Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, February 21, 2023

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice Chair Regional Councillor M. Palleschi Regional Councillor N. Brar Regional Councillor G. Toor (arrived at 9:34 a.m.)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Fire Chief, Fire and Emergency Services, and Acting Commissioner, Community Services Fang (Claire) Mu, Director, Internal Audit Richard Gervais, Sr. Advisor, Internal Audit Brad Cecile, Manager, Internal Audit Ruchir Patel, Manager, Internal Audit Peter Fay, City Clerk Charlotte Gravlev, Deputy City Clerk Tammi Jackson, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and recessed at 11:14 a.m. Council moved into Closed Session at 11:30 a.m. and recessed at 11:41 a.m. Council reconvened in Open Session at 11:49 a.m. and adjourned at 11:51 a.m.

As this meeting of the Audit Committee was conducted with electronic participation by the Members, the meeting started with the City Clerk calling the roll for attendance at the meeting, as follows:

Members present during roll call: Councillor Keenan, Councillor Vicente, Councillor Palleschi, Councillor Brar.

Members absent during roll call: Councillor Toor (personal - arrived at 9:34 a.m.).

Others present: Councillor Fortini.

2. Approval of Agenda

The following motion was considered.

AU001-2023

That the agenda for the Audit Committee meeting of February 21, 2023 be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

In keeping with Council Resolution C019-2021, the Meeting Chair reviewed the relevant agenda items during this section of the meeting and allowed Members to identify agenda items for debate and consideration, with the balance to be approved as part of the Consent Motion given the items are generally deemed to be routine and non-controversial.

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

5.2, 5.3, 5.5, 6.3, 6.4, 6.8, 6.9 and 11.2

The following motion was considered.

AU002-2023

That the following items to the Audit Committee meeting of February 21, 2023 be approved as part of Consent:

5.2, 5.3, 5.5, 6.3, 6.4, 6.8, 6.9 and 11.2

Yea (5): Councillor Keenan, Councillor Vicente, Councillor Palleschi, Councillor Brar, Councillor Toor,

Absent (0): Nil

Carried (5 to 0)

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Lead Audit Engagement Partner, and Susan Zhou, Manager, KPMG LLP, Chartered Accountants, re: 2022 Audit Planning Report

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG LLP, Chartered Accountants, provided an overview of the Audit Planning Report and responded to questions of clarification.

The following motion was considered.

AU003-2023

1. That the delegation from Maria Khoushnood, Lead Audit Engagement Partner, and Susan Zhou, Manager, KPMG LLP, Chartered Accountants, to the Audit Committee meeting of February 21, 2023, re: **2022 Audit Planning Report**, be received; and,

2. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee meeting of February 21, 2023, re: 2022 Audit Planning Report, be received; and,

3. That the Audit Planning Report for the Year Ending December 31, 2022, prepared by KPMG LLP, Chartered Accountants (KPMG LLP), to the Audit Committee.

Carried

5.2 ^ Staff Presentation re: Claims Management Audit

AU004-2023

1. That the presentation from Ruchir Patel, Manager, Internal Audit, and Claire Mu, Director, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Claims Management Audit**, be received; and,

2. That the report from Ruchir Patel, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Claims Management Audit Report 2022**, be received.

Carried

5.3 ^ Staff Presentation, re: Limited Tendering Audit

AU005-2023

1. That the presentation from Anand Heeraman, Senior Internal Auditor, and Claire Mu, Director, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Limited Tendering Audit**, be received; and,

2. That the report from Anand Heeraman, Senior Internal Auditor, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Limited Tendering Audit Report 2022**, be received.

Carried

5.4 Staff Presentation, re: Parks Maintenance Audit

Item 6.7 was brought forward and dealt with at this time.

Brad Cecile, Manager, Internal Audit, provided a detailed overview of the Parks Maintenance Audit outlining findings resulting from the audit.

Mr. Cecile responded to questions from Committee with respect to the following:

- Clarification regarding next steps and what support staff required from the Audit committee to assist with implementing the suggested recommendations by staff.
- Questions regarding the number of inspectors currently employed and the number of officers required.
- Staff advised that a request for additional inspectors will be presented to the Budget Committee
- Outlined that the M5 tracking system is an older system and is used across all departments for asset tracking.
- Staff addressed questions regarding missing assets as borrowed assets by other divisions within the corporation.
- Outlined concerns regarding the grass cutting cycle and the lack of inspections to determine if the contractors are missing properties in the cycle rotation.
- Clarification that flower beds are not tracked by the Parks department. If this is corrected it will make it easier for staff to plan work accordingly.
- Questions regarding the contract with current contractors.
- Outlined how the M5 system operates and advised that staff are currently working on entering all manually tracked items into M5.
- Questions regarding alternate tracking software available that may be better suited.

AU006-2023

1. That the presentation from Brad Cecile, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Parks Maintenance Audit**, be received; and,
2. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Parks Maintenance Audit Report 2022**, be received; and,
3. That Parks departmental staff be directed to report annually on progress with respect to the findings.

Carried

5.5 ^ Staff Presentation re: Health and Safety Audit

AU007-2023

1. That the presentation from Brad Cecile, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Health and Safety Audit**, be received; and,

2. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Health and Safety Audit Report 2022**, be received.

Carried

5.6 Staff Presentation re: User Fee Audit

Item 6.11 was brought forward and dealt with at this time.

Ruchir Patel, Manager, Internal Audit, provided a detailed overview of the User Fee Audit outlining findings resulting from the audit.

Staff responded to questions from Committee with respect to the following:

- Question regarding whether the user fee increase would be City wide or only the 4 departments identified in the report.
- Clarification that some user fees will be increased immediately and some will be increased over a period of time.

The following motion was considered.

AU008-2023

1. That the presentation from Ruchir Patel, Manager, Internal Audit, and Claire Mu, Director, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **User Fee Audit**, be received; and,

2. That the report from Ruchir Patel, Manager, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **User Fee Audit** Report 2022, be received.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Update of Internal Audit Charter and Audit Committee Terms of Reference

Item 8.1 was brought forward and dealt with at this time.

Claire Mu, Director, Internal Audit, provided a brief overview of the subject matter and outlined the following proposed changes and responded to questions of clarification from Committee:

- The Audit Committee will:
    - Participate in the selection of the Director, Internal Audit.
    - Actively participate in discussions about and approving decisions regarding removal of the Director, Internal Audit
    - The title Chief Audit Executive (CAE) be removed and replaced with Director, Internal Audit.

Peter Fay, City Clerk, responded to questions from the Committee with respect to the following:

- Clarified that Audit Committee reports through to Council.
- Advised that Audit Committee does not have delegated authority and that all motions require Council approval.
- Outlined the level of independence allows the Audit Committee to work directly with the Director of Internal Audit to identify and conduct audits and reports through Audit Committee.
- Clarified that there is nothing that explicitly states Committee has delegated authority to act independently from Council.

Councillor Keenan requested that the number of citizen members appointed to the Audit Committee be reduced from 3 to 2 citizen members for this term of Council.

The following motion was considered.

AU009-2023

1. That the report titled: **Update of Internal Audit Charter and Audit Committee Terms of Reference**, to the Audit Committee Meeting of February 21, 2023, be received;
2. Whereas the Audit Committee was established to enable Members of Council to further enhance oversight capabilities and stewardship responsibilities; and

Whereas the Audit Committee Terms of Reference details the composition of the Audit Committee as:

- Minimum of five members of Council
- The Mayor, who is an ex-officio member
- Minimum of one to a maximum of three citizen members; and,

Whereas citizen members play an important role in the function of the Audit Committee; and

Whereas the previous term of Council appointed 7 Members of Council to the Audit Committee and three citizen members were recruited through the Citizens Appointment Committee; and

Whereas this term of Council appointed 5 Members of Council to the Audit Committee;

Therefore be it resolved that two citizen members be recruited for the Audit Committee through the Citizens Appointment Committee; and

That the City Clerk be requested to post two vacancies on the Audit Committee as open for applications from citizens, for a period of three weeks.

3. Whereas the Audit Committee Terms of Reference and the Audit Charter are both used as guiding documents for the Audit Committee; and

   Whereas one guiding document will provide for efficiency and clarity on the mandate of the Audit Committee;

   Therefore be it resolved that staff be directed to review the Audit Committee Terms of Reference and the Audit Charter and provide a draft version of a combined document to the next scheduled Audit Committee meeting.

4. Whereas the Council-approved Internal Audit Charter states that the Director of Internal Audit reports functionally to the Audit Committee and administratively to the Chief Administrative Officer; and

   Whereas to assure that Internal Audit staff maintain an objective mindset and have sufficient authority to fulfill their duties;

   Therefore be it resolved that any Internal Audit report directed to the Audit Committee by the Director of Internal Audit shall not require prior approval by the Chief Administrative Officer or other management staff; and

   That any process, including any electronic workflow process, be modified accordingly.

Carried

6.2 Staff Report re: Corporate Fraud Prevention Hotline 2022 Yearly Update

Claire Mu, Director, Internal Audit and Richard Gervais, Manager, Internal Audit, provided a brief overview on the subject matter and responded to questions of clarification from Committee.

The following motion was considered.

AU010-2023

That the report from Richard Gervais, Senior Advisor, Internal Audit, re: **Corporate Fraud Prevention Hotline 2022 Yearly Update**, to the Audit Committee meeting of February 21, 2023, be received.

Carried

6.3 ^ Staff Report re: Status of Management Action Plans - Q4 2022

AU011-2023

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Status of Management Action Plans- Q4 2022**, be received.

Carried

6.4 ^ Staff Report re: 2023 Internal Audit Work Plan and 2022 Status Update

AU012-2023

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee Meeting of February 21, 2023, re: **2023 Internal Audit Work Plan and 2022 Status Update**, be received.

Carried

6.5 Staff Report re: Claims Management Audit Report 2022

Dealt with under Item 5.2 - Recommendation AU004-2023

6.6 Staff Report re: Limited Tendering Audit Report 2022

Dealt with under Item 5.3 - Recommendation AU005-2023

6.7 Staff Report re: Parks Maintenance Audit Report 2022

Dealt with under Item 5.4 - Recommendation AU006-2023

6.8 ^ Staff Report re: Driver Certification Program Fleet and, Fire and Emergency Service Compliance Audit

AU013-2023

That the report from Nibal Mater, Senior Internal Auditor, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Driver Certification Program Fleet and Fire and Emergency Service Compliance Audit**, be received.

Carried

6.9 ^ Staff Report re: Driver Certification Program Transit Compliance Audit

AU014-2023

That the report from Nibal Mater, Senior Internal Auditor, Internal Audit, to the Audit Committee meeting of February 21, 2023, re: **Driver Certification Program Transit Compliance Audit**, be received.

Carried

6.10 Staff Report re: Health and Safety Audit Report 2022

Dealt with under Item 5.5 - Recommendation AU007-2023

6.11 Staff Report re: User Fee Audit Report

Dealt with under Item 5.6 - Recommendation AU008-2023

7. Reports - Finance

7.1 Staff Report re: 2022 Audit Planning Report

Dealt with under Item 5.1 - Recommendation AU003-2023

8. Other/New Business

8.1 Discussion Item at the request of Regional Councillor Keenan, re: Citizen Members on Audit Committee

Dealt with under Item 6.1 - Recommendation AU009-2023

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions via e-mail to the City Clerk's Office regarding any decisions made under this section of the agenda. P. Fay, City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 - Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:
The security of the property of the municipality - a corporate infrastructure matter

^ 11.2 - Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:
The security of the property of the municipality - a corporate infrastructure matter

Item 11.2 was approved on consent and therefore not discussed in closed session.

The following motion was considered.

AU015-2023

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality - a corporate infrastructure matter.

Carried

Note: In Open Session, the City Clerk reported on matters considered in Closed Session, as follows:

11.1 – This item was considered in closed session, and no direction was given.

12. Adjournment

The following motion was considered.

