



**ATTENDING**

Chairman John MacKay, Vice Chairwoman Heather Hill, Mayor Jeff Cantwell, Councillor Dan Sparkman, Councillor Wendy Donovan, Director of Financial Services Mike MacLean and Recording Secretary Lorraine Jones

**ALSO ATTENDING**

Duane Saulnier and Jessica Clahane, Grant Thornton, Town's Auditors

**LATE ARRIVAL**

Interim Chief Administrative Office Brian Smith

**1. CALL TO ORDER**

The meeting was called to order at 3:03 p.m.

**2. APPROVAL OF AGENDA**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE AGENDA BE APPROVED AS CIRCULATED. CARRIED.**

**3. APPROVAL OF MINUTES OF MAY 23, 2013**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE MINUTES OF THE REGULAR MEETING OF MAY 23, 2013 WERE APPROVED AS CIRCULATED. CARRIED.**

**4. 2012/13 DRAFT CONSOLIDATED FINANCIAL STATEMENTS**

**a. REQUEST FOR DECISION NO. 036-2013 – FINANCIAL STATEMENTS REVIEW BY DIRECTOR OF FINANCIAL SERVICES**

The Director of Financial Services noted that this Request for Decision will carry forward to the next Town Council meeting for acceptance. Questions of Council were answered by the Director of Financial Services and the Auditors.

Some points noted

- The Town ended the year with a surplus
- Residential taxes below budget; appeal changes are not budgeted for
- Amortization on streets and sidewalks account for the difference between budget and actual for transportation
- Amortization represents the depreciation of fixed assets over the expected life of the asset
- Amortization does not have to be funded as per PSAB and Municipal Accounting Guidelines
- Other receivables of \$324,786 is mostly made up of gas tax receivables and smaller capital grants
- Year end accruals include Kings County Fire and Recreation grants and Aliant grant-in-lieu of taxes
- The statements should be made easily understandable for the average person
- The biggest problem is to understand the sheer mass of numbers which is not unique to Wolfville; all municipalities have a lot of numbers. Maybe an educational session could be held to help with this issue



- The Province pays a grant-in-lieu of about \$800,000 for Acadia's residential properties. The Director of Financial Services will check the tax status of the store at the arena

The Interim Chief Administrative Officer arrived at 3:25 p.m.

**b. REPORT TO THE AUDIT COMMITTEE**

Mr. Saulnier and Ms. Clahane reviewed the consolidated statements and the audit process.

Some significant findings from the audit include

- Change in accounting policy through year relating to gas tax revenue
- The Town took possession of Stirling Avenue during the year
- Technical updates – accounting and auditing developments coming forward

The Vice Chair questioned the role of the Audit Committee. Should the Committee be checking insurance and assessing whether coverage is adequate or should this be an item for the auditors. Mr. Saulnier noted that they look at a series of area that could impact the Town; they look at policies, procedures and internal controls or any items that could potentially impact the Town. It was pointed out that insurance is due to go to RFP later this year.

**5. ADJOURNMENT TO AN IN CAMERA SESSION (AUDITOR, COMMITTEE MEMBERS AND INTERIM CHIEF ADMINISTRATIVE OFFICER)**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE COMMITTEE ADJOURN TO AN IN CAMERA SESSION. CARRIED.**

**6. REGULAR SESSION RECONVENED**

The regular session reconvened at 4:28 p.m. and staff returned to the meeting.

With respect to journal entries it was suggested that the new Chief Administrative Officer could take the lead on signing of journal entries. The entries could be brought to the Committee. Recommendations could be brought forward at the next meeting.

Non-standard journal entries could include transfer from fund to fund; authorization of limits which are not typical day-to-day items. Journal entries should not be prepared and signed by the same person.

Presently the Director of Financial Services prepares all journal entries. The Town does not have an accountant and no one on staff is trained to do journal entries. There may be an opportunity to build this task into current staff duties. It was suggested that the Committee discuss it and a recommendation be brought forward.

Mr. Saulnier noted that the Town needs to ensure that someone's work is being authorized and approved. The Chair indicated this would be an item for the next session.

The auditors were thanked and left the meeting at 4:47 p.m.

**IT WAS REGULARLY MOVED AND SECONDED THAT THE AUDITOR'S REPORT BE RECEIVED. CARRIED.**



Mayor Cantwell inquired whether the Chair should present the Audited Statement at the July 23 Town Council meeting. It was agreed that the Chair and Vice Chair would attend the Council meeting and that this would be the first item under Decisions.

**7. REQUEST FOR DECISION NO. 036-2013 – APPROVAL OF 2012/13 CONSOLIDATED FINANCIAL STATEMENTS**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE 2012/13 CONDOLIDATED FINANCIAL STATEMENTS BE RECEIVED AND REFERRED TO COUNCIL FOR ACCEPTANCE. CARRIED.**

**8. INFORMATION REPORT – ACCOUNTS RECEIVABLE COLLECTION PROCESS UPDATE**

Deferred to next meeting.

**9. INFORMATION REPORT – 2013-14 FIRST QUARTER VARIANCE REPORT**

Deferred to next meeting.

**10. DATE OF NEXT MEETING**

Thursday, September 12, 2:00-4:30 p.m., in Council Chambers.

**11. ACTION ITEMS FOR NEXT MEETING**

- a. Information Report on Receivables
- b. Review of Variances
- c. Followup on journal entry control and segregation of duties
- d. Code of Conduct for Committee members

**12. ADJOURNMENT**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE MEETING BE ADJOURNED AT 5:01 P.M. CARRIED.**

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**RECORDING SECRETARY**