

**NISGA'A NATION
FISCAL FINANCING AGREEMENT**

**Canada
British Columbia
Nisga'a Nation**

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**Nisga'a Nation Fiscal Financing Agreement / Canada, British
Columbia, Nisga'a Nation.** Issued jointly by: Canada. Indian
Affairs and Northern Development; British Columbia. Ministry
of Aboriginal Affairs; and Nisga'a Nation. Ottawa : Indian and
Northern Affairs Canada, 2000.

NISGA'A NATION FISCAL FINANCING AGREEMENT

THIS AGREEMENT made May 11, 2000.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF CANADA, as represented by
the Minister of Indian Affairs and Northern Development**

("Canada")

OF THE FIRST PART

AND:

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA, as represented by the
Minister of Aboriginal Affairs**

("British Columbia")

OF THE SECOND PART

AND:

**NISGA'A NATION, as represented by the Nisga'a Lisims
Government Executive**

(the "Nisga'a Nation")

OF THE THIRD PART

WHEREAS:

- A. The Nisga'a Nation, Canada and British Columbia have entered into the Nisga'a Final Agreement which provides that every five years, or at other intervals if the Parties agree, the Parties will negotiate and attempt to reach agreement on a fiscal financing agreement by which funding will be provided to the Nisga'a Nation to enable the provision of agreed-upon public programs and services to Nisga'a citizens and, where applicable, non-Nisga'a occupants of Nisga'a Lands, at levels reasonably comparable to those generally prevailing in northwest British Columbia; and
- B. The Parties have negotiated this Agreement as a fiscal financing agreement in accordance with the Nisga'a Final Agreement.

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NOW THEREFORE in consideration of the premises and the covenants and agreements set out below, the Parties agree as follows:

DEFINITIONS

1. Words and expressions not defined in this Agreement but defined in the Nisga’a Final Agreement have the meanings ascribed to them in the Nisga’a Final Agreement.

2. In this Agreement:

“Chapter” means the Chapter of the Nisga’a Final Agreement;

“agreed-upon assets” means the capital assets listed in Schedule C, as adjusted in accordance with subparagraph 1.3 of Schedule B;

“effective date” means the date upon which the Nisga’a Final Agreement takes effect;

“effective year” means the fiscal year that includes the effective date;

“fiscal year” has the meaning ascribed to it in the most recent own source revenue agreement;

“generally accepted accounting principles” means the accounting principles generally accepted in Canada from time to time and, if the handbook published by the Canadian Institute of Chartered Accountants or its successor includes a relevant statement of a principle or an accounting guideline, that statement will be considered conclusively to be an accounting principle or guideline generally accepted in Canada;

“Nisga’a capital finance authority” means a “Nisga’a capital finance authority” within the meaning of that term in the Fiscal Relations Chapter;

“Nisga’a Child and Family Services Agreement” means the agreement, as amended by the amending agreement, copies of which are attached as Schedule F;

“Nisga’a Final Agreement” means the Nisga’a Final Agreement signed on behalf of the Nisga’a Nation and Her Majesty in right of British Columbia on April 27, 1999, and Her Majesty in right of Canada on May 4, 1999, and includes any amendments made to that Agreement from time to time in accordance with its provisions;

“Nisga’a Nation own source revenue capacity” means the Nisga’a Nation own source revenue capacity as determined under an own source revenue agreement or, in the absence of an own source revenue agreement, under the Fiscal Relations Chapter;

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“NVHB General Practice Services Agreement” means the agreement, a copy of which is attached as Schedule E;

“own source revenue agreement” means an own source revenue agreement within the meaning of that term as used in the Fiscal Relations Chapter;

“Parties” means the parties to this Agreement and “Party” means any one of them;

“Transitional Funding Agreement” means the agreement, a copy of which is attached as Schedule H;

“Tripartite Finance Committee” means the “Tripartite Finance Committee” established in accordance with an own source revenue agreement.

AGREED-UPON PUBLIC PROGRAMS AND SERVICES

3. The Nisga’a Nation will ensure the provision of the agreed-upon public programs and services listed in paragraphs 4, 12, 16, 21, 22, 23, 25 and 26 in accordance with this Agreement.

HEALTH

4. The Nisga’a Nation will ensure the provision of the following agreed-upon public programs and services:
 - a. to all Nisga’a citizens ordinarily resident on Nisga’a Lands, community health programs and services including:
 - i. senior care,
 - ii. rehabilitation services,
 - iii. community healing programs, including traditional healing practices,
 - iv. public health services, including health promotion and illness prevention, immunization, communicable disease control, environmental health, and occupational health and safety programs, and
 - v. in-home care, including home care nursing;
 - b. to all Nisga’a citizens ordinarily resident in Canada, non-insured health benefits, including crisis intervention mental health counselling, patient transportation, vision care, dental services, drugs and medically necessary supplies;

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- c. on behalf of all Nisga'a citizens who are registered Indians and meet the definition of "resident" in the *Medicare Protection Act*, RSBC 1996, c. 286, payment by the Nisga'a Nation of Medical Services Plan premiums and British Columbia Ambulance Service fees;
- d. if the NVHB General Practice Services Agreement is assigned by the Nisga'a Valley Health Board to the Nisga'a Nation, physician and treatment services within Nisga'a Lands, consisting of primary care out patient services and after hours emergency consultation and treatment services, in accordance with the NVHB General Practice Services Agreement; and
- e. if the Transitional Funding Agreement is assigned by the Nisga'a Valley Health Board to the Nisga'a Nation, diagnostic and treatment centre services within Nisga'a Lands, including outpatient clinics, laboratory, radiology, and medical emergency services, and family violence programs.

HEALTH TERMS AND CONDITIONS

- 5. In the delivery of the agreed-upon public programs and services listed in paragraph 4, the Nisga'a Nation will ensure that:
 - a. the principles of the *Canada Health Act*, RSC 1985, c. C-6, are upheld;
 - b. the following prevention, promotion and treatment programs and services are maintained and delivered to public health standards generally applicable in the Province of British Columbia:
 - i. immunization,
 - ii. communicable disease control and treatment services,
 - iii. environmental health, and
 - iv. occupational health and safety;
 - c. a long term financial risk management plan is developed in respect of the delivery of non-insured health benefits; and
 - d. in respect of in-home care including home care nursing referred to in subparagraph 4(a)(v) and in respect of non-insured health benefits referred to in subparagraph 4(b):

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- i. a formally defined benefits schedule specifying types of assistance available, rates of assistance and conditions and criteria for eligibility, is publicly available,
 - ii. there is an impartial process for the appeal of an administrative decision not to provide, to discontinue or to reduce services or benefits to a person, and
 - iii. there is equality of access to programs and services by all eligible persons.
 6. The terms and conditions of the NVHB General Practice Services Agreement and the agreement referred to in paragraph 4(e) continue to apply but if:
 - (a) the NVHB General Practice Services Agreement is terminated for any reason during the term of this Agreement, then any obligation of the Nisga'a Nation to ensure the provision of physician and treatment programs and services under paragraph 4(d) of this Agreement, that has arisen on an assignment of that agreement by the Nisga'a Valley Health Board to the Nisga'a Nation; or
 - (b) the Transitional Funding Agreement is terminated for any reason during the term of this Agreement, then any obligation of the Nisga'a Nation to ensure the provision of diagnostic and treatment centre services within Nisga'a Lands, including outpatient clinics, laboratory, radiology, and medical emergency services, and family violence programs, that has arisen on an assignment of that agreement by the Nisga'a Valley Health Board to the Nisga'a Nation;

will end unless the Parties make new arrangements for the delivery and funding of those programs and services.
 7. Ambulance services provided by or through the British Columbia Ambulance Service under the *Health Emergency Act*, RSBC 1996, c. 182, will be provided within Nisga'a Lands on the same basis as they are provided to similar areas elsewhere in the Province of British Columbia.
 8. Without limiting access of an eligible Nisga'a citizen to specialist medical services generally available to persons residing in British Columbia, the Medical Services Plan will continue to pay the fee for service costs for specialist services provided within Nisga'a Lands as a result of referral by a physician retained under the NVHB General Practice Services Agreement.
 9. Subject to paragraph 10, the Nisga'a Nation will pay Medical Services Plan premiums, in accordance with the *Medicare Protection Act*, RSBC 1996, c. 286, for Nisga'a citizens who are registered Indians.
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10. Until transition to the provincial system is implemented, the Nisga'a Nation will pay Medical Services Plan premiums for Nisga'a citizens who are registered Indians and meet the definition of "resident" in the *Medicare Protection Act*, RSBC 1996, c.286, at the rate paid by Health Canada for other registered Indians in the Province of British Columbia.

