



ATTENDING

Chair - Councillor Mercedes Brian, Mayor Jeff Cantwell, Heather Hill, Gordon Joice, Director of Financial Services Mike MacLean and Recording Secretary Dan Stovel

ALSO ATTENDING

Nancy Frame and Matthew Vandekieft from PricewaterhouseCoopers LLP (PwC)

ABSENT WITH REGRETS

Deputy Mayor Wendy Donovan and Chief Administrative Officer Erin Beaudin

CALL TO ORDER

The Audit Committee meeting was called to order at 1:01 pm

1. APPROVAL OF AGENDA

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE AGENDA BE APPROVED AS CIRCULATED

CARRIED

2. APPROVAL OF MINUTES OF MAY 13, 2016 AUDIT COMMITTEE MEETING

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE MINUTES OF THE REGULAR MEETING OF MAY 13, 2016 BE APPROVED AS CIRCULATED

CARRIED

3. 2015/2016 DRAFT FINANCIAL STATEMENTS:

a. RFD 050-2016: 2016/2017 Financial Statements Review

- This report outlines the process leading up to the presentation of the March 31, 2016 year-end financial statements and the recommendation for approval
- It also provides a general summary of key financial figures and variances reported in the year end statements
- The report is intended to assist the Audit Committee, and ultimately Town Council, in the approval process of the audited year end consolidated financial statements as well as the non-consolidated financial statements
- The financial statements are the responsibility of Town management, and PwC's responsibility is to audit and express an opinion on those statements
- The auditor's report relates to the consolidated financial statements, which includes:
 - Town General Operating Fund,
 - Town Capital Fund,
 - Town Operating Reserve Fund,
 - Town Capital Reserve Fund,
 - Town Water Utility Operating Fund, and
 - Town Water Utility Capital Fund
- Non consolidated statements provide additional information for both Council and the public. As individual funds they tie directly to the tax rate setting process and annual approved budgets
- The report provides a general summary of key financial figures and variances reported in the year end statements
- The results reflected in the year end statements show that the Town is well positioned moving forward to continue to address the capital infrastructure needs of the Town



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- In addition, the Water Utility results are consistent with the already approved plan to carry out a rate study in fiscal 2016/17
 - Approval of the year end consolidated statements is a required step in the financial reporting of the Town of Wolfville
 - Once the Audit Committee has recommended their approval, and Council has formally approved them, the firm of PwC will issue the Independent Auditors' Report and final Internal Control Letter. This will allow the Town to complete its annual financial reporting to the Province

b. Report to Audit Committee – Review by PwC

- Nancy Frame and Matthew Vandekieft from PricewaterhouseCoopers LLP (PwC) presented the report to the Audit Committee
- The auditors propose to issue an unqualified (clean) report
- The auditor's responsibility is to express an opinion on the consolidated financial statements based on their audit
- Outstanding items at the time of the Audit Committee meeting:
 - Management representation letter (signed once the Financial Statements are approved by Council)
 - Review of final financial statements
 - Subsequent events procedures – as part of the audit, auditors required to perform audit procedures for the period after the end year (March 31, 2016) to date financial statements approved by Council
- The purpose of the audit is not to test all internal controls, but for those controls that were examined, the auditors had no significant internal control recommendations to report

4. ADJOURNMENT TO IN CAMERA

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE REGULAR MEETING OF THE AUDIT COMMITTEE BE ADJOURNED AT 2:08 PM TO AN IN CAMERA MEETING TO DISCUSS THE 2015/2016 FINANCIAL AUDIT REPORT

CARRIED

IN CAMERA MEETING ADJOURNED

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE IN CAMERA MEETING OF THE AUDIT COMMITTEE BE ADJOURNED AT 2:12 PM

CARRIED

5. REGULAR MEETING RECONVENED

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE REGULAR MEETING OF THE AUDIT COMMITTEE RECONVENE AT 2:13 PM

CARRIED



6. 2015-16 DRAFT FINANCIAL STATEMENTS

a. RFD 050-2016: APPROVAL OF 2015/16 CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL STATEMENTS

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE AUDIT COMMITTEE FORWARD THE FOLLOWING MOTION TO COUNCIL FOR DECISION: THAT COUNCIL APPROVE THE 2015/2016 CONSOLIDATED AND NON-CONSOLIDATED FINANCIAL STATEMENTS

CARRIED

7. NON-CONSOLIDATED FINANCIAL STATEMENTS

- While the audit was of the Consolidated Financial Statements, Director Finance provided an overview of the Non-Consolidated Financial Statements to the Audit Committee, including a change on page 11, Town Capital Reserve, noting the “transfer to capital fund” should read \$989,614 (not \$834,750) with a corresponding change to the end of year balance which should read \$2,755,326
- Trust Fund Statements from the Draft Financial Statements were brought to the attention of the Audit Committee. Noted that the Trust Funds are not consolidated with the Town results

8. AUDIT COMMITTEE MEETING SCHEDULE

- The next meeting of the Audit Committee is scheduled for Friday, October 21, 2016 with a meeting September 9, 2016 to review 1st Quarter Variance Report

9. ADJOURNMENT

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE MEETING BE ADJOURNED AT 3:04 PM.

CARRIED

Approved at the September 9, 2016 Audit Committee Meeting.

As recorded by Dan Stovel, AA Corporate Services