

**THE CITY OF TORONTO**

**Clerk's Department**

**Minutes of the Audit Committee**

**Meeting No. 2**

**Tuesday, April 21, 1998.**

The Audit Committee met on Tuesday, April 21, 1998, in Committee Room C, 2nd Floor, Metro Hall, Toronto, commencing at 9:30 a.m.

Members Present:

Councillor Mahood, Chair  
Councillor Bussin  
Councillor Minnan-Wong

**Confirmation of Minutes**

On motion by Councillor Minnan-Wong, the Minutes of the meeting of the Audit Committee on March 24, 1998 were confirmed.

**11. Establishment of an Auditor General's Office**

The Audit Committee had before it a report (April 2, 1998) from the City Auditor recommending that his report on the establishment of an Auditor General's Office be received, and forwarded to Council for information.

Moved by Councillor Minnan-Wong:

That City Council adopt, in principle, the establishment of an Auditor General's office and:

- (A) request the Chief Administrative Officer and the City Auditor to prepare a report on the timing and establishment of an Auditor General's office; and
- (B) include the Agencies, Boards and Commissions under the purview of such office.

Moved by Councillor Bussin:

That the establishment of an Auditor General's Office be deferred and brought forward in January, 1999 together with a report from the Chief Administrative Officer and the City Auditor on the establishment of an independent Auditor General's Office.

The motion of Councillor Bussin was voted on and lost.

The motion of Councillor Minnan-Wong was voted on and carried.

(Strategic Policies and Priorities Committee - April 22, 1998)

## **12. Schedule of Meetings for the Audit Committee**

The Audit Committee adopted the following Schedule of Meetings for the balance of 1998:

Thursday, May 21, 1998	9:30 a.m.
Tuesday, July 7, 1998	9:30 a.m.
Friday, September 11, 1998	2:00 p.m.
Tuesday, October 6, 1998	9:30 a.m.
Tuesday, November 3, 1998	9:30 a.m.
Tuesday, December 1, 1998	9:30 a.m.

## **13. Auditor's Report and Financial Statements of the Metropolitan Toronto Convention and Visitors Association for the year ended December 31, 1997**

The Audit Committee had before it a report (April 2, 1998) from the City Auditor, forwarding the Auditor's Report and Financial Statements of the Metropolitan Toronto Convention and Visitors Association and recommending that his report be received, and forwarded to Council for information.

*(The Auditor's report and Financial Statements were forwarded to all Members of Council with the agenda)*

On motion by Councillor Bussin, the Audit Committee advised the Strategic Policies and Priorities Committee that it received the report (April 2, 1998) from the City Auditor, forwarding the Auditor's Report and Financial Statements for the

Metropolitan Toronto Convention and Visitors Association for the year ended December 31, 1997 and that copies of the report and financial statements had been forwarded to all Members of Council with the agenda for the Audit Committee Meeting held on April 21, 1998.

(Strategic Policies and Priorities Committee - April 22, 1998)

**14. Management Letter - Metropolitan Toronto Convention and Visitors Association for the year ended December 31, 1997**

The Audit Committee had before it a report (April 2, 1998) from the City Auditor, attaching his management letter to Mr. Kirk Shearer, President and CEO of the Metropolitan Toronto Convention and Visitors Association dated March 3, 1998, containing comments on systems and procedures arising from the 1997 audits of the Association, and recommending that his report (April 2, 1998) be received, and forwarded to Council for information.

Mr. Murray Vaughan, Vice President, Finance and Administration, Metropolitan Toronto Convention and Visitors Association, attended the meeting.

On motion by Councillor Bussin, the Audit Committee:

- (A) directed that a copy of the aforementioned management letter be forwarded to Council for consideration in conjunction with the Grant to the Metropolitan Toronto Convention and Visitors Association (Tourism Toronto) referred to in the 1998 Operating Budget.
- (B) deferred consideration of the management letter until its next meeting to be held on May 21, 1998, pending receipt of a written response from the President and CEO of the Metropolitan Toronto Convention and Visitors Association.

(City Council - April 22, 1998)

**15. Auditor's Reports**

On motion by Councillor Minnan-Wong, the Audit Committee requested that when the Auditor submits his report and the Financial Statements for an organization, a representative of that organization be requested to attend the Audit Committee when the report is discussed.

**16. Year 2000 Issues**

On motion by Councillor Minnan-Wong, the Audit Committee requested the Commissioner of Corporate Services to report further to the Audit Committee at its meeting to be held on May 21, 1998, on the year 2000 issues.

(Commissioner of Corporate Services - April 22, 1998)

**17. Audit Services**

The Audit Committee had before it a transmittal letter (April 21, 1998) from the City Clerk advising that at its meeting held on April 16, 1998, City Council:

- (A) had before it Clause 10 of Report No. 4 of the Strategic Policies and Priorities Committee, headed "Audit Services";
- (B) had struck out the aforementioned Clause; and
- (C) had referred the Clause back to the Audit Committee for further consideration.

On motion by Councillor Minnan-wong, the Audit Committee again recommended that:

- (1) the recommendation of the Toronto Transition Team in connection with the delivery of audit services be approved;
- (2) the City Auditor and the Chief Financial Officer and Treasurer be given authority to proceed with a Request for Proposal in relation to the annual attest audit for the fiscal years 1998 to 2002 inclusive;

- (3) the Chief Financial Officer and Treasurer establish a staff committee, including the City Auditor, to review the proposals and make recommendations to the Audit Committee concerning the selection of external auditors; and
- (4) the Chief Administrative Officer and the City Auditor work with the Chief of Police and the General Manager of the Toronto Transit Commission to examine what opportunities there may be to consolidate audit functions.

(Strategic Policies and Priorities Committee - April 22, 1998)

#### **18. Novell Network Computer System**

On motion by Councillor Bussin, the Audit Committee requested the Commissioner of Corporate Services to respond, as requested at the Audit Committee meeting held on Tuesday, March 24, 1998, to the Audit Committee at its next meeting to be held on May 21, 1998.

(Commissioner of Corporate Services - April 22, 1998)

#### **19. Use of Consultants at Main Treatment Plant**

Works and Utilities Committee  
March 25, 1998.

**The Audit Committee referred this matter to the City Auditor for consideration and a report back to the Committee.**

The Committee adjourned its meeting at 11:30 a.m.

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Chair.