Minutes – Governance Committee of Council – April 15, 2026

REPORTS

Item No. 1 Audit Committee Citizen Advisor Appointment Process

COMMITTEE RECOMMENDATION:

The Governance Committee of Council concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That Recommendation 7B of the Report from the Governance Committee of Council on the City of Winnipeg Governance Review adopted by Council on March 27, 2025, be rescinded and replaced with the following:

   "B. to transfer the jurisdiction over all audit matters currently delegated to the Executive Policy Committee to a new Audit Committee comprised of the following members, to be appointed by Council annually at the November Organizational Meeting of Council:

      i. Mayor, as Chairperson;
      ii. Two Councillors who are not members of the Executive Policy Committee."

2. That the Audit Committee meet quarterly in accordance with the Council approved schedule of meetings, or as otherwise determined by the Mayor.

3. That the Terms of Reference for Citizen Advisors for the Audit Committee (Appendix A) be approved.

4. That the City Clerk be directed to initiate a recruitment process for the following two (2) Citizen Advisors to the Audit Committee in accordance with the Terms of Reference for Citizen Advisors to the Audit Committee (Appendix A):

   A. Advisor with a professional designation in accounting for a three (3) year term;

   B. Advisor with a professional designation in law for a two (2) year term.

5. That the City enter into, execute and deliver a multi-year agreement with each advisor approved by Council for the provision of advisory services to the Audit Committee in accordance with the Terms of Reference for Citizen Advisors to the Audit Committee ("Advisor Agreement") and such other agreements as determined necessary by the City Solicitor/Director of Legal Services ("Ancillary Agreements") provided that any agreement remains subject to the annual approval of budget funds by Council.

COMMITTEE RECOMMENDATION (continued):

6. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Advisor Agreements and Ancillary Agreements and any such other terms and conditions as may be deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

7. That a budget of $7,500 for the remuneration of the committee Citizen Advisors and other committee associated costs, be referred to the 2027 budget review process.

8. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Allard,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to the Executive Policy Committee and Council.

Carried

COUNCIL DECISION:

On January 29, 2026, Council concurred in the recommendation of the Governance Committee of Council and adopted the following:

1. That the Public Service be granted an extension of up to 60 days to report back with recommendations for appointing citizen members to the Audit Committee and the reporting relationship between the Audit Committee and Council.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 20, 2026, the Executive Policy Committee concurred in the recommendation of the Governance Committee of Council and submitted the matter to Council.

COMMITTEE RECOMMENDATION:

On January 15, 2026, the Governance Committee of Council concurred in the recommendation of the Winnipeg Public Service and submitted the following to the Executive Policy Committee and Council:

1. That the Public Service be granted an extension of up to 60 days to report back with recommendations for appointing citizen members to the Audit Committee and the reporting relationship between the Audit Committee and Council.

DECISION MAKING HISTORY (continued):

COUNCIL DECISION:

On October 30, 2025, Council concurred in the recommendation of the Governance Committee of Council and adopted the following:

1. That the Public Service be granted an extension of up to 90 days to report back with recommendations for appointing citizen members to the Audit Committee and the reporting relationship between the Audit Committee and Council.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 21, 2025, the Executive Policy Committee concurred in the recommendation of the Governance Committee of Council and submitted the matter to Council.

COMMITTEE RECOMMENDATION:

On October 16, 2025, the Governance Committee of Council concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Audit Committee Citizen Advisor Appointment Process

Critical Path: Governance Committee – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
C. Gameiro	C. Gameiro		

EXECUTIVE SUMMARY

On March 27, 2025, Council approved recommendations from the Governance Committee to transfer existing jurisdiction over audit matters from the Executive Policy Committee to a new Audit Committee. The new Audit Committee membership was to include the Mayor as Chair, two Councillors not on EPC, and two citizen members, one with a legal designation and the other with an accounting designation. Council further directed the Public Service to report back with recommendations for appointing the citizen members, and on the reporting relationship between the Audit Committee and Council.

This report recommends that the March 27, 2025, Council decision be amended so that the citizen appointees act as non-voting advisors to the Committee. This would allow the Audit Committee to exercise Council delegated powers, while also receiving advice and information from the citizen appointees.

For the initial appointments, City Clerks will facilitate a recruitment process for the advisors and present compiled applications to the Governance Committee, who will submit recommendations to Council for approval through Executive Policy Committee, after the 2026 Council election. Future appointments will generally follow the Council Policy on Citizen Appointments to Boards and Commissions, with targeted outreach through professional organizations.

