

Meeting Date: July 10, 2024

Subject: Bylaw No. 24/014 – Audit and Budget Committee
Bylaw

Approvals: Jade Brown

Chief Legislative Officer

Henry Hunter

Chief Administrative Officer

Recommendation(s):

1. THAT Bylaw No. 24/014 being a bylaw to create the Audit and Budget Committee be read a first time.
2. THAT Bylaw No. 24/014 be read a second time.
3. THAT Bylaw No. 24/014 be considered for third and final reading.
4. THAT Bylaw No. 24/014 be read a third and final time.

Summary | Background:

On April 30, 2024, Council passed the following resolution:

“THAT Administration bring forward a bylaw to create an audit and budget committee to exercise policy and governance oversight with respect to audit and budget matters.”

Since the resolution was passed, Administration has reviewed Audit Committees across Alberta including the City of Calgary, City of Edmonton, City of Red Deer, the City of St. Albert, and the City of Medicine Hat. The majority of these municipalities have Audit Committees that focus on governance of financial statements and financial reporting.

Administration has also reviewed the prior mandate and structure of the Regional Municipality of Wood Buffalo’s Audit Committee, which was in effect in 2015, as well as the former Audit and Budget Committee, which was in effect in 2014. These former Committees had mandates to exercise policy and governance oversight with respect to audits and audit processes, as well as work with Administration on proposed budgets (including holding budget workshops).

Bylaw No. 24/014 proposes a mandate and governance structure for the Audit and Budget Committee that is similar to the Municipality’s previous Committees, in effect in 2014 and 2015. As proposed, the Committee would be comprised 5 members: the Mayor



one Councillor from the rural wards and three Councillors from Ward 1. Once its members have been appointed, the Committee will establish its own meeting schedule, with a requirement to meet at least once every quarter.

If approved, the Committee's mandate will be to:

- Exercise policy and governance oversight with respect to both internal and external audits and audit processes.
- Receive and/or approve as required the annual audited financial statements of the Municipality received from the Municipality's appointed external auditor.
- Review and approve expense statements of the Mayor, Councillors, and the Chief Administrative Officer.
- Review any matters referred to the Committee by Council with respect to financial auditing and accountability.
- Receive confidential quarterly updates from the Municipality's internal auditor on auditing activities and outcomes.
- Receive quarterly updates from the Municipality on the asset management program.
- Hold budget workshops to review presentations relating to the proposed operating and capital budgets.
- Work with Administration to review and make recommendations to Council on the prioritization of capital projects as part of the annual budget proceedings.

Alternatives:

Council can choose to amend the proposed Bylaw to make changes to the mandate as proposed and/or composition of the Committee. Council may also choose to refer the matter back to Administration for further work as required. They may also choose to defeat the Bylaw and not proceed with the Audit and Budget Committee.

Budget | Financial Considerations:

Although there are no budget or financial considerations as part of the creation of the proposed Committee, there will be staff resources required to support the Audit and Budget Committee. There are no significant budgetary impacts that are anticipated.



Strategic Plan Alignment | Impact:

The Audit and Budget Committee will provide governance and oversight relating to auditing and financial matters of the Municipality. As a result, this aligns with Fiscal Management as set out in Council’s approved Strategic Plan.

Rationale for Recommendation(s):

Administration recommends that Council approve Bylaw No. 24/014 to create the Audit and Budget Committee to ensure that the work outlined in the Committee’s mandate can be started prior to the 2025 budget proceedings. As the Committee works through their mandate, they can review whether amendments to the composition and/or mandate is required and work with Administration to bring forward those amendments to Council accordingly.

Attachment(s):

1. Bylaw No. 24/014 – Audit and Budget Committee Bylaw

