

**THE REGIONAL MUNICIPALITY OF NIAGARA
AUDIT COMMITTEE
OPEN SESSION**

**AC 3-2020
Monday, December 7, 2020
Council Chamber / Video Conference
Niagara Region Headquarters, Campbell West
1815 Sir Isaac Brock Way, Thorold, ON**

Committee Members Present in the Council Chamber: Rigby (Committee Chair)

Council Members Present via Video Conference: Foster, Gale, Redekop, Whalen (Committee Vice-Chair)

Other Members Present via Video Conference: Zalepa

Absent/Regrets: Bradley (Regional Chair)

Staff Present in the Council Chamber: H. Chamberlain, Deputy Treasurer/Director, Financial Management & Planning, S. Guglielmi, Technology Support Analyst, T. Harrison, Treasurer/Commissioner, Enterprise Resource Management Services, A. Jugley, Commissioner, Community Services, F. Marcella, Manager, Internal Audit, B. Menage, Director, Procurement & Strategic Acquisitions, A.-M. Norio, Regional Clerk, M. Steele, Associate Director, Reporting and Analysis, R. Tripp, Acting Chief Administrative Officer, B. Zvaniga, Interim Commissioner, Public Works

Staff Present via Video Conference: E. Amirault, Associate Director, Finance, Operations and Systems, J. Brunet, Associate Director, Water Operations Maintenance, T. Cimino, Associate Director, Water & Wastewater Engineering, C. Courteau, Associate Director, Water & Wastewater Integrated Systems, D. Gibbs, Director, Legal and Court Services, C. Habermehl, Director, Waste Management Services, R. Pinder, Associate Director, Water & Wastewater Asset Management, C. Ryall, Director, Transportation Services, J. Tonellato, Director, Water and Wastewater, M. Trennum, Deputy Regional Clerk

1. **CALL TO ORDER**

Committee Chair Rigby called the meeting to order at 1:00 p.m.

2. **DISCLOSURES OF PECUNIARY INTEREST**

There were no disclosures of pecuniary interest.

3. **PRESENTATIONS**

There were no presentations.

4. **DELEGATIONS**

There were no delegations.

5. **ITEMS FOR CONSIDERATION**

5.1 **AC-C 10-2020**

2021 Audit Committee Schedule

Moved by Councillor Whalen

Seconded by Councillor Gale

That Correspondence Item AC-C 10-2020, being a memorandum from H. Chamberlain, Deputy Treasurer/Director, Financial Management and Planning, and F. Marcella, Manager, Internal Audit, dated December 7, 2020, respecting 2021 Audit Committee Schedule, **BE RECEIVED** and the following recommendation **BE APPROVED**:

1. That the Audit Committee meetings **BE HELD** Mondays at 1:00 p.m. on the following dates in 2021:

February 8, May 10, September 20 and December 6.

Carried

5.2 **AC-C 16-2020**

2021 Audit Workplan

Moved by Councillor Foster

Seconded by Councillor Gale

That Report AC-C 16-2020, dated December 7, 2020, respecting 2021 Audit Workplan, **BE RECEIVED** and the following recommendation **BE APPROVED**:

1. That the 2021 Internal Audit Plan **BE APPROVED**.

Carried

6. **CONSENT ITEMS FOR INFORMATION**

6.1 **AC-C 11-2020**

Final Report on Non-Competitive Procurement Audit

N. Rolfe, Partner, and R. Hacking, Manager, Advisory Services, KPMG, provided information respecting Final Report on Non-Competitive Procurement Audit. Topics of the presentation included:

- Scope
- Key Findings:
 - Areas of good practice
 - Opportunities for improvement
 - Action plan highlights

Moved by Councillor Foster
Seconded by Councillor Whalen

That Report AC-C 11-2020, dated December 7, 2020, respecting Final Report on Non-Competitive Procurement Audit, **BE RECEIVED** for information.

Moved by Councillor Redekop
Seconded by Councillor Foster

That the motion **BE AMENDED** to include the following:

That staff BE DIRECTED to provide a report at the Audit Committee meeting being held February 8, 2021, respecting staff training on procurement processes and further analysis of the examples provided in the KPMG audit including justification, comparison to budget and contract splitting.

Carried

The Committee Chair called the vote on the motion, as amended, as follows:

That Report AC-C 11-2020, dated December 7, 2020, respecting Final Report on Non-Competitive Procurement Audit, **BE RECEIVED** for information; and

That staff **BE DIRECTED** to provide a report at the Audit Committee meeting being held February 8, 2021, respecting staff training on procurement processes and further analysis of the examples provided in the KPMG audit including justification, comparison to budget and contract splitting.

Carried

6.2 AC-C 15-2020

Supplemental Information Report to the KPMG Final Audit Report on Non-Competitive Procurement Audit (AC-C 11-2020)

Moved by Councillor Gale
Seconded by Councillor Whalen

That Report AC-C 15-2020, dated December 7, 2020, respecting Supplemental Information Report to the KPMG Final Audit Report on Non-Competitive Procurement Audit (AC-C 11-2020), **BE RECEIVED** for information.

Carried

Councillor Information Request(s):

Provide information at the February 8, 2021 Audit Committee meeting respecting determining other areas to be reviewed as part of the 2021 work plan as a result of the findings of the KPMG Non-Competitive Procurement Audit. Committee Members

6.3 AC-C 9-2020

Councillor Information Request (CIR) Response to Niagara Peninsula Conservation Authority (NPCA) 2019 Financial Statements

Moved by Councillor Foster
Seconded by Councillor Redekop

That Correspondence Item AC-C 9-2020, being a memorandum from H. Chamberlain, Deputy Treasurer/Director, Financial Management & Planning, dated December 7, 2020, respecting Councillor Information Request (CIR) Response to Niagara Peninsula Conservation Authority (NPCA) 2019 Financial Statements, **BE RECEIVED** for information.

Carried

6.4 AC-C 12-2020

Management Action Plan Update

Moved by Councillor Whalen

Seconded by Councillor Gale

That Report AC-C 12-2020, dated December 7, 2020, respecting Management Action Plan Update, **BE RECEIVED** for information.

Carried

7. **CLOSED SESSION**

Committee did not resolve into closed session.

8. **BUSINESS ARISING FROM CLOSED SESSION**

8.1 Confidential AC-C 14-2020

A Matter of Litigation or Potential Litigation under s.239(2)(e) of the Municipal Act, 2001: Burgoyne Bridge Financial Update

Moved by Councillor Gale

Seconded by Councillor Redekop

That Confidential Item AC-C 14-2020, being a memorandum from M. Steele, Associate Director, Reporting & Analysis, dated December 7, 2020, respecting A Matter of Litigation or Potential Litigation under s.239(2)(e) of the *Municipal Act, 2001*: Burgoyne Bridge Financial Update, **BE REFERRED** to the Corporate Services Committee meeting being held on January 13, 2021.

Carried

9. **OTHER BUSINESS**

There were no items of other business.

10. **NEXT MEETING**

The next meeting will be held on Monday, February 8, 2021 at 1 p.m.

11. ADJOURNMENT

There being no further business, the meeting adjourned at 3:03 p.m.

Tim Rigby
Committee Chair

Matthew Trennum
Deputy Regional Clerk

Ann-Marie Norio
Regional Clerk