

MINUTES
AUDIT COMMITTEE

June 26, 2023

A meeting was held at the County Building at 9:00 a.m. on the above date.

Present

Chair Brian White, Warden, K. Marriott. Members: G. Atkinson, D. Cook, S. Miller and J. Field, alternate member for B. Loosley, attended virtually. Also present were Ms. L. Titus, Manager, Financial Administration Services, Ms. S. Harper, Manager, Divisional Support Services, Mr. L. Palarchio, General Manager, Finance, Facilities and Court Services, Mr. S. Thiffeault, Chief Administrative Officer, and Mr. R. Beauchamp, Deputy Clerk.

Absent

None.

Disclosures of Pecuniary Interest: None.

Appointment of Committee Chair

#1: Cook/Atkinson: That Deputy Warden Brian White be appointed as Chair of the Audit Committee.

Carried.

Mr. Pete Barnes and Ms. Gale Koehler of BDO Canada LLP attended the meeting virtually.

Auditor's Presentation

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

Items for Discussion

2022 Consolidated Financial Statements

The Auditors of BDO Canada LLP presented The Corporation of the County of Lambton's 2022 Consolidated Financial Statements and Trust Funds Statements.

The Committee reviewed the Auditor's correspondence titled "The Corporation of the County of Lambton Audit Final Report to the Audit Committee for Year Ended December 31, 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 April 21, 2023, 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, 2022. The Auditors requested responses to the questions presented within the letter and staff responded with the County of Lambton Response Letter dated June 26, 2023, as presented in the agenda.

Further Discussion

Mr. Thiffeault, Mr. Palarchio, Ms. Harper and Ms. Titus left the meeting at 9:18 a.m. Upon their departure, the Committee members and Auditors continued the meeting. Mr. Beauchamp, Deputy Clerk, remained in the meeting for recording-keeping purposes.

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

#2: Cook/Atkinson:

- a) That the County of Lambton's Consolidated Financial Statements and Trust Funds Financial Statements for the year ended December 31, 2022, 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 April 21, 2023, be received and that the draft County of Lambton Response Letter dated June 26, 2023, be approved and the Warden be authorized to execute and deliver the same to the auditors.

Carried.

Adjournment

#3: Atkinson/Marriott: That the Chair declare the meeting adjourned.

Carried.

Time: 9:26 a.m.

Brian White
Chair

Ryan Beauchamp
Deputy Clerk