



MA-B2-1

THE REGIONAL MUNICIPALITY OF PEEL

AUDIT COMMITTEE

MINUTES

AC-2010-5

The Audit Committee met on Thursday, July 8, 2010, at 8:33 a.m. in the Council Chamber, Regional Administrative Headquarters, Suite A, 10 Peel Centre Drive, Brampton.

Members Present: C. Corbasson, E. Kolb*, G. Miles, A. Thompson, R. Whitehead*;

Absent: Nil

Also Present: D. Szwarc, Chief Administrative Officer; N. Trim, Chief Financial Officer and Commissioner of Corporate Services; K. Gillespie, Commissioner of Employee and Business Services, D. Labrecque, Commissioner of Public Works; Janette Smith, Commissioner of Health; Janet Menard, Commissioner of Human Services; Dr. D. Mowat, Medical Officer of Health; P. O'Connor, Regional Solicitor and Director, Legal and Risk Management; P. Wallis, Director, Internal Audit; D. Bingham, Treasurer and Director of Corporate Finance; C. Reid, Regional Clerk; H. West, Committee Clerk

Chaired by Councillor G. Miles

1. DECLARATIONS OF CONFLICTS OF INTEREST - Nil

2. APPROVAL OF AGENDA

RECOMMENDATION AC-7-2010:

That the agenda for July 8, 2010, Audit Committee meeting be approved.

3. DELEGATIONS/PRESENTATIONS

a) **Paul Wallis, Director, Internal Audit**, Internal Audit Awareness Day Update

Received

Paul Wallis, Director, Internal Audit, recognized Michael Matthew, Manager, Workplace Health and Safety as the winner of the Internal Audit slogan contest. The winning tagline, "We Succeed Helping You Succeed", highlights the role and function of the Internal Audit Department.

* See text for arrivals

◆ See text for departures

- b) **Manish Mehta, Project Manager, Strategic Innovation; Beth Storti, Project Manager, Transition and Integration, Peter Dundas, Director, Paramedic Services; and Isabel Mogck, Director, Communicable Diseases, Regional Municipality of Peel**, Presenting Corporate Process Improvement Initiatives

Received

The delegates provided an overview of the initiatives underway within their departments to improve operational efficiencies, thus resulting in potential costs savings or cost avoidance. The following areas currently identified under the process improvement initiative include:

- Human Services – Integrated Assessment and Intake
- Health Services – Paramedics Make Ready Process
- Health Services – Immunization Records

A copy of the power point presentation is available from the Office of the Regional Clerk.

Councillor Miles inquired how downtime of emergency vehicles in the Paramedic stations will be reduced. Peter Dundas, Director, Paramedic Services responded that the proposed process will have designated staff to ensure that returning vehicles to the station will be prepared and ready for the following shift. This will reduce the downtime by approximately 30 minutes.

Manish Mehta, Project Manager, Strategic Innovation, indicated that staff will report back to the Committee during the winter of 2011 to provide an update to the Audit Committee on the process improvement initiatives as well as any additional initiatives that may be identified.

Councillor Miles questioned how the cost savings will be monitored. David Szwarc, Chief Administrative Officer responded that staff will report back to the Audit Committee to provide updates with potential savings. Councillor Miles advised that any request to hire additional full time employees (FTE) will need consideration by Members of Council during budget deliberations.

Councillor Whitehead arrived at 8:40 a.m.
Regional Chair Kolb arrived at 8:42 a.m.

4. REPORTS

- a) **Status of 2010 Audit Plan**
Presentation by Paul Wallis, Director, Internal Audit

Received

Paul Wallis, Director, Internal Audit provided an overview of the status of the 2010 Audit Plan noting that 11 of the 15 work plan projects have been either started or completed. It is anticipated that the plan will be substantially complete by the end of the year.

A copy of the power point presentation is available from the Office of the Regional Clerk.

b) **Enterprise Risk Management Capacity Assessment Results**
Presentation by Paul Wallis, Director, Internal Audit

Received

Paul Wallis, Director, Internal Audit, provided a Capacity Assessment and Gap Analysis as part of considering an Enterprise Risk Management strategy at the Region of Peel. The Gap Analysis was done using Committee of Sponsoring Organizations (COSO), a world recognized risk model and a risk awareness survey which was distributed to the Region's management group. Paul Wallis reviewed the next steps for 2010 and 2011. A risk appetite survey and broader management communication will be done in 2010. Based on the results of these initiatives, the steps outlined for 2011 will be refined. All work in 2010 will be done by Internal Audit and no consultants will be used.

A copy of the power point presentation is available from the Office of the Regional Clerk.

Regional Chair Kolb suggested that an analysis be completed to examine the cost savings and benefits of hiring full time employees versus hiring individuals on a consultation basis. Paul Wallis responded that there is a consultant review in the 2010 audit plan and he undertook that Internal Audit will address the issue raised within the review.

c) **Social Housing Renovation and Retrofit Program Compliance Audit**
Presentation by Paul Wallis, Director, Internal Audit

Received

Paul Wallis, Director, Internal Audit combined an overview of the Social Housing Renovation and Retrofit Program Compliance Audit and the Infrastructure Stimulus Funding Compliance Audit. He stated that there is effective control in managing stimulus funding in both programs.

A copy of the power point presentation is available from the Office of the Regional Clerk.

See Also Report Item 4d)

d) **Infrastructure Stimulus Funding Compliance Audit**
Presentation by Paul Wallis, Director, Internal Audit

Received

See Also Report Item 4c

Regional Chair Kolb suggested that if the Federal or Provincial Government ask for recommendations regarding the Infrastructure Stimulus Funding that the Region comment that the Terms of Reference should include flexibility to reallocate surplus funds from one project to another. Councillor Miles indicated that the topic of transferring funds was raised at the

Federation of Canadian Municipalities (FCM) Conference and she received the impression that the Federal government would take requests on an individual basis and that the Federal government would not change their policy as a whole.

5. **COMMUNICATIONS - Nil**

6. **IN CAMERA MATTERS**

At 9:20 a.m., in accordance with section 239(2) of the *Municipal Act, 2001*, as amended, a motion was placed, and was carried, to move into closed session to consider the following subject matters:

a) **REPORTS**

i) **Physical Security Assessment (The security of the property of the Regional Corporation)**

Presentation by Paul Wallis, Director, Internal Audit

ii) **Technical Security Assessment (The security of the property of the Regional Corporation)**

Presentation by Paul Wallis, Director, Internal Audit

Committee moved out of In Camera at 9:28 a.m.

7. **OTHER BUSINESS - Nil**

8. **NEXT MEETING**

The next meeting of the Audit Committee is scheduled for September 9, 2010, at 8:00 a.m., Regional Administrative Headquarters, Suite A, Council Chamber, 5th floor, 10 Peel Centre Drive, Suite A, Brampton, ON.

Please forward regrets to Helena West, Committee Clerk, (905) 791-7800, extension 4697 or helena.west@peelregion.ca.

9. **ADJOURNMENT**

The meeting adjourned at 9:29 a.m.