



2021-22 ANNUAL REPORT

# THE JOURNEY CONTINUES



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## Tribute to Chief Tma Francis

The Atlantic First Nations Water Authority was saddened and shocked with the sudden passing of Chief Tma Francis of Paqtnkek. Chief Tma will be remembered as a loving family man and dedicated leader in the community who loved his Mi'kmaw roots and culture. We at AFNWA will remember him fondly and dedicate this annual report in the memory of Chief Tma Francis.

**May you rest in power, Saqmaw.**

# Mission Statement & Strategic Goals



## OUR MISSION

To provide safe, clean drinking water and wastewater in all participating First Nations communities in Atlantic Canada, delivered by a regional water authority owned and operated by First Nations.



## OUR VISION

To be a recognized leader for the delivery of water and wastewater services to First Nations communities across Canada.



## STRATEGIC GOALS

- To support long term self-governance.
- To improve service delivery.
- To ensure effective governance of the AFNWA.
- To ensure financial sustainability of the AFNWA.
- To integrate First Nation culture and tradition and realize aspirations to achieve self-determination.



**"... the time has come for us to realize the vision of a regional utility owned and operated by First Nations in Atlantic Canada."**

## Board Chair's Message

**Kwé aqq Pjilita'q,**

**Welcome to Atlantic First Nations Water Authority's second annual report. As AFNWA Board Chair, I am delighted to share with you all some highlights from another successful year of business.**

In our second year of operations, the Board saw all substantial objectives completed in relation to the AFNWA Transition Implementation Plan (TIP). The TIP, developed in 2020, was a detailed, two-year plan to build AFNWA from the ground up to a full-service utility. Key milestones achieved as part of the TIP were the completion of the Ten-Year Business Plan and Service Delivery Transfer Agreement, an agreement that will transfer ministerial authority for the delivery of water and wastewater services from the ISC to the Atlantic First Nations Water Authority.

Most significantly, our Board was very pleased to hear that in early April, the Federal Budget included an additional \$173.2 million above the resources currently available in the federal system. This funding is dedicated to the AFNWA for 10 years to operate, maintain, and upgrade our member communities' water and wastewater systems.

With a clear vision and the momentum built in our first two years of operations, AFNWA is prepared to have Mi'kmaq and Wolastoqey communities formally

sign band council resolutions to become owners of the utility. After it was first discussed nearly 20 years ago, the time has come for us to realize the vision of a regional utility owned and operated by First Nations in Atlantic Canada.

On behalf of the Board, I want to congratulate AFNWA management and staff on their tremendous achievements in the 2021-22 fiscal year. We look forward to another year of milestones and collaboration in 2022-23.

Wela'liog,



**Chief Wilbert Marshall**  
Board Chair

# CEO's Message: The Journey Continues

Although it seems like only yesterday when the AFNWA Board approved the two-year Transition Implementation Plan (TIP) on June 24, 2020, much has been accomplished. Building on the success of 2020-21, activities ramped up last year as the organization took shape with the hiring of qualified staff to make AFNWA a full-service utility. With key staff hired, AFNWA got down to business with a focus on achieving the milestones envisioned in the TIP.

Foundational to the year was the completion of the Asset Management Plan and 10-Year Capital Budget for 17 First Nations communities who are considering membership in AFNWA. With the compilation of an Operations budget derived from first principles, the Ten-Year Business Plan took shape with approval by the AFNWA Board on February 20, 2022. The Ten-Year Business Plan was the basis of our funding request to the federal government as part of the 2022-23 budget process. Our hard work paid off as on April 7, 2022, the AFNWA received confirmation that an additional \$173.2 million was approved in relation to the Business Plan. With current funding in the system, AFNWA received assurance that the \$257 million for the Capital and Operations programs in the Business Plan are fully funded.

Advancements in governance were also achieved as the Board appointed Directors to the three Board Committees: Board Executive; Audit and Finance; Environment, Health & Safety. The Elders Advisory Lodge (EAL) also began their important work with the development and approval of their terms of reference and a work plan for the fiscal year. The Chair of the EAL, Methilda Knockwood-Snache has attended all Board meetings and has added much to our meeting decorum. She continues to ground us with her wisdom and calm demeanor.

The Board approved many new and enhanced policies including a revised procurement policy to ensure that we optimize benefits to the communities served by AFNWA. Extensive work was done with the Audit and Finance Committee to develop an Enterprise Risk Management (ERM) framework which will serve as the guidepost for the management and mitigation of risk. Two significant areas of risk that received attention of staff and the Board last year were the development of frameworks for water and wastewater quality compliance and economic oversight through the First Nations Financial Management Board (FNFMB).

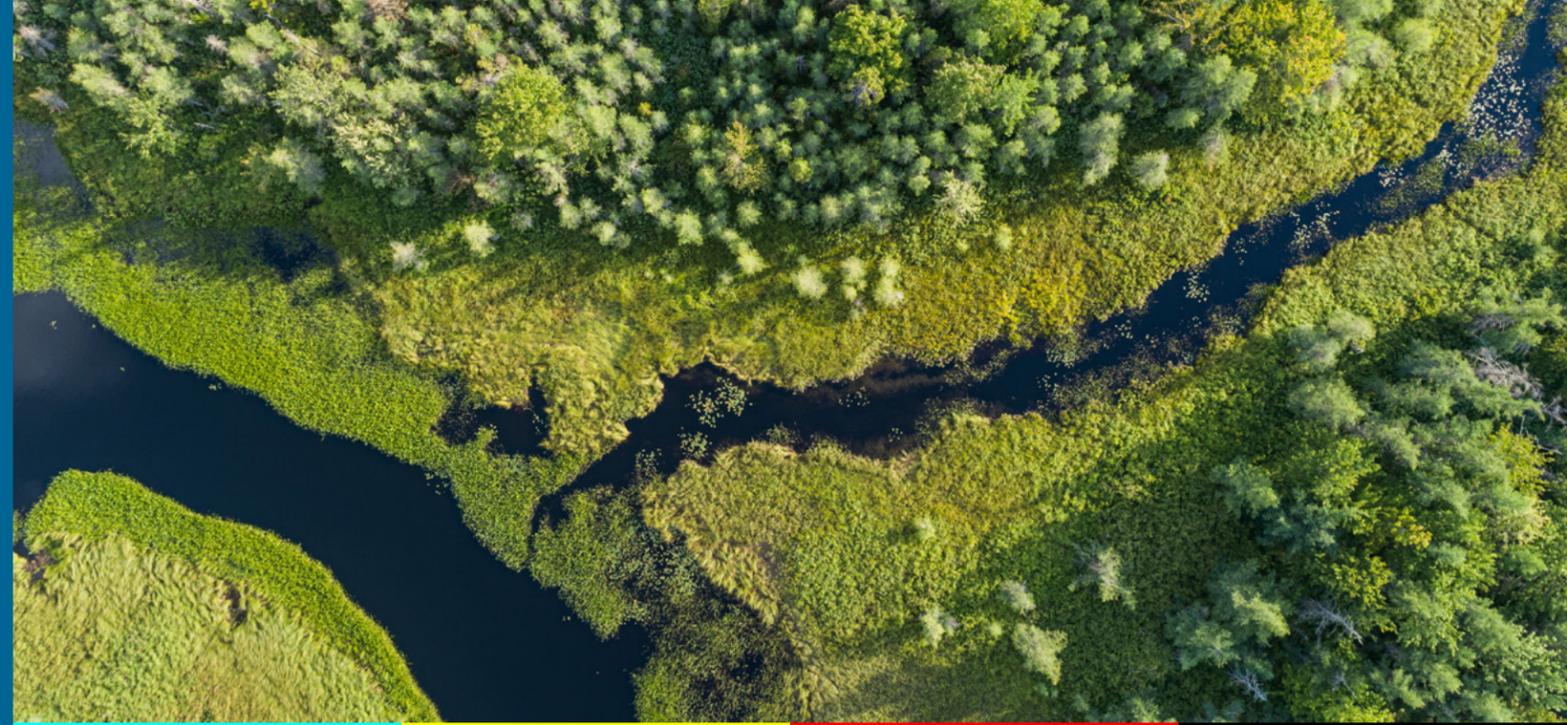
One of the most rewarding experiences for AFNWA staff this year has been the warm welcome received from Chiefs, Councillors, and staff of participating communities who also have a vision of self determination and capacity building. This bodes well for the 2022-23 fiscal year as the on-boarding of member communities begins in earnest. Special thanks to these communities for their cooperation and trust in the capabilities of AFNWA.

