



CORPORATE SERVICES – LEGISLATIVE SERVICES
TOWN OF NEWMARKET
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May 28, 2015

CORPORATE SERVICES – LEGISLATIVE SERVICES 2015-09

TO: Council
SUBJECT: Councillor Appointments to Audit Committee
ORIGIN: Deputy Town Clerk

RECOMMENDATIONS

THAT Corporate Services – Legislative Services Report 2015-09 dated May 28, 2015 regarding “Councillor Appointments to Audit Committee” be received and the following recommendation be adopted:

- 1. THAT Council determine and appoint two (2) members of Council to the Audit Committee for the 2014-2018 Term of Council.**

COMMENTS

The Audit Committee membership includes the Mayor, two (2) members of Council, and three (3) citizen members.

At the April 20, 2015 Council meeting, Council approved the committee structure for the 2014-2018 term. The Audit Committee was included in that structure and Council also recommended that the citizen members of the Audit Committee 2010-2014 term be permitted to meet until new members have been appointed, being Mark Foerster, Mark Holland and Cristine Prattas.

In accordance with the Audit Committee’s Terms of Reference (attached as Appendix ‘1’), the Audit Committee recommends the approval of the annual financial statements and to review the newly issued external auditors’ management letter with senior management. This meeting has typically taken place in mid-June so that Council may approve the financial statements within the legislated timeframe and not incur further auditor costs.

The recruitment for new members is underway and the application process will close on June 12, 2015. As the authority for the citizen members appointed in the 2010-2014 term of Council have been approved to fulfill their duties until the appointment of their successors, there is still a requirement for the two members of Council to be appointed.

If Council requires more time to consider the appointment, the June Audit Committee meeting can proceed as long as quorum requirements of three (3) are met.

Council appointments for the other Committees currently under recruitment will be brought forward to Council with the revised Terms of References at a later date.

BUSINESS PLAN AND STRATEGIC PLAN LINKAGES

The recommendations in this report supports the Town's Vision, Mission and Community Strategic Plan goal of being well-equipped and managed by implementing policies and processes that reflect sound and accountable governance and fiscal responsibility in achieving service excellence.

CONSULTATION

Members of the Town's Strategic Leadership Team and Operational Leadership Team were consulted.

HUMAN RESOURCE CONSIDERATIONS

There are no human resource considerations related to this report.

BUDGET IMPACT

There are no budget impact considerations related to this report.

CONTACT

For more information on this report please contact: Lisa Lyons, Deputy Town Clerk at llyons@newmarket.ca or ext. 2203.



Lisa Lyons, Deputy Town Clerk



Andrew Brouwer
Director of Legislative Services/Town Clerk



Anita Moore
Commissioner of Corporate Services

TERMS OF REFERENCE, ROLES AND MANDATES FOR COUNCIL COMMITTEES

Audit Committee

Alignment with Corporate Strategic Plan:

The 2004 Corporate Strategic Plan of the Town of Newmarket articulates the priority of the Town to be “well equipped and managed” by pursuing strategies of

- ✓ Fiscal responsibility
- ✓ Leadership excellence and leading edge management
- ✓ Efficient management of capital assets and municipal services to meet existing and future operational demands

The Audit Committee Mission

The primary function of the Audit Committee is to assist the Council in maintaining the financial integrity of the municipality as outlined in the roles and responsibilities within the Committee Mandate.

Governance

The governance plan for The Audit Committee shall be as follows:

Role	Responsibilities	Assignment
Sponsor	Responsible for making decisions regarding the authority and mandate of the Audit Committee. Responsible for the allocation of the budget and resources for the Committee. Council Members participate as Members on the Committee and also provide a communication link between the Committee and Council.	Mayor and Members of Council
Committee Chair	Chair meetings, facilitating group discussion and in cooperation with the Administration and Staff Resources ensuring an open and productive environment exists to meet the mandate of the group	Appointed by the Committee from the citizen members

Staff Resources	<ul style="list-style-type: none"> • Provide advice and information to the Audit Committee regarding applicable legislation, Town policies, procedures and regulations. • Provide secretarial support for the meetings of the Audit Committee 	Chief Administrative Officer Commissioner of Corporate Services Director, Financial Services/Treasurer Library CEO Other Senior Management as required
Members of the Audit Committee	<ul style="list-style-type: none"> • To provide advice and recommendations to Council with respect to the financial control framework including financial reporting, accounting policies, information systems integrity, approval processes and the safeguard of assets. • To provide advice and recommendations to Council with respect to the appointment of the External Auditor, the scope and timing of the audit. • To review and provide recommendations to Council regarding the annual report and management letter of the External Auditor. • To make recommendations with respect to the work plan of the Internal Auditor and to provide comment and advice with respect to the recommendations of the Internal Auditor respecting the issues of internal financial control. • To provide advice and recommendations to Council with respect to any special project or issue as requested by Council. 	Mayor Two Members of Council Three Citizen Members.
Communication and Reporting Relationships	Staff and Members of Council serving on the Committee are responsible to communicate the views and recommendations of Committee to Council and to provide feedback to the Committee regarding Council's disposition of the Committee business.	Council Representatives if applicable and Assigned Staff Resource Persons

Term

The members of the Committee will serve a four-year term coincident with the four-year term of the elected Council.

Work Plan

Not applicable

Support Services

The Departments listed in the Governance model shall provide support Services.

Program Budget

Council has authorized a budget of \$ 0 for the Audit Committee.

Meetings

The Committee is to meet at least three (3) times annually, as set out below, and as many additional times as the Committee deems necessary. The Committee Chair should clear the content of the agenda for each meeting.

April/May:

- To recommend approval of the annual financial statements.

June:

- To review the newly issued external auditors' management letter with senior management.

October/November:

- To review and approve the scope of the external audit;
- To follow up with senior management on disposition of the previous year's external auditors' management letter points.

Committee members will strive to be present at all meetings. A quorum will be the attendance of three (3) members at a Committee meeting.

Senior staff members including the Chief Administrative Officer (C.A.O.), the Chief Executive Officer (C.E.O.) of the Newmarket Library, the Commissioner of Corporate Services and the Director, Financial Services/Treasurer will attend Committee meetings as necessary.

Note: Members of Council and citizen members are covered under the Town's policy under General Liability and Error and Omissions.