



**MINUTES
AUDIT COMMITTEE**

**February 13, 2018, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Councillor G. Chahal, Vice-Chair
Councillor J. Farkas
Councillor D. Farrell
Councillor E. Woolley
Citizen Representative M. Dalton
Citizen Representative M. Lambert

ALSO PRESENT: Chief Financial Officer E. Sawyer
City Auditor K. Palmer
External Auditor T. Nakka
Acting City Clerk L. McDougall
Legislative Assistant J. Lord Charest

1. CALL TO ORDER

Councillor Chahal called today's Meeting to Order at 9:33 a.m.

2. OPENING REMARKS

Councillor Chahal provided Opening Remarks at today's Meeting.

3. CONFIRMATION OF AGENDA

Moved by Councillor Farkas

That the Agenda for the 2018 February 13 Regular Meeting of the Audit Committee, be confirmed.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Audit Committee, 2018 January 26

Moved by Councillor Farrell

That the Minutes of the Audit Committee held on 2018 January 26, be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

(None)

6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

6.1 New Central Library Readiness Audit, AC2018-0034

Moved by Citizen Representative Dalton

That with respect to Report AC2018-0034, the following be approved:

1. That Audit Committee receive this Report for information; and
2. That Audit Committee recommend that Council receive this Report for information.

MOTION CARRIED

6.2 City Auditor's Office 2017 Annual Report, AC2018-0019

The following documents were distributed with respect to Report AC2018-0019:

- Colour copy of page 10 of 21 of the Attachment; and
- A PowerPoint presentation entitled "2017 Annual Report", dated 2018 February 13.

Moved by Councillor Farkas

That with respect to Report AC2018-0019, the following be approved:

1. That Audit Committee receive this Report for information; and
2. That Audit Committee recommend that Council receive this Report for information.

MOTION CARRIED

6.3 Annual Update – Information Technology Risk Management, AC2018-0133

Moved by Citizen Representative Dalton

That the Audit Committee move into Closed Meeting at 10:41 a.m., in the Council Lounge, to discuss confidential matters, subject to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*, with respect to the following Reports:

- Annual Update – Information Technology, AC2018-0133;
- Audit Forum (Verbal Report), AC2018-0031;
- External Auditor (Verbal Report), AC2018-0033; and
- City Auditor (Verbal Report), AC2018-0032.

MOTION CARRIED

The Audit Committee reconvened at 11:41 a.m. with Councillor Chahal in the Chair.

Moved by Councillor Woolley

That the Audit Committee rise and report.

MOTION CARRIED

Administration in Attendance during the Closed Meeting discussions with respect to Report AC2018-0133:

Clerk: L. McDougall. Presenter: H. Reed-Fenske and O. Key. Advice: E. Sawyer, K. Palmer, C. Male and I. Lofthouse. External Auditor: T. Nakka and H. Gill.

Moved by Councillor Woolley

That with respect to Report AC2018-0133, the following be approved, **after amendment**:

That the Audit Committee:

1. Receive this Report for information;
2. Direct that Administration bring forward a presentation to Audit Committee no later than Q4 2018 on the challenges and opportunities facing The City of Calgary as it relates to:
 - **The evolving role of IT in municipalities;**
 - **Decision-making processes around hardware and software investments;**
 - **Leveraging new technologies while maintaining existing systems;**
 - **Securing City assets against new and emerging threats;**
 - **Benchmarking to compare IT business functions and associated costs with other private and public sector organizations of similar size and complexity;**
 - **Impacts of machine learning, artificial intelligence, augmented reality and robotics on city operations and decision-making; and**
3. Keep Attachment 1 confidential subject to Section 24 of the *Freedom of Information and Protection of Privacy Act* until the identified risks have been mitigated.

MOTION CARRIED

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

(None)

7.2 NOTICE(S) OF MOTION

(None)

8. URGENT BUSINESS

(None)

9. CONFIDENTIAL ITEMS

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

9.1.1 Audit Forum (Verbal Report), AC2018-0031

Administration in Attendance during the Closed Meeting discussions with respect to Report AC2018-0031:

Clerk: L. McDougall. Presenter: E. Sawyer and C. Male. Advice: K. Palmer. External Auditor: T. Naka and H. Gill.

Moved by Citizen Representative Lambert

That with respect to Report AC2018-0031, the following be approved:

That the Audit Committee direct that the Verbal Report and Closed Meeting discussions remain confidential subject to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.2 External Auditor (Verbal Report), AC2018-0033

Administration in Attendance during the Closed Meeting discussions with respect to Report AC2018-0031:

Clerk: L. McDougall. External Auditor: T. Naka and H. Gill.

Moved by Citizen Representative Dalton

That with respect to Report AC2018-0033, the following be adopted:

That the Audit Committee directs that the Verbal Report and Closed Meeting discussions remain confidential subject to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.3 City Auditor (Verbal Report), AC2018-0032

No Report was given.

9.2 URGENT BUSINESS

(None)

10. ADJOURNMENT

Moved by Citizen Representative Lambert

That this Meeting adjourn at 11:46 a.m.

MOTION CARRIED

The following items have been forwarded to the 2018 February 26 Regular Meeting of Council:

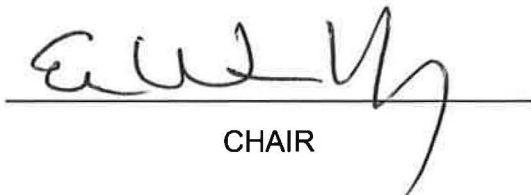
CONSENT:


New Central Library Readiness Audit, AC2018-0034

City Auditor's Office 2017 Annual Report

The next Regular Meeting of the Audit Committee is scheduled to be held on 2018 April 17 at 8:30 a.m.

CONFIRMED BY COMMITTEE ON 2018 APRIL 17


CHAIR


ACTING CITY CLERK