AU016-2023

That the Audit Committee do now adjourn to meet again at the call of the Chair.

Carried

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City Councillor D. Keenan, Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, June 12, 2023

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice Chair Regional Councillor N. Kaur Brar (arrived at 2:44 p.m. - personal) Regional Councillor M. Palleschi Regional Councillor G. Toor
Others Present:	Regional Councillor Fortini
Staff Present:	Marlon Kallideen, Chief Administrative Officer, and Acting Commissioner, Public Works and Engineering Steve Ganesh, Commissioner, Planning, Building and Growth Management Alex Milojevic, Commissioner, Corporate Support Services Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Richard Gervais, Senior Advisor, Internal Audit Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services Sameer Akhtar, City Solicitor Peter Fay, City Clerk Charlotte Gravlev, Deputy City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 2:22 p.m. and adjourned at 3:13 p.m.

Note: Regional Councillor Fortini was in attendance at this meeting.

2. Approval of Agenda

The following motion was considered.

AU017-2023

That the agenda for the Audit Committee Meeting of June 12, 2023, be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

(6.3, 6.4, 6.5, 6.6)

The following motion was considered.

AU018-2023

That the following items to the Audit Committee Meeting of June 12, 2023 be approved as part of Consent:

(6.3, 6.4, 6.5, 6.6)

Carried

5. Presentations\Delegations

5.1 Delegation from Maria Khounshnood, Lead Audit Engagement Partner, KPMG LLP, re: 2022 Audit Findings Report and Audited Consolidated Financial Statements

Item 7.1 was brought forward and dealt with at this time.

Maria Khounshnood, Lead Audit Engagement Partner, KPMG LLP, presented KPMG's Audit Findings Report for the year ended December 31, 2022, which included the following:

- Audit highlights:
  - Status of the audit
  - Indication that there were no significant changes to the audit plan and no significant control deficiencies were identified
  - Corrected audit misstatements
- Significant risks and results
- Audit risks and results, and other audit findings and results
- Upcoming changes to accounting and auditing standards

The delegation thanked staff for their cooperation during the audit process.

The following motion was considered.

AU019-2023

1. That the delegation from Maria Khounshnood, Lead Audit Engagement Partner, KPMG LLP, to the Audit Committee Meeting of June 12, 2023, re: **2022 Audit Findings Report and Audited Consolidated Financial Statements**, be received;

2. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of June 12, 2023, re: **2022 Audited Consolidated Financial Statements for the City of Brampton**, be received; and

3. That the 2022 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

5.2 Staff Presentation re: Development Charges 2023

Item 6.1 was brought forward and dealt with at this time.

Claire Mu, Director, Internal Audit, introduced Min Peng, who recently joined the Internal Audit team as Senior Internal Auditor, and Brad Cecile, Manager, Internal Audit.

Brad Cecile provided a presentation to Committee regarding the Development Charges (DC) Audit, which included information on the audit objectives and scope, and the audit findings.

Committee discussion on this matter included the following:

- DC IT systems and DC rate updates in the AMANDA system
- Requirement to have current insurance certificates on file for developments, and potential risk of outdated certificates
    - Number of outdated insurance certificates on file and the process for obtaining updated certificates
    - Requirement for, and purpose of, site specific insurance certificates
    - Alternative options for proof of insurance
- Update of Standard Operating Procedures (SOPs)
- Review of the audit report by senior management

The following motion was considered.

AU020-2023

1. That the presentation by Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Development Charges 2023**, be received;

2. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Development Charges Audit Report 2023**, be received; and

3. That the recommendations contained in Appendix 1: Development Charges Audit 2023 Report, be approved.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Development Charges 2023

Dealt with under Item 5.2 - Recommendation AU020-2023

6.2 Staff Report re: Audit Committee Terms of Reference and Internal Audit Charter

At the request of Committee, Claire Mu, Director, Internal Audit, provided an overview of the subject report, highlighted the changes to the Audit Charter, and acknowledged the staff that worked on combining the Audit Committee Terms of Reference and Internal Audit Charter.

The following motion was considered.

AU021-2023

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Audit Committee Terms of Reference and Internal Audit Charter**, be received;

2. That the combined and updated Audit Committee Terms of Reference and Internal Audit Charter, as set out in Appendix 1: By-law to Establish Audit Committee Terms of Reference and Internal Audit Charter to this report, be approved and enacted in a By-law; and

3. That Administrative Authority By-law 216-2017, as amended, be further amended to delegate authority to the Director of Internal Audit to make amendments to the Schedule contained in the proposed Audit Committee Terms of Reference and Audit Charter By-law to make required Schedule updates as set out in the Institute of Internal Auditors ("IIA") Standards, with regular reporting to the Audit Committee on any changes made to the by-law Schedule.

Carried

6.3 ^ Staff Report re: Corporate Fraud Governance Structure

AU022-2023

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Corporate Fraud Governance Structure**, be received; and

2. That the updated Corporate Fraud Governance Structure and the Corporate Fraud Prevention Policy, as set out in Appendix 1, be approved.

Carried

6.4 ^ Staff Report re: Internal Audit Work Plan Status Update

AU023-2023

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Internal Audit Work Plan Status Update**, be received.

Carried

6.5 ^ Staff Report re: Status of Management Action Plans - Q1 2023

AU024-2023

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Status of Management Actions Plans- Q1 2023**, be received.

Carried

6.6 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report

AU025-2023

That the report from Richard Gervais, Senior Auditor, Internal Audit, to the Audit Committee Meeting of June 12, 2023, re: **Corporate Ethics Hotline Quarterly Report**, be received.

Carried

7. Reports - Finance

7.1 Staff Report re: 2022 Audited Consolidated Financial Statements for the City of Brampton

Dealt with under Item 5.1 - Recommendation AU019-2023

8. Other/New Business

8.1 Discussion Item re: Citizen Member Appointments to Audit Committee

Peter Fay, City Clerk, provided an overview of the recommendations passed by the Audit Committee and the Citizen Appointments Committee, directing that two citizen members be appointed, and the Audit Committee assume responsibility for these appointments. Mr. Fay advised that three applications were received by

the City Clerk's Office for these positions and suggested that a meeting of the Audit Committee be scheduled to review the applications.

Committee discussion on this matter included the following:

- Review of the citizen applications by the Director of Internal Audit
    - Clarification that the Director may review a blind copy of the applications for the purpose of evaluating qualifications/credentials, but will not participate in the appointments process
- Suggestion to refer the applications to the next Citizen Appointments Committee meeting

The following motion was considered.

AU026-2023

1. That the Director of Internal Audit be requested to review the current set of applicants with respect to the audit related credentials and experience; and
2. That the recommended candidates identified by the Citizen Appointments Committee be endorsed by the Audit Committee.

Carried

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made at this meeting. P. Fay, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU027-2023

That the Audit Committee do now adjourn to meet again at the call of the Chair.

Carried

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Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, November 7, 2023

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi Regional Councillor G. Toor Nicole Russell, Citizen Member
Others Present:	Regional Councillor P. Fortini
Staff Present:	Marlon Kallideen, Chief Administrative Officer, and Acting Commissioner, Public Works and Engineering Alex Milojevic, Commissioner, Corporate Support Services Nash Damer, Treasurer, Corporate Support Services Charlton Carscallen, Principal Planner/Supervisor, Integrated City Planning, Planning, Building and Growth Management Claire Mu, Director, Internal Audit, Office of the CAO Brad Cecile, Manager, Internal Audit, Office of the CAO Cynthia Kenth, Senior Advisor, Audit Communications, Internal Audit, Office of the CAO Peter Fay, City Clerk Charlotte Gravlev, Deputy City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and recessed at 10:33 a.m. Committee moved into Closed Session at 10:50 a.m., recessed at 11:32 a.m., moved back into Open Session at 11:41 a.m. and adjourned at 11:43 a.m.

Note: Regional Councillor Fortini was in attendance at this meeting.

2. Approval of Agenda

The following motion was considered.

AU028-2023

That the agenda for the Audit Committee Meeting of November 7, 2023, be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

(6.3, 6.4, 6.5)

The following motion was considered.

AU029-2023

That the following items to the Audit Committee Meeting of November 7, 2023 be approved as part of Consent:

(6.3, 6.4, 6.5)

Carried

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Partner, KPMG Private Enterprise, KPMG LLP, re: Item 7.1 - KPMG Audit Plan for the 2023 Fiscal Year

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Partner, KPMG Private Enterprise, KPMG LLP, provided an overview of the KPMG Audit Planning Report for the year ending December 31, 2023 (Attachment 1 to Report Item 7.1), and provided information with respect to the following:

- Audit highlights
- Materiality
- Updates to the prior year audit plan
- Presumption of the risk of fraud
- Other risks of material misstatement
- Key milestones and deliverables

The delegation responded to questions from Committee regarding the following:

- KPMG Clara system for clients
- New standard for asset retirement obligations and related impacts
    - It was noted that staff will provide an update on this matter at a future meeting
- The City's obligation to implement the new standards
    - It was noted that staff will provide an update on this matter at a future meeting
- The City's Asset Management Program

The following motion was considered.

AU030-2023

1. That the delegation from Maria Khoushnood, Partner, KPMG Private Enterprise, KPMG LLP, to the Committee of Council Meeting of November 7, 2023, re: **Item 7.1 - KPMG Audit Plan for the 2023 Fiscal Year**, be received;

2. That the report from Maja Kuzmanov, Senior Manager Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of November 7, 2023, re: **KPMG Audit Plan for the 2023 Fiscal Year**, be received; and

3. That the Audit Planning Report for the Year Ending December 31, 2023, prepared by KPMG LLP, Chartered Accountants (KPMG LLP), to the Audit Committee, be received.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Historic Bovaird Site Audit

Claire Mu, Director, Internal Audit, Office of the CAO, provided an overview of the decision to outsource the Historic Bovaird Site Audit, Internal Audit's role, and the procurement process. In addition, Ms. Mu introduced the KPMG team that performed the subject audit.

Marilyn Abate, Partner, Risk Consulting and Financial Crimes, KPMG LLP, presented an overview of KPMG's Independent Review of the Historic Bovaird Site (Appendix 3 to the subject report), which included an overview of the Bovaird Site and Robinson Barn timelines, and KPMG's mandates, findings and recommendations.

Committee discussion on this matter included the following:

- Council approval of the Pendergast Log Cabin project funding
- Clarification of the capital expenses incurred by the City related to servicing, the Comfort Station, and other site improvements
- Costs incurred by, and the terms of agreement with, the development firm for the cabin project, and a request for further information on this matter

The following motion was considered.

AU031-2023

That the report from Claire Mu, Director, Internal Audit, Office of the CAO, to the Audit Committee Meeting of November 7, 2023, re: **Historic Bovaird Site – Independent Review of the Historic Bovaird Site for the Corporation of the City of Brampton**, including the related presentation from KPMG, be **referred** to the November 15, 2023 Committee of Council meeting.

Carried

6.2 Staff Report re: Property Tax Audit 2023

Claire Mu, Director, Internal Audit, Office of the CAO, introduced the staff involved in the Property Tax Audit, and expressed thanks for their efforts.

Brad Cecile, Manager, Internal Audit, Office of the CAO, presented an overview of the Property Tax Audit, and outlined the audit findings.

Staff responded to questions from Committee with respect to the following:

- Finding #2 - Reporting changes in building permit status to MPAC is not automated
    - Improper monitoring of building permit uploads
    - Recommendation relating to the review of building codes in the AMANDA system
    - Capital program, and budget request, to enhance the online tax experience
- Finding #3 - Mitigating controls over system user access should be strengthened
    - Clarification of the recommendation and management action plan for user activity reviews and user access validation
- Finding #4 - Standard Operating Procedures are not always current
    - Concerns regarding the target completion date for the Standard Operating Procedures, and the possibility of completing this sooner
- Significant impact of the staff turnover rate on property tax processes

The following motion was considered.

