



July 28, 2021

Chief Wilbert Marshall, Chair

The regular meeting of the AFNWA Board will be held Wednesday 28 July 2021 at 9:30 AM via the ZOOM virtual platform: <https://zoom.us/j/95306021265>

In Camera Reports

1C Approval of Minutes of the In-Camera Meeting held on 26 May 2021.

2C Business Arising from Minutes

(a) AFNWA By-Laws

(b) Transfer Agreement Update

3C Louise Street Truro Lease

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 23 July 2021

4C McInnes Cooper Contract Enhancement

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 23 July 2021

5C Elders Advisory Lodge Compensation

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 23 July 2021

6C Audit Results / Internal Control

Motion: That the AFNWA Board approve the recommendation as outlined in the confidential report dated 23 July 2021

Regular Reports

1. a) Ratification of In-Camera Motions
b) Approval of the Order of Business and Approval of Additions and Deletions

2. Approval of Minutes of the Regular Meeting held on 26 May 2021.

3. Business Arising from Minutes

a) Transition Implementation Plan Update (22 July 2021)

4. Draft Audited Financial Statements for 2020/21

Motion: That the AFNWA Board approve the Draft Audited Financial Statements for 2020/21 in the substantive form attached

5. Enterprise Risk Management Policy

Motion: That the AFNWA Board approve the Enterprise Risk Management Policy in the substantive form attached

6. AFNWA Revised 2021-2022 Operations Budget

Motion: That the AFNWA Board approve the Revised 2021-2022 Operations Budget in the substantive form attached

Information Reports

- 1-I Transition Implementation Plan Update 22 July 2021
- 2-I Q1 Results (Chantal)
- 2C-I Transfer Agreement Update

James MacKinnon
Board Secretary



**Atlantic First Nations Water Authority
MINUTES**

28 July 2021

PRESENT:

Chief Wilbert Marshall, Chair
Chief Ross Perley, Vice Chair
Chief Andrea Paul, Director
Chief Darlene Bernard, Director
Todd Hoskin, Director

REGRETS:

Chief Leroy Denny, Director
Chief Arren Sock, Director
Chief Terry Paul, Director
Chief Paul Prosper, Director
Chief Roger Augustine, Director

STAFF:

Carl Yates, interim CEO
James MacKinnon, interim COO
Adam Gould, Manager of Communications and Outreach
Chantal Leblanc, Manager of Corporate Services/ CFO
Rayleen MacDonald, Administrative Assistant

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CALL TO ORDER

The Chair, called the regular meeting to order at 10:06AM via the Zoom virtual platform. The Board moved In Camera at 10:15 AM and the regular meeting reconvened at 11:15 AM

1.a) RATIFICATION OF IN-CAMERA MOTIONS

MOVED BY Chief Andrea Paul, seconded by Chief Ross Perley, that the AFNWA Board ratify the In- Camera motions from 28 July 2021 meeting.

MOTION PUT AND PASSED.

1.b) APPROVAL OF THE ORDER OF BUSINESS AND APPROVAL OF ADDITIONS AND DELETIONS

MOVED BY Chief Andrea Paul, seconded by Chief Wilbert Marshall that the AFNWA Board start with Regular Item #4 – Draft Audited Statements before moving In-Camera and then go back into the Regular meeting.

MOTION PUT AND PASSED

2. APPROVAL OF MINUTES – 26 May 2021

MOVED BY Chief Wilbert Marshall, seconded by Chief Terry Paul, that the AFNWA Board approve the minutes of the regular meeting of 26 May 2021.

MOTION PUT AND PASSED.

3. BUSINESS ARISING FROM MINUTES**a) Transition Implementation Plan Update (verbal)**

James MacKinnon, interim COO, presented on the Transition Implementation Plan [TIP] Update (22 July 2021). There were no questions or comments on the TIP Update at this time.

