



**Minutes of the Meeting of the  
Audit and Risk Management Committee**

**August 20, 2009**

The meeting began at 10:06 a.m.

**Declarations of Interest Under the Municipal Conflict of Interest Act and the Ontario  
Business Corporations Act.**

No interests were declared.

**20090820.1 Committee Chair's Opening Remarks**

The Chair welcomed the Members of the Committee to the inaugural meeting of the Audit and Risk Management Committee.

**20090820.2 Review of Audit and Risk Management Committee Terms of Reference**

The Audit and Risk Management Committee reviewed the Terms of Reference for the Committee and decided that the Mandate of the Committee would be reviewed yearly by the Committee to determine if any changes should be made to the mandate.

**20090820.3 Annual Audit and Risk Management Program**

The Audit and Risk Management Committee had before it a report dated August 14, 2009, from the Senior Vice President and CFO, entitled "Annual Audit and Risk Management Program".

On motion by Bruce Bowes, seconded by Mike Williams, the Audit and Risk Management Committee:

1. amended the Audit and Risk Management Committee Annual Program as follows:

Risk Assessment:  
Environmental  
Manual/Policy Review

(Review to be submitted to the Committee in October, 2009, instead of November, 2009.)

#### Business Continuity

##### Crisis Management Plans

(Matter to be submitted to the Committee in November, 2009, instead of February, 2010; and

2. requested staff:
  - i. on an annual basis, to compile a list of items that should be reviewed e.g., environmental issues, financial issues, litigation issues etc., for submission to the Committee;
  - ii. to review all litigation matters that should be included in the Mandate of the Committee;
  - iii. **to consider the issue of including a "Whistle Blower" policy to the mandate of the Committee and report thereon to the Committee; and**

**received, as amended, the report dated August 14, 2009, from the Senior Vice President and CFO, entitled "Annual Audit and Risk Management Program".**

#### 20090820.4 Interim Procurement Policy

The Audit and Risk Management Committee had before it a confidential report dated August 14, 2009, from the Senior Vice President and CFO, entitled, "Interim Procurement Policy".

**At 10:55 a.m., on motion by Bruce Bowes, seconded by Mike Williams, the Audit and Risk Management Committee resolved to close part of the meeting to the public to discuss the confidential report dated August 14, 2009, from the Senior Vice President and CFO, entitled, "Interim Procurement Policy"; a matter that may be considered in a closed part of the meeting under By-law No. 1 of the Corporation, as it relates to the security of the property of the Corporation.**

The Audit and Risk Management Committee resumed its public session at 11:32 a.m.

**On motion by Bruce Bowes, seconded by Mike Williams, the Audit and Risk Management Committee adopted the recommendations from its closed session.**

## 20090820.5 Build Toronto Insurance Policy Overview

The Audit and Risk Management Committee had before it a confidential report dated August 14, 2009, from the Senior Vice President and CFO, entitled "Build Toronto Insurance Policy Overview".

**At 10:55 a.m., on motion by Bruce Bowes, seconded by Mike Williams, the Audit and Risk Management Committee resolved to close part of the meeting to the public to discuss the confidential report dated August 14, 2009, from the Senior Vice President and CFO, entitled, "Build Toronto Insurance Policy Overview"; a matter that may be considered in a closed part of the meeting under By-law No. 1 of the Corporation, as it relates to the security of the property of the Corporation.**

The Audit and Risk Management Committee resumed its public session at 11:32 a.m.

**On motion by Bruce Bowes, seconded by Mike Williams, the Audit and Risk Management Committee adopted the recommendations from its closed session.**

### Adjournment

The meeting adjourned at 11:33 a.m.

### Attendance:

TIME	10:04 a.m. – 10:55 a.m. Public Session	10:56 a.m. 11:32 a.m. In-Camera Session
David Barry, Chair	x	x
Blake Hutcheson, Board Chair's Designate as ex- officio member		
Mike Williams	x	x
Bruce Bowes	x	x

X Members were present for some or all of the time indicated.

### Also Present:

J. Lorne Braithwaite, Chief Executive Officer  
 Derek Ballantyne, Chief Operating Officer and Executive Vice President of Operations  
 John MacIntyre, Senior Vice President of Corporate Affairs  
 Winston Young, Senior Vice President and Chief Financial Officer  
 Nick Lewis, Office of the Mayor

Recording Staff: Patsy Morris, City of Toronto, City Clerk's office

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Committee Chair

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Chief Executive Officer



**Build Toronto Incorporated**  
c/o Metro Hall  
55 John Street, 7<sup>th</sup> Floor  
Toronto, ON M5V 3C6  
Direct Tel: 416-214-4640  
Fax: 416-214-4660

**Build Toronto**  
**Audit & Risk Management Committee**  
**Terms of Reference**

**Requirement:**

The Shareholder Direction from the City of Toronto provides in s. 4.1 that the Board of Directors may establish such committees of the Board as the Board determines are appropriate, and delegate to the committees such authority as the Board determines is appropriate, provided that the delegation of that authority is permitted under the *Business Corporations Act* (Ontario) and complies with, and is subject to, the provisions in s. 4.8 of the Shareholder Direction.

The Shareholder Direction in s. 4.8 requires that the Board not delegate decision-making to any committee unless all members of the committee are current Board members and that the Board shall not delegate to a committee the power to commit Build Toronto resources unless the Board has stipulated in its by-laws monetary limits on the corporate resources that may be committed by the committee.

The *Business Corporations Act* (Ontario) permits the Board to establish any committees it requires to conduct the business and affairs of the Board.