The journey continues for the benefit of the communities we serve and all our relations.

Yours in service,



**Carl Yates, M.A.Sc., P.Eng**  
Interim Chief Executive Officer



## Financial Message

**AFNWA recently completed their audit for the year ending March 31, 2022. The year was a continuation of the same trends of the year prior which was marked by rapid growth and expansion with the objective to be fully operational by Fall 2022.**

The substantive completion of large projects such as the Asset Management Plan and SCADA Master Plan were celebrated with a large degree of industry recognition and awards. The staff worked tirelessly to develop the processes and procedures that will allow AFNWA to operate safely and effectively which was evident in the number of new policies that were approved and adopted by the Board. Most notably, the Ten-Year Budget was approved by the Board in the Fall 2021 which permitted AFNWA to submit a ten-year funding request resulting in a total allotment of \$257 million to support operations and capital programs over the next 10 years.

The work to negotiate the Service Delivery Transfer Agreement, Funding Agreement, and Community Agreements was undertaken with haste towards the end of Fiscal 2021/2022 with the goal to complete all agreements by early Fall.

The carryover funds available (approximately \$1.5 million, as identified on the Statement of Financial Position) are largely available to complete this important work. Other items that will carry into Fiscal 2022/2023 include the finalization and presentation of Asset Management Plans, and the hiring of key staff members.

Overall, the COVID-19 pandemic continues to have a minimal impact on AFNWA operations. Our AFNWA team moved into the headquarters at 13 Treaty Trail, Millbrook in April 2021 and into the temporary offices at 6 Louise Street, Truro in October 2021. The general trend of meetings moving virtual and/or hybrid continues to drive travel and conference fees to lower-than-expected levels.

The audited statements are reflective of our organization's second year of transitional management as we increased our staff, acquired office space and equipment, and worked with a range of industry experts to develop the organizational database, the policies, and the procedures that will see AFNWA as a fully operational utility in the Fall 2022. AFNWA continues to be well within budget to obtain our objectives within the time periods set out in our transition implementation plan.

# AFNWA Board of Directors

AFNWA is governed by a Board of Directors of up to 15 members, 12 First Nations reps, and 3 technical experts.

Board composition as of December 1, 2021:

## CHAIR



**Chief Wilbert Marshall**  
Potlotek

## VICE-CHAIR



**Chief Ross Perley**  
Tobique



**Chief Darlene Bernard**  
Lennox Island



**Chief Andrea Paul**  
Pictou Landing



**Chief Leroy Denny**  
Eskasoni



**Regional Chief Paul Prosper**  
Nova Scotia/Newfoundland



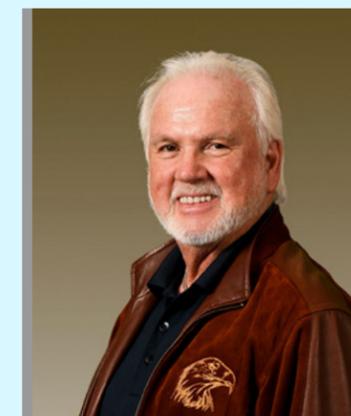
**Chief Arren Sock**  
Elsipogtog



**Chief Terry Paul**  
Membertou



**Todd Hoskin, CEO**  
Ulnooweg Development Group



The Atlantic First Nations Water Authority wishes to thank and congratulate **Regional Chief, Roger Augustine** on his retirement in 2021.

# 2021-2022 Highlights

**NEW MEMBERS**

**were welcomed in May:**

Todd Hoskin, Ulnooweg; Regional Chief Paul Prosper, Assembly of First Nations; and Roger Augustine, Assembly of First Nations.

**7** bi-monthly meetings held

**SIGNED AN MOU** with FNFMB regarding the future of AFNWA economic oversight

**TEN YEAR**

business plan and several policies were approved

**MEETING AGENDAS & MINUTES** are published on our website



EAL Chair Methilda Knockwood-Snache performs a smudge ceremony with Marc Miller, Minister of Crown-Indigenous Relations Canada, at the AFNWA Agreements Workshop, as Chief Wilbert Marshall and MP Jaime Batiste look on.

## AFNWA Elders Advisory Lodge

The AFNWA Board is supported by an active Elders Advisory Lodge to ensure that traditional values and culture are incorporated in the daily operations.

In 2021-2022, AFNWA's Governance continued to develop with the formal establishment of the AFNWA Elders Advisory Lodge (EAL). Formerly referred to as the Elders Advisory Council, their first order of business was to change their name, as a Lodge is where one seeks advice and wisdom.

In their first year established, the Elders Advisory Lodge has made an impact on the AFNWA. Major works completed in 2021-2022 included guidance regarding culturally appropriate language to AFNWA and Dalhousie for the development of the water and wastewater quality regulatory and safety plans framework. The EAL also provided traditional names to AFNWA service areas across the Wabanaki territory. As well, the EAL finalized their Terms of Reference, which included a passage that the committee will act in accordance with the 7 Grand Father teachings. It was also recommended by the EAL that the Board of Directors adopt the 7 Grand Father teachings as AFNWA's corporate values. The recommendation was gladly approved by the Board.

The Elders Advisory Lodge has five members:

**CHAIR**

Methilda Knockwood-Snache  
Lennox Island

Gail Tupper  
Glooscap

David Perley  
Tobique

Charles Doucette  
Potlotek

Kenneth Francis  
Elsipogtog

## TIP: Operational Initiation

The Atlantic First Nations Water Authority grew substantially in its second year of operations and transition.

With the Senior Management Team established in the previous year, the Transition Implementation Plan (TIP) called for the implementation of AFNWA's Human Resource Strategy, with significance placed on the hiring of several key positions that doubled our staff strength in 2021-22.

### Operations

- **Pamela Harvie**, Administrative Assistant
- **Tiannie Paul**, Project Engineer
- **John Vandenburg**, Regulatory Compliance Coordinator
- **Gary West**, Superintendent of Operations
- **Jeff Wujcik**, Superintendent of Technical Services
- **Mark E. MacDonald**, Utility Technologist

### Corporate Services

- **Derek Allison**, Administrative Assistant
- **Verna Langley**, Human Resource Generalist
- **Trevor Martin**, IT Coordinator

### Engineering

**Mark J. MacDonald**, Asset Management Technologist

### Communications and Outreach

**Lauren Mills**, Communications Associate

The following positions will be filled in the next fiscal year:

- Controller
- Planning and Development Engineer
- Procurement Officer
- Safety and Security Coordinator

## Presenting Our 10-Year Business Plan

On February 10, 2022, the Board of Directors gave its final approval for the Ten-Year Business Plan.

