



Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, May 17, 2022

Members Present:	Regional Councillor M. Medeiros (Chair) Regional Councillor R. Santos (Vice-Chair) Regional Councillor M. Palleschi City Councillor J. Bowman City Councillor D. Whillans City Councillor H. Singh Rishi Jain, Citizen Member
Members Absent:	Regional Councillor G. Dhillon (personal) Iqbal Ali, Citizen Member (regrets) Abid Zaman, Citizen Member (regrets)
Staff Present:	Paul Morrison, Interim Chief Administrative Officer Diana Soos, Commissioner, Legislative Services Marlon Kallideen, Commissioner, Community Services Jason Schmidt-Shoukri, Commissioner, Planning, Building and Economic Development Cynthia Ogbarmey-Tetteh, Acting Commissioner, Corporate Support Services Mike Parks, Acting Commissioner, Public Works and Engineering Richard Gervais, Acting Director, Internal Audit Vincent Rodo, Director, Transit Kim Kane, Deputy Fire Chief, Fire and Emergency Services Rajat Gulati, Senior Manager, Realty Services, Legislative Services Sameer Akhtar, City Solicitor Peter Fay, City Clerk Charlotte Gravlev, Deputy Clerk Sonya Pacheco, Legislative Coordinator

1. **Call to Order**

The meeting was called to order at 9:30 a.m. and adjourned at 10:05 a.m.

As this meeting of the Audit Committee was conducted with in-person and electronic participation by the Members, the meeting started with the City Clerk calling the roll for attendance at the meeting, as follows:

Members present during roll call: Councillor Medeiros, Councillor Santos, Councillor Palleschi, Councillor Whillans, Councillor Bowman, Councillor Singh, Citizen Member Rishi Jain

Members absent during roll call: Councillor Dhillon (personal), Citizen Member Abid Zaman (regrets), Citizen Member Iqbal Ali (regrets)

Others present: Councillor Fortini

2. **Approval of Agenda**

The following motion was considered.

AU013-2022

That the agenda for the Audit Committee Meeting of May 17, 2022 be approved, as published and circulated.

Carried

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

Nil

4. **Consent**

In keeping with Council Resolution C019-2021, the Meeting Chair reviewed the relevant agenda items during this section of the meeting and allowed Members to identify agenda items for debate and consideration, with the balance to be approved as part of the Consent Motion given the items are generally deemed to be routine and non-controversial.

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

6.1, 6.3, 6.5

The following motion was considered.

AU014-2022

That the following items to the Audit Committee Meeting of May 17, 2022, be approved as part of Consent:

6.1, 6.3, 6.5

A recorded vote was taken and the motion carried, as follows:

Yea (7): Regional Councillor Santos, City Councillor Whillans, Regional Councillor Palleschi, Regional Councillor Medeiros, City Councillor Bowman, City Councillor Singh, Citizen Member Rishi Jain

Absent (3): Regional Councillor Dhillon, Citizen Member Iqbal Ali, Citizen Member Abid Zaman

Carried (7 to 0)

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Partner, KPMG Enterprise, re: 2021 Audited Consolidated Financial Statements for the City of Brampton

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Partner, KPMG Enterprise, presented KPMG's Audit Findings Report for the year ended December 31, 2021, and highlighted the following:

- Audit quality and highlights
 - No significant control deficiencies were identified
- Audit differences and accountability estimates
- KPMG's independence to the City of Brampton, as required by professional standards
- Impacts of the COVID-19 pandemic and related revisions to the audit plan
- Audit risks and results

- Uncorrected differences and corrected adjustments
- Appendices provided for information, including new audit standards coming into effect

The following motion was considered.

AU015-2022

1. That the delegation from Maria Khoushnood, Partner, KPMG Enterprise, re: **2021 Audited Consolidated Financial Statements for the City of Brampton**, to the Audit Committee Meeting of May 17, 2022, be received;
2. That the report titled: **2021 Audited Consolidated Financial Statements for the City of Brampton**, to the Audit Committee Meeting of May 17, 2022, be received; and
3. That the 2021 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

6. Reports - Internal Audit

- 6.1 ^ Staff Report re: 2022 Internal Audit Work Plan Status Update

AU016-2022

That the report titled: **2022 Internal Audit Work Plan Status Update**, to the Audit Committee Meeting of May 17, 2022, be received.

Carried

- 6.2 Staff Report re: Update of Internal Audit Charter and Audit Committee Terms of Reference

The following motion was considered.

AU017-2022

That the report titled: **Update of Internal Audit Charter and Audit Committee Terms of Reference**, to the Audit Committee Meeting of May 17, 2022, be **deferred** to the September 27, 2022 Audit Committee meeting.

Carried

- 6.3 ^ Staff Report re: Corporate Fraud Prevention Hotline Update – Q1 2022

AU018-2022

That the report titled: **Corporate Fraud Prevention Hotline Update - Q1 2022**, to the Audit Committee Meeting of May 17, 2022, be received.

Carried

- 6.4 Staff Report re: Corporate Fraud Prevention Policy Updates

The following motion was considered.

AU019-2022

That the report titled: **Fraud Prevention Policy Updates**, to the Audit Committee Meeting of May 17, 2022, be **deferred** to the September 27, 2022 Audit Committee meeting.

Carried

- 6.5 ^ Staff Report re: Status of Management Action Plans - Q1 2022

AU020-2022

That the report titled: **Status of Management Actions Plans – Q1 2022**, to the Audit Committee Meeting of May 17, 2022, be received.

Carried

- 6.6 Staff Report re: Realty Services – Gap Analysis

Committee discussion on this matter included the following:

- Purpose for conducting a gap analysis instead of an audit, and differences of these processes
- Gap analysis findings
- Impact of staff shortages on the Realty Services Division, and immediate action required by management to address process gaps and fill staff vacancies
- Expediting the timelines for management responses to the findings
- Details regarding the number of staff shortages and the prioritization of work

- Impact of multiple departmental shifts of the Realty Services Division on the ability to provide the annual transitional buildings report to Council, and an indication from staff that the next report is anticipated to be provided to Council in June 2022
- Management of City-owned properties by various departments
- Objective of the Realty Services function to maintain an inventory of all City-owned properties, and information from staff regarding the implementation of an IT solution, and review of best practices, to improve this function
- Concerns regarding staff editing rights and the lack of an audit trail in the Integrated Workplace Management System (IWMS), and an indication from staff that this issue will be addressed to ensure proper controls are implemented
- Backlog in updating physical and electronic files

The following motion was considered.

AU021-2022

That the report titled: **Realty Services – Gap Analysis**, to the Audit Committee Meeting of May 17, 2022, be received.

Carried

7. Reports - Finance

- 7.1 Staff Report re: 2021 Audited Consolidated Financial Statements for the City of Brampton

Dealt with under Item 5.1 - Recommendation AU015-2022

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 the meeting. P. Fay, City Clerk, confirmed that no questions were submitted regarding decisions made at this meeting.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU022-2022

That the Audit Committee do now adjourn to meet again on Tuesday, September 27, 2022 at 9:30 a.m. or at the call of the Chair.

Carried

Regional Councillor M. Medeiros, Chair