

**Attainable Homes Calgary Corporation Report to
Audit Committee
2019 October 24**

**ISC: UNRESTRICTED
AC2019-0646**

Attainable Homes Calgary Corporation Audit and Accountability Committee Annual Report

EXECUTIVE SUMMARY

This report is the annual audit report to the City of Calgary Audit Committee from the Attainable Homes Calgary Corporation (AHCC) Audit and Accountability Committee.

ATTAINABLE HOMES CALGARY CORPORATION RECOMMENDATION:

That Audit Committee receive the presentation by Attainable Homes Calgary Corporation for information.

PREVIOUS COUNCIL DIRECTION / POLICY

The Audit Committee Bylaw 48M2012 states that the Audit Committee is responsible for:

“overseeing its governance responsibility with audit committees of The City’s major autonomous civic entities.”

Section 4(1)(i)

BACKGROUND

A letter dated 2019 May 7 was provided to the Chief Executive Officer of Attainable Homes Calgary Corporation from the City of Calgary Audit Committee Chair requesting a report and presentation on its 2018 Annual Report, risk management processes and the Audit and Finance Committee terms of reference.

The letter outlined the items to be provided in their annual report to The City’s Audit Committee, as follows:

1. Brief summary on governance structure, succession planning and recruitment process, recent financial highlights and key 2019 initiatives/strategy;
2. Report on the organization’s key operating and strategic risks including trends and risk management plans and processes;
3. Analysis of the top three financial and/or operational risks that in our opinion would impact the City of Calgary and be of concern to the City’s Audit Committee;
4. Report on internal controls including information technology and systems;
5. Most recent management letter including management responses as appropriate; and
6. Audit Committee 2019 Work Plan.

As requested in the letter, presenters of the report will be prepared to answer the following questions:

1. What is the frequency of review and are there any recent changes to the Audit Committee Charter or Terms of Reference?
2. What is the current composition of the Audit Committee and what is their relevant financial experience?
3. Have there been any significant changes to organizational leadership?
4. Are there any regulatory or market changes that may impact the current business approach and would they be relevant to share publicly with the Audit Committee?

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5. Are there any results of any regulatory or internal/external business assessments that provide assurance on the effective management of risks as addressed in your presentation?
6. What initiatives are currently in progress to improve the efficiency of your processes? (e.g. sustainable operations, key performance indicators and relevance of the organization in the future)

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The Audit and Accountability Committee of Attainable Homes Calgary Corporation (AHCC) has a number of roles and responsibilities (attached); its primary purpose includes the integrity of AHCC's financial statements and the adequacy and effectiveness of internal controls.

In support of the Committee's oversight role, this report includes in the attachments: AHCC Audit and Accountability Committee Terms of Reference; AHCC 2019 Board and Committee Work Plan; AHCC Financial Statements of December 31, 2018; RSM – AHCC 2018 Audit Findings Report; AHCC 2019 Risk Register.

Stakeholder Engagement, Research and Communication

AHCC's management created this report with input from the Audit and Accountability committee and the Board of Directors.

Strategic Alignment

AHCC is a non-profit, social enterprise, created and wholly owned by The City of Calgary, working to help moderate-income Calgarians achieve their dreams of quality home ownership. AHCC operates in alignment with the City's Affordable Housing Strategy (2016-2025).

Social, Environmental, Economic (External)

AHCC was created in 2009 with a mandate to provide 1,000 moderate-income Calgarians with the opportunity for home ownership.

Financial Capacity

Current and Future Operating Budget:

No implications for this report.

Current and Future Capital Budget:

No implications for this report.

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Risk Assessment

This report has been completed in accordance with The City of Calgary's Integrated Risk Management (IRM) Policy and Framework. There are no implications for this report.

REASON(S) FOR RECOMMENDATION(S):

The City of Calgary Audit Committee oversees its governance responsibility with audit committees of The City's major autonomous civic entities and an annual report is requested each year.

ATTACHMENT(S)

1. AHCC Annual Report and Risk Management Process
2. AHCC Audit and Accountability Committee Terms of Reference
3. AHCC 2019 Board and Committee Work Plan
4. AHCC Financial Statements as of December 31, 2018
5. RSM – AHCC 2018 Audit Findings Report
6. AHCC 2019 Risk Register