The long-term plan outlines programs and resources to transform water and wastewater service delivery to Mi'kmaq and Wolastoqey communities in the spirit of self-determination and reconciliation. The strategic objectives of the Business Plan are centred around capacity building, sustainable funding, improved public health outcomes, and environmental stewardship.

The Business Plan describes a regional approach with increased funding to rectify deficiencies of the past and bring service to levels comparable to leading utilities in Canada. It is a plan built around Two-Eyed Seeing, which incorporates the best of applied science with an Indigenous worldview for a long-term approach to provide safe, clean drinking water, and wastewater services. The Ten-Year Business Plan includes capital and operating budgets which were fully embedded in the 2022-23 federal budget, including a total of \$123 million for Operations and \$134 million for Capital programs.

The responsibility associated with our mandate extends from the source to the tap and back to the source again. The Ten-Year Business Plan is available on our website at [www.afnwa.ca](http://www.afnwa.ca).



## AFNWA opens its doors, twice!

Every new organization that is building from the ground up needs accommodations that can feel like a home away from home. After AFNWA formed its Senior Management Team, searching for office space became a top priority.

With our team working mainly from home and temporarily at the offices of Atlantic Policy Congress of First Nations Chiefs Secretariat in Dartmouth, the search for office space began.

The Atlantic First Nations Water Authority is now operating out of two locations. The headquarters was established in May 2021 at 13 Treaty Trail in the Millbrook Power Centre.

However, with our team doubling in size within months, we soon required more space. In October of last year, we opened our second office in the former home of the Truro Daily News at 6 Louise Street.

The utility has plans for a permanent office that will be built in the Power Centre that all our service teams can call "home."

## Service Delivery Transfer Agreement

The Service Delivery Transfer Agreement (SDTA) was completed in 2021-22 and is the key framework document between AFNWA and Indigenous Services Canada. It establishes the transfer of water and wastewater responsibilities from ISC to AFNWA with a commitment from Canada to fund the AFNWA over a long-term basis.

### The main purpose of the agreement:

- To transfer to the AFNWA all responsibilities and liabilities for the development and provision of water and wastewater services to participating First Nations
- To outline the governance structure and accountabilities of AFNWA, taking into consideration the incorporation of the fundamental principle of Two-Eyed Seeing
- To identify baseline standards for the delivery of water and wastewater services in participating First Nations communities by AFNWA
- To establish the funding model for development and the provision of water and wastewater Services by AFNWA for participating First Nations, via the Funding Agreement
- To outline a process for amending the Funding Agreement to add, or remove, participating First Nations
- To establish a framework of economic and environmental oversight for AFNWA

The AFNWA Board approved the SDTA at its March meeting, with Minister Patty Hajdu endorsing it shortly after.

## Access Permits

AFNWA developed triparty permits for each participating First Nation and Canada to grant access to the land in which water and wastewater infrastructure is situated and to access the pipes below the ground. The permits are scheduled to be sent by AFNWA to each participating community in the first quarter of 2022-23 for review from each First Nation.

## Community Agreement

The Community Agreement is the main contract between a potential member First Nation and the Atlantic First Nations Water Authority. Under the Community Agreement, a First Nation will transfer responsibility for water and wastewater services to AFNWA, which will agree to deliver the services to the First Nations member.

The Community Agreement also outlines that certain movable assets will be transferred to AFNWA, while land, water and wastewater treatment facilities and associated infrastructure will be accessed by AFNWA through permits.

The AFNWA will shield the community for any future liability related to water and wastewater service delivery and will offer employment with AFNWA to current community-based water operators in member communities.

**The Community Agreement is scheduled to be circulated in Q1 of 2022-23 for feedback including legal review.**

## Budget 2022

### In November 2021, Indigenous Services Canada (ISC) invited the Atlantic First Nations Water Authority to submit its 10-year capital and operations budgets for consideration in the 2022 Federal Budget.

Through a series of strategic planning sessions, the AFNWA senior management team developed the capital and operations budget request. By incorporating work completed by Dillon Consulting, Eramosa Engineering, and with AFNWA management review, AFNWA completed its 10-year capital budget for participating communities.

The 10-year operations budget was built using first principles with a zero-based budget approach that was supported by information from participating communities, AFNWA management, and best practice reviews. It represents an average increase of 44 per cent to operations and management funding for community water systems, not including the additional resources of the dedicated Engineering and Operations teams who will assume management and responsibilities of providing safe water and wastewater services.

“Budget 2022 proposes to provide Indigenous Services Canada with \$173.2 million over ten years, starting in 2022-23, to support the transfer of water and wastewater services in 17 communities to the Atlantic First Nations Water Authority. By putting service delivery into the hands of communities themselves, this first-of-its-kind, First Nations-led initiative will help chart the path to self-determination, while strengthening the management of water and wastewater infrastructure on reserves.”

**Chrystia Freeland**, Deputy Prime Minister & Minister of Finance, Federal budget announcement April 7, 2022

## Asset Management Plan (AMP)

**An Asset Management Plan was prepared for each community which describes the water and wastewater infrastructure, condition (remaining service life), and capital projects required to replace and repair the assets over the 10-year planning horizon. The work was primarily conducted by Dillon Consulting Limited with the assistance of operators in each of the participating communities.**

In addition to an asset management framework, Dillon prepared an asset analysis tool, which was used to prioritize projects during the development of the capital plan and will be used by AFNWA in the future to rank and prioritize projects as new information comes in from ongoing operations and engineering studies. Approximately 6,500 assets were identified and over 1,000 capital projects were created based on age and condition of assets. AFNWA staff will deliver these plans to each of the communities this summer and offer presentations in the fall of 2022.

We are in the process of forming an Asset Management Committee which will help guide the staff in managing the Asset Management Plan and keeping information up to date. This committee will also be responsible for integration of a computerized maintenance management system (CMMS) for keeping track of work orders, spare parts, and preventative maintenance scheduling.

The framework shows the four pillars that support the AFNWA asset management program, namely Information, Lifecycle Process, Financial Sustainability, and People and Leadership.



## SCADA Standardization

**The Supervisory Control and Data Acquisition (SCADA) Master Plan project was completed by our consultants at Eramosa Engineering Inc. The master plan provided a summary of current state systems being used and a framework for an integrated future state to align with the hub and spoke operations approach. The master plan painted a picture of what the future/desired state would look like for the SCADA systems that included hardware and software selections, location, and configuration of servers for backup, and security (physical and cybersecurity) considerations.**

AFNWA has proceeded with the next step in this evolution—standards development. This includes developing standards for two key interfaces, namely the Human Machine Interface (HMI) and guidelines for SCADA designers. The HMI is typically displayed on a computer screen and provides a graphical image of what is happening at a water or wastewater facility. For example, it would show the equipment at each facility including pumps, blowers, valves, etc. and status of operation such as running or idle or out of service as well as water levels, pressures, flows, and other operational parameters.

The guidelines for SCADA designers will establish the format for submission of design documentation such as what information is to be shown on various process drawings, control narratives, naming convention for wiring, equipment, and instruments, testing, and commissioning procedures.