AU032-2023

1. That the report from Claire Mu, Director, Internal Audit, Office of the CAO, to the Audit Committee Meeting of November 7, 2023, re: **Property Tax Audit 2023**, be received; and

2. That the recommendations contained in Appendix 1: Property Tax Audit Report, be approved.

Carried

6.3 ^ Staff Report re: Internal Audit Work Plan Status Update

AU033-2023

That the report from Claire Mu, Director, Internal Audit, Office of the CAO, to the Audit Committee Meeting of November 7, 2023, re: **Internal Audit Work Plan Status Update**, be received.

Carried

6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report

AU034-2023

That the report from Claire Mu, Director, Internal Audit, Office of the CAO, to the Audit Committee Meeting of November 7, 2023, re: **Corporate Ethics Hotline Quarterly Report**, be received.

Carried

6.5 ^ Staff Report re: Status of Management Action Plans - Q3 2023

AU035-2023

That the report from Claire Mu, Director, Internal Audit, Office of the CAO, to the Audit Committee Meeting of November 7, 2023, re: **Status of Management Actions Plans - Q3 2023**, be received.

Carried

7. Reports - Finance

7.1 Staff Report re: KPMG Audit Plan for the 2023 Fiscal Year

Dealt with under Item 5.1 - Recommendation AU030-2023

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. P. Fay, City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board - a security matter

The following motion was considered.

AU036-2023

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board - a security matter

Carried

In Open Session, the Chair reported on the status of matters considered in Closed Session, as follows:

11.1 – This matter was considered in closed session, information was received and no direction was given to staff.

12. Adjournment

At this time in the meeting, Claire Mu, Director, Internal Audit, Office of the CAO, acknowledged the upcoming retirement of Peter Fay, City Clerk, expressed thanks for his leadership and guidance to the Internal Audit Office and the Audit Committee, and extended congratulations and best wishes to Mr. Fay on his retirement from the City of Brampton.

The following motion was considered.

AU037-2023

That the Audit Committee do now adjourn to meet again on Tuesday, February 6, 2024, or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, February 13, 2024

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi Regional Councillor G. Toor
Members Absent:	Nicole Russell, Citizen Member
Staff Present:	Marlon Kallideen, Chief Administrative Officer Fang (Claire) Mu, Director, Internal Audit Alex Milojevic, Commissioner, Corporate Services Laura Johnston, Commissioner, Legislative Services Janice Adshead, Acting City Clerk Charlotte Gravlev, Deputy City Clerk Tammi Jackson, Legislative Coordinator

1. Call to Order

The meeting was called to order at 2:33 p.m. and recessed at 4:06 p.m. Committee moved into Closed Session at 4:21 p.m., recessed at 4:30 p.m., moved back into Open Session at 4:40 p.m. and adjourned at 4:40 p.m.

Note: Regional Councillor Fortini was also in attendance at this meeting.

2. Approval of Agenda

The following motion was considered.

AU001-2024

That the agenda for the Audit Committee Meeting of February 13, 2024, be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

(6.4, 6.5)

The following motion was considered.

AU002-2024

That the following items to the Audit Committee Meeting of February 13, 2024, be approved as part of Consent:

(6.4, 6.5)

Carried

5. Presentations\Delegations

Nil

6. Reports - Internal Audit

Claire Mu, Director, Internal Audit, introduced the Internal Audit team as follows:

- Brad Cecile, Manager, Internal Audit.
- Mia Cui, Manager, Internal Audit.
- Sahil Sharma, Audit Project Lead, Internal Audit.
- Min Peng, Audit Project Lead, Internal Audit.
- Richard Gervais, Senior Advisor, Internal Audit.
- Cynthia Kenth, Senior Advisor, Internal Audit.
- Kevin Mahadeo, Advisor, Research, Administration Services and Special Projects, Internal Audit.

6.1 Staff Report re: Fleet Maintenance Audit

Brad Cecile, Manager, Internal Audit, Office of the CAO, presented an overview of the Fleet Maintenance Audit Report 2023, and outlined the audit findings.

Committee discussion on this matter included the following:

- Questions regarding the M5 system and the number of operators per vehicle.
- Staff clarified that one operator uses the same vehicle on a regular basis.
- Question regarding whether there were similar gap findings found during the last Fire and Emergency Services or Transit audit.
- Suggestion to consolidate all fleet vehicles (Fire, Transit, Fleet) together when discussing maintenance, checks and balances and manufacture warranties.
- Clarified the reason Fleet, Transit and Fire and Emergency Services are broken into three different phases. They have all separate requirements. Therefore, have separate audits.

- Transit is also audited by the Ministry of Transportation.
- Transit and Fire and Emergency Services audits are targeting 2024/2025.
- Staff clarified that Transit vehicles and Fire and Emergency Service vehicles have different requirements.
- Questions regarding purchase card spending.
- Clarification regarding purchase orders and outsourcing purchases.
- A review of all invoices coming into the purchase orders is underway to ensure billing is accurate.
- Current purchasing by-law is up for review. A report regarding limited tendering audit will come forward with recommendations being put forward as a result of the review.
- Suggestion to have procedures put in place to catch eliminate the gaps and overspending.
- Concerns raised regarding overspending.
- Question regarding what improvements have been made since the previous audits.

The following motion was considered.

AU003-2024

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **Fleet Maintenance Audit Report 2023**, be received; and
2. That the recommendations contained in Appendix 1: Fleet Maintenance Audit Report 2023, be approved.

Carried

6.2 Staff Report re: Limited Tendering Audit Report 2023

Mia Cui, Manager, Internal Audit, Office of the CAO, and Sahil Sharma, Audit Project Lead, Internal Audit, Office of the CAO, presented an overview of the Limited Tendering Audit Report 2023, and outlined the audit findings.

Committee discussion on this matter included the following:

- Question regarding when the procurement by-law was last updated.

- What a non-competitive bid looks like.
- Procurement Complaints and Dispute's Standard Operating Procedure (SOP) has been developed and is currently with management for review. Target implementation of the SOP is by first quarter of 2024.
- Questions and concerns raised about finding # 1: Lack of Conflict of Interest (COI) Risk Consideration.

Councillor Vicente asked if staff would be willing and were able to update the purchasing by-law and bring it back to the Audit Committee for review and provided the following motion for consideration:

> *That the Purchasing Department be directed to draft amendments to the Purchasing By-law 19-2018, among other changes, to mandate a conflict of interest disclosure as part of the limited tendering due diligence process and an improved, robust verification process for the justification of these limited tenders and present the draft amendments back to a Committee of Council meeting, at the beginning of Q4, for review and approval.*

The following motions were considered.

AU004-2024

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **Limited Tendering Audit Report 2023**, be received; and
2. That the recommendations contained in Appendix 1: Limited Tendering Audit 2023 Report, be approved.

Carried

AU005-2024

1. That the Purchasing Department be directed to draft amendments to the Purchasing By-law 19-2018, among other changes, to mandate a conflict of interest disclosure as part of the limited tendering due diligence process and an improved, robust verification process for the justification of these limited tenders and present the draft amendments back to a Committee of Council meeting, at the beginning of Q4, for review and approval.

Carried

6.3 Staff Report re: Asset Management (Small Equipment and Operating Tools) Audit 2023

Claire Mu, Director, Internal Audit, Office of the CAO, highlighted and acknowledged staff amongst four divisions within the City of Brampton that worked with the Internal Audit Team to complete the Asset Management (Small Equipment and Operating Tools) Audit 2023.

Mia Cui, Manager, Internal Audit, Office of the CAO, and Sahil Sharma, Audit Project Lead, Internal Audit, Office of the CAO, presented an overview of the Asset Management (Small Equipment and Operating Tools) Audit 2023, and outlined the audit findings.

Committee discussion on this matter included the following:

- Outlined need for a balanced approach. Staff needs to know where all City equipment is especially the large machinery.
- Question regarding why the Small Engine Shop of Parks Maintenance and Forestry was dismantled in 2017 in exchange for the slightly larger tools.
- Suggestion to brining back a small engine shop to control and manage City inventory and assist with cost efficiency.
- Staff advised the possibility of brining back a small engine shop will be looked at during the next budget for 2025.
- Staff will work with Audit for the next budget cycle of 2025 to put together proposal for a proper small engine shop with two staff and a foreperson to over see the shop.
- Clarification that the M5 System is an asset management program.

The following motion was considered.

AU006-2024

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **Asset Management (Small Equipment & Operating Tools) Audit 2023**, be received; and
2. That the recommendations contained in Appendix 1: Asset Management (Small Equipment and Operating Tools) Audit 2023 Report, be approved.

Carried

6.4 ^ Staff Report re: 2024 Internal Audit Work Plan and 2023 Status Update

The following recommendation was approved on consent.

AU007-2024

That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **2024 Internal Audit Work Plan and 2023 Status Update**, be received.

Carried

6.5 ^ Staff Report re: Status of Management Action Plans – Q4 2023

The following recommendation was approved on consent.

AU008-2024

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **Status of Management Action Plans- Q4 2023**, be received.

Carried

6.6 Staff Report re: Annual Report - 2023

Claire Mu, Director, Internal Audit, presented a video that provided an overview of the Annual Report - 2023, and outlined the audit findings and recommendations.

The following motion was considered.

AU009-2024

That the report from Cynthia Kenth, Audit Communications, Internal Audit, to the Audit Committee Meeting of February 13, 2024, re: **Annual Report - 2023**, be received.

Carried

7. Reports - Finance

Nil

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. J. Adshead, Acting City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

(a) The security of the property of the municipality or local board.

The Chair reported that this item was considered in closed session, information was received, and no direction was given.

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

(a) The security of the property of the municipality or local board.

11.1 Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

12. Adjournment

The following motion was considered.

AU009-2024

That the Audit Committee do now adjourn to meet again on Tuesday, May 14, 2024, or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, June 10, 2024

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Nicole Russell, Citizen Member
Members Absent:	Regional Councillor M. Palleschi (personal) Regional Councillor G. Toor (personal)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services, and Acting Fire Chief Laura Johnston, Commissioner, Legislative Services Alex Milojevic, Commissioner, Corporate Support Services Peter Pilateris, Commissioner, Public Works and Engineering Claire Mu, Director, Internal Audit Robert Higgs, Director, Enforcement and By-law Services, Legislative Services Cynthia Ogbarmey-Tetteh, Director, Human Resources, Corporate Support Services Peter Bryson, Manager, Enforcement - Property Standards, Legislative Services Brad Cecile, Manager, Internal Audit Richard Gervais, Senior Advisor - IT, Internal Audit Genevieve Scharback, City Clerk Charlotte Gravlev, Deputy City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 2:30 p.m. and adjourned at 3:14 p.m.

2. Approval of Agenda

The following motion was considered.

AU012-2024

That the agenda for the Audit Committee Meeting of June 10, 2024, be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.2, 6.4, 6.5

The following motion was considered.

AU013-2024

That the following items to the Audit Committee Meeting of June 10, 2024 be approved as part of Consent:

6.2, 6.4, 6.5

Carried

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: Item 7.1 - 2023 Audit Findings Report

Dealt with under Item 7.1 - Recommendation AU019-2024

6. Reports - Internal Audit

6.1 Staff Report re: By-law Enforcement - Property Standards Audit

Claire Mu, Director, Internal Audit, thanked Enforcement and By-law Services staff for their support throughout the audit, and introduced Brad Cecile, Manager, Internal Audit, and Project Lead for the subject audit.

Brad Cecile provided a presentation entitled "By-law Enforcement Audit (Property Standards)", which included an overview of the audit and audit findings.

Regional Councillor Keenan, Chair, expressed thanks to the Enforcement and By-law Services Division for their efforts and acknowledged the challenges associated with the work they do.

