

## 2ND REPORT OF THE

### AUDIT COMMITTEE

Meeting held on January 31, 2013, commencing at 4:00 PM, in the Committee Room No. 5, Second Floor, London City Hall.

**PRESENT:** Councillor M. Brown (Chair), Councillors N. Branscombe, P. Hubert and W. DeShane and C. Saunders (Secretary).

**ABSENT:** Councillor J.B. Swan

**ALSO PRESENT:** S. Bahm, J.P Barber, J. Braam, G. Bridge, C. Clendenning, S. Gillifilan (PwC), M. Hayward, I. Jeffreys (KPMG), S. Morgan, I. Sadler (PwC), C. Shah (PwC), J. Stanford, S. Swance and M. Turner

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#### **I. DISCLOSURES OF PECUNIARY INTEREST**

1. That it **BE NOTED** that no pecuniary interests were disclosed.

#### **II. CONSENT ITEMS**

None.

#### **III. SCHEDULED ITEMS**

None.

#### **IV. ITEMS FOR DIRECTION**

2. 2011 and 2012 Internal Audit Results Summary

Recommendation: That, the following actions be taken regarding the 2011 and 2012 Internal Audit Results Summary:

- a) the report dated January 31, 2013 with respect to this matter **BE RECEIVED**;
- b) Corporate Communications **BE REQUESTED** to prepare a press release outlining the results of the 2011 and 2012 internal audit results; and,
- c) that information related to quantifying cost avoidances **BE INCLUDED** in future Annual Internal Audit Results Summary Reports.

3. Proposed Risk Assessment and 2013 Risk-Based Audit Plan

Recommendation: That, the following actions be taken with respect to the Proposed 2013 Risk Assessment and Risk-Based Audit Plan:

- a) the report dated January 31, 2013 with respect to this matter **BE RECEIVED**; and,
- b) the proposed 2013 Risk-Based Internal Audit Plan identified in Appendix A of the above-noted report **BE APPROVED**; it being noted that the revenue and cost model analysis for landfills will be reported out in the 4th Quarter, with the report on revenue and cost model analysis on solid waste collection being reported out in the 1st Quarter of 2014.

4. Quarterly Report on Internal Audit Results - Corporate Services/Finance - Payroll Administration

Recommendation: That, the following actions be taken with respect to the Quarterly Report on Internal Audit Results – Corporate Services/Finance – Payroll Administration:

- a) the report dated January 31, 2013 with respect to this matter **BE RECEIVED**; and
  - b) the action plans identified in Appendix A of the report noted in a) above, **BE IMPLEMENTED**.
5. Quarterly Report on Internal Audit Results - Human Resources - Succession Planning

Recommendation: That, the following actions be taken with respect to the Quarterly Report on Internal Audit Results – Human Resources – Succession Planning:

- a) the report dated January 31, 2013 with respect to this matter **BE RECEIVED**;
- b) the action plans identified in Appendices A and B of the report noted in a) above, **BE IMPLEMENTED**; and,
- c) the Managing Director, Corporate Services and Chief Human Resources Officer **BE DIRECTED** to report back to the Audit Committee on the following:
  - i) Observations & Action Plan #1 by April 2013;
  - ii) Observations & Action Plan #2 by May 2013; and,
  - iii) Observations & Action Plan #3 by July 2013.

**V. DEFERRED MATTERS/ADDITIONAL BUSINESS**

None.

**VI. CONFIDENTIAL**

*(See Confidential Appendix to the 2nd Report of the Audit Committee enclosed for Members only.)*

The Audit Committee convened in camera from 5:05 PM to 5:16 PM after having passed a motion to do so, with respect to the following matter:

- C-1. A matter pertaining to personal matters about identifiable individuals, including municipal employees and labour relations related to the PwC Quarterly Report on Internal Audit Results: Corporate Services/Finance - Payroll Administration.

**VII. ADJOURNMENT**

The meeting adjourned at 5:17 PM.