



Town of Newmarket

Minutes

Audit Committee

Date: Tuesday, November 23, 2021

Time: 9:00 AM

Location: Electronic VIA ZOOM
See How to Login Guide

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

Members Absent: Councillor Morrison

Staff Present: I. McDougall, Chief Administrative Officer
E. Armchuk, Commissioner of Corporate Services
K. Reynar, Director of Legal and Procurement Services
M. Mayes, Director of Financial Services/Treasurer
A. Tang, Manager of Finance & Accounting/Deputy Treasurer
T. Munusami, CEO, Newmarket Public Library
F. Scott, Acting Deputy Town Clerk
A. Walkom, Legislative Coordinator

Guests: Pina Colavecchia, Deloitte
Farha Abdallah, Deloitte
Katie Polino, Internal Auditor, York Region
Michelle Morris, Internal Auditor, York Region

The meeting was called to order at 9:00 AM.

Michael Tambosso in the Chair.

The Audit Committee recessed at 9:54 AM and reconvened at 10:02 AM.

1. Additions and Corrections to the Agenda

- Item 4.4: Update on Internal Audit was added to the revised agenda distributed November 22, 2021.

2. Conflict of Interest Declarations

None.

3. Approval of Minutes

3.1 Audit Committee Meeting Minutes of June 15, 2021

A correction was noted regarding Item 6.

Moved by: Rebecca Mathewson

Seconded by: Councillor Bisanz

1. That the Audit Committee meeting minutes of June 15, 2021 be approved, as amended.

Carried

3.2 Audit Committee Meeting (Closed Session) Minutes of June 15, 2021

Moved by: Deputy Mayor & Regional
Councillor Vegh

Seconded by: Rebecca Mathewson

1. That the Audit Committee Meeting (Closed Session) Minutes of June 15, 2021 be approved.

Carried

4. Items

4.1 Review of 2020 Management Letter Points

The Director of Financial Services/Treasurer provided updates to the 2020 management letter including points related to security deposits and the December 31 trial balance missing from checklist. The Commissioner of Corporate Services provided an update on Information Technology

matters including aligning password protocols. Members of the Audit Committee discussed IT privacy matters related to termination of employees and cybersecurity.

Moved by: Tom Mungham

Seconded by: Councillor Bisanz

1. That the Review of 2020 Management Letter Points be received.

Carried

4.2 2021 Audit Service Plan

Pina Colavecchia of Deloitte Canada provided an overview of the 2021 Audit service plan to the Committee, including the audit scope and materiality thresholds. She provided key highlights of what had changed in the service plan since the previous year. She asked the members for comments regarding any fraud risks. The Chair advised that since the Committee is independent of the Town, they would not be able to answer this question.

It was noted that while the audit included the Newmarket Public Library, the Audit Committee does not have a role regarding the Newmarket Public Library. Members of the Audit Committee discussed the relationship between the internal auditors and independent auditors, new accounting standards, asset retirement, and the role of the auditor in the case of staff complaints.

Moved by: Tom Mungham

Seconded by: Deputy Mayor & Regional
Councillor Vegh

1. That the 2021 Audit Service Plan be received.

Carried

4.3 Audit Committee Role in External Auditor Appointment

Note: This item was dealt with under Closed Session Item 6.1.

4.4 Update on Internal Audit

Katie Polino and Michelle Morris, Internal Auditors for York Region provided the Committee with an overview of the services to the Northern Six municipalities by the Internal Auditor, including audit planning, 2021 procurement audit, and assurance consulting services and investigation services.

Members of the Audit Committee discussed the role of the internal auditor and the relation between the Audit Committee and the internal auditor, as well as the need for a connection between the internal auditor and independent auditor. Staff advised that work was needed to improve the connections between the three groups.

5. New Business

None.

6. Closed Session

6.1 Audit Committee Role in External Auditor Appointment

Moved by: Deputy Mayor & Regional
Councillor Vegh

Seconded by: Tom Mungham

1. That the Audit Committee resolve into Closed Session to discuss the following matter:

1. Audit Committee Role in External Auditor Appointment - Advice that is subject to solicitor-client privilege, including communications necessary for that purpose as per Section 239(2)(f) of the Municipal Act, 2001.

Carried

Audit Committee resolved into Closed Session at 10:24 PM.
Closed Session minutes are recorded under separate cover.
Audit Committee resumed Open Session at 11:17 PM.

That Chair advised that the Committee had received legal advice in Closed Session regarding the processes and legal aspects of recommending the appointment of the Auditor.

7. Adjournment

The meeting was adjourned at 11:18 AM.

Michael Tambosso, Chair

Date