



Audit Committee
Agenda

Date: December 3, 2025

Time: 3:30 p.m.

Location: Council Chambers, City Hall, second floor

Contact: Committee Clerk, Suzanne.Gillies@burlington.ca, 905-335-7777, x 7862

Pages

1. Call to Order

2. Land Acknowledgement

Burlington as we know it today is rich in history and modern traditions of many First Nations and the Métis. From the Anishinaabeg to the Haudenosaunee and the Métis – our lands spanning from Lake Ontario to the Niagara Escarpment are steeped in Indigenous history.

The territory is mutually covered by the Dish with One Spoon Wampum Belt Covenant, an agreement between the Iroquois Confederacy, the Ojibway and other allied Nations to peaceably share and care for the resources around the Great Lakes.

We acknowledge that the land on which we gather is part of the Treaty Lands and Territory of the Mississaugas of the Credit.

3. Approval of the Agenda

4. Declarations of Interest

5. Delegations

To speak at a Committee meeting regarding an item on the agenda, individuals must register as a delegation no later than noon the business before the meeting. To register, complete the online application at www.burlington.ca/delegation or submit a written request by email to Legislative Services at clerks@burlington.ca

Individuals who have feedback to share but do not wish to speak at the committee meeting, can submit written comments by email to clerks@burlington.ca by noon the business day before the meeting. Comments received regarding an item on the agenda will be circulated to committee members in advance of the meeting.

6. Presentations

7. Consent Items

Reports of a routine nature, which are not expected to require discussion and/or debate. Staff may not be in attendance to respond to queries on items contained in the Consent Agenda.

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|-----|---|---------|
| 7.1 | Status of Management Action Plans (AUD-11-25) | 1 - 9 |
| | Receive for information office of the city auditor report AUD-11-25 regarding status of Management Action Plans for Q4 2025 attached as Appendix A and Confidential Appendix B. | |
| 7.2 | Quarterly dashboard for the Office of the City Auditor (AUD-12-25) | 10 - 13 |
| | Receive for information office of the city auditor report AUD-12-25 regarding quarterly dashboard for the office of the city auditor as of Q4 2025 attached as Appendix A. | |
| 7.3 | Whistleblower Policy & Program update (AUD-15-25) | 14 - 18 |
| | Receive for information office of the city auditor report AUD-15-25 regarding an update about the Whistleblower Policy & Program identified in the 2025 Annual Audit Plan. | |
| 7.4 | Financial highlights for the period ended September 30, 2025 (FIN-37-25) | 19 - 25 |
| | Receive for information finance department report FIN-37-25 regarding the financial highlights for the period ended September 30, 2025. | |

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| 7.5 | Evaluation of the External Auditors and Audit Fee Summary (FIN-39-25) | 26 - 30 |
| | Receive for information finance department report FIN-39-25 regarding evaluation of the external auditors and audit fee summary. | |

8. Regular Items

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| 8.1 | External audit plan for the fiscal year ended December 31, 2025 (FIN-38-25) | 31 - 63 |
| | Approve the external audit plan for the fiscal year ended December 31, 2025, as presented by Deloitte LLP at the Audit Committee meeting of December 3, 2025 and attached as Appendix A to finance department report FIN-38-25. | |
| 8.2 | Automated Vehicle Location (AVL) Performance Audit (AUD-13-25) | 64 - 84 |
| | Receive for information the AVL Performance Audit attached as Appendix A to office of the city auditor report AUD-13-25. | |
| 8.3 | Motion memorandum regarding audit of space allocation for competitive swimming (COW-15-25) | 85 - 86 |
| | Note: this item was referred from the November 3, 2025 Committee of the Whole meeting | |
| | Direct the City Auditor to perform an audit of the allocation process of pool time for competitive swimming programs and report back to Committee of the Whole by December 2, 2025. | |
| 8.4 | City Auditor performance evaluation 2025 (CAF-05-25) | 87 - 91 |
| | Direct the Audit Committee Chair and the Head of Corporate Affairs to deliver the Audit Committees' final performance rating and feedback from Committee discussions to the City Auditor, ensuring the information is submitted to Human Resources for inclusion in the merit program, where applicable, contained in Confidential Appendix A to corporate affairs report CAF-05-25. | |

9. Confidential Items and Closed Meeting

Confidential reports may require a closed meeting in accordance with the Municipal Act, 2001. Meeting attendees may be required to leave during the discussion.

- 9.1 Confidential Appendix B regarding status of management action plans - cyber security audits (AUD-11-25)

Pursuant to Section 239(2)(a) of the Municipal Act, the security of the property of the municipality or local board.

- 9.2 Confidential Appendix A regarding City Auditor performance evaluation 2025 (CAF-05-25)

Pursuant to Section 239(2)(b) of the Municipal Act, personal matters about an identifiable individual, including municipal or local board employees.

10. Rise and Report

11. Information Items

- 11.1 2026 Audit Plan – update memo (AUD-14-25)

92 - 93

12. Staff Remarks

13. Committee Remarks

14. Adjournment

SUBJECT: Status of Management Action Plans

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-11-25

Wards Affected: Not Applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information office of the city auditor report AUD-11-25 regarding status of Management Action Plans for Q4 2025 attached as Appendix A and Confidential Appendix B.

Executive Summary

Purpose of report:

- The City Auditor follows-up with Management about the progress of all past audit recommendations. This is a quarterly report that summarizes that progress.

Key findings:

- Progress has been demonstrated by Management since the last quarterly update. Two Management Action Plans have been completed. Details are provided in Appendix A and confidential Appendix B.

Implications:

- Management is responsible for addressing recommendations from past audit reports. The City Auditor will continue to follow-up until all recommendations are completed and reported to Audit Committee.

Information Report

Background

At the conclusion of most audit projects, the City Auditor provides an audit report to Management which typically identifies one or more recommendations for Management to address. Management's responses to these recommendations are called 'Management Action Plans' (MAPS).

Standard 15.2 of the Global Internal Auditing Standards sets out requirements of internal auditors to ensure that Management Action Plans have been effectively implemented. This applies in all cases except where "senior management has accepted the risk of not taking action". The City Auditor follows-up regularly with Management in departments/divisions that previously received audit projects to ensure that there is progress against their respective MAPS. The following report to Audit Committee (submitted quarterly) is a summary of that progress.

Status

Below is a summary of the In-Progress Management Action Plans (MAPS) from the last report to Audit Committee on September 10, 2025 (Report AUD-09-25).

Audit Project Name:	High	Medium	Low	
Cyber-Security Audit (2022-Identify)	0	0	0	
Environmental Stewardship Strategies Audit	0	3	0	
Cyber-Security Audit (2023-Protect)	1	2	0	
Procurement Audit	0	0	1	
Cyber-Security Audit (2024-Detect & Respond)	1	3	0	
Community Grants Audit	0	0	5	
	2	8	6	Total In-Progress

Below is a summary of the in-progress MAPS as of December 3, 2025:

Audit Project Name:	High	Medium	Low	
Cyber-Security Audit (2022-Identify)	0	0	0	
Environmental Stewardship Strategies Audit	0	3	0	
Cyber-Security Audit (2023-Protect)	1	1	0	
Procurement Audit	0	0	1	
Cyber-Security Audit (2024-Detect & Respond)	1	2	0	
Community Grants Audit	0	0	5	
	2	6	6	Total In-Progress

The City Auditor reviewed the detailed progress updates from Management against the original Management Action Plans from the audit report (see Appendix-A and Confidential Appendix-B); two were successfully completed over the past quarter.

The tables above indicate the remaining (or incomplete) MAPS. The City Auditor will continue to follow-up with accountable Management until all MAPS are complete. Please note that past Cyber-Security Audits were presented to Audit Committee 'in-camera' and as a result, quarterly updates will be reported confidentially going-forward.

Key Dates & Milestones

This report is an accountability and transparency mechanism that occurs on a quarterly basis. The next report to Audit Committee in this regard will be in Q1 2026.

Implications

There is no immediate financial impact from this report, however there may be a financial impact from staff executing their respective Management Action Plans; those impacts would be captured through the annual budget process (from the respective operating departments).

There are no immediate climate impacts from this report. The City Auditor's follow-up process was conducted entirely remotely which saved vehicular trips to City facilities, thereby reducing greenhouse gas emissions. Meeting materials and audit evidence were entirely sent electronically, thereby reducing the consumption of paper.

Staff from the Community Planning, Environment & Energy, Finance/Procurement and Burlington Digital Services teams contributed their time to provide progress updates in this report. That time was not measured.

References

[AUD-01-25](#) – Status of Management Action Plans (Q1 2025)

[AUD-07-25](#) – Status of Management Action Plans (Q2 2025)

[AUD-09-25](#) – Status of Management Action Plans (Q3 2025)

Strategic Alignment

- ☐ Designing and delivering complete communities
- ☐ Providing the best services and experiences
- ☐ Protecting and improving the natural environment and taking action on climate change
- ☒ Driving organizational performance

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City Auditor

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Appendices:

- A. Detailed summary of Management Action Plans
- B. Confidential: Detailed summary of Management Action Plans re: Cyber-Security Audits

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

AUD-11-25 - Appendix-A: Outstanding Management Action Plans as of Nov 11, 2025

Department	Function	Audit Report	Audit Report Date	Details of Audit Issue							Number of:		Owner
				Audit Finding Number	Risk Rating	Audit Recommendation	Management Action Plan	Expected Completion Date	Revised Completion Date	Status	Days Past Due	Times Completion Date Revised	
Public Works	Environment & Energy	Environmental Stewardship Strategies Audit	22-Nov-23	1	Medium	1. A dedicated workplan or implementation schedule should be created for each strategy containing all specific actions/programs, objectives, owner/accountable individuals, expected deadlines and current status. These workplans should be updated continuously by Environment & Energy staff. 2. Annual reporting back to Council should have a tracking system (i.e. table) of all recommended actions and their respective status (i.e. complete, in progress, not started, delayed etc.). Alternatively, a red-yellow-green approach may be used to demonstrate status/progress. 3. For the next CEEMP (due to Council in June/July 2024) and BCAP (due to Council in mid-2025); the number and scale of implementation actions recommended by consultants and accepted by staff should be reduced to a feasible scope of work. In addition, only actions that the City can influence or exert control should be recommended to Council unless there is a documented commitment from an external stakeholder. Lastly, workplan actions should be written in an action-orientated way with specific, measurable, achievable, relevant, and time-bound targets. 4. The Environment and Energy Team should seek consulting assistance from the staff within the Corporate Strategy Team for developing workplans for the BCAP and CRB. Consulting advice from the Corporate Strategy Team should be sought prior to the approval of the next iteration of the CEEMP in mid-2024.	1. E&E staff will create detailed workplans/implementation schedules for each of the three plans. Specifically a workplan will be created for new Corporate Energy and Emissions Management Plan (CEEMP) to be completed in 2024. For Climate Resilient Burlington, staff will use the Action table in the plan to create a more detailed implementation workplan. A workplan will be created for the Climate Action Plan (BCAP) for the seven program areas, noting the specific actions that are being implemented to support the plan. 2. A system to track and report on progress of climate plan actions will be developed for each plan to present in annual reports. 3. Updated CEEMP and BCAP will be more concise with a focus on actions that the City has direct control and/or authority. The CEEMP will be updated in 2024 and the BCAP will be updated in 2025. 4. E&E staff will ask the Corporate Strategy Team for advice and guidance on the development of the workplans for the each of the three plans.	1. Q2 2024 2. Q2 2024 3. Q2 2025 4. Q1 2024	3. Q3-2025 3. Q4-2025 3. Jan 2026	Dec 3, 2025 - IN PROGRESS (#3): Action #3 – The Burlington Climate Plan: Taking Action to Reduce Community Greenhouse Gas Emissions 2026-2031 was submitted in October 2025 via the internal staff reporting process. The Plan should be included on the Jan 2026 Committee of the Whole agenda for City Council approval. Sept 10, 2025 - IN PROGRESS (#3): Action 3 – BCAP renewal in progress. Target delayed twice due to two reorganizations to different departments in both Q1 and Q2, the retirement of the BCAP corporate lead in Q2, and the creation of a new team structure in Q2 2025. Target to be completed Q4 2025. June 11, 2025 - IN PROGRESS (#3): Action 3 – BCAP renewal in progress – target to be completed Q3 2025. March 5, 2025 – IN PROGRESS (#3): Action 3 – BCAP renewal in progress – target to be completed Q2 2025. December 4, 2024 – IN PROGRESS (#3): Action 3 – Partially complete with updated CEEMP. BCAP will be updated in 2025. September 11, 2024 - IN PROGRESS (#3 only, others complete): Progress report for the Climate Action Plan with a summarized workplan was included in the July 5th Council Information Package with the updated workplan tracking progress. Management Action 1, 2 and 4 are complete. Action item #3 will be completed in 2025 with updated Climate Action Plan. The CEEMP portion of item #3 was completed with the updated plan. June 12, 2024 - IN PROGRESS: Environment and Energy staff met with the Corporate Strategy (CS) Team to discuss updating workplans to provide more detail in the first quarter of 2024. CS staff have offered continued support to Environment and Energy staff. The second annual progress report on the CRB plan was presented to Committee of the Whole in May 2024. A more detailed implementation workplan has been completed and was presented with status updates for each	156	3	Manager, Environmental Sustainability Coordinator, Sustainability Projects Supervisor, Energy & Emissions
Public Works	Environment & Energy	Environmental Stewardship Strategies Audit	22-Nov-23	2	Medium	1. Annual updates to Council should include some key performance indicators recommended within the BCAP and CRB. 2. Environment & Energy staff should re-evaluate the feasibility of the KPI's recommended by their consultant when the BCAP was prepared. KPI's to support the BCAP must demonstrate progress towards the overall BCAP goal of the "community being net carbon neutral by 2050" while not being administratively burdensome to collect, analyze and report on key data sets. a. The quantity of KPI's should be rationalized to a manageable number. b. Data sets to support KPI's should be accessible and not overly burdensome to collect, analyze and report upon. 3. KPI targets in the CRB should be updated once further information is received from inter-dependent City reports. 4.Future reporting to Council regarding the CEEMP should include KPI forecasting of progress against the 2019 CEEMP target of "City's operations become net carbon neutral by 2040". This forecast should include a detailed analysis which includes new City buildings added in 2022 (and beyond) and its impact on meeting the net carbon neutrality goal by 2040. 5.The Environment and Energy Team should seek consulting assistance from the staff within the Corporate Strategy and Data Analytics & Visualizations teams with developing and reporting upon KPI's.	1. The Manager, Environmental Sustainability and the Supervisor, Energy & Emissions will assess relevant KPIs to report on, based on availability of data. 2. The Manager, Environmental Sustainability will re-evaluate the feasibility of KPIs in the BCAP when it is being renewed, due in 2025. Many of the indicators in the existing BCAP were based on a model by the plan consultant to show what it would take for Burlington to achieve being a net carbon neutral community by 2050 and do not necessarily reflect data that is available to the City to track. 3. The Coordinator, Sustainability Projects commits to an annual review of the indicators with the CRB Implementation Team to ensure they are consistent with other City reports and plans. 4. The updated CEEMP will include forecasted targets against the overall target of being net carbon neutral in the City's operation. The forecast and targets will include all known and assumed expansion of overall corporate square footage. 5. E&E staff have been working with the Corporate Strategy and Data Analytics & Visualizations teams to develop and report on KPIs in a new dashboard to support the 'From Vision to Focus' workplan.	1. Q2 2024 2. Q2 2025 3. Annual review/ Ongoing 4. Q2 2024 5. Q1 2024	2. Q3-2025 2. Q4-2025 2. Jan 2026	Dec 3, 2025 - IN PROGRESS (#2): Action #2 – KPIs are included in the draft Burlington Climate Plan: Taking Action to Reduce Community Greenhouse Gas Emissions 2026-2031. Sept 10, 2025 - IN PROGRESS (#2): Action 2 re: BCAP – KPIs will be developed for the updated BCAP to be completed Q4 2025. June 11, 2025 - IN PROGRESS (#2): Action 2 re: BCAP – KPIs will be developed for the updated BCAP to be completed Q3 2025. Action 5 - Environment and Energy staff will support the development of the new corporate dashboard for reporting KPIs as required – 2025. March 5, 2025 – IN PROGRESS (#2): Action 2 re: BCAP – KPIs will be developed for the updated BCAP to be completed Q2 2025. Action 5 - Environment and Energy staff will support the development of the new corporate dashboard for reporting KPIs as required – 2025. December 4th, 2024 – IN PROGRESS (#2): Action 2 – are being assessed for the next edition of the BCAP Action 3. Ongoing progress with CRB Plan – KPIs continue to be refined (added, deleted or updated) as needed for better representation in collaboration with the staff team and alignment with other corporate plans. Action 5 - Reporting on KPIs in a dashboard format is still ongoing with city staff to coordinate with V2F reporting. September 11, 2024 - IN PROGRESS (#2): Relevant KPIs have been assessed related to both the Climate Action Plan and CEEMP (Action 1 Complete). Refinements will be made as new Climate Action Plan is completed, based on available data. (Action 2) CRB Plan – KPIs continue to be refined (added, deleted or updated) as needed for better representation in collaboration with the staff team. (Action 3 - ongoing) The updated CEEMP includes new targets, including square footage targets, accounting for growth of city facilities. (Action 4 – complete).	156	3	Manager, Environmental Sustainability Coordinator, Sustainability Projects Supervisor, Energy & Emissions

