



Minutes of the Audit Committee Meeting

Place: Council Chambers

Date: Wednesday, October 9, 2019

Presiding Officer: Rick Draper

Members Present: Dave Clark, Dawn Thompson, Tracy Black, Rachel Jones, Mark Milner, CPA, CA – Jorgenson & Bickerton Ltd. and Linda Cloney (recording secretary)

1. Call to order

Rick Draper called the meeting to order at 6:00 pm

2. Town of Oxford Consolidated Financial Statements – Discussion

Mark Milner presented the Consolidated Financial Statements in detail.


- Water Utility has been included with the General Operations Financial Statements.
- The Management's Responsibility for Financial Reporting page in the statements provided to the Audit Committee has been replaced with a revised copy presented by Mr. Milner.
- The audit committee is responsible for maintaining an overall strong internal control within the Town of Oxford.
- The audit committee is responsible for: communications and or decisions that happen between the committee and the external auditor; appointing auditors; approving and recommending to Council the statements.
- The results from the Financial Statements are the Town of Oxford's results, with an independent opinion from Jorgenson & Bickerton, using the amount of \$57,000 as the level of materiality.
- October 21, 2019 the Consolidated Financial Statements will go to Council for approval.
- Municipalities operate with several separate funds. There is the general operating fund, general capital fund, water utility operating fund, water utility capital fund, and several reserve funds.
- CJSMA (Cumberland Joint Services Management Authority) – The Town of Oxford, the Municipality of the County of Cumberland and the Town of Amherst as a group control the operations of the CJSMA. As a municipal unit, because we are associated with that unit and according to the PSAB (Public Sector Accounting Board), the Town is required to bring the information on CJSMA as part of your consolidation to account for it.
- The CJSMA budget item should be itemized in greater detail.
- Tax Sale Process - The MGA (Municipal Government Act) says that property taxes with more than two previous years outstanding proceeds to a tax sale. Council has the authority to set the number of years outstanding shorter than what is stated in the MGA, by policy or bylaw.

- Note 10 (page 15) Long Term Debt – there is a debenture maturing in 2019. Two more debentures will be maturing in 2021.
- Page 25 – Short Term Investments – there was monies in short term investments, and they were liquidated, they effectively moved over to the general operating fund.
- The budget is not entered in SAGE – this is because we have two accounting software systems running. TownSuite records our receivables and Sage records our payables. Oxford is readying to implement TownSuite as the one accounting system to use.
- Reserve Funds – There are three funds. The operating reserve, the capital reserve, and the Gas Tax. Any use of reserve funds requires a motion from Council in the minutes. It was advised for staff to request a current motion from Council to say effective March 31, 2019 to approve a transfer of reserve funds in the amount of \$5,670.00 to our general operating fund.
- We currently have a negative amount in the operating reserve.
- The operating reserve shows a line for the McLeave Festival and School Enhancements.
- In 2014, \$2,000.00 was set aside for the McLeave Festival and it was never used. A motion could be made to re-allocate the previously designated McLeave Festival component to the operating reserve.
- The school enhancement was originally set up to put in 19,300.00 per year aside for ten years. 157,900.00 is the bottom number in this fund.
- The three reserves added together totals \$386,924.00. Reserves are to be fully funded by monies that are sitting in an interest-bearing bank account.
- The capital reserve requires a transfer to properly fund the full amount. \$48,000 of a total of \$65,000 is showing in the bank. This is accomplished by appropriate year-end adjusting entries that offset the Due To/From entries relating to the water utility capital fund.
- Work needs to be done on the payroll, regarding the T4's. Taxable benefits need to be treated as such. The example of long-term disability was discussed. Medical premiums are being paid by the Town, so Box 85 on the T4 needs to be recorded.
- Sick days were discussed.
- The new procurement policy addresses the audit as a service that the Town will publicly tender.
- The audit committee is comfortable forwarding financial statements to Council based on the discussion this evening and the adjustments that will be made.
- The audit committee recommends to council to transfer \$57,000.00 from the school enhancement fund into the operating reserves.

3. Adjournment

At 8:10 pm, It was moved and seconded that the meeting be adjourned

Motion Carried


 Rick Draper, Deputy Mayor


 Linda Cloney, Recording Secretary