



**SUBJECT: Financial policies**

**TO: Audit Committee**

**FROM: Finance Department**

Report Number: F-21-19

Wards Affected: not applicable

File Numbers: 410-01

Date to Committee: April 3, 2019

Date to Council: April 23, 2019

---

**Recommendation:**

Receive and file report F-21-19 providing information on financial policies

**Purpose:**

- An Engaging City
- Good Governance

**Background and Discussion:**

The terms of reference for the Audit Committee direct the committee to review and discuss with management:

- the appropriateness of accounting or other financial policies and financial reporting practices
- any significant proposed changes in financial reporting and accounting policies and practices to be adopted by the City
- Any new or pending developments in accounting and reporting standards that may affect the City and
- Management's key estimates and judgments that may be material to financial reporting

The City of Burlington maintains a number of policies that may be categorized as follows:

- Corporate policies that have applicability to the entire corporation and must be approved by Council. These policies are contained in the Corporate Policy

Manual which is maintained and updated by staff within the Clerk's Department. The Corporate Policy Manual is available on the City's website.

- Organizational policies that may have a corporate wide impact or a specific divisional focus. These policies are approved by Senior Management not City Council and accountability for maintaining the policy is indicated in the policy document. These are typically published to the City's intranet site.
- Service specific policies that may be required for specific service areas. Financial management and accounting policies that fall into this category are of particular interest to the Audit Committee as they may have an impact on the financial statements.

Appendix A to Report F-21-19 provides a listing of accounting and financial policies that may be of interest to the Audit Committee.

Although some of the policies listed may not usually be considered accounting or financial policies finance staff have an important role to play in ensuring proper monitoring of the policies takes place and that issues of non-compliance are brought to management's attention.

### **Strategy/process**

Reports on financial policies were presented to Audit Committee during 2016 and 2017. Each report presented specific accounting and financial policies for information. As all accounting and financial policies were presented to audit committee, an annual report detailing which policies have been reviewed during the course of the year with a brief description of any changes made will be provided to Audit Committee. Occasionally throughout the year, a report may be presented outlining changes to a specific policy.

### **Conclusion:**

Staff are providing information on financial and accounting policies to assist the Audit Committee with fulfilling its responsibilities as outlined in the terms of reference.

---

Respectfully submitted,

Sandy O'Reilly

Controller and Manager of Financial Services

Ext 7648

**Appendices:**

- A. Accounting and Financial Policies

**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.