Department	Function	Audit Report	Audit Report Date	Details of Audit Issue						Number of:		Owner	
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Public Works	Environment & Energy	Environmental Stewardship Strategies Audit	22-Nov-23	3	Medium	1. The number of actions and programs in the three environmental stewardship strategies should be reduced to within a manageable workplan feasible for the current staffing envelope of four professional staff. Request new operating funding to execute actions/programs in the environmental stewardship strategies through the annual budget process with a business case once workplans have been updated. 2. The next CEEMP and BCAP should have more accurate financial costing of actions and programs. Those actions should be forecasted into the Finance multi-year operating and capital budget presented to Council for approval. 3. Review the City's environmental partnerships with external organizations to measure the benefit provided to the City of Burlington. Under this review, evaluate whether financial support provided to these organizations can be better utilized to implement actions/programs within the City's environmental strategies.	1. As the CEEMP and BCAP are updated, recommended actions will be focused to ensure resources are available to implement the plans. As noted above, workplans will be created to identify associated funding requirements for specific actions. Business cases (change forms) will be submitted to support actions through the annual budget review process. Note that many climate actions identified in the plans are led by other departments. 2. The Manager, Environmental Sustainability and for the Supervisor, Energy & Emissions will review financial costing of actions and programs to forecast multi-year budgets. This work may be tied to the updating of the current plans in 2024 and 2025 respectively. 3. A review of partnerships with external environmental organizations and community stakeholders is in progress. Further consultation is required with council, staff and key external stakeholders to assess how to strategically support local organizations to deliver effective community climate action initiatives.	1. Q2 2024 2. Q2 2025 3. Q2 2024	1. Q3-2025 1. Q4-2025 1. Jan 2026	Dec 3, 2025 - IN PROGRESS #1): Action #1 re: BCP - The draft BCP includes 17 actions under three program areas focusing on actions the City can implement to support a low carbon footprint for the community. Business cases will be submitted for the budget review and approval process for individual actions as required. Sept 10, 2025 - IN PROGRESS (#1): Action 1 re: BCAP: The draft BCAP includes 17 actions under three program areas focusing on actions the City can implement to support a low carbon footprint for the community. Business cases will be submitted for the budget review and approval process for individual actions as required. June 11, 2025 - IN PROGRESS (#1): Action 1 re: BCAP: The draft BCAP includes 16 actions under three program areas focusing on actions the City can implement to support a low carbon footprint for the community. Business cases will be submitted for the budget review and approval process for individual actions as required. March 5, 2025 – IN PROGRESS (#1): Action 1 re: BCAP: Draft BCAP actions are under development. Focus will be on those actions that the City can implement to support a low carbon footprint for the community. Business cases will be submitted for the budget review and approval process for individual actions as required. December 4, 2024 – IN PROGRESS (#1 & 2): Action 1 – Partially completed with CEEMP. BCAP to be updated in 2025 with funding requirements. Action 2 – Partially completed – energy projects are incorporated into the ten year capital budget. BCAP projects – some funding is tied to other departmental programs like the Integrated Mobility Plan and Transit. September 11, 2024 - IN PROGRESS (#1 & 2): The new CEEMP includes specific actions – Supervisor of Energy participates in capital budget discussions to implement the plan. BCAP to be updated in early 2025. (Actions 1 and 2) Reports to council on BurlingtonGreen and Bay Area Climate Change Council are complete (Action 2)	156	3	Manager, Environmental Sustainability Coordinator, Sustainability Projects Supervisor, Energy & Emissions
Finance	Procurement Services	Procurement Audit	20-Aug-24	3	Low	Procurement Services should develop new and enhanced reports in Workday to identify procurement trends, strategic opportunities and/or exceptions. Once those reports are designed, all members of the Procurement Services team should receive training on how to execute those reports. Procurement Services should utilize new and enhanced Workday reports to share strategic analysis and opportunities with the Executive Leadership Team (XLT) and their departments/divisions on an annual basis and to complement its annual reporting to Council.	Through Workday standard and customized reporting Procurement Services is now able to accurately track various purchase types, including Single Source, Non-compliant, Contracted and non-contracted spends. While the default reporting functionality in Workday meets some needs, Finance will be on-boarding a contract position who will be responsible for the design of custom reports with more robust analytical capability. Procurement Services will work to communicate annually to XLT leaders and their departments on departmental spending trends, and opportunities. The first communication will occur after one year of data collection in Workday.	31-Mar-25	Dec 31, 2025 Jun 30, 2025	Dec 3, 2025 - IN PROGRESS: This is on track for completion by the revised deadline. Sept 10, 2025 - IN PROGRESS: This is on track for completion by the revised deadline. June 11, 2025 - IN PROGRESS: This will be done at year end as opposed to year 1 of workday as we have taken longer to work through Workday issues than expect. March 5, 2025 – IN PROGRESS: This item will require more time as we work through the nuances of Workday. December 4, 2024 - IN PROGRESS: On track for completion by deadline.	247	2	Melissa Mordue, Manager of Procurement Services

Department	Function	Audit Report	Audit Report Date	Audit Finding Number	Risk Rating	Details of Audit Issue				Number of:		Owner	
						Audit Recommendation	Management Action Plan	Expected Completion Date	Revised Completion Date	Status	Days Past Due		Times Completion Date Revised
Development & Growth	Heritage	Community Grants Audit	21-Feb-25	1	Low	1. Rename the CHF to explicitly refer to it as a grant program, comparable to other municipalities. 2. Restructure the CHF to remove the loan option. Update the Organizational Policy, Procedures Manual, Info Sheet and Heritage Conservation Agreement accordingly. 3. Community Planning staff in consultation with Corporate Communications should develop and execute a communications campaign to provide additional messaging to heritage designated property owners about the existence of the CHF. City staff may consider direct annual mail-outs to heritage designated properties (which is a common tactic in benchmarked municipalities). 4. Increase the matching rate to 50% which is consistent with most other comparable municipalities. 5. Community Planning staff should update the Procedure Manual to reflect the current business process as well as the future state envisioned with all audit recommendations.	1. Chloe Richer (Senior Planner, Heritage) will prepare a staff report to amend the Community Heritage Fund bylaw, renaming the CHF to explicitly refer to its grant program, by Q3 2025. 2. Community Planning will keep the loan option for now and re-evaluate the program after launching a Communications Plan with Corporate Communications and after new Part IV and Part V heritage properties are designated in 2025. 3. Chloe Richer (Senior Planner, Heritage) will consult with Corporate Communications to develop and execute a communications campaign to provide additional messaging to heritage designated property owners about the existence of the Community Heritage Fund, by Q3 2025. 4. Chloe Richer (Senior Planner, Heritage) will prepare a staff report to amend the Community Heritage Fund bylaw, increasing the matching rate to 50%, by Q3 2025. 5. Chloe Richer (Senior Planner, Heritage) will update the Procedural Manual to reflect the current business process as well as the future state envisioned with all audit recommendations, by Q4 2025.	Q4 2025	1. Q4 2025 2. Q1 2026 4. Q4 2025 4. Q4 2025	Dec 3, 2025 - IN PROGRESS: 1. Delegated Approval report drafted to amend the Community Heritage Fund bylaw, renaming the CHF to explicitly refer to its grant program. The draft bylaw has been shared with Legal staff for their review. Target: Q4 2025. 2. No update. No new loan applications have been received in 2025. 3. Complete. 4. Delegated Approval report drafted to amend the Community Heritage Fund bylaw, increasing the matching rate to 50%. The draft bylaw has been shared with Legal staff for their review. 5. Ongoing; minor updates have been added as needed. A fulsome update will be conducted following the completion of related action items. Sept 10, 2025 - IN PROGRESS: 1. At Todd Evershed's direction, renaming of the CHF to "Heritage Grant Program" can be communicated to Council via an email or CIP memo instead of a staff report, since Council is already aware of the recommendation through the Audit Report. The bylaw will be updated in relation to Action Item #4, and the formal renaming can be included at that time. 2. No update. 3. COMPLETE - Corporate Communications staff have completed a new one-page "Info Sheet" on the Heritage Grant Program/Community Heritage Fund for public consultation events. 4. No update. 5. Ongoing. June 11, 2025 - IN PROGRESS: 1. No update. 2. No update. 3. Chloe Richer has reached out to Corporate Communications regarding developing and executing a communications campaign to provide additional messaging to heritage designated property owners about the existence of the Community Heritage Fund. Corporate Communications staff inquired whether there is an associated budget for the scope of work, which there is not at this time. Chloe has asked that Corporate Communications staff provide suggested	-	1	Todd Evershed, Supervisor of Special Projects & Urban Design
Development & Growth	Heritage	Community Grants Audit	21-Feb-25	2	Low	1. Streamline the CHF approval process to delegate approval of the CHF grant from City Council to the Director of Community Planning for all applications. Work in conjunction with Legislative Services to update the Delegated Authority By-law as required. 2. Rationalize the CHF application form to only collect information from applicants that informs the application approval. Alternatively, update the Info Sheet or Heritage Conservation Agreement to state that the applicant should provide the information if requested. 3. Update the CHF "Info Sheet" to include the application steps/procedures from the applicant's perspective and post it on the appropriate City's Heritage webpage.	1. Jamie Tellier (Director, Community Planning) will work in conjunction with Legislative Services to update the Delegated Authority By-law as required, by Q2 2025. 2. Chloe Richer (Senior Planner, Heritage) will work in conjunction with Legislative Services to update the CHF application form, by Q2 2025. 3. Chloe Richer (Senior Planner, Heritage) will update the CHR "Info Sheet" to include the application steps/procedures from the applicant's perspective and post it on the appropriate City's Heritage webpage, by Q2 2025.	Q2 2025	Q4 2025	Dec 3, 2025 - IN PROGRESS: 1. Complete. 2. Complete. 3. Chloe Richer has revised the longer "Info Sheet" that includes the application steps/procedures from the applicant's perspective and shared the draft with Communications staff for their review. The next step is to submit a Creative Services request to update the graphics once the text is finalized. Sept 10, 2025 - IN PROGRESS: 1. Complete. 2. Complete. 3. Chloe Richer has worked with Corporate Communications staff developing on a new, one-page "Info Sheet" on the Heritage Grant Program/Community Heritage Fund for public consultation events. The next step is to review and complete a new version of the longer "Info Sheet" that includes the application steps/procedures from the applicant's perspective. June 11, 2025 - IN PROGRESS: 1. Jamie Tellier is working with Legislative Services on a joint report and will be bringing this to June Committee of the Whole and Council meetings. 2. Complete. 3. Chloe has asked that Corporate Communications staff provide suggested revisions to the existing Community Heritage Fund Info Sheet.	156	1	Todd Evershed, Supervisor of Special Projects & Urban Design

Department	Function	Audit Report	Audit Report Date	Audit Finding Number	Risk Rating	Details of Audit Issue				Number of:		Owner	
						Audit Recommendation	Management Action Plan	Expected Completion Date	Revised Completion Date	Status	Days Past Due		Times Completion Date Revised
Community Services	RCC Arts & Community Development	Community Grants Audit	21-Feb-25	3	Low	1. Combine the CDF and NCMF programs and remove the matching component. 2. Rename the BACF, CDF and NCMF (if Management opts to retain this program) to explicitly refer to it as a grant program, comparable to other municipalities. 3. Insert a requirement into the CDF Letter of Agreement to publically acknowledge the City of Burlington’s grant contribution where possible. 4. Create unique Workday cost centers for LMN, CDF and NCMF (if Management opts to retain this program) to facilitate clear and efficient financial analysis and reporting. Prepare an annual accrual for Finance if the aggregate grant commitments exceed \$25,000. 5. Create a Grant Advisory Committee to review and approve CDF and NCMF (if Management opts to retain this program) grants over a certain threshold (i.e. \$5000). 6. Conduct a survey of CDF, NCMF and LMN grantees requesting feedback for further improvements. Staff may consider using the City’s Get-Involved survey portal to obtain feedback directly from past grantees.	Note: the full Management Action Plan is truncated for the purposes of fitting onto one page. Full response found in AUD-03-25; Appendix-A (page 12). The overall response provided by Emilie Cote, Director, RCC: All audit recommendations will be considered by the Grant Review Working Committee. Finalized implementation strategies for all process improvements will be reported by Q4 of 2025. Operational approvals will be sought through Management and any recommendations for CIP updates will be directed to Council subsequently as required.	Q4 2025	Q1 2026	Dec 3, 2025 - IN PROGRESS: 3. In progress: Updates to all applicant communications are underway. An Applicant Guide for the CDF has been developed that clearly outlines all requirements in great detail. Other grants will follow suit. 5. In progress: Pending report to council in Jan 26 that will seek input/approval on several pertinent grant changes, the recruitment, training, and system for records management with an external committee is contingent on the direction obtained. 6. Survey will be activated in Q4 Sept 10, 2025 - IN PROGRESS: RCC has reviewed all recommendation and will be proceeding with the following priorities: 1.Will retain both programs in anticipation of greater participation in future state partnerships 2. Naming convention and public facing communications are in process of being adjusted to ‘Grant’ upon approvals 3. Reviewed and consensus reached to proceed. 4. Business Services has adjusted and will have Program and Spend Category distinctions in place for Q3 reporting. Accrual procedures are in place. 5. BACF, CDF will develop SOPs to implement external review committee. CNMF TBD. Proposed procedures will go to SMs for review in Sept. 6. Survey has been developed and will be implemented by EOY June 11, 2025 - IN PROGRESS: RCC has reviewed all recommendation and will be proceeding with the following priorities: 2. Reviewed and consensus reached. Naming convention and public facing communications to be adjusted to ‘Grant’ 3. Reviewed and consensus reached to proceed. 4. Business Services has adjusted line items for ease of reporting. Accrual procedures are in place. 5. Agreement that external review process as per Investment Policy will be developed. Administrative adjustments to efficiently facilitate this second-tier	-	1	Emilie Cote, Director, RCC
Community Services	RCC Arts & Community Development	Community Grants Audit	21-Feb-25	4	Low	1. RCC should define a specific application window (time period when grant applications are received from the public) for CDF and LMN; and then optimize its staffing around those dates. Should Management accept this recommendation; update the Community Investment Policy accordingly. 2. Re-design the application form for BACF and CDF for applicants who are re-applying in consecutive years to include an attestation that their information is identical from their last application. Alternatively, RCC may consider providing multi-year grants to select organizations which is a common tactic for some municipalities. 3. Re-design the application form for BACF, CDF, LMN and NCMF to include the grant program terms and conditions from the Letter of Agreement. 4. Remove the requirement in the LMN to provide receipts; insert a condition that applicants must retain receipts for a defined period of time (i.e. 3 months after the event) subject to random spot-checking by RCC staff. 5. RCC staff should engage Finance staff to design an inbound EIB (Enterprise Interface Builder) to transfer approved grant installments/payments into Workday from one document to replace multiple manual cheque requisitions where possible. 6. RCC should engage the Burlington Digital Services team to investigate the feasibility of on-boarding an online portal for managing their grant programs	Similar to Audit Finding #3, all audit recommendations will be considered by the Grant Review Working Committee. Finalized implementation strategies for all process improvements will be reported by Q4 of 2025. Operational approvals will be sought through Management and any recommendations for CIP updates will be directed to Council subsequently as required.	Q4 2025	Q1 2026	Dec 3, 2025 - IN PROGRESS: 1. Planning continues building on (1) below. 2. Grant Software if approved, will address this matter. Consensus on providing annual and multiyear grant agreements and the procedural documents associated with this have been drafted and are ready for implementation once socialization among all depts/ sections/ positions concerned has been completed. Timeline TBD. Anticipating ‘26 Q1. 3. Teams are ready to adjust once final approvals are in place. 4. Typically LMN applicants only use part of funds provided. For this reason procedures may remain as is in this Grant Program yet TBD. 6. As below. This remains in progress and sits with ARB at this time. An update report to council has been drafted and at the ready should expenses to implement the software be significant and require Council approval. Sept 10, 2025 - IN PROGRESS: 1. Intake windows have been decided for all grants with LMN continuing with continuous intake thereby balancing workflows across the year for this grant. 2. Consensus reached. To address by Q3 3. Consensus reached. To address by Q3 4. In discussion – general agreement for spot check process implementation. Inter-dept discussions to ensue. To address by Q3 5. Decision to decline recommendation on the basis of lack of volume to see benefits. 6. Software preference has been selected and in progress with Architectural Review Board to ensure feasibility and privacy compliance. Next steps will include determining budget feasibility. June 11, 2025 - IN PROGRESS: 1. Consensus reached that this is necessary for some grants. Developing process will occur Q3 2025. Policy updates to occur Q4. 2. Consensus reached. To address by Q3 3. Consensus reached. To address by Q3 4. In discussion – general agreement for spot check process implementation. Inter-dept discussions to ensue. To address by Q3	-	1	Emilie Cote, Director, RCC

Department	Function	Audit Report	Audit Report Date	Details of Audit Issue							Number of:		Owner
				Audit Finding Number	Risk Rating	Audit Recommendation	Management Action Plan	Expected Completion Date	Revised Completion Date	Status	Days Past Due	Times Completion Date Revised	
Community Services	RCC Arts & Community Development	Community Grants Audit	21-Feb-25	5	Low	1. RCC should prepare an annual report to Council through its Committee of the Whole (or alternatively through the Council Information Package) to identify the results of its CDF, NCMF and LMN programs (in coordination with BACF). Reporting to Council should include key performance indicators such as # of applications received vs. approved, dollars granted and a summary of the grant recipients including the scope/nature of the event/project/work completed. Qualitative information such as testimonials from grantees may also be beneficial in this regard. 2. RCC should work in conjunction with Corporate Communications & Engagement to prepare an media release summarizing the information reported to Council. 3. RCC should post this report to its Community Development website in the same manner that NCMF/BACF annual results are publically reported.	Similar to Audit Finding #3, all audit recommendations will be considered by the Grant Review Working Committee. Finalized implementation strategies for all process improvements will be reported by Q4 of 2025. Operational approvals will be sought through Management and any recommendations for CIP updates will be directed to Council subsequently as required.	Q4 2025	Q1 2026	Dec 3, 2025 - IN PROGRESS: All items remain in progress, as listed below and are contingent on Jan '26 report direction. At this time all items have consensus and await implementation in logical sequence. Sept 10, 2025 - IN PROGRESS: 1. Consensus reached. Feb 2026 will see implementation begin jointly with BACF and all other grants reporting collated in single update to council. 2. No progress at this time. To address. 3. Agreement reached. Implementation to follow. June 11, 2025 - IN PROGRESS: 1. Consensus reached. 2025 will see implementation begin. 2. No progress at this time. To address. 3. As above.	-	1	Emilie Cote, Director, RCC

SUBJECT: Quarterly dashboard for the Office of the City Auditor

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-12-25

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information office of the city auditor report AUD-12-25 regarding quarterly dashboard for the office of the city auditor as of Q4 2025 attached as Appendix A.

Executive Summary

Purpose of report:

- The City Auditor provides a quarterly report containing key performance indicators for the Audit Committee. This dashboard is an accountability and transparency mechanism intended to demonstrate the quarterly progress of audit work by the City Auditor to Audit Committee.

Key findings:

- Please see Appendix A - Quarterly Dashboard for Office of the City Auditor for more information.