AFNWA has kept Operators involved in this process through in-person and virtual workshops, and internal reviews by engineering and operational staff. The most important piece has been to solicit input from Operators for the development of the HMI screen, since Operators rely heavily on those screens to inform them of the status of facility operations. The HMI screens currently used in communities were developed independently from other communities. The saving grace is that this is a small region, and the limited number of local consultants and system integrators meant that several systems had similar graphics and interface elements.

The standardization development will be finished in fall 2022 and tested through pilot projects in two communities. In the meantime, projects currently underway are being reviewed by AFNWA and Eramosa staff to ensure consistency with the proposed desired state.



Carl Yates, Interim CEO, discusses issues with John Lam, Manager of Engineering, Travis Dymont of Lennox Island, and Mark Francis from Kingsclear

## Enterprise Risk Management

The Atlantic First Nations Water Authority adopted an Enterprise Risk Management (ERM) policy and framework in 2021-22. ERM is a governance and operational best practice.

AFNWA views risk as a combination of potential threats and opportunities: It is the chance of an event, action, inaction, or incident that could affect AFNWA's ability to achieve its business and strategic objectives and regulatory obligations. ERM consists of risk management practices and procedures applied across the organization to identify, measure, assess, respond to, monitor, and report on principal risks that affect the achievement of business objectives.

Implementing ERM allows AFNWA to identify, measure, and monitor key risk areas, to report on key risks to the AFNWA Board, and to be proactive to eliminate or minimize risk.

## Service Delivery

In recognizing First Nations traditional territories, and Atlantic Canada's geography, AFNWA's Full-Service-Decentralized [FSD] model can optimize service delivery with communities being no more than a 2.5-hour commute from a service area hub. The 10-Year Business Plan provides details on an appropriate-sized management and operations baseline to deliver the required services to member communities with the flexibility to upscale and accommodate communities who join later.

To ensure participating Atlantic First Nations communities receive the level of service required to meet the water authorities' objectives, the AFNWA operations are structured as a 'hub and spoke' model. Under this organizational design, service delivery is arranged into a network consisting of several geographic hubs which offer an array of services to nearby communities (spokes). Operators who currently work in their community will continue to do so, however, they will also support operations in their neighbour communities within their service area.

The FSD model has identified six (6) service areas that AFNWA will operate. The Elders Advisory Lodge have offered names to the service areas in Mi'kmaw and Wolastoqey—the languages of the communities served by AFNWA. Each service area is shown graphically on the following page.

The six identified service areas are:

- **Wolastokuk** for western New Brunswick.
- **Ml'signeegatig** for eastern New Brunswick,
- **Epekwitk** for Prince Edward Island
- **Kespukwitk** for western Nova Scotia
- **We'kopekwitk** for eastern Nova Scotia
- **Unama'ki** for Cape Breton

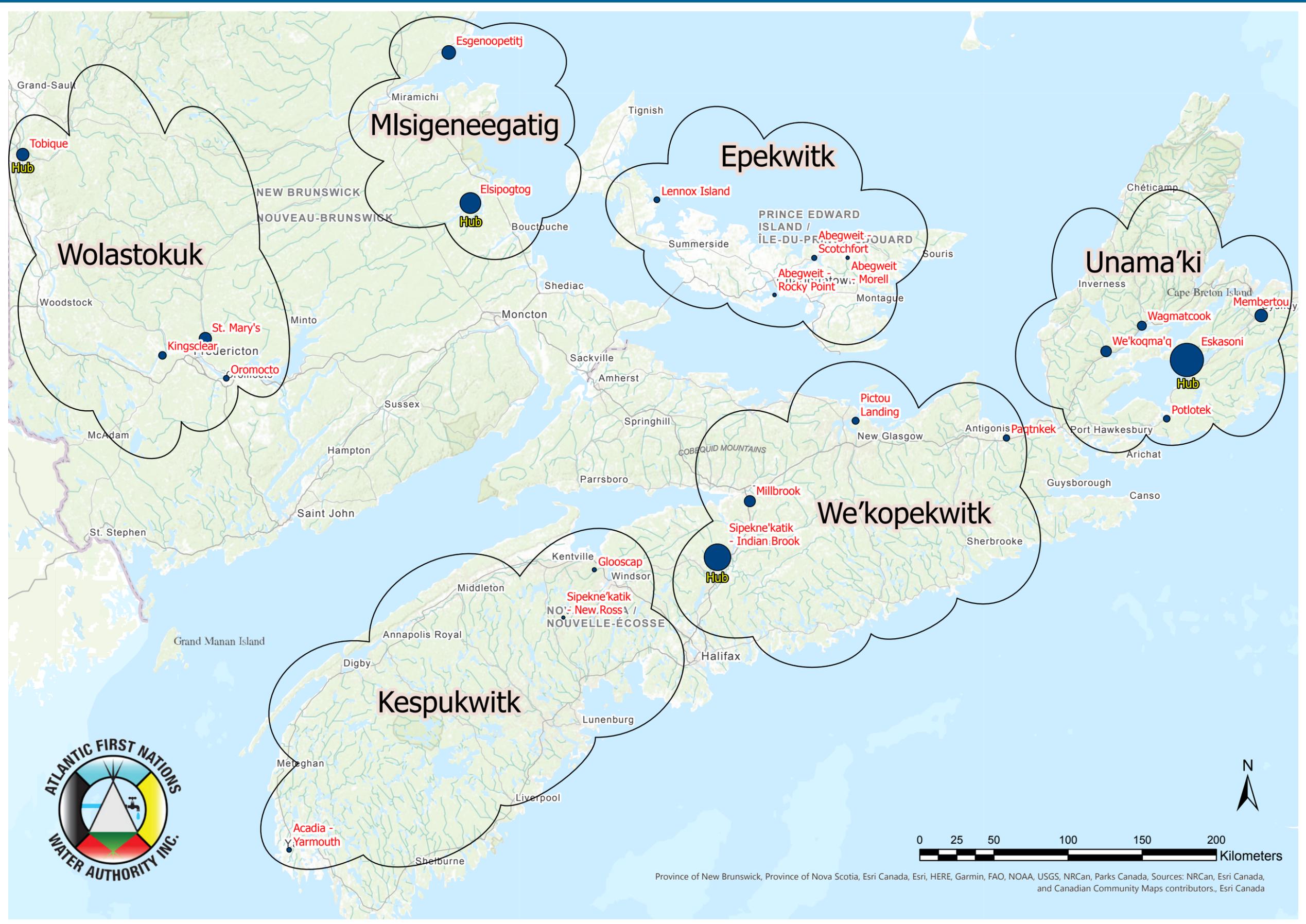
## Operators Workshops

AFNWA continued its consistent approach to operator outreach and training by hosting quarterly Operator Workshops. Community Operators receive regular updates on AFNWA progress and development, provide vital feedback to questions from staff, challenge staff with their own questions, discuss plans for future operations, and participate in technical sessions.

With the continuing effects of the COVID-19 pandemic, AFNWA provided hybrid-style operator workshops accommodating both in-person and online attendees. A total of five operator and community-based water monitor (CBWM) workshops were held, which provided a range of training for attendees from the Atlantic region. Through this training, and utilizing various funding sources, AFNWA was able to deliver vital safety equipment and provide the necessary training to keep operators safe on the job.

