



**MINUTES
AUDIT COMMITTEE**

**October 24, 2019, 9:30 AM
IN THE COUNCIL CHAMBER**

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

ALSO PRESENT: Chief Financial Officer, C. Male
City Auditor K. Palmer
External Auditor H. Gill
Executive Assistant C. Smillie
Acting City Clerk K. Martin
Legislative Advisor J. Palaschuk

1. CALL TO ORDER

Councillor Woolley called the Meeting to order at 9:32 a.m.

2. OPENING REMARKS

Councillor Woolley provided opening remarks and recognized Carla Male on her appointment as the permanent Chief Financial Officer and General Manager to the Chief Financial Officer's Department.

3. CONFIRMATION OF AGENDA

Moved by Councillor Gondek

That the Agenda for the 2019 October 24 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 September 06

Moved by Citizen Representative Caltagirone

That the Minutes of the 2019 September 06 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 Economic Development Audit Committee Annual Report, AC2019-0625

Citizen Representative Caltagirone declared a conflict of interest and abstained from discussions and voting with respect to Report AC2019-0625, as she is a board member of Calgary Economic Development. Citizen Representative Caltagirone left the Council Chamber at 9:34 a.m. and returned at 10:08 a.m. after the vote was declared.

A presentation entitled "Calgary Economic Development Ltd. Annual Audit and Risk Report to The City of Calgary's Audit Committee" was distributed with respect to Report AC2019-0625.

Moved by Citizen Representative Lambert

That with respect to Report AC2019-0625, the following be approved:

That the Audit Committee receive the Presentation **and Report for the Corporate Record.**

MOTION CARRIED

7.2 Opportunity Calgary Investment Fund Audit Committee Annual Report, AC2019-0890

A presentation entitled "Opportunity Calgary Investment Fund Ltd. Annual Audit and Risk Report to The City of Calgary's Audit Committee" was distributed with respect to Report AC2019-0890.

Moved by Councillor Farkas

That with respect to Report AC2019-0890, the following be approved:

That the Audit Committee receive the Presentation **and Report** for the **Corporate Record**.

MOTION CARRIED

- 7.3 Attainable Homes Calgary Corporation Audit and Accountability Committee Annual Report, AC2019-0646

A presentation entitled "AHC Celebrating 10 Years of Fulfilling the Dream of Home", dated 2019 October 24, was distributed with respect to Report AC2019-0646.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-0646, the following be approved:

That the Audit Committee receive the Presentation **and Report** by Attainable Homes Calgary Corporation for the **Corporate Record**.

MOTION CARRIED

- 7.4 Calgary Housing Company 2018 Annual Report, AC2019-0645

A presentation entitled "Calgary Housing Company 2018 Annual Report to City Audit Committee", dated 2019 October 24, was distributed with respect to Report AC2019-0645.

Moved by Councillor Carra

That with respect to Report AC2019-0645, the following be approved:

That the Audit Committee receive the Presentation **and Report** for the **Corporate Record**.

MOTION CARRIED

- 7.5 Data Analytics Desktop Review Program, AC2019-1242

Councillor Woolley left the Chair at 10:55 a.m. and Councillor Gondek assumed the Chair.

Councillor Woolley resumed the Chair at 10:57 a.m. and Councillor Gondek returned to her regular seat at Committee.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-1242, the following be approved:

That the Audit Committee receive the Report for the **Corporate Record**.

MOTION CARRIED

7.6 City Auditor's Office Revised 2020 Audit Plan, AC2019-1243

Moved by Citizen Representative Lambert

That with respect to Report AC2019-1243, the following be approved:

That the Audit Committee:

1. Approve the City Auditor's Office 2020 Audit Plan; and
2. Recommend that Council receive the City Auditor's Office Revised 2020 Audit Plan for **the Corporate Record in accordance with Bylaw 48M2012, Schedule C, Section 1.**

MOTION CARRIED

7.7 Off-site Levy Annual Reporting Audit, AC2019-1241

Councillor Gondek rose on a Point of Privilege, requesting facts be included in a statement made by a member of the Audit Committee.

Moved by Citizen Representative Dalton

That with respect to Report AC2019-1241, the following be approved:

That the Audit Committee:

1. Receive this Report for **the Corporate Record**; and
2. Recommend that Council receive this Report for **the Corporate Record.**

MOTION CARRIED

7.8 City Auditor's Office 3rd Quarter 2019 Report, AC2019-1244

Moved by Citizen Representative Caltagirone

That with respect to Report AC2019-1244, the following be approved:

That the Audit Committee:

1. Receive the report for **the Corporate Record**; and
2. Recommend that Council receive the report for **the Corporate Record in accordance with Bylaw 48M2012, Schedule C, Section 1.**

MOTION CARRIED

7.9 Comprehensive Public Sector Pension Review Referral to Audit Committee - Final Report, AC2019-1329

Committee, by general consent, moved Item 7.9, Report AC2019-1329, to be heard immediately following Item 7.7, Report AC2019-1241.