Implications:

- There are no implications from this report; it is for information only.

Information Report

Background

Through report# [CA-05-22](#) (dated June 8, 2022), the City Auditor committed to providing a quarterly dashboard of key performance indicators (KPIs) to Audit Committee. These KPIs were developed from an analysis of literature published by the Institute of Internal Auditors and is considered a leading practice amongst Directors of Internal Audit at other organizations.

Status

The objective of the City Auditor's quarterly dashboard is to provide Audit Committee with a one-page summary of the key performance indicators for the Office of the City Auditor and demonstrate progress against the Annual Audit Plan. This report is for informational purposes but helps to inform the performance management process for the City Auditor described in report #[AUD-06-25](#), dated March 5, 2025.

Key Dates & Milestones

This report is an accountability and transparency mechanism that occurs on a quarterly basis. The next report to Audit Committee in this regard will be in Q1 2026.

Implications

There is no immediate financial impact from this report. Funding identified in the attached dashboard is provided through the operating budget of the Office of the City Auditor; approved annually by City Council.

References

[CA-05-22](#) – Quarterly Dashboard report for Office of the City Auditor
[AUD-06-25](#) – Performance Management process for the City Auditor
[AUD-10-25](#) - Quarterly Dashboard report for Office of the City Auditor (Q3 2025)

Strategic Alignment

- ☐ Designing and delivering complete communities
- ☐ Providing the best services and experiences
- ☐ Protecting and improving the natural environment and taking action on climate change
- ☒ Driving organizational performance

Author:

Maciej Jurczyk, CPA, CIA, CRMA, LSSGB, CFE, CISA

City Auditor

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Appendices:

- A. Quarterly Dashboard for Office of the City Auditor

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.


Report #
AUD-12-25
Effective:
Nov 12, 2025

Audit Plan Status

Audit Plan	Percentage Complete		Audit Phase	Project Status	Due Date
Cash Handling/Revenues	<div><div></div></div>	100%	-	Complete	-
Fleet Services: AVL post-implementation	<div><div></div></div>	100%	-	Complete	-
Development Applications Review	<div><div></div></div>	25%	Planning	In Progress	Q1 2026
Procurement Card (P-Card) Audit	<div><div></div></div>	5%	Planning	On Hold	Q1 2026
Whistleblower Policy & Program implementation	<div><div></div></div>	75%	Not applicable	In Progress	Q2 2026

Highlights from the Last Quarter

- Whistleblower Policy & Program implementation: Policy complete and approved by XLT; communications to management and people leaders is on-going. Business case to support the 2026 budget approved by XLT and embedded into 2026 operating budget submission for City Council. Working on privacy impact assessment and building specifications for Request for Proposal to be launched after Dec 2.
- Cash Handling/Revenues - Complete
- AVL Audit - Complete; see report AUD-13-2025
- Developed 2026 draft audit plan including benchmarking update, corporate-wide risk assessment refresh and consultation with management.
- Development Applications Audit - in progress - planning stage
- P-Card Audit - on-hold pending outcome of Special Audit Committee meeting of Nov 26 re: Aquatics Audit
- Supported the Legislative Services dept to prepare motion memorandum and planning for Aquatics Audit and potential BEDT consulting procurement audit.
- Fraud Prevention - completed corporate-wide Fraud Awareness Month communications campaign.
- Provided advisory support to Finance regarding property management/realty matter.
- Participated on the evaluation panel for the External Audit Services Request for Proposal with CFO and Controller.
- Supported the Transformation Office with key performance indicators for Corporate Affairs dept and risk confidence initiative.
- Supported the Transformation Office to design framework for new Enterprise Risk Management process.
- Completed and passed Certified Information Systems Auditor (CISA) exam on first attempt in April 2025 which supports 2025 performance goal (Note: this is not during business hours). Certification will be official pending professional experience verification.
- Attended the International Internal Audit Conference in July 2025 which focused on artificial intelligence within the audit profession.

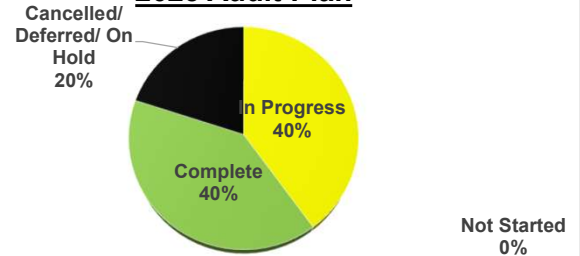
Changes to Annual Audit Plan

None

Other Initiatives

Project Name	Status
Advisory - Supporting Risk Community of Practice	Continuous
Advisory - Supporting Burlington Action Response Team	Continuous
Admin - Performance Management process	Complete
Advisory - Fraud Prevention Month	Complete
Advisory - Property Management matter in Finance	Complete
Advisory - Finance re: external audit RFP	Complete

2025 Audit Plan



Key Performance Indicators (KPI's)

	Actual to Date	Target	Comments
Output			
Completion of Audit Plan	40.0%	100%	
Percentage of recommendations accepted by Management	100%	95%	
Percentage of recommendations completed	62.2%	85%	Up from last quarter
Percentage of recommendations completed by the original agreed date	82.6%	85%	Multiple late MAPS in Cyber, Grants
Quality			
Post Audit Survey	88.6%	85%	Includes all 2022-2025 Audits
Quality Assurance Review	100%	100%	Includes all 2022-2025 Audits
Continuing Professional Education			
Chartered Professional Accountant (CPA) & CIA/CRMA/CFE Certifications	89.8	40	Webinars; studying for CISA Exam, Conference

Budget

	BUDGET	ACTUALS	Variance (\$)	
Professional Development (i.e. Training, Prof. Memberships)	\$5,000	\$3,491	\$1,509	A
Purchased Services (i.e. External Consulting, Mobile phone)	\$42,520	\$542	\$41,978	B
Note A - Memberships to IIA, ACFE, MIAA. IIA Conference fee		Note B - BYOD and gift card for Fraud Prevention month		

SUBJECT: Whistleblower Policy & Program update

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-15-25

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information office of the city auditor report AUD-15-25 regarding an update about the Whistleblower Policy & Program identified in the 2025 Annual Audit Plan.

Executive Summary

Purpose of report:

- Work towards designing and developing the Whistleblower Policy was approved by Audit Committee as a part of the 2025 Audit Plan; this report provides Audit Committee with a status update.

Key findings:

- A Whistleblower Policy & Program was designed based on leading practices implemented in other mid-sized and large Canadian municipalities. This policy was approved by the CAO and XLT in August 2025
- The Whistleblower Policy will allow City staff who fear reprisal to confidentially report an issue of wrongdoing to the City Auditor and Chief Human Resources Officer
- The Whistleblower Program is scheduled for implementation in Q2 2026, pending Council approval of the 2026 operating budget
- A procurement process to source a service provider which will host an online confidential whistleblower hotline/portal will proceed immediately following Council's approval of the 2026 budget on Dec 2, 2025

Implications:

- The City Auditor and staff from Human Resources are leading this initiative; however multiple staff from Legal Services, Procurement, Information Governance and Burlington Digital Services have been impacted and provided support
- An operating budget of \$13,000 was requested from Council through the 2026 budget process
- There are no climate related implications

Information Report

Background

Human Resources identified the need for a Whistleblower Policy to enhance existing mechanisms for reporting and addressing workplace concerns. Similar policies are in place in most mid-sized and large municipalities. A working group comprised of various Human Resources staff and the City Auditor was formed to perform preliminary research and discuss various potential options for the City. In March 2025, Audit Committee approved the 2025 Audit Plan (report# [AUD-05-25](#)) which included work to design and implement the Whistleblower Policy & Program. In 2025, the following workplan items were completed:

- Benchmarking Whistleblower Policies against other 17 Canadian municipalities which revealed program costing, in-house vs. outsourced programs, staff leads, complaint intake processes, policy scope, policy exemptions, Council reporting standards etc.
- Performing a market analysis to identify potential vendors and their capability to serve the City of Burlington
- Interviews with senior staff from the cities of Barrie, Brampton, and Calgary to receive advice, business intelligence and lessons learned from their Whistleblower Policy implementations
- Working with staff from Human Resources and Legal Services to review and finalize the City of Burlington's draft Whistleblower Policy. This policy was formally approved by the Executive Leadership Team (XLT) on August 21, 2025
- Submitted a business case to XLT (which was approved) for a budget request of \$13000 into the City's 2026 operating budget submission to Council
- Presented the approved policy to Senior Leadership and other People Leaders to solicit their feedback
- Performed an analysis of other City policies and the impact of the Whistleblower Policy, with recommendations for minor improvements
- Consulted with the City's 'Architecture Review Board' regarding a net new cloud-based application and cyber-security configurations
- Consulted with the City's Information Governance team to perform a 'Privacy Impact Assessment'
- Prepared procurement specifications to source a vendor to support the Whistleblower online portal/hotline in December 2025

The purpose of the Whistleblower policy is to establish procedures for employees to report allegations of wrong-doing within the City of Burlington when there is a fear of reprisal when using established channels and processes. This policy will also provide protection from reprisal to employees who report wrong-doing in Good Faith. It is important to state that the City has an existing Code of Conduct which encourages City staff to identify concerns and

discuss them with their respective people-leaders. A comprehensive in-take procedure documented in a detailed policy and procedure framework was created whereby all complaints by staff (either anonymous or not) will be received by the City Auditor and Chief Human Resources Officer. Thereafter, the City Auditor will determine whether each complaint will be:

1. Formally investigated by the City Auditor
2. Referred to Human Resources for a formal investigation by that team
3. Closed with no further action taken due to complaints being excluded by this policy, or complaints not meeting minimum reporting criteria (as defined in the Policy)

The Policy also identifies the roles and responsibilities of various stakeholders including: the City Auditor, Chief Administrative Officer (CAO), Chief Human Resources Officer, People Leaders etc. Reprisal against Whistleblowers is explicitly prohibited within the Policy. With respect to reporting, the CAO will (where appropriate to the circumstances), confidentially inform City Council of Whistleblower Program investigations and/or outcomes. Lastly, the City Auditor will report on an annual basis, a summary of information related to reports received and investigations conducted during the prior year to Council through the Audit Committee.

Status

The current status of the implementation of the Whistleblower Program is:

- Following Council's approval of the 2026 operating budget (which contains a provision for a \$13,000 increase in the Office of the City Auditor's base operating budget) on Dec 2, 2025; a procurement process will be launched with support from the Procurement Services team in Finance
 - A procurement award to the lowest bidder is scheduled for January 2026
 - A comprehensive corporate-wide communications plan will be executed across Q1 2026
 - Implementation and configuration of the successful vendor's tool will occur in Feb-Mar 2026
 - Formal Go-live is planned for April 2026
-

Implications

The anticipated cost of this initiative is approximately \$13,000 which has been requested from Council through the annual budget process. This annual amount will support a third-party vendor which will host an online whistleblower hotline/portal. A total of 150+ hours were incurred by the City Auditor to design and implement this initiative.

Multiple City staff from other departments were involved in this initiative, particularly Human Resources. Various other staff from Procurement, Legal, Finance, Burlington Digital Services, and Information Governance were also involved to provide support. Management and staff's

efforts included meetings, interviews, providing legal and privacy advice etc. This amount of time was not tracked by the City Auditor.

There are no immediate climate impacts from this report. Most work was completed remotely and project materials were entirely sent electronically, thereby reducing the consumption of paper.

References

2025 Annual Audit Plan for Office of the City Auditor ([AUD-05-25](#))

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Author:

Respectfully submitted,
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Appendices:

None

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

SUBJECT: Financial highlights for the period ended September 30, 2025

TO: Audit Committee

FROM: Finance
N/A

Report Number: FIN-37-25

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information finance department report FIN-37-25 regarding the financial highlights for the period ended September 30, 2025.

Executive Summary

A financial update highlighting the City's third quarter of 2025 in the following areas:

- Statement of financial position
- Statement of operations
- Reserves and reserve funds

Purpose of report:

- To provide an update on key financial information for the City as of September 30, 2025.

Implications:

- For information purposes only.

Information Report

Background

The Audit Committee's Terms of Reference indicate that it will review and recommend for approval the annual audited consolidated financial statements of the City and will review the quarterly financial performance throughout the year. To assist the Audit Committee with these responsibilities, report FIN-37-25 will present preliminary key financial highlights for the period ending September 30, 2024.

On an annual basis, the consolidated financial statements of the City of Burlington are presented to the Audit Committee for their recommendation to Council to approve. The consolidated statements include the financial results for the City along with several of its local boards (Burlington Public Library, Burlington Economic Development, Burlington Museums Board, Burlington Theatre Board, Burlington Downtown BIA, and Aldershot Village BIA). The City and local boards had their 2024 audits performed by Deloitte LLP.

The City's consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. In some cases, these standards differ from how the City reports its day-to-day operations, which can make reviewing the financial statements challenging. This report presents preliminary financial results from an operational perspective for the period ending September 30, 2024.

Status

Statement of Financial Position

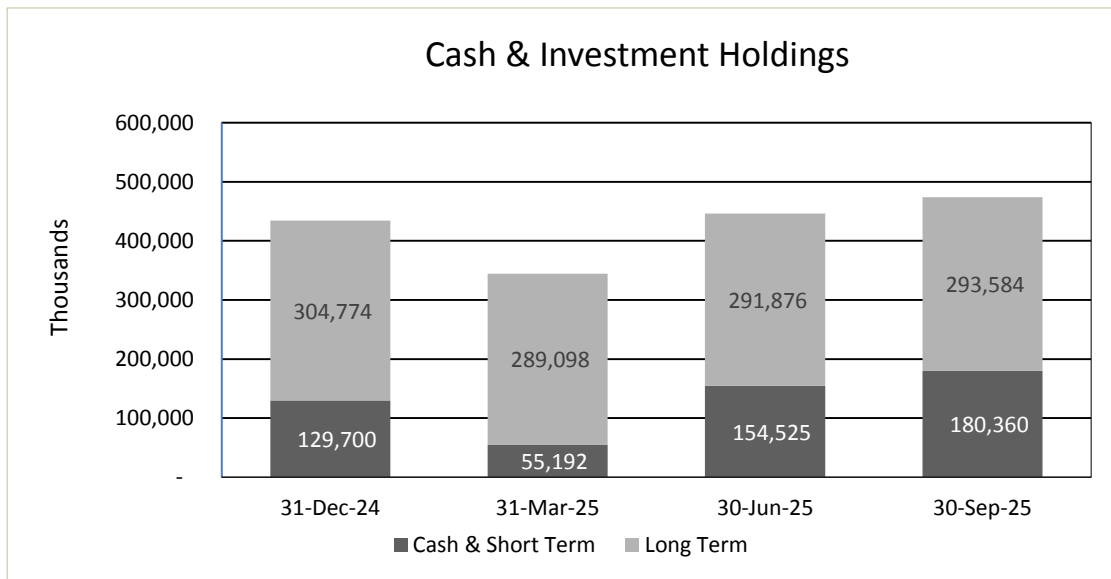
The statement of financial position is the equivalent of a balance sheet. It presents information on the assets, liabilities, and the accumulated surplus of the City.

Assets

Key assets for the City include cash and investments, accounts receivable, and taxes receivable.

Cash and investment holdings reflect the City's cash flow position and investment strategy given current market conditions. Funds are allocated to maximize investment income, retain an appropriate level of liquidity, and respond to economic forces that influence the investment environment while maintaining a balanced portfolio in line with the City's investment policy.

The following chart breaks down the balances of these categories on an unconsolidated basis for the last four quarters:



Accounts receivable as at September 30, 2025, were approximately \$18.4 million. In comparison the accounts receivable balance as at September 30, 2024, was approximately \$17.0 million.

Taxes represent the key revenue source the City uses to fund its service delivery. Taxes receivable are recorded when billed. The City issues bills twice a year, in January and May. These bills represent four installments which are due in February, April, June, and September. Taxes receivable balance at September 30, 2025, was approximately \$50.1 million as compared to \$48.2 million reported at September 30, 2024.

Liabilities

The unconsolidated balance of accounts payable and accrued liabilities at September 30, 2025, is approximately \$36.8 million compared to the balance at September 30, 2024, of \$32.8 million. Accounts payable balances fluctuate throughout the year and are heavily dependent on capital project timelines and scope.

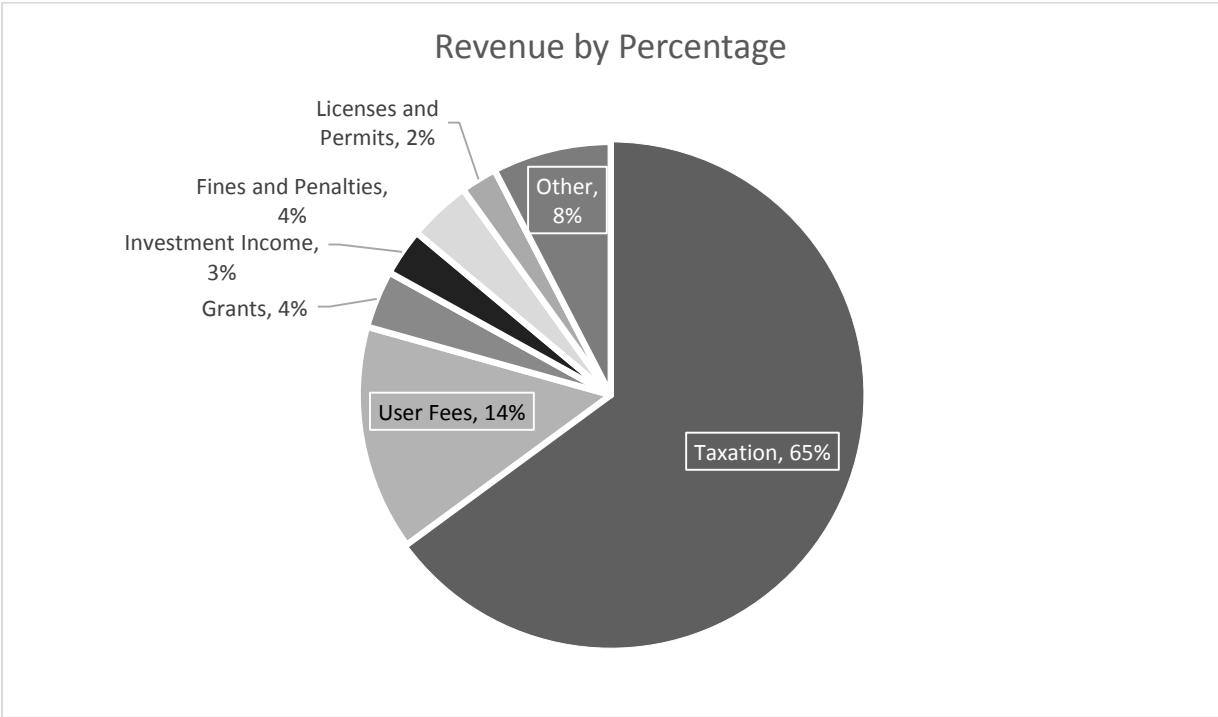
The consolidated balance in the December 31, 2024, financial statements, of \$55.9 million, includes accruals only recorded as part of the year end audit.