### Workshop attendees, in-person:

- **July 2021:** 19 operators and CBWMs from 10 communities
- **September:** 8 CBWMs from 6 communities
- **October:** 12 operators from 9 communities
- **December:** 6 operators from 3 communities
- **March 2022:** 18 operators from 10 communities





Julie DiCicco, Dillon Consulting; Ryan Dunbar, SOAR Professional Services; John Lam, AFNWA; and Angel Ransom, First Nations Major Project Coalition, at the ACEC-NB awards gala (November 2021).

## A Banner Year for AFNWA

The Atlantic First Nations Water Authority is proud that its second transitional year of operations produced two awards, a first for our young utility. AFNWA was formally recognized for its successful development of SCADA master plans and Asset Management Plans (AMP).

In December, AFNWA was presented with the **2021 Project of the Year Award** by the Atlantic Canada Water and Wastewater Association (ACWWA) for its SCADA (supervisory control and data acquisition) Master Plan. The project, carried out by Eramosa Engineering and the AFNWA Engineering Department, involved 3 main phases. The first was to identify all existing SCADA related infrastructure in service presently and assess its condition as part of the Current State Evaluation. The second was to develop a set of options for the Desired State of AFNWA's SCADA system based on best practices, published standards, industry trends, alignment with AFNWA business objectives and the end user's needs. The final phase was to develop the Master Plan complete with technical recommendations, capital and operating expenditure plans, and a recommended implementation approach and overall schedule.

In February, the Association of Consulting Engineering Companies division in New Brunswick (ACEC-NB) presented its **2022 Engineering Excellence Award** to AFNWA and Dillon Consulting for the development of Asset Management Plans for Water and Wastewater Systems in participating AFNWA communities. The program faced external challenges due to COVID-19 since the communities were located across three provinces and 14 health regions, each with varying health and safety requirements. Through this project, communities are better equipped with the knowledge and tools needed to make informed decisions on their assets, with deliverables supporting AFNWA efforts to create a new approach to manage water and wastewater services.

## Oversight

### Water Quality

AFNWA and Dalhousie University's Centre for Water Resources Studies [CWRS] worked together to develop a report regarding regulatory benchmarks for First Nations communities in Atlantic Canada. This report focuses on:

- Modernizing both the regulatory requirements and associated gap analysis for First Nations communities.
- Identifying mechanisms to integrate risk assessment, monitoring, and reporting into the compliance framework structure.
- Outlining potential entities to be responsible for compliance and enforcement of the regulations.
- Incorporating collaboration and engagement throughout the process to facilitate a Two-Eyed Seeing approach.

A working group has been established, inclusive of AFNWA staff, industry experts, federal government representatives, and community operators to implement the recommendations of the report.

### Economic

Utilities are natural monopolies. As such, they require oversight to ensure their expenditures are fair and equitable to the communities they serve. The AFNWA is no different. After an extensive review of options, AFNWA developed a relationship with the First Nations Financial Management Board (FNFM) regarding their potential as an economic oversight agency.

AFNWA, FMB, and ISC signed a tripartite MOU to formalize the relationship and begin work in earnest to establish an oversight agency through the FNFM.

#### Possible functions of an economic oversight agency include:

- Approval of Annual Capital Budgets with follow up reporting when projects are completed for comparison to estimates. An annual reconciliation report would also be a standard filing requirement.
- Establishment of accounting framework consistent with GAAP and utility functionality.
- Approval of Five-Year Business Plans [carried out every 2 years].
- Oversight for performance outcomes including levels of service.
- Approval of Integrated Resource Plans [Long Term Plans for System Investments in relation to Asset Renewal, Regulatory Compliance and Growth]. An IRP covers a 25-to-30-year period with updates every 5 years.
- Regulation of Development Charges to ensure fair and equitable treatment for business and commercial Users.
- Approval to secure debentures through the First Nations Financial Authority (FNFA).

# SAMQWAN

Created and choreographed by **Sarah Prosper**



Originally commissioned and produced by the Highland Arts Theatre

Photography by Lana Joy Gould

 May 5 – May 8, 2022  
**HIGHLAND ARTS THEATRE**

 May 12 – May 15, 2022  
**NEPTUNE THEATRE**

FUNDED BY



SPONSORED BY



## Communications and Outreach

### WEBSITE

A priority from the Communications and Outreach Strategy was to construct a user-friendly website for a summer launch. With approval from the Board, the Atlantic First Nations Water Authority officially launched its website in July 2021.

Site visitors can find career opportunities, meet the senior management team and Board of Directors, review Board meeting minutes and reports, and important AFNWA documents. The website is also the place to learn about our service delivery, find answers to frequently asked questions, read newsletters and annual reports, and access information on how your community can join AFNWA.

Visit us at [www.afnwa.ca](http://www.afnwa.ca) and join in our journey.

### SOCIAL MEDIA

With the hiring of the Communications Associate in fall 2021, AFNWA introduced three new social media accounts to build its online presence. The launch of the new official Facebook, Twitter, and Instagram pages complemented our established LinkedIn page, and completed another objective from the Communications and Outreach strategy. AFNWA uses these digital channels to update community members and the public at large on our progress, highlight job postings and community relations activities, as well as share content from our member communities and Indigenous and water organizations.

-  [Facebook.com/AFNWAinc](https://Facebook.com/AFNWAinc)
-  [Twitter.com/afnwa\\_inc](https://Twitter.com/afnwa_inc)
-  [Instagram.com/afnwa\\_inc](https://Instagram.com/afnwa_inc)
-  [LinkedIn.com/atlanticfirstnationswaterauthority](https://LinkedIn.com/atlanticfirstnationswaterauthority)

### SPONSORSHIPS

Building strong ties and relationships with communities is an important mandate for AFNWA. While another wave of the COVID-19 pandemic had hindered our ability to visit communities in-person, AFNWA was able to sponsor some grassroots initiatives hosted in participating First Nations.

Our department was approached by community members and event organizers throughout the year, and AFNWA was beyond proud to provide support for the following initiatives:

- **Nova Scotia Mi'kmaw Summer Games**  
Potlotek | July 15-24
- **National Aboriginal Hockey Championship**  
Membertou | May 9-15
- **Samqwan Encore**  
Sydney | May 5-8  
Halifax | May 12-15

The Atlantic First Nations Water Authority committed to be a Silver Sponsor for the North American Indigenous Games being held in Kijipuktuk/Halifax and surrounding areas in Mi'kma'ki!

North American  
**INDIGENOUS GAMES 2023**  
HALIFAX • NOVA SCOTIA



**2023 JEUX AUTOCHTONES**  
de l'Amérique du nord  
HALIFAX • NOUVELLE ECOSSE

# APPENDIX

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# Management's Responsibility for Financial Reporting

## The accompanying financial statements of the Atlantic First Nations Water Authority Inc. are the responsibility of management and have been approved by the Board of Directors.

The financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations as recommended by the Chartered Professional Accountants of Canada and as such include amounts that are the best estimates and judgments of management.

Management is responsible for the integrity and objectivity of these statements and for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and is ultimately responsible for reviewing and approving the financial statements.

The Board of Directors meets periodically with management, as well as the external auditors, to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, to satisfy themselves that each party is properly discharging their responsibilities, and to review the financial statements and the external auditor's report.

The external auditors, Grant Thornton LLP, conduct an independent examination, in accordance with Canadian auditing standards, and express their opinion on the financial statements. The external auditors have full and free access to financial management of the Atlantic First Nations Water Authority Inc. and meet when required.

