



**MINUTES
AUDIT COMMITTEE**

**April 20, 2020, 8:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Councillor E. Woolley, Chair
Councillor J. Farkas, Vice-Chair (Remote Participation)
Councillor D. Colley-Urquhart (Remote Participation)
Councillor J. Gondek (Remote Participation)
Citizen Representative L. Caltagirone (Remote Participation)
Citizen Representative M. Dalton (Remote Participation)
Citizen Representative M. Lambert (Remote Participation)

ALSO PRESENT: City Manager D. Duckworth
Chief Financial Officer, C. Male
City Auditor K. Palmer (Remote Participation)
External Auditor H. Gill (Remote Participation)
External Auditor T. Nakka (Remote Participation)
Executive Assistant C. Smillie
Deputy City Clerk K. Martin
Legislative Advisor J. Palaschuk

1. CALL TO ORDER

Councillor Woolley called the Meeting to order at 8:32 a.m.

2. OPENING REMARKS

Councillor Woolley provided opening remarks and called for a moment of silence to remember the lives lost in Nova Scotia.

To confirm Members of Committee present in Council Chamber and Remote Participation:

ROLL CALL

Councillor Woolley, Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton, Citizen Representative Lambert.

3. CONFIRMATION OF AGENDA

Moved by Councillor Gondek

That the Agenda for the 2020 April 20 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, 2020 March 12

Moved by Councillor Gondek

That the Minutes of the 2020 March 12 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 2019 Annual Investment Report, AC2020-0442

A presentation entitled "AC2020-0442 2019 Annual Investment Report", dated 2020 April 20, was electronically distributed and displayed with respect to Report AC2020-0442.

Moved by Citizen Representative Lambert

That with respect to Report AC2020-0442, the following be approved:

That the Audit Committee:

1. Receive the presentation for the Corporate Record; and
2. Recommends Council approve The City of Calgary 2019 Annual Investment Report.

MOTION CARRIED

7.2 The City of Calgary 2019 Annual Report, AC2020-0432

Committee, by general consent, heard Item 7.2, Report AC2020-0432 in conjunction with Item 7.3, Report AC2020-0433.

A presentation entitled "The City of Calgary 2019 Annual Report AC2020-0432", dated 2020 April 20, was electronically distributed and displayed with respect to Report AC2020-0432.

Moved by Citizen Representative Dalton

That with respect to Report AC2020-0432, the following be approved:

That the Audit Committee:

1. Consider this report in conjunction with Report AC2020-0433 "2019 External Auditor's Year-End Report"; and
2. Recommends Council approve The City of Calgary 2019 Annual Report.

MOTION CARRIED

Moved by Councillor Gondek

Pursuant to section 6(1) of the Procedure Bylaw 35M2017, as amended, Section 78 2(a) be suspended to allow Committee to complete the remainder of today's Agenda prior to the scheduled lunch recess.

MOTION CARRIED

7.3 2019 External Auditor Year-End Report, AC2020-0433

Committee, by general consent, heard Item 7.3, Report AC2020-0433 in conjunction with Item 7.2, Report AC2020-0432.

Committee recessed at 9:50 a.m. and reconvened at 9:53 a.m. with Councillor Woolley in the Chair.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2020-0433, the following be approved:

That the Audit Committee:

1. Conduct a Closed Meeting discussion with the External Auditor and keep that discussion 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*;
2. Receive this Report and Attachment for the Corporate Record and consider them in conjunction with Report AC2020-0432, The City of Calgary 2019 Annual Report; and
3. Recommend that Council receives Report AC2020-0433, 2019 External Auditor's Year-End Report, and the Attachment, for the Corporate Record.

MOTION CARRIED

7.4 COVID-19 Financial Update (Verbal), AC2020-0444

A presentation entitled "COVID-19: Corporate Response Update and 2020 Property Tax Related Bylaws - Update to Audit Committee", dated 2020 April 20, was electronically distrusted and displayed with respect to Verbal Report AC2020-0444.

Moved by Councillor Colley-Urquhart

That with respect to Verbal Report AC2020-0444, the following be approved:

That the Audit Committee receive the presentation for the Corporate Record.

