



Regional Municipality of Waterloo

Audit Committee

Minutes

Tuesday, February 3, 2015

2:25 p.m.

Waterloo County Room

150 Frederick Street, Kitchener, Ontario

Present were: Chair S. Strickland, T. Galloway, G. Lorentz, K. Redman and K. Seiling*

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

None declared.

Presentations

Peter Barr and Adam Cross, Deloitte, LLP, presented an overview of the Region of Waterloo 2014 Audit Service Plan. P. Barr outlined the audit approach and the risk assessment areas of audit focus. He noted the materiality parameters, as set by Deloitte.

* K. Seiling joined the meeting at 2:31 p.m.

Motion to Go Into Closed Session

Moved by T. Galloway

Seconded by G. Lorentz

That a closed meeting of the Audit Committee be held on Tuesday, February 3, 2015 at 2:35 p.m. in the Waterloo County Room at 150 Frederick Street, in accordance with Section 239 of the “Municipal Act, 2001”, for the purpose 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 T. Galloway

Seconded by G. Lorentz

That the Audit Committee reconvene into Open Session.

Carried

Reports

- a) CAO-IAU-15-02, 2014 Internal Audit Report

Mike Murray, Chief Administrative Officer, provided opening remarks.

David A. Young, Manager, Internal Audit, noted that there were three (3) compliance audits conducted in 2014 and that an internal control review was conducted of the Region's Grand River Transit (GRT) inventory and Fleet inventory processes. He advised that Internal Audit was also engaged with two (2) reviews: the Lean Methodology Pilot and the Region of Waterloo Service Review.

M. Murray responded to Committee questions related to the employee expenses process and Craig Dyer, Commissioner of Corporate Services and Chief Financial Officer, advised that staff are reviewing the manual process to determine the most efficient placement of this task within the two Finance divisions.

Received for information

- b) COR-FSD-15-02, 2014 Year-End Audit

C. Dyer introduced the report, noting that the appendix was included to give the Committee the full scope of Deloitte's engagement. He stated that the 2014 Audited Financial Statements will be presented to the Audit Committee on May 5, 2015. He advised that the federal gas tax audit was removed from the year-end audit since it is no longer required per the new ten-year agreement.

Received for information

Other Business

In response to a Committee inquiry, C. Dyer provided a summary of the review and processes established in collaboration with area municipalities regarding all mayors' expense accounts. M. Murray added that staff will prepare a memo for Councillors outlining the protocol.

Next Meeting – May 5, 2015**Adjourn**

Moved by K. Redman

Seconded by G. Lorentz

That the meeting adjourn at 3:00 p.m.

Carried

Committee Chair, S. Strickland

Committee Clerk, S. Natolochny