

The regular meeting of the Town of Mahone Bay Audit Committee was held on Monday, October 30, 2017, at 7:07 p.m.

Present:

Mayor D. Devenne
Deputy Mayor K. Nauss
Councillor J. Bain
Councillor J. Feeney
Councillor P. Carver
Councillor S. Chia-Kangata
K. Wilson
J. Moriarty

CAO J. Wentzell
Deputy Clerk M. Hughes
Paul Wills, Municipal Finance Corporation
Erica McCurdy, Deloitte
Cedrych Best, Deloitte

Regrets: Councillor R. Nowe

Gallery: 0

Welcome and Introductions

Welcomed all to the newly restructured Town of Mahone Bay Audit Committee. Mayor Devenne welcomed two citizen appointees, as well as Erica McCurdy and Cedrych Best from Deloitte, and Paul Wills from the Municipal Finance Corporation.

Receive Draft 2016/17 Audited Statements

Erica McCurdy and Cedrych Best, from Deloitte, presented the draft audited financial statements for the Town of Mahone Bay, the Mahone Bay Electric Utility and the Mahone Bay Water Utility. Ms. McCurdy noted that they would provide a high level review as well as their opinion on the statements.

Ms. McCurdy and Mr. Best reviewed the audit process followed for the Town of Mahone Bay and highlighted key aspects of the audit and specific financial controls reviewed from a management perspective. Ms. McCurdy reported that there were no control deficiencies identified as part of the Town of Mahone Bay audit and that there is very good segregation of duties on staff. The audit did not reveal any fraud concerns nor did it identify any concerns regarding management override.

The auditors reported that they are proposing an unmodified or clean audit of the Town, Electric and Water Utilities.

A motion by Councillor Feeney, seconded by Councillor Bain, **“THAT the audit committee recommend that Council accept receipt of the draft financial statements and auditors report for 2016/17.”**

Motion carried.

A motion by Councillor Bain, seconded by Councillor Carver, to **go In Camera at 7:31pm as permitted under MGA Section 22(2)(c) to discuss the audit with the auditors.**

Motion carried.

The audit committee returned to open session at 7.52pm.

The draft financial statements will be presented at the next meeting of Council for review with a recommendation for approval from the Audit Committee.

Role of Audit Committee

Paul Wills, CEO of the Municipal Finance Corporation, provided Council with an overview of the role of the audit committee. Specific aspects of an Audit Committee that were discussed included planning for an audit, evaluating the audit and the auditors, tendering for auditors, and the role of the audit committee in making recommendations to Council regarding internal controls.

Discussion included information on regulatory requirements regarding financial deadlines and financial policy review; Mr. Wills advised that the Municipal Finance Corporation is available to assist municipalities, at no cost, with modifying or building financial best practices.

Date of Next Meeting

Discussion of establishing a regular meeting schedule for the Audit Committee identified a preference that meetings be held on a quarterly basis, approximately one month following the end of the quarter. Staff were tasked with identifying reasonable timelines for financial staff to prepare statements and to prepare a meeting schedule for 2018.

Motion to adjourn at 8:45pm

TOWN OF MAHONE BAY

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Deputy Clerk, Maureen Hughes

Mayor, David Devenne