Moved by Councillor Carra

Pursuant to Section (6)1 of the Procedure Bylaw 35M2017, as amended, Committee suspend Section 78 (2)(a) in order to allow for the completion of the agenda prior to the scheduled lunch recess.

MOTION CARRIED

Moved by Councillor Gondek

That with respect to Report AC2019-1329, the following be approved:

The Audit Committee recommends that Council direct Administration to bring a report to the Priorities and Finance Committee no later than Q1 2020 responding to the questions from the Working Group addressing citizen perceptions of the pension plans within The City.

MOTION CARRIED

7.10 2019 Law and Corporate Security Report, AC2019-1361

Committee recognized Glenda Cole, City Solicitor and General Counsel, for her 32 years of dedicated service to The City of Calgary and wished her well as she retires from The City on November 8.

The following documents were distributed with respect to Report AC2019-1361:

- A presentation entitled "2019 Law and Corporate Security Report (AC2019-1361) to Audit Committee", dated 2019 October 24; and
- An infographic entitled "Insurance and Claims Services", dated 2019 September.

Moved by Citizen Representative Lambert

That with respect to Report AC2019-1361, the following be approved:

That the Audit Committee recommend that Council receive this Report for **the Corporate Record**.

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** Councillor Carra

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 12:24 p.m. to discuss confidential matters, with respect to the following items:

- 10.1.1 External Auditor Pre-Approval Request, AC2019-1362
- 10.1.2 External Auditor Provision of Additional Services, AC2019-1363
- 10.1.3 Audit Forum (Verbal), AC2019-1210
- 10.1.4 External Auditor (Verbal), AC2019-1212
- 10.1.5 City Auditor (Verbal), AC2019-1214

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

MOTION CARRIED

Committee moved into Public Meeting at 1:04 p.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 Pre-Approval Request, AC2019-1362

People in attendance during the Closed Meeting discussions with respect to Report AC2019-1362:

Clerks: K. Martin. Advice: H. Gill and I. Cvitanusic. Observer: C. Male, K. Palmer, and C. Smillie.

Moved by Citizen Representative Lambert

That with respect to Report AC2019-1362, the following be approved:

That the Audit Committee:

1. Approve the Administration Recommendation contained in Report AC2019-1362; and
2. Direct the Report 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, to be reviewed by 2020 October 24.

MOTION CARRIED

10.1.2 External Auditor Provision of Additional Services, AC2019-1363

People in attendance during the Closed Meeting discussions with respect to Report AC2019-1363:

Clerks: K. Martin. Advice: H. Gill and I. Cvitanusic. Observer: C. Male, K. Palmer, and C. Smillie.

Moved by Citizen Representative Dalton

That with respect to Report AC2019-1363, the following be approved:

That the Audit Committee:

1. Approve the Administration Recommendation contained in Confidential Report AC2019-1363; and
2. Direct that this Report, Recommendation, 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*, to be reviewed by 2020 April 24.

MOTION CARRIED

10.1.3 Audit Forum (Verbal), AC2019-1210

People in attendance during the Closed Meeting discussions with respect to Report AC2019-1210:

Clerks: K. Martin. Advice: H. Gill and I. Cvitanusic. Observer: C. Male, K. Palmer, and C. Smillie.

Moved by Councillor Carra

That with respect to Verbal Report AC2019-1210, the following be approved:

That the Audit Committee:

1. Receive Verbal Report AC2019-1210 for the Corporate Record; and
2. Direct that that 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 External Auditor (Verbal), AC2019-1212

No Report was given.

10.1.5 City Auditor (Verbal), AC2019-1214

People in attendance during the Closed Meeting discussions with respect to Report AC2019-1214:

Clerks: K. Martin. Advice: K. Palmer and A. Bleau. Observer: C. Smillie.

Moved by Citizen Representative Caltagirone

That with respect to Verbal Report AC2019-1214, the following be approved:

That the Audit Committee:

1. Receive Verbal Report AC2019-1214 for the Corporate Record; 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

The Audit Committee Chair thanked the Citizen Representatives and members of Council who sit on the Audit Committee for their dedicated work with the Audit Committee over the past year. This will be the final Audit Committee Meeting before the October 28 Organization Meeting of Council where appointments to the Boards, Commissions, and Committees are made. Following the Organization Meeting of Council there may be changes in the composition of the Audit Committee.

Moved by Citizen Representative Lambert

That this meeting adjourn at 1:10 p.m.

MOTION CARRIED

The following items have been forwarded on to the 2019 November 18 Combined Meeting of Council:

CONSENT:

- City Auditor's Revised 2020 Audit Plan, AC2019-1243
- Off-Site Levy Annual Reporting Audit, AC2019-1241
- City Auditor's Office 3rd Quarter 2019 Report, AC2019-1244
- Comprehensive Public Sector Pension Review Referral to Audit Committee - Final Report, AC2019-1329
- 2019 Law and Corporate Security Report, AC2019-1361

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

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK