

TOWN OF TABER
BYLAW NO. 12 – 2023

BEING A BYLAW OF THE TOWN OF TABER, IN THE PROVINCE OF ALBERTA, FOR THE PURPOSE OF ESTABLISHING THE AUDIT COMMITTEE AS A STANDING COMMITTEE OF COUNCIL, TO DELEGATE TO IT PRESCRIBED POWERS, DUTIES AND FUNCTIONS, AND TO ESTABLISH RULES FOR THE APPOINTMENT OF ITS MEMBERS, AND ITS MEETING PROCEDURES WITHIN THE TOWN OF TABER.

WHEREAS section 145 of the *Municipal Government Act*, R.S.A. 2000, Chapter M-26 permits a Council to pass bylaws in relation to the establishment and functions of Council committees, and the procedure and conduct of Council committees;

AND WHEREAS section 203 of the *Municipal Government Act*, Council may by bylaw delegate its powers, duties or functions to a Council committee except for those prescribed to be within the exclusive purview of Council;

NOW THEREFORE the Council of the Town of Taber in the Province of Alberta, duly assembled, hereby enacts as follows:

1.0 NAME OF BYLAW

This Bylaw may be cited as the "Audit Committee Bylaw".

2.0 DEFINITIONS

In this Bylaw:

Act means the *Municipal Government Act*, Revised Statutes of Alberta, 2000, c.M-26, and amendments thereto, also referred to as the *MGA*;

Administration means any employee or representative of the staff of the Town of Taber. May also be referred to as Administrative Staff. Elected Officials are not considered employees;

Audit Services means the:

- a) Audit of the consolidated financial statements;
- b) Audit of the provincial financial information return;
- c) Audit of the pension and benefit plan statements;
- d) Audit of the schedules or statements to meet contractual requirements, grant agreements

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- or support management due diligence;
- e) Tax or other regulatory compliance reviews;
- f) Advice on accounting standards; and
- g) Other auditing services requested by the Town;

Bylaw	means the Audit Committee Bylaw established by the Municipality;
Chief Administrative Officer	means the Chief Administrative Officer for the Town, regardless of the specific title that may be conferred on the Officer by Council from time to time;
Chief Financial Officer	means the Chief Financial Officer for the Town;
Committee	means the Audit Committee established by this bylaw;
Council	means the Council for the Town of Taber;
Procedural Bylaw	means the Municipal Procedural Bylaw;
Councillor	means an elected official of the Town including the Mayor;
External Auditor	means an auditor appointed for the Town as required by the <i>Municipal Government Act</i> ;
Internal Controls	means systems, processes and procedures developed to: <ul style="list-style-type: none">a) Safeguard assets;b) Ensure accuracy of the financial datac) Promote operational efficiency; andd) Promote adherence to policies
Mayor	means the chief elected official of the Town;
Member	means an individual appointed to the committee;

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Municipal Government Act	means the <i>Municipal Government Act</i> , R.S.A. 2000, c.M-26;
Municipality	means the Town of Taber;
Organizational Meeting of Council	means the annual organizational meeting of Council required by the MGA;
Town	means the municipality corporation of the Town of Taber;

3.0 ESTABLISHMENT AND MANDATE

3.1 Establishment

3.1.1 The Audit Committee is hereby established as a Standing Committee of Council

3.2 Mandate

3.2.1 The Committee assists Council in fulfilling its oversight responsibilities by reviewing reports from:

3.2.1.1 The Chief Financial Officer

3.2.1.2 The External Auditors; and the

3.2.1.3 Administration on matters relating to:

3.2.1.3.1 Financial statements;

3.2.1.3.2 Budget;

3.2.1.3.3 Internal Controls;

3.2.1.3.4 Fraud, misconduct, and policy compliance; and

3.2.1.3.5 Other related ancillary matters as may be directed by Council.

3.3 General Powers of the Committee

3.3.1 The Committee may by motion request a report from the Chief Financial Officer or Administration on matters within its mandate and within approved budgets.

3.3.2 When the Committee reviews a report it may:

3.3.2.1 Receive it for information;

3.3.2.2 Send it to Council with or without recommendations;

3.3.2.3 Request additional information about matters relating to the report before sending it to Council with or without recommendations; and

3.3.2.4 Make decisions on matters delegated to Committee by Council by this or any other bylaw.

3.3.2.5 The Committee has authority to negotiate modifications to audit plans for the external auditor.

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3.3.2.6 In accordance with the Municipal Government Act, each municipality must submit its financial information return and the auditor's report on the financial information return and its financial statements and the auditor's report on the financial statements to the minister by May 1 of the year following the year for which the financial information return and statements have been prepared.

