Town of Newmarket
MINUTES

AUDIT COMMITTEE

Wednesday, June 15, 2016 at 8:30 AM
Holland River Room

For consideration by Council
on June 20, 2016

The meeting of the Audit Committee was held on Wednesday, June 15, 2016 in the Holland River Room, 395 Mulock Drive, Newmarket.

Members Present:	Mayor Van Bynen Councillor Bisanz (8:36 to 10:03 a.m.) Cristine Prattas, Chair Terrance Alderson Michael Tambosso
Absent:	Councillor Hempen
Staff Present:	R.N. Shelton, Chief Administrative Officer E. Armchuk, Commissioner of Corporate Services T. Kyle, CEO, Newmarket Public Library M. Mayes, Director, Financial Services/Treasurer D. Schellenberg, Manager of Finance & Accounting C. Finnerty, Council/Committee Coordinator
Guests:	Mr. Michael Jones, BDO Canada LLP Ms. Trudy White, BDO Canada LLP

The meeting was called to order at 8:32 a.m.

Cristine Prattas in the Chair.

Additions & Corrections to the Agenda

None.

Declarations of Pecuniary Interest

None.

Presentations

None.

Approval of Minutes

1. Audit Committee Minutes of January 20, 2016.

   The Chief Administrative Officer advised that the matter related to risk discussions and advised that conversations with the N6 are ongoing and an update will follow at the next meeting.

Moved by: Mayor Van Bynen
Seconded by: Michael Tambosso

THAT the Audit Committee Minutes of January 20, 2016 be received.

Carried

Items

2. Review of 2015 Financial Statements.

   Ms. Trudy White and Mr. Michael Jones, BDO Canada LLP and the Director, Financial Services/Treasurer and Manager of Accounting and Finance to review:

   a) Town of Newmarket Consolidated Financial Statements.

   b) Town of Newmarket Main Street District BIA Financial Statements, Independent Auditor's Report dated June 27, 2016.

   c) Town of Newmarket Trust Fund Financial Statements, Independent Auditor's Report dated June 27, 2016.

   d) Financial Statement Discussion and Analysis (FSD&A).

      Mr. Michael Jones advised that the audit has been substantially completed to date. Receipt of the signed management letters remains outstanding. He provided an overview of the audit findings as indicated in their final report to the Committee, including a high level overview of accounting and audit matters, adjusted and unadjusted differences, management representations, fraud, internal control matters, other required communications. Discussion ensued regarding contaminated sites, draft management letter, fraud, consultation with outside accountants prior to the audit, audit fees and whether they're reflective of the volume and scope of work completed.

The Director, Financial Services/Treasurer provided a high level overview of the financial statements, addressing financial sustainability, surplus funds, financial indicators, and financial plans for 2016 and 2017 related to the Service Pricing Policy, water/wastewater and stormwater management fees, asset replacement funds, investment strategies and debt. Discussion ensued regarding servicing of areas under intensification, employee benefits, temporary investments, loan receivables, asset repairs, and a request for clarification on the restriction stated in the BIA and Trust Fund statements.

Moved by: Michael Tambosso
Seconded by: Councillor Bisanz

a) THAT the Town of Newmarket's Draft 2015 Consolidated Financial Statements, Trust Fund Financial Statements and Main Street District BIA Financial Statements from BDO Canada LLP be received;

i) AND THAT the Audit Committee recommend to Council that the Town of Newmarket's Draft 2015 Consolidated Financial Statements, Trust Fund Financial Statements and Main Street District BIA Financial Statements endorsed by the Audit Committee be approved.

Carried

Closed Session

3. Discussion with BDO Canada LLP, Auditor regarding Labour Relations or Employee Negotiations as per Section 239 (2) (d) of the Municipal Act, 2001.

Moved by: Councillor Bisanz
Seconded by: Michael Tambosso

a) THAT the Audit Committee resolve into Closed Session for the purpose of discussing labour relations or employee negotiations per Section 239 (2) (d) of the Municipal Act, 2001.

Carried

The Audit Committee resolved into Closed Session at 9:51 a.m.

The Audit Committee (Closed Session) Minutes are recorded under separate cover.

The Audit Committee resumed into Open Session at 9:59 a.m.

New Business

None.

Adjournment

Moved by: Michael Tambosso
Seconded by: Terrance Alderson

THAT the meeting adjourn.

Carried

There being no further business, the meeting adjourned at 10:03 a.m.

Date

C. Prattas, Chair