CITY OF VAUGHAN

REPORT NO. 1 OF THE

AUDIT COMMITTEE

For consideration by the Council of the City of Vaughan on June 26, 2006

The Audit Committee met at 2:11 p.m., on June 20, 2006.

Present: Councillor Bernie Di Vona, Chair Mayor Michael Di Biase (2:53 p.m.) Councillor Tony Carella Councillor Alan Shefman

Also Present: Regional Councillor Mario F. Ferri (3:05 p.m.)

The Audit Committee resolved into Committee of the Whole (Closed Session) for the purpose of discussing the security of property of the City or local board, with respect to Item 1, 2005 CONSOLIDATED FINANCIAL STATEMENTS, TRUST FUND STATEMENTS, AUDITORS REPORT AND FOURTH QUARTER OPERATING VARIANCE REPORT. The Audit Committee recessed at 2:25 p.m. and reconvened into open session at 2:41 p.m. with the same members present.

The following items were dealt with:

1

2005 CONSOLIDATED FINANCIAL STATEMENTS, TRUST FUND STATEMENTS, AUDITORS REPORT AND <u>FOURTH QUARTER OPERATING VARIANCE REPORT</u>

The Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Commissioner of Finance & Corporate Services and the Director of Financial Services, dated June 20, 2006, be approved; and
- 2) That Attachment No. 2, "Audit Findings Report to Audit Committee", be made available upon request to the Commissioner of Finance and Corporate Services.

Recommendation

The Commissioner of Finance & Corporate Services and the Director of Financial Services recommends:

- 1. That the following report be received; and
- 2. That the 2005 Consolidated Financial Statements and Trust Fund Statements (Attachment 1 and 1a) be received and;
- 3. That the confidential Audit Findings report to Audit Committee for the year ended December 31, 2005 from KPMG (Attachment 2) be received for information; and

4. That the Operating Variance Report for the Fourth Quarter of 2005 (Attachment 3) be received.

2 INTERNAL AUDIT REPORT OF MELVILLE PARK AND SURROUNDING SCHOOLS

The Audit Committee recommends:

- 1) That the recommendation contained in the following report of the City Auditor, dated June 20, 2006, be approved;
- 2) That the deputation of Mr. Paul De Buono, Vaughan Watch Inc., 9983 Keele Street, Suite 105, Vaughan, L6A 3Y5, be received; and
- 3) That the deputant submit his concerns regarding the school site in writing, for the City to forward the submission to the school board for review.

Recommendation

The City Auditor recommends :

That the Internal Audit Report of Melville Park and Surrounding Schools be received.

3 INTERNAL AUDIT REPORT ON WINTER CONTROL (PUBLIC WORKS DEPARTMENT)

The Audit Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 20, 2006:

Recommendation

The City Auditor recommends:

That the Internal Audit Report On Winter Control, completed in June 2005, be received.

4

INTERNAL AUDIT REPORT OF DEVELOPMENT PLANNING AND POLICY PLANNING& URBAN DESIGN

The Audit Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 20, 2006:

Recommendation

The City Auditor recommends:

That the Internal Audit Report of Development Planning and Policy Planning & Urban Design be received.

5 INTERNAL AUDIT REPORT OF WATER, WASTEWATER AND DRAINAGE

The Audit Committee recommends:

1) That the recommendation contained in the following report of the City Auditor, dated June 20, 2006, be approved; and

2) That the matter relating to service charges for water, wastewater and sewer services be referred to the Budget Committee to be dealt with during the 2007 budget process.

6 INTERNAL AUDIT REPORT OF THE RECREATION AND CULTURE DEPARTMENT

The Audit Committee recommends:

- 1) That the recommendation contained in the following report of the City Auditor, dated June 20, 2006, be approved; and
- 2) That the deputation of Mr. Paul De Buono, Vaughan Watch Inc., 9983 Keele Street, Suite 105, Vaughan, L6A 3Y5, be received.

Recommendation

The City Auditor recommends:

That the Internal Audit Report of the Recreation and Culture Department, completed in March 2006, be received.

7 CITY OF VAUGHAN CAPITAL PROJECTS BUDGET TO ACTUAL STATUS REPORT – FOURTH QUARTER 2005

The Audit Committee recommends approval of the recommendation contained in the following report of the Director of Reserves & Investments, dated June 20, 2006:

Recommendation

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

That this report be received for information purposes.

The meeting adjourned at 3:30 p.m.

Respectfully submitted,

Councillor Bernie Di Vona, Chair