4.0 CHIEF FINANCIAL OFFICER

4.1 Audit Reports

4.1.1 The Committee will review all reports from the Chief Financial Officer which will include reports from the External Auditors dealing with:

4.1.1.1 Status of audits;

4.1.1.2 Restrictions or impediments to audits;

4.1.1.3 Implementation of audit recommendations;

4.1.1.4 Completed audit projects;

4.1.1.5 Annual reports on the Office of the Chief Financial Officer's compliance with professional standards; and

4.1.1.6 Budget and staffing of the Town of Taber

4.1.2 The Committee may by motion recommend to Council any action, investigation or analysis the Committee wants the Chief Financial Officer to undertake

5.0 EXTERNAL AUDITOR

5.1 Appointment of the External Auditor

5.1.1 The Committee will in relation to the appointment of the Town's External Auditor:

5.1.1.1 Approve the selection of process and criteria;

5.1.1.2 Review all materials submitted by the applicants;

5.1.1.3 Approve the short list of candidates;

5.1.1.4 Participate in the interviews of short-listed candidates; and

5.1.1.5 Make recommendations to Council about the appointment and fees payable to the External Auditor.

5.2 External Auditor's Reports

5.2.1 The Committee will review the External Auditor's audit and other reports, post-audits, and management letter, and will address any significant issues or findings on:

5.2.1.1 Financial reporting matters including the judgements on estimates, assumptions, and clarity of disclosures;

5.2.1.2 Difficulties or impediments encountered during audits;

5.2.1.3 Identification and assessment of deficiencies in Internal Controls;

5.2.1.4 Selection and application of accounting principles or standards and application of elective principles or methods;

5.2.1.5 Audit limitations;

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- 5.2.1.6 Response to and the status of implementation of audit recommendations and follow up; and
- 5.2.1.7 Contingencies that could have been a material effect on the Town's financial statements.

6.0 FINANCIAL STATEMENTS

- 6.1.1 The Committee will quarterly review the following matters:
 - 6.1.1.1 The completeness and clarity of financial statement reporting;
 - 6.1.1.2 Estimates and assumptions underlying financial statement reporting;
 - 6.1.1.3 Financial statement reporting practices;
 - 6.1.1.4 Compliance with generally accepted accounting standards for the public sector or changes to those standards;
 - 6.1.1.5 Impact of any change in the Town's reporting practices on the Town's financial statements; and
 - 6.1.1.6 Issues affecting approval of the Town's audited financial statements.
- 6.1.2 The Committee will recommend to Council:
 - 6.1.2.1 That the annual audited financial statements be approved; and
 - 6.1.2.2 Further actions or information that Council may desire in relation to the Town's financial reporting.

7.0 INTERNAL CONTROLS & CORPORATE GOVERNANCE

7.1 Administrative Role

- 7.1.1 Administration, notably the Chief Financial Officer, is directly responsible for the Town of Taber's financial reporting, internal controls and compliance with laws and regulations;
- 7.1.2 The Chief Financial Officer shall monitor the internal controls over the financial reporting, including policies, processes, and internal controls in place to mitigate the financial reporting risks.
- 7.1.3 The primary responsibility for implementing and maintaining systems of internal controls lies with the Chief Financial Officer. The Chief Financial Officer shall design, implement, and maintain effective internal controls over the financial reporting to ensure that financial statements are prepared free of material misstatement, whether due to fraud or error.

7.2 Audit Committee Role

- 7.2.1 Provide assurance to Council that the Town's operations are in compliance with pertinent laws and regulations, Town business affairs are conducted ethically, and Administration maintains effective controls against conflict of interest or fraud.

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8.0 MEMBERSHIP AND PROCEDURES

8.1 Members

8.1.1 Committee will be comprised of the following members:

8.1.1.1 Three (3) Members of Council, and One (1) alternate member as appointed by Council Resolution at the Organizational Meeting of Council or whenever required;

8.1.1.2 Members should be independent and financially literate, and have the personal and professional characteristics necessary to be effective committee members.

8.2 Term

8.2.1 The Three (3) Members of Council shall be appointed for a one year term commencing on the day of their appointment and ending on the day on which the first Organizational Meeting of Council following their appointment is held.

8.3 Quorum

8.3.1 Quorum for the Committee will be:

8.3.1.1 Attendance of Three (3) Members

8.4 Remote Participation

8.4.1 Members may attend and participate in Committee meeting using communication facilities, and Members participating using communication facilities with count towards quorum.

8.5 Procedures

8.5.1 The Committee will follow the meeting and procedural rules in the Procedural Bylaw.

8.5.2 The Committee will meet at least four times a year.

9.0 GENERAL

9.1 Review

9.1.1 The Committee will monitor its progress towards achieving its priorities and assess whether it needs to make adjustments by periodically:

9.1.1.1 Conducting an assessment of the effectiveness of the Committee and reporting these results to Council; and

9.1.1.2 Reviewing its mandate and bylaw and recommending changes to Council

10.0 INTENTION OF TOWN COUNCIL

It is the intention of the Town Council that each separate provision of this Bylaw shall be deemed independent of all other provisions herein and it is further the intention of the Town Council that if any provision of the Bylaw be declared invalid, all other provisions thereof shall remain valid and enforceable.


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11.0 EFFECTIVE DATE


This Bylaw shall take effect on the day of the final passing and the signatures of the chief elected official and duly authorized designated officer thereof.

RES.187/2023	Read a first time this 12 th day of June, 2023.
RES.188/2023	Read a second time this 12 th day of June, 2023.
RES.190/2023	Read a third time and finally passed this 12 th day of June, 2023.

TOWN OF TABER



MAYOR



CHIEF ADMINISTRATIVE OFFICER (C.A.O.)