



Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, June 10, 2024

Members Present: Regional Councillor D. Keenan, Chair
Regional Councillor P. Vicente, Vice-Chair
Regional Councillor N. Brar
Nicole Russell, Citizen Member

Members Absent: Regional Councillor M. Palleschi (personal)
Regional Councillor G. Toor (personal)

Staff Present: Marlon Kallideen, Chief Administrative Officer
Bill Boyes, Commissioner, Community Services, and Acting Fire Chief
Laura Johnston, Commissioner, Legislative Services
Alex Milojevic, Commissioner, Corporate Support Services
Peter Pilateris, Commissioner, Public Works and Engineering
Claire Mu, Director, Internal Audit
Robert Higgs, Director, Enforcement and By-law Services, Legislative Services
Cynthia Ogbarmey-Tetteh, Director, Human Resources, Corporate Support Services
Peter Bryson, Manager, Enforcement - Property Standards, Legislative Services
Brad Cecile, Manager, Internal Audit
Richard Gervais, Senior Advisor - IT, Internal Audit
Genevieve Scharback, City Clerk
Charlotte Gravlev, Deputy City Clerk
Sonya Pacheco, Legislative Coordinator

1. **Call to Order**

The meeting was called to order at 2:30 p.m. and adjourned at 3:14 p.m.

2. **Approval of Agenda**

The following motion was considered.

AU012-2024

That the agenda for the Audit Committee Meeting of June 10, 2024, be approved as published and circulated.

Carried

3. **Declarations of Interest under the Municipal Conflict of Interest Act**

Nil

4. **Consent**

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.2, 6.4, 6.5

The following motion was considered.

AU013-2024

That the following items to the Audit Committee Meeting of June 10, 2024 be approved as part of Consent:

6.2, 6.4, 6.5

Carried

5. **Presentations\Delegations**

- 5.1 Delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: Item 7.1 - 2023 Audit Findings Report

Dealt with under Item 7.1 - Recommendation AU019-2024

6. Reports - Internal Audit

6.1 Staff Report re: By-law Enforcement - Property Standards Audit

Claire Mu, Director, Internal Audit, thanked Enforcement and By-law Services staff for their support throughout the audit, and introduced Brad Cecile, Manager, Internal Audit, and Project Lead for the subject audit.

Brad Cecile provided a presentation entitled "By-law Enforcement Audit (Property Standards)", which included an overview of the audit and audit findings.

Regional Councillor Keenan, Chair, expressed thanks to the Enforcement and By-law Services Division for their efforts and acknowledged the challenges associated with the work they do.

Committee discussion took place, and staff responded to questions, regarding the subject audit, which included the following:

- Decrease in complaints over a three-year period
 - Robert Higgs, Director, Enforcement and By-law Services, advised staff are investigating this matter to determine the reason for this decrease
- Processes and issues relating to 'Add-on' service requests
- Findings relating to:
 - service requests assigned to summer students that were not closed before their departure
 - service requests that have been cancelled and do not include complete information in the system
- Timeline for implementing system improvements and interim measures
- Next steps and timelines for implementing audit recommendations

A motion was introduced to add the following clause to the recommendations in the staff report:

3. That staff report back to Committee of Council on steps to be taken by By-law Enforcement to improve the efficiency and effectiveness of property standards enforcement by enhancing processes around managing and responding to service requests and the process for reconciling paid contractor invoices to ensure that the City fully recovers clean-up charges from offending property owners and should also work with Service

Brampton to ensure service requests for “Grass” and “Refuse” are properly categorized.

The motion, in its entirety, was considered as follows.

AU014-2024

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **By-law Enforcement - Property Standards Audit**, be received;
2. That the recommendations contained in Appendix 1: Property Standards Audit 2024 Report, be approved; and
3. That staff report back to Committee of Council on steps to be taken by By-law Enforcement to improve the efficiency and effectiveness of property standards enforcement by enhancing processes around managing and responding to service requests and the process for reconciling paid contractor invoices to ensure that the City fully recovers clean-up charges from offending property owners and should also work with Service Brampton to ensure service requests for “Grass” and “Refuse” are properly categorized.

Carried

6.2 ^ Staff Report re: 2024 Internal Audit Work Plan Status Update

AU015-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **2024 Internal Audit Work Plan Status Update**, be received.

Carried

6.3 Staff Report re: Status of Management Action Plans – Q2 2024

Committee discussion took place, and staff responded to questions, with respect to the following:

- Audit finding relating to HR Benefits (Phase 1) - 2019
 - Original and updated target completion dates and staff constraints to complete this item
- Audit finding relating to Realty Services - 2022 - Maintaining up to date Inventory List

- Clarification that this item includes all existing and future properties

The following motion was considered.

AU016-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **Status of Management Action Plans – Q2 2024**, be received.

Carried

- 6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2024

AU017-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **Corporate Ethics Hotline Quarterly Report – Q2 2024**, be received.

Carried

- 6.5 ^ Staff Report re: IIA Standards Work and External Quality Assessment

AU018-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **IIA Standards Work and External Quality Assessment**, be received.

Carried

7. Reports - Finance

- 7.1 Staff Report re: 2023 Audited Consolidated Financial Statements for the City of Brampton

Item 5.1 was dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's Audit Findings Report for the year ended December 31, 2023, attached to the staff report as Appendix D, and highlighted the following key aspects:

- Audit highlights
 - There were no significant changes to the audit plan and no significant control deficiencies were identified

- New accounting standards were adopted by the City
- There were no corrected or uncorrected audit misstatements
- Significant risks and results
 - No issues were identified
- Other risks of material misstatement and results
 - New accounting standards (Asset Retirement Obligations and Financial Instruments and other new standards) were outlined

The delegation thanked staff for their cooperation and support throughout the audit.

The following motion was considered.

AU019-2024

1. That the delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of June 10, 2024, re: **Item 7.1 - 2023 Audit Findings Report**, be received;
2. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of June 10, 2024, re: **2023 Audited Consolidated Financial Statements for the City of Brampton**, be received; and
3. That the 2023 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU020-2024

That the Audit Committee do now adjourn to meet again on Tuesday, September 24, 2024, or at the call of the Chair.

Carried

Regional Councillor D. Keenan, Chair

Regional Councillor P. Vicente, Vice-Chair