Committee discussion took place, and staff responded to questions, regarding the subject audit, which included the following:

- Decrease in complaints over a three-year period
    - Robert Higgs, Director, Enforcement and By-law Services, advised staff are investigating this matter to determine the reason for this decrease
- Processes and issues relating to 'Add-on' service requests
- Findings relating to:
    - service requests assigned to summer students that were not closed before their departure
    - service requests that have been cancelled and do not include complete information in the system
- Timeline for implementing system improvements and interim measures
- Next steps and timelines for implementing audit recommendations

A motion was introduced to add the following clause to the recommendations in the staff report:

3. That staff report back to Committee of Council on steps to be taken by By-law Enforcement to improve the efficiency and effectiveness of property standards enforcement by enhancing processes around managing and responding to service requests and the process for reconciling paid contractor invoices to ensure that the City fully recovers clean-up charges from offending property owners and should also work with Service

Brampton to ensure service requests for “Grass” and “Refuse” are properly categorized.

The motion, in its entirety, was considered as follows.

AU014-2024

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **By-law Enforcement - Property Standards Audit**, be received;

2. That the recommendations contained in Appendix 1: Property Standards Audit 2024 Report, be approved; and

3. That staff report back to Committee of Council on steps to be taken by By-law Enforcement to improve the efficiency and effectiveness of property standards enforcement by enhancing processes around managing and responding to service requests and the process for reconciling paid contractor invoices to ensure that the City fully recovers clean-up charges from offending property owners and should also work with Service Brampton to ensure service requests for “Grass” and “Refuse” are properly categorized.

Carried

6.2 ^ Staff Report re: 2024 Internal Audit Work Plan Status Update

AU015-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **2024 Internal Audit Work Plan Status Update**, be received.

Carried

6.3 Staff Report re: Status of Management Action Plans – Q2 2024

Committee discussion took place, and staff responded to questions, with respect to the following:

- Audit finding relating to HR Benefits (Phase 1) - 2019
    - Original and updated target completion dates and staff constraints to complete this item
- Audit finding relating to Realty Services - 2022 - Maintaining up to date Inventory List

- Clarification that this item includes all existing and future properties

The following motion was considered.

AU016-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **Status of Management Action Plans – Q2 2024**, be received.

Carried

6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2024

AU017-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **Corporate Ethics Hotline Quarterly Report – Q2 2024**, be received.

Carried

6.5 ^ Staff Report re: IIA Standards Work and External Quality Assessment

AU018-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 10, 2024, re: **IIA Standards Work and External Quality Assessment**, be received.

Carried

7. Reports - Finance

7.1 Staff Report re: 2023 Audited Consolidated Financial Statements for the City of Brampton

Item 5.1 was dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's Audit Findings Report for the year ended December 31, 2023, attached to the staff report as Appendix D, and highlighted the following key aspects:

- Audit highlights
  - There were no significant changes to the audit plan and no significant control deficiencies were identified

- New accounting standards were adopted by the City
- There were no corrected or incorrected audit misstatements

- Significant risks and results
  - No issues were identified
- Other risks of material misstatement and results
  - New accounting standards (Asset Retirement Obligations and Financial Instruments and other new standards) were oultined

The delegation thanked staff for their cooperation and support throughout the audit.

The following motion was considered.

AU019-2024

1. That the delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of June 10, 2024, re: **Item 7.1 - 2023 Audit Findings Report**, be received;

2. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of June 10, 2024, re: **2023 Audited Consolidated Financial Statements for the City of Brampton**, be received; and

3. That the 2023 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU020-2024

That the Audit Committee do now adjourn to meet again on Tuesday, September 24, 2024, or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, October 7, 2024

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi Regional Councillor G. Toor (arrived at 9:40 a.m. - personal) Nicole Russell, Citizen Member
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Steve Ganesh, Commissioner, Planning, Building and Growth Management Laura Johnston, Commissioner, Legislative Services Alex Milojevic, Commissioner, Corporate Support Services Peter Pilateris, Commissioner, Public Works and Engineering Sameer Akhtar, City Solicitor Fang (Claire) Mu, Director, Internal Audit Cynthia Kenth, Senior Advisor, Audit Communications, Internal Audit Genevieve Scharback, City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and recessed at 10:55 a.m. At 11:10 a.m., Committee moved into Closed Session, recessed at 12:07 p.m., reconvened in open session at 12:23 p.m. and adjourned at 12:24 p.m.

2. Approval of Agenda

Committee discussion took place with respect to proposed amendments to the agenda.

The following motion was considered.

AU021-2024

That the agenda for the Audit Committee Meeting of October 7, 2024, be approved, as amended, as follows:

To vary the order to deal with Item 6.2 (Purchasing Card Audit 2024 – Issues and Recommendations) after closed session; and

To add under Item 11.1 (Purchasing Card Audit 2024 – Supplemental Information) the following Open Meeting exception under Section 239 (2) (b) of the *Municipal Act, 2001*:

(b) personal matters about an identifiable individual, including municipal or local board employees.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

(6.3, 6.4, 6.5, 6.6)

The following motion was considered.

AU022-2024

That the following items to the Audit Committee Meeting of October 7, 2024 be approved as part of Consent:

(6.5)

Carried

Note: Later in the meeting, on a two-thirds majority vote to reopen the question, Consent was reopened and Items 6.3, 6.4 and 6.6 were removed from Consent.

5. Presentations\Delegations

Nil

6. Reports - Internal Audit

6.1 Staff Report re: Overview of IIA's Gap Assessment and Approval of Action Plan

Claire Mu, Director, Internal Audit, provided a presentation titled "2024 IIA Gap Assessment Review" and thanked the Chair and Vice Chair of Audit Committee, Corporate Leadership Team, and the Internal Audit team for their cooperation and efforts.

Keltie Donohue, IIA Quality Assessor, provided a presentation titled "Summary of GAP Assessment Results" and thanked Internal Audit for their assistance and cooperation.

Committee discussion took place and included the following:

- Threshold and process to determine the overall risk ranking for conformance with the Global Internal Audit Standards
- Clarification regarding Standard 11.5 - Communicating the Acceptance of Risks
- Acceptable timelines for staff to remediate issues

The following motion was considered.

AU023-2024

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Overview of IIA's Gap Assessment and Approval of Action Plan**, be received; and

2. That the action plan contained in Appendix 3 – Gap Assessment Final Report including Management Action Plan be approved.

Carried

6.2 Staff Report re: Purchasing Card Audit 2024 – Issues and Recommendations

The following motion was considered after closed session discussions.

AU024-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Purchasing Card Audit 2024 – Issues and Recommendations**, be **referred** to the City Council Meeting of October 16, 2024.

Carried

6.3 Staff Report re: IT Asset Management Audit Report

Claire Mu, Director, Internal Audit, responded to questions from Committee and provided clarification regarding the financial implications and risks associated with the findings of the subject audit.

The following motion was considered.

AU025-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **IT Asset Management Audit Report**, be received.

Carried

6.4 Staff Report re: Status of Management Action Plans – Q3 2024

The following motion was considered.

AU026-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Status of Management Action Plans – Q3 2024**, be received.

Carried

6.5 ^ Staff Report re: Internal Audit Work Plan Status Update - Q3 2024

AU027-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Internal Audit Work Plan Status Update - Q3 2024**, be received.

Carried

6.6 Staff Report re: Corporate Ethics Hotline Quarterly Report – Q3 2024

Committee discussion took place, and staff responded to questions, regarding a report received through the Ethics Hotline relating to embezzlement and fraud.

Claire Mu, Director, Internal Audit, advised this case was not investigated by Internal Audit, as it falls outside their jurisdiction, and was referred to the Integrity Commissioner.

Further Committee discussion on this matter included the following:

- Role of the Integrity Commissioner to investigate matters relating to the Council Code of Conduct
- Reporting structure and independence of the Integrity Commissioner
- Internal Audit process of forwarding reports regarding Members of Council to the Integrity Commissioner and a request that this process be reviewed
- Importance of ensuring anonymity and confidentiality in the Ethics Hotline

The following motion was considered.

AU028-2024

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Corporate Ethics Hotline Quarterly Report – Q3 2024**, be received.

Carried

6.7 Staff Report re: Internal Audit Charter to Align with the 2024 Global Internal Audit Standards

Claire Mu, Director, Internal Audit, provided a presentation titled “Key Updates to the Audit Committee Terms of Reference and Internal Audit Charter”.

The following motion was considered.

AU029-2024

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **Internal Audit Charter to Align with the 2024 Global Internal Audit Standards**, be received;

2. That the changes outlined in the updated Audit Committee Terms of Reference and Internal Audit Charter as set out in Appendix 2: Proposed new Audit Committee Terms of Reference and Internal Audit Charter, be approved; and,

3. That a by-law be passed to amend By-law 108-2023 to update the Audit Committee Terms of Reference and Internal Audit Charter, as set out in Appendix 2 of the subject report.

Carried

6.8 Staff Report re: 2025 Internal Audit Budget

Claire Mu, Director, Internal Audit, provided a presentation titled "Internal Audit 2025 Budget Request".

The following motion was considered.

AU030-2024

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2024, re: **2025 Internal Audit Budget**, be received; and

2. That the proposed 2025 Internal Audit Budget, as outlined in this report, and the appendices be approved and forwarded to the Mayor’s Budget for consideration.

Carried

7. Reports - Finance

Nil

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 Purchasing Card Audit 2024 – Supplemental Information

Open Meeting exception under Section 239 (2) (a) and (b) of the Municipal Act, 2001:

The security of the property of the municipality or local board and personal matters about an identifiable individual, including municipal or local board employees.

11.2 CAE Qualifications

Open Meeting exception under Section 239 (2) (b) of the Municipal Act, 2001:

A personal matter about an identifiable individual, including municipal or local board employees.

The following motion was considered.

AU031-2024

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Purchasing Card Audit 2024 – Supplemental Information

Open Meeting exception under Section 239 (2) (a) and (b) of the Municipal Act, 2001:

The security of the property of the municipality or local board and personal matters about an identifiable individual, including municipal or local board employees.

11.2 CAE Qualifications

Open Meeting exception under Section 239 (2) (b) of the Municipal Act, 2001:

A personal matter about an identifiable individual, including municipal or local board employees.

Carried

In Open Session, Regional Councillor Keenan, Chair, reported on the status of matters considered in Closed Session, as follows:

11.1 – This item was considered in closed session and procedural direction was given to refer the item to the October 16, 2024 meeting of Council, in closed session.

11.2 – This item was considered in closed session and direction was given, including that a motion be considered in open session (See Recommendation AU032-2024).

The following motion was considered pursuant to Item 11.2:

AU032-2024

That the Audit Committee hereby re-affirms the appointment of Claire Mu to the position of Internal Auditor for the City of Brampton.

Carried

12. Adjournment

The following motion was considered.

AU033-2024

That the Audit Committee do now adjourn to meet again on Tuesday, December 3, 2024, or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, December 3, 2024

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor M. Palleschi Regional Councillor G. Toor Nicole Russell, Citizen Member
Members Absent:	Regional Councillor N. Brar (personal)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Alex Milojevic, Commissioner, Corporate Services Nick Ruller, Fire Chief, Fire and Emergency Services Sunil Sharma, Director, Capital Works, Public Works and Engineering Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Sahil Sharma, Lead Internal Auditor, Internal Audit Cynthia Kenth, Senior Advisor, Audit Communications, Internal Audit Genevieve Scharback, City Clerk Charlotte Gravlev, Deputy City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:36 a.m. and recessed at 10:27 a.m. Committee moved into Closed Session at 10:47 a.m. and recessed at 11:27 a.m. Committee reconvened in Open Session at 11:37 a.m. and adjourned at 11:38 a.m.

2. Approval of Agenda

The following motion was considered.

AU034-2024

That the agenda for the Audit Committee Meeting of December 3, 2024, be approved, as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.3, 6.4

The following motion was considered.

