

CITY OF VAUGHAN
REPORT NO. 4 OF THE
AUDIT AND OPERATIONAL REVIEW COMMITTEE

*For consideration by the Council
of the City of Vaughan
on June 8, 2010*

The Audit and Operational Review Committee met at 2:10 p.m., on June 2, 2010.

Present: Regional Councillor Gino Rosati, Chair
 Mayor Linda D. Jackson
 Regional Councillor Mario F. Ferri
 Councillor Sandra Yeung Racco

The following items were dealt with:

**1 2009 DRAFT CONSOLIDATED FINANCIAL STATEMENTS,
 TRUST FUND STATEMENT, AUDITOR'S REPORT AND
 FOURTH QUARTER OPERATING VARIANCE REPORT**

The Audit and Operational Review Committee recommends:

- 1) That Clauses 1, 2 and 5 of the recommendation contained in the following report of the Commissioner of Finance/City Treasurer, the Director of Financial Services and the Director of Reserves & Investments, dated June 2, 2010, be approved;**
- 2) That the 2009 Draft Consolidated Financial Statements and Trust Fund Statements (Attachment 1) be received and that the Consolidated Statement of Cash Flow be replaced with the revised Consolidated Statement of Cash Flow attached to the memorandum of the Commissioner of Finance/City Treasurer, dated June 2, 2010;**
- 3) That the revised Audit Findings Report to the Audit Committee (Attachment 2) attached to the memorandum of the Commissioner of Finance/City Treasurer, dated June 2, 2010, be received; and**
- 4) That the memorandum of the Commissioner of Finance/City Treasurer, and presentation material entitled, "Key Changes to Financial Statement Presentation", both dated June 2, 2010, be received.**

Recommendation

The Commissioner of Finance/City Treasurer, the Director of Financial Services and the Director of Reserves & Investments recommend:

- 1. That the presentation "Key Changes to Financial Statement Presentation" be received; and**

**REPORT NO. 4 OF THE AUDIT AND OPERATIONAL REVIEW COMMITTEE
FOR CONSIDERATION BY COUNCIL, JUNE 8, 2010**

2. That the following 2009 Draft Consolidated Financial Statement Overview report be received; and
3. That the 2009 Draft Consolidated Financial Statements and Trust Fund Statements, (Attachment #1) be received; and
4. That the Confidential Audit Findings report to Audit and Operational Review Committee for the year ended December 31, 2009 from KPMG (Attachment #2) be received; and
5. That the 2009 Annual Corporate and Departmental Operating Variance Report (Attachment #3) be received.

2 **PAYMENT CARD INDUSTRY (PCI)**
DATA SECURITY STANDARDS COMPLIANCE

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance/City Treasurer, dated June 2, 2010:

Recommendation

The Commissioner of Finance/City Treasurer, in consultation with the City Manager, Chief Information Officer (CIO), and the Director of Financial Services recommends:

That this report be received.

3 **CAPITAL PROJECTS QUARTERLY REPORT ENDING DECEMBER 31, 2009**

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the Commissioner of Finance/City Treasurer and the Director of Reserves & Investments, dated June 2, 2010:

Recommendation

The Commissioner of Finance/City Treasurer and the Director of Reserves & Investments recommends:

- 1) That this report be received for information purposes; and
- 2) That staff update procedures to implement the closure of open capital projects that are in service/use to comply with the new Public Sector Accounting Board reporting requirements.

4 **SUMMARY STATUS REPORT ON AUDIT RECOMMENDATIONS**

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 2, 2010:

Recommendation

The City Auditor recommends:

That this report be received for information purposes.

**REPORT NO. 4 OF THE AUDIT AND OPERATIONAL REVIEW COMMITTEE
FOR CONSIDERATION BY COUNCIL, JUNE 8, 2010**

5

COUNCIL MEMBER EXPENSE POLICY UPDATE

The Audit and Operational Review Committee recommends approval of the recommendation contained in the following report of the City Auditor, dated June 2, 2010:

Recommendation

The City Auditor recommends:

That this report be received for information purposes.

The meeting adjourned at 3:45 p.m.

Respectfully submitted,

Regional Councillor Gino Rosati, Chair