



# **Town of Newmarket**

## **Minutes**

### **Audit Committee**

Date: Tuesday, July 14, 2020  
Time: 2:00 PM  
Location: Electronic VIA ZOOM

Members Present: Michael Tambosso, Chair  
Deputy Mayor & Regional Councillor Vegh, Vice-Chair  
Councillor Bisanz  
Councillor Morrison  
Rebecca Mathewson  
Tom Mungham

Staff Present: J. Sharma, Chief Administrative Officer  
E. Armchuk, Commissioner of Corporate Services  
M. Mayes, Director of Financial Services/Treasurer  
D. Schellenberg, Manager of Finance & Accounting  
K. Saini, Deputy Clerk  
A. Walkom, Legislative Coordinator  
T. Kyle, Chief Executive Officer, Newmarket Public Library

The meeting was called to order at 2:00 PM.  
Michael Tambosso in the Chair.

#### **1. Additions and Corrections to the Agenda**

None.

#### **2. Conflict of Interest Declarations**

None.

#### **3. Deputations**

None.

#### **4. Approval of Minutes**

##### **4.1 Audit Committee Meeting Minutes of January 27, 2020**

Michael Tambosso requested the minutes for sub-item 4.3.2 be amended to reflect the discussion regarding a process to involve the Audit Committee if the Town were to deviate from a decision being made by the N6 with respect to the selection of the auditor.

Moved by: Tom Mungham  
Seconded by: Deputy Mayor & Regional  
Councillor Vegh

1. That the Audit Committee Meeting Minutes of January 27, 2020 be approved as amended.

**Carried**

#### **5. Items**

##### **5.1 Review of 2019 Financial Statements**

The Manager of Finance & Accounting provided a presentation regarding the 2019 Financial Statements. The presentation included an overview of the internal controls and significant events, and the measures to perform the audit virtually due to the COVID-19 pandemic.

##### **5.2 Report to the Audit Committee by the External Auditor**

Pina Colavecchia of Deloitte Canada provided a presentation to the Audit Committee regarding the 2019 audit. The Committee advised that although the external auditor's review includes Newmarket Public Library, the Audit Committee does not conduct a review of these statements.

Moved by: Councillor Morrison  
Seconded by: Tom Mungham

1. That the presentation provided by Dawn Schellenberg, Manager of Finance & Accounting regarding the 2019 Financial Statements be received; and,
2. That the presentation provided by Pina Colavecchia of Deloitte Canada regarding the Report to the Audit Committee by the External Auditor be received.

**Carried**

### **5.3 Town of Newmarket Consolidated Financial Statements**

Moved by: Rebecca Mathewson

Seconded by: Councillor Bisanz

1. That the Audit Committee recommends to Council that the Consolidated Financial Statements year ended December 31, 2019 be approved.
2. That the Audit Committee recommends to Council that the Main Street District Business Improvement Area Financial Statements be approved.

**Carried**

5.3.1 Town of Newmarket Consolidated Financial Statements Report

5.3.2 Town of Newmarket Main Street District Business Improvement Area Financial Statements

5.3.3 Financial Statement Discussion and Analysis (FSD&A)

### **5.4 Oral Observations from Management and the Auditors regarding the Effects of COVID-19 on the Town of Newmarket's Internal Controls Over Financial Reporting**

Staff provided an update on the effects of the COVID-19 pandemic on the Town's operations and financial reporting. Pina Colavecchia provided an update with regards to the effects of the pandemic on the audit and the transition from paper-based to electronic record keeping.

## **6. New Business**

(1) Michael Tambosso requested that a list of outstanding items be maintained.

(2) Michael Tambosso requested an update on the auditor selection process. Staff advised that an update was not available and would be forthcoming.

(3) Michael Tambosso queried staff on the public distribution of draft financial statements as part of the meeting agenda. Staff advised that the draft financial statements are public documents and are distributed publicly as part of an open meeting.

## **7. Closed Session**

Moved by: Councillor Bisanz

Seconded by: Tom Mungham

1. That the Audit Committee resolve into a Closed Session to discuss personal matters about identifiable individuals in accordance with Section 239 (2) (b) of the Municipal Act, 2001.

**Carried**

### **7.1 Personal Matters**

Moved by: Tom Mungham

Seconded by: Councillor Morrison

1. That the Audit Committee request that the Chief Administrative Officer meet with the Auditor, one citizen member and one Council member of the Audit Committee to discuss matters related to the management letter.

**Carried**

## **8. Adjournment**

The meeting adjourned at 4:01 PM.

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Michael Tambosso, Chair

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Date