

**REPORT TO FIRST NATIONS RELATIONS COMMITTEE
MEETING OF WEDNESDAY, February 20, 2019**

SUBJECT **2019 Service Plan Amendment for the First Nations Relations Division**

ISSUE

The purpose of this report is to provide the Committee with the resource implications related to the recommendations in the Final Report of the Special Task Force on First Nations Relations, with a related request to the Committee to support a recommendation to the Board for amendments to the 2019 final budget.

BACKGROUND

The Special Task Force on First Nations Relations (Task Force) was a select committee of the Board, originally established in 2015 with a 4-year mandate that ended upon completion of the previous Board's term in October 2018.

The Task Force produced its Final Report with a series of eight recommendations, attached at Appendix A. The recommendations reflect the committee's view of optimal next steps to guide the CRD's path towards a more inclusive governance model for the Region. The recommendations were framed in such a way as to allow the incoming Board an opportunity to review the organizational and resource implications of the recommendations, putting the onus on the new Board to consider an amendment to the budget for the 2019 year. The Board's resolution is attached at Appendix B.

Following the direction of the Board, Staff assessed the resource requirements to undertake the recommendations and has made the necessary amendments to the 2015-2019 First Nations Relations Service Plan, attached at Appendix C.

ALTERNATIVES

That the First Nations Relations Standing Committee recommend to the Regional Board:

Alternative 1:

Approval of the amendments to the 2019 Service Plan to undertake the work on the approved Task Force recommendations with the following additions to be considered at 2019 final budget approval:

- a) An ongoing annual increase of \$25,000 to host a Forum of All Councils;
- b) A 1.0 permanent FTE position for administrative support clerk;
- c) An ongoing annual increase of \$7,500 for meeting expenses associated with the First Nations Relations Committee;
- d) A 0.5 permanent FTE increase to the existing 0.5 FTE Community Liaison position (from half time to full time);
- e) An ongoing annual increase of \$50,000 to undertake special projects related to Task Force recommendations, beginning with conducting an Indigenous Economic Development Feasibility Study;

Alternative 2:

Receive this report for information and refer consideration of the budget increase requirements to the 2020 service and financial planning process.

IMPLICATIONS

The First Nations Relations office was established five years ago to support organizational interests with respect to service agreements and departmental operations that interact with First Nations. The office was established with a staff compliment of 1.5 FTE and a modest budget to undertake meetings and engagement activities. In 2017 and 2018, the division had an additional 1.0 term staff position to assist with cultural safety education. The division is currently funded by internal allocations from departments that benefit from the First Nations Relations division support. The division has also drawn approximately \$50,000 annually from a First Nations operating reserve fund, however, the reserve fund will be exhausted in 2020.

In recent years, Reconciliation has emerged as a National imperative, calling for foundational changes to Canada's relationship with Indigenous peoples. The CRD, under the guidance of the Board and in the spirit of Reconciliation, has made significant strides towards building strong and enduring government to government relationships with neighbouring First Nations. The Task Force recommendations aim to reinforce the Board's commitment to Reconciliation and build on the work undertaken over the past five years. The recommendations send clear direction to staff to undertake actions and engage in processes that reflect, respond and consider First Nations perspectives in CRD business activities.

The recently adopted 2019-2022 Board Priorities highlights Reconciliation as one of the top four Board priorities. This direction will have incremental impacts across the organization, with the First Nations Relations division, under the guidance of the First Nations Relations Committee, providing the necessary supports to the organization to ensure that emergent policies and procedures are consistent, efficient and progressive and that foster enduring and resilient relationships with First Nations governments.

FINANCIAL IMPLICATIONS

The baseline budget for the First Nations Relations Division is derived from departmental allocations from across the organization. The additional costs associated with the Task Force recommendations for the remainder of 2019 total \$117,000¹. The allocations for each department have already been set for the 2019 budget, therefore the required increase to the division's budget cannot be derived through an increase in departmental allocations for 2019. The requisite funds required for 2019 would be derived in part from the balance of the First Nations reserve fund and by an increase to the Legislative and General Services requisition. In future years, the ongoing budget increase can be integrated into the 2020 budget cycle.

¹ The Task Force recommendations identify 3 projects that require specific funding for consultants. Staff recommend that 1 of the projects be undertaken in 2019, and that the remaining 2 projects be considered in subsequent years.

The following chart details the on-going resource requirements for each recommendation.

