

Region of Queens Municipality – Audit and Internal Control Committee

Monday, June 9th, 2025 – 6:00 PM

Minutes

Present:

Joanne Veinotte, Director of Finance

Heidi Mossman, Manager of Finance

Councillor Stewart Jenkins, Chair

Councillor Courtney Wentzell

Kendall Farmer

Bill Rafuse

Loris Azzano

Rob Perry

Kate Wong, Recording Secretary

1.0 Call to Order and Land Acknowledgement

The meeting was called to order by Councillor Jenkins at 5:30p.m.

2.0 Approval of Agenda

Motioned by Bill Rafuse and seconded by Kendall Farmer, that the Audit and Internal Control Committee approve the June 9th, 2025 agenda as presented.

3.0 Introduction of Members

Round the table of introductions.

4.0 Role of Committee – Terms of Reference

Discussed bringing items like new accounting standards to the Audit and Internal Control Committee for review and recommendation, providing financial oversight and transparency before presenting to Council. Noted that Grant Thornton is the auditor and highlighted the financial department's responsibilities to the Provincial Government. Also clarified that concerns about Finance staff or issues raised at committee meetings that have not been addressed to the committee's satisfaction can be directed to the Chief Administrative Officer, Willa Thorpe.

3.0 Historical Work Plan – Processes Versus Policy

Director of Finance and Manager of Finance will review areas for improvement following the audit as part of a new work plan focused on reviewing current processes for improvements and prioritizing other outstanding items from past work plans. Clarified the distinction between policy (set by Council) and processes (how staff implement it), aiming to reduce ambiguity. The committee will continue to review the quarterly financial reports and examine finance-related policies as part of the workplan. A new work plan list will be shared at the fall meeting, with the opportunity for committee members to contribute items to promote accountability and transparency.

As an example of what would be on the workplan, the new scale project at the Solid Waste Facility is underway. Part of this project is to modernize the billing process with software at the site itself. Finance staff will be involved in this aspect of the project and the resulting processes will be reviewed with the committee.

4.0 Financial Statement Format Review

Discussed Section B "Non-Consolidated Financial Statements" from the 2024 Index to Financial Statements

The Committee discussed the recurring presence of annual budget surpluses and expressed concern regarding the possibility of a structural surplus. It was noted that these surpluses often result when budgeted projects are not completed within the fiscal year. Members suggested that consistent delays in

project completion may point to broader management or staffing challenges. Additionally, it was noted that quarterly reviews of infrastructure projects have not occurred regularly over the past year, contributing to a lack of timely oversight. Discussed the importance of follow-up on unfinished plans and reporting on project progress. Discussed the need for quarterly updates on all Capital Projects. Noted that many projects are carryovers from previous Councils and are updated annually on the Capital Investment Plan.

A key point raised during the discussion was that since unspent funds must be transferred to reserves, a persistent structural surplus could indicate that the municipality is collecting more in taxes than necessary to deliver services—an issue that warrants further attention.

Discussed the transition of Hillview Acres to the new Long Term Care Facility, which is not owned by Region of Queens Municipality, and how this will affect financial department workload.

Finally, a member shared an observation of what he is seeing in the community at present - Queens County residents are in the worst financial shape in years following the pandemic. Finance staff have made Council aware of indicators such as increase in interest charged on taxes that would support this observation.

5.0 Confirmation of Training

All members completed Audit Training, with the exception of one member, who will complete.

6.0 Valuation Allowance Review and Recommendation to Council 24/25

Motioned by Bill Rafuse, seconded by Kendall Farmer

THAT the Audit and Internal Control Committee recommend to Council that valuation allowance for 245 of \$87,237.01 be approved

MOTION CARRIED.

It was noted that, moving forward, policies related to water bill disconnections will be reviewed. Internal controls are reported to be operating as intended, with the Manager of Finance signing off on the Director's general journal entries, overseeing of solid waste billing, Hillview transactions, and bank reconciliations.

Draft financial statements will be presented to the committee in July, with an brief analysis of the previous fiscal year included in the meeting package. Additionally, regular meeting dates for the upcoming year will be established at that time.

7.0 Adjournment

Meeting was adjourned at 7:29pm