



## **Regional Municipality of Waterloo**

### **Audit Committee**

### **Minutes**

Wednesday, November 25, 2015

5:32 p.m.

Room 218

150 Frederick Street, Kitchener, Ontario

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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.

#### **Reports**

##### **CAO-IAU-15-08**, Update Regarding Internal Audit and Corporate Performance

Mike Murray, Chief Administrative Officer, introduced the report.

In response to a Committee question about the options for the Region to implement a cashless payment system for licensing, Craig Dyer, Commissioner Corporate Services/Chief Financial Officer, advised that staff can investigate options and report back.

Received for information

##### **COR-FSD-15-21**, 2015 Year-End Audit Plan

C. Dyer introduced the report, highlighting the timelines for the audit of the Region's 2015 Financial Statements and the additional series of audits to be undertaken. He confirmed that the Light Rail Transit (LRT) project will be part of the 2015 audit and noted that the audit of the Federal Gas Tax Transfer has been removed from the list as it is no longer required.

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\* K. Redman joined the meeting at 5:37 p.m.

Elaine Read, Deloitte LLP, summarized the two LRT audits that will be conducted: a financial audit and a compliance audit.

C. Dyer and M. Murray responded to a Committee question about the reporting process once the audits have been completed.

Received for information

### **Presentations**

E. Read and Adam Cross, Deloitte LLP, presented an overview of the Region of Waterloo 2015 Audit Service Plan.

E. Read summarized the scope and objectives of the audit. She stated that new components of the consolidated audit will include the new PS 3260 Liability for Contaminated Sites standard and the Region of Waterloo Community Housing Inc.

Peter Holling, Manager, Accounting and Supply Services, responded to questions during the Committee's discussion about the new PS 3260 Liability standard as it relates to Regionally-owned contaminated sites. He stated that the liability relates only to sites and properties that are not in active use A. Cross added that landfill sites are exempt from this standard.

A. Cross outlined the areas of audit risk that have been identified and will be reviewed during the audit.

E. Read summarized the risks of fraud and sought feedback from the Committee about any concerns; the Committee expressed no concerns. The members asked questions about the practices, controls and policies related to construction contracts and payroll.

Jane Albright, Commissioner, Human Resources and Citizen Service, responded to Committee questions about Regional policies for staff to report wrongdoing that may be occurring within the organization; a copy of the policy will be included on the next meeting agenda for information.

### **Next Meeting – April 26, 2016**

**Adjourn**

Moved by G. Lorentz

Seconded by T. Galloway

That the meeting adjourn at 6:06 p.m.

Carried

**Committee Chair**, S. Strickland

**Committee Clerk**, S. Natolochny