

APPENDIX “C”
CITY OF VAUGHAN
REPORT NO. 1 OF THE
AUDIT COMMITTEE

*For consideration by the Council
of the City of Vaughan
on Monday, June 24, 2002*

The Audit Committee met at 5:40 p.m., on June 20, 2002, in the Councillors' Boardroom.

Present: Councillor Bernie Di Vona, Chair
Councillor Susan Kadis
Councillor Mario G Racco

The following items were dealt with:

1 **REVISED PURCHASING POLICIES AND PROCEDURES**

The Audit Committee recommends:

- 1) That the verbal report of Councillor Di Vona and correspondence with respect to the above matter be received.

2 **CONSULTANT FEES**

The Audit Committee recommends:

- 1) That the verbal report of Councillor Di Vona and correspondence with respect to the above matter be received; and
- 2) That the City's auditing firm, KPMG, be retained to provide a report on 2002 consulting fee expenditures.

3 **K.P.M.G. PUBLICATIONS**

The Audit Committee recommends approval of the recommendation contained in the following report of the City Manager, dated June 20, 2002:

Recommendation

The City Manager recommends:

- a) That the "Open Letter to Our Clients from Bill MacKinnon, Chairman & Chief Executive, KPMG LLP" be received; and

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- b) That the publication "Shaping the Canadian Audit Committee Agenda" submitted to the City by KPMG be received.

4 **2000 CONSOLIDATED FINANCIAL STATEMENTS, TRUST FUND
STATEMENTS AND ANNUAL OPERATING VARIANCE REPORT FOR
THE CORPORATION OF THE CITY OF VAUGHAN**

The Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance and Corporate Services, dated June 20, 2002:

Recommendation

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

1. That the following report be received; and
2. That the 2000 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, 2000 from KPMG (Attachment 2) be received for information; and
4. That the confidential report with respect to the 2000 Management Letter (Attachment 3) be received; and
5. That the 2000 Annual Operating report (Attachment 4) be received.

5 **2001 DRAFT CONSOLIDATED FINANCIAL STATEMENTS,
TRUST FUND STATEMENTS AND ANNUAL OPERATING VARIANCE REPORT FOR
THE CORPORATION OF THE CITY OF VAUGHAN**

The Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance and Corporate Services, dated June 20, 2002:

Recommendation

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

1. That the following report be received; and
2. That the 2001 Consolidated Financial Statements and Trust Fund Statements (Attachment 1) be approved and forwarded to Council and;
6. That the report to Audit Committee for the year ended December 31, 2001 from KPMG (Attachment 2) be received for information; and
7. That the confidential report with respect to the 2001 Management Letter (Attachment 3) be received.
8. That the Annual Operating report (Attachment 4) be received.

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RESERVES – TRANSFER OF FUNDS

The Audit Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance and Corporate Services, dated June 20, 2002:

Recommendation

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

That the funds received from the Region of York for the City's transit buses be placed in the Vehicle Reserve; and

That funds set aside each year as part of the long range financial planning policy on debenture/debt strategy be transferred to the Debenture Reserve rather than being shown as a liability on the financial statements.

7

2001 MUNICIPAL PERFORMANCE MEASUREMENT PROGRAM

The Audit Committee recommends that the confidential recommendation of the Audit Committee be approved.

8

POST EMPLOYMENT BENEFITS – PUBLIC SECTOR ACCOUNTING BOARD (“PSAB”)

The Audit Committee recommends that the confidential recommendation of the Audit Committee be approved.

The meeting adjourned at 6:00 p.m.

Respectfully submitted,

Councillor Bernie Di Vona, Chair