One of the City's largest liabilities is derived from the issuance of long-term debt. The City's debt balance as at December 31, 2024, was \$115.0 million. Debt is used to fund capital expenditures.

Statement of Operations

Revenues

The Statement of Operations provides information on the City’s revenues and expenses combining the information from both the operating and capital perspectives. Although taxation revenue is the largest component of the City’s revenues, user fees and charges, investment income and funds from senior levels of government all contribute to enabling the City to deliver services to the community. The following chart is provided as a reference point and provides information of the various components of the City’s revenues as reported in the consolidated financial statements as at December 31, 2024:

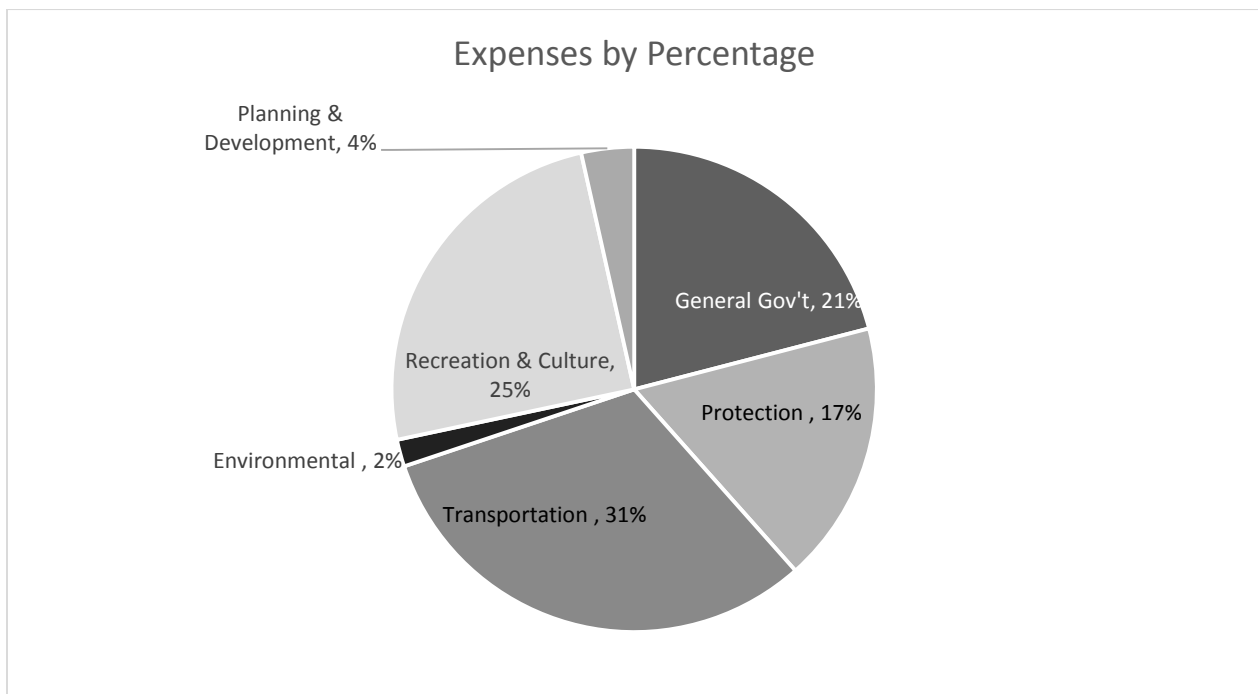


While a direct comparison between current operations and the consolidated financial statements is not feasible due to adjustments made for financial reporting purposes, selected revenue items as of September 30th are provided below for informational purposes, comparing the current year to the prior year:

(amounts are in thousands)	2025	2024
General Tax Levy	\$366,375	\$315,021
User fees and charges	21,121	23,218
Grants	10,781	11,813
Investment income	10,531	12,126
Penalties and interest on taxes	3,211	2,798
Hydro dividends and interest	2,735	2,273

Expenses

The City's operating expenses are reported during the year on a cash basis categorized by service while the consolidated financial statements report expenses on an accrual basis by category. Certain components that are not part of operational reporting such as post-employment benefits and amortization are added to the expenses reported in the financial statements. The following chart shows the breakdown of expense attributed to the categories as reported in the 2024 consolidated financial statements:



The adjustments required to report expenses in the financial statements are extensive and include allocations for post-employment benefits, interest on debt, depreciation, and non-capital expenditures recorded within capital projects. Information extracted from the

City's financial system as of September 30th provides a comparison between 2025 and 2024 with the above noted adjustments excluded:

	2025	2024
General government	\$ 40,682	\$ 43,052
Protection to people and property	35,736	35,296
Transportation services	43,364	49,320
Environmental services	854	1,853
Health services	476	482
Recreation and cultural services	53,536	55,885
Planning and development	7,416	7,118
Total Expenses	\$182,064	\$193,006

Other Financial Information

Reserve Funds

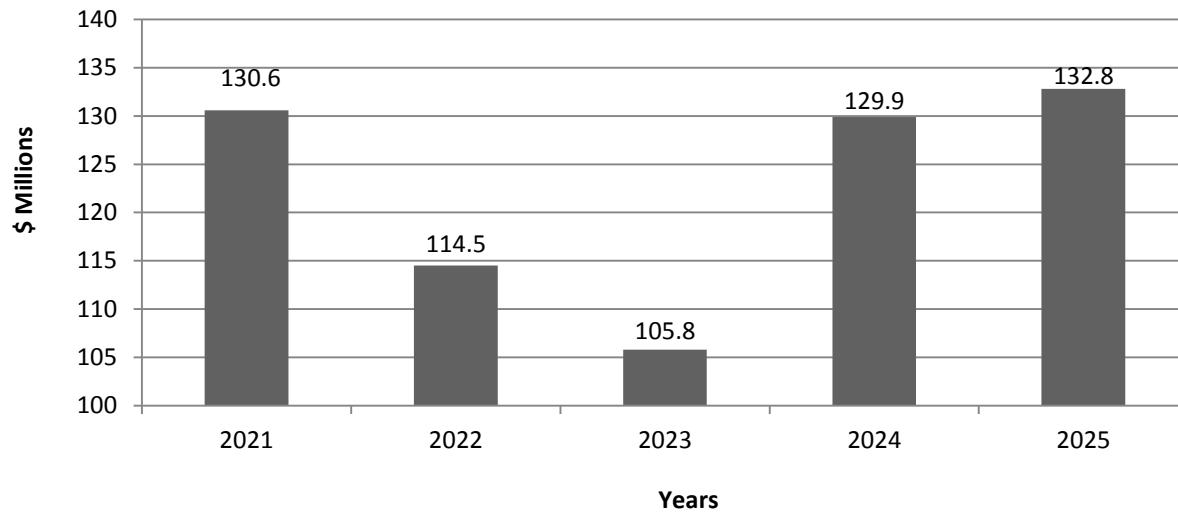
Reserve funds are a critical component of a municipality's long-term financing plan. They provide:

- stability to the tax rate in the face of variable circumstances,
- funding for one-time expenditures,
- the ability to make provisions for the replacement and/or acquisition of infrastructure, and
- flexibility to manage debt levels to protect the municipality's financial position.

Of the total Reserves and Reserve Funds \$90.7 million is committed for various projects leaving an uncommitted balance of \$132.8 million. The commitments represent expenditures approved by Council or funds held for specific future purposes.

The uncommitted balance of the City's reserve and reserve funds as at September 30th is presented for the last five years:

Uncommitted Reserve and Reserve Fund Balances as at September 30



Implications

For information purposes only.

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☐ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Author:

Michelle Moore
Controller & Manager, Financial Services
Michelle.Moore@burlington.ca

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

SUBJECT: Evaluation of the External Auditors and Audit Fee Summary

TO: Audit Committee

FROM: Finance
N/A

Report Number: FIN-39-25

Wards Affected: not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information finance department report FIN-39-25 regarding evaluation of the external auditors and audit fee summary.

Executive Summary

This report presents the results of the annual evaluation of the City's external auditors and provides a summary of the annual audit fees. The evaluation assessed the auditors' performance across key criteria, including independence and objectivity, audit quality and technical competence, communication and responsiveness, and professionalism and overall value provided to the City.

Purpose of report:

- To present the results of the annual evaluation of the external auditors' performance and effectiveness.
- To assess the auditors' independence, technical competence, communication, and overall service quality.
- To provide the Audit Committee with a summary of the 2024 audit fees.

Key findings:

- Independence and Objectivity: The auditors demonstrated independence from management and maintained professional skepticism throughout the engagement, with no conflicts of interest identified.
- Audit Quality and Technical Competence: The audit was conducted in accordance with professional standards, with strong technical expertise and an effective use of audit technology to enhance efficiency and accuracy.
- Communication and Responsiveness: The audit team maintained open, timely, and transparent communication with both management and the Audit Committee, providing clear updates and addressing issues promptly.
- Professionalism and Collaboration: The auditors exhibited professionalism and a collaborative approach, supporting an effective and constructive audit process.
- Overall Performance: The external auditors met expectations across all evaluation areas, contributing to the City's commitment to accountability and sound financial management.

Implications:

- The positive evaluation supports the continued engagement of the external auditors, providing consistency and stability in the City's audit process.
- Ongoing confidence in the auditors' independence and performance enhances the credibility and reliability of the City's financial reporting.
- The strong working relationship between the auditors, management, and the Audit Committee contributes to effective governance and continuous improvement in financial oversight.

Information Report

Background

Evaluation of External Auditors

The evaluation of the external auditors was conducted across four key categories:

- **Independence and Objectivity**
- **Audit Quality and Technical Competence**
- **Communication and Responsiveness**
- **Professionalism and Value Added**

Overall, both the Audit Committee and management expressed satisfaction with the performance of the external auditors. Management noted the auditors' open communication, responsiveness, and support throughout the audits of the City and its local boards.

Following the completion of the audit, City staff and the external auditors conduct a debrief to identify opportunities for process improvement. Staff will incorporate any significant observations into the planning process for the 2025 external audit.

Audit Fee Summary

In addition to evaluating the performance of the external auditors, the Audit Committee's oversight responsibilities include reviewing the annual audit fees and any additional consulting or non-audit services provided by the accounting firm on behalf of the City.

The table below summarizes the total fees from Deloitte in 2025 for audit and other consulting services.

Category	Description	Fees (Including HST)
Base Audit Fee	Core audit services for the City’s annual financial statements	\$ 72,320
ERP Implementation	Additional audit procedures related to ERP system implementation and data conversion	90,400
New Accounting/ Auditing Standards	Audit work associated with the adoption of new standards	5,650
Local Board Audit Fees	Audit of financial statements for City local boards and agencies	
	• Burlington Economic Development & Tourism	49,946
	• Burlington Theatre Board	25,425
	• Burlington Museums Board	19,549
Total Audit Fees		\$ 263,290
Non-audit fees	Consulting and advisory services (HST recovery, project consulting services)	\$ 349,700
Total Fees		\$ 612,990

Looking ahead, audit fees for the 2025 year-end are expected to be in line with those quoted in Deloitte’s submission to RFP-25-217. Anticipated audit fees are incorporated into the annual operating budget.

Status

The annual evaluation of the external auditors has been completed, with input received from both the Audit Committee and management. Feedback indicates overall satisfaction with the auditors’ performance and continued confidence in their professionalism and effectiveness. Total fees billed for the 2024 year-end audit as well as additional consulting fees have also been reported.

Strategic Alignment

- ☐ Designing and delivering complete communities
- ☐ Providing the best services and experiences
- ☐ Protecting and improving the natural environment and taking action on climate change
- ☒ Driving organizational performance

Author:

Michelle Moore
Controller & Manager, Financial Services
Michelle.Moore@burlington.ca

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

SUBJECT: External audit plan for the fiscal year ended December 31, 2025

TO: Audit Committee

FROM: Finance

N/A

Report Number: FIN-38-25

Wards Affected: not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation

Approve the external audit plan for the fiscal year ended December 31, 2025, as presented by Deloitte LLP at the Audit Committee meeting of December 3, 2025 and attached as Appendix A to finance department report FIN-38-25.

Executive Summary

The purpose of this report is to present the annual audit plan as prepared by the City's external auditors for the upcoming fiscal year end. The plan outlines the scope, timelines, and key areas of risk, ensuring alignment with the City's financial reporting requirements and accountability framework.

The external audit is conducted in accordance with Canadian Public Sector Accounting Standards (PSAS) and Canadian Generally Accepted Audit Standards (GAAS). Its primary objective is to provide independent assurance that the City's consolidated financial statements present fairly, in all material respects, the financial position and results of operations for the fiscal year.

Purpose of report:

- Present the annual audit plan prepared by the City's external auditors for the upcoming fiscal year.
- Outline the scope, and key areas of audit focus, including any changes from the prior year.
- Confirm the audit approach, timelines, and communication protocols between the auditors, management, and the Audit Committee.
- Seek the Audit Committee's approval of the proposed plan to ensure it aligns with the City's financial reporting and governance objectives.

Implications:

- The external audit will provide independent assurance on the accuracy and fairness of the City's financial statements, supporting transparency and public confidence in municipal financial reporting.
- Findings and recommendations from the audit may inform future improvements to financial processes, internal controls, and policy compliance, enhancing the City's overall financial governance.
- The audit results will contribute to the City's long-term financial planning and risk management efforts, ensuring that financial practices remain aligned with legislative requirements and best practices in municipal accountability.
- There are no immediate financial implications associated with the approval of the annual audit plan, as external audit costs are included within the approved operating budget.

Recommendation Report

Background

In accordance with legislative and governance requirements, the City's annual financial statements are subject to an independent audit conducted by the external audit firm appointed by Council. The Audit Committee, as part of its oversight mandate, is responsible for reviewing and recommending for approval the annual audit plan prior to the commencement of audit fieldwork to ensure that the proposed scope and approach are appropriate and aligned with the City's financial reporting objectives.

For the upcoming fiscal year, the external auditors have identified the following key areas of audit risk and focus:

- Revenue recognition
- Management override of controls
- Tangible capital assets
- Year-end accruals and other estimates (including salaries, future employee benefits, liabilities for contaminated sites, and allowances for doubtful accounts)

These areas represent components of the financial statements that involve significant judgment, estimation, or complexity, and will therefore receive heightened audit attention.

The external audit engagement will be led by Heather LaPlante, Audit Manager, who also managed the City's 2024 year-end audit, under the continued engagement leadership of Trevor Ferguson, Audit Partner.

Analysis

The external auditors have outlined several key elements of the Annual Audit Service Plan, as summarized below:

- **Audit Scope** – The audit is designed to identify potential misstatements that, individually or collectively, could be material to the City's financial statements.
- **Materiality** – Any uncorrected misstatements greater than the auditor's clearly trivial threshold (set at 3% of materiality) will be reported to the Audit Committee. The auditors will request that identified misstatements be corrected. Preliminary materiality levels have been set at \$9 million (2024: \$9 million), with uncorrected misstatements greater than \$270,000 to be reported to the Committee.
- **Audit Risks** – The audit scope reflects the significant risk areas previously identified in this report, including those related to revenue recognition, management override of

controls, tangible capital assets, and key accounting estimates.

- **Fraud Risk** – The audit strategy is developed to address the assessed risks of material misstatement due to fraud. Any suspicions or indications of fraud will be communicated directly to the Audit Committee. As part of this process, the auditors will also seek the Committee’s input regarding its awareness of, or concerns about, fraud risk.
- **Engagement Reporting** – Upon satisfactory completion of the audit, the auditors will issue an Audit Report on the City’s financial statements. A supporting report will also be provided to assist the Audit Committee in fulfilling its oversight responsibilities.

In addition to the above, the external audit will include gaining an understanding of:

- The City’s information technology environment and its relevance to financial reporting risks;
- The controls and procedures embedded within that environment that support audit reliance; and
- The computer-based information and data systems that support substantive audit procedures.

Innovative Auditing Technology

Consistent with prior years, the audit will leverage Deloitte’s application-based audit technology to support efficient and secure coordination between City staff and the external audit team. In addition, Deloitte may also utilize other specialized technology resources to enhance audit quality and efficiency.

Recommendation Details

That the Audit Committee review and approve the proposed Audit Plan, which is designed to provide a comprehensive and thorough evaluation of the City’s financial practices, ensuring transparency, accountability, and adherence to applicable standards and regulations. Approval of this plan will help ensure that the audit process aligns with the City’s objectives for sound financial management.

Key Dates & Milestones

The following table outlines the major milestones and anticipated timelines for the completion of the 2025 external audit:

- **Interim Audit Work** - Review of internal controls, walkthroughs of key financial processes, and testing of selected transactions.
 - **November 2025**
 - **Year-End Audit Fieldwork** - Detailed audit testing of year-end balances, estimates, and disclosures.
 - **March – April 2026**
 - **Report to Audit Committee** - Presentation of the draft Audited Financial Statements and Audit Findings Report to the Audit Committee.
 - **June 2026**
 - **Council Approval** - Council approval of the audited financial statements following Audit Committee recommendation.
 - **June 2026**
-

Implications

Approval of the annual audit plan will allow the external auditors to proceed with their work in accordance with the defined scope, timelines, and areas of focus. It demonstrates the Audit Committee’s oversight of the audit process and commitment to transparency and accountability in financial reporting.

References

[CL-13-24](#) – Audit Committee terms of reference - update

[FIN-31-25](#) - Appointment of External Auditors

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☐ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Author:

Michelle Moore
Controller & Manager, Financial Services
Michelle.Moore@burlington.ca

Appendices:

A. Appendix A – Deloitte's 2025 Audit Service Plan

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.



