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**ATTENDING**

Chairman John MacKay, Vice Chairperson Heather Hill, Councillor Dan Sparkman, Mayor Jeff Cantwell, Councillor Wendy Donovan, Interim Chief Administrative Officer Brian Smith, Town Clerk & Director of Financial Services Mike MacLean and Recording Secretary Lorraine Jones

**CALL TO ORDER**

The meeting was called to order at 1:59 p.m.

**1. APPROVAL OF THE AGENDA**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE AGENDA BE APPROVED AS CIRCULATED. CARRIED.**

**2. APPROVAL OF THE MINUTES OF JULY 18, 2013**

**IT WAS REGULARLY MOVED AND SECONDED THAT THE MINUTES OF THE JULY 18, 2013 REGULAR MEETING BE APPROVED.**

The following changes/points of discussion were noted

Change - page numbers were incorrect; should be 1 of 3, 2 of 3 and 3 of 3.

For future meeting - a date for an education session was not decided upon and should be flagged for a future meeting.

For future meeting – insurance request for proposals will be addressed through this Committee prior to going to Council

**ON QUESTION, THE MINUTES WERE APPROVED AS AMENDED. CARRIED.**

**3. INFORMATION REPORT – ACCOUNTS RECEIVABLE COLLECTION PROCESS**

This item was carried over from the previous meeting. It was noted that the list of writeoffs include taxes and water accounts. It was noted that the Town's former tax collection lengthy policy has now been changed to a one page document. Tax sale proceedings are required under the Municipal Government Act to take place after in arrears for three years but Council has opted for two years or more. Information has been received from the Municipality of the County of Kings regarding their tax sale procedures and timelines. Currently there are 7 accounts over three years and 9 accounts over two years (some have been paid since this report was prepared). A further update will be provided for the October meeting. Two minor amendments were suggested to the Tax Collection Policy.

Water Utility accounts are legislated by the Utility and Review Board Regulations. Discussion of water deposits took place, as well as the possibility of having a sewer deposit.

**IT WAS REGULARLY MOVED AND SECONDED THAT THE ACCOUNTS RECEIVABLE INFORMATION REPORT BE ACCEPTED. CARRIED.**

**4. INFORMATION REPORT – 2013-14 FIRST QUARTER VARIANCE REPORT**

The Director of Financial Services presented financial reports for the first quarter variance and reviewed accounts with members. Because this report is early in the year there is no evidence of trend setting. It was noted that monthly budgets are now in place which makes it easier for Directors to track estimated



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expenditures and revenue. Additional information provided on contract services as well as expenditure and revenue over/under to date. The question of Town versus contractor project cost reports was discussed and it was noted at present such reports are not received.

**a. INFORMATION JUNE 2013 FINANCIAL UPDATE**

The Director of Financial Services presented the June 30 financial update was presented and reviewed by department for members. It was noted that this review provided an opportunity for detailed review, more than is usually possible at Council meetings. It was noted that the Town's operating fund was within budget; future reports would include results for Water Utility, capital projects and accounts receivable balances.

The Director of Financial Services will look at providing a table of contents for future financial reports for each department/division, e.g. general government, public works, etc.

Further discussion took place around the Wolfville Business Development Corporation (WBDC) grant. It was noted that there is an area rate which is approved by Council that equates to approximately \$110,000 and is turned over to the WBDC to use as they see fit for programs or projects. This is a commercial rate only. A Town Councillor sits on the WBDC Board and Town staff assists the Board. Information will be circulated to Council on the history of the WBDC which was prepared by David Hovell and Jen Boyd. The information goes back to 1985 when a business group was formed. There was once a Business Improvement District which was disbanded by the Province. Once the new Chief Administrative Officer arrives Council will go back to meeting with the Board to determine what the roles of the Town and WBDC are.

The Chair expressed concern about the best use of that money. He noted that \$90,000 is allocated for the upgrading of the WBDC office and Executive Director which only leaves \$20,000 for programs. He questioned what assurances the Town has that this is the best use of the money. The Director of Financial Services noted that he was not sure that the role of the Audit Committee was to get involved in the WBDC expenditures. It was also noted that some grants (education, solid waste, etc.) are legislated and the Town has no control over them; others have Board members who are Councillors and from others the Town receives annual reports. The Town does not approve the WBDC budget; however, the Town does receive their annual audited statements and other reports.

The Town Council is the vehicle for collecting the area rates but it has no say in how the money is spent.

**IT WAS REGULARLY MOVED AND SECONDED THAT THE 2013-2014 FIRST QUARTER VARIANCE REPORT BE RECEIVED. CARRIED.**

**5. INFORMATION REPORT – INTERNAL CONTROLS**

This report was presented and reviewed with members. It was noted that professional development of the Accounting Clerk position continues and training in journal entry review and posting will be included in that training. The question was raised as to whether or not the CAO should be involved in this process or even if he wished to be involved. By consensus it was agreed that the CAO should be involved in the internal control process on at least a monthly basis.



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**IT WAS REGULARLY MOVED AND SECONDED THAT THE AUDIT COMMITTEE RECOMMENDATION THAT THE FINANCE DEPARTMENT CONTINUE WITH THE PROFESSIONAL DEVELOPMENT OF THE ACCOUNTING CLERK POSITION TO INCLUDE TRAINING IN JOURNAL ENTRY REVIEW AND POSTING SPECIFICALLY TO ADDRESS CONCERNS WITH THE AUDIT JULY 18, 2013 BE APPROVED. CARRIED.**

**6. CODE OF CONDUCT FOR COMMITTEE MEMBERS**

Deferred to next meeting.

**7. AUDIT COMMITTEE – RESOURCE MATERIAL AND TRAINING**

Resource books had been provided by Grant Thornton for all members of Council. The Director of Financial Services suggested that the first two chapters would be of interest. The possibility of having the Province or UNSM sponsor a regional training session for Audit Committee members was suggested. It may be that our audit firm could provide some training.

It was suggested that perhaps the training package for the Accounting Clerk could be provided for members of the Audit Committee.

**8. DATE OF NEXT MEETING**

The next meeting is scheduled for Friday, October 18, 2013 at 8:30 a.m. in the Council Chambers.

**9. ADJOURNMENT**

The meeting adjourned at 3:49 p.m.

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**RECORDING SECRETARY**