AU035-2024

That the following items to the Audit Committee Meeting of December 3, 2024 be approved as part of Consent:

6.3, 6.4

Carried

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: KPMG Audit Plan for the 2024 Fiscal Year

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's Audit Planning Report for the year ending December 31, 2024 (Attachment 1 to Report Item 7.1), and provided information with respect to the following:

- Audit highlights
- Updates to the prior year audit plan
  - New accounting and auditing standards
- Materiality
- Involvement of KPMG professionals with specialized skill in the audit
- Group Audit-Scoping
- Audit risks - Significant risks
  - Risk of management override of controls
  - Presumption of the risk of fraud involving improper revenue recognition
- Other risks of material misstatement
- Key milestones and deliverables

The following motion was considered.

AU036-2024

1. That the delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of December 3, 2024, re: **KPMG Audit Plan for the 2024 Fiscal Year**, be received;

2. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of December 3, 2024, re: **KPMG Audit Plan for the 2024 Fiscal Year**, be received; and

3. That the Audit Planning Report for the Year Ending December 31, 2024, prepared by KPMG LLP, Chartered Accountants (KPMG LLP), to the Audit Committee, be received.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Road Resurfacing Audit 2024 Report

Brad Cecile, Manager, Internal Audit, and Sunil Sharma, Director, Capital Works, Public Works and Engineering, provided a presentation on the Road Resurfacing Audit.

Committee discussion on this matter included the following:

- Road Resurfacing contract length
- Timeline for addressing audit findings
- Controls for the maintenance of insurance documentation
- Request that future reports include a staff response to the audit

The following motion was considered.

AU037-2024

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of December 3, 2024, re: **Road Resurfacing Audit 2024 Report**, be received;

2. That the recommendations contained in Appendix 1: Road Resurfacing Audit 2024 Report, be approved; and

3. Whereas the current format of internal audit reports places management action plans and responses in an appendix, which may limit their visibility to stakeholders reviewing the reports; and

   Whereas integrating management action plans and responses into the main body of the report would improve clarity, ensure greater transparency, and provide stakeholders with a comprehensive understanding of audit findings, including management's commitments and the specific steps planned to address recommendations, thereby enabling more informed decision-making;

   Therefore Be It Resolved that Internal Audit adopts an updated reporting format that incorporates management action plans and responses directly within the main body of audit reports, immediately following each audit finding and recommendation. Furthermore, the revised format shall be implemented by the first Audit Committee meeting of 2025.

Carried

6.2 Staff Report re: Fire Fleet Asset Management 2024 Audit Report

Sahil Sharma, Lead Internal Auditor, Internal Audit, and Nick Ruller, Fire Chief, Fire and Emergency Services, provided a presentation on the Fire Fleet Asset Management Audit.

Committee discussion on this matter included the following:

- Equipment tracking process improvements
- Dollar threshold for tracking assets in the M5 system ($1000.00)

The following motion was considered.

AU038-2024

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of December 3, 2024, re: **Fire Fleet Asset Management 2024 Audit Report**, be received; and
2. That the recommendations contained in Appendix 1: Fire Fleet Asset Management 2024 Audit Report, be approved.

Carried

6.3 ^ Staff Report re: Internal Audit Work Plan Status Update Q4 - 2024

AU039-2024

That the report from Richard Gervais, Senior Advisor - IT Audit, Internal Audit, to the Audit Committee Meeting of December 3, 2024, re: **Internal Audit Work Plan Status Update Q4- 2024**, be received.

Carried

6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q4 2024

AU040-2024

That the report from Richard Gervais, Senior Advisor - IT Audit, Internal Audit, to the Audit Committee Meeting of December 3, 2024, re: **Corporate Ethics Hotline Quarterly Report – Q4 2024**, be received.

Carried

6.5 Staff Report re: Internal Audit Strategy Report

Committee discussion took place regarding the Internal Audit Strategy 2024-2026, and included the following:

- Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis
    - Sub-optimal use of audit software, and the steps, support and timeline to reconfigure this software
- Lack of on-going fraud awareness training, and lack of dedicated staff resources to manage the Ethics Hotline
- Performance metric "Process: Enhance Audit Quality and Impact", and the timeline for meeting the target for proposed additional metric #2 "Confirming the Implementation Status of Management Action Plans (MAPs)"
    - Ongoing monitoring of medium-high risk findings, and validation of management action plans
- Budget request for an additional Lead Internal Auditor

The following motion was considered.

AU041-2024

1. That the report from Kevin Mahadeo, Advisor, Research, Administrative Services and Special Projects, Internal Audit, to the Audit Committee Meeting of December 3, 2024, re: **Internal Audit Strategy 2024-2026**, be received; and,

2. That the full strategy document included in Appendix 1 – Internal Audit Strategy 2024-2026, be approved.

Carried

7. Reports - Finance

7.1 Staff Report re: KPMG Audit Plan for the 2024 Fiscal Year

Dealt with under Item 5.1 - Recommendation AU036-2024

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 Cyber Security Audit – 2024

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

The following motion was considered.

AU042-2024

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Cyber Security Audit – 2024

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

Carried

In Open Session, Regional Councillor Vicente, Vice Chair, reported on the status of matters considered in Closed Session, as follows:

11.1 - This item was considered in closed session and direction was given (to receive).

12. Adjournment

The following motion was considered.

AU043-2024

That the Audit Committee do now adjourn to meet again for a regular meeting on Tuesday, February 11, 2025 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, February 24, 2025

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi (arrived at 9:35 a.m. - personal) Regional Councillor G. Toor Nicole Russell, Citizen Member
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Steve Ganesh, Commissioner, Planning, Building and Growth Management Laura Johnston, Commissioner, Legislative Services Alex Milojevic, Commissioner, Corporate Services Peter Pilateris, Commissioner, Public Works and Engineering Sameer Akhtar, City Solicitor Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Cynthia Kenth, Senior Advisor, Audit Communications, Internal Audit Rachel Coulter, Advisor, Research, Administrative Services and Special Projects, Internal Audit Genevieve Scharback, City Clerk Tammi Jackson, Legislative Coordinator Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and adjourned at 10:24 a.m.

2. Approval of Agenda

The following motion was considered.

AU001-2025

That the agenda for the Audit Committee Meeting of February 24, 2025, be approved, as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.3, 6.5

The following motion was considered.

AU002-2025

That the following items to the Audit Committee Meeting of February 24, 2025 be approved as part of Consent:

6.3, 6.5

Carried

5. Presentations\Delegations

Nil

6. Reports - Internal Audit

6.1 Staff Report re: Building Permit Audit 2024 Report

Brad Cecile, Manager, Internal Audit, and Farhad Habibi, Director, Building/Chief Building Official, Planning Building and Growth Management, provided a presentation on the Building Permit Audit.

Staff responded to questions from Committee with respect to the following:

- Building permit application review process
- Process for issuing and closing building permits, including inspections
- Clarification regarding the monitoring of open occurrences
- Clarification regarding the monitoring and prioritization of open permit applications
- 2024 Ontario Building Code and status of updates to the Standard Operating Procedures (SOP)

The following motion was considered.

AU003-2025

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **Building Permit Audit 2024 Report**, be received; and
2. That the recommendations contained in Appendix 1: Building Permit Audit 2024 Report be approved.

Carried

6.2 Staff Report re: Internal Audit Quality Assurance and Improvement Program

Claire Mu, Director, Internal Audit, provided a presentation titled "Quality Assurance and Improvement Program".

The following motion was considered.

AU004-2025

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **Internal Audit Quality Assurance and Improvement Program**, be received; and

2. That the proposed Quality Assessment and Improvement Program documents included in Appendix 1 – Quality Assurance and Improvement Program Summary and Appendix 2 – External Quality Assessment Plan, be approved.

Carried

6.3 ^ Staff Report re: Internal Audit Communication Framework

AU005-2025

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **Internal Audit Communication Framework**, be received; and

2. That the communication framework outlined in Appendix 1 – Internal Audit Communication Framework be approved.

Carried

6.4 Staff Report re: 2025 Internal Audit Work Plan and 2024 Status Update

Staff responded to questions from Committee regarding the staff complement in the Internal Audit Division, including the following:

- Benchmarking against other municipalities
- Challenges in recruiting staff
- Impact of the City's growth on the Internal Audit Work Plan
- Barriers to increasing the staff complement

The following motion was considered.

AU006-2025

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **2025 Internal Audit Work Plan and 2024 Status Update**, be received;

2. That the Audit Committee approve the proposed 2025 Audit Work Plan; and

3. That the Audit Committee approve the reduction of audits from 8 to 6 so audit resources can be diverted to the Management Action Plans Follow-up project and Quality Assurance and Improvement Program in order to achieve and maintain IIA 2024 Global Audit Standards.

Carried

6.5 ^ Staff Report re: Status of Management Action Plans – Q4 2024

AU007-2025

That the report from Richard Gervais, Senior Advisor, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **Status of Management Action Plans - Q4 2024**, be received.

Carried

6.6 Staff Report re: Internal Audit 2024 Annual Report

The '2024 Annual Report – Director's Message' video was played.

Regional Councillor Keenan, Chair, thanked the Internal Audit Team for their efforts.

The following motion was considered.

AU008-2025

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 24, 2025, re: **Internal Audit 2024 Annual Report**, be received.

Carried

7. Reports - Finance

Nil

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU009-2025

That the Audit Committee do now adjourn to meet again for a regular meeting on June 10, 2025 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, June 10, 2025

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar (arrived at 9:44 a.m. - personal) Regional Councillor G. Toor Nicole Russell, Citizen Member
Members Absent:	Regional Councillor M. Palleschi (other municipal business)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Peter Pilateris, Commissioner, Public Works and Engineering Jason Tamming, Acting Commissioner, Corporate Support Services Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Richard Gervais, Senior Advisor, IT Audit, Internal Audit Rachel Coulter, Advisor, Research, Administrative Services and Special Projects, Internal Audit Genevieve Scharback, City Clerk Charlotte Gravlev, Deputy City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:35 a.m. and adjourned at 10:31 a.m.

2. Approval of Agenda

Committee discussion took place with respect to proposed amendments to the agenda.

The following motion was considered.

AU010-2025

That the agenda for the Audit Committee Meeting of June 10, 2025, be approved, as amended, as follows:

To add:

6.6 Staff Report re: Driver Certification Program Compliance Audit – Fleet, and Fire and Emergency Services

6.7 Staff Report re: Driver Certification Program Compliance Audit – Transit

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The Chair reviewed the relevant agenda items during this section of the meeting and allowed Members to identify agenda items for debate and consideration. The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time: 6.4, 6.5

The following motion was considered.

AU011-2025

That the following items to the Audit Committee Meeting of June 10, 2025 be approved as part of Consent:

(6.4, 6.5)

Carried

5. Presentations\Delegations

5.1 Delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: Item 7.1 - 2024 Audited Consolidated Financial Statements for the City of Brampton

(See Item 7.1 - Attachment 4 - KPMG Audit Findings Report (for the year ended December 31, 2024))

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's Audit Findings Report for the year ended December 31, 2024, attached to the staff report as Attachment 4, and highlighted the following key aspects:

- Audit highlights
  - No significant changes to the audit plan
  - No unusual or fraudulent transactions and no significant control deficiencies were identified
  - No corrected or incorrected audit misstatements were identified
  - No significant impacts from the adoption of the new accounting standards and no adjustments were required
- Audit status
- Significant risks and results
  - Presumed risks of fraud
  - No issues were identified
- Control Deficiencies
  - No deficiencies in internal control were identified
- Audit Quality Framework

The delegation responded to questions from Committee with respect to the following:

- Public Sector Accounting Standards in relation to:
  - Public Private Partnership (P3) transactions for municipalities
  - Purchased intangibles

Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, responded to questions from Committee with respect to tax receivables and the assessment of collectability on the receivables due to economic changes.

The following motion was considered.

AU012-2025

1. That the delegation from Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of June 10, 2025, re: **Item 7.1 - 2024 Audited Consolidated Financial Statements for the City of Brampton**, be received;

2. That the report from Maja Kuzmanov, Senior Manager Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of June 10, 2025, re: **2024 Audited Consolidated Financial Statements for the City of Brampton**, be received; and

3. That 2024 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Fleet Asset Management Audit 2025 Report

Brad Cecile, Manager, Internal Audit, and Shane Loftus, Director, Road Maintenance, Operations and Fleet, Public Works and Engineering, provided a presentation on the Fleet Asset Management Audit.