Audit Service Plan for the Corporation of the City of Burlington

FOR THE YEAR ENDING DECEMBER 31, 2025





To the Members of the Audit Committee (the “Committee”)



To the Members of the Audit Committee of

The Corporation of the City of Burlington
426 Brant Street
Burlington ON L7R 3Z6

Dear Audit Committee Members:

We are pleased to provide you with our audit service plan for The Corporation of the City of Burlington (the “City”) for the year ending December 31, 2025. We understand our responsibility to you, and we have developed a tailored audit plan that summarizes the key aspects of our audit scope and approach, our planned communications with you and our team.

We value our role as your independent auditor. As we plan to execute the 2025 audit, we plan to provide you insights and observations that are meaningful, and from an independent perspective or we look forward to continue to build upon our working relationships with the City and meeting your expectations for high quality service by our team.

Our audit service plan addresses financial statement risks through targeted procedures, that have been developed through understanding recent developments at the City, the evolving business environment, and the regulatory landscape or knowledge of your business obtained in the prior years, and are responsive to the nature of the risks, the municipal environment, and the regulatory landscape.

Our audit plan is dynamic and may change based on other transactions/matters of interest as they arise throughout the year.

We appreciate the opportunity to serve the City. We hope the accompanying information will be useful to you, and we look forward to answering your questions about our audit plan.

This report has been provided to the Committee on a confidential basis. It is intended solely for the use of the Committee and Council to assist you in discharging your responsibilities with respect to the City for the year ending December 31, 2025 and is not intended for any other purpose.

Yours truly,

Chartered Professional Accountants

Licensed Public Accountants

Executive Summary



Audit scope and terms of the engagement

We have been engaged to perform an audit of the following as of December 31, 2025:

- The Corporation of the City of Burlington's consolidated financial statements, prepared in accordance with Canadian Public Sector Accounting Standards ("PSAS");
- The Trust Funds of the City of Burlington's financial statements, prepared in accordance with Canadian Accounting Standards for Not-For-Profit Organizations ("ASNPO");
- The City of Burlington's Burlington Public Library Board, Burlington Museums Board, Burlington Theatre Board, Burlington Downtown, Aldershot Village, and Burlington Economic Development Corporation, prepared in accordance with Canadian PSAS;

Our audit will be conducted in accordance with Canadian Generally accepted audit standards (Canadian "GAAS").

The terms and conditions of our engagements are described in the Master Services Agreement dated October 2, 2025.



Audit plan

Materiality

Materiality levels are based on professional judgement. We expect to use approximately 3% of expenses for audits noted beside.

We will inform the Committee of all uncorrected misstatements greater than a clearly trivial amount of 3% of materiality and any misstatements that are, in our judgement, qualitatively material.

Current Year	\$9,000,000	3% of expenses
Prior Year	\$9,000,000	

Audit risks

1. Revenue and deferred revenue amounts
2. Management override of controls
3. Tangible capital assets
4. Year-end accruals and other estimates



Audit Technology

We will be deploying new audit software in the current year:

- **Gen.D**
- **Deloitte Connect**
- **Deloitte Tie-out**
- **Project Zero**

The audit will be more technology enabled and embedded which is intended to drive better efficiencies and improved quality in our process. See audit software slides for further details.



RISKS AND AUDIT EXECUTION



Risks and Audit Execution

Revenue and deferred revenue amounts

RISK LEVEL

Significant

Risks:

Canadian GAAS include the presumption of a fraud risk involving improper revenue recognition.

We have pinpointed this fraud risk to the following revenue streams:

- Development charges (occurrence, accuracy, and cut-off)
- Gas tax (occurrence, accuracy, and cut-off)
- Conditional grants (occurrence, accuracy, and cut-off)

Our planned response:

- Substantive testing to determine if restricted contributions (i.e., development charges, gas tax, conditional grants, etc.) have been recognized as revenue in the appropriate period, and
- We will evaluate the design and implementation of key internal controls in the revenue process

The following outlines the significant judgments and estimates involved in revenue recognition:

- The recognition of these revenues requires management to make accounting estimates and assumptions based on the best information available at the time of preparation of these financial statements and therefore involves significant accounting estimates.
- Estimates impacting the amounts recognized as revenue, deferred revenue, and/or funding repayable may be based on estimated performance metrics where estimated achievement of performance may involve some uncertainty.
- Therefore, we have also identified areas related to these revenue streams that require accounting estimates and professional judgement, including deferred revenue, and grant receivable.

Risks and Audit Execution (cont'd)

Management Override of Controls

RISK LEVEL

Significant

Risk:

Management override of controls is a presumed area of risk in a financial statement audit due to management's ability to override controls that otherwise appear to be operating effectively.

Our planned response:

- We will discuss fraud with management
- We will ask the Committee for their views about the risk of fraud, whether they know of any actual or suspected fraud affecting the City and their role in the oversight of management's antifraud programs
- Our audit tests the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements
- We will evaluate the business rationale for any significant unusual transactions
- We will determine whether the judgements and decisions related to management estimates indicate a possible bias, which will include performing retrospective analysis of significant accounting estimates

With respect to journal entries, we will use our analytics tools to interrogate the general ledger to identify entries exhibiting the following characteristics of interest for further testing:

- Seldom used accounts
- Entries by users with few entries
- Post closing entries with short descriptions
- Entries containing recurring digits
- Entries posted by certain users (i.e. senior personnel)
- Large debit and credit entries to income around year-end
- Fraudulent words



Risks and Audit Execution (cont'd)

Tangible capital assets

RISK LEVEL

Higher

Risk:

Appropriate accounting and disclosure of tangible capital assets.

Our planned response:

- We will test assumptions used in determining completeness, valuation, recording and cut-off of additions and disposals
- We will test the calculations of amortization



Risks and Audit Execution (cont'd)

Year-end accruals and other estimates

RISK LEVEL

Higher

Risk:

Management judgments and accounting estimates may be subject to estimation uncertainty.

Our planned response:

- Obtain documentation on management's control over accounting estimates and assess risk
- Review and assess the consistency of major assumptions used to develop significant accounting estimates
- Compare actual historical experience to models employed in such calculations
- Obtain calculations from experts for accruals such as employee future benefit liability and landfill liability, and assess assumptions and data used to prepare the report, and
- Review actual outcome of prior year estimates

The following are examples of significant judgments and estimates:

- Salaries
- Employee future benefits (actuarial assumptions)
- Contaminated Sites
- Asset retirement obligations (Valuation methodology assumptions, discount rate assumptions and amortization).
- Accounts Receivable (Allowance for Doubtful Accounts)



MATTERS OF INTEREST





Matters of Interest

Fraud Risk

Matter of interest: Fraud risk

Deloitte's approach:

We will develop our audit strategy to address the assessed risks of material misstatement due to fraud. Determining this strategy will involve:

1. Enquiry of those involved in the financial reporting process about inappropriate or unusual activity.
2. Testing a sample of journal entries throughout the fiscal year as well as adjustments made at the end of the fiscal year.
3. Identifying and obtaining an understanding of the business rationale for significant or unusual transactions that are outside the City's normal course of business.
4. Evaluating whether the City's accounting policies may be indicative of fraudulent financial reporting resulting from management's effort to manage financial results.
5. Evaluating whether the judgements and decisions related to management estimates indicate possible bias.
6. Incorporating an element of unpredictability in selecting our audit procedures.

We will also ask the Committee for their views about the risk of fraud, whether they know of an actual or suspected fraud affecting the City and their role in the oversight of management's anti-fraud programs.

If we suspect fraud involving management, we will immediately inform the Committee of our suspicions and discuss the nature, timing, and extent of audit procedures necessary to complete the audit.



Matters of Interest

Using the work of specialists

Matter of interest: Using the work of specialists

Deloitte's approach:

We intend to rely on the work of the following specialists, engaged by the City, during the audit:

- 1. City's independent actuary** - We intend to use the work of the City's independent actuary in their determination of the City's post-employment benefits. We will review and test data and key assumptions used in the actuarial valuation and related extrapolations, ensure the disclosure in the Financial Statements complies with PSAS requirements and that the actuary is in good standing with the Canadian Institute of Actuaries.
- 2. City's lawyers** - We intend to use the work of the City's lawyers to confirm the status of legal claims and assess their impact on the financial statements.

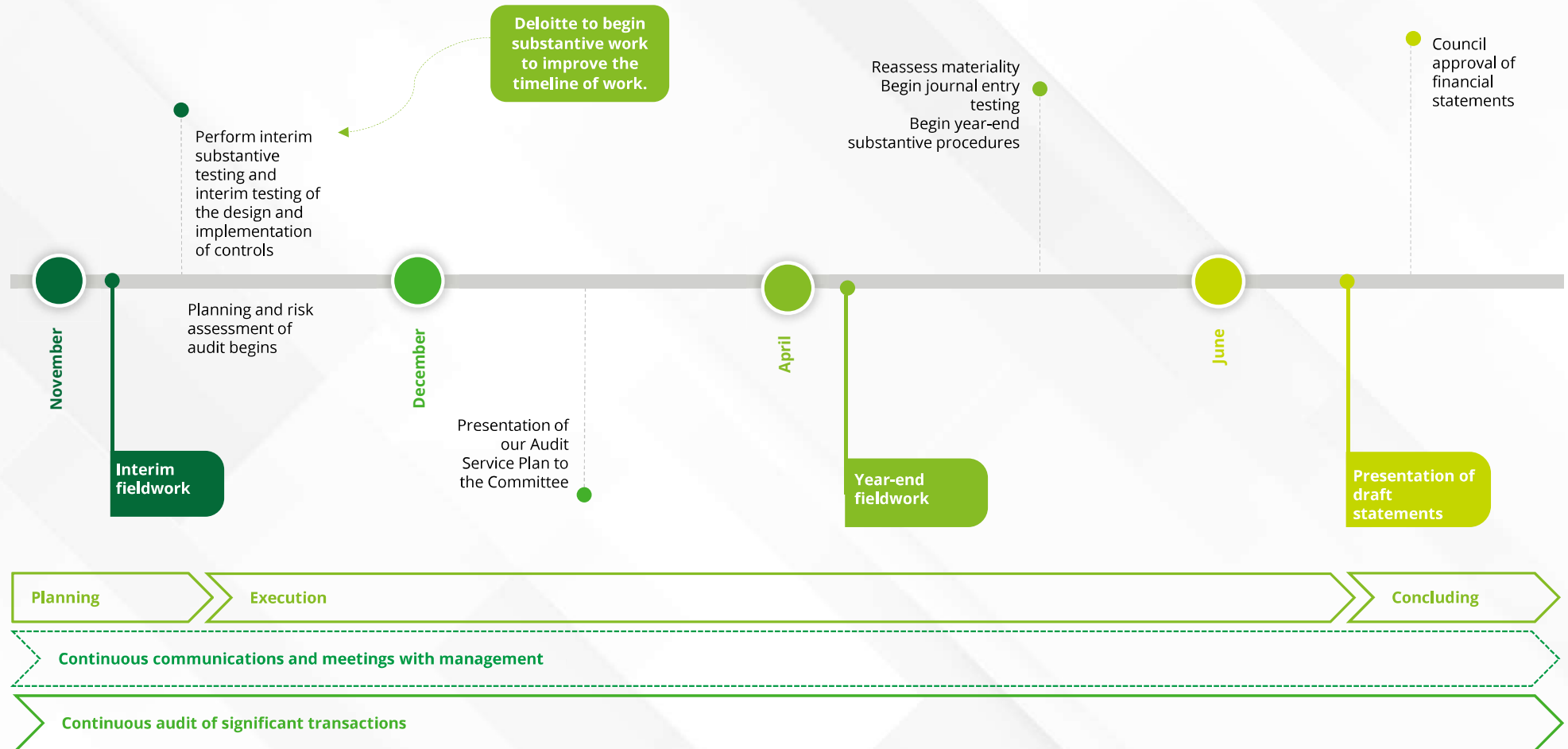


TIMELINE



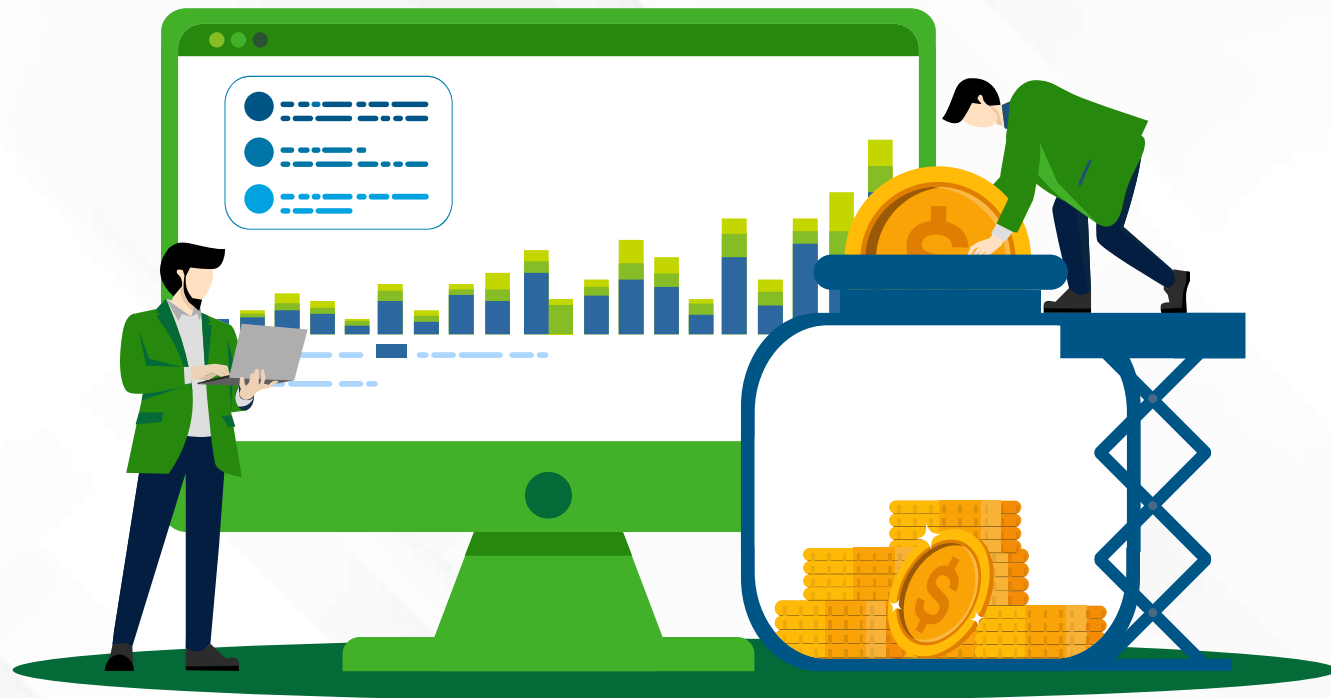


Audit timeline





APPENDICES





Appendix 1 – Required communications with Those Charged with Governance

Canadian GAAS standards require that we communicate to the Committee on the following matters:

Required communication	Reference/Comments
1. Our responsibilities under Canadian GAAS, including forming and expressing an opinion on the financial statements	CAS ¹ 260.14
2. An overview of the overall audit strategy, addressing: a. Timing of the audit b. Significant risks, including fraud risks c. Nature and extent of specialized skill or knowledge need to perform the planned audit procedures related to significant risk	CAS 260.15
3. Significant transactions outside of the normal course of business, including related party transactions	CAS 260 App. 2, CAS 550.27
4. How those charged with governance exercise oversight over management's process for identifying and responding to the risk of fraud and the internal control that management has established to mitigate these risks	CAS 240.21
5. Any known suspected or alleged fraud affecting the City	CAS 240.22
6. Whether the City is in compliance with laws and regulations	CAS 250.15
7. Modification to our audit plan and strategy	CAS 260.A26
8. Fraud or possible fraud identified through the audit process	CAS 240.40-.42
9. Significant accounting policies, practices, unusual transactions, and our related conclusions	CAS 260.16 a.
10. Alternative treatments for accounting policies and practices that have been discussed with management during the current audit period	CAS 260.16 a.
11. Matters related to going concern	CAS 570.25
12. Management judgments and accounting estimates	CAS 260.16 a.

1 CAS: Canadian Auditing Standards – CAS are issued by the Auditing and Assurance Standards Board of CPA Canada



Appendix 1 – Required communications with Those Charged with Governance (cont'd)

Required communication	Reference/Comments
13. Significant difficulties, if any, encountered during the audit	CAS 260.16 b.
14. Material written communications between management and us, including	CAS 260.16 c.
15. Circumstances that affect the form and the content of the auditor's report	CAS 260.16d.
16. Modifications to our opinion	CAS 260.A21
17. Our views of significant accounting or auditing matters for which management consulted with other accountants and about which we have concerns	CAS 260.A22
18. Significant matters discussed with management	CAS 260.A.22
19. Matters involving non-compliance with laws and regulations that come to our attention, unless prohibited by law or regulation, including illegal or possibly illegal acts that come to our attention	CAS 250.23
20. Significant deficiencies in internal control, if any, identified by us in the conduct of the audit of the financial statements	CAS 265
21. Uncorrected misstatements and disclosure items	CAS 450.12-13
22. Any significant matters arising during the audit in connection with the City's related parties	CAS 550.27



Appendix 2 - New PSAB Reporting Model & Conceptual Framework

✓ Effective date – April 1, 2026

✓ Retroactive application to comparative figures required

Why Start now?

- Need to restate prior year figures
- New standards may impact budget preparation
- Time may be needed to accurately classify financial/non-financial liabilities
- Update of trend tables in FS Disclosure & Analysis

Practical implications

- Update of financial reporting processes
- Reconfigure chart of account & accounting system
- Assess legal and legislative implications, and/or covenants
- Consider impact on budget process
- Engage auditors early to avoid surprises
- Education of & communication to key stakeholders

Other key changes

- **Conceptual Framework** introduces refined definitions and structural clarifications.
- **New definitions of assets and liabilities** – must now provide present rights and obligations to economic resources.
- Distinction between **financial liabilities** and **non-financial liabilities**.
- Introduction of “**accumulated other**” as a third component of net assets/liabilities to capture residual balances.
- **New budget presentation requirements** dealing with amended budgets, lack of a budget, or misalignment with actual figures.
- Changes to **other PSAS standards** (e.g., PS 1300 *Government Reporting Entity*, PS 3450 *Financial Instruments*).

