

**WINDSOR UTILITIES COMMISSION**  
**AUDIT AND FINANCE COMMITTEE**  
**PUBLIC MEETING MINUTES FOR THE PUBLIC MEETING HELD**  
**WEDNESDAY, APRIL 13, 2022**

A public meeting of the Windsor Utilities Commission Audit & Finance Committee was held on Wednesday, April 13, 2022 via Zoom Conference call due to the COVID-19 pandemic, subject to health and safety restrictions.

**ATTENDANCE:**

Members: Gid Sovran [Chair], Julian Hawkins, Doug Lawson

Management: President & CEO, H. Reidel, VP Corporate Services & CFO, M. Carlini, VP Water Operations, G. Rossi, VP of Hydro Operations, J. Brown, VP Business Development, K. Taylor; VP Customer Care & Corporate Operations, P. Gleason, Director of Finance, G. Boose, Controller, H. Malcolm-Kiss, Controller, B. Pougnet; Director of Regulatory Affairs and Corporate Secretary, C. Bebbington; Director Human Resources, J. Damphouse; Director of Purchasing and Supply Chain R. McIntyre; Coordinator of Corporate Initiatives N. Anderson; and Governance and Records Coordinator, A. Pelaccia.

Guests: Cynthia Swift, KPMG  
Alicia Beneteau, KPMG

Regrets: Jim Morrison

**CALL TO ORDER & DECLARATION OF CONFLICTS OF INTEREST**

The Chair noting quorum called the public meeting to order at 11:06 a.m.

No conflicts of interest were declared.

**CONSENT AGENDA**

Moved and seconded

THAT the following Consent Agenda item BE APPROVED as recommended.

3.1 WUC Audit & Finance Committee Public Meeting Minutes of February 2, 2022.

**-CARRIED**

## **COMMUNICATION AGENDA**

Moved and seconded

THAT the following Communication Agenda items BE RECEIVED as recommended.

- 4.1 WUC Initiatives Tracking
- 4.2 WUC Audit & Finance Committee 2022 Work Plan
- 4.3 ENWIN Corporate Entities and WUC 2022 Meeting Schedule

**-CARRIED**

## **ENWIN EXECUTIVE REPORTS**

### **5.1 WUC 2021 DEVELOPMENT CHARGE FUNDS REQUEST**

Moved and seconded

THAT the Development Charges Funds Request BE RECEIVED;

AND THAT the Development Charges Funds Request BE RECOMMENDED to the Windsor Utilities Commission Board of Commissioners for receipt.

**-CARRIED**

### **5.2 WINDSOR UTILITIES COMMISSION 2021 FINANCIAL REVIEW**

The VP of Corporate Services & CFO reviewed the report with the Committee, noting a successful year. Operating expenses were the lowest in the past 3 years. This may be attributed to a reduction in production and billing in the commercial sectors. It is not yet determined if this is an ongoing trend or if it can be attributed the pandemic. Non-revenue water is significantly higher than anticipated, offsetting this variance. Cash balances, liquidity, and working capital remain favourable, rounding out a strong year.

A Committee Member commented that the 4% growth in residential customer volumes should continue to increase in the coming years with the new residential developments throughout the City.

A Committee Member inquired about the parties who are managing the 12 million dollars of investment funds. The VP of Corporate Services & CFO confirmed that 2

million dollars has been invested in short-term GICs with Windsor Family Credit Union and 10 million dollars in short-term GICs has been invested with Scotia Bank, in accordance with the Investment Policy. Management confirmed that a report will be provided to the Committee discussing potential upcoming capital projects, which may require use of these funds. The Commissioner requested that Management investigate if the funds should be managed by Jarislowsky Fraser, similar to (but separate from) the sinking fund. Management confirmed that it would investigate this option, while ensuring the funds remain quickly accessible for potential upcoming capital projects, and report back to the Committee.

A Committee Member inquired about the possibility of overestimating commercial investment. The VP of Corporate Services & CFO acknowledged the Committee's previous comments regarding budgeting and he highlighted the changes that have been made to the budgeting process accordingly. Based on the reduction in production, a close eye was kept on operating costs to ensure that they remained low in 2021, offsetting the loss of revenue. This was able to be done in 2021 due to a reduction of travel and staff turnover for retirements. The President & CEO estimated that this savings in operational costs would not be seen in 2022 and incremental budgeting has been put in place to mitigate risks.

A Committee Member inquired if the proposed battery plant will be a large consumer of water. The VP Water Operations confirmed that the Management team has been in close contact to help determine needs in this early phase of the project. Information has varied, and it is too early to confirm how volumes will be impacted. However, the Committee was assured that the network infrastructure is currently in place to handle the load and flow water for the plant's needs.

Moved and seconded

THAT the Windsor Utilities Commission 2021 Financial Review BE RECEIVED;

AND THAT the Windsor Utilities Commission 2021 Financial Review BE RECOMMENDED to the Windsor Utilities Commission Board of Commissioners FOR APPROVAL.

**-CARRIED**

### **5.3 WINDSOR UTILITIES COMMISSION ("WUC") AUDIT FINDINGS**

The Auditor confirmed that an unmodified opinion has been completed. The financial statements met all regulatory requirements, and they were prepared in accordance with accounting principles, criteria and standards. Legal letters are expected to be received today, and no issues or deficiencies are expected. Management was forthcoming with information about the sale of District Energy Windsor and no deficiencies were found with this transaction.

Moved and seconded

THAT the Windsor Utilities Commission (“WUC”) Audit Findings report BE RECEIVED;

AND THAT the Windsor Utilities Commission (“WUC”) Audit Findings report BE RECOMMENDED to the Windsor Utilities Commission Board of Commissioners for receipt.

**-CARRIED**

#### **5.4 WINDSOR UTILITIES COMMISSION 2021 AUDITED FINANCIAL STATEMENTS**

A Committee member inquired with the Auditor if they received full cooperation. The Auditor credited strong staff, comprehensive preparations, and excellent communication to the success of the audit. No surprises and issues arose due to this ongoing working relationship and the audit was able to be prepared in accordance with timelines.

Moved and seconded

THAT the Windsor Utilities Commission 2021 Audited Financial Statements BE RECEIVED;

AND THAT the Windsor Utilities Commission 2021 Audited Financial Statements BE RECOMMENDED to the Windsor Utilities Commission Board of Commissioners for APPROVAL.

**-CARRIED**

#### **IN CAMERA SESSION**

Moved and seconded

THAT the Committee be directed to move in camera for the purpose of consideration of the following items of business pursuant to section 239(2) of the *Municipal Act*:

##### **6.1 WUC A&F In Camera Meeting Minutes of February 2, 2022**

*s. 239(2)(e) litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.*

**-CARRIED**

In Camera session commenced at 11:28 a.m.

In Camera session concluded at 11:29 a.m.

### **RESUME PUBLIC MEETING SESSION**

Moved and seconded  
THAT the Committee move TO RESUME the public meeting session.

**-CARRIED**

The public Committee meeting reconvened at 11:30 a.m.

### **TRANSMISSION OF RECOMMENDATIONS**

Moved and seconded  
THAT the recommendations discussed in camera BE BROUGHT FORWARD for consideration.

**-CARRIED**

Moved and seconded  
THAT the WUC A&F Committee in camera meeting minutes of February 2, 2022 BE APPROVED as recommended.

**-CARRIED**

### **OTHER BUSINESS**

None noted.

### **TERMINATION**

Moved and seconded.  
THAT the meeting BE TERMINATED.

**-CARRIED**

The meeting terminated at 11:30 a.m.

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Recording Secretary

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Committee Chair