**Mandate:**

The Audit & Risk Management Committee shall have the following authority and responsibilities:

- (a) Review with management the quarterly and annual financial statements and the financial status of the Corporation.
- (b) Approve the audit plans, priorities and reporting for the annual audit, and recommend to the Board any special audits of the Corporation's operations, projects and ventures.
- (c) Review audit results and reports with the auditor and review management's response to the audit results and reports.
- (d) Recommend to the Board the audited financial statements for the Corporation and actions on any comments and issues raised by the auditors.
- (e) Review and recommend to the Board financial management policies and internal controls and any changes or actions required, including accounting policies, procurement and contracting policies, liquidity and debt financing policies, financial reporting requirements, and expense policies for members of the Board and employees.
- (f) Recommend to the Board a system of delegation of authority and any changes or actions required for the execution of instruments and creation of obligations on behalf of the Corporation.

- (g) Recommend to the Board policies and any changes required for the protection of the Corporation's assets and the assets of the City under its management.
- (h) Recommend to the Board strategies and policies and any changes or actions required to identify, assess, manage and mitigate financial, environmental and other risks that may materially affect the Corporation.
- (i) Review the adequacy of insurance for the Corporation and its directors, officers, employees and agents and recommend to the Board any changes or actions required.
- (j) Review expenses of the Chair and CEO of the Corporation.

**Committee Composition and Meetings:**

The Board shall appoint the Chair of the Audit & Risk Management Committee and the members of the Committee. The Audit & Risk Management Committee shall be composed of no fewer than three members. All Committee members shall be current Board directors. The quorum for a meeting of the Committee shall be a majority of its members.

The Chair of the Board, or the Chair's designate, shall be an ex-officio member of the Committee and shall be eligible to vote when attending Committee meetings. When attending Committee meetings, the ex-officio member may be counted towards achieving quorum.

Committee meetings shall be open to the public and shall be conducted according to the provisions of s. 4.8 of the Shareholder Direction, as applicable.

The Committee shall meet not less frequently than four times annually. After each meeting, the Committee shall report its actions and recommendations to the Board. Unless otherwise determined by the Board, the Committee shall have the power to develop its own procedures and regulate its own proceedings.

The Committee may require management and employees of the Corporation to attend its meetings and provide advice to the Committee.



Metro Hall - 55 John Street, 7th Floor Toronto, Ontario M5V 3C6 Tel: 416-214-4640 Fax: 416-214-4660

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**To:** Audit and Risk Management Committee of Build Toronto Inc.  
**From:** Winston Young, Senior Vice President & CFO  
**Date:** August 14, 2009  
**Subject:** **Annual Audit & Risk Management Program**

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**RECOMMENDATION:**

It is recommended that the Audit and Risk Management Committee of the Board of Build Toronto Inc. receive this report for information.

**BACKGROUND:**

The first meeting of the Build Toronto Audit & Risk Management Committee ("Committee") on August 20, 2009 and an annual program is attached which details the key tasks of the Committee with proposed dates for review.

Although the Committee dates have not yet been set at this time, it is proposed that the Committee meetings take place within a three-day period before a regular Board meeting. A revised copy will be circulated to Committee members when the meeting dates are finalized.

**BUILD TORONTO INC.  
AUDIT & RISK MANAGEMENT COMMITTEE – ANNUAL PROGRAM  
2009-2010**

		2009			2010			
DATES	RESP	Thurs, Aug 20	TBD Oct 19/20/21	TBD Nov 23/24/25	TBD Feb 22/23/24	TBD May 17/18/19	TBD Sept 7/8/9	TBD Nov 22/23/24
TIME		10 am EST	TBD	TBD	TBD	TBD	TBD	TBD
LOCATION		55 John Street	TBD	TBD	TBD	TBD	TBD	TBD
ATTENDANCE IN PERSON		Yes	TBD	TBD	TBD	TBD	TBD	TBD
<b>FINANCIAL REVIEW:</b>								
Quarterly Financial Report			√		√	√		√
Audited Financial Statements						√		
2009 Budget Detail			√					
2010 Business Plan Detail				√				
<b>AUDITOR REVIEW:</b>								
Auditor's Audit Plan and Audit Fees			√					
Auditor's Report to the Audit Committee						√		
In-Camera Session with Audit Committee						√		
<b>REVIEW &amp; COMPLIANCE:</b>								
Material Items for discussion			√	√	√	√	√	√
Litigation Summary				√		√		√
Summary of Insurance Claims				√		√		√
Corporate Insurance Report				√				√
Corporate Compliance Report						√		

		2009			2010			
DATES	RESP	Thurs, Aug 20	TBD Oct 19/20/21	TBD Nov 23/24/25	TBD Feb 22/23/24	TBD May 17/18/19	TBD Sept 7/8/9	TBD Nov 22/23/24
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ATTENDANCE IN PERSON		Yes	TBD	TBD	TBD	TBD	TBD	TBD
<b>RISK ASSESSMENT:</b>								
Business Risk Review					√		√	
Environmental Review			√			√		√
Environmental Manual/Policy Review					√			
Business Continuity, Crisis Management Plans					√			
<b>INTERNAL AUDIT:</b>								
Program to be Developed								
<b>POLICIES &amp; PROCEDURES:</b>								
Review of Committee Mandate		√					√	
Review of Corporate Authorization Policies					√			
Review of Operating Acctg Policies				√				
Review of New Audited F/S Note disclosures				√				
Minutes of Prior Meetings			√	√	√	√	√	√