Canterbury from Aotearoa (New Zealand) for a week of learning and cultural exchange. The visit began with an evening event in which the Tulo Centre, Thompson Rivers University (TRU), the Ngāi Tahu Research Centre and the University of Canterbury committed to further collaboration on unique Indigenous-led programming through the signing of two Memoranda of Understanding (MOUs) on July 31, 2023, in Kamloops, British Columbia. At the signing, Tulo Centre Chair Michael LeBourdais declared: “We are excited to formalize and renew our commitments to working with our partners to help break down the barriers Indigenous nations face on their paths to self-determination and economic reconciliation.” The Vice-Chancellor of the University of Canterbury, Professor Cheryl de la Rey, who signed the MOU on behalf of her university, noted: “We are proud to support and help build Indigenous self-governance and economic development locally and globally through higher education. This MOU takes our cooperation to a new level by formalizing our partnership across the Pacific.”



“We are proud to support and help build Indigenous self-governance and economic development locally and globally through higher education.”



As First Nations, our economic self-determination strategy is straightforward: initiate economic growth with our own fiscal powers and jurisdiction, and be prepared to move swiftly and with vision and confidence when opportunities knock. As our economies and fiscal means grow, we move further from the Indian Act and closer to our ultimate goal of true and full self-determination.

—Chief Commissioner Jules



The Year in Review

First Nation Participation in the FMA

Since its establishment in 2007 the FNTC's priority focus has been on:

- Advancing First Nation jurisdiction in fiscal management and economic development.
- Promoting participation of First Nations in the FMA.
- Building the regulatory framework for First Nation taxation systems.
- Supporting First Nations in developing and implementing local revenue systems.

Figure 1 below shows the number of First Nations, by province and territory and by fiscal year, that are participating in the FMA. Every year has seen increased participation in the FMA. As of March 31, 2024, there were 364 First Nations using the FMA, including at least 2 in every province, as well as 7 in Northwest Territories and 1 in Yukon. In 2023/2024, 8 of the 12 jurisdictions showed an increase in the number of First Nations participating in the FMA over the previous year—newly adding 16 First Nations to the FMA Schedule.

FIGURE 1: First Nation Participants in the *First Nations Fiscal Management Act*, by Province and Territory, for 2007/2008 Benchmark Year and Last Five Years

	2007/2008	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
BC	26	121	123	126	138	143
AB	1	17	17	17	18	21
SK	2	39	41	41	43	43
MB	0	32	34	34	38	39
ON	2	47	50	53	57	58
QC	0	11	13	15	18	20
NB	2	9	10	10	11	13
NS	0	11	12	12	12	13
PE	0	1	1	2	2	2
NL	0	2	4	4	4	4
YT	0	0	0	0	0	1
NT	0	4	7	7	7	7
TOTAL	33	294	312	321	348	364

By the end of 2007/2008, following the launch of the FNTC, there were 33 First Nations participating in the FMA. Now—a mere decade and a half later—there are 11 times as many First Nations participating, as evidenced in Figure 2.

FIGURE 2: First Nations Participating in the *First Nations Fiscal Management Act*, by Fiscal Year

In recent years, the FNTC has emphasized outreach and engagement in eastern Canada, to build on the solid base of First Nation participants in the west and to ensure that all interested First Nations across Canada benefit from the tax and fiscal provisions under the FMA. Of the 16 First Nations that joined the FMA in 2023/2024, a total of 6 were from Ontario eastward, boosting eastern Canada's total to 110—now almost one third (30%) of all First Nations are participating in the FMA. The year 2023/2024 also saw, for the first time, a First Nation in Yukon Territory participating in the FMA.

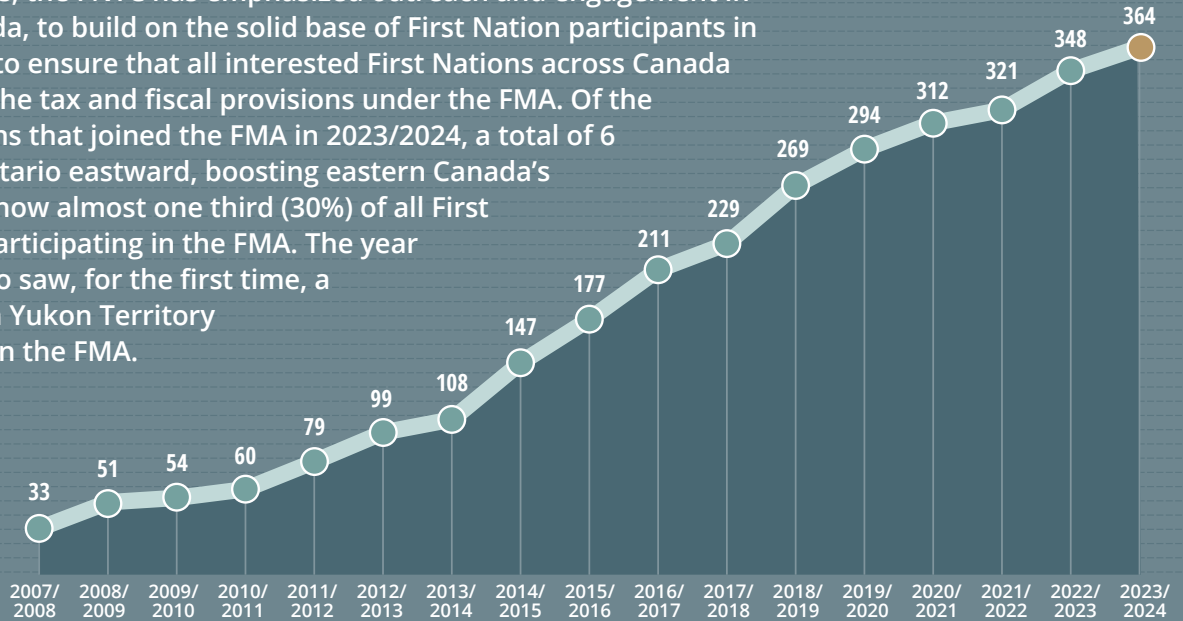
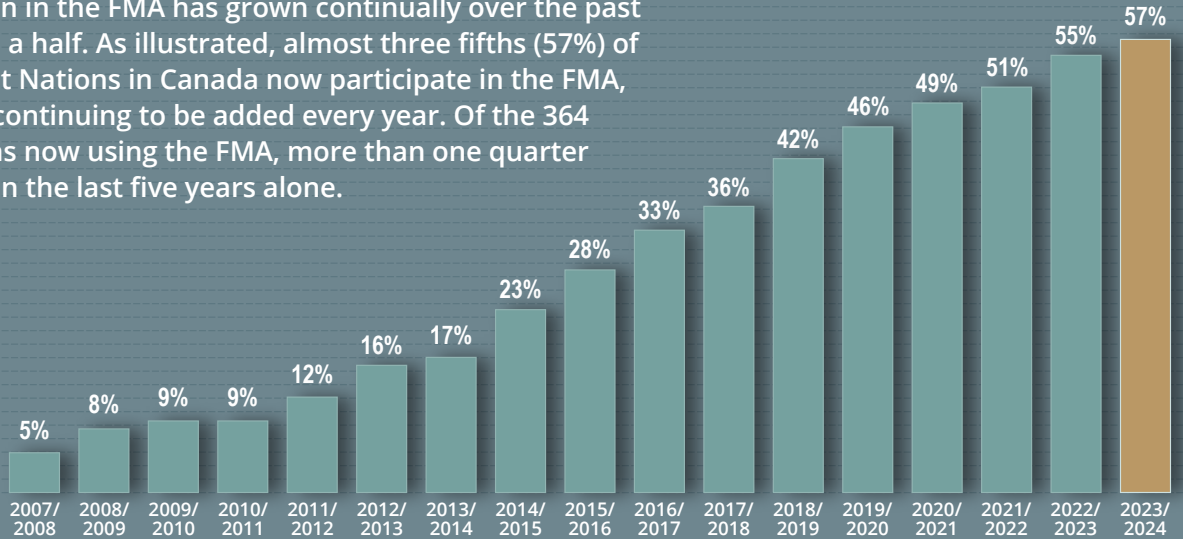