Staff responded to questions from Committee with respect to the following:

- Challenges in tracking equipment
- Potential underutilization of vehicles
- Implementation of new technology to assist with fleet asset management

The following motion was considered.

AU013-2025

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Fleet Asset Management Audit 2025 Report**, be received; and

2. That the recommendations contained in Appendix 1: Fleet Asset Management 2025 Report be approved;

3. That software and IT systems be included within scope of the improvements to be undertaken; and

4. That a fuel tracking system also be considered.

Carried

6.2 Staff Report re: Fuel Management Audit 2025 Report

Brad Cecile, Manager, Internal Audit, and Shane Loftus, Director, Road Maintenance, Operations and Fleet, Public Works and Engineering, provided a presentation on the Fuel Management Audit.

The following motion was considered.

AU014-2025

1. That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Fuel Management Audit 2025 Report**, be received; and

2. That the recommendations contained in Appendix 1: Fuel Management Audit 2025 Report be approved.

Carried

6.3 Staff Report re: Management Action Plans Follow-up Engagement Report (Operational Audits)

Claire Mu, Director, Internal Audit, responded to questions from Committee with respect to the following:

- Management Action Plans (MAP) Validation Statistics by Audit and the risk rating of MAPs that remain open
- Risk associated with the open MAPs
- Clarification regarding the purpose of the subject report, and an indication that a further update report will be provided in the third quarter of 2025, which will identify high and medium risk recommendations

The following motion was considered.

AU015-2025

That the report Balqees Omotosho, Senior Advisor, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Management Action Plans Follow-up Engagement Report (Operational Audits)**, be received.

Carried

6.4 ^ Staff Report re: 2025 Internal Audit Work Plan Status Update

AU016-2025

That the report Rachel Coulter, Advisor, Research, Administrative Services and Special Projects, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **2025 Internal Audit Work Plan Status Update**, be received.

Carried

6.5 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2025

AU017-2025

That the report from Richard Gervais, Senior Advisor, IT Audit, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Corporate Ethics Hotline Quarterly Report – Q2 2025**, be received.

Carried

6.6 Staff Report re: Driver Certification Program Compliance Audit – Fleet, and Fire and Emergency Services

Claire Mu, Director, Internal Audit, provided an overview of the subject report, and advised that the audit conducted by Internal Audit indicated no issues and the next audit due date is July 1, 2028.

The following motion was considered.

AU018-2025

That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Driver Certification Program Compliance Audit – Fleet, and Fire and Emergency Services**, be received.

Carried

6.7 Staff Report re: Driver Certification Program Compliance Audit – Transit

Claire Mu, Director, Internal Audit, provided an overview of the subject report, and advised that the audit conducted by Internal Audit indicated no issues and the next audit due date is July 1, 2028.

The following motion was considered.

AU019-2025

That the report from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of June 10, 2025, re: **Driver Certification Program Compliance Audit – Transit**, be received.

Carried

7. Reports - Finance

7.1 Staff Report re: 2024 Audited Consolidated Financial Statements for the City of Brampton

Dealt with under Item 5.1 - Recommendation AU012-2025

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU020-2025

That the Audit Committee do now adjourn to meet again for a regular meeting on Tuesday, October 7, 2025 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, October 7, 2025

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi Regional Councillor G. Toor
Members Absent:	Nicole Russell, Citizen Member (regrets)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Peter Pilateris, Commissioner, Public Works and Engineering Jason Tamming, Acting Commissioner, Corporate Support Services Heidi Dempster, General Manager, Brampton Transit Fang (Claire) Mu, Director, Internal Audit Mia Cui, Manager, Internal Audit Rachel Coulter, Advisor, Administrative Services, Research and Special Projects, Internal Audit Genevieve Scharback, City Clerk Tammi Jackson, Legislative Coordinator Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and adjourned at 9:53 a.m.

2. Approval of Agenda

The following motion was considered.

AU021-2025

That the agenda for the Audit Committee Meeting of October 7, 2025, be approved, as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.2, 6.3, 6.4, 6.5

The following motion was considered.

AU022-2025

That the following items to the Audit Committee Meeting of October 7, 2025 be approved as part of Consent:

6.2, 6.3, 6.4, 6.5

Carried

5. Presentations\Delegations

5.1 Delegation from Keltie Donohue, External Quality Assessor, Institute of Internal Auditors, re: Results of the 2025 External Quality Assessment of the City of Brampton's Internal Audit Function

Item 6.1 was brought forward and dealt with at this time.

Keltie Donohue, External Quality Assessor, Institute of Internal Auditors, provided a presentation entitled "City of Brampton Internal Audit Summary of Self Assessment with Independent Validation – Re. Global Internal Audit Standards" (Appendix 2 of Report Item 6.1).

Committee Members thanked the delegation for the presentation, acknowledged the work of the Internal Audit team, and expressed support for the attendance of the Chief Audit Executive (CAE) at Corporate Leadership Team (CLT) meetings.

A video entitled "Internal Audit Milestone - Full Conformance with the IIA Global Internal Audit Standards" was played and Corporate Communications staff were requested to communicate the results of the External Quality Assessment to Brampton residents.

The following motions were considered.

AU023-2025

That the delegation from Keltie Donohue, External Quality Assessor, Institute of Internal Auditors, to the Audit Committee Meeting of October 7, 2025, re: **Results of the 2025 External Quality Assessment of the City of Brampton's Internal Audit Function**, be received.

Carried

AU024-2025

1. That the report from Mia Cui, Manager, Internal Audit, to the Audit Committee Meeting of October 7, 2025, re: **2025 External Quality Assessment of the Internal Audit Function, including appendices detailing the EQA results and presentation materials**, be received; and,
2. That the Audit Committee review and approve the action plans for enhancement activities outlined in Appendix 1 2025 IIA QS SAIV Report–Final.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: 2025 External Quality Assessment of the Internal Audit Function

Dealt with under Item 5.1 - See Recommendation AU024-2025

6.2 ^ Staff Report re: Internal Audit Work Plan Status Update Q3 2025

AU025-2025

That the report from Rachel Coulter, Advisor, Research, Administrative Services and Special Projects, Internal Audit, to the Audit Committee Meeting of October 7, 2025, re: **Internal Audit Work Plan Status Update Q3 2025**, be received.

Carried

6.3 ^ Staff Report re: Status of Management Action Plans – Q3 2025

AU026-2025

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2025, re: **Status of Management Action Plans – Q3 2025**, be received.

Carried

6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report - Q3 2025

AU027-2025

That the report from the Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2025, re: **Corporate Ethics Hotline Quarterly Report – Q3 2025**, be received.

Carried

6.5 ^ Staff Report re: 2026 Internal Audit Budget

AU028-2025

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of October 7, 2025, re: **2026 Internal Audit Budget**, be received; and
2. That the proposed 2026 Internal Audit Budget as outlined in this report and the appendix be approved and forwarded to the Chief Budget Officer for consideration.

Carried

7. Reports - Finance

Nil

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU029-2025

That the Audit Committee do now adjourn to meet again for a regular meeting on Tuesday, December 2, 2025 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, December 2, 2025

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi Nicole Russell, Citizen Member
Members Absent:	Regional Councillor G. Toor (personal)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Heidi Dempster, General Manager, Brampton Transit Ivana Tomas, Director, Transit Services, Transit Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Min Peng, Lead Internal Auditor, Internal Audit Genevieve Scharback, City Clerk Tammi Jackson, Legislative Coordinator Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 10:01 a.m. and recessed at 11:01 a.m. Committee moved into Closed Session at 11:12 a.m., recessed at 12:01 p.m., reconvened in Open Session at 12:14 p.m. and adjourned at 12:15 p.m.

2. Approval of Agenda

The following motion was considered.

AU030-2025

That the agenda for the Audit Committee Meeting of December 2, 2025, be approved, as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.2, 6.3

The following motion was considered.

AU031-2025

That the following items to the Audit Committee Meeting of December 2, 2025 be approved as part of Consent:

6.2, 6.3

Carried

5. Presentations\Delegations

5.1 Presentation by Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: KPMG Audit Plan for the 2025 Fiscal Year

Item 7.1 was brought forward.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's Audit Planning Report for the year ending December 31, 2025 (Attachment 1 to Report Item 7.1), and provided information with respect to the following:

- Audit highlights
- Updates to the prior year audit plan
    - New accounting and auditing standards
- Materiality
- Involvement of KPMG professionals with specialized skills or knowledge
- Group audit - Scoping
- Risk assessment summary and significant risks
- Required inquiries of the Audit Committee
- Key milestones and deliverables
- Commitment to delivering audit quality
- Appendices

The following motion was considered.

AU032-2025

That the presentation by Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of December 2, 2025, re: **KPMG Audit Plan for the 2025 Fiscal Year**, be received.

Carried

AU033-2025

1. That the report from Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of December 2, 2025, re: **KPMG Audit Plan for the 2025 Fiscal Year**, be received; and
2. That the Audit Planning Report for the Year Ending December 31, 2025, prepared by KPMG LLP, Chartered Accountants (KPMG LLP) to the Audit Committee, be received.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Transit Revenue Audit - 2025

Brad Cecile, Manager, Internal Audit, Min Peng, Lead Internal Auditor, and Ivana Tomas, Director, Transit Services, provided a presentation on the Transit Revenue Audit.

Staff responded to questions from Committee with respect to the following:

- Bus revenue stream process flow
- Information included in the Daily Settlement Report (DSR)
- Recording of revenue
- Benchmarking of other municipalities and comparative data for the average rate of fare evasion
- Observations of fare evasion, operator response policy and safety protocols
- Tracking and identification efforts, and best practices for enforcement
    - Fare evasion enforcement unit in the City of Mississauga and estimated costs to establish a similar unit in Brampton
    - Possibility of implementing guidelines for compassionate grounds relating to fare evasion
- Review of new technology to enhance operator and passenger safety
- Clarification regarding the average fare used to assess impacts
- Number of buses in service daily
- Clarification regarding the monthly revenue reconciliation process and duplicate transaction entries
- Reporting requirements for advertising vendors and an indication that advertising revenue statements should include bus level traceability
- Advertising revenue-share formula

The following motion was considered.

AU034-2025

1. That the report and presentation from Brad Cecile, Manager, Internal Audit, to the Audit Committee Meeting of December 2, 2025, re: **Transit Revenue Audit Report 2025**, be received; and,

2. That the recommendations contained in Appendix 1: Transit Revenue Audit - 2025 be approved.

Carried

6.2 ^ Staff Report re: Internal Audit Work Plan Status Update Q4 2025

AU035-2025

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of December 2, 2025, re: **Internal Audit Work Plan Status Update Q4 2025**, be received.

Carried

6.3 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report - Q4 2025

AU036-2025

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of December 2, 2025, re: **Corporate Ethics Hotline Quarterly Report - Q4 2025,** be received.

Carried

7. Reports - Finance

7.1 Staff Report re: KPMG Audit Plan for the 2025 Fiscal Year

Dealt with under Item 5.1 - Recommendation AU033-2025

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

11.1 Presentation by Malleum re: Brampton Public Library: Executive Presentation

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.2 Brampton Public Library Cyber Security Audit 2025

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.3 Presentation by Claire Mu re: Management Action Plans Validation - 2025 - IT and Cybersecurity

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.4 Management Action Plans Validation - 2025 - IT and Cybersecurity

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

The following motion was considered.

AU037-2025

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Presentation by Malleum re: Brampton Public Library: Executive Presentation

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.2 Brampton Public Library Cyber Security Audit 2025

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.3 Presentation by Claire Mu re: Management Action Plans Validation - 2025 - IT and Cybersecurity

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

11.4 Management Action Plans Validation - 2025 - IT and Cybersecurity

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

Carried

In Open Session the Chair reported on the status of matters considered in Closed Session, as follows:

11.1 – This item was considered in closed session, and no direction was given to staff.

