



MINUTES
AUDIT COMMITTEE

June 24, 2021, 9:30 AM

PRESENT: Councillor E. Woolley, Chair
 Councillor J. Farkas, Vice-Chair
 Councillor D. Colley-Urquhart (Remote Participation)
 Councillor J. Davison (Remote Participation)
 Citizen Representative L. Caltagirone (Remote Participation)
 Citizen Representative K. Kim (Remote Participation)

ABSENT: Citizen Representative M. Lambert (Personal)

ALSO PRESENT: A/City Auditor L. Ormsby (Remote Participation)
 A/Chief Financial Officer L. Tochor (Remote Participation)
 External Auditor H. Gill (Remote Participation)
 External Auditor T. Makka, (Remote Participation)
 Executive Advisor C. Smillie
 Legislative Advisor L. Gibb
 Legislative Advisor D. Williams

1. CALL TO ORDER

Councillor Woolley called the Meeting to order at 9:30 a.m.

ROLL CALL

Councillor Farkas, Councillor Davison, Councillor Colley-Urquhart, Citizen Representative Caltagirone, Citizen Representative Kim and Councillor Woolley.

2. OPENING REMARKS

Councillor Woolley provided opening remarks.

3. CONFIRMATION OF AGENDA

Moved by Councillor Farkas

That the Agenda for the 2021 June 24 Audit Committee be confirmed.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Audit Committee, 2021 May 20

Moved by Councillor Farkas

That the Minutes of the 2021 May 20 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 ENMAX Corporation 2020 Annual Report, AC2021-0941

A presentation entitled "ENMAX Corporation - Annual Report, Governance and Financial Insight" was distributed with respect to Report AC2021-0941.

The following Speakers addressed Committee with respect to Report AC2021-0941:

1. Charles Ruigrok, Chair Audit Committee
2. Wayne O'Connor, President & CEO
3. Preet Dhindsa, EVP and Chief Financial Officer
4. Diana Stephenson, Vice President, Public Affairs & Sustainability

Moved by Councillor Farkas

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 23 (Local public body confidences), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting at 10:38 a.m., in the Engineering Traditions Boardroom, to discuss confidential matters with respect to the following Item:

- ENMAX Corporation 2020 Annual Report, AC2021-0941

And further, the following be invited to attend the Closed Meeting:

- Trevor Nakka, Harman Gill, Erica Vervoort, and Ivana Cvitanusic, External Auditors (Deloitte LLP);
- Wayne O'Connor, Preet Dhindsa, Diana Stephenson, Charles Ruigrok (Enmax Corporation)

MOTION CARRIED

Committee reconvened in public meeting at 11:00 a.m. with Councillor Woolley in the Chair.

ROLL CALL

Citizen Representative Caltagirone, Citizen Representative Kim, Councillor Colley-Urquhart, Councillor Davison, Councillor Farkas, and Councillor Woolley.

People in attendance during the Closed Meeting discussions with respect to Report AC2021-0941:

Clerks: D. Williams and L. Gibb. Advice: L. Tochor, L. Ormsby and C. Smillie. External Advice: H. Gill, I. Cvitanusic, E. Vervoort, W. O'Connor, P. Dhindsa, D. Stephenson, C. Ruigrok and T. Nakka.

Moved by Councillor Farkas

That Committee rise and report.

MOTION CARRIED

Moved by Citizen Representative Caltagirone

That with respect to Report AC2021-0941, the following be approved:

That Audit Committee:

1. Receive this report and presentation for the Corporate Record; and
2. Keep Attachments 1, 2, 8, 10, 11, 17, 18, 19, 22, 23 and the Closed Meeting discussions confidential pursuant to Sections 24 and 25 of the *Freedom of Information and Protection of Privacy Act*, to be reviewed 2036 June 24.

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

MOTION CARRIED

7.2 Calgary Convention Centre 2020 Annual Report, AC2021-0942

A presentation entitled "Calgary TELUS Convention Centre" was distributed with respect to Report AC2021-0942.

The following Speakers addressed Committee with respect to Report AC2021-0942:

1. Rob Palmer, CCCA Audit and Finance Chair
2. Wellington Holbrook, CCCA Chair
3. Kurby Court, President and CEO
4. Carol McQuade, VP, Finance

Moved by Councillor Colley-Urquhart

That with respect to Report AC2021-0942, the following be approved:

That Audit Committee:

1. Receive this report, attachments and presentation for the Corporate Record; and
2. Keep Attachment 2 confidential pursuant to Sections 24 and 25 of *the Freedom of Information and Protection of Privacy Act*; to be reviewed by 2026 June 24.

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

MOTION CARRIED

7.3 Green Line Program Governance Follow-up Audit, AC2021-0918

Moved by Citizen Representative Caltagirone

That with respect to Report AC2021-0918, 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.

