



MINUTES of the meeting of the Toronto Global Audit and Finance Committee
held at 225 King Street, Toronto, Ontario
on Thursday, June 6, 2019 at 1:00 p.m.

Present:	Mark Cohon	-	Board Chair (by teleconference, departed at 2:02 p.m.)
	Janet Ecker	-	Vice Chair
	Nitin Kawale		
	Satish Rai		
	Sriram Iyer		
By Invitation:	Toby Lennox	-	Chief Executive Officer
	Winston Young	-	Chief Financial Officer
	Leslie Sutherland	-	Corporate Secretary, VP, HR & Business Operations
	Diana Brouwer	-	Partner, Canadian Not-for-Profit Sector Leader, Ernst & Young
	Dallas Weaver	-	Manager, Not-for-Profit Sector, Ernst & Young
	Anthony Teles	-	Recording Secretary, MinuteTakers Inc.

1. **CALL TO ORDER**
 - (a) *Notice and Quorum* – Proper notice having been given and there being a quorum present, S. Rai called the meeting to order at 10:00 a.m. and presided as Chair.
 - (b) *Conflict of Interest Declaration* – No conflict of interest was declared under the *Municipal Conflict of Interest Act* and the *Ontario Business Corporations Act*.
2. **APPROVAL OF PREVIOUS MINUTES**
 - 2.1 **March 28, 2019** – The Chair asked for any errors or omissions in the Minutes of the Audit and Finance Committee meeting dated March 28, 2019 that were distributed prior to the meeting.

On Motion duly made and seconded it was,
RESOLVED THAT the Minutes of the Audit and Finance Committee of March 28, 2019 be accepted as presented. Motion carried.
3. **CEO UPDATE** – The update is to be addressed along with funding.
4. **FINANCIAL STATEMENTS**
 - 4.1 **Auditors Report** – Diana Brouwer and Dallas Weaver of Ernst & Young were welcomed to discuss the Auditor’s Report. Discussion highlights were noted as follows:
 - (a) *Audit Report* – The report was included in the package for review. It was noted that some not-for-profit organizations have a paragraph pertaining to “Other Information” in their reports, which refers to the annual report.

- (b) *Audit Scope* – The scope is similar to previous years. The Auditors reviewed the cash disbursements process. There are no corrected issues to bring to the Committees attention. The focus of the audit was high-level planning and recognition into each of the different funding agreements. The most important matter for this year was understanding where funding was as the year drew to a close, and Toronto Global's position a year from now. The Federal agreement has been renewed but is subject to Provincial funding coming through; there is a commitment letter. The Auditors considered this enough to move forward with no concerns about the next year.
- (c) *HST Registration* – This is done on an annual basis. As all funding came from contribution agreements, HST goes back into the funding envelope it came from. This is part of an ongoing discussion with the Provincial government.
- (d) *Process Improvements* – One item to highlight was process improvements. Additional work and time was spent this year due to duplication of work. The program from createTO is still being utilized.
- (e) *Reimbursement* – The Auditors noted a reimbursement deemed ineligible under the funding agreement. This was highlighted and reviewed with management.
- (f) *Significant Issues* – It was noted that there are no significant events, legal matters, or illegal acts that should be brought to the Committee's attention.
- (g) *Cost Control Concerns* – In response to a query, it was noted that it is difficult to determine if cost controls have improved. The Auditors advised that the larger concern is the accounting platform on the system.
- (h) *Financial Statements* – It was noted that information was updated to reflect the fact that there is the updated Provincial receivable and the organization is expected to receive this under the assumption that there will be an extension agreement. The current outlook is that the Province will grant approval on the HST matter as well.
- (i) *Acceptance of Auditor's Report* –

On a Motion by M. Cohon and seconded by J. Ecker, it was:

RESOLVED THAT the Auditor's Report be received as presented. Motion carried.

(j) *Audited Financial Statements* –

On a Motion by M. Cohon and seconded by J. Ecker, it was:

RESOLVED THAT the recommendation to receive the 2018/2019 Audited Financial Statements and for the Committee to make the recommendation to the Board that the Audited Financial Statements be approved. Motion carried.

The Auditors from Ernst & Young were thanked and departed at 1:24 p.m.

5. **ANNUAL REPORT**

- (a) *Audit* – It was noted that the Audit and Finance Committee may help negotiate audit fees going forward if requested from management. It was further noted that there was a more complicated audit.
- (b) *Toronto Region* – The report speaks to the scale of the region and its size in comparison to other cities in North America. It also addresses matters such as partnerships, talents, innovations, etc. This is reviewed by the Economic Development Officers who have a meeting on June 7, 2019. Amendments can be made based on feedback. It was noted that last year there was a comment to improve photographs of Chairs which was much appreciated.
- (c) *Timing* – The Board package will be sent out on June 10, 2019, but it will not include the Annual Report as it needs to be sent with the Audited Financial Statements. The intention is to send that to the Board on June 12, 2019. Comments may be received for feedback at the upcoming Board meeting or leading up to it. The goal is to have a week turnaround after Board feedback to have the Report released by end of June 2019.
- (d) *Region Balance* – Discussion ensued regarding balance between Toronto and the 905 Region. It had been suggested to demonstrate the scale of the Toronto region, noting that the area is bigger than the sum of its parts. All together the area competes with the largest jurisdictions in North America.
- (e) *Digital Strategy* – The Annual Report will be online. There will be a landing page for the annual report and a link embedded in the landing page can be shared on social media. There are tools to review who is reading the material and the user journey. There will be approximately 250 hard copies printed out that will be sent to various organizations and people, including all Chairs. There will also be a PDF version on Toronto Global's website.
- (f) *Region Profiles* – There are profiles of matters happening regarding artificial intelligence. Profiles also include Durham College and Ryerson University. There are success stories located in Mississauga and Toronto.

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6. **NEW / OTHER BUSINESS**

No other business was brought before the meeting.

7. **DATES OF NEXT MEETINGS**

The next meeting of the Finance & Audit Committee meeting will be September 12th, 2019.

8. **ADJOURNMENT**

There being no further business, the meeting was concluded at 1:42 p.m. on Motion by M. Cohon.

A handwritten signature in blue ink, appearing to read "Sald", written over a horizontal line.

Chair
