

MINUTES



AUDIT COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

MONDAY, MARCH 9, 2015 – 9:02 AM

**COUNCIL CHAMBER, 2ND FLOOR, CIVIC CENTRE,
300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO L5B 3C1
<http://www.mississauga.ca>**

Members Present

Mayor Bonnie Crombie
Councillor Jim Tovey, Ward 1
Councillor Karen Ras, Ward 2
Councillor Ron Starr, Ward 6
Councillor Matt Mahoney, Ward 8

Staff Present

Janice Baker, City Manager and Chief Administrative Officer
Gary Kent, Commissioner, Corporate Services and Chief Financial Officer
Jeff Jackson, Acting Director of Finance and Treasurer
Mark Beauparlant, Manager of Corporate Financial Services
Sally Eng, Director, Internal Audit
Kevin M. Travers, Partner, KPMG, external auditors
Carmela Radice, Legislative Coordinator, Office of the City Clerk

CALL TO ORDER – 9:02 a.m.

The meeting was called to order at 9:02 a.m. The Legislative Coordinator, Carmela Radice, requested nominations for the position of Chair.

APPOINTMENT OF CHAIR

A verbal motion by Councillor Jim Tovey to nominate Councillor Ron Starr as Chair for 2015 was received and Councillor Star accepted the nomination.

There being no other nominations for the position of Chair, Councillor Ron Starr was voted in as Chair of the Audit Committee for 2015.

Recommendation AC-0001-2015 (Mayor Combie)DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST - NilMINUTES OF PREVIOUS MEETING

That the Audit Committee minutes of September 8, 2014 be approved as presented.

Approved (J. Tovey)

APPROVAL OF THE AGENDA

That the agenda be approved as presented.

Motion: Moved by: M. Mahoney

Carried

DEPUTATIONS - NilMATTERS TO BE CONSIDERED

1. Report dated February 23, 2015 from the Director of Internal Audit re: **Internal Audit Work Plan for 2015 to 2017.**

Sally Eng, Director of Internal Audit provided an overview Internal Audit Work Plan for 2015 to 2017. Councillor Starr asked Ms. Eng to explain to the new members how items are placed on the Audit work plan. Ms. Eng indicated that audits are based on risk assessments or if a department requests an audit.

Recommendation

AC-0002-2015

That the report dated February 23, 2015 from the Director of Internal Audit, with respect to the Internal Audit Work Plan for 2015 to 2017 be approved.

Approved (Mayor Crombie)

2. A memorandum dated February 25, 2015, from the Legislative Coordinator of Audit Committee re: **Proposed Amendment to Terms of Reference in regards to Audit Committee Meetings.**

There was no discussion regarding this matter.

Recommendation

AC-0003-2015

That Audit Committee Members approve the amendment to the terms of reference indicating that the Audit Committee shall meet at least 4 times a year, and during a municipal election year, the Committee shall meet at least 3 times a year, in order to properly discharge its responsibilities as set out in this by-law and where necessary, additional meetings may be held at the call of the Chairperson or City Clerk.

Approved (K. Ras)

3. Report dated February 25, 2015 from the Director of Internal Audit re: **Final Reports: 1. Corporate Services Department, Finance Division, Investments Section - 2014 Investment Audit, 2. Corporate Services Department, IT Division - Business Continuity and Disaster Recovery Plan Review; 3. Transportation & Works Department, Works Operations & Maintenance Division – Current Maintenance Contracts Audit; and 4. Community Services Department, Recreation Division, South District Operations – Golf Course Audit.**

Sally Eng, Director of Internal Audit provided a summary on the Corporate Services Department, Finance Division, Investments Section – 2014 Investment Audit. She further provided information on the Corporate Services Department, IT Division – Business Continuity and Disaster Recovery Plan Review. Mayor Crombie asked if the City is in compliance with the *Emergency Management and Civil Protection Act*. Teresa Burgess-Olgive indicated that we are in compliance with the Act. Paul Mitcham, Commissioner of Community Services indicated that Ms. Burgess – Olgive will be working on the workplan for 2015-2016.

Al Steinbach, Senior Internal Auditor provided a summary of the Transportation & Works Department, Works Operations & Maintenance Division – Current Maintenance Contracts Audit. He further indicated that the audit resulted in 25 recommendations of which 10 have already been completed. Five recommendations will be completed by March 31, 2015 and the 10 remaining recommendations will be completed by June 30, 2015. Of the 25 recommendations, nine are related to compliance with and clarification of corporate requirements; nine address operational control and financial reporting; four aim at improving safeguarding of assets and information and three deal with improvement to enhance efficiency and effectiveness. Councillor Starr inquired about the working relationship between the Material Management Department and Transportation and Works regarding contracts. Martin Powell, Commissioner of Transportation and Works and Geoff Wright Director of Works Operations and Maintenance indicated that staff are working together to make sure that the tenders, contracts and awards are being reviewed. Mayor Crombie inquired about the manual process that the inspectors are using. Mr. Wright indicated that the Enterprise System generates work orders and the inspectors manually write the reports on site and come back to the office to input it into the system.

Sally Eng, Director of Internal Audit provided a summary on the Community Services Department, Recreation Division, South District Operations – Golf Course Audit. She further indicated that the audit resulted in 80 recommendations being recommended and 25 of those recommendations have been implemented. Paul Mitcham, Commissioner of Community Services spoke to the audit report and indicated that a dedicated team has been committed to address each recommendation. Members of the Committee inquired about the process of management control, training and supervision. Janice Baker, City Manager indicated that the process of management, training and supervision has been looked into and steps have been taken to rectify any issues. Mr. Mitcham indicated that one third of the recommendations have been implemented. Mayor Crombie and Councillor Tovey asked that this matter be moved into closed session as it deals with a personal matter about identifiable individuals.

INQUIRIES - Nil

CLOSED SESSION

Pursuant to Subsection 239 (2) of the Municipal Act, Councillor Tovey moved the following motion:

Whereas the *Municipal Act, 2001*, as amended, requires Council to pass a motion prior to closing part of a meeting to the public;

And whereas the Act requires that the motion states the act of the holding of the closed meeting and the general nature of the matter to be considered at the closed meeting;

Now therefore be it resolved that a portion of the General Committee meeting to be held on March 9, 2015 shall be closed to the public to deal with the following matter:

Personal matter about an identifiable individual, including municipal or local board employee re: **Community Services Department, Recreation Division, South District Operations – Golf Course Audit**

This motion was voted on and carried at 9:44 am.

(i) Community Services Department, Recreation Division, South District Operations – Golf Course Audit.

Paul Mitcham, Commissioner of Community Services provided information related to the Golf Course Audit. Members of the Committee inquired about the Golf Course Audit. Janice Baker, City Manager and Mr. Mitcham provided responses to the Committees inquiries.

Committee moved out of closed session at 10:33 am.

The following recommendation resulted from the In Camera session:

Recommendation

AC-0004-2015

That the report dated February 25, 2015 from the Director of Internal Audit with respect to the Final Reports:

1. Corporate Services Department, Finance Division, Investments Section - 2014 Investment Audit,
2. Corporate Services Department, IT Division - Business Continuity and Disaster Recovery Plan Review;

3. Transportation & Works Department, Works Operations & Maintenance Division
– Current Maintenance Contracts Audit; and
4. Community Services Department, Recreation Division, South District Operations
– Golf Course Audit
be received for information.

Received (M. Mahoney)

ADJOURNMENT - 10:34 a.m. (M. Mahoney)