

MINUTES
AUDIT COMMITTEE

June 23, 2022

A meeting was held at the County Building at 8:30 a.m. on the above date.

Present

Chair and Warden, K. Marriott. Members: S. Arnold, B. Loosley, and M. Stark. Also present were Ms. L. Titus, Manager, Financial Administration Services, Ms. N. King, Former Manager, Financial Administration Services, Ms. S. Harper, Manager, Divisional Support Services, Mr. L. Palarchio, General Manager, Finance, Facilities and Court Services, Mr. R. Van Horne, Chief Administrative Officer, and Mr. S. Thiffeault, County Clerk.

Absent

Deputy Warden B. Hand.

Disclosures of Pecuniary Interest: None.

Appointment of Committee Chair

#1: Stark/Loosley: That Warden Kevin Marriott be appointed as Chair of the Audit Committee.

Carried.

Mr. Pete Barnes and Mr. Jordan Rudanycz of BDO Canada LLP attended the meeting virtually.

Auditor's Presentation

Mr. Pete Barnes, CPA, CA, Partner, and Mr. Jordan Rudanycz, CPA, CA, Manager, BDO Canada LLP, provided an overview of the draft audited Financial Statements of The Corporation of the County of Lambton.

Items for Consideration

2021 Consolidated Financial Statements

The Auditors of BDO Canada LLP presented The Corporation of the County of Lambton's 2021 Consolidated Financial Statements and Trust Funds Statements.

The Committee reviewed the Auditor's Correspondence titled "The Corporation of the County of Lambton Final Report to the Audit Committee June 23, 2022".

The Auditors presented BDO's Management Letter. The Committee reviewed the Management Letter with the Auditors.

Auditor's Correspondence and Draft Response Letter

The Committee received and reviewed the BDO-County of Lambton Fraud Letter dated March 2, 2022 from Mr. Pete Barnes, CPA, CA, Partner, BDO Canada LLP, advising that generally accepted auditing standards require auditors to communicate to Council with regards to fraud and error and the impact it may have on the audited financial statements for the year ended December 31, 2021. The auditors requested responses to the questions presented within the letter and staff responded with the County of Lambton Response Letter dated June 23, 2022, as presented in the agenda.

Further Discussion

Mr. Van Horne, Mr. Palarchio, Ms. Harper, Ms. Titus and Ms. King left the meeting at 8:52 a.m. Upon their departure, the Committee members and Auditors continued the meeting. Mr. Thiffeault, County Clerk remained in the meeting for recording-keeping purposes.

A general discussion ensued between the auditors and members of the Audit Committee.

#2: Loosley/Stark:

- a) That the County of Lambton's Consolidated Financial Statements and Trust Funds Financial Statements for the year ended December 31, 2021, be accepted and authorized for release and distribution.
- b) That the Auditor's Management Letter be accepted as presented.
- c) That the BDO - County of Lambton Fraud Letter dated March 2, 2022 be received and that the draft County of Lambton Response Letter dated June 23, 2022 be approved and the Warden be authorized to execute and deliver the same to the auditors.

Carried.

Adjournment

#3: Loosley/Stark: That the Chair declare the meeting adjourned.

Carried.

Time: 9:20 a.m.

Kevin Marriott
Chair

Stéphane Thiffeault
Clerk