

**Region of Queens Municipality – Audit and Internal Control  
Committee  
Monday, August 11<sup>th</sup>, 2025 – 5:00 PM**

**Minutes**

Present:

Joanne Veinotte, Director of Finance

Willa Thorpe, Chief Administrative Officer

Heidi Mossman, Manager of Finance

Councillor Stewart Jenkins, Chair

Bill Rafuse

Loris Azzano

Rob Perry

Kate Wong, Recording Secretary

Regrets:

Councillor Courtney Wentzell

Kendall Farmer

**1.0 Call to Order and Land Acknowledgement**

The meeting was called to order by Councillor Jenkins at 4:59 p.m.

## **2.0 Approval of Agenda**

**Motioned by Loris Azzano and seconded by Rob Perry:**

**THAT** the Audit and Internal Control Committee approve the August 11<sup>th</sup>, 2025 agenda as presented.

**MOTION CARRIED.**

## **3.0 Approval of June 9<sup>th</sup>, 2025 Meeting Minutes**

**Moved by Councillor Jenkins, seconded by Bill Rafuse:**

**THAT** the minutes of the Audit and Internal Control Committee meeting held June 9<sup>th</sup>, 2025 be approved as presented.

**MOTION CARRIED.**

## **4.0 Draft Financial Statement Review**

Section A Consolidated Statements reviewed because of examination and discussion surrounding the non-consolidated statements, as they are a combination of all funds in the non-consolidated statements.

Joanne Veinotte, Director of Finance, presented the Non-consolidated Statement of Financial Position for the Operating and Capital Funds, the Capital Fund Statement of Financial Activities and Change in Fund Balance, Capital Fund Tangible Capital Asset Summary, Statement of Operations Operating Fund, Statement of Financial Position Water Utility, Statement of Financial Position

Water Capital Fund, Water Utility Tangible Capital Asset Summary, Statement of Investments Water Capital Fund, Statement of Financial Position Special Operating Reserve.

Concerns were raised over a significant increase in tax receivables, with possible causes may include higher assessment values causing late payments from residents. The majority of the increase results from a handful delinquent accounts.

There was a discussion on the Water Utility's financial position, with a reported debt of \$684,153 to the General Operating Fund as of March 31. A rate review is in progress, but changes are not expected until 2026, leading to a likely increase in the deficit.

Deferred revenue fell by \$595,000 following the completion of provincially funded projects, and the Tax Sale Surplus rose by \$215,000 after a successful tax tender, though these funds are restricted for 20 years and must be used for infrastructure or property investments.

There was a discussion on the Statement of Financial Position for the Capital Fund, noting ongoing projects, including the library renovation, HVAC replacement, the pool, and the Mount Pleasant service extension, that will not be recorded as capital assets until completion. The library and HVAC projects are expected to be finalized in the next fiscal year, at which point costs will be transferred to capital assets

The municipality's donation process was discussed. Donors cannot direct how funds are spent, and donations require a letter confirming spending decisions rest solely with Council and that funds will not be returned. This issue had been

raised in a previous management letter and now meets CRA criteria for issuance of charitable donation receipt.

There was a discussion on general government and protective services expenditures. Tax exemptions came in slightly below budget, while other expenses included the Mount Pleasant study were not incurred and a \$300,000 wage contingency was a placeholder for wage increases on their respective lines. Wage costs increased due to the new IBEW collective bargaining agreement and non-union adjustments from the September compensation review.

There was discussion on disclosure of elected officials and Chief Administrative Officer expenses.

There was a discussion on vacant positions throughout the municipality which had been budgeted for, for example Economic Development services, which include planning, tourism. The municipality is still seeking a Development Officer, and unspent accessibility grant funds have been placed in reserve for future grant opportunities. This reserve allows the municipality to contribute matching funds when applying for provincial accessibility project grants, such as ramps or accessible washrooms, thereby increasing the potential total funding available.

Tourism and economic development faced staffing challenges over the past year, including the resignation of the Director which limited progress on planned projects. Utility Supervisor was successfully promoted from within the organization after year end, this internal promotion created additional vacancies in an already understaffed utility department. The Director of People and Culture has been working closely with the Director of Infrastructure, to increase outreach and visibility for recruitment efforts. It was noted that advertising through

civicjobs.ca may be expanded, as previous attempts using recruiters had little success.

Water Utility Statement of Operations review noted that the year-end deficit was lower than budgeted due to reduced labour allocations, lower chemical costs, and deferred projects. The Statement of Financial Position showed an increased amount owed to other funds as the utility continues to operate in deficit, with a rate study scheduled for October 2025. Inventory counts revealed a significant increase in materials, most of which had been purchased through capital projects. This resulted in the utility owing the capital fund for those assets.

There was a brief discussion on the availability of external financial guidance. Joanne noted that if needed, she can access assistance through the Municipal Advisor or the AMANS group for questions regarding the municipality's financial matters.

It was noted that current spending on training is significantly below budget.

Staff will proceed with setting a date for the committee to meet with the Auditors for formal presentation of the Audited Statements.

## **5.0 Adjournment**

**Moved by Bill Rafuse, seconded by Loris Azzano**

Meeting was adjourned at 6:39pm

**MOTION CARRIED.**