



**MINUTES
AUDIT COMMITTEE**

**July 23, 2019, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Councillor E. Woolley, Chair
Councillor G-C. Carra
Councillor J. Farkas
Citizen Representative L. Caltagirone
Citizen Representative M. Dalton

ABSENT: Councillor J. Gondek (personal)
Citizen Representative M. Lambert

ALSO PRESENT: Acting Chief Financial Officer C. Male
Executive Assistant C. Smillie
External Auditor T. Nakka
City Auditor K. Palmer
Acting City Clerk K. Martin
Legislative Advisor D. Williams

1. CALL TO ORDER

Councillor Woolley called the Meeting to order at 9:34 a.m.

2. OPENING REMARKS

Councillor Woolley provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by Citizen Representative Caltagirone

That the Agenda for the 2019 July 23 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, 2019 June 27

Moved by Councillor Farkas

That the Minutes of the 2019 June 27 Regular Meeting of the Audit Committee be confirmed.

MOTION CARRIED

5. CONSENT AGENDA

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

5.2 BRIEFINGS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Calgary Convention Centre Authority Annual Report, AC2019-0614

A presentation entitled "Calgary Convention Centre Authority Update to City of Calgary Audit Committee", dated 2019 July 23, was distributed with respect to Report AC2019-0614.

Speakers

1. Rob Palmer, Chair, Audit and Finance, Calgary Convention Centre Authority; and
2. Clark Grue, President and Chief Financial Officer, Calgary TELUS Convention Centre.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-0614, the following be approved:

That the Audit Committee receive the presentation with respect to Report AC2019-0614 for the Corporate Record.

MOTION CARRIED

7.2 Calgary Arts Development Authority Audit Committee Annual Report, AC2019-0624

A presentation entitled "Calgary Arts Development Report to the Audit Committee", dated 2019 July 23, was received for the Corporate Record, with respect to Report AC2019-0624.

Speakers

1. Tim Mah, Former Treasurer, 2013-2018, and Board Member, Calgary Arts Development Authority; and
2. Patti Pon, President and Chief Executive Officer, Calgary Arts Development Authority.

Moved by Citizen Representative Dalton

That with respect to Report AC2019-0624 the following be approved:

That the Audit Committee receive the presentation with respect to Report AC2019-0624 for the Corporate Record.

MOTION CARRIED

7.3 Annual Update – Information Technology Risk Management, AC2019-0945

A presentation entitled "Annual Update - Information Technology Risk Management", dated 2019 July 23, was received for the Corporate Record, with respect to Report AC2019-0945.

Moved by Citizen Representative Caltagirone

That pursuant to Sections 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, the Audit Committee move into Closed Meeting in the Council Lounge, at 10:29 a.m., to discuss confidential matters, with respect to the following:

- Attachment 1, Item 7.3, Annual Update - Information Technology Risk Management, AC2019-0945.

And further, that Trevor Nakka, External Auditor, (Deloitte LLP), be invited to attend the Closed Meeting.

MOTION CARRIED

Committee moved into Public Meeting at 10:44 a.m. with Councillor Woolley in the Chair.

Moved by Councillor Carra

That the Committee rise without reporting.

MOTION CARRIED

Persons in attendance during the Closed Meeting discussions with respect to Report AC2019-0945:

Administration: Clerk: K. Martin. Observer: C. Male, C. Smillie. Advice: J. Haigh, T. McCreight, I. Lofthouse.

Non-Administration: Observer: K. Palmer.

External: T. Nakka.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-0945 the following be approved:

That Audit Committee:

1. Receive the presentation with respect to Report AC2019-0945 for the Corporate Record; and
2. Direct that Attachment 1 remain confidential pursuant to Section 24 of the *Freedom of Information and Protection of Privacy Act*, to be reviewed by 2024 July 31.

MOTION CARRIED

7.4 Integrated Risk Management Mid-Year Update, AC2019-0356

A presentation entitled "Integrated Risk Management Mid-Year Update", dated 2019 July 23, was distributed with respect to Report AC2019-0356.

Moved by Councillor Carra

That with respect to Report AC2019-0356, the following be approved:

That the Audit Committee recommends that Council:

1. Receive the presentation with respect to Report AC2019-0356 for the Corporate Record; and
2. Direct that Attachment 2 remain confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*; until 2034 June 30.