How can we help?

- 1 Training** of key finance and non-finance stakeholders on anticipated changes to the financial reporting function.
- 2 Diagnostic assessment** to identify gaps against the new conceptual framework and reporting model requirements.
- 3 Implementation roadmap** outlining key actions to achieve desired reporting state – factoring timing of accounting system and reporting process changes.
- 4 Implementation activities:**
 - Accounting analysis and documentation using our accelerators
 - Create new pro forma financial statements adapted to your needs
 - Reconfigure Chart of Accounts aligned with new financial statement categories
 - Update reporting processes & systems
 - Assist with stakeholder communication



Change in New PSAB Financial Statements

Updated

- Statement of financial position
- Statement of operations & accumulated surplus/deficit
- Statement of cash flows

New

- Statement of net financial assets/liabilities
- Statement of changes in net assets/liabilities

Removed

- Statement of changes in net debt/net financial assets
- Statement of remeasurement gains/losses

Contact us at:

Sarah Ban, CPA, Partner sban@deloitte.ca

Matt Colley, FCPA, Partner mcolley@deloitte.ca

Renee Pichard, FCPA, Partner rpichard@deloitte.ca



Appendix 3 - Assurance services

At Deloitte, we offer a variety of services to assist our clients. We have included below some assurance services that we offer to our public sector clients for your consideration.

Complex Accounting Advisory

As accounting standards and the regulatory interpretations of these standards are ever evolving, we often see our clients asking what are the best practices for their business. Below are some common areas where technical accounting support is often needed as clients prepare to implement, implement and subsequently monitor.

1. **Adoption of New Accounting Standards**
Deloitte often supports a business through its adoption of new accounting standards, including accounting memo review, advisory services on best practices related to accounting policy implementation and financial statement preparation. Topics often advised on include but are not limited to asset retirement obligations, financial instruments, purchased intangibles, and public private partnerships.
2. **On-Call Advisory**
Many of our clients require technical accounting insights on an on-going basis, to ensure their accounting policies and treatments to new transactions reflect the industry best practices. Deloitte can discuss key considerations with management on the best treatments, provide relevant accounting guidance.
3. **Training on new or amended accounting standards**
To ensure their organizations are up to date on their technical accounting knowledge and/or their professionals meet their certified professional development hour (CPD) requirement, Deloitte regularly hosts training for our clients. These trainings can include new accounting standards/amendments, regulatory exposure draft findings and upcoming standards to name a few.
4. **Sustainability and ESG Compliance**
There is growing pressure for public sector entities to recognize and mitigate their environmental and social impact, and provide credible, transparent information to their stakeholders. The complexity only grows as changes in government policies and enforcement shift. Deloitte can assist an organization in creating strategies and practices to address the extensive oversight, disclosure, and reporting requirements in a context of evolving regulatory environment and stakeholder expectations.

Appendix 4 - Proactively managing cyber risks

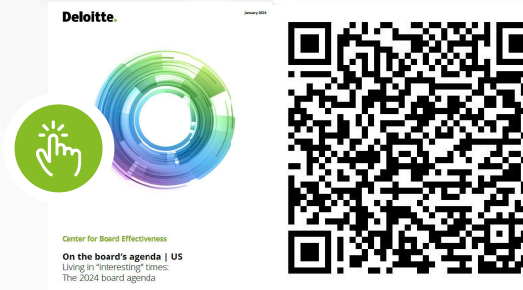
The sophistication of Cyber threat actors continues to evolve and the municipal sector has been the victim of many Cyber attacks with various degrees of impact. Municipalities are less prepared than they might think to address existing and new risks. Below is a sample of proactive actions that should be considered.



Appendix 5 - Thought Leadership



Audit Committee Brief, a periodic publication that provides Audit Committee members with recommendations, overviews of corporate governance resources, regulatory and legislative environment outlooks and technical updates



Living in "interesting" times: The 2024 board agenda
Over the course of the next year, board members could find themselves living in interesting times.



Evolving lines of responsibility between the board and management - Board Practices Quarterly, quarterly series of reports, done in collaboration with the Society for Corporate Governance, providing pulse survey benchmarks on relevant topics for boards.



Deloitte center for Board Effectiveness: It helps directors fulfill their oversight responsibility to the organization they serve throughout their board service, through a portfolio of high-quality, innovative experiences.



Audit Technology



Transforming the audit profession

Deloitte's investments in innovation are transforming how audits are delivered.

Our investment



Significant investments in **audit transformation**

Change in how audits are executed



Shift in how we deliver from field hours to an audit utilizing technology, intellectual property, audit delivery centers, and professionals with specialized data skills

Operating model



Combination of field hours, off-site delivery centers, innovative technologies, and data analytics

Insights



The Deloitte Audit Experience: valuable insights, risk focus, and timely, high-quality audits

Reimagined audit



Focus effort where it matters, deliver valuable insights, less burden on your staff, more timely audits

Estimating recurring audit fees based on field hours alone is no longer appropriate



Field hours alone do not reflect the effort to deliver an audit



There has been a shift in inputs for delivering an audit from primarily time spent on-site to a combination of field hours, innovative tools and technologies, and off-site delivery centers



Certain field professional hours are being replaced with annual recurring costs to maintain innovative technologies to deliver a high-quality audit



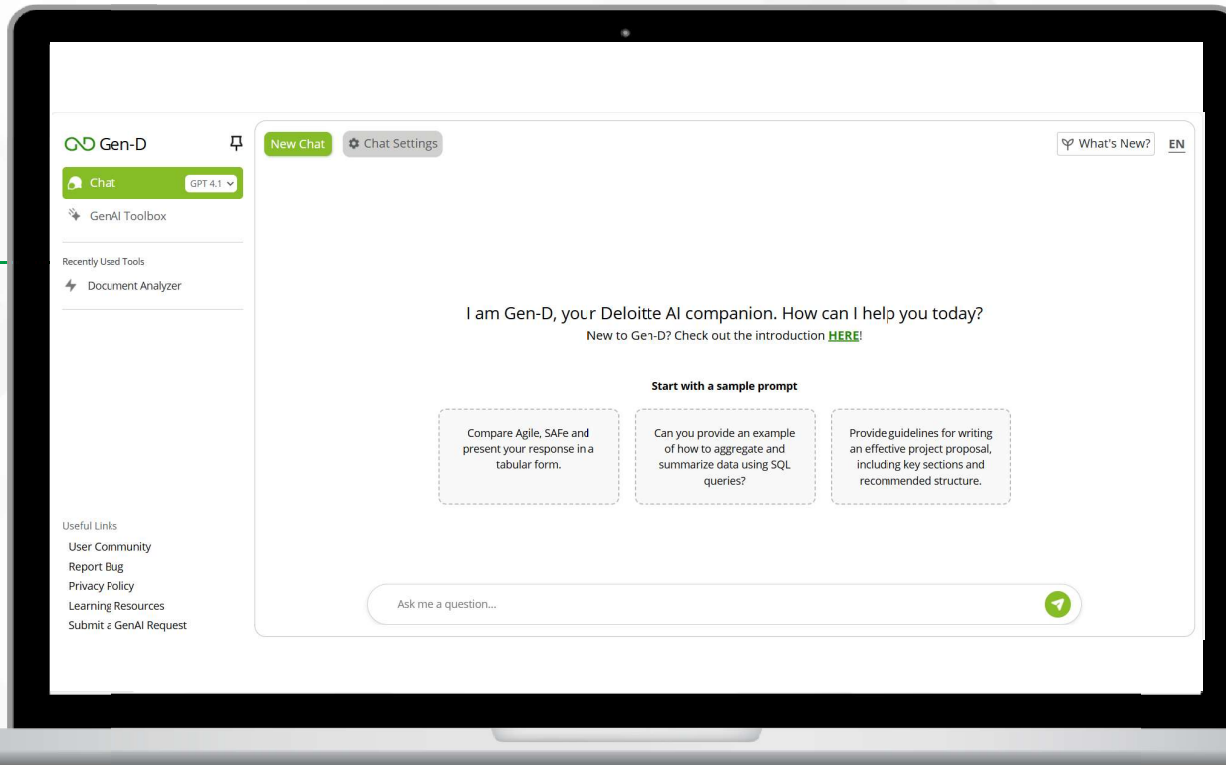
Our investment in smarter audits benefits our clients and the investing public through a higher-quality audit, less effort from client personnel, and deeper insights



Gen.D

What is it?

Our ChatGPT-style GenAI solution for document analysis and AI Assistant tasks.



Why use it?

Benefits to engagement:

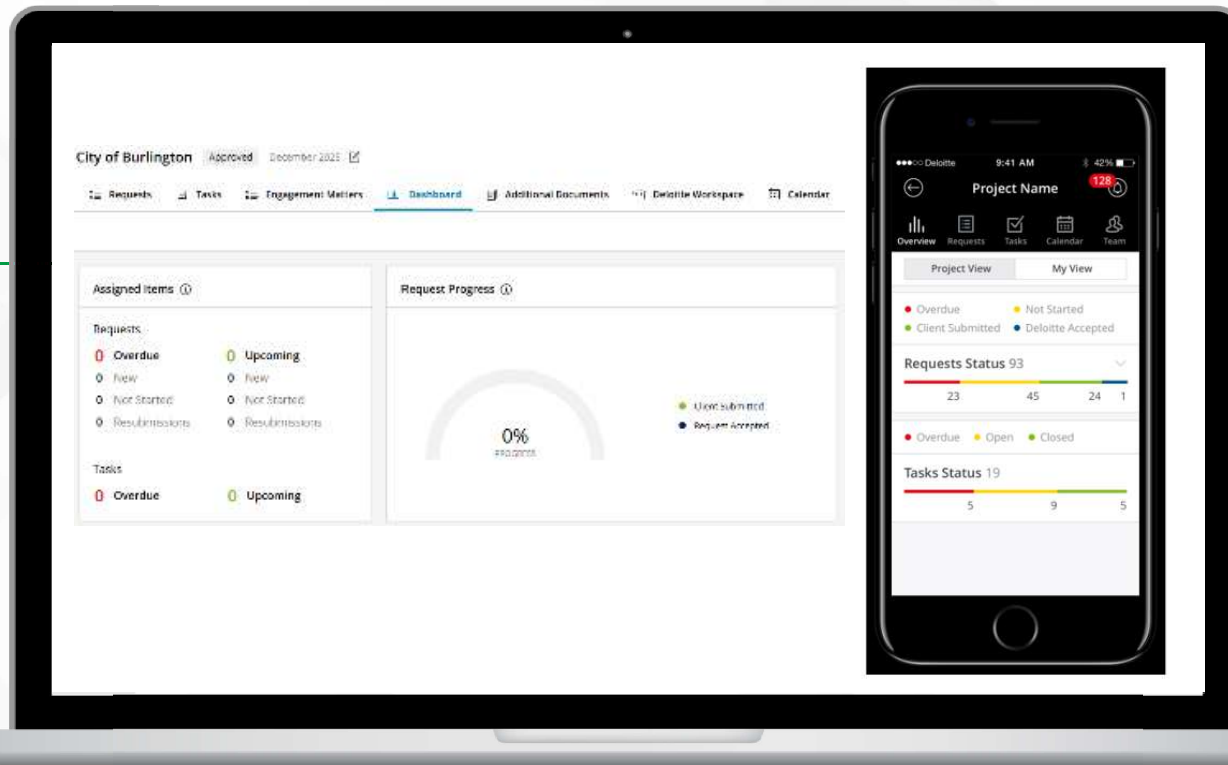
- Supports engagement teams with enhancing our work and to solve client issues.



Deloitte Connect

What is it?

Secure online collaboration site that facilitates a two-way dialogue between the Deloitte and client team to effectively manage engagement coordination. The tool also allows on-the-go access to engagement project status using a mobile device.



Why use it?

Benefits to client:

- Summarized view of all requirements of the audit in one centralized location
- Automated notification of upcoming deadlines as well as real-time status updates using web or mobile applications allowing for 'updates on-the-go'.

Benefits to engagement:

- One central repository to manage all requests to provide instant status updates and tracking
- Improved understanding to timeliness of delivery of requested items from clients for potential billing opportunities

Tie-out

What is it?

Allows for a digital tie out of financial statements and related notes including referencing to workpapers and automated recalculations, internal referencing, footing and cross-footing. Also enables carryforward of tie outs to subsequent periods as well as carry-forward of tie outs to subsequent versions.

The Corporation of the City of Burlington Consolidated statement of operations Year ended December 31, 2024 (All amounts are in thousands of dollars)

	2024 Budget \$	2024 Actual \$	2023 Actual \$
	(Note 18)		
Revenue			
Net taxation	250,857	249,802	226,129
User charges	40,906	53,507	38,686
Grants			
Government of Canada	11,463	8,140	7,741
Province of Ontario	6,296	6,084	5,401
Contributions from developers	500	8,038	4,324
Investment income	5,300	11,683	10,716
Gain (loss) on sale of tangible capital assets	—	48	(7,111)
Penalties and interest on taxes	2,250	3,556	2,969
Donations	280	2,260	437
Fines and penalties	11,845	11,818	10,654
Rents and concessions	6,724	7,881	6,764
Licences and permits	10,217	8,956	10,603
Other	2,328	2,516	1,212
Hydro dividends and interest	3,832	3,904	4,350
Contributed tangible capital assets	—	1,097	1,616
Burlington Enterprise Corporation, net increase in equity	—	4,256	1,049
	352,848	384,756	331,624
Expenses			
General government	59,824	72,907	53,441
Protection to persons and property	53,140	60,776	56,068
Transportation services	104,353	104,353	94,704
Environmental services	9,274	6,278	8,145
Health services	840	554	494
Recreation and culture services	85,852	86,337	80,281
Planning and development	13,220	12,224	10,633
	326,903	348,428	304,166
Annual surplus	25,945	36,328	27,458
Accumulated surplus, beginning of year	1,208,645	1,208,645	1,181,191
Accumulated surplus, end of year	1,234,590	1,244,973	1,208,649

The accompanying notes are an integral part of the consolidated financial statements.

Why use it?

Benefits to client:

- Identify potential issues earlier due to automated tie-out and carryforward features

Benefits to engagement:

- Increased efficiency, higher quality documentation of the tie out process
- Less rework having to redocument tie outs where multiple versions are received



Project Zero

What is it?

A script-based analytic that identifies reversing entries within accounts and removes them from the General Ledger population, leaving entries that impact the ending account balance to enable efficient detail testing.

Workflow Results > Project Zero Workflow v1.0

Project Zero Workflow v1.0

Optional Job Name

[Questions](#)

Questions

Browse for Journal Entries of the selected accounts from Current Period

Browse for Journal Entries of the selected accounts from Prior Period

Browse for Project Zero Template D 22852 Workbook and select the sheet 'Data Integrity Checks'

Why use it?

Benefits to client:

- Saves effort and time pulling sample detail that is not needed

Benefits to engagement:

- Supports engagement teams with cleansing the General Ledger population to prevent selecting items for sampling that are reversed out of the population
- Allows for further analysis on the true population and movements of the account
- Matches up reversing entries to those posted in prior periods which may be of interest due to management override of controls



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SUBJECT: Automated Vehicle Location (AVL) Performance Audit

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-13-2025

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation:

Receive for information the AVL Performance Audit attached as Appendix A to office of the city auditor report AUD-13-25.

Executive Summary

Purpose of report:

- An audit of the Automated Vehicle Location (AVL) System was approved by Audit Committee as a part of the 2025 Audit Plan and the final audit report, attached as Appendix-A is for Audit Committee's information.

Key findings:

- Overall, the AVL system was successfully implemented and achieved most of its stated objectives. The Corporate Fleet Services team and RPF at-large utilize many but not all functionality of the AVL system whereas Management outside of RPF rarely utilize the system and therefore have realized limited benefits or value from the AVL system.
- Four key areas were deemed to be operating effectively including the successful implementation of the AVL system in most corporate departments. The audit report contains seven audit findings related to the utilization of the AVL system.

Implications:

- Audit recommendations are provided in the audit report which should improve the utilization of the AVL system in most City departments.

Information Report

Background

Audit Committee approved the AVL Performance Audit as a part of the 2025 Audit Plan. The objective of the audit was to review the performance of the AVL system to determine whether City departments are obtaining value from utilizing the new tools and capabilities within the AVL system as described in the original business case. A secondary objective included reviewing the policy framework for telematics.

In 2020, City Council approved a \$1.8M capital project through the annual budget process to replace the AVL system. A new AVL system was chosen via an RFP and was awarded to a vendor named 'Focus by Telus.' The new system was subsequently successfully implemented in 2022.

Status

Overall, the AVL system was successfully implemented and achieved most of its stated objectives. The Corporate Fleet Services team and RPF at-large utilize many but not all functionality of the AVL system whereas Management outside of RPF rarely utilize the system and therefore have realized limited benefits or value from the AVL system. No high-risk issues were identified during the audit. The following areas were deemed to be operating effectively:

1. The AVL system was successfully implemented across all City departments (with the exception of Burlington Transit and Burlington Fire Dept which were not in scope); the project was completed under-budget.
2. The AVL system is user friendly, provides a data rich environment for corporate reporting and meets most of the needs of the City.
3. The RPF department successfully utilizes the AVL system for managing operations such as winter control maintenance including providing online reporting to the public via the [Plow Tracker](#).
4. Policies, procedures, guidelines related to AVL were generally well written and comprehensive.

The following is a summary of findings for areas of improvement:

1. AVL analytics review and reporting in RPF
2. AVL system self-utilization by other departments/divisions
3. AVL hardware inventory issues & billing reconciliation
4. Implement AVL for Burlington Transit
5. Close the 2020 capital project
6. AVL Training & Policy considerations

7. Next generation AVL improvements

Key Dates & Milestones

The audit was initiated in June 2025 and was completed in November 2025. Going forward, the City Auditor will follow-up on Management's progress to execute and implement the audit recommendations in the audit report. This will be reported to Audit Committee on a quarterly basis.

Implications

There was no cost to perform this audit except for the City Auditor's time. A total of 196 hours were incurred to perform this audit.

Multiple City staff from other departments were involved in this audit from Roads, Parks & Forestry, Human Resources and Finance. In addition, over a dozen interviews with front line People Leaders of staff with corporate vehicles occurred from multiple departments. Management and staff's efforts included meetings, interviews, preparing and sharing documentation/evidence, reviewing the draft audit report and preparing Management Action Plans. This amount of time was not tracked by the City Auditor.