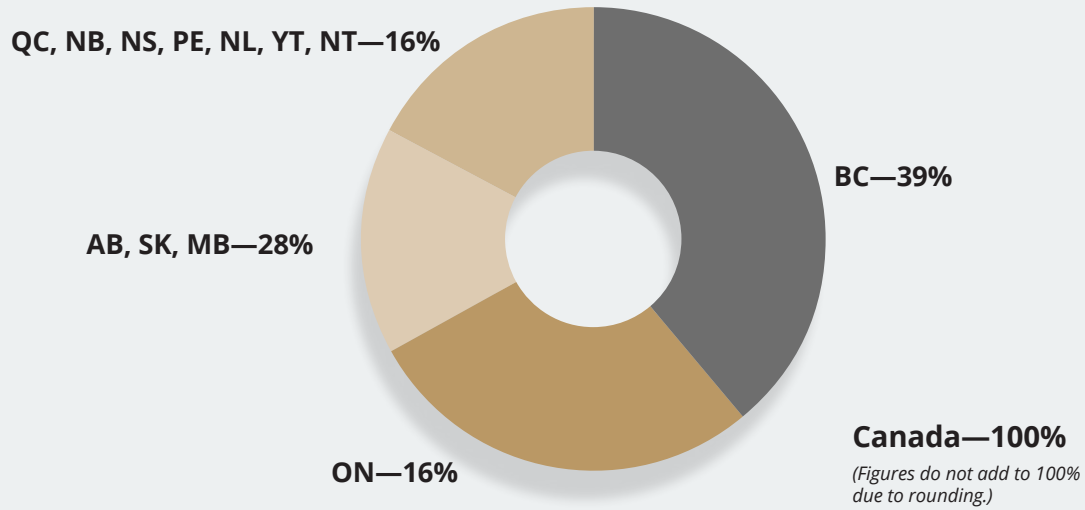
FIGURE 3: First Nations Participating in the *First Nations Fiscal Management Act*, as a Proportion (%) of All First Nations, by Fiscal Year

Participation in the FMA has grown continually over the past decade and a half. As illustrated, almost three fifths (57%) of the 634 First Nations in Canada now participate in the FMA, with more continuing to be added every year. Of the 364 First Nations now using the FMA, more than one quarter (95) joined in the last five years alone.



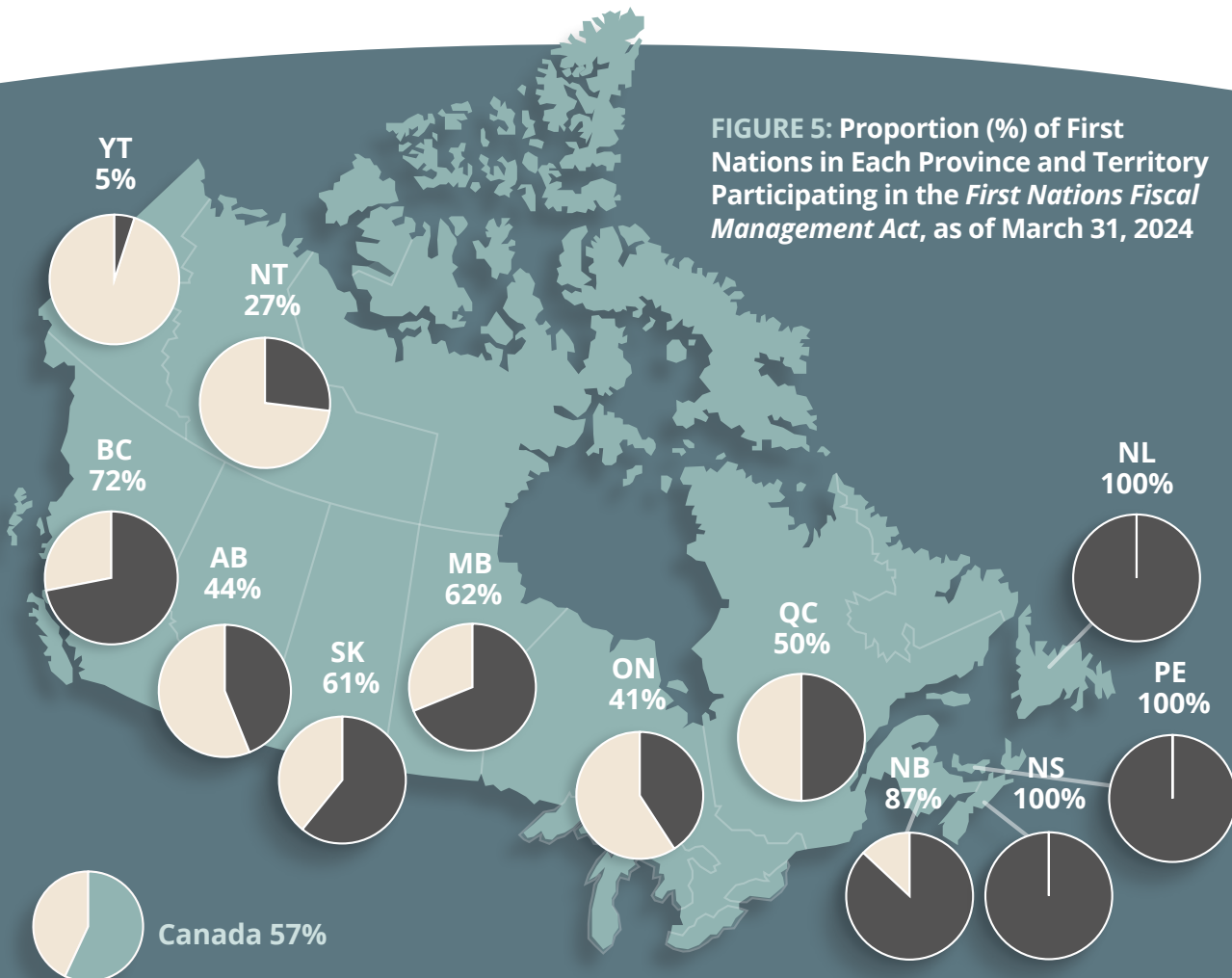
Efforts over the years by the FNTC and its FMA partner institutions to promote the benefits of using the FMA have resulted in interest and engagement across the country. As highlighted in Figure 4 below, First Nations in all regions across Canada are participating in the FMA. Two thirds (67%) of First Nations currently participating in the FMA are from the western provinces of British Columbia, Alberta, Saskatchewan and Manitoba—a level closely aligned with the large proportion (60%) of all First Nations in Canada that are situated in those provinces.

FIGURE 4: Regional Distribution of First Nations Participating in the *First Nations Fiscal Management Act*, by Province and Territory, as of March 31, 2024



As illustrated in Figure 5 below, as of March 31, 2024, no fewer than 40% of all First Nations in each of the ten provinces were participating in the FMA. In fact, in seven of the ten provinces, 60% or more of the First Nations were under the FMA—including three provinces with 100%. More than one quarter (27%) of First Nations in Northwest Territories are now participating in the FMA.

FIGURE 5: Proportion (%) of First Nations in Each Province and Territory Participating in the *First Nations Fiscal Management Act*, as of March 31, 2024



First Nation Tax Systems and Revenues

The number of First Nations (plus one Tribal Society with delegated property tax powers) that have a property tax system in place under the FMA has grown from 26 in 2007/2008 to 153 in 2023/2024—an almost sixfold increase within a decade and a half. Nearly one quarter (24%) of the 634 First Nations across Canada now have a property tax system under the FMA, as shown in Figure 6 below.

FIGURE 6: First Nations with a Tax System Under the *First Nations Fiscal Management Act*, for 2007/2008 Benchmark Year and Last Five Fiscal Years

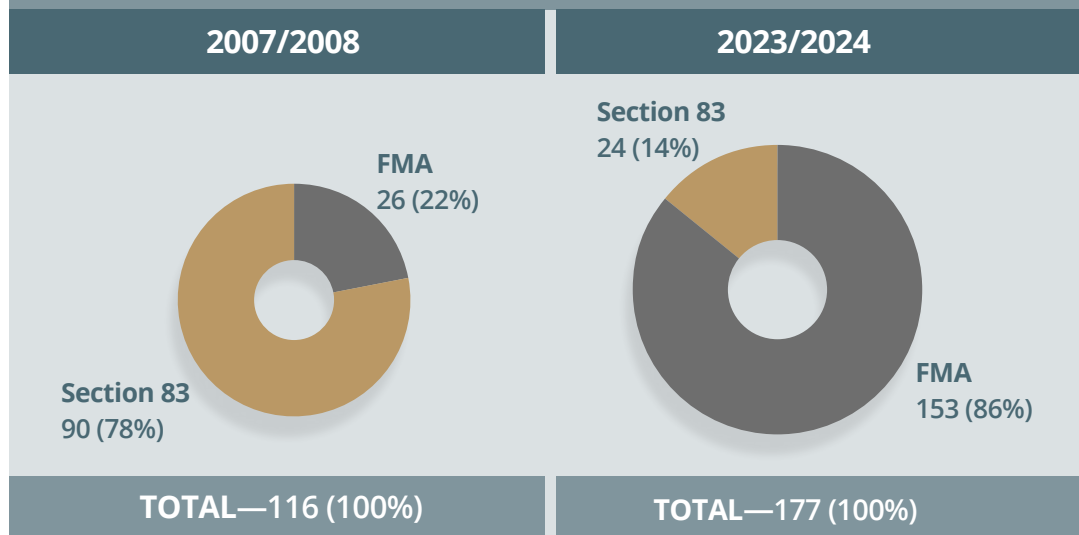
	2007/2008	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
NEW	26	4	5	3	9	6
TOTAL	26	130	135	138	147	153

As shown in Figure 7 below, First Nation tax systems established using the FMA now account for 86% of all First Nation tax systems, compared to 14% for those using section 83 of the *Indian Act*.