MOTION CARRIED

7.5 External Auditor 2019 Audit Service Plan and Fees, AC2019-0936

Moved by Councillor Farkas

That with respect to Report AC2019-0936, the following be approved:

That the Audit Committee:

1. Reviews and approves the Deloitte 2019 Audit Service Plan (Attachment); and
2. Recommends that Council receive this Report and the Attachment for information.

MOTION CARRIED

7.6 Report on Revised Annual Audit Plan Approach, AC2019-0899

Moved by Councillor Carra

That with respect to Report AC2019-0899, the following be approved:

That the Audit Committee receive this report for information.

MOTION CARRIED

7.7 City Auditor's Office 2nd Quarter 2019 Report, AC2019-0900

Moved by Citizen Representative Dalton

That with respect to Report AC2019-0900, the following be approved:

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

MOTION CARRIED

8. ITEMS DIRECTLY TO COMMITTEE

8.1 REFERRED REPORTS

None

8.2 NOTICE(S) OF MOTION

None

9. URGENT BUSINESS

None

10. CONFIDENTIAL ITEMS

Moved by Citizen Representative Caltagirone

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 24 (Advice from officials) and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*, the Audit Committee move into Closed Meeting in the Council Lounge, at 11:36 a.m. to discuss confidential matters, with respect to the following items:

- 10.1.1. External Auditor – Provision of Additional Services, AC2019-0950
- 10.1.2. Audit Forum (Verbal), AC2019-0940
- 10.1.3. External Auditor (Verbal), AC2019-0941
- 10.1.4. City Auditor (Verbal), AC2019-0942

And further, that Trevor Nakka and Harman Gill External Auditors, (Deloitte LLP), be invited to attend the Closed Meeting.

MOTION CARRIED

Committee moved into Public Meeting at 11:59 a.m. with Councillor Woolley in the Chair.

Moved by Councillor Carra

That Committee rise and report.

MOTION CARRIED

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 External Auditor – Provision of Additional Services, AC2019-0950

Persons in attendance during the Closed Meeting discussions with respect to Report AC2019-0950:

Administration: Clerk: K. Martin. Advice C. Male Observer: C. Smillie. Non-Administration: Observer: K. Palmer.
External Advice: T. Nakka, Harman Gill.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-0950, the following be approved:

That the Audit Committee:

1. Approve the Administration Recommendations contained in Report AC2019-0950; and
2. Direct that this Report, Recommendations and Closed Meeting discussions remain confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act* until The City's procurement process is complete; to be reviewed in November 30 2019.

MOTION CARRIED

10.1.2 Audit Forum (Verbal), AC2019-0940

No report was given.

10.1.3 External Auditor (Verbal), AC2019-0941

Persons in attendance during the Closed Meeting discussions with respect to Report AC2019-0941:

Administration: Clerk: K. Martin. Observer: C. Smillie. External Advice: T. Nakka, Harman Gill.

Moved by Citizen Representative Dalton

That with respect to Report AC2019-0941, the following be approved:

That the Audit Committee:

1. Receive Verbal Report AC2019-0941 for information; and
2. Direct that the Closed Meeting discussions remain confidential pursuant to Sections 24 (Advice from officials) and 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

10.1.4 City Auditor (Verbal), AC2019-0942

Persons in attendance during the Closed Meeting discussions with respect to Report AC2019-0942:

Administration: Clerk: K. Martin. Advice: A. Bleau. Observer: C. Smillie. Non-Administration: Advice: K. Palmer.
External Advice: T. Nakka, Harman Gill.

Moved by Councillor Farkas

That with respect to Report AC2019-0942, the following be approved:

That the Audit Committee:

1. Receive Verbal Report AC2019-0942 for information; and
2. Direct that the Closed Meeting discussions remain confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

10.2 URGENT BUSINESS

None

11. ADJOURNMENT

Moved by Councillor Carra

That this meeting adjourn at 12:01 p.m.

MOTION CARRIED

That the following items be forwarded to the 2019 September 09 Combined Meeting of Council:

CONSENT

Integrated Risk Management Mid-Year Update, AC2019-0356

External Auditor 2019 Audit Service Plan and Fees, AC2019-0936

City Auditor's Office 2nd Quarter 2019 Report, AC2019-0900

The next Regular Meeting of the Audit Committee is scheduled to be held 2019 September 06 at 9:30 a.m.

CHAIR

ACTING CITY CLERK