HEALTH REPORTING

11. Where the following health status and service delivery information is not available from reports that the Nisga'a Nation or another person makes available to Canada or British Columbia, and on request from Canada or British Columbia, the Nisga'a Nation will ensure that the Party that makes the request is provided annually with information that the Nisga'a Nation has collected or that has been provided to it or to the Nisga'a Valley Health Board on:
- a. immunization and communicable diseases;
 - b. births and deaths of Nisga'a citizens, and other persons on Nisga'a Lands;
 - c. high risk diseases, including diabetes and tuberculosis, of patients of the Nisga'a Valley Health Board;
 - d. environmental health, including water, sewage and solid waste disposal systems, environmental contaminants, and related public health inspections, carried out by the Nisga'a Nation or the Nisga'a Valley Health Board on Nisga'a Lands; and
 - e. occupational health and safety.

SOCIAL SERVICES

12. The Nisga'a Nation will ensure the provision of the following agreed-upon public programs and services:
- a. child and family services in accordance with the Nisga'a Child and Family Services Agreement;
 - b. for all persons ordinarily resident on Nisga'a Lands, income assistance and services, including essential food, clothing, shelter and medical needs;
 - c. for all Nisga'a citizens ordinarily resident on Nisga'a Lands, training, education and employment programs, or other measures, to reduce reliance on income assistance; and

- d. for all persons ordinarily resident on Nisga'a Lands, local community programs that contribute to physical, emotional and social well being, including family support, family violence, and children's programs, but not including residential and institutional programs and services for persons with physical and mental handicaps.

SOCIAL SERVICES TERMS AND CONDITIONS

13. In the delivery of the agreed-upon public programs and services listed in subparagraph 12(b), the Nisga'a Nation will ensure that:

- a. programs and services are provided at levels reasonably comparable to those generally applicable in the Province of British Columbia;
- b. there is equality of access to programs and services for all persons ordinarily resident on Nisga'a Lands;
- c. objective needs or income tests are conducted for applicants for the programs or services;
- d. a formally defined benefits schedule specifying types of income assistance available, the rates of assistance and conditions and criteria for eligibility, is publicly available;
- e. there is an impartial process for the appeal of an administrative decision not to provide, to discontinue, or to reduce income assistance to a person; and
- f. there are systems and procedures in place to ensure adherence to the policies established by Nisga'a Lisims Government, in respect of income assistance programs, that are reasonably comparable to those systems and procedures of other persons providing income assistance programs in the Province of British Columbia;

and, in respect of the agreed-upon public programs and services described in subparagraph 12(d), the Nisga'a Nation will ensure that National Child Benefit Program savings will be invested in accordance with the following objectives of the National Child Benefit Program:

- g. to help prevent and reduce the depth of child poverty; and
- h. to promote attachment to the workforce by ensuring that families will always be better off as a result of working.

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14. The terms and conditions of the Nisga'a Child and Family Services Agreement continue to apply but, if that agreement is terminated for any reason during the term of this Agreement, then the Nisga'a Nation will pay British Columbia for the provision of child and family services on the same basis and at the same rates as does Canada for Indians on reserve lands in British Columbia, from the date of termination until a further Nisga'a child and family services agreement is concluded, or Nisga'a Lisims Government makes and implements laws in respect of child and family services on Nisga'a Lands.

SOCIAL SERVICES REPORTING

15. If the following social service program and service information is not available from reports that the Nisga'a Nation or another person makes available to Canada or British Columbia, and on request from Canada or British Columbia, the Nisga'a Nation will ensure that the Party that makes the request is provided annually with information that the Nisga'a Nation has collected or that has been provided to it on:
- a. the number of children in care under the Nisga'a Child and Family Services Agreement;
 - b. income assistance dependency levels of persons to whom that assistance is provided under paragraph 12(b), by category of assistance, age and gender; and
 - c. enrollment and completion rates in training and employment programs of persons to whom those programs are provided under paragraph 12(c).

EDUCATION

16. The Nisga'a Nation will ensure the provision of the following agreed-upon public programs and services:
- a. in respect of Nisga'a citizens ordinarily resident on Nisga'a Lands:
 - i. development and delivery of Nisga'a language, and Nisga'a culture, programs,
 - ii. delivery of nursery school programs and services,
 - iii. instructional services for students attending Kindergarten to Grade 12,
 - iv. instructional support services for students attending Kindergarten to Grade 12,

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- v. special education and ancillary services for students attending Kindergarten to Grade 12, and
 - vi. financial support for the delivery of post-secondary education and training programs; and
- b. in respect of Nisga'a citizens ordinarily resident in Canada, financial support to attend accredited post secondary education or training institutions.

EDUCATION TERMS AND CONDITIONS

17. In the delivery of financial support to Nisga'a citizens to attend accredited post secondary education or training institutions referred to in paragraph 16(b), the Nisga'a Nation will ensure that:
- a. a formally defined schedule of types and amounts of assistance and criteria for eligibility, is publicly available;
 - b. a schedule of publicly accredited education and training institutions, attendance at which may be funded by the Nisga'a Nation, is publicly available; and
 - c. there is an impartial process for the appeal of an administrative decision not to provide, to discontinue, or to reduce services or benefits to a person.
18. The Nisga'a Nation will transfer to Wilp Wilxo'oskwhl Nisga'a financial support provided by British Columbia for the delivery of post secondary education and training programs referred to in subparagraph 16(a)(vi).

EDUCATION REPORTING

19. If the following education program and service information is not available from reports that the Nisga'a Nation or another person makes available to Canada or British Columbia, and on request of Canada or British Columbia, the Nisga'a Nation will ensure that the Party that makes the request is provided annually with information that the Nisga'a Nation has collected or that has been provided to it on enrollment and completion rates of Nisga'a citizens receiving agreed-upon public programs and services under subparagraph 16(a)(iii) and subparagraph 16(b), by gender of student and type of educational institution.
20. If information that is ordinarily collected and reported for School District No. 92 (Nisga'a) to British Columbia is not available from reports that British Columbia or another person makes available to Canada and the Nisga'a Nation, and on request from either Canada or the Nisga'a Nation, British Columbia will ensure that the Party that makes the request is provided annually with that information.

