

## **PELHAM AUDIT COMMITTEE MINUTES**

**Meeting #:** PAC-04/2019  
**Date:** Wednesday, October 16, 2019  
**Location:** Town of Pelham Municipal Office - Council Chambers  
20 Pelham Town Square, Fonthill

**Members Present:** John Wink, Chair  
Marianne Stewart  
Ron Kore  
Bill Crumm  
Michael Cottenden

**Staff Present:** Teresa Quinlin,  
Charlotte Tunikaitis  
Holly Willford

**Other:** None

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### **1. Call to Order and Declaration of Quorum**

Noting that a quorum was present, Chair Wink called the meeting to order at approximately 4:00 p.m.

### **2. Approval of Agenda**

Through consensus, it was determined item 13.1 Development of Committee's Goals and Priorities would be deferred to a future meeting when Ms. Bea Clark is available to facilitate the discussion.

The Committee requested a separate grant summary report and a debenture report. Through discussion, it was determined an additional Committee Meeting in December would be required to discuss financial reports. Staff was directed to poll the Committee Members and to organize a December 2019 meeting date.

**Moved By Michael Cottenden**

**Seconded By Bill Crumm**

**THAT the agenda for the October 16th, 2019 regular meeting of the Pelham Audit Committee be adopted, as amended.**

**Carried**

**3. Declaration of Pecuniary Interest and General Nature**

None.

**4. Approval of Minutes**

The Committee discussed further revising the Terms of Reference to ensure the Committee is required to review all debentures prior to Council approval, include the risk management framework plan and that Council may direct the Committee to review and report back on any financial matter.

**Moved By Bill Crumm**

**Seconded By Michael Cottenden**

**THAT the Terms of Reference be revised to include language that indicates the Committee is required to review all debentures prior to Council approval, include the risk management framework plan and that Council may direct the Committee to review and report back on any financial matter**

**Carried**

**Moved By Ron Kore**

**Seconded By Marianne Stewart**

**THAT the minutes of the September 11th, 2019, Pelham Audit Committee be approved.**

**Carried**

**5. Business Arising From Minutes**

None.

**6. Audit**

None.

**7. Operating Financial Report**

The Committee reviewed the Operating Financial Report dated August 31<sup>st</sup>, 2019.

The Committee discussed the various line numbers, with one member suggesting the miscellaneous item be broken down. In response, the Treasurer indicated the miscellaneous category mostly represented tax certificates.

**8. MCC Operating Financial Report**

The Committee reviewed the Meridian Community Centre ("MCC") Financial Report dated August 31<sup>st</sup>, 2019.

The Committee discussed development charges and the role of land sales to offset the cost of the MCC. In addition, the Committee discussed the two ice pads at the MCC and the potential of summer ice rentals.

**9. Transit Operating Financial Report**

The Committee reviewed the Transit Operating Financial Report dated August 31<sup>st</sup>, 2019.

Teresa Quinlin, Treasurer and Director of Corporate Services indicated the Niagara Region will present to Council a potential partnership for 'transit on demand'. Ms. Quinlin indicated the potential partnership would not affect the Town's grant.

The Committee also discussed ridership and pricing.

**10. Capital Report**

None.

**11. Reserves**

The Committee reviewed the Reserves and Reserve Funds 2020 Budget materials.

The Committee discussed the reserves and potential reserve targets. The Treasurer and Deputy Treasurer indicated their Department is currently working on a Reserve Policy, which will be presented to the Committee prior to Council Consideration.

**12. New Business**

None.

**13. Unfinished Business**

**13.1 Development of Committee's Goals and Priorities**

Development of Committee's Goals and Priorities will be deferred until Ms. Bea Clark is available to facilitate the discussion.

**14. Next Meeting**

The Committee will meet on November 20, 2019 and staff will conduct a poll and schedule a December 2019 meeting date.



**15. Adjournment**

**Moved By** Bill Crumm

**Seconded By** Michael Cottenden

**THAT this Regular Meeting of the Pelham Audit Committee be adjourned.**

**Carried**

  
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Chair, John Wink  
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Deputy Clerk, Holly Willford



**TERMS OF REFERENCE****PELHAM FINANCE & AUDIT COMMITTEE****STRATEGIC GOAL: ENHANCE THE QUALITY OF LIFE IN OUR TOWN****DEPARTMENTAL REPORTING: ADMINISTRATION DIVISION, CHIEF ADMINISTRATIVE OFFICER****PURPOSE**

A committee of Council which provides oversight, advice and guidance to Council and Town staff regarding: the selection of auditors, the annual audited financial statement, financial policies and reporting practices, and risk management considerations.

**MANDATE:**

The Finance and Audit Committee will provide oversight of and make recommendations as required for:

1. The Audit Function, including
  - Selection and appointment of auditors
  - Audit results and the management letter
2. Financial Reporting, including
  - Regular financial reports, related to operations, capital, assets, reserves and transit
3. Risk Management Considerations, including
  - Policies governing risk management
  - The Town's major risk exposures and mitigation options
  - Review all debentures prior to Council approval
  - Review the risk management framework plan
4. Provide Guidance to Council and Town staff regarding financial controls
  - Council may direct the Committee to review and report back to Council on any financial matter

**Membership**

The Finance and Audit Committee is an advisory committee of Council and is comprised of three Councillors, Town of Pelham and two citizen representatives.

The citizen representatives must meet the following criteria to be eligible for appointment:

**Administration  
Services**



- Satisfactory police check
- Resident of the Town of Pelham
- Possess a Chartered Professional Accountant (CPA) designation in good standing and a graduate of a recognized postsecondary institution
- Be independent and willing to challenge Council and Town staff when necessary
- Have an aptitude for complex organizational effectiveness and governance and an awareness of the Town's operations
- Have a general understanding of the Town's major economic, operating and financial risks
- Understand the difference between the oversight function of the Committee and the decision-making function of Council and Town staff
- Must sign a confidentiality agreement

The following Meeting Protocols shall apply:

- Quorum for meetings of the committee shall be determined according to the Town's Procedural By-law, and declared by the chair. Approval of any motion shall require 50% plus one of the voting members in attendance at the meeting.
- If quorum is not attained within 15 minutes of the scheduled start time of the meeting, no actions or recommendations emanating from a meeting have any force or effect.
- Minutes shall be recorded and retained by the staff designate, and copies shall be forwarded to Town Council for information after committee approval.
- The Committee reports directly to the Town Council via minutes of its meetings, presentations as requested and/or as deemed necessary, and through the provision of a quarterly report to Town Council.
- The committee will appoint a chair who will serve throughout the appointment term.
- Recommendations for Council shall be forwarded in resolution form, under the signature of the Chair.
- Meeting protocols shall be conducted in accordance with the Municipal Act.
- All meetings shall be open to the public and closed session meetings shall only be permitted under the provisions of the Municipal Act, and if so convened shall not be held in the absence of the staff appointee. Meeting dates shall be posted on the Town's website.
- Sub-Committees may be formed as necessary and will determine their own meeting times and dates.