

**4. OFFICE OF THE AUDITOR GENERAL (OAG) – ANNUAL REPORT AND
DETAILED AUDIT REPORTS
BUREAU DU VÉRIFICATEUR GÉNÉRAL (BVG) – RAPPORT ANNUEL ET
RAPPORTS DE VÉRIFICATION DÉTAILLÉS**

COMMITTEE RECOMMENDATION

That Council consider and approve the audit recommendations.

RECOMMANDATION DU COMITÉ

Que le Conseil examine et approuve les recommandations des vérifications.

1. Auditor General's Report, dated November 15, 2019 (ACS2019-OAG-BVG-0011)

Rapport du vérificateur général, daté le 15 novembre 2019 (ACS2018-OAG-BVG-0011)

2. Extract of draft Minutes, Audit Committee, 26 November 2019

Extrait de l'ébauche du procès-verbal, Comité de la vérification, le 26 novembre 2019

3. Extract of draft *In Camera* Minutes, Audit Committee, 26 November 2019 (held on file with the City Clerk)

Extrait de l'ébauche du procès-verbal à huit clos, Comité de la vérification, le 26 novembre 2019 (conservé dans les dossiers du greffier municipal)

- 3.

**Report to
Rapport au:**

**Audit Committee
Comité de la vérification
26 November 2019 / 26 novembre 2019**

**and Council
et au Conseil
11 December 2019 / 11 décembre 2019**

**Submitted on November 15, 2019
Soumis le 15 novembre 2019**

**Submitted by
Soumis par:
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Ward: CITY WIDE / À L'ÉCHELLE DE LA VILLE File Number: ACS 2019-OAG-BVG-0011

SUBJECT: Office of the Auditor General (OAG) – Annual Report and detailed audit reports

OBJET: Bureau du vérificateur général (BVG) – Rapport annuel et rapports de vérification détaillés

REPORT RECOMMENDATION

That the Audit Committee receive the OAG's Annual Report and detailed audit reports on November 26, 2019 and recommend that Council consider and approve the audit recommendations.

RECOMMANDATION DU RAPPORT

Que le Comité de la vérification reçoive le Rapport annuel et les rapports de vérification détaillés du BVG le 26 novembre 2019 et recommande au Conseil d'examiner et d'approuver les recommandations des vérifications.

BACKGROUND

The Annual Report covers activities relating to the OAG's 2018 and 2019 audit work plans:

- Audit of Benefits Processing – Compliance and Program Management
- Audit of City Estimates
- Audit of City of Ottawa Superannuation Fund (COSF)
- Audit of Light Rail Transit (LRT) Land Negotiations and Purchases
- Audit of Stage 2 Light Rail Transit (LRT) Project Procurement
- Audit of Ottawa Fire Services – Fire Suppression
- Audit of Planning, Infrastructure and Economic Development Department – Land Management System (to be presented In Camera)

DISCUSSION

In accordance with the Governance report approved by Council on December 5, 2018, the reports are being tabled with the Audit Committee. These reports will then be referred to Council for approval of the audit recommendations.

The Annual Report summarizes the activities of the OAG and contains an executive summary for each audit. Detailed audit reports are available on the OAG website at ottawa.ca.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

CONSULTATION

As this is considered an internal administrative matter, no public consultation was undertaken.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a city-wide issue.

ADVISORY COMMITTEE(S) COMMENTS

This section does not apply, as this is a city-wide administrative report.

LEGAL IMPLICATIONS

There are no legal impediments to the Audit Committee and Council considering these reports.

The Audit of Planning, Infrastructure and Economic Development Department – Land Management System is to be presented to the Committee in closed session and will be reported out upon final conclusion of the litigation/negotiations. The comments set out below explain the applicable provisions underlying this recommended approach as it relates to potential litigation and negotiations to be carried on by the City.

The ‘open meetings’ rule under the *Municipal Act, 2001* provides that “all meetings” of municipal councils and local boards “shall be open to the public”, however subsection 239(2) sets out a number of discretionary provisions that enable a municipal council or local board to pass a motion and move into closed session (i.e. *in camera*) to discuss certain matters. As set out in Subsections 239(2) identified below, a meeting or part of a meeting may be closed to the public if the subject matter being considered is,

- e) litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board;
- f) advice that is subject to solicitor-client privilege, including communications necessary for that purpose; or
- (k) a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

This last provision was added to Subsection 239(2) by way of the recent amendments made to the *Municipal Act, 2001*, by Bill 68, the *Modernizing Ontario's Municipal Legislation Act, 2017*.

These exemptions are further reiterated in Section 13 of the City's *Procedure By-law (2019-8)*.

The City Solicitor has reviewed the Audit of Planning, Infrastructure and Economic Development Department – Land Management System and, in consultation with the Auditor General and the City Clerk, has recommended that consideration and discussion of the Audit be done in closed session, based on the criteria outlined above.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

FINANCIAL IMPLICATIONS

There are no financial implications associated with the approval of the report recommendations.

ACCESSIBILITY IMPACTS

There are no accessibility impacts associated with this report.

TERM OF COUNCIL PRIORITIES

This report supports the Term of Council Priority related to Governance, Planning and Decision Making.

SUPPORTING DOCUMENTATION

On November 26, 2019, the following report will be tabled at Audit Committee and will be on file with the City Clerk:

- Office of the Auditor General: Annual Report, Tabled at Audit Committee – November 26, 2019
- Bureau du vérificateur général : Rapport annuel, déposé devant le Comité de la vérification – le 26 novembre 2019

Detailed audit reports will also be on file with the City Clerk and available on the Auditor General's website at ottawa.ca.

DISPOSITION

The Office of the Auditor General will proceed according to the direction of the Audit Committee and Council in considering this report.