

CITY OF VAUGHAN
REPORT NO. 1 OF THE
AUDIT COMMITTEE

*For consideration by the Council
of the City of Vaughan
on June 23, 2003*

The Audit Committee met at 3:33 p.m., on June 17, 2003.

Present: Councillor Bernie Di Vona, Chair
Mayor Michael Di Biase
Regional Councillor Joyce Frustaglio (3:40 p.m.)
Councillor Susan Kadis
Councillor Mario G. Racco (3:45 p.m.)

Also Present: Councillor Linda D. Jackson (3:40 p.m.)

The following items were dealt with:

1 **2002 CONSOLIDATED FINANCIAL STATEMENTS, TRUST FUND
STATEMENTS AND ANNUAL OPERATING REPORT FOR THE
CORPORATION OF THE CITY OF VAUGHAN AND AUDITOR'S REPORTS**

The Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Finance & Corporate Services, dated June 17, 2003, be approved; and**
- 2) That staff provide an explanation for the 2002 budget to actual variance in the Clerk's department budget.**

Recommendation

The Commissioner of Finance & Corporate Services in consultation with the Director of Finance recommends:

1. That the following report be received; and
2. That the 2002 Consolidated Financial Statements and Trust Fund Statements (Attachment 1) be received and;
3. That the report to Audit Committee for the year ended December 31, 2002 from KPMG (Attachment 2) be received for information; and
4. That the confidential report with respect to the 2002 Management Letter (Attachment 3) be received; and

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5. That the Operating Report for the Fourth Quarter of 2002 (Attachment 4) be received.

2 2002 MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM

The Audit Committee recommends approval of the recommendation contained in the confidential report of the Commissioner of Finance & Corporate Services, dated June 17, 2003.

3 CONSULTING FEES 2002

The Audit Committee recommends:

- 1) That the recommendation contained in the confidential report of the Commissioner of Finance & Corporate Services, dated June 17, 2003, be approved; and
- 2) That KPMG be requested to provide a revised Page 9 of the report entitled "KPMG Review of Consulting Fee Expenditures – Privileged and Confidential, April 18, 2003".

4 2002 RECREATION AND CULTURE BUDGET

The Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Community Services, dated June 17, 2003, be approved; and
- 2) That this matter be referred to the Senior Management Team for consideration during the 2004 budget process.

Recommendation

The Commissioner of Community Services in consultation with the Director of Recreation and Culture recommends:

That the following report be received for information.

5 CONTRACT EXTENSION FOR AUDITING SERVICES - KPMG

The Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance & Corporate Services, dated June 17, 2003:

Recommendation

The Commissioner of Finance & Corporate Services in consultation with the City Manager and the Director of Finance recommends:

That the contract for the provision of auditing services be extended by one (1) year to the City's current external auditing firm of KPMG.

The meeting adjourned at 4:30 p.m.

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Respectfully submitted,

Councillor Bernie Di Vona, Chair