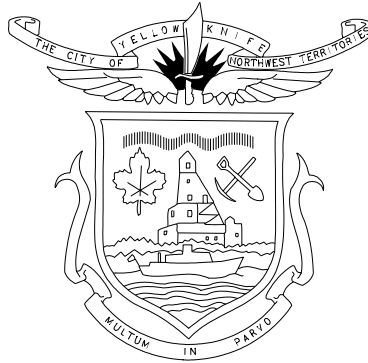


THE CITY OF YELLOWKNIFE

NORTHWEST TERRITORIES



CONSOLIDATION OF AUDIT COMMITTEE BY-LAW NO. 4127

Adopted August 28, 2000

AS AMENDED BY

By-law No. 4224 - October 15, 2002

By-law No. 4398 – April 10, 2006

**(This Consolidation is prepared for convenience only.
For accurate reference, please consult the City
Clerk's Office, City of Yellowknife)**

**CITY OF YELLOWKNIFE
BY-LAW NO. 4127**

A BY-LAW of the Municipal Corporation of the City of Yellowknife in the Northwest Territories, to provide for an Audit Committee for the City of Yellowknife.

Pursuant to Section 29 of the *Cities Towns and Villages Act*, R.S.N.W.T. 1988, c. C-8;

WHEREAS the Council of the Municipal Corporation of the City of Yellowknife deems it desirable to have an Audit Committee;

NOW THEREFORE, THE COUNCIL OF THE MUNICIPAL CORPORATION OF THE CITY OF YELLOWKNIFE, HEREBY ENACTS AS FOLLOWS:

SHORT TITLE

1. This by-law may be cited as the "Audit Committee By-law".

DEFINITIONS

2. In this by-law:

"City" means the Municipal Corporation of the City of Yellowknife in the Northwest Territories established under the *Cities, Towns and Villages Act*;

"City Administrator" means the Senior Administrative Officer of the City appointed pursuant to the *Cities, Towns and Villages Act* of the Northwest Territories and includes any Person appointed or designated by the City Administrator to act on his or her behalf;

"Council" means the Municipal Council of the City;

APPLICATION

3. Council shall establish a permanent committee to be known as the "Audit Committee". The Committee shall oversee the financial reporting process on behalf of City Council and the public.

4. The Committee shall be comprised of:
- a. six members ordinarily residing in the City of Yellowknife, as follows:

Section 4(a)(i)
as amended by By-law No. 4224 Oct 15/02

- i. a Councillor designated by Council to serve on the Audit Committee;

"the City Administrator" deleted
as amended by By-law No. 4398 Apr 10/06

- ii. four outside members who reside in the City and who are independent from City Council, management, auditors, legal council and major contractors, as follows:
 - (1) a Chartered Accountant, a Certified General Accountant or a Certified Management Accountant;
 - (2) a lawyer;
 - (3) a Professional Engineer;
 - (4) a member of the community with considerable experience in the operation and management of a large entity.
- b. The Mayor, who shall sit as an ex-officio voting member of the committee.

Section 5 and 6
as amended by By-law No. 4224 Oct 15/02

5. The Committee shall choose annually their Chairperson from one of the outside members. The Chairperson shall not be entitled to a vote except in the event of a tie. Quorum shall consist of four members.
6. An outside member shall be appointed, by resolution of Council, for a term which causes outside members to have staggered terms. Provided that terms are sufficiently staggered, terms are normally three years.
7. An outside member shall be appointed of the Committee shall be paid an honorarium that considers the value of having professional members contribute their expertise for the benefit of the City. The amount of the honorarium shall be set by resolution.

8. The City shall indemnify the members of the Committee.

Section 9(a) (b) (c) (d)

as amended by By-law No. 4224 Oct 15/02

9. The Audit Committee shall:

- a. meet at least four times per year including meeting with the auditors without management present two times per year;
- b. recommend the external and internal auditor for appointment by Council;
- c. review with management, external auditor and internal auditor issues concerning the financial reporting process that the Committee considers to be significant;
- d. provide a regular report of Audit Committee activities to the standing committee designated by Council;
- e. prepare a letter to be included in the annual financial statements that describes the Audit Committee's activities and responsibilities; and
- f. perform other activities, if any, that Council or the Committee deems necessary.

10. The City Administrator shall make available, within a reasonable time of the date of a request from the Committee, all books of accounts or documents relating to the financial operations of the City.

11. At the discretion of the City Administrator, City staff may prepare reports requested by the Committee.

12. Under the following conditions, the Committee may expend City funds whenever necessary to fulfill its responsibilities:

- a. the expenditures are budgeted or otherwise permitted by Council resolution; and
- b. the Committee follows the purchasing policies of the City.

EFFECT

13. This by-law shall come into effect upon receiving Third Reading and otherwise meeting the requirements of Section 57 of the *Cities, Towns and Villages Act*.