11.2 – This item was considered in closed session, and direction was given to staff.

11.3 – This item was considered in closed session, and no direction was given to staff.

11.4 – This item was considered in closed session, and no direction was given to staff.

The following motion was subsequently placed and considered pursuant to Item 11.4:

AU038-2025

1. That IT Staff conduct quarterly third-party assessment of the risk posture / ratings, and
2. That the definitions and risks with the enterprise risk management matrix be aligned.

Carried

12. Adjournment

The following motion was considered.

AU039-2025

That the Audit Committee do now adjourn to meet again for a regular meeting on Tuesday, February 10, 2026 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, February 10, 2026

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor G. Toor Nicole Russell, Citizen Member
Members Absent:	Regional Councillor M. Palleschi (personal)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Steve Ganesh, Commissioner, Planning, Building and Growth Management Laura Johnston, Commissioner, Legislative Services Peter Pilateris, Commissioner, Public Works and Engineering Fang (Claire) Mu, Director, Internal Audit Cynthia Kenth, Senior Advisor, Audit Communications, Internal Audit Genevieve Scharback, City Clerk Richa Ajitkumar, Legislative Coordinator Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 1:31 p.m. and adjourned at 2:04 p.m.

2. Approval of Agenda

The following motion was considered.

AU001-2026

That the agenda for the Audit Committee Meeting of February 10, 2026 be approved, as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

(6.3, 6.4, 6.5)

The following motion was considered.

AU002-2026

That the following items to the Audit Committee Meeting of February 10, 2026 be approved as part of Consent:

6.3, 6.4, 6.5

Carried

5. Presentations\Delegations

Nil

6. Reports - Internal Audit

6.1 Staff Report re: 2026–2030 Audit Work Plan

Claire Mu, Director, Internal Audit, and Philip Racco, Partner, MNP, provided a presentation titled "2026–2030 Audit Work Plan".

Staff responded to questions from Committee regarding the following:

- Reliance on Enterprise Risk Management
- City-wide risk assessment process and timeline for reassessment

The following motion was considered.

AU003-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: **2026–2030 Audit Work Plan**, be received; and,

2. That the 2026–2030 Audit Work Plan be approved.

Carried

6.2 Staff Report re: 2025 Internal Audit Annual Report

Claire Mu, Director, Internal Audit, provided an overview of the 2025 Internal Audit Annual Report, and a "Director's Message" video was played.

Regional Councillor Keenan, Chair, highlighted the importance of the subject report, which demonstrates the City's commitment to strong governance, transparency and responsible stewardship. The Chair thanked the Internal Audit Director for her leadership and the Internal Audit Team for their efforts.

The following motion was considered.

AU004-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: **2025 Internal Audit Annual Report**, be received.

Carried

6.3 ^ Staff Report re: 2025 Audit Plan Update and Governance Items

AU005-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: 2025 Audit Work Plan Status Update, be received;

2. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: 2025 Annual Affirmation of Organizational Independence, be received; and

3. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: 2025 Annual Review of the Internal Audit Charter, be received.

Carried

6.4 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q1 2026

AU006-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: **Corporate Ethics Hotline Quarterly Report – Q1 2026**, be received.

Carried

6.5 ^ Staff Report re: Internal Audit Internal Quality Assessment Plan (2026-2030)

AU007-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of February 10, 2026, re: **Internal Audit Internal Quality Assessment Plan (2026–2030)**, be received; and

2. That the Audit Committee review and approve the Internal Audit Internal Quality Assessment Plan (2026–2030), which outlines Internal Audit's approach to on-going monitoring and periodic self-assessments to support implementation of the Quality Assurance and Improvement Program (QAIP) in accordance with the Global Internal Audit Standards issued by the Institute of Internal Auditors (IIA).

Carried

7. Reports - Finance

Nil

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Nil

12. Adjournment

The following motion was considered.

AU008-2026

That the Audit Committee do now adjourn to meet again for a regular meeting on June 9, 2026 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Tuesday, June 9, 2026

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi (arrived late at 9:35 a.m.) Regional Councillor G. Toor Nicole Russell, Citizen Member
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Peter Pilateris, Commissioner, Public Works and Engineering Heidi Dempster, General Manager, Brampton Transit Rajkaran Chhina, Director, Facilities, Operations and Maintenance, Public Works and Engineering Ryan Booth, Director, Transit Operations and Maintenance, Transit Maja Kuzmanov, Senior Manager, Accounting Services and Deputy Treasurer, Corporate Support Services Fang (Claire) Mu, Director, Internal Audit Brad Cecile, Manager, Internal Audit Mia Cui, Manager, Internal Audit Steven Ross, Acting City Solicitor, Legislative Services Charlotte Gravlev, Deputy City Clerk Genevieve Scharback, City Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m., recessed at 11:20 a.m. and moved into Closed Session at 11:30 a.m. At 11:58 a.m. Committee recessed, reconvened in open session at 12:08 p.m. and adjourned at 12:17 p.m.

2. Approval of Agenda

The following motion was considered.

AU009-2026

That the agenda for the Audit Committee Meeting of June 9, 2026 be approved, as amended, to add the following items under closed session:

11.1 Closed Discussion regarding Item 6.1, Staff Report re: Public Works and Engineering Facilities Maintenance Audit 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.2 Closed Discussion regarding Item 6.2, Staff Report re: Transit Facilities Maintenance Audit – 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.3 Closed Discussion regarding Item 6.3, Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2026

Open Meeting exception under Section 239 (2) (b) of the Municipal Act, 2001:

Personal matters about an identifiable individual, including municipal or local board employees.

Carried

Note: Later in the meeting, on a two-thirds majority vote to reopen the question, the Approval of Agenda was reopened and Items 11.1, 11.2 and 11.3 were added to closed session.

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.4

The following motion was considered.

AU010-2026

That the following item to the Audit Committee Meeting of June 9, 2026 be approved as part of Consent:

6.4

Carried

5. Presentations\Delegations

5.1 Presentation by Maria Khoushnood, Lead Audit Engagement Partner, KPMG, re: 2025 Audit Findings Report for the Year Ended December 31, 2025

Item 7.1 was brought forward and dealt with at this time.

Maria Khoushnood, Lead Audit Engagement Partner, KPMG, presented KPMG's 2025 Audit Findings Report for the year ended December 31, 2025, attached to Item 7.1 as Appendix D, and highlighted the following key aspects:

- Audit highlights
  - No unusual or fraudulent transactions and no significant control deficiencies were identified
  - No corrected or incorrected audit misstatements were identified
- Audit status
- Significant risks and results
  - No issues were identified
- Control Deficiencies
  - No deficiencies in internal control were identified

- Audit Quality Framework
- Overview of appendices

Committee Members raised questions of the presenter and received clarifications with respect to various items within the report, including the following:

- Categorization of software under capital assets
- Clarification regarding sinking fund deposits
- Increase in property taxes receivable

The following motion was considered.

AU011-2026

1. That the presentation by Maria Khoushnood, Lead Audit Engagement Partner, KPMG, to the Audit Committee Meeting of June 9, 2026, re: **2025 Audit Findings Report for the Year Ended December 31, 2025**, be received;
2. That the report prepared by Maja Kuzmanov, Senior Manager, Accounting Services/Deputy Treasurer, Corporate Support Services, to the Audit Committee Meeting of June 9, 2026, re: **2025 Audited Consolidated Financial Statements for the City of Brampton**, be received; and
3. That the 2025 Audited Consolidated Financial Statements for the City of Brampton, be approved.

Carried

6. Reports - Internal Audit

6.1 Staff Report re: Public Works and Engineering Facilities Maintenance Audit 2026

Mia Cui, Manager, Internal Audit, and Rajkaran Chhina, Director, Facilities, Operations and Maintenance, Public Works and Engineering, provided a presentation attached to the report as Appendix 2, regarding the subject audit.

Claire Mu, Director, Internal Audit, expressed thanks to various staff for their collaboration and support during the audit process.

Staff responded to questions from Committee with respect to the following:

- Audit Finding B relating to the utilization of Cityworks software for tracking work orders

- Audit Finding F relating to the cause of duplicate payments for vendor invoice transactions and clarification regarding the operation of the Oracle system
- Audit Finding A relating to vendor-performed demand maintenance expenditures not charged to established purchase orders, circumstances under which this would occur, and threshold for individual invoices
- Impact of de-centralized procurement practices and consideration for centralizing processes for common controls
- Controls within the Purchasing By-law

Regional Councillor Palleschi proposed Committee move into closed session for further discussion on this matter.

The Chair acknowledged the request and this item was stood down to deal with all other agenda items prior to a closed session being convened.

Following closed session, the following motions were considered.

AU012-2026

1. That the Chief Administrative Officer be requested to report back on the implementation status of the facilities-management recommendations arising from the 2019 Community Services Service Efficiency Study prepared by Blackline Consulting and identify actions required to accelerate implementation of an appropriate City-wide facilities maintenance operating model; and
2. That the review address the consultant's recommendation to centralize facilities management by determining which facilities maintenance activities should be managed corporately and which activities should remain within operating departments because they are specialized or program-specific; and
3. That the review include, at a minimum:
    a. centralizing contract management for common facilities maintenance services across City buildings;
    b. conducting a City-wide spend analysis to identify contracts cover overlapping services, gaps in services coverage, services procured outside established contracts, opportunities to consolidate vendors, opportunities for volume discounts, and whether the approved contractor list address operational needs;
    c. establishing consistent maintenance standards and service levels for City facilities;

d. establishing service agreements that clarify responsibilities between the centralized facilities maintenance function and the operating departments using the facilities;

e. improving the consistency of financial coding, cost-centre structures, and expenditure reporting to allow maintenance costs to be monitored by facility, service type, and vendor;

f. identifying staffing, technology, governance, and implementation requirements; and

g. establishing an implementation plan with defined milestones and timelines; and

4. That the Chief Administrative Officer report back with the proposed implementation plan to the February 2027 Audit Committee meeting.

Carried

AU013-2026

1. That the Director, Purchasing, in consultation with the Treasurer and affected operating departments, be requested to develop and implement a standardized City invoice template for all vendors providing facilities maintenance services; and

2. That completion and submission of the standardized City invoice template be established as a mandatory condition of payment for facilities maintenance services; and

3. That each vendor be required to submit the completed standardized City invoice template and all required supporting documentation; and

4. That the standardized City invoice template require, at a minimum:

a. the vendor name and invoice number;

b. the applicable contract, Request for Proposal, or quotation reference;

c. the applicable purchase-order number and confirmation that the invoiced work is being charged against the approved purchase order;

d. where no purchase order applies, the documented procurement exception or other approved authorization supporting the expenditure;

e. the applicable work-order number, service location, and service date;

f. a description of the work performed;

g. an itemized breakdown of labour charges, including employee classification, hours worked, billing rate, and the corresponding rate established through the applicable contract, Request for Proposal, or approved quotation;

h. an itemized breakdown of materials and parts, including description, quantity, unit cost, applicable contract rate, and any permitted markup; and

i. any other information required by the City to verify that the invoiced amount is accurate, appropriately authorized, and consistent with the applicable procurement arrangement; and

5. That invoices not accompanied by a fully completed standardized City invoice template, the vendor's invoice, and all required supporting documentation not be approved or processed for payment until the missing information has been provided and verified; and

6. That the standardized City invoice template and related submission requirements be incorporated into future procurement documents, contracts, purchase orders, and vendor communications, and be implemented for existing facilities maintenance vendors through an appropriate transition plan; and

7. That the Director, Purchasing, report back to the September 21, 2026 Audit Committee meeting on the standardized City invoice template, the implementation timeline, and any required system or process changes.

