



MUNICIPALITY OF THE DISTRICT OF WEST HANTS
Audit Committee Policy

1. PURPOSE

The primary purpose of the Audit Committee (the "Committee") is to provide advice to Council on all matter relating to audit and finance. The objective of the Committee is to:

- a) fulfil the requirements outlined in Section 44 of the *Municipal Government Act*; and
- b) assist Council in meeting its oversight responsibilities by ensuring the adequacy and effectiveness of financial report, risk management and internal controls.

2. SCOPE

This Policy is applicable to all serving members of the Municipality of the District of West Hants Audit Committee.

3. DEFINITIONS

- 3.1. "CAO" means the Chief Administrative Officer for the Municipality of the District of West Hants.
- 3.2. "Director of Finance" means the Director of Finance for the Municipality of the District of West Hants.
- 3.3. "Auditor" means the External Auditor conducting the audit of the Municipality of the District of West Hants.

4. POLICY

4.1. Composition

- 4.1.1. Council shall annually appoint members to an Audit Committee.
- 4.1.2. The Audit Committee will consist of 5 members: the Warden, two Council members, and two members at large who are not members of Council or Municipal employees.
 - a. Members at large should be sufficiently versed in financial matters to understand the Municipality's account practices and policies and the major judgements involved in preparing the financial statements.
 - b. Where an audit committee does not include any members at large the audit committee shall continue to meet and perform its duties and may exercise its powers. The municipality shall advertise to recruit members at large at least once every six month until the requirement is met.
- 4.1.3. The CAO and/or Director of Finance will provide staff support to the Committee. They are not voting members of the Committee.
- 4.1.4. The Council Remuneration Policy will be followed regarding any stipens for the two members at large.



4.1.5. All members must abide by the terms of reference, set out by the Committee and reviewed the by CAO.

4.2. Duties and Responsibilities

4.2.1. Audit:

- a. Review the qualifications, independence, quality of service, performance, and fees of the auditors and recommend the appointment of an auditor to Council;
- b. Carry out the responsibilities of the Audit Committee contained in Section 44 of the *Municipal Government Act*; in consultation with Management.

4.2.2. Finance and Risk Management

- a. Review with Management the quarterly financial updates to be presented to Council;
- b. Management will give a presentation on all financial policies used in the preparation of the external financial statements; at the first annually meeting of the year;
- c. Review with Management the adequacy of internal controls;
- d. Review with Management annually risk management practices including insurance coverage.

4.3. Administration

4.3.1. Meetings of the Committee will be held at least quarterly in April, July, October, and January. Additional meetings may be necessary to review items relating to the audit, and will be called by the Chair.

5. REPEAL

5.1. The Audit Committee Policy dated March 13, 2007 is hereby repealed.

I, Rhonda Brown, Municipal Clerk of the Municipality of the District of West Hants, the Province of Nova Scotia, do hereby certify that this is a true copy of the policy as adopted by the Council of the Municipality of the District of West Hants at a meeting duly called and held on the **8th** day of **May, 2018**.

R. N. Brown
Municipal Clerk



<i>Adoption</i>	
<i>Notice to Council:</i>	April 24, 2018
<i>Approval:</i>	May 8, 2018
<i>Description:</i> Initial approval of the Audit Committee Policy, COFN-007.00 and repeal of the Audit Committee Policy dated March 13, 2007.	