FIGURE 7: First Nations with a Tax System, by Type, for 2007/2008 Benchmark Year and Last Five Fiscal Years

	2007/2008	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
FMA	26	130	135	138	147	153
Section 83	90	37	35	33	28	24
TOTAL	116	167	170	171	175	177

The number of First Nations across Canada with an FMA tax system has grown in both absolute and relative terms—from 26 in 2007/2008 (22% of all First Nations in Canada with a tax system), to 153 in 2023/2024 (86% of all First Nations in Canada with a tax system).



As shown in Figure 8 below, local revenues for 2023/2024 (based on First Nation budget information to date) are estimated to be almost \$100 million under the FMA and almost \$23 million under section 83 of the *Indian Act*. Combined local revenues from the FMA and section 83 now approach \$123 million annually. Total local revenues under the FMA alone in 2023/2024—now almost \$100 million—represent a budgeted increase of almost 11% over the previous year. (Note: Amounts that are nil or not applicable are shown as —.)

FIGURE 8: Total Local Revenues (\$) of First Nations, for 2013/2014 Benchmark Year and Last Five Fiscal Years

	2013/2014	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
FMA	\$40,472,891	\$69,253,410	\$71,334,332	\$82,458,959	\$90,089,197	\$99,851,982
Section 83	34,642,998	26,100,506	26,099,013	24,592,855	23,614,848	22,879,141
TOTAL	\$75,115,889	\$95,353,916	\$97,433,346	\$107,040,142	\$113,704,045	\$122,731,123

As shown in Figure 9, property taxes are currently the principal source (90%) of all local revenues under the FMA and section 83. However, the size and relative significance of the other sources of tax revenues will increase in the future, as more First Nations use the additional revenue-raising tools available under the FMA to support infrastructure and provision of services on their lands. Property transfer taxes, development cost charges, service fees, services taxes and business activity taxes now exceed \$12.5 million annually, accounting for one tenth (10%) of all the tax revenues collected by First Nations under the FMA and section 83.



The size and relative significance of local revenue sources other than property taxes will increase in the future, as more First Nations use the additional revenue-raising tools available under the FMA to support infrastructure and provision of services on their lands.

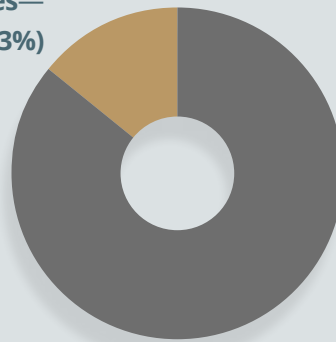
FIGURE 9: Distribution of First Nation Local Revenues (\$, %), by Source, for Fiscal Year 2023/2024

Source	FMA		Section 83	
Property Taxes*	\$87,286,305	87.4%	\$22,879,141	100%
Property Transfer Tax	7,162,834	7.2%	N/A	0.0%
Development Cost Charge	1,122,758	1.1%	N/A	0.0%
Service Fee	3,781,502	3.8%	N/A	0.0%
Service Tax	127,008	0.1%	N/A	0.0%
Business Activity Tax	371,575	0.4%	N/A	0.0%
TOTAL	\$99,851,982	100%	\$22,879,141	100%

*Includes Payments in Lieu of Taxes (PILT).

As detailed above and illustrated below, property taxes under FMA tax systems account for most of the local revenue collected—more than \$87 million (87% of all FMA revenues). The other forms of taxes and charges now approach \$13 million annually (13% of all FMA revenues), and are expected to grow further in real terms in the future.

**Other Taxes,
Charges and Fees—
\$12.6 million (13%)**



**Property Taxes—
\$87.3 million (87%)**

TOTAL FMA Revenues, 2023/2024—\$99.9 million (100%)



I believe that 2023/2024 will be remembered as an historic year for the FNTC, and indeed for the First Nations Fiscal Management Act (FMA) and for all participating First Nations across Canada.

Over the course of the year, 16 First Nations from 7 different provinces plus, for the first time, a First Nation from Yukon Territory, newly joined the FMA, bringing the total to 364— 57% of all First Nations in Canada.

—Chief Commissioner Jules



Report from the Business Lines

Directions and Priorities

The major actions and accomplishments highlighted in this Annual Report reflect the strategic directions and priorities set out in FNTC's Corporate Plan for 2023/2024:

- 1 Advance First Nation jurisdiction and fiscal powers.
- 2 Support development and implementation of local revenue systems.
- 3 Strengthen education, training and capacity development services.
- 4 Enhance partnerships and collaboration.
- 5 Support Commission operations and strengthen FNTC administration.

FNTC Business Lines

Set out below are descriptions of each of FNTC's Business Lines. Highlighted for each of the Business Lines are selected actions and accomplishments in 2023/2024 that illustrate how FNTC has delivered on its mandate and the Corporate Plan directions and priorities for the year.

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

Corporate Services

Corporate Services provides ongoing advice, logistical support and services to the Commission and its Committees, to ensure the timely and efficient functioning of the Commission in all aspects of its review, decision making, leadership and advocacy. Corporate Services supports openness and transparency in all operations and decision making.

Corporate Services also provides planning, financial/accounting, personnel, administrative, legal, office facility, technology management, contracting and other services to the Commission and the organization overall. More generally, Corporate Services operates diligently to create an overall efficient and effective work environment and fulfill the financial management and control requirements set out in the FMA.

This work involves:

- **Commission Governance:** Oversight and support for processes for the appointment/reappointment of Commissioners and the orientation of new Commissioners, as well as facilitation and coordination of meetings of the Chief Commissioner and/or other Commissioners with First Nations, representatives of other governments, and other key institutions.
- **Commission Operations:** Planning, scheduling and coordination of regular meetings of the Commission and its Committees, as well as special processes and events; preparation of briefing and presentation materials for Commission operations; and recording and distribution of relevant proceeding minutes, records and decisions.
- **Financial, Human Resources and Administrative Policies and Operations:** Staff and executive recruitment, training and professional development, as well as capital management for the Head Office and National Capital Region Office, information technology and support, and general office administration and contract support.
- **Planning, Reporting and Compliance:** Coordination and support for development, coordination and monitoring of Strategic and Corporate Plans and the Annual Report; coordination of audits, evaluations and financial reporting; and compliance with legislated requirements such as the FMA, the *Access to Information Act*, the *Privacy Act* and the *Official Languages Act*.

◆ Major Initiatives and Accomplishments

Executive succession and transition: Having completed a decade and a half of operations and looking ahead to further growth and change, the FNTC continued to refine its plans to support succession of both executive and senior leaders in the organization. The plans are designed to ensure smooth transition to the next generation of leadership.

New facilities: In 2023/2024, the FNTC continued its research and planning for development of new facilities on the Tk'emlúps te Secwépemc lands. The new building, with purpose-built shared spaces and amenities, will support FNTC, FNII, the Tulo Centre and other First Nation organizations in meeting ever-increasing growth in demand for services to First Nations.

Enhanced mandate and services: To support the new mandate and growth in services enabled by amendments to the FMA, the FNTC continued to expand its operations and build new capacities to meet evolving needs and opportunities. Work in 2023/2024 included development of a Human Resource Strategy and conduct of an organizational review. It also entailed commencement of work on the design and development of data and statistical capacities to support and strengthen FNTC program development, planning, evaluation and advocacy.

Performance measurement: In 2023/2024, the FNTC commenced a longer-term initiative to develop a system of Key Performance Indicators (KPIs) and other measures for use in diverse planning, monitoring, evaluation and reporting functions for FNTC. The core KPIs will support a sharp focus on FNTC's central

mission and unique role in advancing First Nation jurisdiction, self-determination, and community and economic development. Other complementary performance measures will support tracking of progress against goals shared with FNTC partners as well as monitoring of key milestones in FNTC major projects and commitments.

Legal and Policy Services

Legal and Policy Services includes monitoring of 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 support for decision making by the Commission, and to contribute to policy and standards development in the ongoing evolution and maintenance of the regulatory framework for First Nation local revenue systems.

This work involves:

- **Legal Framework Analysis and Development:** Support for the design and implementation of First Nation tax systems. This includes: working with First Nations and other governments 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*.
- **Policy Development:** Design, development and promotion of policies and standards that support the FNTC's policy objectives. These include initiatives to: expand First Nation jurisdiction; promote harmonization; foster efficiencies; increase First Nation, taxpayer and investor confidence in the integrity of the First Nation local revenue systems; and reconcile the interests of First Nation governments with those of stakeholders in the First Nation tax system.
- **Sample Law and By-Law Development:** Development and updating of sample laws and by-laws and the 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 and by-laws: are based on best practices; comply with applicable statutory requirements, regulations and the FNTC's standards and policies; and support the timely and efficient development of local revenue laws.

◆ Major Initiatives and Accomplishments

Law development and tax system design: As part of its core mandate to assist First Nations with law development and the building of effective local revenue systems, the FNTC in 2023/2024 continued to respond to requests from First Nations to review and update numerous standards, sample laws and policies, and related education and communication products.