On behalf of the Atlantic First Nations Water Authority Inc.



**Mr. Carl Yates**  
Interim Chief Executive Officer  
July 27, 2022

# Independent Auditor's Report

## To the Members of the Atlantic First Nations Water Authority Inc.

### Opinion

We have audited the accompanying financial statements of the Atlantic First Nations Water Authority Inc., which comprise the statement of financial position as at March 31, 2022, the statements of operations, surplus, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Atlantic First Nations Water Authority Inc. as at March 31, 2022 and the results of its operations and cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The schedules included on Pages 38 through 41 are presented for purposes of additional information and are not a required part of the financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Grant Thornton LLP*

Chartered Professional Accountants

Truro, Canada  
July 27, 2022



## Atlantic First Nations Water Authority Inc. Statement of Operations

| Year ended March 31   | Budgeted<br>(Unaudited) | 2022         | 2021       |
|---|-------------------------|--------------|------------|
| <b>Revenues</b>   |                         |              |            |
| Indigenous Services Canada  | \$ 5,644,000            | \$ 4,329,171 | \$ 811,582 |
| Indigenous Services Canada<br>First Nations and Inuit Health Branch | 308,000                 | 78,776       | 119,208    |
| Atlantic Policy Congress of<br>First Nations Chiefs Secretariat     | -                       | 83,031       | 350,000    |
| Interest  | -                       | 17,781       | 5,871      |
| Miscellaneous   | -                       | 1,809        | -          |
|   | 5,952,000               | 4,510,568    | 1,286,661  |
| <b>Expenses</b>   |                         |              |            |
| Advertising and promotional materials                               | 250,000                 | 113,059      | 9,069      |
| Amortization  | -                       | 36,957       | -          |
| Board and council compensation                                      | 140,000                 | 82,000       | 27,250     |
| Business fees and licenses  | -                       | 4,368        | 6,798      |
| Catering  | -                       | 7,760        | 2,646      |
| Contracts   | 2,433,800               | 1,842,014    | 599,563    |
| Equipment and room rentals  | 70,000                  | 29,266       | 1,600      |
| Insurance   | 50,000                  | 6,171        | 3,215      |
| Interest and bank charges   | 5,000                   | 3,374        | 1,607      |
| Office supplies and expense   | 76,000                  | 36,728       | 6,226      |
| Professional fees   | 160,000                 | 36,716       | 82,532     |
| Professional development  | 100,000                 | 29,414       | 3,394      |
| Project equipment   | -                       | -            | 131,381    |
| Rent and facilities   | 98,500                  | 83,749       | -          |
| Repairs and maintenance   | 20,000                  | 27,730       | -          |
| Safety supplies   | 50,000                  | 6,984        | -          |
| Salaries and benefits   | 1,866,700               | 1,749,535    | 377,282    |
| Technology services   | 30,000                  | 46,653       | 12,340     |
| Telephone and cellular  | 30,000                  | 18,076       | 2,707      |
| Travel  | 218,500                 | 75,564       | 19,051     |
| Utilities   | 36,000                  | 24,030       | -          |
|   | 5,634,000               | 4,260,148    | 1,286,661  |
| Excess of revenues over expenses                                    | \$ 317,500              | \$ 250,420   | \$ -       |

See accompanying notes to the financial statements.

## Atlantic First Nations Water Authority Inc. Statement of Surplus

| Year ended March 31, 2022        | Unrestricted | Investment in<br>Capital Assets | Total 2022 | Total 2021 |
|----------------------------------|--------------|---------------------------------|------------|------------|
| Beginning of year                | \$ -         | \$ -                            | \$ -       | \$ -       |
| Excess of revenues over expenses | 287,377      | (36,957)                        | 250,420    | -          |
| Capital asset additions          | (269,596)    | 269,596                         | -          | -          |
| End of year                      | \$ 17,781    | \$ 232,639                      | \$ 250,420 | \$ -       |

See accompanying notes to the financial statements.

## Atlantic First Nations Water Authority Inc. Statement of Financial Position

| March 31                        | 2022         | 2021         |
|---------------------------------|--------------|--------------|
| <b>Assets</b>                   |              |              |
| Current                         |              |              |
| Cash and cash equivalents       | \$ 1,999,458 | \$ 3,031,909 |
| Receivables (Note 3)            | 43,809       | -            |
| HST recoverable                 | 46,236       | 3,665        |
| Prepays                         | 54,824       | 617          |
|                                 | 2,144,327    | 3,036,191    |
| Property and equipment (Note 4) | 232,639      | -            |
|                                 | \$ 2,376,966 | \$ 3,036,191 |
| <b>Liabilities</b>              |              |              |
| Current                         |              |              |
| Payables and accruals (Note 5)  | \$ 575,481   | \$ 381,851   |
| Deferred revenue (Note 6)       | 1,551,065    | 2,654,340    |
|                                 | 2,126,546    | 3,036,191    |
| <b>Surplus (Page 5)</b>         |              |              |
| Unrestricted                    | 17,781       | -            |
| Investment in capital assets    | 232,639      | -            |
|                                 | 250,420      | -            |
|                                 | \$ 2,376,966 | \$ 3,036,191 |

Contingent liabilities (Note 7)

On behalf of the Executive Committee

Director

Director

## Atlantic First Nations Water Authority Inc. Statement of Cash Flows

| Year ended March 31                                  | 2022         | 2021         |
|--|--------------|--------------|
| Increase (decrease) in cash and cash equivalents     |              |              |
| <b>Operating</b>                                     |              |              |
| Excess of revenues over expenses                     | \$ 250,420   | \$ -         |
| Amortization   | 36,957       | -            |
|  | 287,377      | -            |
| Changes in non-cash operating working capital        |              |              |
| Receivables  | (86,380)     | (3,665)      |
| Prepaid  | (54,207)     | (617)        |
| Payables and accruals                                | 193,630      | 381,851      |
| Deferred revenue                                     | (1,103,275)  | 2,654,340    |
|  | (762,855)    | 3,031,909    |
| <b>Investing</b>                                     |              |              |
| Purchase of capital assets                           | (269,596)    | -            |
| Net (decrease) increase in cash and cash equivalents | (1,032,451)  | 3,031,909    |
| Cash and cash equivalents                            |              |              |
| Beginning of year                                    | 3,031,909    | -            |
| End of year  | \$ 1,999,458 | \$ 3,031,909 |

# Atlantic First Nations Water Authority Inc.

## NOTES TO THE FINANCIAL STATEMENTS

March 31, 2022

### 1. Nature of operations

The Atlantic First Nations Water Authority Inc. (the "Authority") is not-for-profit organization which was incorporated on July 18, 2018 and whose mission is to provide safe, clean drinking water and wastewater in all participating First Nations Communities in Atlantic Canada, delivered by a regional water authority owned and operated by First Nations.

### 2. Summary of significant accounting policies

#### Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO"). The significant policies are detailed below.

Atlantic First Nations Water Authority Inc. is only one entity and does not own or control other entities and therefore the financial statements are not labeled as "consolidated". In addition, the Authority does not have any segments but has programs and therefore no segment information or disclosures have been presented in these financial statements.

#### Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action. These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known. Items subject to significant management estimates include the useful life and amortization rates of capital assets, as well as the cost of administrative overhead transferred to various projects.

