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## **Audit Committee**

### **Date**

November 14, 2016

### **Time**

9:00 a.m.

### **Location**

Council Chamber, 2<sup>nd</sup> Floor, Civic Centre, 300 City Centre Drive, Mississauga, ON L5B3C1

### **Members Present**

Mayor Bonnie Crombie	(arrived at 9:05 a.m.)
Councillor Jim Tovey	Ward 1
Councillor Karen Ras	Ward 2 (Chair)
Councillor Matt Mahoney	Ward 8

### **Members Absent**

Councillor Ron Starr	Ward 6
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### **Staff Present**

Janice Baker, City Manager and Chief Administrative Officer  
Gary Kent, Commissioner of Corporate Services and Chief Financial Officer  
Geoff Wright, Commissioner of Transportation and Works  
Jeff Jackson, Director of Finance and Treasurer  
Mark Beuparlant, Manager of Corporate Financial Services  
Sally Eng, Director, Internal Audit  
Kevin Travers, Partner, KPMG, External Auditor  
Carmela Radice, Legislative Coordinator, Office of the City Clerk

### **Find it Online**

<http://www.mississauga.ca/portal/cityhall/auditcommittee>

1. **CALL TO ORDER** – 9:03 a.m.

2. **APPROVAL OF AGENDA**

That the agenda be approved as presented.

Motion: Moved by: (M. Mahoney)

3. **DECLARATION OF CONFLICT OF INTEREST** - Nil

4. **MINUTES OF PREVIOUS MEETING**

4.1. That the Audit Committee minutes of September 19, 2016 be approved as presented.

Approved (J. Tovey)

5. **DEPUTATIONS**

Mayor Crombie arrived at 9:05 a.m.

5.1. **2016 External Audit Planning Report**

Kevin Travers, Partner KPMG provided an overview of the 2016 External Audit Planning Report spoke to fraud risks, monitoring the results of Enersource, non-significant components, caption and consolidation, materiality and timeline and audit cycle.

Mayor Crombie inquired about the process of the audit for Enersource related to the merger. Mr. Travers indicated that the audit process would not change with the merger.

6. **PUBLIC QUESTION PERIOD - 15 MINUTE LIMIT** - Nil

Audit Committee may grant permission to a person who is present at Audit Committee and wishes to ask a question to the Committee on a matter on the Agenda. Persons addressing Audit Committee will ask their question: the time limit per person is a maximum of 5 minutes, as public question period time limit is 15 minutes.

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**7. MATTERS TO BE CONSIDERED**

- 7.1. Report dated October 14, 2016, from the Commissioner of Corporate Services and Chief Financial Officer re: **2016 External Audit Planning Report.**

Recommendation

AC-0009-2016

That the report dated October 14, 2016, from the Commissioner of Corporate Services and Chief Financial Officer with respect to the 2016 Audit Planning Report (Appendix 1), be received for information.

Received (M. Mahoney)

- 7.2. Report dated November 7, 2016, from the Director of Internal Audit re:  
**1. Transportation and Works Department, Enforcement Division - Administrative Penalty System Audit and 2. Community Services Department, Culture Division - Meadowvale Theatre Audit.**

Recommendation

AC-0010-2016

That the report dated November 7, 2016, from the Director of Internal Audit with respect to final audit reports 1. Transportation and Works Department, Enforcement Division - Administrative Penalty System Audit and 2. Community Services Department, Culture Division - Meadowvale Theatre Audit, be received for information.

Received (Mayor Crombie)

Tara Zammit, Internal Auditor provided a summary of the Transportation and Works Department, Enforcement Division – Administrative Penalty System Audit. She further indicated that the audit resulted in 17 recommendations; 10 recommendations deal with issues on Compliance with and Clarification of Corporate Requirements; three deal with safeguarding of assets and information, two are for efficiency and effectiveness and two are related to Operational Control and Financial Reporting and all recommendations are expected to be completed on or before June, 2017. Members of the Committee inquired about the collection of default penalties process before the audit, discrepancies in the charges from the security companies and collection of default penalties. Geoff Wright, Commissioner of Transportation and Works indicated that staff will be enhancing communication with the security companies. Daryl Bell, Manager of Mobile Licensing spoke about the process of collecting default penalties and indicated that staff will be working on developing a more inclusive process for collecting default penalties.

Barbara Webster, Senior Internal Auditor provided a summary of the Community Services Department, Culture Division - Meadowvale Theatre Audit. She further indicated that the audit resulted in 53 recommendations; 18 of the recommendations address issues identified relating to Operational Controls and Financial Reporting, 17 related to Compliance with Corporate Policies and Procedures, 14 on Safeguarding of Assets and Information and 4 for Efficiency and Effectiveness. Eight have been implemented effective immediately, 12 are expected to be completed before the end of the year, 13 by the middle of 2017 and the remaining five which involve the review of fees and charges and finalization of procedures will require more time and are expected to be done before the end of 2017. Members of the Committee inquired about the 53 recommendations, when the City last audited Meadowvale Theatre and requested a report be brought back once the changes are implemented. Sally Eng, Director of Internal Audit indicated that the Meadowvale Theatre has been on the schedule however, other audits became urgent. Paul Mitcham, Commissioner of Community Services indicated that staff agrees to all the recommendations and a reorganization is taking place in the Culture Division. Janice Baker, City Manager and CAO indicated that Meadowvale Theatre is a community theatre and suggested that staff provide a closed session report for a future audit committee meeting.

- 7.3. Report dated November 3, 2016, from the City Manager and Chief Administrative Officer re: **Status of Outstanding Audit Recommendations as of September 30, 2016.**

Recommendation

AC-0011-2016

That the report dated November 3, 2016, from the City Manager and Chief Administrative Officer regarding the status of outstanding audit recommendations as of September 30, 2016, be received for information.

Received (J. Tovey)

Janice Baker, City Manager and Chief Administrative Officer provided a summary of the outstanding audit recommendations as of September 30, 2016. Mayor Crombie inquired about an outstanding recommendation at Brae Ben Golf Course. Sally Eng, Director of Internal Audit indicated that all recommendations have been completed.

8. **ENQUIRIES** - Nil
9. **CLOSED SESSION** - Nil
10. **ADJOURNMENT** – 9:46 a.m. (M. Mahoney)