Advocacy for expanded participation in the FMA: In 2023/2024, the FNTC continued to work on advocacy and analysis with the other FMA institutions and Canada to broaden the eligibility for participation in the FMA. The work focused on advancing regulations that would enable Modern Treaty First Nations and Self-Governing First Nations to have the option to participate in the FMA's pooled borrowing through the First Nations Finance Authority (FNFA). The aim is to enable access to capital to support the exercise of First Nation fiscal powers and community economic development.

A First Nations Assessment Authority: With a commitment—and proven track record—in promoting and supporting new First Nation institutions dedicated to local revenue jurisdiction and community development, in 2023/2024 the FNTC continued to build a business case for establishment of a First Nations Assessment Authority. The objective is to improve First Nations' access to assessment services, bring consistency to the level and quality of assessment services and help reduce property assessment costs for First Nations.

Law/By-Law Review, Registries and Outreach

Law and By-Law Review, Registries and Outreach includes support for the development—and review and approval by the Commission—of First Nation local revenue laws using the FMA, as well as Commission review and provision of recommendations to the Minister on by-laws under section 83 of the *Indian Act*.

This work includes:

- **Law/By-Law Review:** Preparation of technical reviews to support the Commission's review and approval of submitted laws, and its review and recommendation of submitted by-laws for Ministerial approval. This entails assessment of compliance with applicable legislation, regulations, standards and policies, and supports and facilitates 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 the 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; and 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 section 83 *Indian Act* taxation provisions—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 inquiries.

◆ Major Initiatives and Accomplishments

Law webinars and publications: To continue supporting First Nations in implementing and maintaining their local revenue systems, in 2023/2024 the FNTC developed and delivered a series of webinars and publications, including: delivery of the Annual Law Submission process webinar series online to First Nation participants across Canada; production of the *Annual Laws Bulletin*; and hosting of other informative webinars on diverse topics for interested First Nations.

Outreach and engagement: Committed to active engagement with interested First Nations and related organizations across Canada, the FNTC participated in conferences, presentations and tradeshows—both virtually and in person—including regional conferences. The FNTC also continued to enhance its communication materials designed to: communicate and explain the fiscal tools and supports available under the FMA; highlight the benefits of exercising local revenue and economic development jurisdiction; and build support for advancing First Nation economies. The FNTC delivered presentations to First Nations across the country as well as federal and provincial governments, and other stakeholder groups.

As shown in Figure 10 below, in 2023/2024 the FNTC completed review of 255 laws and 34 by-laws, bringing the combined cumulative total to 5,162—an increase of 28% in the four years since the 2019/2020 year-end.

FIGURE 10: Law and By-Law Reviews Completed and Approved, for 2008/2009 Benchmark Year and Last Five Fiscal Years

2008/2009	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
# Law Reviews Completed and Approved by FNTC—Each Year and Cumulative Total					
81	231	241	230	242	255
81	1,831	2,072	2,302	2,544	2,799
# By-Law Reviews Completed and Approved by Minister—Each Year and Cumulative Total					
59	44	51	47	41	34
1,486	2,190	2,241	2,288	2,329	2,363

First Nations Gazette

The FNTC operates and maintains the *First Nations Gazette* (FNG), an official publication and repository for laws, by-laws and other enactments, as well as public notices, made and given by First Nations. Items published in the FNG are made available on a free searchable database on the website www.fng.ca. The FNG provides: a comprehensive source for laws enacted under the *First Nations Fiscal Management Act* (FMA) and by-laws enacted under section 83 of the *Indian Act*; a platform for the publication of other First Nation laws, by-laws, codes and enactments; and 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*.
- By-laws under section 83 of the *Indian Act* approved by the Minister.
- Financial administration laws approved by the First Nations Financial Management Board (FMB).



The FNG surpassed the milestone of more than 11,000 items published including those in Part I: Notices and those in Part II: Laws, By-Laws, Codes and Other Enactments.

◆ Major Initiatives and Accomplishments

Access to First Nation laws, by-laws, codes and other materials: The *First Nations Gazette* (FNG) continued to deliver on its mandate to publish and make freely available valuable information on First Nation laws, by-laws, codes and other materials. In 2023/2024, the FNG surpassed the milestone of more than 11,000 items published including those in *Part I: Notices* and those in *Part II: Laws, By-Laws, Codes and Other Enactments*.

FNG website: In addition to maintaining the online registry, the FNG made improvement to its website that enable visitors to search and find information easily and quickly.

There has been significant growth in the number of both notices and pieces of legislation published in the FNG, including a more than doubling of notices published over the last four years alone. As shown in Figure 11 below, in 2023/2024 the FNTC added 300 notices to Part I of the FNG and 338 pieces of legislation (consisting of laws, by-laws, codes and other enactments) to Part II.

FIGURE 11: *First Nations Gazette* Publishing, for 2008/2009 Benchmark Year and Last Five Fiscal Years

2008/2009	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
# Notices Published in <i>First Nations Gazette, Part I</i>—Each Year and Cumulative Total					
N/A	288	302	292	294	300
N/A	1,120	1,422	1,715	2,009	2,309
# Pieces of Legislation (Laws, By-Laws, Codes and Other Enactments) Published in <i>First Nations Gazette, Part II</i>—Each Year and Cumulative Total*					
101	360	408	325	335	338
904	7,314	7,722	8,047	8,382	8,720

*Cumulative figure for 2008/2009 includes all legislation published between the launch of the *First Nations Gazette* in 1997 and calendar year-end 2008.

Education, Training and Accreditation

Education, Training and Accreditation activities include the development and delivery of specialized accredited programming for First Nation government staff and others in implementing FMA jurisdiction that builds sustainable economies and advance self-determination. Non-accredited programs are also offered. The objectives are: to promote understanding of the taxation systems of First Nations; to develop knowledge and skills for First Nation tax administrators; and to build capacity in First Nations to administer their taxation systems.

This work includes:

- **Accredited Certificate Programs:** Implementation of a working agreement with 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.
- **Workshops, Webinars and Special Training Tools and Events:** Design and delivery of specialized information and skill-building sessions and supporting models, tools, and case studies that address key aspects of fiscal jurisdiction, tax administration and economic development.
- **Student Support:** Provision of logistics, orientation and support for students; organization of graduation, convocation and awards services; and promotion of alumni outreach, engagement and relations.



An innovative “laddering” strategy for existing and new certificate programs will support progressive professional development and capacity-building opportunities to respond to administration needs of First Nation communities.

◆ Major Initiatives and Accomplishments

Tax administration and applied economics courses: In 2023/2024, the FNTC updated courses and delivery for the *Certificate in First Nation Tax Administration* program (comprised of 8 courses) and the *Certificate in First Nation Applied Economics* program (3 courses). This included delivery of courses to two cohorts and comprising a total of 30 students from 20 First Nations across Canada—of whom 17 were new participants and 13 successfully graduated. To date, participants in the Tulo Centre courses have come from some 107 different First Nations across Canada.

New learning opportunities and options: In 2023/2024, work continued on the expansion of programming to include more accredited courses and new options for students learning to implement jurisdiction under the FMA. An innovative “laddering” strategy for existing and new certificate programs will support progressive professional development and capacity-building opportunities to respond to administration needs of First Nation communities.



My name is Ty Thomson, and I'm from White Bear First Nations in Saskatchewan. I have been working for my Nation for about seven years now. I started as an intern in the Taxation Department, then in 2018, I became the Tax Administrator.

I haven't always had a strong educational background. When I was 12, I was sent to residential school for two years before I went to a private boarding school for hockey. After that, I moved to Lethbridge and started working in the oilfield when I was in my 20s. When the recession hit, I needed a change and that's when I came home to work for White Bear.

When I first got into taxation, I didn't know what I was getting into. I didn't fully understand it. I'll admit I was one of those guys that was like, "Taxes, what, really?"

The Tulo Centre taught me that it's not always about the money. Jurisdiction is the answer, and it's everything. More important than any revenue is taking back our rights and our power. That was a big "Aha" moment for me and my foundation for everything. We have been here, and this is our land and our laws. To see how much has been taken from us, and then knowing we have this legislation to start taking some of it back. It's powerful.

When I first started learning with the Tulo Centre, I was very timid. Once I started creating Briefing Notes and providing the knowledge I gained to Chief and Council, they appreciated it.

Being able to communicate the integrity of our regime and provide knowledge properly was really elevating for me. I've been able to look at some projects and make recommendations for improvement. My leadership is gaining trust in me. And that's because of what I gained from the Tulo Centre, supported by FNTC.

One of the highlights for me from my time at the Tulo Centre was walking on stage and receiving that diploma. I realized that I actually enjoy learning and never want to stop. Anything that the Tulo Centre does, I'm all in. No matter how long it takes, I want to be a part of it.



Ty Thomson and
Dr. André Le Dressay (Tulo Centre)

International collaboration in Indigenous economic research and education:

In 2023/2024, the FNTC supported the Tulo Centre in signing a Memorandum of Understanding (MOU) with Thompson Rivers University (TRU) and the Ngāi Tahu Research Centre and the University of Canterbury, both in New Zealand. The MOU supports cross-credits of courses offered, as well as the development of a joint program, and exchanges of students, researchers and faculty. Collaboration has included international delivery of sessions in partnership with Māori and Canadian instructors and participants from New Zealand and Canada.