Proposed expectations, responsibilities and remuneration for the committee advisors, are outlined in the Terms of Reference attached as Appendix A. Budget for the committee, will be referred to the 2027 budget process. Any agreement will be subject to annual approval of budget funds by Council.

There are no recommended changes to the reporting relationship between the Audit Committee and Council. The Audit Committee will retain approval authority over external audit scopes, annual audit plan, and special studies. The Committee will continue to submit consolidated financial statements and recommendations on audit reports to Council through the Executive Policy Committee, in accordance with the City Organization By-law.

RECOMMENDATIONS

1. That Recommendation 7B of the Report from the Governance Committee of Council on the City of Winnipeg Governance Review adopted by Council on March 27, 2025 be rescinded and replaced with the following:

   "B. to transfer the jurisdiction over all audit matters currently delegated to the Executive Policy Committee to a new Audit Committee comprised of the following members, to be appointed by Council annually at the November Organizational Meeting of Council:

      i. Mayor, as Chairperson;
      ii. Two Councillors who are not members of the Executive Policy Committee."

2. That the Audit Committee meet quarterly in accordance with the Council approved schedule of meetings, or as otherwise determined by the Mayor.

3. That the Terms of Reference for Citizen Advisors for the Audit Committee (Appendix A) be approved.

4. That the City Clerk be directed to initiate a recruitment process for the following two (2) Citizen Advisors to the Audit Committee in accordance with the Terms of Reference for Citizen Advisors to the Audit Committee (Appendix A):

   A. Advisor with a professional designation in accounting for a three (3) year term;
   B. Advisor with a professional designation in law for a two (2) year term.

5. That the City enter into, execute and deliver a multi-year agreement with each advisor approved by Council for the provision of advisory services to the Audit Committee in accordance with the Terms of Reference for Citizen Advisors to the Audit Committee ("Advisor Agreement") and such other agreements as determined necessary by the City Solicitor/Director of Legal Services ("Ancillary Agreements") provided that any agreement remains subject to the annual approval of budget funds by Council.

6. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Advisor Agreements and Ancillary Agreements and any such other terms and conditions as may be deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

7. That a budget of $7,500 for the remuneration of the committee Citizen Advisors and other committee associated costs, be referred to the 2027 budget review process.

8. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

On March 27, 2025, Council adopted the recommendations of the Governance Committee of Council, on the City of Winnipeg Governance Review, which included the following:

7. That the City Organizational By-law 7100/97 be amended as follows:
   B. to transfer the jurisdiction over all audit matters currently delegated to the Executive Policy Committee, to a new Audit Committee, comprised of the following members, to be appointed by Council annually at the Organizational Meeting of Council, beginning in November 2025:
      i. The Mayor, Chairperson,
      ii. Two Councillors who do not sit on the Executive Policy Committee,
      iii. One citizen member with a professional designation in law,
      iv. One citizen member with a professional designation in accounting.

8. That prior to November 2025, the Winnipeg Public Service be directed to report back to Council, through the Governance Committee, with recommendations for appointing citizen members to the Audit Committee and the reporting relationship between the Audit Committee and Council.

On October 30, 2025, Council granted the Public Service and extension of 90 days to report back on the matter.

On January 29, 2026, Council granted the Public Service and extension of up to 60 days to report back on the matter.

IMPLICATIONS OF THE RECOMMENDATIONS

Approval of the recommendations will establish the operational terms, recruitment, remuneration and selection process for Citizen Advisors to the Audit Committee and provide authority to enter into necessary agreements with advisors, once approved by Council. A budget for the committee will also be referred to the 2027 budget review process.

HISTORY/DISCUSSION

The Executive Policy Committee has historically acted as the Audit Committee, which is responsible for overseeing the City of Winnipeg's internal and external audit processes to ensure an effective and independent audit function.

In 2019, the City of Winnipeg engaged MNP LLP to conduct a review of the City's governance structure and to conduct a cross-jurisdictional review of other Canadian cities, to provide recommendations to Council on how the City's governance structure could be further improved. As part of this process, a Council motion proposing to transfer jurisdiction of all audit matters to the Governance Committee of Council was also referred to the governance review process.

On March 27, 2025, Council adopted the recommendations of the Governance Committee of Council on the City of Winnipeg Governance Review, which included amending the City Organizational By-law to transfer jurisdiction over all audit matters currently delegated to the Executive Policy Committee, to a new Audit Committee comprised of the following members, to

be appointed by Council annually at the Organizational Meeting of Council, beginning in November 2025:

i. The Mayor, Chairperson,
ii. Two Councillors who do not sit on the Executive Policy Committee,
iii. One citizen member with a professional designation in law,
iv. One citizen member with a professional designation in accounting.