LOCAL PROGRAMS AND SERVICES

21. The Nisga'a Nation will ensure the provision of the following agreed-upon functions of government:
- a. executive and legislative functions, administration, management and operation of Nisga'a Lisims Government, including:
 - i. maintenance of a public registry of the Nisga'a Constitution and Nisga'a laws, and other record keeping,
 - ii. conduct of elections and referenda,
 - iii. establishment of a procedure for enrolling persons under the Nisga'a Final Agreement and maintenance of a public enrolment register,
 - iv. raising of revenue,
 - v. financial management, and
 - vi. program and financial accountability to Nisga'a citizens;
 - b. land and environmental management including zoning, development, planning and land use planning in respect of Nisga'a Lands; and
 - c. fisheries and wildlife management including the management of wildlife reserves, the distribution of Nisga'a entitlements under the Nisga'a Final Agreement, participation on the Wildlife Management Committee, and ensuring compliance with the annual management plan for wildlife and the annual fishing plan.
22. The Nisga'a Nation will ensure the provision of funding for executive and legislative functions, administration, management and operation of Nisga'a Village Governments as provided by Nisga'a law, or as may be agreed to with Nisga'a Village Governments from time to time.
23. The Nisga'a Nation will ensure the provision of the following agreed-upon local programs and services:
- a. issuance of permits and licenses for activities under Nisga'a Lisims Government or Nisga'a Village Government jurisdiction;
 - b. establishment and operation of a fire department, voluntary or otherwise;
 - c. operations and minor maintenance of agreed-upon assets;

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- d. appointment of officers for the enforcement of Nisga'a laws in areas such as zoning, land use, traffic and transportation; and
- e. development, implementation, and annual updating of an emergency preparedness and response plan for each of the Nisga'a Villages and for those Nisga'a Lands that are not within the boundaries of a Nisga'a Village.

LOCAL SERVICES REPORTING

- 24. The Nisga'a Nation will provide to Canada and British Columbia information on local programs and services, on the same basis that other local governments provide information to the statistical collection agencies of Canada and British Columbia.

CAPITAL PROGRAMS AND SERVICES

- 25. The Nisga'a Nation will ensure the maintenance and replacement of the agreed-upon assets.
- 26. The Nisga'a Nation will provide a program for the construction and rehabilitation of residential housing for Nisga'a citizens on Nisga'a Lands.
- 27. Canada will continue to provide guarantees for financing by Canada Mortgage and Housing Corporation, if necessary.
- 28. The Nisga'a Nation will provide guarantees concurrent with those referred to in paragraph 27 for financing by Canada Mortgage and Housing Corporation, and in the event of default, if costs accrue to Canada, those costs may be set off over a reasonable term against amounts payable by Canada to the Nisga'a Nation under this Agreement and future fiscal financing agreements.
- 29. Schedule C, as adjusted in accordance with paragraph 1.3 of Schedule B, will form the basis for negotiation of funding for replacement and major maintenance of agreed-upon assets in future fiscal financing agreements.

CAPITAL TERMS AND CONDITIONS

- 30. The Nisga'a Nation will adopt a life cycle management approach for the replacement and maintenance of the agreed-upon assets, including the following functions:
 - a. preparation and implementation of a multi-year maintenance and replacement plan and budget;
 - b. maintenance of the assets in good condition;

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- c. replacement of the assets as necessary; and
 - d. operation of a capital management information system.
31. In the delivery of the program in respect of residential housing referred to in paragraph 26, the Nisga'a Nation will ensure that:
- a. a formally defined statement of eligibility criteria is established and is publicly available;
 - b. there is equality of access for all eligible Nisga'a citizens; and
 - c. there is an impartial process for the appeal of administrative decisions related to the refusal to provide, or the discontinuance or reduction of, services or benefits.
32. The Nisga'a Nation will maintain the agreed-upon assets in a manner consistent with applicable federal and provincial laws, including building, and fire and safety codes, at a level necessary to provide for the delivery of health services, social services, and local services in accordance with this Agreement.
33. The Nisga'a Nation will maintain insurance on the agreed-upon assets, as appropriate.
34. The Nisga'a Nation will be responsible for the maintenance and replacement of any assets of the Nisga'a Nation or a Nisga'a Village acquired through the use of the additional capital projects funds provided by Canada as identified in Table 2 of Schedule B.

NISGA'A CAPITAL FINANCE AUTHORITY

35. The Nisga'a Nation will establish a Nisga'a capital finance authority for the benefit of the Nisga'a Nation and all Nisga'a Villages, to enable the financing of capital projects of the Nisga'a Nation or Nisga'a Villages on Nisga'a Lands. For greater certainty, a capital project of the Nisga'a Nation or a Nisga'a Village may include the acquisition or construction of residential housing, on Nisga'a Lands, for the benefit of Nisga'a citizens.
36. Subject to the Nisga'a capital finance authority fulfilling its obligations to the Nisga'a Nation, the Nisga'a Nation will transfer to the Nisga'a capital finance authority on an annual basis the full amount of funds provided by Canada to the Nisga'a Nation under this Agreement, for the major maintenance and replacement of the agreed-upon assets.
37. The Nisga'a Nation will ensure that the purposes or objects of the Nisga'a capital finance authority will include financing of the major maintenance and replacement of the agreed-upon assets, in accordance with a life cycle management program.
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38. The Nisga'a Nation will ensure that the Nisga'a capital finance authority has directors, trustees, members or representatives with experience and expertise appropriate to the operation of a capital fund or to the financing of capital projects.
39. The Nisga'a Nation will include in the legal documentation establishing the Nisga'a capital finance authority, provisions for:
- a. administration and management of the capital funding provided by Canada under this Agreement for the agreed-upon assets;
 - b. ensuring that the obligations of the Nisga'a capital finance authority to the Nisga'a Nation are carried out;
 - c. segregation of the capital funding provided by Canada for the agreed-upon assets;
 - d. management of the capital funds identified in Schedule B to ensure the availability of adequate funding for the major maintenance and replacement of the agreed-upon assets;
 - e. powers to make investments, to provide grants, loans, and loan guarantees, and to borrow funds, for the purposes or objects of the Nisga'a capital finance authority;
 - f. good and prudent administration of the assets of the Nisga'a capital finance authority, in accordance with normal business standards and practices, including:
 - i. appropriate limits and conditions on borrowing,
 - ii. conditions and limits on lending, including *bona fide* arrangements for loan repayment within a reasonable period of time, and
 - iii. investment in conservative financial instruments; and
 - g. a public annual report by the Nisga'a capital finance authority.
40. The legal documentation establishing a Nisga'a capital finance authority, or amending the purposes or objects of a Nisga'a capital finance authority, is subject to review and agreement by Canada and the Nisga'a Nation.

ONE TIME IMPLEMENTATION ACTIVITIES AND FUNDING

41. The Nisga'a Nation will undertake the following one time start up activities to support implementation of the Nisga'a Final Agreement:

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- a. establishment of a training fund to support Nisga'a citizens to participate in the implementation of the Nisga'a Final Agreement, including forestry transition activities;
 - b. preparation and implementation of a communication strategy, in accordance with Annex B to the Implementation Plan, to inform Nisga'a citizens, and the general public, about the Nisga'a Final Agreement;
 - c. fisheries management start up activities;
 - d. land management start up activities; and
 - e. preparation of an initial body of laws.
42. Canada and British Columbia will each provide their respective implementation funding and time limited program funding amounts to the Nisga'a Nation as set out in Schedule A, and in Table 2 of Schedule B.

