
Audit Committee

Date: May 13, 2024
Time: 9:30 AM
Location: Council Chambers, Civic Centre, 2nd Floor
300 City Centre Drive, Mississauga, Ontario, L5B 3C1
and Online Video Conference

Members Present	Mayor (Vacant)	
	Councillor Alvin Tedjo	Ward 2
	Councillor Chris Fonseca	Ward 3 (Vice-chair)
	Councillor John Kovac	Ward 4
	Councillor Joe Horneck	Ward 6 (Chair)

Staff Present

Shari Lichterman, City Manager and Chief Administrative Officer (CAO)
Geoff Wright, Commissioner, Transportation and Works
Andra Maxwell, City Solicitor
Amy Truong, Director, Internal Audit
Wesley Anderson, Manager, Financial and Treasury Services
Allyson D'Ovidio, Legislative Coordinator

Others Present

Maria Khoushnood, Partner, KPMG Enterprise

1. CALL TO ORDER

Councillor J. Horneck, Chair called the meeting to order at 9:30 AM.

2. INDIGENOUS LAND STATEMENT

Councillor J. Horneck, Chair recited the Indigenous Land Statement.

3. APPROVAL OF AGENDA

Approved (Councillor J. Kovac)

4. DECLARATION OF CONFLICT OF INTEREST - Nil**5. MINUTES OF PREVIOUS MEETING****5.1 Audit Committee Minutes - March 18, 2024**

Approved (Councillor J. Kovac)

6. DEPUTATIONS**6.1 Item 9.1 - Wesley Anderson, Manager, Business Planning and Financial Services**

W. Anderson presented the 2023 Audited Financial Statements. Councillor J. Horneck enquired about sustainability standards and deferred revenue. W. Anderson responded to questions.

RECOMMENDATION AC-0005-2024

Moved By Councillor J. Kovac

That the deputation and associated presentation from Wesley Anderson, Manager, Business Planning and Financial Services regarding the report dated April 15, 2024 entitled "2023 Audited Financial Statements" from the City Manager and Chief Administrative Officer, be received.

Received

6.2 Item 9.2 - Maria Khoushnood, Partner, KPMG LLP and Wesley Anderson, Manager, Business Planning and Financial Services

M. Khoushnood, spoke to the 2023 External Audit Findings Report and identified audit highlights; significant risks and results; misstatements; and additional matters. Councillor J. Horneck enquired about the asset retirement obligations, and asbestos remediation in fire halls. W. Anderson and Shari Lichterman, City Manager and Chief Administrative Officer (CAO) responded to questions.

RECOMMENDATION AC-0006-2024

Moved By Councillor C. Fonseca

That the deputation from Maria Khoushnood, Partner, KPMG LLP and Wesley Anderson, Manager, Business Planning and Financial Services regarding the report dated April 19, 2024 entitled "2023 External Audit Findings Report" from the City Manager and Chief Administrative Officer, be received

Received

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

8. **CONSENT AGENDA**

RECOMMENDATION AC-0007-2024

Moved By Councillor A. Tedjo

That the following items were approved on the consent agenda:

- 9.1 2023 Audited Financial Statements
- 9.2 2023 External Audit Findings Report
- 9.4 Status of Outstanding Audit Recommendations as of March 31, 2024

YES (4): Councillor A. Tedjo, Councillor C. Fonseca, Councillor J. Kovac, and Councillor J. Horneck

ABSENT (1): Mayor (Vacant)

Carried (4 to 0)

9. **MATTERS CONSIDERED**

9.1 **2023 Audited Financial Statements - (CONSENT)**

RECOMMENDATION AC-0008-2024

Moved By Councillor A. Tedjo

That the corporate report dated April 15, 2024 entitled "2023 Audited Financial Statements" from the City Manager and Chief Administrative Officer be received for information.

YES (4): Councillor A. Tedjo, Councillor C. Fonseca, Councillor J. Kovac, and Councillor J. Horneck

ABSENT (1): Mayor (Vacant)

Carried (4 to 0)

9.2 **2023 External Audit Findings Report - (CONSENT)**

RECOMMENDATION AC-0009-2024

Moved By Councillor A. Tedjo

That the corporate report dated April 19, 2024 entitled “2023 External Audit Findings Report”, from the City Manager and Chief Administrative Officer, be received for information.

YES (4): Councillor A. Tedjo, Councillor C. Fonseca, Councillor J. Kovac, and Councillor J. Horneck

ABSENT (1): Mayor (Vacant)

Carried (4 to 0)

9.3 Final Audit Reports:

1. City Manager’s Department, Legal Services Division, Risk Management Section – Insurance Claims Audit; and,
2. Transportation & Works Department, Infrastructure Planning & Engineering Services Division, Capital Works Delivery Section – Third-Party Contract Administration Audit

Arlene Foster, Senior Internal Auditor provided a presentation regarding the Insurance Claims Audit. A. Foster advised that this audit resulted in a total of nine (9) recommendations. Management has agreed and committed to completing seven (7) recommendations by December 2024, another one in February 2025, and the remaining one by August 2026. Councillor J. Horneck enquired about duplication of work, reconciliation, and user access reviews. Andra Maxwell, City Solicitor, Amy Truong, Director, Internal Audit, and Shari Lichterman, City Manager and Chief Administrative Officer (CAO) responded to questions.

Samer El Barakeh, Senior Internal Auditor provided a presentation regarding the Third-Party Contract Administration Audit. S. El Barakeh advised that this audit resulted in a total of 11 recommendations. Management has agreed and committed to completing three (3) recommendations by the end of this year, two (2) recommendations by March of 2025, and six (6) by June of 2026. Councillor J. Horneck enquired about inspection records, higher order reviews, contract management, and audit scope. S. El Barakeh, Geoff Wright, Commissioner, Transportation and Works and A. Truong responded to questions.

RECOMMENDATION AC-0010-2024

Moved By Councillor J. Kovac

That the report dated April 25, 2024 from the Director, Internal Audit with respect to final audit reports:

1. City Manager's Department, Legal Services Division, Risk Management Section – Insurance Claims Audit; and,
2. Transportation & Works Department, Infrastructure Planning & Engineering Services Division, Capital Works Delivery Section – Third-Party Contract Administration Audit

be received for information.

YES (4): Councillor A. Tedjo, Councillor C. Fonseca, Councillor J. Kovac, and Councillor J. Horneck

ABSENT (1): Mayor (Vacant)

Carried (4 to 0)

9.4 Status of Outstanding Audit Recommendations as of March 31, 2024 - (CONSENT)

RECOMMENDATION AC-0011-2024

Moved By Councillor A. Tedjo

That the Corporate Report dated April 18, 2024 entitled, "Status of Outstanding Audit Recommendations as of March 31, 2024," from the City Manager & Chief Administrative Officer be received for information.

YES (4): Councillor A. Tedjo, Councillor C. Fonseca, Councillor J. Kovac, and Councillor J. Horneck

ABSENT (1): Mayor (Vacant)

Carried (4 to 0)

10. ENQUIRIES - Nil

11. CLOSED SESSION - Nil

12. ADJOURNMENT

10:30 AM (Councillor J. Kovac)