#### Revenue recognition

The Authority follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Unrestricted contributions and investment income are recognized as revenue when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Other revenues are recognized when received or receivable, provided the amount can be reasonably estimated and collection is reasonably assured.

#### Capital assets

The investment in capital asset fund reports the assets, liabilities, revenue and expenses related to the Authority's capital assets.

Rates and bases of amortization applied to amortize the cost of capital assets over their estimated useful lives are as follows:

- Leasehold improvements: 3-5 years, straight line
- Furniture and fixtures: 30%, declining balance
- Computer equipment: 30%, declining balance

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and balances with banks and financial institutions. Bank borrowings are considered to be financing activities.

#### Income taxes

The Authority is exempt from income taxes under Section 149(1)(c) of the Income Tax Act.

#### Financial instruments

##### Initial measurement

Financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. Transaction costs and financing fees relating to financial instruments that are measured subsequently at fair value are recognized in operations in the year in which they are incurred.

##### Subsequent measurement

At each reporting date, the Authority measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets). The financial instruments measured at amortized cost are cash and cash equivalents, receivables, payables and accruals, capital lease obligations and long-term debt.

For financial assets measured at cost or amortized cost, the Authority regularly assesses whether there are any indications of impairment. If there is an indication of impairment, and the Authority determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes an impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

#### Overhead allocations and project transfers

The Authority allocates administrative overhead costs incurred to the various projects undertaken during the year based on estimated costs incurred by each project and based on the terms and conditions of specific funding agreements.

Transfers are made among various programs when, in management's opinion, certain revenues or expenses incurred in one project related to another project.

### 3. Receivables

|   | 2022             | 2021        |
|---|------------------|-------------|
| Atlantic Policy Congress of First Nations<br>Chiefs Secretariat | \$ 41,515        | \$ -        |
| Trade   | 2,294            | -           |
|   | <b>\$ 43,809</b> | <b>\$ -</b> |

## 4. PROPERTY AND EQUIPMENT

|                         | 2022       |                          |                | 2021           |
|-------------------------|------------|--------------------------|----------------|----------------|
|                         | Cost       | Accumulated Amortization | Net Book Value | Net Book Value |
| Leasehold improvements  | \$ 91,287  | \$ 15,506                | \$ 75,781      | \$ -           |
| Computer equipment      | 54,638     | 15,026                   | 39,612         | -              |
| Furniture and equipment | 123,671    | 6,425                    | 117,246        | -              |
|                         | \$ 269,596 | \$ 36,957                | \$ 232,639     | \$ -           |

As at March 31, 2022, an amount of \$59,419 included in furniture and equipment was not available for use and therefore no amortization was taken.

## 5. Payables and accruals

Included in payables and accruals are government remittances in the amount of \$6,270 (2021 – \$1,934)

## 6. Deferred revenue

|                                    | 2022         | 2021         |
|------------------------------------|--------------|--------------|
| Indigenous Services Canada         | \$ 1,322,252 | \$ 2,643,418 |
| Indigenous Services Canada (FNIHB) | 228,813      | 10,922       |
|                                    | \$ 1,551,065 | \$ 2,654,340 |

## 7. Contingent liabilities

The Authority has entered into contribution agreements with various government departments. Funding received under these agreements are subject to repayment if the Authority fails to comply with the terms and conditions of the agreements.

## 8. Employee benefits

- The Authority has a defined contribution pension savings plan for its employees. The assets of the plan are held separately from those of the Authority in independently administered funds. Contributions paid and expensed by the Authority in the current year amounted to \$38,826 (2021–\$5,501).
- The Authority remits employee benefits on behalf of employees and as of March 31, 2022, all remittances for employee benefits are up to date.

## 9. Related party transactions

- During the year the Authority recognized revenue in the amount of \$83,031 (2021 – \$350,000) from Atlantic Policy Congress of First Nations Chiefs Secretariat, an entity under common control, for contract work.
- During the year the Authority paid \$68,509 (2021 – \$116,739) to Atlantic Policy Congress of First Nations Chiefs Secretariat, an entity under common control, for administrative services.

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.



## 10. Financial instruments – risk management

The Authority is exposed to various risks through its financial instruments. The following analysis provides a measure of the Authority's risk exposure and concentrations as at March 31, 2022.

### a) Credit risk

Credit risk is the risk of financial loss to the Authority if a debtor fails to make payments when due. The Authority is exposed to this risk relating to its receivables. Receivables are ultimately due from government and various funders. Credit risk is mitigated by ensuring government grants are entered into by way of contribution agreements. Management also continuously reviews aging and collection of receivable balances to ensure collection is timely. The Authority recognizes a specific allowance for doubtful accounts when management considers the expected amounts to be recovered is lower than the actual receivable. Management considers the exposure to this risk to be low.

### b) Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting the obligations associated with its financial liabilities. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority has adequate resources to meet its obligations and therefore risk is considered to be low.

### c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Authority is mainly exposed to interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In the opinion of management, the interest rate risk to the Authority is low and not material.

**Atlantic First Nations Water Authority Inc.**  
**Schedule of Indigenous Services Canada: First Nations and Inuit Health Branch (FNIHB) – Set Contributions**

| Year ended March 31, 2022                | 2021-2022 Set Funding - Q23C |             |             | Total         |                   |             |
|--|------------------------------|-------------|-------------|---------------|-------------------|-------------|
|  | Water - Wastewater           |             |             | Fixed Funding |                   |             |
|  | Budget 2022                  | Actual 2022 | Actual 2021 | Budget 2022   | Actual 2022       | Actual 2021 |
| <b>Revenues</b>                          |                              |             |             |               |                   |             |
| Funding per ISC-FNIHB confirmation       | \$ 297,000                   | \$ 296,667  | \$ 130,130  | \$ 297,000    | \$ <b>296,667</b> | \$ 130,130  |
| Prior year unexpected funding            | 11,000                       | 10,922      | -           | 11,000        | <b>10,922</b>     | -           |
|  | 308,000                      | 307,589     | 130,130     | 308,000       | <b>307,589</b>    | 130,130     |
| <b>Expenses</b>                          |                              |             |             |               |                   |             |
| Advertising and promotional material     | -                            | 5,487       | -           | -             | <b>5,487</b>      | -           |
| Contracts                                | 128,000                      | 45,229      | -           | 128,000       | <b>45,229</b>     | -           |
| Office supplies and expense              | -                            | 10,552      | -           | -             | <b>10,552</b>     | -           |
| Professional fees                        | -                            | -           | -           | -             | -                 | -           |
| Project equipment                        | -                            | -           | 108,371     | -             | -                 | 108,371     |
| Safety supplies                          | -                            | 5,248       | -           | -             | <b>5,248</b>      | -           |
| Salaries and benefits                    | 18,000                       | 10,000      | 10,837      | 18,000        | <b>10,000</b>     | 10,837      |
| Technology services                      | -                            | 2,260       | -           | -             | <b>2,260</b>      | -           |
|  | 146,000                      | 78,776      | 119,208     | 146,000       | <b>78,776</b>     | 119,208     |
| Excess of funding over expenses          | 162,000                      | 228,813     | 10,922      | 162,000       | <b>228,813</b>    | 10,922      |
| Less: capital expenditures               | 162,000                      | -           | -           | 162,000       | -                 | -           |
| Less: deferred revenue as at end of year | -                            | 228,813     | 10,922      | -             | <b>228,813</b>    | 10,922      |
| Excess of funding over expenses          | \$ -                         | \$ -        | \$ -        | \$ -          | \$ -              | \$ -        |

