

8TH REPORT OF THE

AUDIT COMMITTEE

Meeting held on October 5, 2016, commencing at 4:00 PM, in the Council Chambers, Second Floor, London City Hall.

PRESENT: Councillor P. Hubert (Chair), Councillors A. Hopkins, S. Turner and M. van Holst, S. Khullar and B. Westlake-Power (Secretary).

ALSO PRESENT: A. Zuidema, A.L. Barbon, A. DeCicco, C. DeForest, P. Foto, M. Hayward, G. Kotsifas, V. McAlea Major, D. McLean (PwC), C. Shah (PwC) and T. Wellhauser.

I. CALL TO ORDER

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

II. CONSENT ITEMS

2. STAFF REPORT - RFP 16-31 External Audit Services

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law appended to the staff report dated October 5, 2016 as Appendix A with respect to RFP 16-31 External Audit Services, BE INTRODUCED at the Municipal Council meeting of Tuesday, October 11, 2016 to:

- a) appoint KPMG LLP as auditors for the Corporation and its Boards and Commissions and Municipal entities for the five-year term beginning January 1, 2017, in accordance with Section 296 of the Municipal Act, 2001;
- b) approve the Agreement with KPMG LLP, appended to the staff report dated October 5, 2016 as Schedule A to the by-law, with respect to the audit of the accounts and transactions of The Corporation of the City of London and its Boards and Commissions and Municipal entities; and,
- c) authorize the Mayor and the City Clerk to execute the Agreement approved in b), above.

Motion Passed

III. SCHEDULED ITEMS

IV. ITEMS FOR DIRECTION

3. SUBMISSION - Quarterly Report on Internal Audit Results

That, on the recommendation of PricewaterhouseCoopers (PwC), the Quarterly Report on Internal Audit Results, dated October 5, 2016, BE RECEIVED and the action plans identified in the Report, BE IMPLEMENTED; it being noted that the aforementioned Report included the following: Facilities Design & Construction: Construction of higher risk assets, including Normal School; Development & Compliance Services: Building Cash Controls; Human Resources: Succession Planning (follow up from 2012 project); Review of administrative costs to Lake Huron & Elgin Water Supply Boards; and Past Action Plans.

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

None.

VI. CONFIDENTIAL

(See Confidential Appendix to the 8th Report of the Audit Committee, enclosed for Members only.)

The Audit Committee convened in camera from 5:14 PM to 6:14 PM, after having passed a motion to do so, with respect to the following matters:

- C-1. A matter pertaining to labour relations or employee negotiations, advice or recommendations of officers and employees of the Corporation, including communications necessary for that purpose and for the purpose of providing directions and instructions to officers, employees or agents of the Corporation with respect to the Quarterly Report on Internal Audit Results – Status of Past Project Action Plans.
- C-2. ADDED - A matter pertaining to the security of the property of the Corporation as it contains commercial and financial information supplied in confidence to the Corporation, the disclosure of which could be reasonably expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons or organization, result in similar information no longer being supplied to the Corporation where it in the public interest that similar information continue to be so supplied and result in undue loss or gain to any person, group, committee or financial institution or agency and matters related to the personal information about identifiable individuals, including municipal or local board employees related to the potential provision of internal audit services for the City of London, by external organizations.

VII. ADJOURNMENT

The meeting adjourned at 6:14 PM.