



ATTENDING

Chair – Councillor Jodi MacKay, Councillor Mercedes Brian, Frank Lussing, Gordon Joice, Director Finance Mike MacLean, and Recording Secretary Dan Stovel

ABSENT WITH REGRETS

Mayor Jeff Cantwell, and Chief Administrative Officer Erin Beaudin

CALL TO ORDER

Chair, Councillor MacKay, called the Audit Committee meeting to order at 9:03 am

1. APPROVAL OF AGENDA

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

2. APPROVAL OF MINUTES OF JANUARY 20, 2017 AUDIT COMMITTEE MEETING

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE MINUTES OF THE REGULAR MEETING OF JANUARY 20, 2017 BE APPROVED AS CIRCULATED **CARRIED**

3. BUSINESS ARISING FROM PREVIOUS MINUTES

a. Reporting on Variances

- A single page that highlights the material variances will be useful for the Audit Committee to review, providing the Committee a Global view with a magnitude of variance
- This will provide an opportunity to zero in on potential agenda items down the road

4. NEW BUSINESS

a. Information Report: March 31/17 Doubtful Accounts Review

- This report was prepared for the Audit Committee as part of the annual year-end financial statement process and provided a preliminary update on the status of receivable collections during fiscal 2016/17 to assist in identifying the magnitude of likely bad debts
- Receivables are in good shape – the vast majority of receivables are collected and there is no danger of material impact on the bottom line
- Presentation of this information helps to act as an internal control for the Town, i.e. the timely review of accounts receivable arrears that may no longer be collectible, i.e. ultimately bad debts. It should be noted that the Town of Wolfville’s success at receivable recoveries is a positive one, which is supported by one of the provincial Financial Indicators, Uncollected Taxes. The Town’s score in this area is 4.8% as of March 31/16 (was 5.2% previous year) compared to the Town’s average of 8.0% and an expected threshold of below 10%
- Regardless of positive efforts to date, continual review of all accounts receivable (A/R) is a process that should occur every year, and this update to the Audit Committee is part of that process. This report provided summary level information on:
 - Taxes outstanding
 - Since the elimination of Business Occupancy Assessments, the issue of bad debts as it relates to outstanding tax arrears has basically disappeared
 - Each year the Tax A/R listing is reviewed for properties that hit the tax sale threshold outlined in the Town’s Tax Sale Policy



-
- Water/Sewer Receivables
 - Generally speaking, the collection rate on active sewer accounts proceeds smoothly
 - The Town has yet to formalize a procedure that was previously discussed and planned back in 2013 – this involves a formal timeline for billings, arrears notices, disconnect notices, actual disconnections, and sending inactive accounts to collections. This will be a specific project for staff starting May 22nd
 - There is a need for staff to formally review the listing, apply deposits to arrears and bring back what should be considered the list of accounts to formally write-off
 - Sundry A/R
 - This sub-ledger covers all the customer invoices the Town issues that are not Property Taxes or Water/Sewer consumption accounts. It covers a variety of items from services provided to other municipalities, water/sewer service hookups, dog tags, and any other one-off invoices that may be required
 - At March 31, 2017 Sundry A/R totaled just over \$178,000. Just over \$172,000 of this has been collected since year end
 - No amounts are being recommended for write off at this stage
- b. Information Report: Update on Joint Municipal Accountability and Transparency Committee**
- In December 2016, a committee was established to:
 - Ensure mechanisms in place supporting transparency & accountability to the public;
 - Strengthen municipal government expense policies;
 - Increase transparency to the public of municipal staff and elected official expenses;
 - Improve audit function on staff and elected official expenses; and
 - Recommend amendments to the MGA where applicable.
 - Membership on the Committee included representatives from the province, UNSM, and AMANS. The formation and mandate of the Committee grew out of concerns related to issues highlighted by the media earlier in the year with regard to local government spending largely related to conferences, meals, travel and entertainment expenses
 - The Committee has concluded its mandate and submitted its [report](#) to the Deputy Minister of Municipal Affairs
 - The report to the Audit Committee highlighted those areas in which the Town of Wolfville was already in compliance – the biggest issue is the publication of expenses and creating the process by which this is done
 - There will also be a requirement for staff to develop a new Policy for Hospitality
- c. Audit Planning – Fiscal 2016/17 Financial Statements**
- Director Finance invited Town’s Auditor’s to attend Audit Committee meeting. Although not available to attend the meeting, the Auditors asked Director Finance to ask Committee members if there were any particular focus areas that the Committee wanted the Auditors to concentrate their efforts
 - There were no specific focus areas of concern identified by the Audit Committee
 - The audit of 2016/17 financial statements is scheduled to start the first full week of June 2017 and the auditors are expected to be in Town for approximately one week
-



5. NEXT REGULAR MEETING

- The next regular meeting of the Audit Committee is tentatively scheduled for Friday, June 30, 2017 at 9:00am

6. ADJOURNMENT

MOTION: IT WAS REGULARLY MOVED AND SECONDED THAT THE MEETING BE ADJOURNED AT 10:24 AM

CARRIED

Approved at the June 30, 2017 Audit Committee Meeting.

As recorded by Dan Stovel, AA Corporate Services