

MUNICIPALITY OF THE DISTRICT OF YARMOUTH

<b>Audit Committee Policy</b> <b>A-0210-18</b>	Effective Date:  March 28, 2018
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**Part 1 Purpose:**

The primary purpose of the Audit Committee is to provide advice to Council on all matters relating to audit and finance. The objectives of the Committee are to a) fulfill the requirements outlined in Section 44 of the Municipal Government Act and b) assist Council in meeting its responsibilities by ensuring the adequacy and effectiveness of financial reporting.

**Part 2 Definitions:**

- 2.1 **Auditor** means a company or individual that is appointed by Council as the municipal auditor, and is on the list of Nova Scotia Registered Municipal Auditors.
- 2.2 **Citizen appointment** means a resident of the Municipality of Yarmouth who is chosen to participate in the Audit Committee.
- 2.3 **CAO** means the Chief Administrative Officer of the Municipality of Yarmouth.
- 2.4 **Director of Finance** means the Director of Finance of the Municipality of Yarmouth.
- 2.5 **Municipality** means the Municipality of the District of Yarmouth.

**Part 3 Composition:**

The audit committee shall consist of 2 Council members (plus one alternate) and 1 citizen appointment (refer to policy C-026-05 Citizen Appointment to Committees, Commissions and Boards). The citizen appointment should be an individual with financial experience or background.

The Chair shall be a member of Council.

The CAO and Director of Finance shall be ex-officio members of the Audit Committee.

**Part 4 Duties and Responsibilities:**

- 4.1 Audit
  - Review the qualifications, independence, quality of service, performance and fees of the External Auditors annually and recommend the appointment of an auditor to Council;
  - Carry out the responsibilities of an Audit Committee contained in Section 44 of the Municipal Government Act

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- A detailed review of the financial statements of the Municipality with the auditor and management;
  - An evaluation of internal control systems and any management letter with the auditor and management;
  - A review of the conduct and adequacy of the audit;
  - Such matters arising out of the audit as may appear to the audit committee to require investigation;
  - Such other matters as may be determined by the Council to be the duties of an audit committee;
  - Any other matters as may be determined by Council;
- Recommend approval of the audited financial statements to council.

**4.2 Finance**

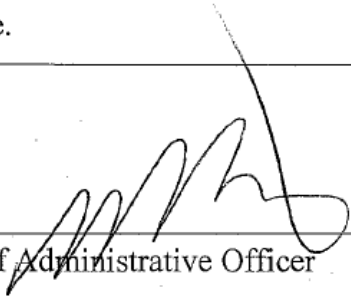
- Ensure the completion of meaningful financial data provided on a timely basis and ensure compliance with the reporting requirements of the provincial government;
- Review with management the quarterly financial package to be presented to council and recommend approval.

**4.3 Administration**

- The Committee shall meet at least twice in a year;
- Additional meetings may be necessary to review items relating to the audit and will be called by the chair;
- The CAO and Director of Finance will provide staff support to the committee.

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<b>Chief Administrative Officer's Annotation for Official Policy Book</b>	
Date of Notice to Council members of Intent to Consider (7 days Min)	March 19, 2018
Date of Passage of current Policy	March 28, 2018
I certify that this Audit Committee Policy A-0210-18 was adopted by Council as indicated above.	
 _____ Chief Administrative Officer	<u>March 28, 2018</u> Date

**Date last reviewed: March 28, 2018**

**Date last amended: March 28, 2018**

**Date last reviewed by the By-Law and Policy Review Committee: March 19, 2018**