

# *Cape Breton Regional Municipality*

## **Audit Committee Minutes**

**Tuesday,  
May 11, 2021  
1:30 p.m.**

**Via Videoconference**

**Deputy Mayor Earlene MacMullin called the meeting to order.**

**Present:** Deputy Mayor Earlene MacMullin, Chair  
Councillor Cyril MacDonald  
Councillor Glenn Paruch  
Councillor Steve Parsons, Vice-Chair  
Councillor Lorne Green  
Mark Galley, Citizen Appointee  
Rakesh Kochhar, Citizen Appointee

**Staff:** Marie Walsh, Chief Administrative Officer  
Jennifer Campbell, Chief Financial Officer  
John MacKinnon, Deputy Chief Administrative Officer  
Deborah Campbell Ryan, Municipal Clerk  
Adam MacNeil, Manager of Finance  
Sharon MacSween, Senior Administrative Assistant  
Tanya Nicholson, Recording Secretary

**Also**

**Attending:** N/A

## Summary of Decisions

### Roll Call

#### 1. Approval of Minutes:

**Motion** to approve the Audit Committee Minutes of:

- September 28<sup>th</sup>, 2020

**Motion Carried.**

#### 2. Approval of Agenda:

**Motion** to approve the May 11, 2021 Audit Committee agenda and Addendum as circulated. **Carried.**

#### 2. a) Selection of Vice-Chair:

**Motion** to cease nominations for Vice-Chair of the Audit Committee. **Carried.**

Councillor Steve Parsons was declared Vice-Chair of the Audit Committee.

#### 3. MNP – Presentation:

##### a) Summary Audit Service Plan:

Darren Chiasson, CPA, CA with MNP, presented the Summary Audit Service Plan.

**For Information Only.**

#### 4. Audit Committee Terms of Reference:

The Terms of Reference for the Audit Committee was reviewed.

*Citizen Kochhar declared a Conflict of Interest with regard to discussions on banking services and removed himself from the debate and vote.*

**Motion** that staff be directed to proceed with the Request for Proposals (RFP) process for banking services, and to evaluate and review proposals in order to make an award in June, which will be presented to the Audit Committee with the scheduled insurance presentation. **Carried.**

### Adjournment

## **Roll Call**

### **1. Approval of Minutes:**

**Motion:**

Moved by Councillor Parsons, seconded by Citizen Kochhar, approval of the Audit Committee Minutes of:

➤ **September 28<sup>th</sup>, 2020**

**Motion Carried.**

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

**Motion:**

Moved by Councillor Cyril MacDonald, seconded by Councillor Parsons, approval of the May 11, 2021 Audit Committee Agenda and Addendum as circulated.

**Motion Carried.**

## **ADDENDUM:**

### **2. (a) Selection of Vice – Chair:**

The Chair called for nominations for the Vice-Chair of the Audit Committee.

Councillor Green nominated Councillor Parsons for the position of Vice-Chair of the Audit Committee. Councillor Parsons accepted the nomination.

**The Chair asked if there were any additional nominations for Vice-Chair. Hearing none, the following motion was brought forward.**

**Motion:**

Moved by Councillor Green, seconded by Citizen Galley, to cease nominations for Vice-Chair of the Audit Committee.

**Motion Carried.**

**The Chair declared Councillor Steve Parsons as Vice-Chair of the Audit Committee.**

The Chair welcomed recently appointed Citizen Mark Galley to the Committee and thanked both he and Citizen Kochhar for volunteering to serve on the Audit Committee.

**Continued...**

**3. MNP – Presentation:**

**a) Summary Audit Service Plan:**

Darren Chiasson, CPA, CA – Partner Business Advisor, MNP - presented the Summary Audit Service Plan highlighting the following:

- Areas of Audit Emphasis for 2021
- Summarized Testing Approach for 2021
- Materiality – CBRM & Water Utility
- Audit Team
- Timetable
- Estimated Fees
- Auditor Independence

The Chair thanked Darren Chiasson for his presentation.

**4. Audit Committee Terms of Reference:**

Jennifer Campbell, Chief Financial Officer (CFO), reviewed the responsibilities of the Audit Committee to ensure there are no gaps in the fulfillment of these duties. The following was highlighted:

- Key financial information that will be provided to the Province or made public – Financial Condition Indicators
- External and/or Internal Audit Activities
- The System of Internal Controls, Risk Management and Financial Information Technology
- Cash and Investment Management Activities
- Insurance Coverage and Significant Risks and Uncertainties

The CFO advised that the Audit Committee they may want to consider directing staff to issue a Request for Proposals (RFP) for banking services considering the significant length of time that has elapsed since the last banking service agreement was negotiated.

*At this point in the meeting, Citizen Kochhar declared a Conflict of Interest with regard to discussions on banking services and removed himself from the debate and vote.*

**Continued...**

**Audit Committee Terms of Reference (cont'd):**

**Motion:**

Moved by Councillor Green, seconded by Councillor Parsons, that staff be directed to proceed with the Request for Proposals (RFP) process for banking services, and to evaluate and review proposals in order to make an award in June, which will be presented to the Audit Committee with the scheduled insurance presentation.

**Motion Carried.**

**Meeting Adjourned at 2:08 p.m.**

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**Deputy Mayor Earlene MacMullin**  
**Chair**

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**Deborah Campbell Ryan**  
**Municipal Clerk**