Council further directed that prior to November 2025, the Winnipeg Public Service to report back with recommendations for appointing the citizen members and the reporting relationship between the Audit Committee and Council.

On October 30, 2025, Council granted the Public Service and extension of 90 days to report back on the matter. A further extension of up to 60 days to report back on the matter was granted on January 29, 2026.

Citizen Appointments

All six Canadian cities outlined in Appendix B, have established audit committees with varying compositions and mandates. These committees typically review financial statements, oversee internal and external audits, monitor governance, risk, and compliance. All include members of Council, while some, such as Calgary, Edmonton and Regina, also appoint citizen members, with expertise in finance, risk management, or accountability. The City of Vancouver appoints two non-voting external advisors, while the Audit Committees in Toronto and Ottawa are comprised exclusively of members of Council.

Having an Audit Committee that includes citizen representation with expertise in financial and legal matters brings a more diverse perspective to the City's governance framework. Citizen Advisors can offer independent insights, reduce the risk of internal bias, and strengthen the objectivity of the Committee's review processes, but it is equally important to balance the citizen input with Council members' perspectives, and ensure that elected officials' decisions remain accountable to the public.

The City of Winnipeg Charter stipulates that Council may delegate a power, duty or function of Council to a committee of council. A committee of Council is defined as "*a committee of members of council established by this Act or by Council for the purpose of carrying out responsibilities as provided in this Act or as directed by Council.*" If the Audit Committee were to include citizen members in its formal composition, it could only function as an advisory committee. As a result, it is recommended that the March 27, 2025 Council decision be amended to remove the citizens appointees as formal members of the Audit Committee and instead, have them act as advisors to the Committee. Advisors would still participate in committee meetings but would not be formal committee members and would not have the ability to vote on items.

Each year in September, the City Clerk's Department identifies upcoming citizen vacancies on committees and boards and initiates a recruitment campaign by advertising the vacant positions on the City's website, newspapers, and social media. Applications are accepted online and reviewed after the deadline in October. The Executive Policy Committee then submits nominations to Council for approval in December or January. As the appointment process for 2026 has passed, it is recommended that the City Clerk conduct a separate recruitment process for the initial citizen advisor appointments to the Audit Committee. Applications will then be submitted to the Governance Committee of Council, for review and to submit recommendations for appointment to Council through the Executive Policy Committee, after the 2026 Council election.

Most City of Winnipeg citizen appointments to boards and committees are for two or three year terms, with the option for reappointment for up to an additional two or three terms. To ensure that Citizen Advisors to the Audit Committee can build institutional knowledge and provide consistent oversight, especially for complex or evolving issues, the Terms of Reference proposes that the appointment terms be for up to a maximum of three (3), two (2) year terms. To ensure continuity, the initial appointment terms will be staggered, with the term for the advisor with a designation in accounting being for three (3) years, and the advisor with a designation in law being two (2) years.

It is expected that the Audit Committee will meet on a quarterly basis, with special meetings being scheduled when deemed necessary by the Mayor. Given the level of specialized expertise and professional responsibility that is required of the two Citizen Advisor appointments it would be appropriate to offer an honorarium in the amount of $300 per meeting for their service. Providing a set rate per meeting as opposed to an hourly rate also provides greater budget certainly. Accordingly, it is also proposed that a budget in the amount of $7,500 for the remuneration of the committee Citizen Advisors as well as other committee associated costs, be referred to the 2027 budget review process. Expenses incurred prior to the adoption of the 2027 budget will be absorbed by the City Clerks Department.

Reporting relationship between the Audit Committee and Council
There are no recommended changes to the reporting relationship between the Audit Committee and Council.

Under the City Organization By-law, the Audit Committee has the power and duty to oversee the internal and external audit process of the city, so that the two streams operate independently yet efficiently. Among its explicit approval powers, the Committee may set the scope of the external audit, approve the Audit Department's annual audit plan, and authorize special studies on departments or programs. It also reviews external auditor reports and management letters, evaluates the effectiveness of the Audit Department, and scrutinizes the City's internal-control and risk-management frameworks.

Reports on special studies, major internal or external audits, policy or by-law changes arising from audit work, as well as the City's annual consolidated financial statements, are submitted to Council through the Audit Committee. In this way, the Committee provides oversight, while Council retains ultimate decision-making authority over the City's financial reporting and audit outcomes.

