

ATTENDING

- Chair, Councillor Ian Palmeter
- Mayor Jodi MacKay
- Councillor Mike Butler
- Frank Lussing
- Corey Cadeau (remotely)
- CAO Glenn Horne
- Director of Financial and Corporate Services, Beth Hopkins
- Manager of Financial and Accounting Services, Jenny Johnson
- Recorder, Laura Morrison
- Interested member (Councillor Williams) in the public gallery

GUESTS

- Jessica Clahane, Auditors

CALL TO ORDER

Chair, Councillor Ian Palmeter, called the Audit Committee meeting to order at 9:00am

Agenda Item	Discussion and Decisions
1. Approval of Agenda	MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE AGENDA BE APPROVED AS CIRCULATED CARRIED
2. Approval of Minutes	MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE MINUTES OF THE AUDIT COMMITTEE MEETING OF JANUARY 31, 2025 BE APPROVED AS CIRCULATED CARRIED
3. Public Input	<ul style="list-style-type: none">• No public input
4. Chairperson's Comments	<ul style="list-style-type: none">• It was the Finance Manager, Jenny Johnson's last day yesterday. Committee sends her best wishes in her new role at Acadia
5. New Business: Audit Strategy Review 2025-2026	<ul style="list-style-type: none">• Jessica Clahane of Grant Thornton presented on the pre-circulated Audit Strategy for year ended March 31, 2025.• A secondment agreement is in place with the Town for a member of Grant Thornton to work two days a week with the town to cover until a new Finance Manager is in place.

Agenda Item	Discussion and Decisions
	<ul style="list-style-type: none"> • This position will be kept independent ensuring they are not involved on anything related to the audit. This is a common practice, done regularly and allowable within the independence framework. • Audit is carried out using a risk-based approach where the highest risk areas where a significant portion of the engagement is focused. • Materiality is 3% of total revenue. Anything identified over 5% of the 3% revenue would be flagged. If not rectified it would be brought to Audit Committee for transparency. • There have been no large-scale entity specific changes at the time of planning the audit and no large-scale changes in terms of laws and regulations. • Contact information for the Auditor is included in the report for everyone's awareness and members are encouraged to reach out away from the committee at any time. • Revenue recognition sample review and analysis of revenue versus budget and compared to prior year is method used to look at significant risks. • Discussion on types of risk. Most revenues are received through cheques. Online risk is lower when it comes to cheques, cash would be more susceptible to risk, however financial results within statements could be manipulated and that is an area that is reviewed for misappropriation of funds or manipulation. • Discussion on segregation – 5 employees in the Finance team. Not all are full-time. There are degrees of separation in accounts receivable and accounts payable. Journal entries can be made by any staff, separation with admin scanning invoices and other individual checks payments and authorizations. Subledger automatically posts. Separation in two of three levels of transaction. It is common in an organization of this size. Controls are in place. • Discussion on cost of cover for the contracted services from Grant Thornton. An amount was budgeted for additional expertise that may be required and savings from the vacancy of the Finance Manager position will be used to cover those costs. Aiming for a replacement of that position within 5 weeks. • Discussion on fees. • Deliverables and timing discussion. Anticipate being able to meet September meeting. Fieldwork to end of May no availability in June or July.

Agenda Item	Discussion and Decisions
6. Roundtable	<ul style="list-style-type: none"> • Technical highlights, nothing significant in current year that would have direct impact on audit. • Review of roles and responsibilities of audit committee, management and Grant Thornton. • The committee members were asked if they had any subject matters, they wanted to discuss in camera with no requests being made. • Discussion on investments. Doesn't fall under the work being done on financial statements. • Grants to Organizations policy covers contributions made to an organization. This policy is being reviewed by Equity & Anti-Racism Committee, will come back to this committee for review also. • If members have any concerns related to organizations receiving contributions, connect with the CAO to bring those concerns forward and have those discussions. If outside assistance is required, Grant Thornton can support from an advisory perspective, outside of the scope of audit. • Other services are offered by Grant Thornton available for hire such as HST recovery, financial reporting and accounting support, HR consulting services. • AMANS (Association of Municipal Administrators Nova Scotia) conference is the primary source of information for the finance team.
7. Next Meeting Date	<ul style="list-style-type: none"> • TBD - latter part of June/early July for next meeting.
8. Adjournment of Meeting	Meeting Adjourned at 9:45am

As recorded by Laura Morrison, Town Clerk & Recording Secretary
Approved at the July 4, 2025 Audit Committee Meeting