MOTION CARRIED

7.5 City Auditor's Office 1st Quarter 2020 Report, AC2020-0438

Moved by Councillor Gondek

That with respect to Report AC2020-0438, 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

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 Gondek

Pursuant to Sections 16 (disclosure harmful to business interests of a third party), 18 (Disclosure harmful to individual or public safety), 19 (Confidential evaluations), 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, at 12:07 p.m., in the Council Boardroom, to consider confidential matters with respect to the following items:

- 10.1.1. Audit Forum (Verbal), AC2020-0395
- 10.1.2. External Auditor (Verbal), AC2020-0397

- 10.1.3. City Auditor (Verbal), AC2020-0398
- 10.1.4. External Auditor Annual Renewal (Verbal), AC2020-0399

And further, that Harman Gill, Trevor Nakka, and Ivana Cvitanusic, External Auditors (Deloitte LLP), and Sheri Primrose, Enmax Corporation, be invited to attend the Closed Meeting.

MOTION CARRIED

Committee moved into Public Meeting at 1:28 p.m. with Councillor Woolley in the Chair.

Moved by Councillor Farkas

That Committee rise and report.

MOTION CARRIED

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Audit Forum (Verbal), AC2020-0395

To confirm Members of Committee present in the Council Boardroom and Remote Participation:

ROLL CALL

Councillor Woolley, Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton, Citizen Representative Lambert.

People in attendance during the Closed Meeting discussion with respect to Verbal Report AC2020-0395:

Clerks: K. Martin and J. Palaschuk. Advice: C. Male, K. Palmer, and G. Wiebe. Observing: T. Nakka, H. Gill, I. Cvitanusic, and C. Smillie.

Moved by Councillor Colley-Urquhart

That with respect to Report AC2020-0395, the following be approved:

That the Audit Committee direct 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

10.1.2 External Auditor (Verbal), AC2020-0397

To confirm Members of Committee present in the Council Boardroom and Remote Participation:

ROLL CALL

Councillor Woolley Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton.

People in attendance during the Closed Meeting discussion with respect to Verbal Report AC2020-0397:

Clerks: K. Martin and J. Palaschuk. Advice: S. Primrose, T. Nakka, and H. Gill. Observing: I. Cvitanusic and C. Smillie.

Moved by Citizen Representative Dalton

That with respect to Verbal Report AC2020-0397, the following be approved:

That the Audit Committee direct that the Closed Meeting discussions remain confidential 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*.

MOTION CARRIED

10.1.3 City Auditor (Verbal), AC2020-0398

To confirm Members of Committee present in the Council Boardroom and Remote Participation:

ROLL CALL

Councillor Woolley Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton.

People in attendance during the Closed Meeting discussion with respect to Verbal Report AC2020-0398:

Clerks: K. Martin and J. Palaschuk. Advice: K. Palmer and A. Bleau. Observing: C. Smillie.

Moved by Councillor Gondek

That with respect to Verbal Report AC2020-0398, the following be approved:

That the Audit Committee direct that the Closed Meeting discussions remain confidential pursuant to Sections 18 (Disclosure harmful to individual or public safety), 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 Annual Renewal (Verbal), AC2020-0399

To confirm Members of Committee present in the Council Boardroom and Remote Participation:

ROLL CALL

Councillor Woolley Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton.

People in attendance during the Closed Meeting discussion with respect to Verbal Report AC2020-0399:

Clerks: K. Martin and J. Palaschuk. Observing: C. Smillie.

Moved by Councillor Farkas

That with respect to Verbal Report AC2020-0399, the following be approved:

That the Audit Committee:

1. Approve the annual renewal of the External Auditor's contract with the City of Calgary, effective 2020 May 01; and
2. Keep the closed meeting discussions confidential pursuant to Section 19 (Confidential evaluations) and 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 Citizen Representative Dalton

That this meeting adjourn at 1:33 p.m.

ROLL CALL:

For: (6): Councillor Woolley, Councillor Farkas, Councillor Colley-Urquhart, Councillor Gondek, Citizen Representative Caltagirone, and Citizen Representative Dalton

MOTION CARRIED

THE FOLLOWING ITEMS HAVE BEEN FORWARDED TO THE 2020 APRIL 27 COMBINED MEETING OF COUNCIL:

CONSENT:

- 2019 Annual Investment Report, AC2020-0442
- The City of Calgary 2019 Annual Report, AC2020-0432
- 2019 External Auditor Year-End Report, AC2020-0433
- City Auditor's Office 2019 1st Quarter Report, AC2020-0438

The next Regular Meeting of the Audit Committee is scheduled to be held 2020 June 11 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

UNCONFIRMED