When submitting reports to Council, section 19(11) of the City Organization By-law states that the Executive Policy Committee shall have the specific power and duty to "*consider and report to Council on audit reports received by the Audit Committee*". As such, recommendations from the Audit Committee which require Council approval will be submitted to the Executive Policy. The item would then be considered by Council under the Executive Policy Committee report section of the agenda.

Timeline
This report suggests Council member appointments to the Audit Committee occur at the November Organizational Meeting of Council to allow for sufficient time to recruit advisors for the Committee. To ensure audit jurisdiction remains intact prior to appointments being made, amendments to the City Organization By-law to establish the new Audit Committee, including its functions and membership, will be submitted directly to Council once initial recruitment has taken place.

FINANCIAL IMPACT

Financial Impact Statement **Date:** February 5, 2026

Project Name: **First Year of Program** **2027**

Audit Committee Citizen Advisor Appointment Process

	2027	2028	2029	2030	2031
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 7,500	$ 7,500	$ 7,500	$ 7,500	$ 7,500

Additional Comments:

A budget of $7,500 for the remuneration of the committee citizen advisors and other committee associated costs will be referred to the 2027 budget review process.

Randy Bernard

Randy Bernard, CPA
Manager of Finance & Administration (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

Legal Services
Audit Department
Corporate Finance

OURWINNIPEG POLICY ALIGNMENT

Goal: **Leadership and Good Governance**

Objective **Establish and implement priority actions through evidence-informed decision-making processes.**

Evidence-informed actions require transparent and accountable decision-making to determine the long-term public interest and the appropriate trade-offs in levels of service, taxation, and budget priorities.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: City Clerk's Department
Prepared by: C. Gameiro
Date: February 2, 2026

Attachments:

Appendix A: Terms of Reference for Citizen Advisors to the Audit Committee
Appendix B: Cross Jurisdictional Review of Audit Committees

Appendix A

Terms of Reference

Citizen Advisors to the Audit Committee

1. Purpose

The purpose of appointing Citizen Advisors to the Audit Committee is to enhance the Committee's oversight, transparency, and effectiveness by providing independent, professional expertise in law and accounting, to support the Committee's review of financial, risk, compliance, and governance matters.

Citizen Advisors serve in a non-voting, advisory capacity only and do not exercise any decision-making authority.

2. Composition

The Audit Committee shall be served by two (2) Citizen Advisors, appointed approved by Council:

- One (1) Citizen Advisor with a professional designation in accounting (e.g., CPA, CA, CMA, or CGA in good standing); and
- One (1) Citizen Advisor with a professional designation in law (e.g., barrister and solicitor, lawyer in good standing with a provincial law society).

Citizen Advisors are not members of the Audit Committee and do not have the ability to vote.

3. Status and Authority

a) Citizen Advisors may:

- Participate in Audit Committee meetings and briefings;
- Receive the same agendas, reports, and supporting materials as Committee members, subject to applicable confidentiality and legal restrictions; and
- Be allowed to speak, ask questions, and provide professional advice during meetings.

b) Citizen Advisors shall not:

- Vote on any motion, recommendation, or decision of the Audit Committee;
- Move motions; or
- Exercise decision-making authority on behalf of the City, Committee or Council.

4. Roles and Responsibilities

Citizen Advisors shall provide independent, professional advice and expertise at scheduled Audit Committee meetings to support the Audit Committee in fulfilling its mandate, including the following:

a) **Review and Analysis**

- Review audit reports, financial statements, risk assessments, compliance reports, and other materials referred to the Audit Committee;
- Assess the adequacy, clarity, and completeness of administrative reports and recommendations; and
- Provide professional insight on legal, financial, accounting, risk, and governance matters.

b) **Inquiry and Engagement**

- Ask questions of the Public Service, internal audit, external auditors, and other presenters through the Chair;
- Seek clarification on methodologies, assumptions, internal controls, compliance, and risk mitigation measures; and
- Participate in briefings, workshops, and education sessions as required.

c) **Advice and Recommendations**

- Provide advice and recommendations to the Audit Committee within their areas of professional expertise;

d) **Support to the Committee**

- Assist in identifying emerging risks, best practices, and governance improvements; and
- Contribute to strengthening accountability, transparency, and public confidence in municipal audit and financial oversight.

5. Relationship to the Audit Committee

a) Citizen Advisors act at the direction and under the general supervision of the Audit Committee and report through the Committee Chair.

b) All advice and recommendations provided by Citizen Advisors are advisory only and do not bind the Committee, Public Service, or Council.

c) Final authority for decisions and recommendations rests exclusively with the Audit Committee and Council.

