Present were: Chair T. Galloway, K. Seiling, J. Wideman and C. Zehr

Members absent: S. Strickland

DECLARATIONS OF PECUNIARY INTEREST UNDER THE MUNICIPAL CONFLICT OF INTEREST ACT

None declared

PRESENTATION

a) Presentation by Evan McDade, Deloitte - Outline of 2012 Audit Results

E. McDade and Jennifer Gruber provided a presentation to the Committee, including the audit scope and findings, audit risks. They reported that no adjustments were required and gave high compliments to staff for the work completed. The file cannot be closed until Council approves the statements which will occur on June 5th.

A suggestion was made to include the standard statement that all appropriate remittances have been made with respect to the payroll. A question was raised about best practices for Council and senior management expenses and E. McDade confirmed this is a Deloitte standard. He further reviewed the enhanced audit standards and internal controls that they are satisfied are working effectively. He outlined the balance of the report for Committee members stating this is a clean audit and he thanked staff for their cooperation.

REPORTS – Finance

a) F-13-041, Annual Financial Statements

Craig Dyer, Chief Financial Officer, provided an overview of the changes made to the statements, including the notes. He advised the statements are of a high quality and have been produced one month earlier than last year.

There was discussion about the notes on the statements, specifically related to the closed landfill sites. The debt carried by the Region was also reviewed and C. Dyer advised the Region no longer issues debentures for the School Boards as their financing is done through the Province. Committee members discussed the security for issuing debt for municipalities and the legal obligations prescribed in the Municipal Act.

A discrepancy was noted on page 3 of the report where the Consolidated Financial Statement Surplus should be $74,242,860. Staff will make this amendment for the final statements.

MOVED by C. Zehr
SECONDED by J. Wideman

THAT the Consolidated Financial Statements for the Regional Municipality of Waterloo for the fiscal year ending December 31, 2012 be approved.

CARRIED

MOTION TO GO INTO CLOSED SESSION

MOVED by J. Wideman
SECONDED by K. Seiling

That a closed meeting of Audit Committee be held on Wednesday, May 8, 2013 during open session of Audit Committee in Room 218 at 150 Frederick Street in accordance with Section 239 of the Municipal Act, 2001, for the purposes of considering the following subject matters:

a) the security of the property of the municipality
b) personal matters about an identifiable individual, including municipal employees

CARRIED

MOTION TO RECONVENE INTO OPEN SESSION

MOVED by C. Zehr
SECONDED by K. Seiling

THAT the meeting reconvene into Open Session.

CARRIED

REPORTS – Chief Administrative Officer

a) CA-13-001, 2012 Internal Audit Report

Mike Murray, Chief Administrative Officer, stated this report provides an overview of the internal audit program and the 2013 workplan. David Young, Manager, Internal Audit reviewed the report for Committee members.

There was a question with respect to the cancellation of pcards when an employee terminates employment. Penny Smiley, Commissioner Human Resources stated cancellation is part of the paper process and staff are looking at electronic methods for tracking this information. They hope to have the review completed in six months but there are other measures in place at this time. There was discussion about the number of pcards and the criteria for eligibility was noted.

A request was made for a one page summary of the internal program audits completed to date for the next Audit Committee meeting.

Received for information.

NEXT MEETING

The next meeting will be held on June 18th. Staff will provide a one page summary of the internal audits that have been completed to date.
ADJOURN

MOVED by K. Seiling
SECONDED by C. Zehr

THAT the meeting adjourn at 4:40 p.m.

CARRIED

COMMITTEE CHAIR, T. Galloway

COMMITTEE CLERK, L. Wetzel