

Minutes of the **Audit Committee** meeting held on **October 28, 2020**, at 10:05 a.m. via ZOOM video-conferencing in accordance with the Direction of the Minister under a Declared State of Emergency [updated July 29, 2020 (*see attached*)]

Roll Call

- District 1 – Bruce Prout, present
- District 2 - John A MacDonald, present
- District 3 - Wayne Fowler – (10:44 a.m.)
- District 4 - Burt McNeil, present
- District 5 - Gregory Heming, present
- District 6 - Alex Morrison, **Chair, present**
- District 7 – Warden Timothy Habinski, present
- District 8 - Michael J Gunn, present
- District 9 - Wendy Sheridan
- District 10 – Deputy Warden Martha Roberts – UNABLE
- District 11 - Diane LeBlanc, and
- Citizen Member Doug Jenner

Also

Present: CAO John Ferguson, Municipal Clerk Carolyn Young, Holly Orde Director of Finance, Nancy Comeau A/Manager, Harold Duffett, Auditor, and other staff.

Approval of the Agenda

Councillor LeBlanc moved, seconded by Councillor Heming, to approve the agenda as circulated. Motion carried unanimously.

Minutes

It was moved by Warden Habinski, seconded by Councillor Heming, to approve the minutes of August 5, 2020, as circulated. Motion carried unanimously.

New Business

Re: MCOA Draft Consolidated Financial Statements to March 31, 2020 – Harold Duffett noted that the audit was conducted without reservation, and the consolidated financial statements were prepared in accordance with Canadian Public Sector Accounting practices.

He noted that the County is financially healthy and the balance sheet is strong and is on budget with other municipal units across the province. Not sure what indicators the Province checks, but the County is fiscally strong, with no worries. Annapolis County does not have a strong commercial base. An ideal split is 60/40 and the county is not there. Overall, he doesn't see anything that jumps out as a red flag.

Warden Habinski moved, seconded by Councillor Heming, to recommend that municipal council approve the MCOA Financial Statements to March 31, 2020, as prepared by Kent & Duffett, and to authorize the Warden and CAO to sign the document for submission to the Minister.

A page by page review was conducted.

In-camera

It was moved by Warden Habinski, seconded by Councillor Fowler to meet in-camera from 11:10 a.m. until 11:15 a.m., in accordance with Sections 22(2)(e) contracts and (f) litigation or potential litigation of the *Municipal Government Act*. Motion carried unanimously.

Warden Habinski moved, seconded by Councillor Heming, to amend the motion to correct name of the Annapolis County Municipal Housing Corporation and the item as discussed in-camera. Motion carried unanimously.

The question was called on the motion as amended to read:

Warden Habinski moved, seconded by Councillor Heming, to recommend that municipal council approve the MCOA Financial Statements to March 31, 2020, as prepared by Kent & Duffett, and as amended to correct the name of the Annapolis County Municipal Housing Corporation and the item as discussed in-camera, and to authorize the Warden and CAO to sign the document for submission to the Minister. Motion carried unanimously.

In-camera

It was moved by Councillor McNeil, seconded by Councillor Gunn, to meet in-camera from 11:33 a.m. until 11:47 a.m., in accordance with section 22(2)(f) litigation or potential litigation of the *Municipal Government Act*. Motion carried unanimously.

Re: Audit Committee Report October 28, 2020

Councillor Fowler moved, seconded by Warden Habinski, to recommend that municipal council authorize two members of the Audit Committee being the Chair and the Warden to sign the Audit Committee Report. Motion carried unanimously.

Re: Audit Representation Letter October 28, 2020

It was moved by Councillor McNeil, seconded by Councillor Prout, to recommend that Municipal Council authorize the Warden and CAO to sign the Audit Representation Letter dated October 28, 2020. Motion carried unanimously.

Re: Management Letter October 28, 2020

It was moved by Warden Habinski, seconded by Councillor LeBlanc, to receive for information. Motion carried unanimously.

Warden Habinski asked Harold Duffett, if auditing patterns show bad or strong financial management. Mr. Duffett replied that the balance sheet is strong, and large projects that are being funded. The County is in a very strong financial position. There is no financial mismanagement. The council sets and meets budget.

Adjournment

Upon motion of Councillors McNeil and LeBlanc, the meeting adjourned at 11:54 a.m.

Chair

Municipal Clerk

Direction of the Minister
under a Declared State of Emergency
(Section 14 of the *Emergency Management Act*)
20-008

Under my authority in Section 14 of the *Emergency Management Act*, I order that this Direction (20-008) repeal and replace the Direction regarding municipal meetings issued on March 22, 2020.

During the Provincial State of Emergency declared on March 22, 2020, and under the authority provided to me in Section 14 of the *Emergency Management Act*, in addition to any other directives I have issued and not repealed or otherwise terminated, I direct that all municipalities and villages in the Province:

1. **Effective at 8am on July 29, 2020**, may hold meetings exclusively in person if all the following conditions are met:
 - i) the total number of persons present does not exceed a gathering limitation imposed in a *Health Protection Act* order;
 - ii) all physical distancing requirements or other requirements imposed in a *Health Protection Act* order are met.
2. If the conditions set out in (1) cannot be met, the municipality or village must not hold meetings exclusively in person and must instead hold the meeting partly or wholly as a virtual meeting by video or telephone, and ensure that all of the following conditions are met:
 - i) the total number of persons present for any in person portion of the meeting does not exceed a gathering limitation imposed in a *Health Protection Act* order; and
 - ii) for any in person portion of the meeting, all physical distancing requirements or other requirements imposed in a *Health Protection Act* order are met.

For clarity, this direction does not apply to statutorily required meetings of electors for a village commission which are covered under Direction 20-007 issued on May 20, 2020.

Despite this direction, municipalities and villages are still authorized to continue making other operational decisions especially those required for service delivery.

Please note that these directions are in addition to any requirements established in a Medical Officer's order under the *Health Protection Act*.

A failure to comply with this direction could result in a summary conviction with fines between \$500 to \$10,000 for individuals and up to \$100,000 for a corporation per incident.

This direction will remain in place for the duration of the Provincial State of Emergency unless it is terminated in writing by me earlier.

Dated July 29, 2020.

Original signed by

Hon. Chuck Porter
Minister of Municipal Affairs and Housing