



**MINUTES  
AUDIT COMMITTEE**

**January 24, 2020, 9:30 AM  
IN THE COUNCIL CHAMBER**

**PRESENT:** Councillor E. Woolley, Chair  
Councillor J. Farkas, Vice-Chair  
Councillor D. Colley-Urquhart  
Councillor J. Gondek  
Citizen Representative L. Caltagirone  
Citizen Representative M. Dalton  
Citizen Representative M. Lambert

**ALSO PRESENT:** A/ Chief Financial Officer T. Nguyen  
City Auditor K. Palmer  
External Auditor H. Gill  
Executive Assistant C. Smillie  
Deputy City Clerk K. Martin  
Legislative Coordinator S. Muscoby

**1. CALL TO ORDER**

Councillor Woolley called the Meeting to order at 9:35 a.m.

**2. OPENING REMARKS**

Councillor Woolley provided opening remarks.

**3. CONFIRMATION OF AGENDA**

**Moved by** Citizen Representative Caltagirone

That the Agenda for the 2020 January 24 Regular Meeting of the Audit Committee be confirmed.

**MOTION CARRIED**

**4. CONFIRMATION OF MINUTES**

**4.1** Minutes of the Regular Meeting of the Audit Committee, 2019 December 06

**Moved by** Councillor Farkas

That the Minutes of the 2019 December 06 Regular Meeting of the Audit Committee be confirmed.

**MOTION CARRIED**

5. CONSENT AGENDA

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 2019 City Manager's Risk Report, AC2020-0011

A presentation entitled "2019 Year-end City Manager's Risk Report" was distributed with respect to Report AC2020-0011.

Councillor Gondek introduced a group of Grade 7-9 students from St Jean Brebeuf School, along with their teachers Carla Leakos and Melissa Dingey.

**Moved by** Citizen Representative Lambert

That with respect to Report AC2020-0011, the following be approved:

That the Audit Committee:

1. Receives Report AC2020-0011 and the presentation for the Corporate Record and discussion pursuant to Bylaw 48M2012, Schedule A, Section 5; and
2. Forwards this Report to Council for the Corporate Record.

**MOTION CARRIED**

7.2 Integrated Risk Management Policy Review, AC2020-0022

A presentation entitled "Integrated Risk Management Council Policy Review" was distributed with respect to Report AC2020-0022.

Councillor Woolley left the Chair at 10:41 a.m. and Councillor Farkas assumed the Chair.

Councillor Woolley resumed the Chair at 10:44 a.m. and Councillor Farkas returned to his regular seat in Committee.

**Moved by** Citizen Representative Caltagirone

That with respect to Report AC2020-0022, the following be approved:

That the Audit Committee recommends that Council approve the revised Integrated Risk Management Council policy (CC011) in Attachment 2.

**MOTION CARRIED**

7.3 External Auditor 2018 Management Letter, AC2020-0065

**Moved by** Citizen Representative Lambert

That with respect to Report AC2020-0065, the following be approved:

That the Audit Committee:

1. Receives this Report and attachments for the Corporate Record; and
2. Recommends that Council receive this Report and attachments for the Corporate Record pursuant to Audit Committee Bylaw 48M2012, Schedule B, Section 1(f).

**MOTION CARRIED**

7.4 Audit Committee 2020 Work Plan, AC2020-0079

The Report entitled "Audit Committee 2020 Work Plan" was distributed with respect to Report AC2020-0079.

**Moved by** Citizen Representative Caltagirone

That the Audit Committee:

1. Approve that portion of the Audit Committee's 2020 Work Plan (Attachment 1) for meetings scheduled from 2020 February through December; and
2. Recommends that Council receive this Report and Attachments for Information and the Corporate Record in accordance with Bylaw 48M2012, Schedule A, Section 1(k).

