



TERMS OF REFERENCE
FINANCE AND AUDIT COMMITTEE

PURPOSE:

The purpose of the Committee is to assist Council in fulfilling its oversight responsibilities over the finances of the City of Nanaimo in accordance with provisions of the *Community Charter* by providing advice on the following:

Financial Matters:

- Recommend to Council best practices that ensure integrity of financial statements, financial recording and reporting processes and systems of internal controls through best practices in policies and procedures;
- Oversee and review the preparation of annual and long-term financial plans for recommendation to Council;
- Receive and review periodic budget and other financial reports on behalf of Council;
- Review strategic key performance indicators as they relate to financial performance;
- Review and make recommendations with respect to relevant legislation or changes thereof affecting financial resources and environmental issues relating to the City of Nanaimo.
- Review Council's investment portfolio.

Enterprise Risk Matters:

- Oversee the process of selecting external financial auditors and recommend appointment of the same to Council;
- Engage, serve as primary contact and report on reviews of external auditors;
- Recommend to Council audit reviews of City of Nanaimo where warranted;
- Receive, review and report on audit outcomes and initiatives, and recommend required action;
- Oversee the City of Nanaimo's enterprise risk management practices and processes relating to risk mitigation and business continuity.

Community Investment Matters:

- Recommend best practices and policies relating to community investment for Council's consideration with regard to general financial grants to community organizations and non- statutory tax exemption (Permissive Tax Exemptions under Section 224 and 227 of the *Community Charter*), and licenses and non-market licenses;
- Receive, review funding applications from community organizations and recommend grant fund awards for Council consideration.

Subsidiary Companies and Service Agreements:

- Advise Council on matters of governance and service and other agreements relating to City of Nanaimo subsidiary companies and organizations providing services on behalf of the City of Nanaimo;
- Receive and review performance reports from the City of Nanaimo's subsidiary companies and organizations providing services on behalf of the City of Nanaimo under agreement;
- Recommend strategic investments for Council's consideration.

MEMBERSHIP:

The membership of the Committee will be as follows:

- All members of Council

ELIGIBILITY:

All members of Council

TERM:

The Term of the Committee members will match the Member's term in office.

MEETING FREQUENCY:

There will be monthly, regularly scheduled meetings. Procedural bylaw will have to be followed for special or extra meetings.

STAFF SUPPORT:

The following City Departments may provide support to the Committee in accordance with the ***City of Nanaimo Committee Operating Guidelines***:

- Office of the Chief Financial Officer
- Office of the Chief Administrative Officer
- City Clerk
- Other Staff as required