

**MINUTES
CITY OF IQALUIT
FINANCE
COMMITTEE OF THE WHOLE MEETING #02
JULY 2, 2024 at 6:00 p.m.
CITY COUNCIL CHAMBERS**

PRESENT FROM COUNCIL

Mayor Solomon Awa, Chair
Deputy Mayor Kimberly Smith
Councillor Methusalah Kunuk
Councillor Simon Nattaq
Councillor Romeyn Stevenson
Councillor Samuel Tilley

ABSENT

Alternate Deputy Mayor Harry Flaherty
Councillor Amber Aglukark
Councillor Kyle Sheppard

PRESENT FROM ADMINISTRATION

Steve England, Chief Administrative Officer
Brianna Longworth, Acting City Clerk/Deputy City Clerk
Livete Ataguyuk, Community Communications Liaison
Jeanie Eeseemailee, Senior Interpreter/Translator
Peter Tumilty, Senior Director of Corporate Services

Mayor Awa called the meeting to order at 6:01 p.m.

ADOPTION OF AGENDA

Motion FIN 24-06

Moved by: Deputy Mayor Smith
Seconded by: Councillor Tilley

Adoption of agenda as presented.

Unanimously Carried

1. **MINUTES**

None

2. **DECLARATION OF INTEREST**

None

3. **DELEGATIONS**

None

4. **DEFERRED BUSINESS AND TABLED ITEMS**

None

5. **NEW BUSINESS**

a) **Presentation of 2023 Audited Financial Statements**

Peter Tumilty, Senior Director of Corporate Services, presented the 2023 Audited Financial Statements. Mr. Tumilty noted that Brittany Ward, CPA, CA, Lester Landau Chartered Professional Accountants, was in attendance via teleconference to answer questions. The following are the highlights of Mr. Tumilty's presentation:

- Audit went well
- Auditors were requested to conduct a deep dive on the outstanding issues from previous years
- New Accounting Standard – Asset Retirement Obligations
- Independent Audit Report provides an overview of the audit and ensures that the financial statements comply with the *Cities, Town and Villages Act*
- Reviewed the Consolidated Statement of Financial Position
 - Total Financial Assets decreased \$7.6 million
 - Total Liabilities increased \$2.5 million
 - Asset Retirement Obligations was approximately \$17.127
 - Restated Asset Retirement Obligations for 2022
 - Deferred Revenue - \$11 million to fund capital projects
 - Long term debt – paid down relating to the aquatic centre
 - Net Financial Assets decreased \$10 million
 - Funds have been expended and reserves were used to fund capital programs
 - Tangible Capital Assets net increase - approximately \$51 million
 - Large investment in capital
 - Financial reserves have declined to fund the capital projects
- Reviewed Consolidated Statement of Operations
 - Excess surplus - \$44 million
 - Revenue increase - \$15 million
 - Other revenue from own sources - \$4.1 million mostly relating to interest received on bank account
 - Community funding - \$14 million relating to Sunrise Place Multi-plex
 - Expenses increased \$11 million
 - Community funding – relates to Sunrise Place Multi-plex

- Depreciation - \$3.5 million relating to amortization of capital assets
- Sanitation – decrease relates to Asset Retirement Obligations
- Consolidated Statement of Changes in Net Financial Assets
 - Decreased - \$10.1 million
 - Tangible capital assets purchased – \$73 million
 - Funds were used from revenue and other funds for capital projects
 - This is not a sustainable level of investment.
- Asset Retirement Obligations Note
 - New standard
 - Best estimate
 - Work to be carried out on estimates
 - Requires a significant amount of work to keep track

Mr. Tumilty reiterated that the capital program must be considered in order to move forward in a sustainable manner. He noted that reserves needed to be rebuilt so there was money to leverage new funding opportunities. He pointed out that as large capital projects were being completed, this was an opportunity to strategize on moving forward.

Councillor Nattaq asked about the financial standing.

Mr. Tumilty explained that the large capital projects required a significant amount of reserve funds, and these projects would soon be completed. He reiterated that capital project spending must be considered going forward. Mr. Tumilty advised that currently, the City is in good financial standing.

Deputy Mayor Smith commented that with the completion of the large capital projects, it was an opportune time to consider small projects and plan for future larger projects.

Councillor Kunuk asked for an explanation regarding the difference in the budget and actual amount under Community Funding.

Mr. Tumilty explained that the Canada Mortgage and Housing Corporation (CMHC) provided funding for the construction of Sunrise Place Multi-plex in Joamie Court. He advised that the funds had to be transferred as the multi-plex was constructed.

Motion FIN 24-07

Moved by: Deputy Mayor Smith

Seconded by: Councillor Tilley

Committee recommends that Council accept the 2023 Audited Financial Statements.

Unanimously Carried

6. **IN CAMERA SESSION**

- (1) As per Section 23 (2) (a) CTV Act and By-law 526 Section 67
- Legal - Document

Motion FIN 24-08

Moved by: Councillor Kunuk
Seconded by: Councillor Tilley

Council goes In Camera at 6:24 p.m.

Unanimously Carried

Councillor Stevenson was in attendance at this time.

Motion FIN 24-09

Moved by: Councillor Tilley
Seconded by: Councillor Stevenson

Council returns to Regular Session at 7:02 p.m.

Unanimously Carried

Motion FIN 24-10

Moved by: Deputy Mayor Smith
Seconded by: Councillor Stevenson

Committee recommends that Council accept the Management Letter for the 2023 Audited Financial Statements.

Unanimously Carried

7. **ADJOURNMENT**

Motion FIN 24-11

Moved by: Deputy Mayor Smith
Seconded by: Councillor Tilley

Committee adjourns at 7:04 p.m.

Unanimously Carried



A handwritten signature in blue ink, appearing to be "Solomon Awa", written over a horizontal line.

Mayor Solomon Awa
Chair

A handwritten signature in blue ink, appearing to be "Brianna Longworth", written over a horizontal line.

Brianna Longworth
Acting City Clerk

Approved by City Council on the 10th day of July 2024.

