



# Minutes

## **Audit Committee Meeting**

Minutes of the Meeting of Audit Committee

**Date:** Monday, June 13, 2016

**Time:** 5:00 p.m.

**Location:** Room 1C, 40 Sheppard Avenue, North York, Toronto, ON, M2N 6K9

### **Audit Committee Members:**

Ewald Kuczera, M.Sc., P.Eng.  
Thomas Chong, M.Sc., P.Eng., FEC, PMP  
Danny Chui, P.Eng.  
Gary Houghton, B.E.Sc., P.Eng., FEC  
Dan Preley, P.Eng.

**Staff:** Gerard McDonald, P.Eng., MBA, Registrar  
Chetan Mehta, MS, MBA, Director, Finance  
Lucy Capriotti, Administrative Assistant

**Regrets:** None

### **1. Election of Chair and Vice Chair**

As outgoing Chair, E. Kuczera offered to chair the meeting until a new Chair was elected.

E. Kuczera asked the committee for nominations for the position of Chair.

T. Chong nominated D. Chui and D. Chui accepted the nomination.

No additional nominations were offered and a motion to elect D. Chui as Chair of the Audit committee was unanimously passed.

**MOTION**

That D. Chiu be appointed as Chair of the Audit Committee

Moved by T. Chong and seconded by D. Preley.

**MOTION CARRIED**

After being elected, D. Chui commence with chairing the meeting. D. Chui asked the committee for nominations for the position of Vice Chair of the Audit Committee.

T. Chong nominated E. Kuczera as Vice Chair and E. Kuczera accepted the nomination.

No additional nominations were offered and a motion to elect E. Kuczera as Vice-Chair of the Audit committee was unanimously passed.

**MOTION**

That E. Kuczera be elected as the Vice Chair of the Audit Committee.

Moved by T .Chong and seconded by D. Preley.

**MOTION CARRIED**

**2. Selection of non-Councillor members**

D. Chui inquired about the non-Councilor members who had volunteered to be on the Audit committee.

C. Mehta responded that these two non-Council members were Ed Neilmarkka and Craig Young., both of whom were part of the Audit Committee last year.

E. Kuczera recommended that the above two non-Council members be allowed to continue as part of the audit committee for another year in the interest of continuity and in light of the fact that both the above two volunteers had financial experience.

The committee agreed with E. Kuczera's recommendation and a motion to appoint the above two volunteers as members of the Audit committee was unanimously passed.

**MOTION**

That E. Neilmarkka and C. Young be appointed as non-Council members of the Audit Committee.

Moved by T .Chong and seconded by D. Preley

**MOTION CARRIED**

**3. Appointment of the Volunteer Expense Appeal Sub-committee members**

D. Chui asked the committee members to offer their nominations for becoming part of the Volunteer Expense Appeal sub-committee.

E. Kuczera, Gary Houghton and D. Chui volunteered to be on the committee and with E. Kuczera as the Chair.

**MOTION**

That E. Kuczera, Gary Houghton and D. Chui be appointed as members of the Volunteer Expense Appeal Sub-committee with E. Kuczera as the Chair.

Moved by T .Chong and seconded by E. Kuczera

**MOTION CARRIED**

**4. Approval of Agenda**

D. Chui proposed that the agenda be amended to include a modification to item Number 8 to include a discussion on the number of times the Audit Committees will meet during its term and the months when these meetings will take place.

The committee members unanimously agreed and a motion was passed to the effect.

**MOTION**

That the agenda as presented be approved with the changes proposed to item Number 8 to include a discussion on:

- 1) The number of times the Audit Committees will meet during its term
- 2) The months when these meetings will take place.

Moved by E. Kuczera and seconded by T. Chong.

**MOTION CARRIED**

**5. Approval of Minutes from March 29, 2016**

The committee members were asked for feedback on the draft minutes of the meeting held on March 29, 2016 and if there were any changes that were necessary.

D. Chui pointed out that the new members of the Audit committee could not move a motion for the approval of the above minutes since they were not present the meeting in question.

#### **MOTION**

That the Minutes of Audit Committee meeting held on March 29, 2016 be approved.

Moved by T. Chong and seconded by E. Kuczera.

#### **MOTION CARRIED**

### **6. Business Arising from the Minutes**

C. Mehta sought permission to present the pending volunteer appeals to the new volunteer Expense Appeal subcommittee for direction so that these claims could be dealt with in an expeditious manner.

D. Chui and E. Kuczera suggested that this could be done after the conclusion of the Audit committee meeting.

### **7. Review of Annual Work Plan**

D. Chui requested C. Mehta to walk the committee through the key highlights of the work plan.

C. Mehta discussed the key highlights of the work plan and walked the committee through the important tasks that needed to be accomplished during each audit committee meeting.

The meeting in May-June is to elect the Chair and Vice Chair of the audit committee and select non-Council members. During this meeting, members to the Volunteer Appeal Expense sub-committee are elected as well.

The meeting in October-Nov is to meet with the Auditor and staff to review the audit plan for the interim audit and the year-end audit and to provide specific instructions to the auditor on any specific audit areas the committee would want the auditor to focus on.

The meeting in March with the auditor and staff is to review the year-end audit findings and financial statements with staff and the auditor. These audited financial statements are to be presented to Council approval after which these are presented at the AGM to the membership.

During the March meeting, the committee also gets an opportunity to meet one-on-one with the auditor (when staff is asked to leave the room) to get direct inputs and feedback on any concerns the auditor may have to allow him/her to freely and frankly discuss issues the audit team may have encountered during the audit.

For this particular year it would be necessary to issue an RFP for the services of an auditor for the next five years.

An RFP for the audit services will be issued sometime in July and proposals are expected to be received in August. The Audit committee will need to meet sometime in Sept or Oct to review these proposals.

D. Chui requested that a draft copy of the RFP and the selection criteria be sent to the committee for its input.

The Audit Committee should meet sometime in September or October to review the proposals and presentations will be made by both companies who responded to the RFP.

This meeting will take place sometime in October and further direction will be given to staff as to who the Audit Committee would select and this would be our auditor for the next five years.

D. Chui requested a joint meeting with the Finance Committee in November. C. Mehta to ask R. Jones to contact D. Chui to discuss.

D. Chui and E. Kuczera requested a copy of the Expense Reimbursement Policy and Procurement policy for review by the Audit Committee.

D. Preley requested more information on the role of the Audit committee and that the Terms of Reference be sent to the members.

## **MOTION**

That the Audit Committee forwards the Work Plan with amendments as noted at the meeting of June 13, 2016 to Council for acceptance of receipt.

Moved by E. Kuczera and seconded by D. Preley

## **MOTION CARRIED**

### **8. Other Business**

D. Preley inquired whether there were any courses or material that the audit committee members could access to better understand their roles.

C. Mehta indicated that he would be sending information on the role of the audit committee and information on training courses for the committee.

D. Preley inquired about the communications protocol for committee members and asked who could the committee members contact if they had questions.

D. Chui indicated that questions could be sent to the Chair or Vice- Chair of the Audit Committee with a copy to G. McDonald. For urgent matters, committee members could directly email staff with a cc to G. McDonald.

**9. Date of Next Meeting**

D. Chui indicated that he would first speak with C. Mehta before a Doodle Poll for the next meeting is issued.

**10. Adjournment**

The committee agreed to adjourn the meeting at 6:00 p.m. and a motion was passed to that effect.

**MOTION**

That the meeting be adjourned.

Moved by E. Kuczera and seconded by T. Chong.

**MOTION CARRIED**