
Audit Committee

Date: May 3, 2021
Time: 9:30 AM
Location: Online Video Conference

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|------------------------|---------------------------|---------------------|
| Members Present | Councillor Stephen Dasko | Ward 1 (Vice-Chair) |
| | Councillor Ron Starr | Ward 6 |
| | Councillor Dipika Damerla | Ward 7 (Chair) |

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|-----------------------|----------------------|--------|
| Members Absent | Mayor Bonnie Crombie | |
| | Councillor Karen Ras | Ward 2 |

Staff Present

Paul Mitcham, City Manager and Chief Administrative Officer
Gary Kent, Commissioner of Corporate Services and Chief Financial Officer
Geoff Wright, Commissioner of Transportation and Works
Wesley Anderson, Manager, Financial and Treasury Services
Luis Souza, Director, Internal Audit
Mickey Frost, Director, Works Operations and Maintenance
Scott Holmes, Senior Manager, Works Admin Operations and Maintenance
Christopher Trombino, Manager, Works Maintenance
Yianni Foufas, Senior Internal Auditor
Connie Mesih, Director, Revenue and Material Management
Sacha Smith, Manager, Legislative Services and Deputy Clerk
Megan Piercey, Legislative Coordinator

1. **CALL TO ORDER** - 9:30 AM

2. **APPROVAL OF AGENDA**

Approved (Councillor R. Starr)

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

4. **MINUTES OF PREVIOUS MEETING**

4.1 Audit Committee Minutes - March 1, 2021

Approved (Councillor S. Dasko)

5. **DEPUTATIONS**

5.1 Wesley Anderson, Manager, Financial and Treasury Services regarding the 2020 Financial Statements

Item 8.1

Mr. Anderson provided an overview of the 2020 Financial Statements and spoke to financial statements vs. budget, financial and non-financial assets, financial liabilities, accumulated surpluses, revenues, expenses and sustainability accounting and reporting. Committee Members spoke to the matter and enquired about property tax deferrals, annual surpluses, Enersource dividends and the budget deficit. Mr. Anderson and Gary Kent, Commissioner of Corporate Services and Chief Financial Officer responded to questions from Committee Members.

At 9:56 AM Councillor Damerla lost connection and Councillor Dasko took over as Chair. At this time quorum was lost and Committee Members discussed item 8.2 until quorum was restored at 10:02 AM.

6. **PUBLIC QUESTION PERIOD - 15 Minute Limit** - Nil

7. **CONSENT AGENDA** - Nil

8. **MATTERS CONSIDERED**

8.1 2020 Financial Statements

This matter was discussed during item 5.1.

RECOMMENDATION AC-0004-2021

Moved By Councillor R. Starr

That the 2020 Audited Financial Statements for the City Of Mississauga (consolidated), City of Mississauga Public Library Board, Tourism Mississauga, City of Mississauga Trust Funds, Clarkson Business Improvement Area, Cooksville Business Improvement Area, Port Credit Business Improvement Area, Streetsville Business Improvement Area, Malton Business Improvement Area, and Enersource Corporation be received for information.

Received

8.2 2020 External Audit Findings Report

Kevin Travers, Partner, KPMG LLP spoke to the results of the 2020 External Audit Findings Report and noted the significant changes in 2020, such as the COVID-19 pandemic and the new CAS auditing standards which impacted the financial reporting. Mr. Travers and Gary Kent, Commissioner of Corporate Services and Chief Financial Officer responded to questions from Committee Members regarding unfunded employee benefits and the possibility of monetising the City's current real-estate assets.

Councillor Damerla's connection returned at 10:02 AM, quorum was restored and Councillor Damerla resumed her role as Chair. At this time Committee Members voted on item 8.1.

RECOMMENDATION AC-0005-2021

Moved By Councillor S. Dasko

That the 2020 External Audit Findings Report, dated April 16, 2021 from the Commissioner of Corporate Services and Chief Financial Officer, which includes the Audit Findings Report from KPMG for the fiscal year 2020 for the City of Mississauga (City), be received for information.

Received

8.3 Final Audit Reports:

1. Transportation & Works Department, Works Operations and Maintenance Division, Works Admin, Operations and Maintenance Section, Works Maintenance Unit – Works Current Maintenance Contracts Audit
2. Planning & Building Department, Building Division, Inspection Services Section – Building Permit Inspection Processes Audit

Yianni Foufas, Senior Internal Auditor provided a presentation on the Works Current Maintenance Contracts Audit and spoke to the background, scope, objectives, observations, risks and action plans. Mr. Foufas advised that a total of 8 recommendations resulted from this audit and noted that management had agreed to all the recommendations; 2 will be completed by end of June 2021, 1 will be completed by end of September 2021, 2 will be completed by the end of December 2021, 1 by end of March 2022 and 1 will be completed by April 1, 2023, with an interim remediation step completed by the end of December 2021. One (1) recommendation has already been completed.

Committee Members engaged in discussion and enquired about the incident management process, managing vendor performance and following up with contractors. Mickey Frost, Director, Works Operations & Maintenance and Scott Holmes, Senior Manager, Works Admin Operations & Maintenance responded to questions from Committee Members.

RECOMMENDATION AC-0006-2021

Moved By Councillor R. Starr

That the report dated April 15, 2021 from the Director, Internal Audit with respect to final audit reports:

1. Transportation & Works Department, Works Operations and Maintenance Division, Works Admin, Operations and Maintenance Section, Works Maintenance Unit – Works Current Maintenance Contracts Audit; and,
2. Planning & Building Department, Building Division, Inspection Services Section – Building Permit Inspection Processes Audit

be received for information.

Received8.4 Internal Audit Work Plan 2021-2023

No discussion took place on this matter.

RECOMMENDATION AC-0007-2021

Moved By Councillor S. Dasko

That the Corporate Report dated April 16, 2021 from the Director, Internal Audit entitled “Internal Audit Work Plan 2021-2023” be approved.

Approved

9. **ENQUIRIES** - Nil
10. **CLOSED SESSION** - Nil
11. **ADJOURNMENT** - 10:42 AM (Councillor R. Starr)