

THE CITY OF TORONTO

Clerk's Department

Minutes of the Audit Committee

Meeting No. 6

Thursday, November 1, 2001

The Audit Committee met on Thursday, November 1, 2001 in Committee Room 1, 2nd Floor, City Hall, commencing at 2:00 p.m.

No interests were declared pursuant to the Municipal Conflict of Interest Act.

6.1 2000 City of Toronto Consolidated Financial Statements

The Audit Committee had before it the following reports/communications:

- (September 10, 2001) from the Acting Chief Administrative Officer and Acting Chief Financial Officer and Acting Treasurer and Director, Accounting Services, forwarding the 2000 City of Toronto Consolidated Financial Statements, and recommending that the attached Consolidated Financial Statements be approved;
- (August 21, 2000) from Ernst & Young, Chartered Accountants, entitled, "City of Toronto – Report to the Audit Committee – 2000 Audit Results" forwarding 2000 Audit Results of the Financial Statements of the Corporation of the City of Toronto;
- (September 21, 2001) from the City Clerk, Audit Committee, forwarding the actions of the Audit Committee at its meeting held on September 21, 2001;
- (October 22, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer, and Acting Treasurer and Director, Accounting Services, reporting, as requested, on Management Letter for the year ended December 31, 2000, and recommending that:
 - (1) The workplan, embodied in this report, prepared in response to the Management Letter issued to the Finance Department by Ernst and Young (August 21, 2001), be approved;
 - (2) The Acting Chief Financial Officer be authorized to draw up to \$50,000 from the Employee and Benefit Reserve to fund an update of the 1998 Mercer Report on the valuation of the City's unfunded liabilities;
 - (3) The Acting Chief Financial Officer report to the Audit Committee on the status of the workplan on a quarterly basis;

2
Audit Committee Minutes
November 1, 2001

- (4) The appropriate City Officials be directed to take the necessary action to give effect thereto;
- (October 22, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer, reporting, as requested, on City of Toronto Financial Ratios vs. Selected Canadian Municipalities, and recommending that this report be received for information;
 - (October 17, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer and Acting Treasurer and Director, Accounting Services, reporting, as requested on Lease Commitments as at December 31, 2000, and recommending that the details of these lease commitments as at December 31, 2000 in support of the disclosure in the 2000 consolidated financial statements be received for information;
 - (November 1, 2001) from Anne Dembinski, CUPE Local 79; and
 - (August 21, 2001) from Ernst and Young, addressed to the Acting Treasurer and Director of Accounting.

Ms Martha Tory and Ms. Diane Brouwer, Ernst and Young appeared before the Committee in connection with the foregoing matter.

Anne Dembinski, CUPE Local 79, appeared before the Audit Committee in connection with the foregoing matter.

Councillor Pitfield was present during discussion of this matter.

On motion by Councillor Balkissoon, with Councillor Holyday in the Chair, the Audit Committee recommended that:

- (1) the 2000 City of Toronto Consolidated Financial Statements be approved;
- (2) the report (August 21, 2001) from Ernst & Young, Chartered Accountants, entitled, "City of Toronto - Audit Results – December 31, 2000 – Report to the Audit Committee of the City of Toronto" be received for information;
- (3) the report (October 22, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer, and Acting Treasurer and Director, Accounting Services be adopted;
- (4) the report (October 17, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer and Acting Treasurer and Director, Accounting Services be received for information; and

- (5) the report (October 22, 2001) from the Acting Chief Administrative Officer & Acting Chief Financial Officer be received for information.

On motion by Councillor Balkissoon, with Councillor Holyday in the Chair, the Audit Committee also requested the Acting Chief Administrative Officer & Acting Chief Financial Officer, and Acting Treasurer and Director, Accounting Services to formally request a copy of the consolidated financial statements of the nine Canadian cities and regions set out in the report (October 22, 2001) the Acting Chief Administrative Officer & Acting Chief Financial Officer in time for submission to the first meeting of the Audit Committee in 2002.

(Report 9, Clause 1)

6.2 Litigation or Potential Litigation Matter

On motion by Councillor Minnan-Wong, the Audit Committee adjourned its public session, in accordance with the Municipal Act, to meet in Camera to receive a confidential verbal report from the Acting Chief Administrative Officer & Acting Chief Financial Officer having regard that the subject matter dealt with litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

The matter remained in Camera.

4
Audit Committee Minutes
November 1, 2001

The Committee adjourned at 4:10 p.m.

Attendance:

September 19, 2001	2:00 p.m. – 3:00 p.m.	3:00 p.m. – 4:10 p.m. (In Camera)
Balkissoon (Chair)	X	x
Holyday (Vice-Chair)	X	X
Altobello	-	-
Bussin	x	X
Milczyn	-	-
Minnan-Wong	x	X

* Members were present for some or all of the time indicated.

Note: Councillors Di Giorgio and Nunziata were also present during all portions of the meeting.

Chair