As highlighted in Figure 12 below, as of March 31, 2024, a total of 128 participants in the Tulo Centre Certificate Program had completed their studies to qualify for graduation—double the cumulative number as of just five years earlier.

FIGURE 12: Number of Participants in Tulo Centre Certificate Program Who Completed Studies to Qualify for Graduation, Most Recent Fiscal Years

2017/2018	2018/2019	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
# Accredited Graduates from Certificate Programs—Each Year and Cumulative Total						
—	6	18	9	13	16	9
57	63	81	90	103	119	128

As shown in Figure 13 below, the FNTC continues to place heavy emphasis on outreach and engagement with First Nations across Canada to promote awareness and knowledge of the FMA and of support available from FNTC to those interested. In calendar year 2023, the FNTC reached the milestone of having delivered 170 webinars and workshops cumulatively to date, with an estimated 1,763 participants. In addition, the FNTC made a total of 63 tax-related presentations in 2023, bringing the cumulative total to almost 900 presentations to date.

FIGURE 13: Webinars, Workshops and Presentations Delivered, as of Year-End December 31st, for 2008 Benchmark Year and Last Five Years

2008	2019	2020	2021	2022	2023
# Webinars and Workshops Delivered—Each Year and Cumulative Total					
4	23	3	20	6	11
4	130	133	153	159	170
# Participants in Webinars and Workshops—Each Year and Cumulative Total					
—	6	10	200	102	57
—	1,292	1,440	1,614	1,716	1,763
# Presentations—Each Year and Cumulative Total*					
40	56	96	22	69	63
40	617	713	735	804	867

* Participation numbers for virtual presentations may be estimated.

Communications

Communications includes liaison and engagement activities, partnership development and creation of targeted products and materials. The objectives are to promote a broad understanding of First Nation taxation systems and of the role that participation in the FMA and access to services and support from the FNTC can play in advancing First Nation goals for development of sustainable economies and achievement of self-determination.

This work includes:

- **FNTC Branding and Image:** Development and application of a consistent, clear look and feel to all FNTC products and events.
- **Relationship Building:** Fostering of relationships with other organizations to increase collaboration and cross-promotional opportunities, while broadening awareness of the FNTC's role and functions.
- **Inquiries and Information Services:** Anticipation of, preparation for, and response to information requests and other inquiries from FNTC clients and stakeholders, government representatives and officials, and the media.
- **Media Strategies and Programs:** Development and application of media content and methods to advance the FNTC's communications, advocacy and outreach goals.

◆ Major Initiatives and Accomplishments

The legacy of First Nation taxation and economic self-determination: In 2023/2024, the FNTC continued work on its Legacy Project. Launched in 2021, this initiative is researching, documenting and recording the history and evolution of First Nation taxation. The outputs will serve as a key resource for those who wish to better understand the history, current implementation and vision of First Nation taxation, including the establishment of the First Nation institutions and the advancement of economic jurisdiction under the FMA.

New communications tools and strategies: The FNTC continued to enhance and refresh communications products that promote understanding of the First Nation real property taxation systems and the benefits. This includes updating the communication strategies, website and content, as well as other supporting communications materials such as new brochures, slideshows and other media.

First Nations Leading the Way: The 6th Annual National Meeting, *First Nations Leading the Way*—hosted by the First Nations Finance Authority, First Nations Financial Management Board, First Nations Tax Commission and Lands Advisory Board—took place November 14–16, 2023, in Gatineau, Québec, on Algonquin Anishnaabeg territory. FNTC provided planning and event support and participated in plenary, breakout and information sessions.

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 resolution consistent with the principles and objectives of the applicable laws, regulations and procedures.

This work includes:

- **Negotiation and Advisory Services:** Support to First Nations in such matters as: provision of provincial assessment services; First Nation taxation implementation with local and provincial governments; and transition to assessment-based tax rates from service fees.
- **Taxpayer Support:** Response to taxpayer inquiries; and assistance with taxpayer relations systems, including taxpayer representation to council laws.

◆ Major Initiatives and Accomplishments

Support for tax-based service agreements: The FNTC continued to provide support for the development and negotiation of service agreements between First Nations and adjacent local governments. These agreements—which govern the terms, conditions and rates for the provision of services such as water, sewage, waste disposal, fire protection services and emergency services—are becoming an increasingly important mechanism for First Nations to secure cost-efficient services for their communities. The FNTC’s work to facilitate the service agreement processes includes developing sample agreements, models and templates for service agreements and costing methodologies. In 2023/2024, the FNTC provided support—either in person or virtually—to 10 First Nations across Canada.



As part of its mandate to serve and support First Nations with their exercise of jurisdiction, the FNTC continued to support the timely resolution of disputes in relation to the application of local revenue laws.

Resolution of local revenue law disputes: As part of its mandate to serve and support First Nations with their exercise of jurisdiction, the FNTC continued to support the timely resolution of disputes in relation to the application of local revenue laws. The FNTC continued to advocate that these issues are best resolved at the local level where stakeholders work directly with First Nations on the resolution of these issues. To support this work, the FNTC continued to respond to tax-related inquiries from taxpayers, First Nation members, and other stakeholders. It also provided training for First Nation tax administrators in taxpayer communications and dispute resolution.

Strategic Initiatives

Strategic Initiatives includes work with interested First Nations, First Nation organizations, Canada, provinces, and local governments to research, develop, advance and support the opportunities for the growth and evolution of First Nation fiscal jurisdiction, economic development and self-determination.

This work includes:

- **Exploratory Research and Analysis:** Undertaking of research and analysis to explore matters relevant to Indigenous economies and self-determination.
- **Pilot, Demonstration and Proof-of-Concept Projects:** Design, implementation and assessment of initiatives to demonstrate and test innovative concepts, models, tools and strategies for advancing First Nation fiscal jurisdiction, and their feasibility, cost-benefit, and supporting rationale.
- **Liaison and Advocacy:** Outreach and engagement with First Nations and governments to develop, refine and promote proposals that advance the interests of First Nations and FNTC objectives.
- **Environmental Scanning and Assessment:** Monitoring and tracking of evolving public issues, policy and program developments, First Nation interests and initiatives to identify needs and opportunities for advancing First Nation jurisdiction.

◆ Major Initiatives and Accomplishments

Work with domestic and international central banks: With the aim of advancing awareness and understanding of Indigenous economic development and financial issues, needs and priorities, the FNTC continued to work with the Central Bank Network for Indigenous Inclusion (CBNII). The CBNII membership includes the Bank of Canada, the U.S. Federal Reserve, Te Pūtea Matua (Reserve Bank of New Zealand) and the Reserve Bank of Australia. At the CBNII symposium hosted in September 2023 by Te Pūtea Matua, the FNTC and the Tulo Centre were invited to provide presentations to the group on current work and vision to restore Indigenous jurisdiction in support of improved opportunities for economic growth.

International collaboration on experiences with Indigenous economic self-determination: In 2023/2024, the FNTC continued its work with international partners such as Ngāi Tahu Research Centre (University of Canterbury) in New Zealand, and the National Intertribal Tax Alliance (NITA), Oklahoma Tribes, and the Indian Land Tenure Foundation (ILTF) in the United States. Collaboration focused on joint research and innovations to address common issues, notably: the renewal of Indigenous economies and institutions; shared colonialism experiences; and innovative approaches to Indigenous fiscal jurisdiction, economic development and self-determination.

First Nations Resource Charge: The FNTC continued its long-term work—begun a dozen years ago—to explore with interested First Nations proposals for the development of a First Nations Resource Charge (FNRC). The FNRC would be designed to ensure that First Nations can receive a standardized fiscal benefit from resource projects on their lands and territories, comparable to benefits paid to other governments. The FNTC continued to provide information and deliver presentations to the federal government as well as interested provinces, which included New Brunswick, British Columbia and Manitoba. The FNTC hosted a national meeting on the FNRC in January 2024, with widespread support from First Nation representatives coming from all provinces. Budget 2024 committed the federal government to continue to work with the FNTC and interested First Nations on the FNRC proposal.

Fuel, alcohol, cannabis and tobacco sales tax options: In 2023/2024, the FNTC continued its work with interested First Nations and Finance Canada—begun in 2018—to advance a proposal to enable a fuel, alcohol, cannabis and tobacco (FACT) federal sales tax option for interested First Nations. The FNTC co-hosted with the Tzeachten First Nation and Finance Canada a FACT sales tax meeting with First Nations interested in exploring FACT tax proposals and their implications. The meeting demonstrated strong First Nation interest and support for a FACT sales tax legislative option, and strengthened the working relationship between the FNTC and Finance Canada. The meeting also established a First Nation proponent working group to help advance a legislative proposal. In support of the initiative, the FNTC made presentations and provided briefings to interested First Nations. Budget 2024 committed the federal government to develop FACT sales tax legislation.



