

**The Corporation of the Township of Tay
Audit Committee Meeting
Wednesday, March 27, 2019
3:00 P.M.**

Present: Mayor Ted Walker
Deputy Mayor Gerard LaChapelle
Mike English
Larry Pattullo

Staff Present: Joanne Sanders, Director of Finance
Lindsay Barron, Financial Analyst
Vera Finlay, Recording Secretary

Regrets: Jerry Van Dyk

1. Call to Order:

The Director of Finance called the meeting to order at 3:02 p.m.

1.1 Appointment of Chair

The Director of Finance called for nominations for the Audit Committee Chair. Since Larry Pattullo was chair the last time, it was suggested that Mike English be appointed as the new Audit Committee Chair.

Moved By: Larry Pattullo

Seconded By: Mayor Walker

That Mike English be appointed as Chair of the Audit Committee.

Carried.

2. Acceptance of the Agenda:

Moved by: Mayor Walker

Seconded by: Deputy Mayor LaChapelle

That the agenda be accepted as presented.

Carried.

3. Declarations of Pecuniary Interest:

None were presented.

4. Adoption of the Minutes:

As this was the first meeting of the new Committee, there were no minutes for adoption.

5. Correspondence:

5.1 Auditor Engagement Letter

The Financial Analyst provided a brief overview of the Auditor Engagement Letter and the letter outlining the objective and scope of the audit.

The Director of Finance then stated that the current auditors, Pahapill and Associates, were the same company as the previous year, and that their contract was to the end of the 2019 audit. It was suggested that the Township go out for proposals for audit services after that, and everyone agreed. The Director also noted that the auditors had been working the 2018 audit and it is hoped that the statements will be complete for the next Audit Committee Meeting.

6. New & Unfinished Business:

6.1 Code of Conduct

There was some concern expressed regarding one section of the wording in the Code of Conduct for Citizen Appointees to Boards and Committees (Discrimination, Harassment, Sexual Harassment and Bullying), but the Citizen Appointees noted that the wording was standard practice, and had no concerns with signing the code and returning it.

6.2 Review of Terms of Reference

Those present reviewed the Terms of Reference for the Audit Committee. After some discussion, the Committee suggested the following amendments:

Under Definitions (k), that the words "this by-law" be replaced by "these Terms of Reference".

Under Committee Composition, that it read "The Committee shall consist of the Mayor and Chair of General Government and three members of the general public, appointed by Council following a suitable application process with consideration given to individuals with business background practicing in accounting or finance".

The first paragraph under meetings be changed from, "The Committee shall meet at least quarterly" to "The Committee shall meet at least 3 times each calendar year."

Under Meetings, that the fourth paragraph be removed, as it duplicates the information in paragraph one.

Also under Meetings, that the wording regarding Minutes be changed from "confirmed at the next meeting of the Audit Committee" to "circulated by email and approved by all Committee members" before being submitted to Council as part of the regular Council Correspondence. It was suggested that members be given one week to forward comments or concerns, after which time the minutes would be forwarded for the Council agenda.

Under Committee Responsibilities (Financial Reporting) the words "and quarterly" and "both interim" be removed, as there are no quarterly or interim reports provided.

Moved By: Deputy Mayor LaChapelle

Seconded By: Larry Pattullo

**That the proposed amendments as noted above be accepted;
And that the amendments be forwarded to the Clerk to
prepare a report for presentation to Council.**

Carried.

Also noted during the discussion was the possibility of the Committee reviewing relevant Township policies. The previous Committee had looked at a few policies last term in case they had any comments or input. If the Committee would like to look over any specific policies, they were asked to let the Director of Finance know. In addition, there was conversation regarding the Committee having an annual meeting with the Auditors. The next meeting of the Audit Committee is scheduled for the day the Auditors are presenting the Consolidated Financial Statements to the Committee.

6.3 2017 Financial Indicator Review

The Director of Finance provided a brief overview of Report GGF-2018-64 regarding the Financial Indicator Review. She outlined some of the factors affecting the review including the municipal grouping that Tay is included in. The report was presented to Council at the December 12, 2018 Committee of the Whole meeting and notes that Tay is in the Low Level of Risk for all financial indicators.

6.4 Meeting Dates

The Committee set the next meeting dates for Wednesday, May 22 and Wednesday, November 27, 2019 at 4:00 p.m.

6.5 Items for Future Meetings

At the May 22nd meeting, the Committee will review the audited financial statements. Those present were advised that if they have a topic they would like included in a future agenda including reviewing existing policies, they can forward the request to the Director of Finance.

7. ADJOURNMENT:

Moved by: Larry Pattullo

Seconded by: Deputy Mayor LaChapelle

That the Audit Committee meeting adjourn at 4:55 p.m.

Carried.

Mike English, Chair