

WINDSOR UTILITIES COMMISSION
AUDIT AND FINANCE COMMITTEE
PUBLIC MEETING MINUTES FOR THE PUBLIC MEETING HELD
WEDNESDAY, NOVEMBER 3, 2021

A public meeting of the Windsor Utilities Commission Audit & Finance Committee was held on Wednesday, November 3, 2021 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, Jim Morrison

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; Corporate Secretary, P. Gleason, Director of Finance, G. Boose, Controller B. Pougnet; Director Human Resources, J. Damphouse; Director Regulatory Affairs C. Bebbington; Director of Purchasing and Supply Chain R. McIntyre; Manager of Water Operations Grant Switzer; Coordinator of Corporate Initiatives N. Anderson; and Governance and Records Coordinator, A. Pelaccia

Guests: Cynthia Swift, KPMG
Alicia Beneteau, KPMG
Peter Godec, Jarislowsky Fraser Global Investment Management [Item 5.1 only]
Adam Penny, Jarislowsky Fraser Global Investment Management [Item 5.1 only]

Regrets: None

CALL TO ORDER & DECLARATION OF CONFLICTS OF INTEREST

The Chair noting quorum called the public meeting to order at 11:02 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 September 15, 2021.

-CARRIED

COMMUNICATION AGENDA

The VP Corporate Services & CFO outlined item 4.2, Windsor Utilities Commission Audit Planning Report – 2021, and welcomed Cynthia Swift of KPMG to the meeting. She noted that an interim audit will begin the following week. The audit will be a hybrid audit, working with ENWIN to have in person access on site, where appropriate, as well as a virtual audit. The sale of District Energy Windsor was the significant item of change noted from the previous year. Results will be reported at the end of the year.

The VP Water Operations highlighted the positive results in item 4.3, DWQMS Third Party Audit Results. The audit provided positive accreditation in 2021.

The VP Corporate Services & CFO reviewed the results in item 4.4, RFP 2021-035 – Water Distribution System Repairs and Replacements of Designated Components. The costed responses remained higher than expected and are to be brought to the Commission for review.

Moved and seconded

THAT the following Communication Agenda items BE RECEIVED as recommended.

- 4.1 Windsor Utilities Commission Financial and Corporate Compliance Report for Quarter Ending Q3, 2021
- 4.2 Windsor Utilities Commission Audit Planning Report – 2021
- 4.3 DWQMS Third Party Audit Results
- 4.4 RFP 2021-035 – Water Distribution System Repairs and Replacements of Designated Components
- 4.5 WUC Initiatives Tracking
- 4.6 WUC Audit & Finance Committee 2021 Agenda Work Plan
- 4.7 ENWIN Group and WUC 2021 Meeting Schedule
- 4.8 ENWIN Group and WUC 2022 Meeting Schedule

-CARRIED

ENWIN EXECUTIVE REPORTS

5.1 WINDSOR UTILITIES SINKING FUND INVESTMENT POLICY UPDATE

Investment managers Adam Penny and Peter Godec joined the meeting at 11:11 a.m to provide a presentation to the Committee.

Committee Members discussed the Asset Mix Guidelines, opportunities, and risks to the portfolio. They requested further review and analysis be provided to the board to consider increasing a maximum of 50% equities within the portfolio.

Moved and seconded

THAT the Sinking Fund Investment Policy Update report be RECEIVED for information; and

THAT the Board consider amending the Asset Mix Guidelines under the WUC Sinking Fund Investment Policy to allow for a maximum of 50% Equities within the portfolio; and

THAT if the Board approves in principle a maximum of 50% Equities within the portfolio; that the Sinking Fund Investment Policy be amended to reflect this change and brought to the Board of Commissioners for approval.

-CARRIED

Following the presentation, Adam Penny and Peter Godec left the meeting at 11:31 a.m.

5.2 WINDSOR UTILITIES COMMISSION Q3 2021 FINANCIAL REVIEW

The VP Corporate Services & CFO reviewed the report, focusing on strong financial results in the quarter. Management continues to watch trends in consumption.

Moved and seconded

THAT the Windsor Utilities Commission Q3 2021 Financial Review BE RECEIVED; and

THAT the Windsor Utilities Commission Q3 2021 Financial Review BE RECOMMENDED to the Board of Commissioners for receipt.

-CARRIED

5.3 WINDSOR UTILITIES COMMISSION 2022 BUSINESS PLAN INCLUDING THE OPERATING AND CAPITAL BUDGETS

The VP Corporate Services & CFO reviewed the request of the Board to update the proposed budget to reflect a 3.8% water rate increase to mitigate declines in consumption, supply chain issues, and inflation.

Moved and seconded

THAT the WUC 2022 – 2027 Business Plan with 2022 Operating and Capital Budgets BE RECEIVED; and

THAT the WUC Schedule A for By-Law Number 94, including a 3.8% water rate increase BE RECOMMENDED to the WUC Board of Commissioners for approval; and

THAT the WUC Commission annual commissioner remuneration BE RECOMMENDED to the WUC Board of Commissioners for approval to include an inflationary increase of 2% from \$8,489 to \$8,659; and

THAT the WUC 2022 – 2027 Business Plan with the 2022 Operating and Capital Budgets BE RECOMMENDED to the WUC 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 September 15, 2021

s. 239(2)(k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

6.2 Committee Evaluation Summary for Windsor Utilities Commission Audit & Finance Committee

s. 239(2)(b) personal matters about an identifiable individual, including municipal or local board employees.

-CARRIED

In Camera session commenced at 11:45 a.m.

In Camera session concluded at 11:49 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 11:49 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 September 15, 2021 BE APPROVED as recommended.

-CARRIED

Moved and seconded
THAT the Committee Evaluation Summary for Windsor Utilities Commission Audit & Finance Committee BE RECEIVED as recommended.

-CARRIED

OTHER BUSINESS

A Commissioner inquired about continuing virtual meetings. Management confirmed that they will connect with the Chairs of the Committee and Boards in early 2022 to review options based on pandemic protocols at that time.

TERMINATION

Moved and seconded.
THAT the meeting BE TERMINATED.

-CARRIED

The meeting terminated at 11:53 a.m.

Recording Secretary

Committee Chair