

Audit Committee Minutes

Councillors Boardroom
City Hall
14245 - 56 Avenue
Surrey, B.C.
MONDAY, MAY 10, 2010
Time: 12:02 p.m.

Present:

Chairperson – Councillor Gill
Councillor Hunt
Councillor Steele

Absent:

Staff Present:

City Manager
Deputy City Manager
General Manager, Finance & Technology
Deputy City Clerk, Legislative Services
Manager, Financial Services
Manager, Internal Auditor
Manager, Budget Services

KPMG Staff Present:

A. Johnston, KPMG
B. Hui, KPMG

A. ADOPTION OF MINUTES

1. Audit Committee – April 20, 2009

It was Moved by Councillor Hunt
Seconded by Councillor Gill
That the minutes of the Audit Committee
meeting of April 20, 2009, be adopted.

Carried

B. INTRODUCTIONS

C. REVIEW BY GENERAL MANAGER, FINANCE AND TECHNOLOGY

1. Corporate Report No. F010 - 2009 Annual Financial Report

The General Manager, Finance and Technology submitted a corporate report to provide the Audit Committee with information about the results of the audit of the City of Surrey 2009 financial statements.

The General Manager, Finance and Technology was recommending approval of the recommendations outlined in her report.

The following was clarified during the review of the corporate report:

- The budget for the anticipated interest earned on the DCCs has been budgeted as revenue, but is recorded as deferred revenue and as such will be recorded on the statement of financial position.
- Infrastructure grants appear in the year that they are expended.

It was suggested that the wording ‘accumulated surplus’ be given clarification, such as adding in brackets ‘net worth’ or ‘total equity’ and that this be done in the corporate report before forwarding to Council.

A discussion ensued regarding the availability of the City to borrow from the City, and the averaging of debt rates verses the interest rates. Concern for fettering future Council decisions was noted. It was determined that a report would be provided outlining the pros and cons of borrowing internally verses externally.

It was
Moved by Councillor Steele
Seconded by Councillor Gill
That the Audit Committee:

1. receive Corporate Report Foio as information; and
2. authorize staff to forward this report, as amended, to City Council as part of the same agenda that will include the Annual Report.

Carried

It was
Moved by Councillor Hunt
Seconded by Councillor Steele
That the Audit Committee requested that staff provide a report with regards to funds within the investments maturing from 2 to 7 years and the availability of the funds for borrowing.

Carried

D. MOTION TO HOLD A MEETING IN A CLOSED SESSION

It was
Moved by Councillor Steele
Seconded by Councillor Hunt
That the Audit Committee close the meeting to the public pursuant to Section 90 (1) (f) (g) (i) and (m) of the *Community Charter*, which states:

“A part of a council meeting may be closed to the public if the subject matter being considered relates to or is one or more of the following:

- (f) law enforcement, if the council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- (g) litigation or potential litigation affecting the municipality;
- (i) the receipt of advice that is subject to solicitor-client privilege, including communications necessary for that purpose;
- (m) a matter that, under another enactment, is such that the public may be excluded from the meeting;

Carried

The meeting reconvened at 1:25 p.m.

D. REVIEW BY EXTERNAL AUDITORS

1. Auditors' Independence Letter
2. Auditors' Oversight Letter
3. Auditors' Management Letter

E. RECOMMENDATION TO RECEIVE AND APPROVE THE 2009 AUDITED FINANCIAL STATEMENTS

It was
the 2009 Audited Financial Statements be received and approved by Council.

Moved by Councillor Hunt
Seconded by Councillor Steele
That the Audit Committee recommend that
Carried

F. DISCUSSION OF FUTURE COUNCIL MEETINGS, DATES AND FORMAT

1. **Regular Council – Public Hearing**
 - (a) Receive Audit Committee Recommendations
 - (b) Receive 2009 Annual Financial Report

2. **Regular Council**

Public Opportunity for Questions/Comments will be held on June 21.

G. OTHER BUSINESS

H. ADJOURNMENT

It was
adjourn.

Moved by Councillor Hunt
Seconded by Councillor Steele
That the Audit Committee meeting do now
Carried

The Audit Committee meeting adjourned at 1:29 p.m.

Jane Sullivan, City Clerk

Councillor Gill, Chairperson