



Regional Municipality of Waterloo

Audit Committee

Minutes

Tuesday, April 1, 2014

11:31 a.m.

Waterloo County Room

150 Frederick Street, Kitchener, Ontario

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

Members absent: S. Strickland

Also present: J. Brewer and J. Haalboom

Declarations of Pecuniary Interest under “The Municipal Conflict of Interest Act”

None declared

Reports

a) F-14-039, Four Year Review of Accounts Payable Payments

Craig Dyer, Chief Financial Officer, provided opening remarks, noting that a significant amount of transactions were reviewed and a very small number of errors were found and resolved.

Received for information

b) CA-14-001, 2013 Internal Audit Report

Mike Murray, Chief Administrative Officer, introduced the report.

David Young, Manager, Internal Audit, indicated that the internal control audits for Petty Cash, Purchase Cards and Provincial Offences Court Administration (POA) were positive and that staff are considering conducting these audits on a different cycle in the future.

Staff responded to Committee inquiries about any potential areas for concern by stating that any past issues have been resolved and that staff are taking advantage of automated processes and other tools to supplement the audits in a continuing effort to monitor purchasing patterns and detect any irregularities.

Received for information

c) CA-14-002/CR-FM-14-001, Fleet Services - Program Review 2013-2014

M. Murray provided an overview of the program review. He stated that the review revealed that Fleet Services is a very efficient program overall but there are a number of recommendations which could result in saving money and improving efficiencies.

D. Young stated that the practices are generally working well but the key recommendation is to move towards a fully centralized fleet management program.

Ellen McGaghey, Director, Facilities, reiterated the central recommendation for a centralized system and she highlighted the four key focus areas, as noted in the report.

She responded to Committee questions about the fuel cost benchmarking, the one-time cost of \$200,000 for implementation, and the projected capital and operating savings. In response to a question about intentions to reduce the size of the fleet, she advised that overall the fleet will be reduced and the remaining fleet will form a pool to be shared with other Regional programs. She outlined the proposed management of vehicles after their typical 5-year life cycle and she summarized the options, as recommended by the consultant. She noted that there won't be any impact on staffing.

M. Murray added that fleet vehicles will be used more efficiently and that the goal is to develop a corporate fleet and realize both operating and capital savings.

Moved by J. Wideman

Seconded by C. Zehr

That the Audit Committee endorse the recommendations and proposed actions of the Fleet Services - Program Review 2013-2014 as described in Report CA-14-002/CR-FM-14-001, dated April 1, 2014.

Carried

Next Meeting – May 7, 2014 at 5:00 p.m.

Adjourn

Moved by J. Wideman

Seconded by C. Zehr

That the meeting adjourn at 11:51 a.m.

Carried

Committee Chair, T. Galloway

Committee Clerk, S. Natolochny