4. Draft Audited Financial Statements for 2020/2021

Chantal Leblanc presented the Draft audited statements for 2020/2021 with an overview as follows:

Management received the draft Audited Financial Statements, as prepared and presented by Grant Thornton, on July 13, 2021. The audit opinion presented by Grant Thornton is unqualified and did not identify any instances of material misstatement. An item of misstatement was identified and ruled to be immaterial. This item pertained to fixed assets, namely office furniture and equipment, which was purchased and expensed in the same fiscal year. While this is a misstatement given the generally accepted accounting principle to capitalize these purchases and amortize them over their useful life, the amount was determined to be immaterial, and Grant Thornton agreed with Management's recommendation to expense them in the year purchased. The purchases were in relation to computers and gas detection equipment bought for First Nations communities through FNIHB funding.

We note that the budget for the fiscal year ended March 31, 2021, as outlined in the Statement of Operations, included funds that were authorized for use in both fiscal years 2021 and 2022. The authorization to defer the funds for use in Fiscal 2022 was received from ISC and AFNWA continues to be within budget.

All other items were deemed to be ordinary, free from discrepancy and/or material misstatement, and Grant Thornton confirmed that the financial statements represent the underlying transactions and events in a manner that achieves fair representation.

MOVED BY Todd Hoskins, seconded by Chief Ross Perley, that the AFNWA Board approve the attached Draft Audited Financial Statements, as presented.

MOTION PUT AND PASSED.

5. Enterprise Risk Management Policy

The CEO provided an overview of the policy based on the report circulated to the Board. A fundamental step in providing enterprise risk management [ERM] oversight is to establish an effective risk governance structure at the Board level. Risk governance establishes the oversight roles and decision points for the Board and Board Committees, as well as the relationships with management and management committees.

Since the global financial crisis of 2008/09, Boards of Directors are taking a more active role in risk oversight. Of the key groups that provide independent risk monitoring – boards, auditors, regulators – the Board of Directors is seen as the primary group with direct responsibility and influence to ensure that sound risk

management is in place. The Governance Manual also recognizes the role of the Audit and Finance Committee in providing oversight on behalf of the Board, as indicated in the report circulated to the Board.

The Board has the responsibility to effectively oversee ERM and the key risks facing the organization with a focus in three key areas. These include a well thought out governance structure to organize risk management; risk policies and risk tolerance levels that define risk appetite; and feedback processes that gauge the effectiveness of the ERM program.

Todd Hoskins commented that this is a very well -developed policy.

If this policy is approved by the Board today, we will send it to Grant Thornton to develop an Enterprise Risk Management Framework.

MOVED BY Chief Terry Paul, seconded by Chief Darlene Bernard, that the AFNWA Board approve the Enterprise Risk Management Policy in the substantive form attached.

MOTION PUT AND PASSED.

6. AFNWA Revised 2021-2022 Operations Budget

Previously, the budget was approved with an assumption of a carry forward of \$1,700,000. The adjustment in carry-forward together with an error in the budget, and an unexpected requirement for Environmental Site Assessments in relation to land access permits for most participating Communities, necessitated a revision to the previously approved budget. A comparison summary of the previously approved budget and the proposed amended budget are provided as an attachment to this document for your convenience. The proposed budget below identifies the expenditures anticipated to complete the deliverables identified within the TIP in the 2021-2022 fiscal year.

Chantal Leblanc presented the material changes within the revised budget.

The budget presented reflects the \$3,000,000.00 earmarked by ISC for the 2021/22 fiscal year and \$1,829,000.00 in carry over funds from the 2020-2021 fiscal year

There were no questions or comments at this time.

MOVED BY Todd Hoskin, seconded by Chief Andrea Paul, that the AFNWA Board approve the revised attached Operations Budget 2021-2022.

7. DATE OF NEXT MEETING

The next meeting is scheduled for September 29, 2021 @ 9:30AM. Todd advised that we could potentially use Ulnooweg's new Boardroom in Millbrook. AFNWA Staff to follow up on this.

The meeting was adjourned at 12:10 PM

James MacKinnon
Board Secretary

Chief Wilbert Marshall
Chair

The following Information Items were submitted:

1-I Transition Implementation Update (22 July 2021)