ADDITIONAL AGREED-UPON PUBLIC PROGRAMS OR SERVICES

43. At any time during the term of this Agreement, the Nisga'a Nation may notify Canada and British Columbia that it wishes to negotiate the addition of:
- a. policing, correction or court programs or services;
 - b. programs or services that are new ongoing initiatives by Canada or British Columbia; or
 - c. any program or service that a provision of the Nisga'a Final Agreement provides a Party or Parties will negotiate on the request of a Party or Parties;
- to the agreed-upon public programs and services and funding arrangements set out in this Agreement.
44. During the six month period that commences on the first day of the 30th month after the effective date, the Nisga'a Nation may notify Canada and British Columbia that it wishes to negotiate the addition of:
- a. public programs or services not referred to in paragraph 3 or 43; and
 - b. funding for the provision of those programs and services;
- to the agreed-upon public programs and services and funding arrangements set out in this Agreement.
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45. The Parties will commence negotiations within six months after the date the notice referred to in paragraph 43 is given to Canada and British Columbia, or after they agree to carry out negotiations under paragraph 44, to add:
- a. the programs or services referred to in the notice referred to in paragraph 43, or in respect of which they agree to carry out negotiations under paragraph 44; and
 - b. funding to enable the Nisga'a Nation to ensure the provision of those programs and services;
- to the agreed-upon public programs and services and funding arrangements set out in this Agreement, and will attempt to reach agreement on the subjects of the negotiations as soon as is reasonably practicable after their commencement.
46. If Nisga'a Lisims Government passes laws for the establishment and operation of a Nisga'a Nursery School to Grade 12 education system during the term of this Agreement, the Parties will negotiate and attempt to reach agreement on amendments to this Agreement before the dissolution of School District No. 92 (Nisga'a), including provisions for:
- a. the transfer of the assets of School District No. 92 (Nisga'a) to the Nisga'a Nation;
 - b. the provision of Kindergarten to Grade 12 education for persons other than Nisga'a citizens residing within School District No. 92 (Nisga'a) boundaries;
 - c. access to provincial curriculum resources and support; and
 - d. capital and debt servicing arrangements.

EMERGENCY PREPAREDNESS AND RESPONSE

47. In addition to any other programs or services available to it in respect of emergency preparedness training under laws of general application, the Nisga'a Nation will have the same access to emergency preparedness training as is available to Indian bands in the Province of British Columbia.
48. The Nisga'a Nation will ensure a response to emergencies to the extent practicable through existing emergency response capacity.
49. British Columbia will coordinate the response to emergencies that occur on Nisga'a Lands where the responsible Nisga'a Government does not have adequate capability to respond effectively.
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50. Eligibility for disaster financial assistance under the *Emergency Program Act*, RSBC 1996, c.111, is not affected by this Agreement.

NET TRANSFER CALCULATION AND PAYMENT

51. The net transfer by British Columbia for a fiscal year is the annual funding amount set out in Schedule A and will be paid in accordance with that Schedule.
52. Under this Agreement, the net transfer by Canada to the Nisga'a Nation:
- a. for the effective year, is the aggregate of the effective year funding amounts for programs and services described in Table 1 and Table 2 of Schedule B, as determined in accordance with Schedule B; and
 - b. for each fiscal year after the effective year, is the aggregate of the post effective year funding amounts for the fiscal year for programs and services described in Table 1 and Table 2 of Schedule B, as determined in accordance with Schedule B, and adjusted for Nisga'a Nation own source revenue capacity to be taken into account for that fiscal year in accordance with paragraphs 20 to 22 of the Nisga'a Nation Own Source Revenue Agreement attached as Schedule G.
53. The net transfer by Canada to the Nisga'a Nation for a fiscal year will be paid:
- a. for the effective year, in respect of programs referred to in Table 2 of Schedule B, within 10 working days of the effective date;
 - b. for the effective year, in respect of programs and services referred to in Table 1 of Schedule B, the effective year funding amount determined in accordance with subparagraph 1.5 of Schedule B, in equal instalments, commencing on the first day of the first month that starts on or after the effective date, and monthly thereafter until the end of the effective year; and
 - c. for a fiscal year after the effective year, on the first day of the fiscal year in an amount equal to one-sixth of the net transfer for that fiscal year, and on the first day of each subsequent month of that fiscal year in an amount equal to one-eleventh of the balance of the net transfer amount for that fiscal year.

OTHER EDUCATION FUNDING CONDITIONS

54. British Columbia will continue to pay School District No. 92 (Nisga'a) the appropriate district per pupil block rate for non-Nisga'a persons attending School District No. 92 (Nisga'a).

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55. The Nisga'a Nation will pay School District No. 92 (Nisga'a) and any other School District an amount equal to the appropriate district per pupil block rate for Nisga'a citizens ordinarily resident on Nisga'a Lands who attend Kindergarten to Grade 12 educational programs operated by that School District, in accordance with the terms and conditions of the Local Education Agreement in effect from time to time between the Nisga'a Nation and that School District.
56. In addition to the funding under paragraph 54 and 55, School District No. 92 (Nisga'a) remains eligible for other funding which is available from time to time to School Districts under Provincial policies.

EMERGENCY RESPONSE FUNDING CONDITIONS

57. Costs associated with a response to an emergency on Nisga'a Lands that were formerly reserve lands, will be recoverable by British Columbia from Canada in accordance with the financial arrangements in effect from time to time between British Columbia and Canada.

OTHER FISHERIES FUNDING

58. In addition to fisheries management funding in respect of activities referred to in subparagraphs 21(c) and 41(c), Canada will provide funding to the Nisga'a Nation under separate agreements as provided for in Schedule D.

SEPARATE LIABILITIES

59. The liabilities of Canada and British Columbia in respect of funding under this Agreement are several and not joint or joint and several.

STABILIZATION OF FUNDING

60. If an extraordinary event or circumstance occurs that materially impairs the financial ability of the Nisga'a Nation to provide the agreed-upon public programs and services to Nisga'a citizens and non-Nisga'a occupants of Nisga'a Lands for which Canada or British Columbia provides funding under this Agreement or an agreement attached as a schedule to this Agreement, on request of the Nisga'a Nation to Canada and British Columbia, the Parties will:
- a. meet as soon as possible to review all aspects of the extraordinary event or circumstance in detail, including its impact on the delivery of the agreed-upon public programs and services and what financial or other assistance, if any, has been or will be provided to persons, including the Nisga'a Nation and Nisga'a Villages, in consequence of the extraordinary event or circumstance, under programs of general application;

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- b. examine whether and how the impact of the extraordinary event or circumstance on the delivery of those programs and services might be mitigated; and
- c. decide whether they will enter into negotiations to enable the Nisga'a Nation or any other person to provide the public programs and services at levels reasonably comparable to those prevailing in northwest British Columbia during the period necessary for the impact of the extraordinary event or circumstance on the ability of the Nisga'a Nation to deliver those programs and services to come to an end.

PARLIAMENTARY AND LEGISLATIVE APPROPRIATIONS

- 61. Payment of any money by Canada under this Agreement is subject to there being an appropriation by the Parliament of Canada for the payment for the fiscal year in which the payment becomes due.
- 62. Payment of any money by British Columbia under this Agreement is subject to there being an appropriation by the Legislature of British Columbia for the payment for the fiscal year in which the payment becomes due.

DISCRETION TO ALLOCATE FINANCIAL RESOURCES

- 63. Subject to this Agreement and the agreements attached as schedules to this Agreement, the Nisga'a Nation has the discretion to allocate and expend the funding transferred to it under this Agreement and any of those agreements as the Nisga'a Nation in its discretion determines.

OTHER PROGRAMS AND SERVICES

- 64. In accordance with program and service authorities and conditions in effect from time to time, the Nisga'a Nation and each Nisga'a Village may access programs and services of Canada and British Columbia not consolidated in this Agreement including, for greater certainty, the following programs and services:
 - a. police based victim assistance program;
 - b. access to justice;
 - c. family law program;
 - d. institutional and residential programs or services for mentally handicapped individuals; and
 - e. fisheries programs and services not provided for in this Agreement including, for example, salmonid enhancement programs.

