
Audit Committee

Date: December 2, 2024
Time: 9:33 AM
Location: Council Chambers, Civic Centre, 2nd Floor
300 City Centre Drive, Mississauga, Ontario, L5B 3C1
and Online Video Conference

Members Present	Councillor Joe Horneck	Ward 6 (Chair)
	Councillor Chris Fonseca	Ward 3 (Vice-chair)
	Councillor John Kovac	Ward 4
	Councillor Brad Butt	Ward 11
Members Absent	Mayor Carolyn Parrish	(Ex-officio)

Staff Present

Geoff Wright, City Manager and Chief Administrative Officer
Raj Sheth, Commissioner of Corporate Services
Graham Walsh, City Solicitor
Amy Truong, Director, Internal Audit
Marisa Chiu, Director, Finance
Wesley Anderson, Manager, Financial and Treasury Services
Samer El Barakeh, Senior Internal Auditor
Arlene Foster, Senior Internal Auditor
Stephanie Smith, Supervisor, Secretariat
Heleana Tsabros, Legislative Coordinator

Others Present

Maria Khoushnood, Partner, KPMG Enterprise

1. **CALL TO ORDER**

Councillor Horneck, Chair called the meeting to order at 9:33 AM.

2. **INDIGENOUS LAND STATEMENT**

Councillor Horneck, Chair recited the Indigenous Land Statement.

3. **APPROVAL OF AGENDA**

That the December 2, 2024 Audit Agenda be approved as presented.

Approved (Councillor Butt)

4. **DECLARATION OF CONFLICT OF INTEREST**

Nil

5. **MINUTES OF PREVIOUS MEETING**

5.1 **Audit Committee DRAFT Minutes - September 9, 2024**

That the draft minutes of September 9, 2024 be approved as presented.

Approved (Councillor Kovac)

6. **DEPUTATIONS**

6.1 **Item 9.1 - Maria Khoushnood, Lead Audit Engagement Partner, KPMG LLP**

Maria Khoushnood, Partner, KPMG LLP presented the 2024 External Audit Plan and highlighted the new accounting and auditing standards, audit scope, and key risks such as management override and improper revenue recognition. M. Khoushnood responded to questions.

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

8. **CONSENT AGENDA - Nil**

9. **MATTERS CONSIDERED**

9.1 **2024 External Audit Plan**

This item was discussed under item 6.1.

RECOMMENDATION AC-0015-2024

Moved By Councillor J. Kovac

That the report dated November 12, 2024 from the City Manager and Chief Administrative Officer titled "2024 External Audit Plan" be received for information.

YES (4): Councillor J. Horneck, Councillor C. Fonseca, Councillor J. Kovac, and Councillor B. Butt

ABSENT (1): Mayor Parrish

Carried (4 to 0)

9.2 Final Audit Reports

Arlene Foster, Senior Internal Auditor, provided a presentation regarding the results of the Professional Development Plan audit. A. Foster noted that this Audit resulted in ten (10) recommendations which management agreed to implement by the end of 2025.

In response to Councillor Horneck, Geoff Wright, City Manager clarified that employees could start the Professional Development Plan each year, that communication was sent to management to ensure timely completion and that the Leadership Team would develop an engagement plan for timelines.

Samer El Barakeh, Senior Internal Auditor, provided a presentation regarding the Arena Plant Operations audit. S. Barakeh noted that this Audit resulted in nine (9) recommendations which management agreed to complete by the end of 2025. Key highlights included updating operating activities to better align with Standard Operating Procedures, improving Personal Protective Equipment management, and ensuring the reliability of Infor work orders.

In response to Councillor Kovac, S. Barakeh noted that the Standard Operating Procedures updates improved safety and noted that inspections, oversight of work orders and supervisor responsibility for unsafe conditions would be addressed through the proposed recommendations.

RECOMMENDATION AC-0016-2024

Moved By Councillor J. Kovac

That the report dated November 11, 2024 from the Director, Internal Audit with respect to final audit reports:

1. City Manager's Department, Human Resources Division, Talent Management Section, Learning & Development Unit – Performance Development Program (Non-Union, Full-Time) Audit; and,
2. Community Services Department, Recreation & Culture Division, Golf & Arenas Section – Arena Plant Operations Audit

be received for information.

YES (4): Councillor J. Horneck, Councillor C. Fonseca, Councillor J. Kovac, and Councillor B. Butt

ABSENT (1): Mayor Parrish

Carried (4 to 0)

9.3 Gap Analysis - Global Internal Audit Standards 2024

Amy Truong, Director, Internal Audit provided an overview of the Gap Analysis - Global Internal Audit Standards 2024 and spoke to the identified action items and updates to the Audit Charter and Terms of Reference. In response to Councillor Horneck, Geoff Wright, City Manager confirmed that staff resources were adequate. In response to Councillor Fonseca, G. Wright noted that key performance measures were identified.

RECOMMENDATION AC-0017-2024

Moved By Councillor C. Fonseca

That the Corporate Report dated October 24, 2024 from the Director, Internal Audit with respect to results of the gap analysis performed against the new Global Internal Audit Standards™ be received for information.

YES (4): Councillor J. Horneck, Councillor C. Fonseca, Councillor J. Kovac, and Councillor B. Butt

ABSENT (1): Mayor Parrish

Carried (4 to 0)

9.4 Status of Outstanding Audit Recommendations as of September 30, 2024

In response to Councillor Fonseca, Amy Truong, Director, Internal Audit noted that follow-ups on fleet management's outstanding recommendations have been conducted quarterly since 2022 and are progressing. Geoff Wright, City Manager noted that fleet management audits are in place and additional resources will help meet completion dates.

In response to Councillor Kovac's inquiry about the audit recommendations management timelines, G. Wright noted that some recommendations could be implemented more easily than others, as redesigning processes would require IT resources.

RECOMMENDATION AC-0018-2024

Moved By Councillor J. Kovac

That the Corporate Report dated November 5, 2024 entitled "Status of Outstanding Audit Recommendations as of September 30, 2024" from the City Manager & Chief Administrative Officer be received for information.

YES (4): Councillor J. Horneck, Councillor C. Fonseca, Councillor J. Kovac, and Councillor B. Butt

ABSENT (1): Mayor Parrish

Carried (4 to 0)

9.5 Proposed Amendments to the Internal Audit Charter By-law and the Audit Committee Terms of Reference By-law

No discussion took place under this item.

RECOMMENDATION AC-0019-2024

Moved By Councillor B. Butt

1. That the Internal Audit Charter By-law 0065-2013, as amended, be further amended in order to update Schedule "A" as outlined in Appendix 1 to the report from the Director, Internal Audit dated October 22, 2024 entitled, "Proposed Amendments to the Internal Audit Charter By-law and the Audit Committee Terms of Reference By-law".

2. That the Audit Committee Terms of Reference By-law 0049-2024 be amended in order to update Schedule "A" as outlined in Appendix 2 to the report from the Director, Internal Audit dated October 22, 2024 entitled, "Proposed Amendments to the Internal Audit Charter By-law and the Audit Committee Terms of Reference By-law".

YES (4): Councillor J. Horneck, Councillor C. Fonseca, Councillor J. Kovac, and Councillor B. Butt

ABSENT (1): Mayor Parrish

Carried (4 to 0)

10. ENQUIRIES - Nil

11. CLOSED SESSION - Nil

12. ADJOURNMENT

10:12 AM (Councillor Fonseca)