



THE MUNICIPALITY OF

LAMBTON SHORES

Administration

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February 27, 2023

Attention: Peter Barnes, CPA, CA

Dear Sir:

Your letter of February 6, 2023 to the members of the Municipality of Lambton Shores' Council regarding the audited financial statements for 2022 was reviewed at the February 21, 2023 Council meeting.

In the letter, three questions were posed to the members, and the following are the responses to the questions.

- 1. Has management communicated with the Council concerning its processes for identifying and responding to the risks of fraud and error in the entity?**

Yes.

- 2. How do Council Members exercise oversight of management's processes for identifying and responding to the risks of fraud and error in the entity and how they exercise oversight of the internal controls that management has established to mitigate those risks?**

The Municipality of Lambton Shores has in place policies and procedures to establish internal financial control, and staff would report any issues to the CAO and subsequently the CAO would report to Council. The controls include providing information on the status of the municipal accounts on a quarterly basis. Council approves the municipal accounts on a quarterly basis, and all cheques require 2 signatures – those over 25,000.00 require the Mayor or Deputy Mayor to sign with the staff member. Policies are also in place with respect to tendering, purchasing, cash handling and reporting as well as security on electronic equipment.

- 3. Do Council Members have any knowledge of any actual, suspected or alleged fraud affecting the entity?**

The Council Members do not have any knowledge regarding any actual, suspected or alleged fraud affecting the Corporation.

Sincerely,



Doug Cook
Mayor