TRIPARTITE FINANCE COMMITTEE

65. The Tripartite Finance Committee will:
- a. meet at least once a year to carry out an annual review of this Agreement;
 - b. during the first two years of this Agreement, establish terms of reference for the comprehensive review of this Agreement to be carried out under paragraph (e), and recommend their approval to the Parties;
 - c. if they all agree, recommend in writing to the Parties any changes to this Agreement;
 - d. do such things as are appropriate to facilitate the resolution of any problems that arise in respect of this Agreement;
 - e. during the fourth year of this Agreement, carry out a comprehensive review of this Agreement; and
 - f. do such other things relating to this Agreement as the Parties may agree from time to time to be appropriate.
66. A Tripartite Finance Committee member may bring resource persons to meetings as they consider appropriate to assist in fulfilling their responsibilities under this Agreement.

DISPUTE RESOLUTION

67. The Parties desire and expect that a dispute arising from this Agreement will be resolved by informal discussion between the disputing Parties .
68. If the dispute is not resolved by informal discussion within 60 days of a Party notifying another Party of the dispute, it will be referred to the Tripartite Finance Committee.
69. If the Tripartite Finance Committee fails to resolve a dispute within 45 days of the dispute being referred to it, or a longer period if the Parties agree, the dispute will be dealt with under the Dispute Resolution Chapter and, for greater certainty, the dispute will be considered to be a dispute for the purposes of that Chapter.
70. The discussions in paragraphs 68 and 69 will be considered to be “collaborative negotiations” for the purposes of the Dispute Resolution Chapter.
71. Notwithstanding paragraphs 67 to 70, if an agreement referred to in paragraph 94 contains dispute resolution provisions, those provisions will apply for the purposes of that agreement.
-

NISGA'A NATION FISCAL FINANCING AGREEMENT

PROGRAM AND FINANCIAL ACCOUNTABILITY

72. All accounts and financial statements required to be prepared under this Agreement will be prepared in accordance with generally accepted accounting principles.
73. The Nisga'a Nation will:
- a. within five months following the end of each fiscal year provide Canada and British Columbia with audited financial statements for the fiscal year for the Nisga'a Nation and each Nisga'a Village prepared to a comparable standard to that generally accepted for governments in Canada;
 - b. where the Nisga'a Nation transfers funds to another person to deliver programs and services on an ongoing basis and for which the Nisga'a Nation is responsible under this Agreement, the Nisga'a Nation will ensure that adequate procedures are in place to establish program and financial accountability for those funds, including financial audit, where appropriate;
 - c. prepare annual estimates by program or service, setting out proposed objectives, financial allocations, and anticipated performance results for the next fiscal year and comparable performance data for the previous fiscal year; and
 - d. undertake a periodic evaluation of the effectiveness of its programs and services.

NISGA'A POPULATION DATA BASE

74. The Nisga'a Nation will establish and maintain a population data base of Nisga'a citizens, and it will constitute the Nisga'a population data base for purposes of this Agreement.
75. The Parties will share all relevant information maintained by each of the Parties, as required to verify the Nisga'a Nation population data base.
76. Within two years of the effective date, the Parties will establish, implement, and thereafter maintain, on an annual basis, procedures necessary to:
- a. compare, identify, and explain any differences in their respective information regarding the number of Nisga'a citizens; and
 - b. agree upon the number of Nisga'a citizens, by age group, that constitute the Nisga'a Nation population data base.

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INFORMATION EXCHANGE, GENERAL PROVISIONS

77. The Parties will share, in a timely manner, information reasonably required for purposes of implementation, monitoring, and renewal of this Agreement.
78. The Nisga'a Nation will collect and maintain information regarding the operations of Nisga'a Lisims Government on a basis reasonably comparable to that of similar governments in Canada.
79. The Nisga'a Nation will ensure that information on agreed-upon public programs and services is collected and maintained on a basis reasonably comparable to that of similar providers of similar programs and services in the Province of British Columbia.
80. On request by Canada or British Columbia, the Nisga'a Lisims Government will provide copies of public reports on the agreed-upon public programs and services under this Agreement.
81. The Parties will collect, share and disclose information under this Agreement in a manner that:
 - a. ensures the confidentiality of that information to the same extent as applies generally to other persons providing programs and services in the Province of British Columbia that are similar to those provided for in this Agreement; and
 - b. is in accordance with applicable federal and provincial legislation and paragraphs 44 to 48 of the General Provisions Chapter.

TERM OF THIS AGREEMENT

82. This Agreement will commence on the effective date and, subject to paragraph 86, will end at the end of the fiscal year in which the 5th anniversary of the effective date occurs.
83. The obligation of the Nisga'a Nation to provide programs and services under this Agreement will start upon receipt of the first payment from Canada and British Columbia under this Agreement.

SUBSEQUENT FISCAL FINANCING AGREEMENT

84. One year before the date of expiry of this Agreement, or at an earlier date if the Parties agree, the Parties will begin negotiating the next fiscal financing agreement.
 85. At least ten months before expiry of this Agreement, the Nisga'a Nation will notify Canada and British Columbia of any additional programs or services that it wishes to have included under the next fiscal financing agreement.
-

NISGA'A NATION FISCAL FINANCING AGREEMENT

86. If the Parties do not reach a further fiscal financing agreement by the expiry date of this Agreement, this Agreement will continue in effect for two years from its original expiry date, or for a longer period if the Parties agree, while they attempt to reach the further fiscal financing agreement.

DEFAULT AND REMEDIES

87. Each of the following is a default under this Agreement:
- a. a Party fails to comply with a provision of this Agreement;
 - b. a Party gives or makes a representation, statement or report, required under this Agreement, that it knows or reasonably ought to know is false in a material way;
or
 - c. the Nisga'a Nation becomes bankrupt or insolvent or subject to any legislation in respect of bankruptcy, insolvency or winding up.
88. Before taking any action in respect of a default under this Agreement, a Party will notify the Party in default and the other Party to this Agreement of the provision of this Agreement in respect of which the default has occurred and, in reasonable detail, of the nature of the default.
89. A Party that receives a notice of default under paragraph 88 may, within 30 days of receipt of the notice, notify the other Parties, with reasons, that it does not agree that it is in default, but if it fails to so notify the other Parties it will:
- a. within the 30 day period, remedy the default; or
 - b. if the default is not capable of being remedied within the 30 day period, commence, and diligently continue, to remedy the default;
- and, in either case, will notify the other Parties of the remedial action taken, or being taken, by it to remedy the default.
90. If, in the reasonable opinion of the Party that gave notice of a default under paragraph 88, the delivery of an agreed-upon program or service under this Agreement is materially affected by the default, then on giving at least 14 days notice to the other Parties of its intention to do so, the Party that gave the notice of default may:
- a. either directly, or under agreement with another person (including with another Party), provide or ensure the provision of that program or service; and

NISGA’A NATION FISCAL FINANCING AGREEMENT

- b. deduct from payments that it has agreed to make under this Agreement the amount that it has paid to provide or ensure the provision of that program or service;

but nothing in this paragraph 90 will relieve that Party taking the actions described in subparagraphs (a) or (b) from any damages that it may incur if it is subsequently determined that it was in error in its opinion that a default had occurred under this Agreement.

91. If a dispute occurs between Parties in respect of a default under this Agreement, the Parties to the dispute will settle the dispute between them under paragraphs 67 to 70.
92. A Party that gives notice of a default under paragraph 88 may at any time waive the default, in which case the default is waived for all Parties for all purposes.