There are no immediate climate impacts from this report. The City Auditor's audit process was conducted mostly remotely which saved vehicular trips to City facilities, thereby reducing greenhouse gas emissions. Meeting materials and audit evidence were entirely sent electronically, thereby reducing the consumption of paper.

References

City of Burlington 2020 Approved Capital Budget (see [page 140](#) for AVL business case)
Corporate Project Status Reporting to Council April 2024 - [CM-05-24](#) (see page 7)
2025 Audit Plan – see [AUD-05-25](#)

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Author:

Page 3 of Report Number: AUD-13-2025

Respectfully submitted,
Maciej Jurczyk, CPA, CIA, CRMA, LSSGB, CFE, CISA
City Auditor
905-335-7777
maciej.jurczyk@burlington.ca

Appendices:

A. Appendix-A: AVL Performance Audit Report

Report Approval:

All reports are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.



Office of the City Auditor

Automated Vehicle Location (AVL) Performance Audit

Audit Unit: Roads, Parks & Forestry

Auditor: Maciej Jurczyk, City Auditor

Distributed To: City of Burlington Audit Committee

Scott Hamilton, Commissioner, Public Works
Enrico Scalera, Director, Parks, Roads & Forestry
Paul Swioklo, Manager, Corporate Fleet

Jacqueline Johnson, Commissioner, Community Services
Catherine Baldelli, Director, Burlington Transit

Sue Evfremidis, Chief Human Resources Officer

cc: Curt Benson, Chief Administrative Officer
Leah Bortolotti, Head of Corporate Affairs

Date Issued: Nov 19, 2025

EXECUTIVE SUMMARY

BACKGROUND

In accordance with the 2025 Audit Plan, the City Auditor completed a performance audit of the Automated Vehicle Location (AVL) system. The objectives of the audit were to review the performance of the AVL system to determine whether City departments are obtaining value from utilizing the new tools and capabilities within the AVL system as described in the original business case. A secondary objective included reviewing the policy framework for telematics.

In 2020, City Council approved a \$1.8M capital project through the annual budget process to replace the AVL system. A new AVL system was chosen via an RFP and was awarded to a vendor named 'Focus by Telus'. The new system was subsequently successfully implemented in 2022 to all corporate fleet vehicles outside of Burlington Transit and Burlington Fire Dept (neither department was in-scope).

The AVL system is generally coordinated by the Corporate Fleet Services group within the Roads, Parks & Forestry (RPF) department in Public Works. However, the City operates a shared-responsibility model whereby front-line departments are ultimately responsible for the safe and efficient operation of their assigned corporate fleet vehicles. There are approximately 300 corporate vehicles in-scope for the AVL system with approximately 475 software licensed users across the City.

The financial impact of the AVL Program includes an operating budget of approximately \$100,000 from the tax levy which covers software license costs, monthly subscriptions costs for the AVL hardware devices, installation costs and other expenses. Although the total financial impact to the City is relatively low, the reputation risk to the City around the safe and efficient operation of corporate vehicles is high given that hundreds of branded City vehicles operate throughout the City on a daily basis. The principle reason for this area to be selected for an audit was not its risk profile but to test the performance and value provided by the AVL system to the City.

SCOPE

The scope of the audit was focused on the following:

- The implementation of the AVL system within the corporate fleet of vehicles and equipment and its current performance
- Policies and procedures related to telematics

The scope of the audit did not include the following:

- The execution of the AVL project including project management controls, documentation etc. (with the exception of evaluating the realized benefits described in the project's business case)

The audit methodology included:

- Interviews with City personnel to understand in detail the implementation and operationalization of the AVL system

- Assessing the completeness of the inventory of vehicles/equipment with installed AVL system
- Ensure People Leaders and vehicle/equipment operators have received the requisite AVL training
- Review the capability of the AVL system to identify safety, idling, location and utilization data as well as exception reporting including the utilization of those reports/analytics by People Leaders
- Reviewing the policy framework for telematics across the City and benchmarking that policy against other municipalities. See listing of comparable municipalities in Appendix II

INTERNAL AUDIT FINDINGS

Overall, the AVL system was successfully implemented and achieved most of its stated objectives. The Corporate Fleet Services team and RPF at-large utilize many but not all functionality of the AVL system whereas Management outside of RPF rarely utilize the system and therefore have realized limited benefits or value from the AVL system. No high-risk issues were identified during the audit. The following areas were deemed to be operating effectively:

1. The AVL system was successfully implemented across all City departments (with the exception of Burlington Transit and Burlington Fire Dept which were not in scope); the project was completed under-budget.
2. The AVL system is user friendly, provides a data rich environment for corporate reporting and meets most of the needs of the City.
3. The RPF department successfully utilizes the AVL system for managing operations such as winter control maintenance including providing online reporting to the public via the [Plow Tracker](#).
4. Policies, procedures, guidelines related to AVL were generally well written and comprehensive.

The following is a summary of findings for areas of improvement:

1. AVL analytics review and reporting in RPF: **Medium Risk**
2. AVL system self-utilization by other departments/divisions: **Medium Risk**
3. AVL hardware inventory issues & billing reconciliation: **Medium Risk**
4. Implement AVL for Burlington Transit: **Low Risk**
5. Close the 2020 capital project: **Low Risk**
6. AVL Training & Policy considerations: **Low Risk**
7. Next generation AVL improvements: **Low Risk**

The City Auditor appreciates the assistance and co-operation from the various staff members who participated in this audit, particularly the Manager, Corporate Fleet and Specialist, Corporate Fleet Business Improvement.

DETAILED FINDINGS AND RECOMMENDATIONS

The City of Burlington utilizes an Automated Vehicle Location (AVL) system by a vendor named 'Focus by Telus'. This 'software-as-a-service' tool provides the City with the ability to geo-locate its corporate fleet of vehicles in real-time or view historical reports about its location, speed, direction of travel, driver behaviour and many more metrics.

City Council approved the AVL implementation project with a budget of \$1.8M as a part of the 2020 budget process. The implementation of the AVL system was treated as a major corporate project with a dedicated Project Manager, an assigned Project Sponsor and regular [reporting](#) back to Council. The system was successfully implemented in 2022 and has achieved most of the project's objectives identified in its business case to Council and its Project Charter.

The AVL system has been generally coordinated by the Corporate Fleet Services group within the Roads, Parks & Forestry (RPF) department in Public Works. However, the City operates a shared-responsibility model whereby front-line departments are ultimately responsible for the safe and efficient operation of their assigned corporate fleet vehicles. Currently, the AVL system is installed within approximately 300 corporate and contracted vehicles with approximately 475 software licensed users across the City. Since 2022, the Corporate Fleet Services team has also implemented 'Focus S' a separate app integrated with the AVL system to facilitate electronic pre-trip vehicle inspections by staff and 'Electronic Logging Devices' to record commercial driver 'hours of service' in a separate app by vendor 'Ing-Tech'.

The Corporate Fleet Services team installs small AVL hardware units in all corporate fleet vehicles (and some equipment) which transmit telematics data from the vehicle in real-time to the AVL vendor's Canadian-based servers. This data enables the City to:

- Geo-locate all corporate fleet vehicles in real-time which can assist with asset protection and loss prevention
- Collect telematics data of corporate fleet vehicles including real-time location, speed, driver behaviour including: harsh braking, harsh acceleration and harsh cornering; when City vehicles travel outside of Burlington city limits, and excessive idling
- Record road and sidewalk winter maintenance completion in accordance with minimum maintenance standards. This information is available to the public via "[Burlington Plow Tracker](#)"
- Electronically record vehicle pre-trip inspections and automatically transmit major or minor vehicle defects to the Corporate Fleet Services maintenance group
- Provide data to Legal, Human Resources and other management to review operational activities, employee behaviour and past history to assist with Highway Traffic Act violations and investigations
- Record and monitor Hours of Service for Commercial Motor Vehicles (CVOR) which the City is obligated under O. Reg. 555/06 under the Highway Traffic Act
- Provide yearly data to Finance for Canada Revenue Agency reporting for tax purposes
- Complete fleet financial analysis upon department request to review the efficiency of fleet vehicles in departments

The City is not required by legislation or regulation from higher levels of government to utilize an AVL system, so in this regard it can be described as a discretionary program. However, it

is common for other large and mid-sized municipalities to operate the same/similar AVL systems. The primary benefit of these types of AVL systems are qualitative in nature and include: asset protection, quality assurance over numerous City services (i.e. winter maintenance), Legal department claim investigations and human resources performance management. Quantitative benefits are harder to measure although the business case to Council cited cost savings from replacing the historical manual and paper-based pre-trip inspection forms with the Focus S online app.

The principal risk associated with this internal audit is that the City may not be realizing value for the money invested by Council to implement and operate the AVL system. There is also a high reputational risk posed by City vehicles operating inefficiently or unsafely, given that hundreds of City branded vehicles operate on City streets on a daily basis. In this regard, the AVL system is supporting the Management in their risk management activities to reduce this risk.

Overall, the City has successfully implemented the AVL system, and it has achieved most of its project objectives. However, one project objective to “transform business processes” was written in a vague manner and lacked specificity. Major RPF processes such as winter control maintenance, CVOR hours of service tracking and pre-trip safety inspections were successfully transformed and reaped benefits to the RPF department. Notwithstanding, the positive process changes in RPF, interviews with front line People Leaders in other City departments revealed little impact or value to their business processes since few were utilizing the AVL system to its fullest capability. The RPF department is successfully utilizing most aspects of the AVL system, particularly for winter control maintenance and other operational activities, while most other departments have realized limited benefits. There is an opportunity to further utilize and optimize the AVL system, particularly outside of RPF department.

The following are the findings from the audit along with recommendations and Management’s Action Plans to address these issues. See Appendix I for further information regarding Internal Audit Standards and Audit Severity Scale.

Finding #1 – AVL Analytics review and reporting in RPF

Risk Ranking

MEDIUM

The corporate “Vehicle Telematics policy” states that Corporate Fleet Services should be “*Regularly reviewing Telematic Data to ensure safe operation of Vehicles and Equipment, in accordance with the Highway Traffic Act and City Policies to ensure safeguarding of City assets.*” However, this type of proactive trending analysis or retrospective compliance reporting centrally on behalf of user groups does not occur regularly. For clarity, Corporate Fleet Service occasionally supports other departments to provide AVL historical reports upon request (i.e. to conduct investigations).

Currently, there is limited corporate utilization of the proactive real-time alerts/notifications capability of the AVL system as People Leaders/users cannot set up their own real-time alerts (for safety/speeding violations etc.). Corporate Fleet Services is utilizing some proactive alerts/notifications capability in the system (speeding over 119 km/h, driving without a pre-trip inspection, major/minor mechanical defects).

Lastly, Corporate Fleet Services commissioned a custom AVL report which captures many useful metrics including vehicle utilization, productivity, safety, and idling metrics. However, this “AVL Management Report” has not been shared with People Leaders across the corporation.

Implication

There is no immediate risk to the City from Corporate Fleet Services generally underutilizing some of the analytics functionality of the AVL system. However, the City may not be realizing the full value and benefits of a comprehensive AVL system if staff are underutilizing it. There are qualitative benefits to human resources management and health and safety that may be realized if the data rich environment in the AVL system was utilized to its fullest (or even partial) extent.

Recommendation

Corporate Fleet Services should:

1. Perform regular proactive trending analytics using the data rich environment in AVL and communicate key data trends around vehicle speeding, excessive idling, harsh driving behaviour or other vehicle/driver anomalies to the respective front-line People Leaders. Enable the “AVL Management Report” to be shared with People Leaders of staff with corporate vehicles in the AVL system. Communicate this functionality with the People Leaders. Work with the vendor to develop an email push notification to People Leaders on a periodic (i.e. quarterly basis) with a link to the report in AVL.
2. Perform annual reporting of key trends directly to the Executive Leadership Team (XLT) and/or Senior Leadership Team (SLT).
3. Corporate Fleet Services should increase its profile with corporate wide messaging about the AVL system and its capabilities. This can include (but is not limited to):

- Working with Corporate Communications to develop internal tactics that provide reminders to vehicle operators and People Leaders of vehicle operators
- Communicating excessive vehicle idling occurrences to vehicle operators and their respective people leaders as well as the Environmental Sustainability Team as necessary.
- Communicating repeated safety issues with Corporate Health, Safety & Wellness group to develop joint messaging for safety talks

Management Action Plan

Person Responsible	Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	Q2 2026
<ol style="list-style-type: none"> 1. Fleet Services is currently working with Burlington Digital Services to import data via API to Power BI to create an automated report for an improved and customizable “AVL Management Report”. Projected completion by Q2 2026. Quarterly/Biannual reports are expected and will be refined based on department feedback. 2. Fleet Services will develop key trend reporting to XLT and SLT via slideshow presentation. CVOR rankings are currently reported to these groups as necessary. 3. Fleet Services will continue to send communications through internal vehicle operator email mailing group as warranted. Furthermore, follow-up meetings will be initiated with select service areas based on trends within the above mentioned AVL Management Report. 			

Finding #2 – AVL System Self Utilization by other depts/divisions

Risk Ranking

MEDIUM

A majority of People Leaders with corporate vehicles interviewed for the audit (particularly those outside of RPF) revealed they lack awareness of most of the system functionality and lacked training on how to utilize the AVL system. Most People Leaders shared they have an appetite for additional reporting capabilities and/or KPI dashboards for vehicle/equipment utilization data, driver behaviour/productivity, driver health & safety, idling etc.

The corporate “Vehicle Telematics policy” requires People Leaders to: “*regularly review Telematic Data and reports to ensure, but not limited to, safe operation of Fleet Vehicles and Equipment...*” and “*Follow up with Operators and the Vehicle Trainer on incidents where Fleet Vehicles or Equipment were deemed to have been operated unsafely.*” Audit interviews revealed that People Leaders are generally not utilizing the AVL system or reviewing reports to identify trends, anomalies or exceptions related to vehicle performance or driver behaviour.

Implication

There is no immediate risk to the City from People Leaders generally underutilizing the capability of the AVL system. However, the City may not be realizing the value and benefits of a comprehensive AVL system if People Leaders in front-line departments outside of RPF are not utilizing it. There are qualitative benefits to human resources management and health and safety that may be realized if the data rich environment in the AVL system was utilized to its fullest (or even partial) extent.

Recommendation

Corporate Fleet Services should:

1. Engage People Leaders of staff with corporate vehicles by offering additional training opportunities. Work with Communications and Engagement team to develop a strategic communications plan that helps raise awareness about the AVL system, expectations and benefits. Corporate Fleet Services may consider annual ‘roadshows’ to departments management meetings to provide on-site demonstrations, hosting optional drop-in sessions on MS Teams, or online self-service training on the Learning Management System.
2. Enable People Leaders to set up their own alerts in the AVL system; or alternatively setup safety alerts (i.e. speeding, driving without a pre-trip inspection etc.) for People Leaders proactively by default (and disable on demand).

Management Action Plan			
Person Responsible	Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	Q2 2026
<ol style="list-style-type: none"> 1. Fleet Services will implement annual AVL system awareness/refresher training with focus on people leaders who did not receive the original program training or are newly on-boarded. 2. As part of the above noted training Fleet Services will communicate the availability of AVL alerts for people leaders to proactively monitor their vehicle operators. 			

Finding #3 – AVL hardware inventory & billing reconciliation

Risk Ranking

MEDIUM

The inventory of AVL hardware/devices had multiple issues:

- Three out of 25 sampled vehicles did not match their Modem ID in the AVL software against the master inventory listing provided by Corporate Fleet Services; including one vehicle where AVL hardware was not installed.
- In a separate inventory test, one active-duty vehicle was missing from the master inventory listing and another vehicle had no AVL hardware installed due to a lack of clarity about its status.
- The master inventory listing displayed 36 hardware devices in inventory, however less than a dozen were observed during audit testing.
- Changes applied to AVL hardware (i.e. new hardware installed in new vehicles, malfunctioning AVL hardware uninstalled from vehicles, AVL hardware removed from decommissioned vehicles) is communicated informally by staff via email, MS Teams or verbally and is not managed/tracked centrally by Corporate Fleet Services.
- The AVL vendor did not submit invoicing to the City for 11 months dating back to November 2024 despite multiple City requests. Given that the City pays a monthly fee for each AVL device (installed within active duty corporate and contracted vehicles as well as spares inventory), this delayed any reconciliation of those invoices to determine whether accurate financial billing occurred against the master inventory listing. For additional clarity, the monthly subscription fee for most AVL devices/hardware is \$23, so any billing errors would not likely be material to the RPF annual operating budget.
- The invoice provided by the vendor is difficult to analyze and is cumbersome to perform reconciliations against the City's inventory of AVL devices.

Implication

Corporate Fleet Services has an incomplete listing of AVL hardware/devices which has resulted in some vehicles not having the AVL system installed and likely an inaccurate inventory of spare AVL hardware. In addition, a lack of invoicing from the vendor has prevented any financial reconciliation of those invoices to determine whether accurate billing has occurred.

Recommendation

Corporate Fleet Services should:

1. Refresh their detailed inventory of all AVL hardware/devices including those installed in corporate vehicles, contracted vehicles and spares inventory. Any exceptions noted with the AVL vendor should be itemized and reported back immediately.
2. Develop a formal process within Corporate Fleet Services to track/monitor AVL hardware. Corporate Fleet Services may consider monitoring its AVL system within the next generation EAMS inventory management module.

3. Perform a detailed financial reconciliation with the vendor's invoices against the refreshed AVL hardware/device inventory to determine the accuracy of those invoices. Request that the vendor make any billing adjustments as required. Request that the AVL vendor provide back an appendix with the AVL modem ID's in a separate excel spreadsheet along with the monthly invoice (if possible from vendor's billing system).

Management Action Plan

Person(s) Responsible	Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	Q2 2026
<ol style="list-style-type: none"> 1. Fleet Services will update their inventory of all AVL hardware/devices including those installed in corporate vehicles, contracted vehicles and spares inventory. This will include proposed relocation of AVL system hardware. 2. Fleet Services will develop an AVL system hardware change protocol and request AVL attributes be added into the next generation EAMS inventory management module. 3. Fleet is currently performing a detailed financial reconciliation with the vendor's invoices and adjusting as required. Fleet is also working with vendor to provide invoices more timely and in more efficient format. 			

