

TOWN OF LUNENBURG POLICY # 85 - AUDIT COMMITTEE

PURPOSE

1. This Policy sets out the roles and responsibilities of the Town of Lunenburg (Town) Audit Committee (Committee) to assist the Town Council (Council) in fulfilling its oversight responsibilities relating to finance and audit matters as set out in section 44 of the Municipal Government Act (MGA).

Audit committee

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1. *The council shall annually appoint an audit committee.*
 2. *The responsibilities of the audit committee include*
 - (a) *detailed review of the financial statements of the municipality with the auditor;*
 - (b) *an evaluation of internal control systems and any management letter with the auditor;*
 - (c) *a review of the conduct and adequacy of the audit;*
 - (d) *such matters arising out of the audit as may appear to the audit committee to require investigation;*
 - (e) *such other matters as may be determined by the council to be the duties of an audit committee;*
 - (f) *any other matters as may be determined by the council.*
 3. *An audit committee shall meet at least twice in each fiscal year.*
 4. *Subject to subsection (5), an audit committee must include a minimum of one person who is not a member of council or an employee of the municipality.*
 5. *Where an audit committee does not include the person referred to in subsection (4),*
 - (a) *the audit committee shall continue to meet and perform its duties and may exercise its powers; and*
 - (b) *the municipality shall advertise to recruit a person who is not a member of council or an employee of the municipality at least once every six months until the requirement is met.*

PROCEDURE

2. The Committee shall be comprised of all members of Council and a minimum of one citizen at large appointment who is not a member of Council or staff. Citizen appointees shall possess knowledge and understanding of financial and investment matters as evidenced in their Committee application form.

3. Council shall advertise for citizen Committee applications before December 31. The citizen Committee member(s) shall be annually appointed by Council no later than January 31. Citizen Committee appointments shall be for a minimum of one – two year terms as determined by Council motion.
4. The Chief Administrative Officer (CAO), Treasurer and Accountant shall be non-voting members of the Committee. Through the CAO the Committee may request additional members of the Town’s senior management staff to attend Committee meetings.
5. The Committee Chair shall be a member of Council annually appointed by Council no later than January 31 of each year. The Committee Chair will make periodic reports to Council on matters relating to the Committee’s work progress.
6. The Committee shall meet at least twice per year as called by the Chair in consultation with voting and non-voting Committee members to receive and review the completed Town audit with the Town auditor and carry out its additional MGA duties.
7. The Committee may also meet with the Town’s external auditors as it deems appropriate to consider any matter that the Committee members, Council or auditors determine should be brought to the attention of Council.
8. Committee meetings shall be held in public unless the Committee needs to meet in camera in accordance with the Municipal Government Act.

Clerk’s Annotation For Official Policy Book

Date of Notice to Council Members
of Intent to Consider (7 days minimum): March 27, 2018

Date of Passage of Current Policy: April 10, 2018

I certify that this Policy was adopted by Council as indicated above.

Municipal Clerk

Date