



Town of Newmarket

Minutes

Audit Committee

Date: Wednesday, September 12, 2018

Time: 1:30 PM

Location: Council Chambers
Municipal Offices
395 Mulock Drive
Newmarket, ON L3Y 4X7

Members Present: Cristine Prattas, Chair
Terrance Alderson
Councillor Bisanz
Michael Tambosso
Mayor Van Bynen

Members Absent: Councillor Hempen

Staff Present: E. Armchuk, Commissioner, Corporate Services
M. Mayes, Director of Financial Services/Treasurer
D. Schellenberg, Manager of Finance & Accounting
A. Walkom, Council/Committee Coordinator

Guests: Paula Jesty, Deloitte Canada
Pina Colavecchia, Deloitte Canada

1. Additions and Corrections to the Agenda

Michael Tambosso requested that the Auditor's management letter be added to the agenda.

Moved by: Councillor Bisanz

Seconded by: Michael Tambosso

1. That the agenda be approved as amended.

Carried

2. Declarations of Pecuniary Interest

None.

3. Approval of Minutes

3.1 Audit Committee Meeting Minutes of June 7, 2018

Moved by: Terrance Alderson

Seconded by: Michael Tambosso

1. That the Audit Committee meeting minutes of June 7, 2018 be approved

Carried

3.2 Audit Committee (Closed Session) Meeting Minutes of June 7, 2018

Moved by: Michael Tambosso

Seconded by: Terrance Alderson

1. That the Audit Committee (Closed Session) meeting minutes of June 7, 2018 be approved.

Carried

4. Items

4.1 2018 Audit service plan

Pina Colavecchia of Deloitte Canada presented the 2018 Audit services plan to the Committee. The presentation included an overview of the audit scope, which she advised has not changed. She advised that materiality levels were consistent with the prior year.

The Committee discussed the transition to the new Council after the election and how this would affect the Audit Committee. E. Armchuk advised that no staff recommendations regarding the Audit Committee had been made at this point and that this would come after the new Council determines its strategic priorities.

The Committee discussed the Town's IT security in relation to recent security breaches at other municipalities.

4.2 Confirmation of Change to the Master Services Agreement

Pina Colavecchia advised that the change to the master services agreement is the result of new auditor reporting requirements.

Moved by: Michael Tambosso

Seconded by: Councillor Bisanz

1. That the Confirmation of Change to the Master Services Agreement be received.

Carried

4.3 Management Letter

M. Mayes provided the responses to the Deloitte management letter and provided an overview of the main points in the letter. He advised that management does not contest the comments in the letter. The Committee discussed the internal audit which is ongoing and requested that its results be presented to the Committee.

The Committee discussed the IT production system and inquired if the production controls in place are sufficient. The issue was identified as potentially significant. E. Armchuk advised that staff would report back to the Committee on the issue, as an organizational review of IT Services has been conducted.

Moved by: Mayor Van Bynen

Seconded by: Terrance Alderson

1. That the Audit Committee request the Town of Newmarket present the results of its internal audit to the Committee.

Carried

5. New Business

Michael Tambosso inquired about the Trust Fund financial statements for 2018. M. Mayes advised that he would be meeting with the Museum Board regarding their Trust Fund.

6. Closed Session (if required)

None.

7. Adjournment

Moved by: Michael Tambosso

Seconded by: Councillor Bisanz

1. That the Audit Committee Meeting adjourn at 2:57 PM.

Carried

Cristine Prattas, Chair

Date