



**MINUTES**  
**AUDIT COMMITTEE**

**July 23, 2020, 1:00 PM**  
**IN THE COUNCIL CHAMBER**

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

**ABSENT:** Councillor D. Colley-Urquhart (Personal)

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

1. **CALL TO ORDER**

Councillor Woolley called the Meeting to order at 1:04 p.m.

**ROLL CALL**

Councillor Woolley, Councillor Farkas, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton, Citizen Representative Lambert

2. **OPENING REMARKS**

Councillor Woolley provided opening remarks.

3. **CONFIRMATION OF AGENDA**

**Moved by** Citizen Representative Dalton

That the Agenda for the 2020 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, 2020 June 11

**Moved by** Citizen Representative Dalton

That the Minutes of the 2020 June 11 Regular Meeting of the Audit Committee be confirmed.

**MOTION CARRIED**

**Moved by** Citizen Representative Dalton

Pursuant to section 6(1) of the Procedure Bylaw 35M2017, as amended, Section 78 2(a) be suspended.

**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 City Manager's Principal Corporate Risk Update (Verbal), AC2020-0727

Item 7.1 Verbal Report AC2020-0727 was heard concurrently with Item 7.2 Report AC2020-0711.

A presentation entitled "City Manager's Principal Corporate Risk Update", dated 2020 July 23, was electronically distributed and displayed with respect to Verbal Report AC2020-0727.

**Moved by** Citizen Representative Dalton

That with respect to Verbal Report AC2020-0727, the following be approved:

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

**MOTION CARRIED**

7.2 Integrated Risk Management Mid-Year Update (Including Information Technology), AC2020-0711

Item 7.2 Report AC2020-0711 was heard concurrently with Item 7.1 Verbal Report AC2020-0727.

A presentation entitled "Integrated Risk Management Mid-Year Update (including Information Technology)", dated 2020 July 23, was electronically distributed and displayed with respect to Report AC2020-0711.

**Moved by** Citizen Representative Caltagirone

That with respect to Report AC2020-0711, the following be approved:

That the Audit Committee:

1. Receive Report AC2020-0711 and the Presentation for the Corporate Record pursuant to Bylaw 48M2012, Schedule A, Section 5;
2. Forward this Report to Council for the Corporate Record, and
3. Direct that Attachment 5 be held confidential pursuant to Sections 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*; to be reviewed in 2025 July 30.

**MOTION CARRIED**

7.3 Opportunity Calgary Investment Fund Administration Audit, AC2020-0764

The following speakers addressed Committee with respect to Report AC2020-0764:

1. Mary Moran, President/CEO, Calgary Economic Development
2. Sheila Will, CFO/COO, Calgary Economic Development

**Moved by** Councillor Gondek

That with respect to Report AC2020-0764, the following be approved:

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

**MOTION CARRIED**

7.4 Calgary Fire Inspections Audit, AC2020-0621

**Moved by** Citizen Representative Dalton

That with respect to Report AC2020-0621, the following be approved:

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

**MOTION CARRIED**

7.5 City Auditor's Office 2nd Quarter 2020 Report, AC2020-0824

**Moved by** Citizen Representative Caltagirone

That with respect to Report AC2020-0824, the following be approved:

1. That the Audit Committee receive this Report for the Corporate Record; and
2. That the Audit Committee recommend that Council receive this Report for the Corporate Record.

**MOTION CARRIED**

Committee recessed at 3:10 p.m. and reconvened at 3:21 p.m. with Councillor Woolley in the Chair.

**ROLL CALL**

Councillor Woolley, Councillor Farkas, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton, Citizen Representative Lambert

**7.6 City Auditor's Office Bylaw, AC2020-0825**

Item 7.6 Report AC2020-0825 was heard concurrently with Item 7.7 Report AC2020-0753.

The following documents were electronically distributed with respect to Report AC2020-0825:

- Revised Attachment 3
- Revised Attachment 4

**Moved by** Citizen Representative Lambert

That with respect to **Revised** Report AC2020-0825, the following be approved:

That **Revised** Attachment 3, Section 3 of the proposed City Auditor Bylaw be amended as follows:

Remove "The total term of the appointment must not exceed ten (10) years".

**ROLL CALL VOTE:**

For: (4): Councillor Woolley, Councillor Gondek, Citizen Representative Caltagirone, and Citizen Representative Lambert

Against: (2): Councillor Farkas, and Citizen Representative Dalton

**MOTION CARRIED**

**Moved by** Councillor Farkas

That with respect to **Revised** Report AC2020-0825, the following be approved, **as amended**:

That Audit Committee recommends:

1. That **Revised** Attachment 4, the Proposed Text for a bylaw to amend Bylaw 30M2004, the City Auditor Bylaw, be approved; and
2. That Council give three readings to the proposed Bylaw.

**MOTION CARRIED**

By General Consent, Committee returned to Item 7.6 after Item 7.9 Report AC2020-0506 to capture a further amendment with respect to Revised Report AC2020-0825.

**Moved by** Citizen Representative Lambert

That with respect to **Revised** Report AC2020-0825, the following be approved:

That **Revised** Attachment 4, Section 3 of the proposed text to amend Bylaw 30M2004, City Auditor Bylaw be amended as follows:

Remove "The total term of the appointment must not exceed ten (10) years".

ROLL CALL VOTE:

For: (5): Councillor Woolley, Councillor Farkas, Councillor Gondek, Citizen Representative Caltagirone, and Citizen Representative Lambert

Against: (1): Citizen Representative Dalton

**MOTION CARRIED**

**7.7 Proposed New Audit Committee Bylaw, AC2020-0753**

Item 7.7 Report AC2020-0753 was heard concurrently with Item 7.6 Report AC2020-0825.