**MOTION CARRIED**

7.5 City Auditor's Office 4th Quarter 2019 Report, AC2020-0118

**Moved by** Councillor Colley-Urquhart

That with respect to Report AC2020-0118, the following be approved:

1. That the Audit Committee receive this Report for the Corporate Record; and
2. That the Audit Committee recommend that Council receive this Report for the Corporate Record.

**MOTION CARRIED**

7.6 Annual Control Environment Assessment - Administration Update and Recommendation, AC2020-0023

**Moved by** Councillor Colley-Urquhart

That with respect to Report AC2020-0023, the following be approved:

That the Audit Committee direct Administration to:

1. Cease the current Annual Control Environment Assessment effective for the fiscal year end December 31, 2019, and develop and implement a project plan to identify, document, and test key internal controls over financial reporting at a demonstrable level as per the timelines set out in Attachment 2 for Option 2;
2. Provide annual updates to the Audit Committee on the status of the implementation of Option 2; and
3. Provide a report to the Audit Committee no later than Q3 2022 on the results of the testing of key internal controls over financial reporting for the 2021 year-end, with annual reporting thereafter.

**MOTION CARRIED**

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

**Moved by** Citizen Representative Lambert

That pursuant to Sections 24 (Advice from officials), and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*, the Audit Committee move into Closed Meeting in the Council Lounge, at 11:37 a.m. to discuss confidential matters, with respect to the following items:

- 10.1.1 Audit Forum (Verbal), AC2020-0024
- 10.1.2 External Auditor (Verbal), AC2020-0025
- 10.1.3 City Auditor (Verbal), AC2020-0026

And further, that Harman Gill and Ivana Cvitanusic, External Auditors (Deloitte LLP), be invited to attend the Closed Meeting.

**MOTION CARRIED**

Committee moved into Public Meeting at 11:57 a.m. with Councillor Woolley in the Chair.

**Moved by** Citizen Representative Dalton

That Committee rise and report.

**MOTION CARRIED**

## 10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

### 10.1.1 Audit Forum (Verbal), AC2020-0024

People in attendance during the Closed Meeting discussions with respect to Report AC2020-0024:

City Clerks: K. Martin Advice: T. Nguyen, K. Palmer, H.Gill Observer: C. Smillie

**Moved by** Councillor Colley-Urquhart

That with respect to Report AC2020-0024, the following be approved:

1. That the Audit Committee thank Administration for their presentation; and
2. Direct that the closed meeting discussions remain confidential pursuant to Sections 24 (Advice from Officials) and 25 (Disclosure harmful to economic interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

**MOTION CARRIED**

### 10.1.2 External Auditor (Verbal), AC2020-0025

No report was given.

### 10.1.3 City Auditor (Verbal), AC2020-0026

People in attendance during the Closed Meeting discussions with respect to Report AC2020-0026:

City Clerks: K. Martin Advice: K. Palmer, A.Bleau Observer: T.Nguyen, C. Smillie

**Moved by** Citizen Representative Dalton

That with respect to Report AC2020-0026, the following be approved:

1. That the Audit Committee thank Administration for their presentation; and

2. Direct that the closed meeting discussions remain confidential pursuant to Sections 24 (Advice from Officials) of the *Freedom of Information and Protection of Privacy Act*.

**MOTION CARRIED**

10.2 URGENT BUSINESS

11. ADJOURNMENT

**Moved by** Councillor Farkas

That this meeting adjourn at 11:59 a.m.

**MOTION CARRIED**

The following items have been forwarded on to the 2020 February 03 Combined Meeting of Council:

**CONSENT:**

- 7.1 2019 City Manager's Risk Report, AC2020-0011
- 7.2 Integrated Risk Management Policy Review, AC2020-0022
- 7.3 External Auditor 2018 Management Letter, AC2020-0065
- 7.4 Audit Committee 2020 Work Plan, AC2020-0079
- 7.5 City Auditor's Office 4th Quarter 2019 Report, AC2020-0118

The next Regular Meeting of the Audit Committee is scheduled to be held on 2020 February 13 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

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CHAIR

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ACTING CITY CLERK