Finding #4 – Implement AVL for Burlington Transit

Risk Ranking

LOW

Although the original business case presented to Council did not include Burlington Transit or Fire Department (nor did the 2020 Project Charter), RPF staff have passively engaged both departments to determine their appetite to on-board the AVL system for their respective fleet of vehicles. Per discussion with Burlington Transit leadership, the appetite to on-board this system is strong and will provide numerous benefits including reporting on driver behaviour (i.e. safety-related metrics such as harsh braking, harsh cornering, harsh acceleration) as well as electronically reporting their pre-trip inspection forms.

Implication

This audit finding above is an opportunity for continuous improvement and do not pose an immediate risk to the City. Qualitative benefits in human resources management and health and safety may be realized by Burlington Transit should a comprehensive AVL solution be adopted.

Recommendation

Burlington Transit should be included in-scope when the current agreement with the service provider expires in 2026, and Corporate Fleet Services competitively procures their next AVL solution.

Management Action Plan

Person(s) Responsible	Completion Date	
Enrico Scalera, Director, Parks, Roads & Forestry Catherine Baldelli, Director, Burlington Transit	Q2 2027	
<p>Fleet Service will include optional pricing for Burlington Transit and the Fire Department as part of the next AVL solution procurement process.</p> <p>Burlington Transit agrees with the recommendation to participate in the next procurement for AVL services and will coordinate with Finance and RPF to do a pilot project in the interim time period.</p>		

Finding #5 – Close the 2020 capital project			
Risk Ranking		LOW	
<p>The implementation of the AVL system is substantially complete and staff did not spend their entire Council approved budget. However, the 2020 capital project is still open at the time of the audit resulting in a hold of the outstanding \$814,000 (i.e. unspent) capital funding despite the fact that the project is substantially completed and has successfully accomplished most of its project objectives.</p>			
Implication			
<p>A favourable balance of \$814,000 unspent against the project is sitting unutilized and may be better applied to other City capital projects or priorities.</p>			
Recommendation			
<p>Work with the Finance team to close the 2020 capital project finance and capital budgeting perspective. Release the unspent capital budget to its sources: Capital Levy, Infrastructure Renewal Reserve Fund and Vehicle Depreciation Reserve Fund.</p>			
Management Action Plan			
Person Responsible	Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	Q1 2026
<p>1. Fleet Service to coordinate with Finance to close the project and release or reallocate the unspent capital funds as necessary.</p> <p>2. Fleet Services to review funding needs for potential AVL improvements and system renewal for consideration in the project budget closeout.</p>			

Finding #6 – AVL Training & Policy considerations			
Risk Ranking		LOW	
<p>The Vehicle Telematics Policy is not provided to new employees as a part of the on-boarding process. Given that the Corporate Fleet Policy states: "<i>All employees must acknowledge and adhere to the Vehicle Telematics Policy</i>", it should be included in the new hire on-boarding package. This is also not consistent with Bill 88: Working for Workers Act, 2022, which includes amendments to the Employment Standards Act (Ontario-2000), which requires electronic monitoring policies to be provided to employees.</p>			
Implication			
<p>The City may not be in full compliance with its own Corporate Fleet Policy nor recent Ontario legislative changes requiring notification of electronic monitoring to its employees.</p>			
Recommendation			
<ol style="list-style-type: none">1. Provide the "The Vehicle Telematics Policy" to new hires as a part of the on-boarding and training process. Employees should be provided with a policy if they are expected to comply with it.2. RPF may consider adding it as a module within the "City Driver Training Program - Light Commercial Vehicle" and "City Driver Training Program - Heavy Commercial Vehicle" training program in the City's online Learning Management System.			
Management Action Plan			
Person(s) Responsible	Sue Evfremidis, Chief Human Resources Officer Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	Q1 2026
<ol style="list-style-type: none">1. Human Resources will add the AVL policy to the documents that are shared with new hires. The City has an Electronic Monitoring Policy that is assigned to all employees and includes reference to the AVL policy.2. Fleet Services to add the subject policy to the City Driver Training Program - Light Commercial Vehicle" and "City Driver Training Program - Heavy Commercial Vehicle" training program in the City's online Learning Management System.			

Finding #7 – AVL next generation improvements

Risk Ranking

LOW

The City at-large and Corporate Fleet Services are not utilizing some functionality within the current AVL system:

- Vehicle idling of City vehicles is not regularly measured, monitored or tracked by staff. Although the AVL system precisely measures idling by City vehicles, there is limited utilization of this data by the Environmental Sustainability team, Corporate Fleet Services and People Leaders generally to enforce the City's Anti-idling Bylaw (Parking and Idling Bylaw 39-2016)
- Although automated speeding alerts are engaged and monitored for highways (Note: Corporate Fleet Services monitors speeding over 119 km/h); speeding on local roads is not monitored by Corporate Fleet Services or People Leaders generally
- Personal usage of corporate vehicles is not monitored by Corporate Fleet Services or People Leaders generally
- Route optimization is a solution within the AVL system to improve efficiency and reduce costs which is currently not utilized. According to RPF, the vendor's route optimization module did not meet all of their expectations.

The current AVL system lacks some functionality that prohibits efficient or effective reporting:

- Some reports (i.e. Speeding) can only be run for a maximum of seven days
- Some reports (i.e. Speeding) can only be run for one vehicle at a time (Note: most People Leaders have multiple staff with multiple vehicles assigned to their dept)
- People Leaders cannot add 'nick names' to vehicle Asset ID's to easily distinguish which vehicles belong to or are assigned to specific staff, groups, departments etc. Currently People Leaders must manually cross-reference the vehicle Asset ID in the AVL system against a spreadsheet inventory of vehicle identification numbers

The current AVL system lacks some functionality that is utilized by other municipalities including:

- Automated alerts to Corporate Fleet Services and/or People Leaders for 'seatbelt engagement violations' (i.e. driving without a seatbelt) and 'accident indicators' (i.e. when a vehicle has crashed)
- Automated alerts if AVL hardware is disconnected, tampered with or is otherwise malfunctioning
- Installing a "badge reader" device inside the vehicle to identify the driver for each trip or otherwise directly assigning a vehicle to a specific staff person (Note: currently vehicles are not directly assigned to staff therefore Corporate Fleet Services and/or People Leaders must manually infer from fuel or inspection reports who drove a City vehicle)

Implication

The audit observations above are opportunities for continuous improvement and do not pose an immediate risk to the City. These types of improvements may support Corporate Fleet Services and People Leaders generally to reduce the health & safety risk posed to City vehicle operators.

Recommendation

Corporate Fleet Services should consider working with the vendor to review the current functionality and whether customizations for the City of Burlington can be accommodated should RPF extend their contract with the current vendor. Alternatively, Corporate Fleet Services may consider the above audit observations when they procure the next generation of AVL software.

Management Action Plan

Person(s) Responsible	Enrico Scalera, Director, Parks, Roads & Forestry	Completion Date	N/A
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Market research is currently being conducted with best-in-class solutions for the City's future AVL/Telematics system. Fleet will continue to be informed and subject to available budget will review which of the above audit observations can be incorporated as part of the next AVL system procurement iteration.

APPENDIX I – INTERNAL AUDIT STANDARDS & FINDING SEVERITY SCALE

Rating	Definition
HIGH	<ul style="list-style-type: none"> Residual risk is very high or high Key control does not exist, is poorly designed or is not operating as intended Serious non-compliance to policy or regulation May result in immediate or material loss/misuse of assets, legal/regulatory action, material financial statement misstatements, etc. Indicates a serious control weakness/deficiency requiring immediate action by Senior Management
MEDIUM	<ul style="list-style-type: none"> Residual risk is medium Key controls are partially in place and/or are operating only somewhat effectively Some non-compliance to policy or regulation May negatively affect the efficiency and effectiveness of operations and/or financial reporting accuracy Indicates a control concern requiring near-term action be taken by Management
LOW	<ul style="list-style-type: none"> Residual risk is low to very low Key controls are in place, but procedures / operations could be enhanced Minor non-compliance to policy or procedures May result in minor impact to operations or operational inconvenience to staff and management Indicates a control improvement opportunity for which longer-term action may be acceptable

AUDIT METHODOLOGY

The City Auditor relied upon interviews with staff in various City departments to develop a detailed understanding of how the AVL system is currently being utilized. Other audit tests included examination of audit evidence from a sample of transactions from across the corporation, testing to validate the compliance against internal policies and procedures, reviewing the design of related policies/procedures and benchmarking against other comparable municipalities including: Oakville, Mississauga, Toronto, Waterloo, Vancouver, San Diego (USA), Charlotte (USA), Long Beach (USA), Wolverhampton (UK), and Coventry (UK).

AUDIT CONCLUSIONS

The conclusions reached in this report are based upon information available at the time. The overall audit conclusion is only applicable to the function/scope within this audit. It reflects the professional judgment of the Office of the City Auditor based upon the examination of documents against audit criteria as identified in the scope of the audit.

REASONABLE ASSURANCE

This conclusion is intended to provide reasonable assurance regarding internal controls. There are inherent limitations in any controls, including the possibility of human error and the circumvention or overriding of controls. Accordingly, even effective controls may provide only reasonable assurance with respect to City operations.

Motion Memorandum

SUBJECT: Report back on Audit of space allocation for competitive youth swimming programs

TO: Committee of the Whole

From: Councillor Lisa Kearns

Seconded by (for Council only): N/A

Date to Committee: November 3, 2025

Date to Council: November 18, 2025

Motion for Council to Consider:

Direct the City Auditor to perform an audit of the allocation process of pool time for competitive swimming programs and report back to Committee of the Whole by December 2, 2025.

Reason:

Community members have voiced their concerns for transparency around the decision making for the space allocation process performed in 2025 to award pool time to competitive swimming programs within City-run pools.

Outcome Sought:

To obtain an independent audit of the documentation, decision making and compliance to the Council approved Procurement Bylaw. The audit should reveal the following items:

1. The chain of events including the timing of when key documents were issued by the City, received by the bidders, evaluated by staff and reported back to bidders.
2. Any differences in approach that were taken between the processes for allocating space in City pools between adults and youth.
3. Definitions and requirements within City procurement documents including whether those definitions and requirements are aligned with the City's Procurement Bylaw.

By requesting an independent audit of the space allocation process, Council will be able to demonstrate transparency and accountability to the community and all stakeholders involved.

Implications:

There is no financial cost associated with this audit outside of the Council approved budget, as it would be performed by the City Auditor.

References:

LLS-42-25 Confidential legal report regarding potential litigation for aquatics procurement

[Media Release](#) – June 30, 2025: City of Burlington Statement on Ensuring High Quality Aquatics Services and Fair Use of Facilities

[Media Release](#) – August 1, 2025: A solution for competitive youth swimming

Strategic Alignment

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Approved as per form by the City Clerk

SUBJECT: City Auditor performance evaluation 2025

TO: Audit Committee

FROM: Corporate Affairs

Report Number: CAF-05-25

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

Recommendation

Direct the Audit Committee Chair and the Head of Corporate Affairs to deliver the Audit Committees' final performance rating and feedback from Committee discussions to the City Auditor, ensuring the information is submitted to Human Resources for inclusion in the merit program, where applicable, contained in Confidential Appendix A to corporate affairs report CAF-05-25.

Executive Summary

Purpose of report:

- This report presents an overview of the City Auditor's performance survey results, serving as the foundation for discussion and the final determination of the City Auditor's performance rating.

Key findings:

- All 7 Audit Committee Members submitted their feedback on the City Auditor's performance in the 2025 annual survey.

Implications:

- The internal audit function plays an independent, objective role in evaluating the city's operations and progress toward strategic goals and objectives.

Information Report

Background

As outlined in Section III of the Audit Committee's [Terms of Reference](#) (most recently reviewed on June 12, 2024, with the next review scheduled by June 2028), one of the Committee's key responsibilities is to: "Monitor and annually evaluate the performance of the City Auditor in carrying out the approved audit work plan and other established goals."

Analysis

While the City Auditor's reporting relationship has shifted administratively, the established frameworks, safeguards, and the Charter itself ensure that the Auditor's independence, scope, and authority remain robustly protected. This structure enables the Auditor to function independently, with direct support from both the Audit Committee and Executive Leadership, ensuring objective and effective audit practices continue unchanged. Strategy/process/risk The Audit Committee regularly receives updates on the City Auditor's work plan progress, along with key qualitative updates and quantitative performance metrics. In addition to these updates, the annual performance survey and ensuing discussion with Audit Committee members form the basis for evaluating the City Auditor's performance.

City Auditor Performance Survey Results the Head of Corporate Affairs conducted the annual survey with Audit Committee members from October to November 2025. The summarized results, provided in Confidential Appendix A, support the confidential performance review discussion with the Audit Committee.

City Auditor Performance Confidential Discussion

In a "closed session", permitted under Section 239(2)b of the Municipal Act (regarding "personal matters about an identifiable individual, including municipal or local board employees"), the Chair of the Audit Committee and the Head of Corporate Affairs will co-facilitate a review session with committee members to finalize the City Auditor's performance evaluation. The City Auditor will not attend this meeting; however, the Committee Clerk will record minutes, and Human Resources personnel may participate if requested. Committee members will establish a final overall rating aligned with the City's performance rating criteria in Appendix B.

Delivering Survey Results

Following the Audit Committee discussion, a meeting will be convened with the Audit Committee Chair, Head of Corporate Affairs, and City Auditor. This meeting will communicate the survey results, any additional feedback, and the final performance rating to the City Auditor. Human

Resources will receive the final rating and relevant documentation to support merit decisions within the City's total rewards framework and Council's annual operating budget.

Recommendation Details

This recommendation is being made to formalize how the Audit Committee's evaluation of the City Auditor is communicated and used.

By directing the Audit Committee Chair and the Head of Corporate Affairs to jointly deliver the final performance rating and feedback, and ensure it is submitted to Human Resources, the process:

- Confirms that the Committee's assessment is accurately captured and conveyed to the City Auditor;
 - Ensures the results are properly recorded in HR systems; and
 - Allows the feedback and rating to be considered in the City's merit program, where applicable, as outlined in report CAF-05-25.
-

Key Dates & Milestones

November 2025: City Auditor Survey sent out to Audit Committee Members for feedback

Implications

The City's performance management program recognizes employee performance through merit increases.

The City Auditor's performance-related merit increase falls within the City's established merit funding envelope, as allocated in the base operating budget.

References

The Audit Committee members were engaged in approving the City Auditor's performance management process as well as participating in the process through the survey and the closed session discussion.

This completed process reinforces the Audit Committee's oversight of the City Auditor and aligns with their responsibilities as outlined in the Committee's Terms of Reference.

Strategic Alignment

(Select all that apply)

- ☐ Designing and delivering complete communities
 - ☒ Providing the best services and experiences
 - ☐ Protecting and improving the natural environment and taking action on climate change
 - ☒ Driving organizational performance
-

Author:

Leah Bortolotti
Head of Corporate Affairs

Appendices:

- A. Confidential performance evaluation for the City Auditor CAO-07-25
- B. Appendix B - Performance Management Rating Scale for City Auditor

Notifications:

N/A

Report Approval:

All reports are reviewed and approved by the Commissioner, Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.

CAF-05-25 – Appendix B: Performance Management Rating Scale for City Auditor

Highly Effective	<p>Performance is at an exceptional level in all areas</p> <ul style="list-style-type: none"> • Is self directed and capable of dealing with complex issues, without guidance • Leads and manages through challenging issues successfully • Anticipates risk and then manages to a positive outcome • Others seek them out for their expertise • Is an inspiring leader who coaches and contributes to the development of others
Performing Successfully	<ul style="list-style-type: none"> • Valued contributor • Asset to the organization • Quality and quantity of work consistently meets and, on occasion, may surpass performance expectations • Demonstrated ability to deliver results • Knowledge, skills or attitude that meet and/or on occasion exceed expectations • Identifies and seeks opportunities for continuous improvement within the role • Good solid performer, no concerns in ability or effort, successful
Developing	<ul style="list-style-type: none"> • Employee is developing and/or learning a new role/competency • Potential and ability to be fully successful identified
More is Expected	<ul style="list-style-type: none"> • Performance has slipped below expectations • Meets some but not all performance expectations, may be inconsistent • Some improvement needed
Underperforming	<ul style="list-style-type: none"> • Significant and immediate improvement needed • Consistently low work output, may have high error rate or require others to complete the task • Did not meet performance expectations • Performance management plan may be required

SUBJECT: 2026 Audit Plan – update memo

TO: Audit Committee

FROM: Corporate Affairs
City Auditor

Report Number: AUD-14-25

Wards Affected: Not applicable

Date to Committee: December 3, 2025

Date to Council: December 9, 2025

The purpose of this memo is to provide Audit Committee with an update regarding the 2026 Audit Plan which is typically submitted for approval at the final meeting of each year. The same comprehensive process that I undertake each year to inform the audit plan was completed, including:

1. A refresh of the corporate wide risk assessment
2. Benchmarking with other Directors of Audit and/or Auditors General at other municipalities
3. Consultations with Audit Committee and senior staff
4. Follow-ups of past audit recommendations

A draft audit plan was prepared to be recommended to Audit Committee which contained the following potential workplan for 2026:

1. Development Applications Audit (carryforward as the audit work is already underway)
2. P-Card Audit (carryforward from 2025)
3. Municipal Election Physical Security & Cyber-Security Audit
4. Software Licensing Value for Money Audit
5. Implementation of the Whistleblower Program

I am aware of two potential staff directions from Audit Committee members to perform audit work above and beyond the potential workplan identified above. Should Audit Committee approve these potential staff directions at your December 3, 2025, meeting, this would impact

the 2026 audit plan from a capacity perspective, and therefore I have elected to hold back my recommended 2026 Audit Plan until greater certainty and clarity about these staff directions is known to me. The 2026 Audit Plan will be formally submitted to Audit Committee for approval at your next meeting in Q1 2026.

Author:

Respectfully submitted,

Maciej Jurczyk, CPA, CIA, CRMA, LSSGB, CFE

City Auditor

905-335-7777

maciej.jurczyk@burlington.ca

Memo Approval:

All memos are reviewed and approved by the Head of Corporate Affairs, Chief Financial Officer, and Commissioner of Legal and Legislative Services/City Solicitor.