



SUBJECT: Citizen Committee Appointment Report – Audit Committee

TO: Mayor and Members of Council

FROM: Clerks Department

Report Number: CL-05-19

Wards Affected: All

File Numbers: 130-01

Date to Committee: Select date

Date to Council: February 25, 2019

Recommendation:

Approve appointments to Burlington's Audit Committee as outlined in Confidential Appendix A of clerk's department report CL-05-19 and following the communication with all applicants, authorize clerks to make the confidential information public.

Purpose:

- An Engaging City
- Good Governance
-

Background and Discussion:

The Clerks department conducted a recruitment process for citizen committees and Boards that had vacancies in 2018. Recruitment opportunities were advertised on the City website, through social media as well as in the Burlington Post.

At the Council meeting of January 28, 2019 Council approved CL-01-19, Citizen Advisory Committee Appointment report, to appoint volunteers to various citizen advisory committees and Boards, during this time the Audit committee recruitment was still in progress and therefore Council did not approve the appointment for Audit in January.

The City of Burlington's Audit Committee has a responsibility to Council to assist Council in fulfilling its due diligence, fiduciary, financial reporting and audit responsibilities and to approve, monitor, evaluate and provide advice on matters affecting the external audit,

internal audit, risk management and the financial reporting and accounting control policies and practices of the City.

The Audit Committee is comprised of up to eight members, casting one vote per member:

- Three members of council;
- A minimum of two and up to four citizen representatives (community volunteers);
- The Mayor is an ex-officio voting member of the Committee.

It is the responsibility of Council to ensure that Audit Committee members are independent, financially literate, and have the skills to serve as effective Audit Committee members:

- a general understanding of the City's major economic, operating, and financial risks,
- a broad awareness of the interrelationship of the City's operations and its financial reporting,
- understand the difference between the oversight function of the Committee and the decision-making function of management, and
- a willingness to challenge management, when necessary.

Citizen members recommended for appointment to the Audit Committee must meet the following requirements and criteria as per the Terms of Reference:

- Satisfactory police check
- Be independent
- Be a resident of the City of Burlington
- Be financially literate (the ability to read and understand basic financial statements)
- Have an aptitude for complex organizational effectiveness and governance
- Have a general understanding of the City's major economic, operating, and financial risks
- Have a broad awareness of the interrelationship of the City's operations and its financial reporting
- Understand the difference between the oversight function of the Committee and the decision-making function of management
- Be willing to challenge management when necessary
- Preferably a member of a professional accounting association

TERM OF OFFICE

Council stipulates the appointment of Council members for a two to four-year term, or until their successors are appointed, with consideration given to the member's stated interest or desire to be on the committee.

Citizen representatives shall be appointed at the discretion of Council, based on the term of office for council (four years), or until their successors are appointed. Where a member ceases to be a member before the expiration of their term, Council will appoint another eligible person for the remainder of the term.

The interviews for Audit Committee members were conducted in January 2019 and included Councillor Sharman, Interim City Manager, Tim Commisso, Controller and Manager of Financial Services, Sandy O'Reilly and Committee Clerk, Suzanne Gillies.

Connections:

As a member of one of the City's boards or committees, citizens can actively participate in local government, which contributes to the high quality of life that Burlington residents enjoy.

Public Engagement Matters:

Following Council approval of the recommendations, the clerk's department will formally advise applicants of Council's decision and orientation for the new Audit Committee members will be organized for the first meeting in April 2019.

Individuals who are not appointed at this time will be contacted individually and advised of other City of Burlington volunteer opportunities and applications will be held for any vacancies that should occur on boards and committees throughout the year.

Conclusion:

As a member of one of the City's boards or committees, citizens can actively participate in local government, which contributes to the high quality of life that Burlington residents enjoy.

Respectfully submitted,

Danielle Manton

Manager of Committee and Election Services

(905) 335-7600 ext 7490

Appendices:

A. Confidential Appendix A

Notifications: (if none delete section)

Name

Mailing or e-mail address

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.