

**THE CITY OF TORONTO**

**Clerk's Department**

**Minutes of the Audit Committee**

**Meeting No. 8**

**Friday, December 14, 2001**

The Audit Committee met on Friday, December 14, 2001 in Committee Room 1, 2nd Floor, City Hall, commencing at 11:00 a.m.

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

**8.1 In Camera Matter**

**Verbal Update On Negotiations With MFP Financial Services**

On motion by Councillor Holyday, the Audit Committee adjourned its public session, in accordance with the Municipal Act, to meet in Camera to receive a confidential verbal update having regard that the subject matter is subject to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

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

- (1) submitted this matter to Council without recommendation; and
- (2) recommended that, in accordance with the Municipal Act, discussions pertaining to this matter be held in camera, having regard that the subject matter is subject to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

On further motion by Councillor Balkissoon, with Councillor Holyday in the Chair, the Audit Committee also requested:

- (1) the Mayor to call a special meeting of City Council during the week of December 17 – 21, 2001;
- (2) the City's outside legal counsel to submit a report to the special meeting of Council respecting the status of litigation with MFP Financial Services; and
- (3) the Chief Administrative Officer to report to the Audit Committee, at its meeting to be held on February 8, 2002 on how a City employee fraud/waste hotline could be implemented in the City of Toronto, similar to other large municipalities.

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

- (1) issued confidential instructions to the City's outside legal counsel and to the Chief Administrative Officer, such instructions to remain confidential, having regard that the subject matter of the instructions may be subject to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and
- (2) received a confidential verbal report from the Chief Administrative Officer and the City's outside legal counsel respecting Negotiations with MFP Financial Services.

**(Report 11, Clause 1)**

The Committee adjourned at 1:25 p.m.

**Attendance:**

September 19, 2001	11:00 a.m. – 1:20 p.m. (In Camera)	1:20 p.m. – 1:25 p.m
Balkissoon (Chair)	X	x
Holyday (Vice-Chair)	X	X
Altobello	-	-
Bussin	X	X
Milczyn	X	x
Minnan-Wong	X	X

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

Note: Councillors Ashton, Cho, Chow, Kelly, Lindsay-Luby, McConnell, Pitfield, Shiner and Sutherland were also present during some or all portions of the meeting.

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Chair