

Minutes



AUDIT COMMITTEE

THE CORPORATION OF THE CITY OF MISSISSAUGA

WEDNESDAY, SEPTEMBER 24, 2012 – 9:04 a.m.

**COUNCIL CHAMBERS, 2ND FLOOR, CIVIC CENTRE,
300 CITY CENTRE DRIVE, MISSISSAUGA, ONTARIO L5B 3C1
<http://www.mississauga.ca>**

Members Present

Councillor Jim Tovey, Ward 1

Councillor Pat Mullin, Ward 2 (**Chair**)

Councillor Chris Fonseca, Ward 3

Councillor Ron Starr, Ward 6

Mayor Hazel McCallion, (ex officio) (arrived at 9:24 a.m.)

Staff Present

Brenda R. Breault, Commissioner, Corporate Services and Treasurer

Paul Mitcham, Commissioner, Community Services

Martin Powell, Commissioner, Transportation and Works

Sally Eng, Director, Internal Audit

Patricia Elliot-Spencer, Director of Finance

Ana Chan, Manager, KPMG, external auditors

Diana Rusnov, Manager of Legislative Service and Deputy Clerk

Carmela Radice, Legislative Coordinator, Office of the City Clerk

CALL TO ORDER 9:04 a.m. (Chair Mullin)

DECLARATIONS OF (DIRECT OR INDIRECT) PECUNIARY INTEREST - Nil

MINUTES OF PREVIOUS MEETING

(a) Draft Minutes of the May 7, 2012, Audit Committee meeting.

Recommendation

AC-0012-2012

That the audit committee minutes of May 7, 2012 be approved as presented.

Approved (R. Starr)

APPROVAL OF THE AGENDA

That the agenda be approved as presented.

Motion: Moved by: J. Tovey

Carried

DEPUTATIONS - Nil

MATTERS TO BE CONSIDERED

1. Report dated September 24, 2012, from the Director of Internal Audit re: **Final Audit Reports – Transportation & Works Department, Transit Division – Mississauga Transit Tickets and Passes Audit; and Low Value Acquisitions (LVA) Cheque Requisitions Transaction Review.**

Sally Eng, Director of Internal Audit provided an overview of the Low Value Acquisitions (LVA) Cheque Requisitions Transaction Review. Keith Kamino, Senior Internal Auditor provided an overview of the Mississauga Transit Tickets and Passes Audit. He indicated that internal audit had made three recommendations to the Transit Division and further indicated that one of the three recommendations had been implemented and that the Transit Division was working on implementing the other two recommendations. It was noted that implementation of the final two recommendations would be completed by the end of September. Councillor Starr inquired as to whether or not the reports received from Metrolinx had been audited. Ms. Eng indicated that the transactions of Presto are the responsibility of Metrolinx and the City of Mississauga has no means for independent verification and relies on the reports received.

Geoff Marinoff, Director of Transit and a member of the Executive Committee for the Service Providers of Presto indicated that the audit responsibilities reside with Mextrolinx and every year the audit plan for the Presto Program is brought to the Executive Committee and the reports are shared with the City of Mississauga's internal audit staff. He also indicated that Metrolinx brings in external auditors to check the systems. Martin Powell, Commissioner of Transportation and Works indicated that Metrolinx is a provincial agency that has their own standards and controls. Councillor Tovey sought information regarding a draft agreement that City of Mississauga staff had requested from GO Transit. He further sought information on administrative charges. Mr. Kamino indicated that GO Transit had other priorities and the draft agreement was not completed. Janice Baker, City Manager and CAO indicated that the City of Mississauga is a customer of Metrolinx and the City relied on the Metrolinx to manage the system properly. She also indicated that Metrolinx should ensure that their back end systems are in their customer's best interest and the City of Mississauga does not have the ability to monitor those transactions. Mr. Marinoff indicated that the Presto system had a two percent administrative charge for the central administration which was divided between the central administration and the City of Mississauga.

Recommendation

AC-0013-2012

That the report dated September 14, 2012 from the Director, Internal Audit with respect to the final audit reports for the Transportation & Works Department, Transit Division – Mississauga Transit Tickets and Passes Audit; and the Low Value Acquisitions (LVA) Cheque Requisitions Transaction Review, be received for information.

Received (C. Fonseca)

2. Report dated September 12, 2012, from the Director of Internal Audit re: **2012 Internal Audit Work Plan Status Report.**

Sally Eng, Director of Internal Audit provided an overview of the 2012 Internal Audit Work Plan Status Report. Councillor Fonseca enquired about an update on the item concerning identity and access management. Ms. Eng indicated that a status report on this issue would be brought forward at the November Audit Committee meeting.

Recommendation

AC-0014-2012

That the report dated September 12, 2012, from the Director of Internal Audit re: 2012 Internal Audit Work Plan Status Report, be received for information.

Received (R. Starr)

3. Report dated September 12, 2012, from the Commissioner of Corporate Services and Treasurer re: **Revised Salary Administration and Job Evaluation Policies.**

Brenda R. Breault, Commissioner, Corporate Services and Treasurer provided an overview of the revised salary administration and job evaluation policies which included the following policies; the designation of department heads, the authority to approve specific compensation, the establishment of a minimum supervisory salary differential, clearly defined contract and permanent employee pay adjustment provisions, amended performance management administrative practices related to disability and streamlining the job evaluation administration process, ensuring the regular maintenance and review of all City of Mississauga jobs, the improvement of job classification controls. Mayor McCallion and Councillors Mullin, Tovey and Starr inquired about the additional costs, authority to approve specific compensation decisions and functional guidance. Ms. Breault indicated that the additional costs would be built into the City of Mississauga's budget. Janice Baker, City Manager and CAO indicated that the Commissioners would have the authority to approve specific compensation decisions. Sharon Willock, Director of Human Resources provided clarification regarding the definition of functional guidance.

Recommendation

AC-0015-2012

That the revised Salary Administration and Job Administration Policy #01-04-02 and Job Evaluation Policy #01-01-01 attached as Appendix 1 and 3 to the Corporate Report dated September 12, 2012, from the Commissioner of Corporate Services and Treasurer, be approved.

Approved (Mayor McCallion)

CLOSED SESSION

Audit Committee moved into Closed Session at 9:51 a.m. Audit Committee moved out of Closed Session at 10:15 a.m. The following recommendation was passed pursuant to the Closed Session:

- (i) The security of the property of the municipality or local board re:
Mississauga Spectator Arena Complex (Hershey Centre) Update May 2012 Audit.

Paul Mitcham, Commissioner of Community Services and Stuart Taylor, District Manager, North East Recreation provided an update regarding the May 2012 audit on the Mississauga Spectator Arena Complex (Hershey Centre). Mayor McCallion, Councillors Tovey, Fonseca and Starr raised questions concerning the Mississauga Spectator Arena Complex (Hershey Centre). Mr. Mitcham, Mr. Taylor and Janice Baker, City Manager and CAO addressed the Mayor and Councillors concerns.

Recommendation

AC-0016-2012

That the Mississauga Spectator Arena Complex (Hershey Centre) Update May 2012 Audit, be received.

Received (R. Starr)

INQUIRES - Nil

ADJOURNMENT – 10:16 am (Mayor McCallion)