



AUDIT COMMITTEE
Terms of Reference
May 28, 2018

1. **Mandate**

The primary mandate of the Audit Committee is to provide an additional level of accountability to citizens on municipal financial reporting.

The Audit Committee is responsible for the following:

The External Audit

- To oversee all audit matters to ensure effective and independent audit services are obtained
- To review the arrangements for the scope of the annual audit, accounting principles, materiality limits and audit fee
- To be the focal point for communication between Council and the external auditor
- To review the auditor's report and audited financial statements and to satisfy itself that these statements present fairly the financial position and results of operations and that the external auditors have no reservations about these statements, and to make such recommendations to Municipal Council as deemed necessary
- To review the auditors' management letter together with administrative recommendations

Financial and Other Reporting

- To review requests for special studies and investigations made by Council
- To review financial policies, practices and procedures

J.D. Bradley Convention Centre Operational Oversight

- To receive bi-annual updates on operational and financial presentations
- To make recommendations to Council as deemed necessary

2. **Composition of Committee**

The Audit Committee is comprised of the Mayor and four members of Council.

3. **Membership Eligibility and Term of Membership**

The Audit Committee will be appointed for the term of Council. The Chair will be elected from the committee's membership at the first meeting of the term.

4. Role of Committee Members and Meeting Procedure

The role of the Audit Committee is to assist Council in the provision of effective municipal government by overseeing the administrative policies regarding accounting, reporting, internal controls, safeguarding of corporate assets, legal compliance, ethical and regulatory requirements. The Committee provides a focal point between Council, the external auditor, and management on these matters.

Audit Committee meetings will be held at least twice per year, including an audit planning meeting with the auditor prior to the external audit commencing, and with the external auditor when the audit results are presented. The Chair may call additional meetings when appropriate.

A quorum of three members is required for a meeting.

5. Staff Support

The Director, Financial Services will act as primary municipal contact, whose responsibilities include working with the Chair to prepare agendas, and researching and collecting any materials as required.

6. Reports to Council

Minutes will be kept by administrative staff and distributed to all Members of Council.

The Audit Committee will initially review the auditor's report and audited financial statements. However, approval and acceptance of the auditor's report and audited financial statements will be by Council on a regular Council meeting agenda. J.D. Bradley Convention Centre presentations and reports will be reviewed by the Audit Committee but will also be included with the minutes and be approved by Council.

The Audit Committee may make recommendations to Council on other financial matters as appropriate.