

**Municipality of the District of Lunenburg
Minutes of a Meeting of the Audit Committee
Held in Council Chambers 10 Allée Champlain Drive Cookville
And via Video/Audio Conferencing
Tuesday, September 20, 2022 – 8:30 a.m.**

Attendance

Councillor Leitha Haysom, District 1, Chair
Councillor Martin Bell, District 2
Councillor Wendy Oickle, District 3
Councillor Pam Hubley, District 4, Vice Chair
Deputy Mayor Cathy Moore, District 5
Councillor Michelle Greek, District 7 (via Teams)
Councillor Sandra Statton, District 6
Councillor Kacy DeLong, District 8
Councillor Reid Whynot, District 9
Councillor Chasidy Veinotte, District 10

Regrets

Mayor Carolyn Bolivar-Getson

Staff

Tom MacEwan, Chief Administrative Officer
Alex Dumaresq, Deputy Chief Administrative Officer
April Whynot-Lohnes, Municipal Clerk
Sarah Kucharski, Manager, Corporate Services & Communications
Elana Wentzell, Director of Finance
Dave Waters, Director of Economic Development (via Teams)
Jeff Merrill, Director of Planning & Development Services (via Teams)
Trudy Payne, Director of Recreation
Joanne Powers, Executive Assistant
Jeanette Renton, Recording Secretary

1. ~~Call to Order~~

~~Elana Wentzell, Director of Finance, called the meeting to order at 8:30 a.m. and began by acknowledging that the meeting was held in Mi'kma'ki, the traditional territory of the Mi'kmaq people.~~

**2. ~~Nomination and Election by Ballot – Chair and Vice Chair
[Audit Committee Terms of Reference Section 3.4]~~**

Ms. Wentzell called for nominations, by ballot, for the position of Chair. Those nominated were: Councillors Haysom, Hubley, Statton, and Oickle. Councillors Statton, Oickle, and Hubley withdrew their names, leaving Councillor Haysom. On the first ballot Councillor Haysom was elected as Chair.

Nominations for Vice Chair were: Councillors Hubley, DeLong, Bell, and Oickle. Councillor Oickle withdrew her name. On the first ballot, Councillor Hubley was declared Vice Chair.

Moved by Councillor Whynot, seconded by Councillor DeLong that the ballots be destroyed. Carried unanimously.

3. Approval of Agenda

Moved by Councillor Hubley, seconded by Councillor Oickle that the Agenda be approved as circulated. Carried unanimously.

4. Approval of Minutes of July 5, 2022 (as circulated)

Moved by Councillor DeLong, seconded by Councillor Statton that the Minutes of the July 5, 2022 Audit Committee meeting be approved as circulated. Carried unanimously.

Michelle Laird and Michael Belliveau from Belliveau Veinotte Inc. were in attendance at the meeting.

5. Management Letter

Ms. Laird discussed the Management Letter including that the Municipality would be adopting the new accounting standard, Asset Retirement Obligations, which focuses on the retirement of tangible capital assets. The other point mentioned was management's proactive approach to procedures and the transparency of Councillors' remuneration and expenses.

6. Internal Control Letter

Ms. Laird explained that in addition to issuing Belliveau Veinotte's opinion on the audited financial statements, they also highlight any internal control items that were noted. This year only one item was noted from the prior year, which was a policy needed concerning US dollar payments. They were pleased to report that the Municipality put in place a policy to receive foreign currency at par which eliminated foreign exchange risk to the Municipality.

Ms. Laird reported on the audit reports, stating that two separate audit reports, on two separate financials were issued. The first set of financials was the consolidated statement which included reserves, capital, and operating functions of the Municipality. Belliveau Veinotte issued a clean report which means that the financial statements presented fairly in all material respects, the position of the Municipality.

The consolidated statements were presented following Canadian Public Sector Accounting Standards.

Ms. Laird drew attention to Note 18, page A-31 of the Municipality's Financial Statements, which highlighted the councillor remuneration and that no hospitality expenses had been incurred in the current or prior year.

The other audit report was issued on the Trust set of financial statements. The Trust follows the Canadian Public Sector Accounting Standards for not-for-profit organizations, and they received a clean audit report.

7. Treasurer's Report

Ms. Wentzell stated that the Treasurer's Report included the annual cost variances in comparison to the budget, review of the financial statements, review of the hospitality expenses of reportable individuals, and review of the Trust statements and compliance. She provided an overview of these items.

8. Draft Audited Financial Statements year ended March 31, 2022

Moved by Councillor Bell, seconded by Councillor Whynot that the Audit Committee recommends to Council that Municipal Council accept the Municipality of the District of Lunenburg's Financial Statements for the year ended March 31, 2022. Carried unanimously.

9. Draft Financial Condition Indicators 2021

Ms. Wentzell advised that the Province had not yet released the final Financial Condition Indicators (FCI) results for 2020/21, however the Audit Committee was required to review them as part of the Municipal Financial Reporting and Accounting Manual (FRAM) legislation. Therefore, Ms. Wentzell felt the Committee should review the draft FCI's and the full report would be circulated when it becomes available.

The report indicated that the overall financial condition risk assessment for the Municipality was green which meant that it was considered low risk for fiscal instability.

10. Next Meeting – July 2023

11. Adjournment

There being no further business at 9:02 a.m., it was moved by Councillor Reid seconded by Councillor DeLong that the meeting adjourn. Motion carried.