SCHEDULES

93. The following Schedules are attached to and form part of this Agreement:

Schedule	Description
A	British Columbia Funding Amounts
B	Canada Program and Service Base Funding Amounts and Adjustment Factors
C	Canada Base Year Funding Amount for Agreed-Upon Assets

94. Subject to paragraph 95, the following Schedules are attached to this Agreement for convenience of reference only and do not form part of it:

Schedule	Description
D	Other Fisheries Related Funding
E	NVHB General Practice Services Agreement
F	Nisga’a Child and Family Services Agreement
G	Nisga’a Nation Own Source Revenue Agreement
H	Transitional Funding Agreement

NISGA’A NATION FISCAL FINANCING AGREEMENT

95. Schedules D, E, F, G and H form part of this Agreement to the extent expressly provided in this Agreement.

AMENDMENT

96. Any amendment to this Agreement must be in writing and executed by all Parties.

NO IMPLIED WAIVER

97. No term or condition of this Agreement, or performance by a Party of a covenant under this Agreement, will be deemed to have been waived unless the waiver is in writing and signed by the Party or Parties giving the waiver.
98. No written waiver of a term or condition of this Agreement, of performance by a Party of a covenant under this Agreement, or of default by a Party of a covenant under this Agreement, will be deemed to be a waiver of any other covenant, term or condition, or of any subsequent default.

FURTHER ASSURANCES

99. The Parties will execute any other documents and do any other things that may be necessary to carry out the intent of this Agreement.

INTERPRETATION

100. In this Agreement:
- a. unless it is otherwise clear from the context, “including” means “including, but not limited to”, and “includes” means “includes, but is not limited to”;
 - b. headings and subheadings are for convenience only, do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement;
 - c. a reference to a statute includes every amendment to it, every regulation made under it and any law enacted in substitution for it or in replacement of it;
 - d. a reference to an agreement that is included as a schedule to this Agreement includes every amendment to it and every agreement made in substitution for it or in replacement of it;
 - e. unless it is otherwise clear from the context, a reference to a Schedule means a Schedule to this Agreement;

NISGA'A NATION FISCAL FINANCING AGREEMENT

- f. unless it is otherwise clear from the context, the use of the singular includes the plural, and the use of the plural includes the singular; and
- g. all accounting terms have the meanings assigned to them under generally accepted accounting principles.

101. This Agreement does not form part of the Nisga'a Final Agreement.

102. This Agreement is not intended to be a treaty or a land claim agreement, and is not intended to recognize or affirm aboriginal or treaty rights, within the meaning of sections 25 and 35 of the *Constitution Act, 1982*.

TIME OF THE ESSENCE

103. Time is of the essence in this Agreement.

SEVERABILITY

104. If any part of this Agreement is declared or held invalid for any reason, the invalidity of that part will not affect the validity of the remainder which will continue in full force and effect and be construed as if this Agreement had been executed without the invalid portion.

ENUREMENT

105. This Agreement will enure to the benefit of and be binding upon the Parties and their respective permitted assigns.

NO ASSIGNMENT

106. Unless otherwise agreed by the Parties, this Agreement may not be assigned, either in whole or in part, by any Party to it.

NOTICES

107. Unless otherwise provided, a notice, document, request, approval, authorization, consent or other communication (each a "communication") required or permitted to be given or made under this Agreement must be in writing and may be given or made in one or more of the following ways:

- a. delivered personally or by courier;
- b. transmitted by facsimile transmission; or

NISGA'A NATION FISCAL FINANCING AGREEMENT

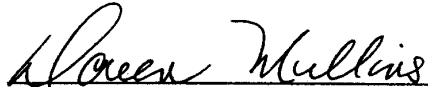
- c. mailed by prepaid registered post in Canada.
108. A communication will be considered to have been given or made, and received:
- a. if delivered personally or by courier, at the start of business on the next business day after the business day on which it was received by the addressee or a responsible representative of the addressee;
 - b. if sent by facsimile transmission and if the sender receives confirmation of the transmission, at the start of business on the next business day on which it was transmitted; or
 - c. if mailed by prepaid registered post in Canada, when the postal receipt is acknowledged by the addressee.
109. A communication must be delivered, transmitted to the facsimile number or mailed to the address of the intended recipient set out below
- For: Canada**
Attention: Minister of Indian Affairs and Northern Development
House of Commons
Confederation Building
Ottawa, Ontario
K1A 0A6
Fax Number: (819) 953-4941
- For: British Columbia**
Attention: Minister of Aboriginal Affairs
Parliament Buildings
Victoria, British Columbia
V8V 1X4
Fax Number: (250) 356-1124
- For: Nisga'a Nation**
Attention: President
P.O. Box 231
New Aiyansh, British Columbia
VOJ 1A0
Fax Number: (250) 633-2367
110. A Party may change its address or facsimile number by giving a notice of the change to the other Parties in the manner set out above.
-

NISGA'A NATION FISCAL FINANCING AGREEMENT

THIS AGREEMENT HAS BEEN EXECUTED as of the day and year first above written.

EXECUTED in the presence of:

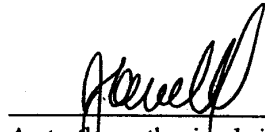
) HER MAJESTY THE QUEEN IN
) RIGHT OF CANADA as represented
) by the Minister of Indian Affairs and
) Northern Development or duly
) authorized signatory
)
)
)

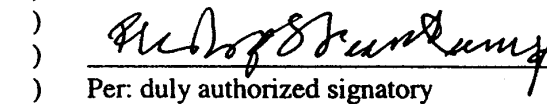

As to the authorized signatory for the
Minister of Indian Affairs and Northern
Development


Per. duly authorized signatory

EXECUTED in the presence of:

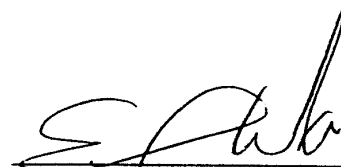
) HER MAJESTY THE QUEEN IN
) RIGHT OF THE PROVINCE OF
) BRITISH COLUMBIA as represented
) by the Minister of Aboriginal Affairs or
) duly authorized signatory
)
)
)

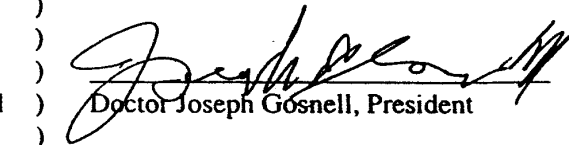

As to the authorized signatory for the
Minister of Aboriginal Affairs


Per. duly authorized signatory

EXECUTED in the presence of:

) NISGA'A NATION as represented by
) the Nisga'a Lisims Government
) Executive or duly authorized signatory
)
)
)
)


As to the signature of Doctor Joseph Gosnell


Doctor Joseph Gosnell, President

NISGA’A NATION FISCAL FINANCING AGREEMENT

Schedule A

British Columbia Funding Amounts

Programs and Services	Source	Annual Funding Amount
Physician and Treatment Services	NVHB General Practice Services Agreement	up to \$ 597,110
Diagnostic and Treatment Centre Services	Transitional Funding Agreement (includes North West Aboriginal Health Council funding)	\$ 657,651
Post-secondary education and training programs	Aboriginal Post-Secondary Education and Training Policy Framework	\$226,000
Wildlife Management		\$20,000
TOTAL		\$ 1,500,761

Implementation Funding		One-Time Transfer (NPV)
Training Fund	Forestry Transition	\$548,000
	Training	\$676,000
TOTAL		\$1,224,000

Notes

- British Columbia will continue to pay the Nisga’a Valley Health Board (“NVHB”) for services provided under the NVHB General Practice Services Agreement until it is assigned by the NVHB to the Nisga’a Nation in accordance with its terms and conditions. Following the assignment, British Columbia will pay the Nisga’a Nation for services provided under the NVHB General Practice Services Agreement.