Task Force Recommendation		Budget Implications
1	Undertake an annual Forum of All Councils	\$25,000 ongoing increase and additional staff support. There are hard costs associated with delivering this event and significant staff resources to organize the event.
2	Form an Inter-governmental working group	Staff support will be required to initiate and participate in this program. No additional hard costs are anticipated.
3	Adopt proposed Statement of Reconciliation	An increase in staff resources will be necessary expected as a result of deeper engagement and consultation regarding CRD operations and activities that affect the interests of First Nations.
4	Develop a First Nations Remuneration Policy	This initiative can be integrated into existing workplans.
5	Produce a report on barriers to equity and diversity hiring	Staff recommend this task be lead by the Human Resources department, with First Nations Relations division support.
6	Produce a Reconciliation Plan	Staff will be required to support emergent corporate-wide initiatives such as the Archaeology Policy and Procedures framework and undertake a comprehensive referrals tracking program. Additional resources required to undertake activities related to the Reconciliation Plan will be addressed in the 2020 Budget approval process.
7	Undertake an Indigenous Economic Development Feasibility study	One time budget increase of \$50,000 with additional staff support. This recommendation calls for specific expertise of consultants as well as support from the division to undertake extensive engagement with First Nations.
8	Establish a Standing Committee of the Board	Ongoing increase in staff resources and ongoing budget increase of \$7,500. Administrative resources required to support this committee (agendas, minutes, reports, web & technical support, media, remuneration, catering)
SUMMARY: FINANCIAL PLAN AMENDMENT		<p>Ongoing staff increase 1.5 FTE estimated to be \$63,000 for 2019 (pro-rated to 7/12ths of a year, assuming May 1, 2019 start date) Ongoing project budget increase: \$82,500</p> <p>Total budget increase for 2019: <u>\$145,500</u> Offset by funding from operating reserve: 28,000 Estimated Leg. & Gen Requisition Increase: 117,000</p>

Adoption of the Task Force recommendations and related initiatives requires revisions to the existing First Nations Relation Division (FNRD) 2019 service plan and budget. The FNRD currently has one dedicated full-time manager and a .5 program assistant working at full capacity on existing programs and initiatives. While many elements of the recommendations dovetail with existing divisional initiatives, staff will have limited scope to advance the Task Force recommendations without additional dedicated staff resources.

The most significant change in the division's resource requirements is the need for administrative support. The existing staff compliment of the First Nations Relations Division currently does not have a dedicated administrative support clerk. A 1.0 FTE Admin Clerk position will support the Standing Committee, the Intergovernmental Working Group, Forum of all Councils and attend to the documentation and records management associated with increased referrals, regulatory requirements (corporate archaeology policies and procedures) communications and general outreach and information sharing.

CONCLUSION

The Task Force developed 8 recommendations for the current Board's consideration, of which three have been adopted or initiated: No. 3 - Statement of Reconciliation (adopted by the previous Board in October 2018); No. 8— creation of a First Nations Relations Committee (established by the Board Chair in December 2018) and No.2 - creation of an Intergovernmental Working Group (engagement initiated with the Province by the Chair in December 2018).

The recommendations have ongoing financial commitments. Funding for the First Nations Relations division is derived from departmental allocations. The 2019 budgets for each department have been approved, therefore no increases to those allocations to fund the division can be accommodated for 2019. Funding for 2019 is prorated and can be offset by the remaining funds in the First Nations Operating Reserve. The remaining shortfall is approximately \$117,000.

Should the Board approve the 2019 budget increase for the division, the funds would necessarily be derived from a one-time requisition from Legislative and General Services. The ongoing increase to the operations budget of the division can be integrated into the financial plan in subsequent years.

RECOMMENDATION

That the First Nations Relations Standing Committee recommend to the Regional Board:

Approval of the amendments to the 2019 Service Plan to undertake the work on the approved Task Force recommendations with the following additions to be considered at 2019 final budget approval:

- a) An ongoing annual increase of \$25,000 to host a Forum of All Councils;
- b) A 1.0 permanent FTE position for administrative support clerk;
- c) An ongoing annual increase of \$7,500 for meeting expenses associated with the First Nations Relations Committee;
- d) A 0.5 permanent FTE increase to the existing 0.5 FTE Community Liaison position (from half time to full time);

- e) An ongoing annual increase of \$50,000 to undertake special projects related to Task Force recommendations, beginning with conducting an Indigenous Economic Development Feasibility Study.

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Concurrence:	Kristen Morley, JD, General Manager, Corporate Services
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

Appendix A: Board Resolution

Appendix B: Task Force Recommendations

Appendix C: Draft Changes to the First Nations Relations 2019 Service Plan