Carried

AU014-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 9, 2026, re: **Public Works and Engineering Facilities Maintenance Audit 2026**, be received; and

2. That the recommendations contained in Appendix 1: Public Works and Engineering Facilities Maintenance Audit 2026, be approved.

Carried

6.2 Staff Report re: Transit Facilities Maintenance Audit - 2026

Brad Cecile, Manager, Internal Audit, expressed thanks to various staff for their collaboration and support during the audit process.

Brad Cecile and Ryan Booth, Director, Transit Operations and Maintenance, Brampton Transit, provided a presentation attached to the report as Appendix 2, regarding the subject audit.

Staff responded to questions from Committee with respect to the following:

- Audit Finding F relating to the same work billed under different invoice numbers and duplicate P-Card payments
- Clarification regarding various rental purchases including snow removal equipment
    - Request that staff investigate options to include snow removal equipment for Transit in the winter operations contract under Public Works and Engineering
- Request that Internal Audit report back on the possibility of conducting a review of other City units that conduct facility maintenance and the potential impact on the audit plan

Regional Councillor Palleschi proposed Committee move into closed session for further discussion on this matter.

The Chair acknowledged the request and this item was stood down to deal with all other agenda items prior to a closed session being convened.

Following closed session, the following motions were considered.

AU015-2026

1. That the General Manager, Brampton Transit, be requested to review recurring facilities maintenance expenditures identified through the Transit Facilities Maintenance Audit to determine whether the services remain operationally necessary, appropriately scoped, and cost-effective; and
2. That the review includes portable toilet rentals and other recurring goods and services where the nature, frequency, duration, or cumulative cost warrants further assessment; and
3. That the review considers whether the services should be discontinued, reduced, consolidated, delivered through an alternative operational approach, or procured through a more appropriate contractual arrangement; and
4. That the General Manager, Brampton Transit, report back to the September 21, 2026 Audit Committee meeting on the results of the review and any corrective actions taken or proposed.

Carried

AU016-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 9, 2026, re: **Transit Facilities Maintenance Audit Report 2026**, be received; and

2. That the recommendations contained in Appendix 1: Transit Facilities Maintenance Audit - 2026, be approved.

Carried

6.3 Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2026

The Chair acknowledged a request from Regional Councillor Toor for Committee to move into closed session to discuss this matter.

This item was stood down to deal with all other agenda items prior to a closed session being convened.

Following closed session, the following motion was considered.

AU017-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 9, 2026, re: **Corporate Ethics Hotline Quarterly Report – Q2 2026**, be received.

Carried

6.4 ^ Staff Report re: Internal Audit Work Plan Status Update Q2 2026

AU018-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of June 9, 2026, re: **Internal Audit Work Plan Status Update Q2 2026**, be received.

Carried

7. Reports - Finance

7.1 Staff Report re: 2025 Audited Consolidated Financial Statements for the City of Brampton

Dealt with under Item 5.1 - See Recommendation AU011-2026

8. Other/New Business

Nil

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted.

11. Closed Session

Note: Earlier in the meeting on a two-thirds majority vote to reopen the question, the Approval of Agenda was reopened and Items 11.1, 11.2 and 11.3 were added to closed session.

11.1 Closed Discussion regarding Item 6.1, Staff Report re: Public Works and Engineering Facilities Maintenance Audit 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.2 Closed Discussion regarding Item 6.2, Staff Report re: Transit Facilities Maintenance Audit – 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.3 Closed Discussion regarding Item 6.3, Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2026

Open Meeting exception under Section 239 (2) (b) of the Municipal Act, 2001:

Personal matters about an identifiable individual, including municipal or local board employees.

The following motion was considered.

AU019-2026

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 Closed Discussion regarding Item 6.1, Staff Report re: Public Works and Engineering Facilities Maintenance Audit 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.2 Closed Discussion regarding Item 6.2, Staff Report re: Transit Facilities Maintenance Audit – 2026

Open Meeting exception under Section 239 (2) (e) of the Municipal Act, 2001:

Litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board.

11.3 Closed Discussion regarding Item 6.3, Staff Report re: Corporate Ethics Hotline Quarterly Report – Q2 2026

Open Meeting exception under Section 239 (2) (b) of the Municipal Act, 2001:

Personal matters about an identifiable individual, including municipal or local board employees.

Carried

In Open Session the Chair reported on the status of matters considered in Closed Session, as follows:

11.1 - This item was considered in closed session and direction was given.

11.2 - This item was considered in closed session and direction was given.

11.3 - This item was considered in closed session and direction was given.

12. Adjournment

The following motion was considered.

AU020-2026

That the Audit Committee do now adjourn to meet again for a regular meeting on Monday, September 21, 2026 at 9:30 a.m. or at the call of the Chair.

Carried

_____

Regional Councillor D. Keenan, Chair

_____

Regional Councillor P. Vicente, Vice-Chair

Minutes

Audit Committee

The Corporation of the City of Brampton

Monday, September 21, 2026

Members Present:	Regional Councillor D. Keenan, Chair Regional Councillor P. Vicente, Vice-Chair Regional Councillor N. Brar Regional Councillor M. Palleschi (arrived late at 11:09 a.m. - personal) Regional Councillor G. Toor
Members Absent:	Nicole Russell, Citizen Member (regrets)
Staff Present:	Marlon Kallideen, Chief Administrative Officer Bill Boyes, Commissioner, Community Services Laura Johnston, Commissioner, Legislative Services Peter Pilateris, Commissioner, Public Works and Engineering Jason Tamming, Acting Commissioner, Corporate Support Services Sean Morgan, Director, Purchasing, Office of the CAO Ryan Booth, Director, Transit Operations and Maintenance, Transit Fang (Claire) Mu, Director, Internal Audit Balqees Omotosho, Senior Advisor, IT Audit, Internal Audit Lily Yu, Advisor, Research, Administrative Services, and Special Projects, Internal Audit Genevieve Scharback, City Clerk Tracy MacDonald, Interim Deputy Clerk Sonya Pacheco, Legislative Coordinator

1. Call to Order

The meeting was called to order at 9:30 a.m. and recessed at 9:59 a.m. Committee moved into Closed Session at 10:15 a.m., recessed at 11:10 a.m., reconvened in Open Session at 11:18 a.m. and adjourned at 11:20 a.m.

2. Approval of Agenda

The following motion was considered.

AU021-2026

That the agenda for the Audit Committee Meeting of September 21, 2026 be approved as published and circulated.

Carried

3. Declarations of Interest under the Municipal Conflict of Interest Act

Nil

4. Consent

The following items listed with a caret (^) were considered to be routine and non-controversial by the Committee and were approved at one time.

6.2, 6.3, 6.4

The following motion was considered.

AU022-2026

That the following items to the Audit Committee Meeting of September 21, 2026 be approved as part of Consent:

6.2, 6.3, 6.4

Carried

5. Presentations\Delegations

Nil

6. Reports - Internal Audit

6.1 Staff Report re: Management Action Plan Validation – 2026

Claire Mu, Director, Internal Audit, expressed thanks to senior management and staff for their cooperation and support, and the Internal Audit team for their hard work in completing this audit exercise.

Balqees Omotosho, Senior Advisor, Internal Audit, provided a presentation attached to the report as Appendix 5, titled "Management Action Plan Validation – 2026".

Regional Councillor Keenan, Chair, thanked staff and the Internal Audit team for their efforts.

The following motion was considered.

AU023-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of September 21, 2026, re: **Management Action Plan Validation – 2026**, be received.

Carried

6.2 ^ Staff Report re: Corporate Ethics Hotline Quarterly Report – Q3 2026

AU024-2026

That the report from the Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of September 21, 2026, re: **Corporate Ethics Hotline Quarterly Report – Q3 2026**, be received.

Carried

6.3 ^ Staff Report re: Internal Audit Work Plan Status Update – Q3 2026

AU025-2026

That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of September 21, 2026, re: **Internal Audit Work Plan Status Update – Q3 2026**, be received.

Carried

6.4 ^Staff Report re: 2027 Internal Audit Budget

AU026-2026

1. That the report from Claire Mu, Director, Internal Audit, to the Audit Committee Meeting of September 21, 2026, re: **2027 Internal Audit Budget**, be received; and

2. That the proposed 2027 Internal Audit Budget, as outlined in this report and Appendix 1 – 2027 Operating Budget Summary, be approved and forwarded to the Chief Budget Officer for consideration.

Carried

7. Reports - Finance

7.1 Staff Report re: Standardized Invoice Template for Facilities Maintenance Services - Update (RM 48/2026)

In response to questions from Committee, Sean Morgan, Director, Purchasing, Office of the CAO, provided information with respect to the following:

- Implementation of interim processes until the full implementation of the new standardized invoice template in Q2 2027
- Measures to ensure compliance
- Processes related to incomplete invoices

The following motion was considered.

AU027-2026

That the report prepared by Sean Morgan, Director, Purchasing, Office of the CAO, to the Audit Committee Meeting of September 21, 2026, re: **Standardized Invoice Template for Facilities Maintenance Services - Update**, be received.

Carried

8. Other/New Business

8.1 Staff Report re: Audit Recommendation AU015-2026 – Transit Facilities Maintenance Audit Follow-Up (RM 49/2026)

In response to questions from Committee, Ryan Booth, Director, Transit Operations and Maintenance, Transit, provided information with respect to the following:

- Transit review of all recurring expenditures identified through the audit, and the implementation of related process changes
- Operational need for temporary lunchroom and washroom trailers for transit operators, and the review and evaluation of temporary and permanent solutions
- Implementation of procurement improvements, including reviewing opportunities for joint procurements

The following motion was considered.

AU028-2026

1. That the report prepared by Ryan Booth, Director, Transit Operations and Maintenance, Transit, to the Audit Committee Meeting of September 21, 2026, re: **Audit Recommendation AU015-2026 – Transit Facilities Maintenance Audit Follow-Up**, be received; and

2. That Audit Recommendation AU015-2026 from the June 9, 2026 Audit Committee Meeting, be considered addressed and closed.

Carried

9. Question Period

Nil

10. Public Question Period

The public was given the opportunity to submit questions in person or via e-mail to the City Clerk's Office regarding any decisions made during this meeting. G. Scharback, City Clerk, confirmed that no questions were submitted by email.

Kuldeep Baswala addressed Committee and asked to submit correspondence for the record for the following agenda items, in relation to the management of the PRC tennis contract and related rate increase, and requested that Internal Audit staff provide a response back:

- Item 6.1, Staff Report re: Management Action Plan Validation – 2026, specifically Appendix 4 relating to the Corporate Governance and Vendor Performance Audits under the Office of the CAO; and
- Item 6.3, Staff Report re: Internal Audit Work Plan Status Update – Q3 2026, specifically Appendix 1 relating to item 5, Capital Projects 2026

Regional Councillor Keenan, Chair, confirmed acceptance of the correspondence.

11. Closed Session

Prior to closed session, Claire Mu, Director, Internal Audit, thanked the Audit Committee members for their support of the Internal Audit team and for their accomplishments in this term of Council.

The following motion was considered.

AU029-2026

That Committee proceed into Closed Session to discuss matters pertaining to the following:

11.1 IT Service Continuity and Incident Response Audit

Open Meeting exception under Section 239 (2) (a) of the Municipal Act, 2001:

The security of the property of the municipality or local board.

Carried

In Open Session, Regional Councillor Keenan, Chair, reported on the status of matters considered in Closed Session, as follows:

15.1 - This item was considered in closed session and direction was given.

12. Adjournment

Regional Councillor Keenan, Chair, acknowledged this is the final Audit Committee meeting for this term of Council and expressed thanks and appreciation to the Audit Committee members, the Internal Audit team, and senior management for their efforts throughout the term. In addition, the Chair recognized Nicole Russell, Citizen Member, for her valuable contributions to this committee.

The following motion was considered.

AU030-2026

That the Audit Committee do now adjourn to meet again at the call of the Chair.

Carried

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Regional Councillor D. Keenan, Chair

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Regional Councillor P. Vicente, Vice-Chair