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2. British Columbia will continue to pay funding to the NVHB under the Transitional Funding Agreement until it is assigned by the NVHB to the Nisga'a Nation in accordance with its terms and conditions. Following the assignment, British Columbia will pay the Nisga'a Nation under the Transitional Funding Agreement.
3. The Annual Funding Amounts in the first Table of this Schedule, other than the annual funding amount for Wildlife Management, will be amended as of the effective date to show the level of funding then being provided under the relevant agreements, or policy framework, in respect of the programs and services described in the Table, and thereafter will be adjusted from time to time as appropriate in accordance with changes in policies prevailing in British Columbia or as provided in the agreements or in accordance with that policy framework, as the case may be.
4. The annual funding amount for post-secondary education and training programs in the first Table of this Schedule will be paid to the Nisga'a Nation on the effective date and thereafter on the first day of each fiscal year.
5. The annual funding amount for Wildlife Management in the first Table of this Schedule will be paid to the Nisga'a Nation on the effective date and thereafter on the first day of each fiscal year.
6. For the purposes of determining the net transfer for the effective year, the annual funding amounts will be adjusted to take into account the portion thereof that has already been paid before the effective date.
7. Implementation Funding in the second Table of this Schedule will be paid to the Nisga'a Nation on the effective date.

Schedule B

Canada Program and Service Base Year Funding Amounts and Adjustment Factors

Table 1 sets out:

- a. the base year funding amounts for ongoing programs and services to be provided by the Nisga’a Nation;
- b. where applicable, the adjustments that will be made to each base year funding amount to arrive at the funding amount for the fiscal year that includes the effective date (the “effective year”); and
- c. where applicable, the adjustments that will be made to each effective year funding amount to arrive at the funding amount for each fiscal year, after the effective year, while this Agreement is in effect.

Table 1

Base Year Funding Amounts and Adjustment Factors

Program or Service Area	Pre-Effective Year Adjustments		Post-Effective Year Adjustments	
	Base Year Funding Amount \$ (1997/98)	Adjustment to Effective Year	Composite Population Adjustment	Price Adjustment
Column 1	Column 2	Column 3	Column 4	Column 5
Health	7,500,018	Budget	Yes	Yes
Social Programs	2,552,753	Budget	Yes	Yes
Income Assistance	2,467,945	Budget ¹	Yes	Yes
Education	9,016,052	Budget	Yes	Yes
Local Services				
Government & Local Services	4,694,400	Budget	No	Yes

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Land and Resource Management	812,500	Price	No	Yes
Capital				
Agreed-Upon Assets	2,100,000	Update	No	Yes
Housing	1,400,000	None	No	No

¹ On or before the effective date, the Parties will review the base year funding amount for income assistance, to determine whether the actual level of expenditure for that program by Canada in the year immediately before the effective date indicates that an increase to the base year funding amount is required.

Table 2 sets out:

- a. the base year funding amounts for time limited programs; and
- b. where applicable, the adjustments that will be made to each amount to arrive at the funding amount for each program for the effective year and, where applicable, for subsequent fiscal years.

Table 2

Time Limited Program Funding Amounts and Adjustment Factors

Program Area	Pre-Effective Year Adjustments		Post-Effective Year Adjustments	
	Base Year Funding Amount \$ (1997/98)	Adjustment to Effective Year	Continuing Post Effective Year	Price Adjustments
Column 1	Column 2	Column 3	Column 4	Column 5
Additional Capital Projects ¹	400,000	None	Yes	No
Start-Up Land Management	400,000	Price	No	NA

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Land Management ¹	200,000	Price	Yes	Yes
Fish Management	328,000	Price	No	NA
Training	750,000	Price	No	NA
Communication	250,000	Price	No	NA
Core Laws	1,000,000	Price	No	NA

“NA” in this Table indicates that funding amounts for these programs will not continue after the effective year.

¹ These programs will continue, and be funded, for a total of five fiscal years.

CALCULATION OF FUNDING AMOUNTS

1.0 Calculation of Effective Year Funding Amounts

Each base year funding amount in Tables 1 and 2 will be adjusted, to determine the funding for the effective year (the “effective year funding amount”), in accordance with subparagraphs 1.1 to 1.5.

1.1 Budget Adjustment Factor

Where the budget adjustment factor applies for a program or service area, as specified in Table 1 column 3, the effective year funding amount for a program or service area will be determined by multiplying the base year funding amount for that area by the annual growth factors that apply to the fiscal year that is the effective year, as follows:

Effective Year						Effective Year Funding Amount
1998/99	BFA x	M(98/99) =				_____
1999/00	BFA x	M(98/99) x	M(99/00) =			_____
2000/01	BFA x	M(98/99) x	M(99/00) x	M(00/01) =		_____
2001/02	BFA x	M(98/99) x	M(99/00) x	M(00/01) x	M(00/01)=	_____
and so on						

where:

BFA is the base year funding amount set out in column 2 of Table 1;

M(xx/yy) is 1 plus the year over year percentage growth in annual funding for the Indian and Inuit Affairs Program of the Department of Indian Affairs and Northern Development, as provided in the federal budget for year (xx/yy), and taking into account any unusual structural adjustments that may distort a reasonable comparison of year over year growth (for greater certainty, it is intended that the annual growth amount referred to in this sentence is that increase generally applied to the ongoing programs and services funded through the Indian and Inuit Affairs Programs budget); and

the value of M(1998/99) is 1.02.

1.2 Price Adjustment Factor

Where the price adjustment factor applies, the effective year funding amount for the program or service area will be determined by multiplying the base year funding amount for that area by the price adjustment factor, as follows:

effective year funding amount = base year funding amount x price adjustment factor

where:

price adjustment factor = $FDDIPI_{LQ} / FDDIPI_{97Q4}$

and:

$FDDIPI_{LQ}$ is the first published value of FDDIPI for the latest quarter before the effective date for which Statistics Canada has published a FDDIPI;

$FDDIPI_{97Q4}$ is the latest value of FDDIPI for the fourth quarter of 1997, published by Statistics Canada at the same time as the value used in $FDDIPI_{LQ}$; and

“FDDIPI” is the *Canada Final Domestic Demand Implicit Price Index*, series D15613, published regularly by Statistics Canada in matrix 6544: Implicit Price Index, Gross Domestic Product, or its replacement series as specified by Statistics Canada.

1.3 Update to Agreed-Upon Asset List

The effective year funding amount for agreed-upon assets will be determined by:

NISGA'A NATION FISCAL FINANCING AGREEMENT

- a. updating Schedule C Table 1 to include additional community or health assets, not originally included in that Schedule, that have been acquired, or on which construction has commenced, and for which Canada has approved or provided funding to any of the four Nisga'a bands or the Nisga'a Tribal Council up to the effective date; and
- b. increasing the base funding amount in Table 1 column 2 for the average annual cost of major maintenance and replacement of the additional assets referred to in subparagraph (a) in accordance with the method set out in Schedule C to this Agreement.

1.4 Housing and Additional Capital Projects

The effective year funding amounts for housing is \$1,400,000 as set out in Table 1 and for additional capital projects is \$400,000 as set out in Table 2.

1.5 Effective Date Adjustment of Table 1 Activities

If the effective date falls on April 1, the effective year funding amount will be the amount determined in accordance with subparagraph 1.1, 1.2, 1.3 or 1.4, as the case may be.

If the effective date does not fall on April 1, and the Parties have not made any other transitional funding arrangements, the effective year funding amount will be adjusted as follows:

- a. for an activity that is part of a program or service in Table 1 and that is not carried on before the effective date, or for which funding will be enhanced, the effective year funding amount for the activity or the enhancement will be the amount determined for that activity or enhancement under subparagraph 1.1, 1.2, 1.3 or 1.4, as the case may be, multiplied by the number of days remaining in the fiscal year on the effective date and divided by 365; and
- b. for activities in Table 1 that are carried on before the effective date, the effective year amount will be the amount determined under subparagraph 1.1, 1.2, 1.3 or 1.4, as the case may be, reduced by any amounts that have been paid in respect of those activities before the effective date by Canada to the Nisga'a Tribal Council, a Nisga'a band, the Nisga'a Valley Health Board or British Columbia, in respect of those activities.