**Moved by** Citizen Representative Lambert

That with respect to Report AC2020-0753, the following be approved:

That Attachment 1, Section 5(c), Authority of Audit Committee be amended by adding the words "and Chief Financial Officer":

The Audit Committee is authorized to:

(c) request reports from the City Manager **and Chief Financial Officer** regarding:

- (i) matters that have a material or significant financial impact to the City; and
- (ii) The City's integrated Risk Management and corporate risks, at least twice a year.

That Attachment 1, Schedule A, 2. Regarding the City's Financial Disclosure and Accounting Practices" be amended by adding a new line (f):

**(f) must meet with the Chief Financial Officer, in the absence of the External Auditor, at least quarterly.**

**MOTION CARRIED**

**Moved by** Councillor Farkas

That with respect to Report AC2020-0753, the following be approved, **as amended:**

That Audit Committee recommends:

1. That **Amended** Attachment 1, the proposed Audit Committee Bylaw, be approved;
2. That the Bylaw Review Working Group be thanked for their service; and
3. That Council give three readings to the proposed Bylaw.

**MOTION CARRIED**

7.8 External Auditor 2020 Audit Service Plan and Fees, AC2020-0733

**Moved by** Citizen Representative Dalton

That with respect to Report AC2020-0733, the following be approved:

That the Audit Committee:

1. Reviews and approves the Deloitte 2020 Audit Service Plan (Attachment); and
2. Recommends that Council receive this Report and the Attachment for the Corporate Record.

**MOTION CARRIED**

7.9 Attainable Homes Calgary Corporation Audit and Accountability Committee Annual Report, AC2020-0506

A presentation entitled "AHC City of Calgary Audit Committee", dated 2020 July 23, was electronically distributed and displayed with respect to Report AC2020-0506.

The following speakers addressed Committee with respect to Report AC2020-0506:

1. Jaydan Tait, President & CEO, Attainable Homes Calgary Corporation
2. Gerry Wagner, Chair, Audit and Accountability Committee, Attainable Homes Calgary Corporation
3. Jaycee Ho, Director of Finance, Attainable Homes Calgary Corporation

**Moved by** Citizen Representative Lambert

That with respect to Report AC2020-0506, the following be approved:

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

**MOTION CARRIED**

By General Consent, Committee returned to Item 7.6 Report AC2020-0825 for a further amendment.

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 Dalton

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 19 (Confidential evaluations) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, Committee move into Closed Meeting at 4:39 p.m. in the Council Boardroom, to consider confidential matters with respect to the following items:

- 10.1.3 City Auditor (Verbal), AC2020-0731
- 10.1.4 External Auditor 2019-2020 Performance Assessment, AC2020-0734

**MOTION CARRIED**

Committee reconvened in public meeting at 5:11 p.m. with Councillor Woolley in the Chair.

ROLL CALL

Councillor Woolley, Councillor Farkas, Councillor Gondek, Citizen Representative Caltagirone, Citizen Representative Dalton, Citizen Representative Lambert

**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), AC2020-0729

No report was given.

10.1.2 External Auditor (Verbal), AC2020-0730

No report was given.

10.1.3 City Auditor (Verbal), AC2020-0731

Administration in attendance during the Closed Meeting discussions with respect to Report AC2020-0731:

Clerks: K. Martin and G. Chaudhary. Advice: K. Palmer, C. Smillie, and A. Bleau. Law: None. Observers: None.

**Moved by** Citizen Representative Dalton

That with respect to Report AC2020-0731, the following be approved:

That the Audit Committee direct 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**

#### 10.1.4 External Auditor 2019 – 2020 Performance Assessment, AC2020-0734

Administration in attendance during the Closed Meeting discussions with respect to Report AC2020-0734:

Clerks: K. Martin and G. Chaudhary. Advice: C. Smillie and C. Male. Law: None. Observers: None

**Moved by** Citizen Representative Dalton

That with respect to Report AC2020-0734, the following be approved:

That the Audit Committee:

1. Recommend that Council receive this report for the Corporate Record; and
2. Direct that this Report, Attachments and the Closed Meeting discussions remain confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party) and 19 (Confidential evaluations) of the *Freedom of Information and Protection of Privacy Act*, to be reviewed 2035 July 23.

**MOTION CARRIED**

#### 10.2 URGENT BUSINESS

None

#### 11. ADJOURNMENT

**Moved by** Councillor Farkas

That this meeting adjourn at 5:13 p.m.

**MOTION CARRIED**

The following items have been forwarded on to the 2020 September 14 Combined Meeting of Council:

CONSENT:

- Integrated Risk Management Mid-Year Update (Including Information Technology), AC2020-0711



- Opportunity Calgary Investment Fund Administration Audit, AC2020-0764
- Calgary Fire - Inspections Audit, AC2020-0621
- City Auditor's Office 2nd Quarter 2020 Report, AC2020-0824
- External Auditor 2020 Audit Service Plan and Fees, AC2020-0733
- External Auditor 2019 – 2020 Performance Assessment, AC2020-0734

ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES:

- City Auditor's Office Bylaw, AC2020-0825
- Proposed New Audit Committee Bylaw, AC2020-0753

The next Regular Meeting of the Audit Committee is scheduled to be held on 2020 September 17 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

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CHAIR

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ACTING CITY CLERK