The FNTC continued its long-term work—begun a dozen years ago—to explore with interested First Nations proposals for the development of a First Nations Resource Charge.



Situated south of the Fraser River near the city of Chilliwack, British Columbia, Ch'íyáqtel First Nation (Tzeachten First Nation) is a community of over 600 members. Since establishing property tax in the early 1990s, it has been a consistent leader in advancing First Nation innovation and fiscal jurisdiction. In 2008, it established its First Nation land code, and in 2013 it became the first Indigenous government to enact a property transfer tax law. In 2024, it continued to expand its fiscal jurisdiction by enacting the *Ch'íyáqtel (Tzeachten) First Nation Accommodation Operator Tax Law, 2024*.

Increasingly, First Nations are involving hotel properties as a part of their overall commercial development strategy, and an accommodation/hotel tax provides for significant fiscal benefits. Ch'íyáqtel First Nation's law sets a tax rate of 3% on the price of one night of accommodation which includes lodging at hotels, motels, resorts, cabins, B&Bs, mobile homes and trailers, and

other vacation properties. With on-reserve development plans including hotels on the horizon, the accommodation tax will provide the First Nation with additional local revenues to help support the delivery of services and improve infrastructure in the community.

By enacting FMA laws like the accommodation operator tax law and the property transfer tax law, Ch'íyáqtel is “flipping the script” on how First Nation communities finance their governments and achieve community aspirations.



To meet the growing demand for education and training opportunities in response to the expanded fiscal and economic jurisdiction available with the amended FMA, the FNTC continued planning for the expansion of accredited and non-accredited programming.

With a commitment to domestic and international collaboration, in July 2023, the FNTC facilitated an MOU between the Tulo Centre, Thompson Rivers University, the University of Canterbury (New Zealand) and the Ngāi Tahu (Māori), to develop accredited programming that supports their shared interests in economic self-determination.

The FNTC supported negotiations for 10 service agreements between First Nations and local governments.

—Chief Commissioner Jules



Corporate Governance

Mandate

The mandate of the FNTC derives from the FMA, which created the FNTC, and from a Memorandum of Understanding (MOU) with the Minister responsible for 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) support and protect the integrity of First Nations local revenue systems and promote common approaches to those systems as part of the Canadian fiscal framework;
- (b) support and promote the reconciliation, in First Nations local revenue systems, of the interests of taxpayers with the responsibilities of councils to govern the affairs of First Nations;
- (c) support and promote positive relationships between First Nations and taxpayers, including through the provision of support services for the resolution of disputes related to First Nations local revenue systems;
- (d) assist First Nations in the exercise of their jurisdiction over local revenues;
- (e) develop and deliver, and provide support for the development and delivery of, training and education services—and conduct research—respecting the implementation and administration of First Nations local revenue systems, respecting First Nations economic growth and respecting the evolution of local revenue systems;
- (f) assist First Nations in growing their economies and increasing their local revenues;
- (g) promote transparency of First Nations local revenue systems and understanding of those systems by members of First Nations, taxpayers and the public;
- (h) conduct research and provide advice and information to the Government of Canada, including the Minister, regarding the future development and implementation of frameworks to support First Nations in exercising their jurisdiction over local revenues;
- (i) conduct research, analyze information and provide advice to support the development, implementation and administration of First Nations local revenue systems;
- (j) collaborate with First Nations, Indigenous institutions and organizations and all levels of government to strengthen First Nations economies and support the development of legal and administrative frameworks to promote the evolution of their jurisdiction over local revenues;
- (k) support the negotiation, development and implementation of agreements related to First Nations local revenue systems;
- (l) provide services to any Indigenous group named in the schedule to any regulation made under section 141; and
- (m) collect data, publish statistical information and conduct research and analysis on matters related to the purposes set out in the other paragraphs of this section.

Under terms of the MOU with the Minister, the FNTC also 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.



When convened as the Commission, 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 FMA and providing advice to the Minister on the approval of by-laws under section 83 of the *Indian Act*.

Commissioners



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



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



Georjann Morriseau
(Fort William First Nation, ON)
Commissioner



Dr. Céline Auclair
(Gatineau, QC)
Commissioner



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



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



Leslie Brochu
(Skwlāx te Secwepemcúlecw, BC)
Residential Taxpayer
Commissioner

There are currently three vacancies on the Commission.





In addition to the FNTC, the FMA established the First Nations Financial Management Board (FMB), the First Nations Finance Authority (FNFA) and the First Nations Infrastructure Institute (FNII).



Offices

As provided under section 26 of the FMA, the FNTC maintains its Head Office on the Tk'emlúps te Secwépemc lands, British Columbia. It also maintains an office on Algonquin Anishinaabe traditional territory in the National Capital Region, co-located with offices of the First Nations Financial Management Board and the First Nations Infrastructure Institute. This efficient arrangement provides flexibility in the FNTC's outreach and accessibility for First Nations across Canada, and facilitates collaboration with the FMA partner institutions.

FMA Partner Institutions

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

- **FMB** is a shared governance institution that helps First Nations establish and implement their own financial administration laws and strengthen their financial management capabilities, procedures, and practices in line with standards established by the FMB. This enables a participating First Nation to demonstrate to its members, prospective lenders, investment partners and others, its commitment to transparency, accountability, and strong governance throughout its financial management systems.
- **FNFA** is a statutory non-profit organization without share capital, operating under the provisions of the *First Nations Fiscal Management Act, 2005*. FNFA's purposes are to provide First Nation governments investment options, capital planning advice, and, perhaps most importantly, access to long-term loans with preferable interest rates. FNFA is not an agent of His Majesty or a Crown corporation and is governed solely by the First Nations that join as borrowing members.
- **FNII** is an institution established under the FMA with the mandate and capacity to provide the skills and processes necessary to ensure that voluntarily participating First Nation communities and Indigenous organizations can efficiently and effectively plan, procure, own and manage infrastructure assets on their lands.

Once a First Nation has been added to the Schedule of the FMA, it can access the services of any of the 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.



My name is Melissa MacDonald, from [Membertou](#), located on the picturesque Cape Breton Island in Nova Scotia. Over the span of 19 years, I've been a part of Membertou's work force, wearing various hats within different departments such as Human Resources, Employment and Training, Tenant Relations, and currently, the Lands Department. Additionally, I oversee tax administration and tenant relations, alongside my responsibilities in land management.

My introduction to the FNTC Training Program through the Tulo Centre occurred when our community began implementing a tax system. I embraced the opportunity and discovered the training provided through the [Certificate in Tax Administration](#). Impressed by the instructors, staff, resources, and the enriching learning experience, I decided to pursue the other two programs offered by the Tulo Centre.

My pursuit of knowledge extends beyond the Tulo Centre. I have a Bachelor's and a Master's degree in Business Administration,

with a focus on community economic development. I am committed to continuous education and personal growth. Recently elected as a Board Member of the First Nation Tax Administrators Association ([FNTAA](#)), I am also dedicated to contributing my expertise to the broader professional community.

The Tulo Centre's certificate programs have significantly enhanced my abilities to serve my community effectively. Armed with newfound knowledge in tax administration, applied economics, and lands management, I am better equipped to navigate the complexities of governance and resource management. This proficiency is particularly beneficial as Membertou strives towards greater autonomy, and taking back our jurisdiction.

The highlight of my Tulo Centre experience was the opportunity for in-person attendance. Engaging with fellow classmates, sharing experiences, and learning from diverse perspectives fostered a rich learning environment. The collaborative spirit of the sessions provided invaluable insights into problem-solving approaches, reinforcing the sense of solidarity among Indigenous professionals facing similar challenges.

Having completed the *Tax Administration Certificate* in 2023, I am on track to finish *Applied Economics* and *Applied Lands Management* this year. The knowledge I have acquired from these programs has proved instrumental in my career.

My journey with the Tulo Centre has undoubtedly played a pivotal role in my professional development, offering top-tier training that is both relevant and timely. As we continue to pursue initiatives aimed at enhancing jurisdiction and governance within our community, the expertise gained from these certificates remains invaluable.



Education and Accreditation Partners

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

- **Tulo Centre** is a Canadian charitable organization, incorporated on January 31, 2008, 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.
- **TRU** is a public teaching and research university offering undergraduate and graduate degrees and vocational training. Its main campus is in Kamloops, British Columbia.

Under MOUs signed with each other and with the FNTC, the Tulo Centre and TRU offer an accredited *First Nation Tax Administration Certificate* program that provides the knowledge and skills needed to implement and operate a First Nation property tax system using the powers set out in the FMA. This is complemented by the accredited *First Nation Applied Economics Certificate* program delivered in conjunction with the FNTC and TRU. The FNTC works with the Tulo Centre on a range of other workshops, webinars and special courses. These offerings in turn complement the Tulo Centre's accredited certificate program in *First Nation Applied Lands Management*, developed and delivered in partnership with TRU.