The Parties will determine the effective year funding amounts at least one month before the effective date, or as otherwise agreed by them.

2.0 Calculation of Funding Amounts for Years After the Effective Year

The calculation date is a date approximately 30 days before the start of the new fiscal year at which time Canada will calculate the program funding amounts for the new fiscal year.

Funding amounts for fiscal years after the effective year (“post effective year funding amounts”) will be calculated as follows:

2.1 Programs and Services in Table 1

Post effective year funding amounts for programs and services in Table 1 will be calculated as the product of the effective year funding amount for the program and service (as determined under section 1), the composite population adjustment index and the price adjustment factor, as applicable as per columns 4 and 5 in Table 1, as follows:

post effective year funding amount in year i for program j = effective year funding amount for program j x composite population adjustment index _{ij} x price adjustment factor _{ij}

where:

i is 2, 3, 4, 5 or 6 if effective date is not April 1;

i is 2, 3, 4 or 5 if effective date is April 1;

j is a program or service listed in Table 1 column 1; and

all adjustment factors have a default value of 1 unless otherwise determined as in this section.

2.2 The Composite Population Adjustment Index (CPAI _{ij})

The composite population adjustment index (CPAI _{ij}) is used as the population adjustment factor in the calculation of post effective year funding amounts for health, social programs, income assistance and education and will be calculated as follows:

$$CPAI_{ij} = 1 + CPA_j \times (i-1)$$

where:

CPA is the composite population adjustment;

i is 2, 3, 4, 5 or 6 if effective date is not April 1;

i is 2, 3, 4 or 5 if effective date is April 1; and

j is health, social programs, income assistance or education.

2.2.1 Composite Population Adjustment Factor

The composite population adjustment factor (CPA_j) is fixed for each applicable program or service area for the term of this Agreement, and is calculated as follows:

$$\text{CPA}_j = (\text{total population adjustment factor} \times \text{cohort population adjustment factor}_j) - 1$$

2.2.2 Total Population Adjustment Factor

The total population adjustment factor is fixed for the term of this Agreement, and is equal to 1 plus the average annual rate of growth (expressed to two decimal places) of the total Nisga’a population for the latest 5 year period ended before the effective year and for which information is available at the effective date, determined as follows:

$$\text{total population adjustment factor} = 1 + ((\text{Pop}_i / \text{Pop}_{i-5}) - 1) / 5$$

where:

Pop_i is the estimate of total Nisga’a population that is available on January 1 before the start of the effective year; and

Pop_{i-5} is the estimate of total Nisga’a population that was available five years before the date referred to in the definition of Pop_i;

The population data will be obtained from the Nisga’a population data base referred to in paragraph 74 of this Agreement or, if that data base does not contain sufficient information, will be the “Indian Register - Population by Sex and Residence” maintained by the Department of Indian Affairs and Northern Development.

2.2.3 Cohort Population Adjustment Factor

The cohort population adjustment factors are applied for health and education in order to reflect the difference between the average annual growth rate for specific age cohorts within the Nisga’a population and the average annual growth rate for the Nisga’a population as a whole, as follows:

$$\text{cohort population adjustment factor}_j = 1 + (((\text{Cpop}_{ji} / \text{Cpop}_{ji-5}) - 1) / 5 - (((\text{Pop}_i / \text{Pop}_{i-5}) - 1) / 5))$$

where:

if j denotes health, Cpop_i is the sum of the Nisga’a populations within the 0 - 4 and 55+ age groups at the beginning of the effective year and Cpop_{i-5} is the sum

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of Nisga'a populations in those age cohorts five years before the beginning of the effective year; and

if j denotes education, $Cpop_i$ is the Nisga'a population within the 5 - 14 age group at the beginning of the effective year and $Cpop_{i-5}$ is the Nisga'a population in that age cohort five years before the beginning of the effective year .

2.2.4 Price Adjustment Factor

The price adjustment factor is calculated as follows:

$$\text{price adjustment factor}_{ij} = \text{FDDIPI}_{(i-1)_Q4} / \text{FDDIPI}_{\text{EY_LQ}}$$

where:

$\text{FDDIPI}_{(i-1)_Q4}$ is the first published value of FDDIPI for the fourth quarter of the last calendar year ended before the beginning of the fiscal year for which the funding amount is being calculated and for which Statistics Canada has published a FDDIPI;

$\text{FDDIPI}_{\text{EY_LQ}}$ is the latest value of FDDIPI for the fourth quarter of the last calendar year ended before the beginning of the effective year, published by Statistics Canada at the same time as the value used in $\text{FDDIPI}_{(i-1)_Q4}$; and

FDDIPI is the *Canada Final Domestic Demand Implicit Price Index*, series D15613, published regularly by Statistics Canada in matrix 6544: Implicit Price Index, Gross Domestic Product, or its replacement series as specified by Statistics Canada.

2.3 Table 2 Funding Amounts

Post effective year funding for Additional Capital Projects referred to in Table 2 will be \$400,000 for each of four fiscal years, beginning after the effective year.

Post effective year funding for Land Management Program referred to in Table 2 for the second through fifth fiscal years will be the product of the effective year funding amount and the price adjustment factor for the year where the price adjustment factor is determined on the same basis as under subparagraph 2.2.4.

3.0 Extension of Term

If the term of this Agreement continues as provided in paragraph 86, the provisions of section 2 of this Schedule will continue to apply with such changes as the circumstances require.

Schedule C

Canada Base Year Funding Amount for Agreed-Upon Assets

1. The base year funding amount to enable the replacement and major maintenance of agreed-upon assets set out in Table 1 of this Schedule is the sum of:
 - a. the average annual cost to replace those agreed-upon assets that reach the end of their useful lives during the 36 year period that constitutes the weighted average useful life of those assets, calculated as the total cost of those replacements divided by 36, where:
 - i. the number of times that an asset is replaced during the period is based on the total useful life and the estimated remaining useful life of each asset set out in Table 1 columns 4 and 5 of this Schedule respectively, and
 - ii. the replacement cost of each asset is as set out in Table 1 column 3 of this Schedule; and
 - b. the sum of the average annual cost of major maintenance for each asset determined by multiplying the replacement cost of the asset by the applicable major maintenance factor set out in Table 1 column 6 of this Schedule, and dividing the product by the useful life of the asset set out in Table 1 column 4 of this Schedule.
2. The annual cost of replacement and major maintenance of agreed-upon assets over the 36 year period referred to in paragraph 1 is set out in Table 2 of this Schedule.
3. The base year funding amount for the replacement and major maintenance of agreed-upon assets is \$2,100,000, as determined in Table 3 of this Schedule.
4. Additional community or health assets, not included on the list of agreed-upon assets in Table 1 of this Schedule, that have been acquired, or on which construction has commenced, and for which Canada has approved or provided funding to any of the four Nisga'a bands or to the Nisga'a Tribal Council up to the effective date, will be added to the list of agreed-upon assets as at the effective date.
5. In subparagraph 1.3 of Schedule B, the addition to the base year funding amount for assets referred to in paragraph 4, will be the sum of:
 - a. the average annual cost to replace those additional assets that reach the end of their useful lives during the 36 year period that starts on the effective date, calculated as the total cost of those replacements divided by 36, where:

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- i. the number of times that an asset is replaced during the period is based on the total useful life of each asset as determined by a qualified individual at the time of construction, and
 - ii. the replacement cost of each asset is the construction or acquisition cost of that asset; and
- b. the sum of the average annual cost of major maintenance for each asset determined by multiplying the replacement cost of the asset by the applicable major maintenance factor set out in Table 1 column 6 of this Schedule, and dividing the product by the useful life of the asset set out in Table 1 column 4 of this Schedule.