



THE REGIONAL MUNICIPALITY OF PEEL

AUDIT AND RISK COMMITTEE

MINUTES

ARC - 4/2019

The Region of Peel Audit and Risk Committee met on September 19, 2019 at 11:04 a.m., in the Regional Council Chambers, 5th Floor, Regional Administrative Headquarters, 10 Peel Centre Drive, Suite A, Brampton, Ontario.

Members Present: S. Dasko; N. Fairhead; N. Iannicca; K. Ras; I. Sinclair; R. Starr; H. Zuberi

Members Absent: C. Fonseca, due to illness; R. Santos, due to other municipal business

Also Present: N. Polsinelli, Interim Chief Administrative Officer; S. VanOfwegen, Commissioner of Finance and Chief Financial Officer; S. Baird, Commissioner of Digital and Information Services; C. Matheson, Commissioner of Corporate Services; P. O'Connor, Regional Solicitor; A. Farr, Acting Commissioner of Public Works; J. Sheehy, Commissioner of Human Services; C. Granger, Acting Commissioner of Health Services; M. Hau, Acting Medical Officer of Health; M. Morris, Director, Enterprise Risk and Audit Services; A. Macintyre, Deputy Clerk and Manager of Legislative Services; J. Jones, Committee Clerk; S. MacGregor, Legislative Assistant

Chaired by Councillor Starr.

1. **DECLARATIONS OF CONFLICTS OF INTEREST - Nil**

2. **APPROVAL OF AGENDA**

RECOMMENDATION ARC-10-2019:

That the agenda for the September 19, 2019 Audit and Risk Committee meeting, be approved.

3. **DELEGATIONS - Nil**

* See text for arrivals

◆ See text for departures

4. REPORTS

4.1. Driver Certification Program Audit

Received

4.2. Common Risks and Opportunities-Analysis of Internal Audit Reports 2015-2018

Presentation by Michelle Morris, Director, Enterprise Risk and Audit Services and Jennifer Weinman, Manager, Enterprise Audit Services

Received

Michelle Morris, Director, Enterprise Risk and Audit Services, and Jennifer Weinman, Manager, Enterprise Audit Services, provided an overview of the common risks and opportunities analysis of internal audit reports issued between 2015 and 2018 including: a review of common themes, the purpose of thematic reporting, the approach to analyzing reports and results of the analysis.

4.3. Corporate Risk Profile

Presentation by Michelle Morris, Director, Enterprise Risk and Audit Services and Anila Lalani, Advisor, Enterprise Risk Management

Received

RECOMMENDATION ARC-11-2019:

That the Region of Peel's Corporate Risk Profile as described in the report of the Director, Enterprise Risk and Audit Services, titled "Corporate Risk Profile", be endorsed;

And further, that the subject report and presentation be referred to the October 10, 2019 Regional Council meeting for approval.

Michelle Morris, Director, Enterprise Risk and Audit Services, and Anila Lalani, Advisor, Enterprise Risk Management, provided an overview of the Region's Corporate Risk Profile (the Profile) including the definition of Corporate Risk; risks that were realized over the past year such as social cohesion and intolerance, changing government policies, negative publicity and cyber-attacks; and, the Climate Change interconnectivity risk. Michelle Morris noted that the next steps would include continued monitoring of corporate risks, reporting back annually and the continued use of the Profile as a decision-making tool.

In response to a question from Councillor Ras regarding the need to better address external risks, Michelle Morris undertook to strengthen the external risk mitigation plans in future reports.

In response to a question from Councillor Sinclair regarding risks associated with antibiotic resistance and pandemics, Michelle Morris stated that the risk is not included in the Corporate Risk Profile which only captures the top 15 risks assessed as high or very high. M. Hau, Acting

Medical Officer of Health, noted that antibiotic resistance is an important issue and that the Region's role is to monitor the trends in antibiotic resistant organisms that affect the community. She stated that it takes a multi-government approach to address the issue including such things as, the regulation of antibiotic use in farming and hospital usage of antibiotics by health care providers.

In response to a question from Councillor Starr regarding the use of standard municipal guidelines for the Region's Corporate Risk Profile, Michelle Morris, stated that the risk model tools and templates are standard forms. She added that the Region of Peel is one of the first municipalities to begin the process and other municipalities have contacted the Audit and Risk Division for discussion.

In response to a question from Member Fairhead regarding the risk impact of serious weather events, Stephen VanOfwegen, Commissioner of Finance and Chief Financial Officer, stated that a Climate Change Master Plan is going to Council on October 24, 2019. He noted that the Plan does not address the supply chain, but the Region does consider how its municipal critical infrastructure can be protected from climate change.

4.4. Establishing a Treasury Risk Appetite Framework

Presentation by Julie Pittini, Director, Treasury Services and Tony Liu, Manager, Treasury Operations

Received

RECOMMENDATION ARC-12-2019:

That the Region of Peel Treasury Risk Appetite Framework as described in the report of the Commissioner of Finance and Chief Financial Officer, titled "Establishing a Treasury Risk Appetite Framework", be endorsed;

And further, that the subject report and presentation be referred to the October 10, 2019 Regional Council meeting for approval.

Julie Pittini, Director, Treasury Services, and Tony Liu, Manager, Treasury Operations, provided an overview of the proposed Treasury Risk Appetite Framework including the Region's Treasury governance model, strategic objectives, definition of risk appetite, review of treasury risks with respect to investments and borrowing activities, definition of risk tolerance, and review of the cash management strategy achievements.

In response to a question from Member Zuberi regarding the Treasury Oversight Committee, Julie Pittini, Director, Treasury Services stated that the mandate of the Committee is to provide oversight of the treasury function, including advice on the risk appetite framework, policies and review of performance relative to benchmarks and compliance.

5. COMMUNICATIONS - Nil

6. IN CAMERA MATTERS - Nil

7. OTHER BUSINESS - Nil

8. NEXT MEETING

The next meeting of the Audit and Risk Committee is scheduled for October 31, 2019 at 11:00 a.m. to 12:30 p.m. in the Council Chamber, 5th floor, Regional Administrative Headquarters, Suite A, 10 Peel Centre Drive, Brampton, Ontario.

Please forward regrets to Jill Jones, Committee Clerk, and (905) 791-7800 ext. 4330 or at jill.jones@peelregion.ca.

9. ADJOURNMENT

The meeting adjourned at 12:20 p.m.