6. Appointments

a) Citizen Advisors must be appointed by Council.

b) City Clerks will recruit Citizen Advisors in accordance with the direction of Council and generally in accordance with the procedure and timelines of the Council Policy on Citizen Appointments to Boards and Commissions.

c) The Clerk shall submit applications for recruitment to The Governance Committee of Council, who shall review applications and submit recommendations to Council for approval through the Executive Policy Committee.

d) Citizen Advisors will be required to enter into an agreement for the provision of advisory services to the Audit Committee on terms and conditions acceptable to the City.

e) Citizen Advisors may be appointed by Council for up to a maximum of three (3) consecutive two (2) year terms with the following exception:

- The first term of the initial Citizen Advisor with a professional designation in accounting shall be three (3) years.

f) All subsequent appointment terms shall be for two (2) years , subject to the maximum term limits set out above.

g) Appointments may be terminated by Council at any time.

7. Conflict of Interest and Confidentiality

a) Citizen Advisors shall comply with all applicable conflict of interest, confidentiality, and code of conduct requirements of their professional bodies and the City of Winnipeg.

b) Any actual or potential conflict of interest shall be disclosed promptly, and the Citizen Advisor shall refrain from participating in related discussions as directed by the Chair.

8. Remuneration and Expenses

a) Subject to the annual approval of budget funds by Council, Citizen Advisors shall be paid $300 per formal Audit Committee meeting attended.

b) Citizen Advisors may also be reimbursed for reasonable expenses incurred in the performance of their duties, subject to applicable City of Winnipeg policies.

9. Orientation and Training

Citizen Advisors shall receive an orientation respecting the Audit Committee’s mandate, procedures, and municipal governance framework.

Appendix B: Cross Jurisdictional Review of Audit Committees

City	Composition	Mandate
Calgary	7 members: • 4 Members of Council - Mayor is ex-officio • 3 public members that reside in Alberta and are not employed by the City, possessing, experience and knowledge of financial matters, risk management or tangible capital assets	Assist Council in fulfilling its oversight and stewardship responsibilities by gaining and maintaining reasonable assurance in relation to: • the integrity of The City's annual financial statements; • effective governance, risk management and compliance, including the evaluation of the performance of control systems and processes; • the qualifications, independence, and effectiveness of the External Auditor and the City Auditor; • the utilization of a confidential and independent Whistle-blower Program; and • additional matters described herein or as may be assigned to the Audit Committee by Council.
Edmonton	7 members: • 5 Members of Council, including the Mayor (Chair) • 2 citizens with extensive background in financial accountability in large organizations	Assists Council in fulfilling its responsibilities by reviewing reports from the City Auditor, external auditor and Administration relating to financial statements, enterprise risk management, internal controls, fraud, misconduct and policy compliance. The City Auditor's reports focus on compliance, controls, efficiency, effectiveness and economy of City operations.
Regina	7 members • the Mayor • two members of Council • four citizen members that have the appropriate financial literacy, skills, knowledge and experience in audit and finance to support informed and effective decisions.	The Audit & Finance Committee provides advice and recommendations to City Administration and Council on annual financial planning, program and facility proposals, and debt management with respect to the Internal Audit Charter, audit processes, the External Auditor and audit reporting.
Vancouver	7 members: • 5 voting Council members • 2 appointed non-voting external advisors	• Supports the independence of the Auditor General • Supports the mandate of the Auditor General set out in the Auditor General By-law • Provides the oversight prescribed by the Auditor General By-law to the Auditor General on behalf of Council
Toronto	5 Members of Council	• recommending the appointment of the City's external auditor • recommending the appointment of an external auditor to conduct the annual audit of the Auditor General's office • reviewing the annual external audit of the financial statements of the City and its agencies and corporations • reviewing the annual external audit of the Auditor General's office • reviewing the Auditor General's reports and audit plan • conducting an annual review of the Auditor General's accomplishments • making recommendations to Council on reports the Audit Committee considers • reviewing performance audits and other reports of the Auditor General concerning City agencies and City corporations

Ottawa	8 members: • only Members of Council • Mayor is ex-officio	Confirm and assure the independence of the City's Auditor General and the external auditor, including a review, if requested, of all additional audit, management consulting and other fees of the external auditor. Have the authority to hear briefings on litigious matters related to items within the Committee's mandate and to give direction to the City Solicitor on such matters where it is consistent with current Council direction or policy. Review and recommend to Council revisions to the Audit Committee Terms of Reference, as required. Recommend to Council proposed by-laws that are under the Committee's jurisdiction.