The FNTC and the Tulo Centre have also been pursuing both formal and informal research, information-sharing and education partnerships with other international and domestic institutions:

- **Ngāi Tahu Research Centre and University of Canterbury (New Zealand)**
- **First Nations Land Management Resource Centre (Canada)**



With the support and hard work of interested First Nations, I have no doubt that by working together we will make significant progress in pursuit of our mission to help First Nations advance self-determination and build strong economies.

By clearing the path for fiscal jurisdiction and laying the foundation for community development and providing opportunities for First Nations to make their own decisions about their own communities, we know we are fulfilling our responsibility to the generations ahead.

—Chief Commissioner Jules



Financial Statements

First Nations Tax Commission
Financial Statements
For the year ended March 31, 2024

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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



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BDO Canada LLP
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Kamloops, BC V2C 6J3

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, 2024, and the statement of change in net financial (debt) assets, 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, 2024, 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 24, 2024

First Nations Tax Commission **Statement of Financial Position**

As at March 31	2024	2023
Financial Assets		
Cash (Note 3)	\$ 13,328,920	\$ 9,109,307
Accounts receivable (Note 4)	132,276	121,807
	13,461,196	9,231,114
Liabilities		
Accounts payable (Note 5)	1,590,784	1,492,859
Contracts payable (Note 6)	5,135,425	5,074,584
Deferred revenue (Note 11)	6,775,162	2,739,464
	13,501,371	9,306,907
Net Financial Debt	(40,175)	(75,793)
Non-financial Assets		
Prepaid expenses	133,473	169,091
Tangible capital assets (Note 8)	298,926	516,258
	432,399	685,349
Accumulated Surplus (Note 12)	\$ 392,224	\$ 609,556

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

Commitments (Note 7)

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	2024	2023
Annual deficit	\$ 609,556	\$ (217,332)	\$ (78,727)
Acquisition of tangible capital assets	—	—	(140,017)
Amortization of tangible capital assets	—	201,531	218,744
Disposal of tangible capital assets	—	15,801	—
	609,556	—	—
Acquisition of prepaid expenses	—	35,618	(23,159)
Net change in financial (debt) assets	609,556	35,618	(23,159)
Net debt , beginning of year	(75,793)	(75,793)	(52,634)
Net financial debt , end of year	\$ 533,763	\$ (40,175)	\$ (75,793)

The accompanying summary of significant accounting policies 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	2024	2023
Revenue			
Government of Canada			
Corporate Plan	\$ 13,416,970	\$ 12,441,887	\$ 9,802,541
Research and other special projects			
First Nations Infrastructure Institution (FNII)			
Amendment No. 0016	6,152,322	1,868,272	—
First Nations Infrastructure Institute			
Project Support	—	—	1,016,193
Organizational Development Component	—	—	836,974
First Nations Leading the Way V	—	117,159	1,132,840
Advancing First Nation Jurisdictional Innovations	200,000	200,000	—
Interest and other income	40,000	374,124	107,959
	19,809,292	15,001,442	12,896,507
Expenses			
Corporate Plan	13,456,970	12,980,283	9,989,227
Research and other special projects			
First Nations Infrastructure Institution (FNII)			
Amendment No. 0016	6,152,322	1,921,332	—
First Nations Infrastructure Institute			
Project Support	—	—	1,016,193
Organizational Development Component	—	—	836,974
First Nations Leading the Way V	—	117,159	1,132,840
Advancing First Nation Jurisdictional Innovations	200,000	200,000	—
	19,809,292	15,218,774	12,975,234
Deficit	—	(217,332)	(78,727)
Accumulated surplus, beginning of year	609,556	609,556	688,283
Accumulated surplus, end of year	\$ 609,556	\$ 392,224	\$ 609,556

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

First Nations Tax Commission **Statement of Cash Flows**

For the year ended March 31	2024	2023
Operating activities		
Annual deficit	\$ (217,332)	\$ (78,727)
Items not involving cash		
Amortization	201,531	218,744
Disposal of tangible capital asset	15,801	—
Changes in non-cash operating balances		
Accounts receivable	(10,469)	(5,844)
Prepaid expenses	35,618	(23,159)
Accounts payable and contracts payable	158,766	216,828
Deferred revenue	4,035,698	1,665,800
Cash flows from operating activities	4,219,613	1,993,642
Capital activity		
Purchase of tangible capital assets	—	(140,017)
Net increase in cash	4,219,613	1,853,625
Cash , beginning of year	9,109,307	7,255,682
Cash , end of year	\$ 13,328,920	\$ 9,109,307

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

First Nations Tax Commission

Notes to Financial Statements

March 31, 2024

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 Indigenous 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 managing 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 Languages Act* requirements, corporate policy development and implementation, and providing management and support to meeting *First Nations Fiscal Management Act* ("FNFMA") financial management and control requirements.

Dispute Management and Negotiations

The objective of the Dispute Management and Negotiations business line is to provide assistance with the timely resolution of disputes in relation to the application of *First Nations Fiscal Management Act* laws as well as to provide education, training and facilitation services to First Nation tax authorities to support negotiations and service agreements. Dispute Management and Negotiations supports and manages the review of inquiries.

Education and Capacity Development

The Education and Capacity Development 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 implemented property taxation.

Segmented Information (continued)

First Nations Gazette

The *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 FNFMA 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 FNFMA 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 FNFMA 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 FNFMA and by-laws under s. 83 of the *Indian Act* and supports the development of regulations and legislative amendments.

Strategic Initiatives

The Strategic Initiatives business line includes work with interested First Nations, and governments to research, develop, advance and support opportunities for the growth and evolution of First Nation fiscal jurisdiction, economic development and self-determination.

Data and Statistical Capacity

The Data and Statistical Capacity business line identifies data and statistical needs, and collects, synthesizes, and analyzes the data to support policy work and operations.

First Nations Infrastructure Institute

The activities in this business line represent the establishment of the First Nations Infrastructure Institute under the FMA which includes supporting the FNII technical team in the design and development of plans to operationalize the institution.

Segmented Information (continued)

Advancing First Nation Jurisdictional Innovations

The activities in this business line represent continued development of additional institutions under the FMA and includes support of research, planning, design, and piloting of innovative institutions and related programs to address First Nation needs and priorities.

First Nations Leading the Way V

The activities in this business line represent support and planning to deliver the *First Nations Leading the Way* national conference.

Financial Instruments

Cash quoted in an active market is measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Realized gains and losses from changes in the fair value of financial instruments and interest and interest are recognized in the statement of financial activities.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of financial activities.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

2. Nature of Operations

The Commission is a national shared governance institution with a head office on the reserve lands of the Tk'emlúps te Secwépemc at Kamloops, BC, and an office in Ottawa, ON. 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

	2024	2023
Goods and Services/Harmonized Sales Tax rebates receivable	\$ 130,583	\$ 115,154
Other	1,693	6,653
	\$ 132,276	\$ 121,807

5. Accounts Payable

The Commission is the sponsor of an employee benefit plan. Included in accounts payable at March 31, 2024, is \$363,503 (2023: \$348,580) of accrued benefits payable based on an actuarial report dated March 31, 2024.

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, 2024, all accrued amounts are planned for completion as part of current funded initiatives.

7. Commitments

The Commission entered into an operating lease for its premises at 340 Albert St. in Ottawa, ON. The office is leased at base rent of \$16,268 per month plus applicable taxes under a lease expiring on October 31, 2026.

The Commission entered into an operating lease for its premises in Kamloops, BC. The office is leased at base rent of \$9,664 per month plus management fees and applicable taxes under a lease expiring in March 2025.

The Commission entered into an operating lease for equipment and network services to be used in their offices. The equipment and network services are leased at a payment of \$303 per quarter plus applicable taxes with lease expiring in August 2026.

The Commission entered into an operating lease for IT equipment in their office in Kamloops, BC. The equipment is leased at base rent of \$1,099 per month plus applicable taxes under a lease expiring in February 2025.

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

2025	\$ 325,319
2026	115,508
	\$ 440,827

8. Tangible Capital Assets

	2024			2023		
	Leasehold Improvements	Equipment, Furniture & Fixtures	Total	Leasehold Improvements	Equipment, Furniture & Fixtures	Total
Cost, beginning of year	\$ 1,079,064	\$ 1,306,892	\$ 2,385,956	\$ 946,237	\$ 1,313,591	\$ 2,259,828
Additions	—	—	—	132,827	7,190	140,017
Disposals	(125,109)	(87,221)	(212,330)	—	(13,889)	(13,889)
Cost, end of year	953,955	1,219,671	2,173,626	1,079,064	1,306,892	2,385,956
Accumulated amortization, beginning of year	709,727	1,159,971	1,869,698	599,019	1,065,824	1,664,843
Disposals—accumulated amortization	(109,308)	(87,221)	(196,529)	—	(13,889)	(13,889)
Amortization	99,058	102,473	201,531	110,708	108,036	218,744
Accumulated amortization, end of year	699,477	1,175,223	1,874,700	709,727	1,159,971	1,869,698
Net carrying amount, end of year	\$ 254,478	\$ 44,448	\$ 298,926	\$ 369,337	\$ 146,921	\$ 516,258

9. Economic Dependence

The Commission receives substantially all of its revenue pursuant to funding arrangements with the Government of Canada, which comprises 98% (2023: 99%) of the annual revenues. Any disruption of these funding arrangements could have a significant impact on the Commission's operations.