**Atlantic First Nations Water Authority Inc.**  
**Schedule of Indigenous Services Canada – Fixed Contributions**

| Year ended March 31                      | Fixed Funding                            |              |              |
|--|--|--------------|--------------|
|  | 2021-2022 Training Water-Wastewater/Q35C |              |              |
|  | Budget 2022                              | Actual 2022  | Actual 2021  |
| <b>Revenues</b>                          |  |              |              |
| Funding per ISC confirmation             | \$ 3,000,000                             | \$ 3,008,005 | \$ 2,500,000 |
| Prior year unexpended funding            | 1,829,000                                | 1,829,000    | -            |
| Other funding                            | -  | -            | 5,871        |
|  | 4,829,000                                | 4,837,005    | 2,505,871    |
| <b>Expenses</b>                          |  |              |              |
| Advertising and promotional materials    | 250,000                                  | 107,573      | 7,969        |
| Board and council compensation           | 140,000                                  | 82,000       | 27,250       |
| Business fees and licenses               | -  | 4,369        | -            |
| Catering                                 | -  | 5,344        | 360          |
| Contracts                                | 1,490,800                                | 974,676      | 317,614      |
| Equipment and room rentals               | 70,000                                   | 29,266       | 475          |
| Insurance                                | 50,000                                   | 6,171        | -            |
| Interest and bank charges                | 5,000                                    | 3,374        | 1,109        |
| Office supplies and expense              | 76,000                                   | 26,176       | 12,189       |
| Professional fees                        | 160,000                                  | 36,716       | 21,571       |
| Professional development                 | 100,000                                  | 27,605       | 1,189        |
| Project equipment                        | -  | -            | 19,634       |
| Rent and facilities                      | 98,500                                   | 83,749       | -            |
| Repairs and maintenance                  | 20,000                                   | 27,730       | -            |
| Safety supplies                          | 50,000                                   | 1,736        | -            |
| Salaries and benefits                    | 1,848,700                                | 1,739,535    | 248,609      |
| Technology services                      | 30,000                                   | 44,393       | 11,855       |
| Telephone and cellular                   | 30,000                                   | 18,076       | 2,269        |
| Travel                                   | 218,500                                  | 67,372       | 4,778        |
| Utilities                                | 36,000                                   | 24,030       | -            |
|  | 4,673,500                                | 3,309,891    | 676,871      |
| Excess of funding over expenses          | 155,500                                  | 1,527,114    | 1,829,000    |
| Less: capital expenditures               | 155,500                                  | 204,862      | -            |
| Less: deferred revenue as at end of year | -  | 1,322,252    | 1,829,000    |
| Excess of funding over expenses          | \$ -                                     | \$ -         | \$ -         |

**Atlantic First Nations Water Authority Inc.**  
**Schedule of Indigenous Services Canada – Fixed Contributions (cont'd)**

| Year ended March 31                      | Fixed Funding<br>2021-2022 Program Management/Q35K |             |             |
|--|--|-------------|-------------|
|  | Budget 2022  | Actual 2022 | Actual 2021 |
| <b>Revenues</b>                          |  |             |             |
| Funding per ISC confirmation             | \$ -   | \$ -        | \$ 955,000  |
| Prior year unexpended funding            | 815,000  | 814,418     | -           |
| Other funding                            | -  | -           | -           |
|  | 815,000  | 814,418     | 955,000     |
| <b>Expenses</b>                          |  |             |             |
| Advertising and promotional materials    | -  | -           | -           |
| Board and council compensation           | -  | -           | -           |
| Business fees and licenses               | -  | -           | -           |
| Catering                                 | -  | -           | -           |
| Contracts                                | 815,000  | 814,418     | 87,441      |
| Equipment and room rentals               | -  | -           | -           |
| Insurance                                | -  | -           | -           |
| Interest and bank charges                | -  | -           | -           |
| Office supplies and expense              | -  | -           | -           |
| Professional fees                        | -  | -           | 52,975      |
| Professional development                 | -  | -           | 166         |
| Project equipment                        | -  | -           | -           |
| Rent and facilities                      | -  | -           | -           |
| Repairs and maintenance                  | -  | -           | -           |
| Safety supplies                          | -  | -           | -           |
| Salaries and benefits                    | -  | -           | -           |
| Technology services                      | -  | -           | -           |
| Telephone and cellular                   | -  | -           | -           |
| Travel                                   | -  | -           | -           |
| Utilities                                | -  | -           | -           |
|  | 815,000  | 814,418     | 140,582     |
| Excess of funding over expenses          | -  | -           | 814,418     |
| Less: capital expenditures               | -  | -           | -           |
| Less: deferred revenue as at end of year | -  | -           | 814,418     |
| Excess of funding over expenses          | \$ -   | \$ -        | \$ -        |

**Atlantic First Nations Water Authority Inc.**  
**Schedule of Indigenous Services Canada – Fixed Contributions (cont'd)**

| Year ended March 31                      | Fixed Funding |              |              |
|--|---------------|--------------|--------------|
|  | Budget 2022   | Actual 2022  | Actual 2021  |
| <b>Revenues</b>                          |               |              |              |
| Funding per ISC confirmation             | \$ 3,000,000  | \$ 3,008,005 | \$ 3,455,000 |
| Prior year unexpended funding            | 2,644,000     | 2,643,418    | -            |
| Other funding                            | -             | -            | 5,871        |
|  | 5,644,000     | 5,651,423    | 3,460,871    |
| <b>Expenses</b>                          |               |              |              |
| Advertising and promotional materials    | 250,000       | 107,573      | 7,969        |
| Board and council compensation           | 140,000       | 82,000       | 27,250       |
| Business fees and licenses               | -             | 4,369        | -            |
| Catering                                 | -             | 5,344        | 360          |
| Contracts                                | 2,305,800     | 1,789,094    | 405,055      |
| Equipment and room rentals               | 70,000        | 29,266       | 475          |
| Insurance                                | 50,000        | 6,171        | -            |
| Interest and bank charges                | 5,000         | 3,374        | 1,109        |
| Office supplies and expense              | 76,000        | 26,176       | 12,189       |
| Professional fees                        | 160,000       | 36,716       | 74,546       |
| Professional development                 | 100,000       | 27,605       | 1,355        |
| Project equipment                        | -             | -            | 19,634       |
| Rent and facilities                      | 98,500        | 83,749       | -            |
| Repairs and maintenance                  | 20,000        | 27,730       | -            |
| Safety supplies                          | 50,000        | 1,736        | -            |
| Salaries and benefits                    | 1,848,700     | 1,739,535    | 248,609      |
| Technology services                      | 30,000        | 44,393       | 11,855       |
| Telephone and cellular                   | 30,000        | 18,076       | 2,269        |
| Travel                                   | 218,500       | 67,372       | 4,778        |
| Utilities                                | 36,000        | 24,030       | -            |
|  | 5,488,500     | 4,124,309    | 817,453      |
| Excess of funding over expenses          | 155,500       | 1,527,114    | 2,643,418    |
| Less: capital expenditures               | 155,500       | 204,862      | -            |
| Less: deferred revenue as at end of year | -             | 1,322,252    | 2,643,418    |
| Excess of funding over expenses          | \$ -          | \$ -         | \$ -         |



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