10. Financial Instruments

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

There have not been any changes from the prior year in relation to the policies, procedures and methods used to manage and measure the risks.

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Commission deals with creditworthy counterparties to mitigate the risk of financial loss from defaults. In management's opinion, the maximum amount of credit risk is the carrying value of those assets. The accounts receivable balance consists primarily of receivables from federal government entities.

The Commission has a concentration of credit risk as its accounts receivable is comprised of \$130,582 (2023: \$115,154) which represent 99% (2023: 95%) of total accounts receivable. There has been no significant change in the risk exposure from 2023.

Liquidity risk

Liquidity risk is the risk that the Commission will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Commission is exposed to liquidity risk through its accounts payable.

The Commission manages its liquidity risk by monitoring its operating requirements. The Commission prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations. There has been a decrease in the risk exposure from 2023 due to the increase in working capital.

Interest rate risk

The Commission's accrued benefits payable (Note 5) is exposed to interest rate risk as the required payments to service the debt will fluctuate as a result of change in the market interest rates. There has been no change to the risk exposure from 2023.

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, 2023	Funding Received 2024	Revenue Recognized 2024	Balance March 31, 2024
Corporate Plan	\$1,929,028	\$12,963,015	\$ (12,400,931)	\$ 2,491,112
First Nations Infrastructure Institute	652,321	5,500,000	(1,868,271)	4,284,050
Own Source Revenue in Indigenous Communities Initiative (OSRICI)	40,956	—	(40,956)	—
First Nations Leading the Way V	117,159	—	(117,159)	—
	\$ 2,739,464	\$18,463,015	\$ (14,427,317)	\$ 6,775,162

The First Nations Infrastructure Institute is to be established under the FNFMA separate from FNTC. The funds deferred as reported above will subsequently be reported as a government transfer once the institution is established.

12. Accumulated Surplus

The Commission segregates its accumulated surplus in the following categories:

	2024	2023
Investment in tangible capital assets	\$ 298,926	\$ 516,258
Operational deficit	(156,702)	(156,702)
Litigation reserve	250,000	250,000
	\$ 392,224	\$ 609,556

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

The Litigation Reserve of \$250,000 was established by the Commission to set aside financial resources to fund legal costs arising out of judicial review applications or other legal processes in which the FNTC is a party or intervenor to support section 33 review processes. These funds will be maintained and used to cover the cost of future dispute resolutions and hearings.

13. Segmented Information

For the year ended March 31, 2024	Commission Services	Communications	Corporate Services	Dispute Management and Negotiations	Education and Capacity Development
Revenue					
Government of Canada	\$ 1,128,542	\$ 998,811	\$ 2,646,904	\$ 205,545	\$ 3,158,643
Interest and other income	—	—	321,064	—	—
	<u>1,128,542</u>	<u>998,811</u>	<u>2,967,968</u>	<u>205,545</u>	<u>3,158,643</u>
Expenses					
Salaries and honoraria	266,729	216,031	1,359,402	75,000	422,933
Goods and services	861,813	773,772	1,646,887	130,545	2,735,710
Amortization	—	9,008	179,011	—	—
	<u>1,128,542</u>	<u>998,811</u>	<u>3,185,300</u>	<u>205,545</u>	<u>3,158,643</u>
Annual deficit	\$ —	\$ —	\$ (217,332)	\$ —	\$ —

For the year ended March 31, 2023	Commission Services	Communications	Corporate Services	Dispute Management	Education and Capacity Development
Revenue					
Government of Canada	\$ 1,050,168	\$ 852,398	\$ 2,221,226	\$ 71,310	\$ 2,031,673
Interest and other income	—	—	107,959	—	—
	<u>1,050,168</u>	<u>852,398</u>	<u>2,329,185</u>	<u>71,310</u>	<u>2,031,673</u>
Expenses					
Salaries and honoraria	657,747	262,269	1,099,577	50,000	306,169
Goods and services	392,421	581,121	1,112,111	21,310	1,725,504
Amortization	—	9,008	196,224	—	—
	<u>1,050,168</u>	<u>852,398</u>	<u>2,407,912</u>	<u>71,310</u>	<u>2,031,673</u>
Annual surplus	\$ —	\$ —	\$ (78,727)	\$ —	\$ —

Segmented Information (Continued on next page) ►

13. Segmented Information (continued)

For the year ended March 31, 2024	First Nations Gazette	Law/By-Law Review and Outreach	Legal and Policy Services	Strategic Initiatives	Data and Statistical Capacity
Revenue					
Government of Canada	\$ 158,901	\$ 1,510,491	\$ 1,231,515	\$ 933,290	\$ 469,245
Interest and other income	—	—	—	—	—
	<u>158,901</u>	<u>1,510,491</u>	<u>1,231,515</u>	<u>933,290</u>	<u>469,245</u>
Expenses					
Salaries and honoraria	75,000	1,133,444	240,480	211,207	—
Goods and services	83,901	368,039	986,531	722,083	469,245
Amortization	—	9,008	4,504	—	—
	<u>158,901</u>	<u>1,510,491</u>	<u>1,231,515</u>	<u>933,290</u>	<u>469,245</u>
Annual deficit	\$ —	\$ —	\$ —	\$ —	\$ —

For the year ended March 31, 2023	First Nations Gazette	Law/By-Law Review and Outreach	Legal and Policy Services	Strategic Initiatives	Data and Statistical Capacity
Revenue					
Government of Canada	\$ 137,981	\$ 1,526,199	\$ 1,117,997	\$ 793,588	\$ —
Interest and other income	—	—	—	—	—
	<u>137,981</u>	<u>1,526,199</u>	<u>1,117,997</u>	<u>793,588</u>	<u>—</u>
Expenses					
Salaries and honoraria	75,000	1,028,691	14,165	180,627	—
Goods and services	62,981	488,500	1,099,328	612,961	—
Amortization	—	9,008	4,504	—	—
	<u>137,981</u>	<u>1,526,199</u>	<u>1,117,997</u>	<u>793,588</u>	<u>—</u>
Annual surplus	\$ —	\$ —	\$ —	\$ —	\$ —

Segmented Information (Continued on next page) ►

13. Segmented Information *(continued)*

For the year ended March 31, 2024	First Nations Infrastructure Institute	Advancing First Nation Jurisdictional Innovations	First Nations Leading the Way V	2024 Total
Revenue				
Government of Canada	\$ 1,868,272	\$ 200,000	\$ 117,159	\$ 14,627,318
Interest and other income	53,060	—	—	374,124
	<u>1,921,332</u>	<u>200,000</u>	<u>117,159</u>	<u>15,001,442</u>
Expenses				
Salaries and honoraria	—	—	—	4,000,226
Goods and services	1,921,332	200,000	117,159	11,017,017
Amortization	—	—	—	201,531
	<u>1,921,332</u>	<u>200,000</u>	<u>117,159</u>	<u>15,218,774</u>
Annual deficit	\$ —	\$ —	\$ —	\$ (217,332)

For the year ended March 31, 2023	First Nations Infrastructure Institute	Advancing First Nation Jurisdictional Innovations	First Nations Leading the Way V	2023 Total
Revenue				
Government of Canada	\$ 1,853,168	\$ —	\$ 1,132,840	\$ 12,788,548
Interest and other income	—	—	—	107,959
	<u>1,853,168</u>	<u>—</u>	<u>1,132,840</u>	<u>12,896,507</u>
Expenses				
Salaries and honoraria	—	—	—	3,674,245
Goods and services	1,853,168	—	1,132,840	9,082,245
Amortization	—	—	—	218,744
	<u>1,853,168</u>	<u>—</u>	<u>1,132,840</u>	<u>12,975,234</u>
Annual surplus	\$ —	\$ —	\$ —	\$ (78,727)



Glossary of Acronyms

BCR—Band Council Resolution

Canada—Government of Canada

CBNII—Central Bank Network for Indigenous Inclusion

CC—Chief Commissioner (of FNTC)

CEO—Chief Executive Officer (of FNTC)

DCC—Deputy Chief Commissioner (of FNTC)

FACT—Fuel, Alcohol, Cannabis and Tobacco (sales tax)

FMA—*First Nations Fiscal Management Act*

FMB—First Nations Financial Management Board

FNFA—First Nations Finance Authority

FNG—*First Nations Gazette*

FNII—First Nations Infrastructure Institute

FNRC—First Nations Resource Charge

FNTC—First Nations Tax Commission

ILC—Indigenous Law Centre, University of Saskatchewan

ILTF—Indian Land Tenure Foundation (United States)

KPI—Key Performance Indicator

MOU—Memorandum of Understanding

NITA—National Intertribal Tax Alliance (United States)

PILT—Payments in Lieu of Taxes

Section 83—Section 83 of the *Indian Act*

TRU—Thompson Rivers University

Tulo Centre—Tulo Centre of Indigenous Economics