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

MOTION CARRIED

7.4 311 Response Audit, AC2021-0923

By General Consent, pursuant to Section 6(1) of the Procedure Bylaw 35M2017, Section 78(2)(a) be suspended in order for Committee to complete this Agenda Item prior to the lunch recess.

Moved by Councillor Farkas

That with respect to Report AC2021-0923, 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.

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

MOTION CARRIED

Committee recessed at 12:15 p.m. and reconvened in Public Meeting at 12:44 p.m. with Councillor Woolley in the Chair.

ROLL CALL

Councillor Farkas, Councillor Davison, Councillor Colley-Urquhart, Citizen Representative Caltagirone, Citizen Representative Kim and Councillor Woolley.

7.5 City Auditor's Office 2022 External Assessment, AC2021-0924

Moved by Councillor Farkas

That with respect to Report AC2021-0924, the following be approved:

That Audit Committee:

1. Direct the City Auditor's Office to initiate procurement of a resource to complete an External Assessment in accordance with the recommendation as provided in the Attachment; and
2. Approve funding the cost of the External Assessment from the Audit Committee's 2022 budget.

For: (5): Councillor Woolley, Councillor Farkas, Councillor Davison, Citizen Representative Caltagirone, and Citizen Representative Kim

MOTION CARRIED

7.6 External Auditor 2020 Management Letter, AC2021-0914

Moved by Citizen Representative Caltagirone

That with respect to Report AC2021-0914 the following be approved:

That the Audit Committee:

1. Requests the External Auditor provide an update regarding the implementation status of the recommendations contained in the 2020 Management Letter (Attachment) at the 2022 January Audit Committee meeting; and
2. Recommends that Council receives this Report and Attachment for the Corporate Record.

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

MOTION CARRIED

7.7 Off-site Levy Schedules and Notes (2020-2016), AC2021-0968

Moved by Citizen Representative Kim

That with respect to Report AC2021-0968 the following be approved:

That Audit Committee:

1. Receive this Report and Attachment for the Corporate Record and consider them in conjunction with Report AC2021-0901 "External Auditor Audit on Off-Site Levy Balances"; and
2. Direct that this Report and Attachment be forwarded to the 2021 July 5 Combined Meeting of Council.

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

MOTION CARRIED

7.8 External Auditor Audit on Annual Off-Site Levy Balances, AC2021-0901

A clerical correction was noted on page 22 of the Attachment to delete "Wooley" in its entirety and replace with "Woolley".

Moved by Citizen Representative Kim

That with respect to Report AC2021-0901, the following be approved:

That Audit Committee recommends that Council receive this report and Attachment for the Corporate Record.

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

MOTION CARRIED

7.9 Overview of the Corporate Project Management Framework and its Quality Assurance Process, AC2021-1005

A presentation entitled "Overview of the Corporate Project Management Framework and its Quality Assurance Process, Audit Committee Report AC2021-1005" was distributed with respect to Report AC2021-1005.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2021-1005, the following be approved.

That the Audit Committee recommend that Council receive this report and attachment for the Corporate Record.

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

MOTION CARRIED

7.10 External Auditor Specified Audit Procedures on the Corporate Project Management Framework (CPMF), AC2021-0913

Moved by Councillor Farkas

That with respect to Report AC2021-0913, the following be approved:

That Audit Committee recommends that Council receive this report and Attachment for the Corporate Record.

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

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 Farkas

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 23 (Local public body confidences), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting at 2:10 p.m., in the Engineering Traditions Boardroom, to discuss confidential matters with respect to the following items:

10.1.1 External Auditor – Provision of Additional Advisory Services, AC2021-0900

10.1.2 Audit Forum (Verbal), AC2021-0891

10.1.3 External Forum (Verbal), AC2021-0892

10.1.4 City Auditor Update (Verbal), AC2021-0893

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

MOTION CARRIED

Committee reconvened in public meeting at 2:33 p.m. with Councillor Woolley the Chair.

ROLL CALL

Councillor Farkas, Councillor Davison, Councillor Colley-Urquhart, Citizen Representative Caltagirone, Citizen Representative Kim and Councillor Woolley.

Moved by Councillor Davison

That Committee rise and report.

MOTION CARRIED

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 External Auditor – Provision of Additional Advisory Services, AC2021-0900

People in attendance during the Closed Meeting discussions with respect to Report AC2021-0900:

Clerks: D. Williams and L. Gibb. Advice: C. Male, L. Tochor, L. Ormsby and C. Smillie. External: T. Nakka, H. Gill, I. Cvitanusic and E. Vervoort.

Moved by Citizen Representative Kim

That with respect to Report AC2021-0900, the following be approved:

That this report, attachment, 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*, to be reviewed 2022 June 24.

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

MOTION CARRIED

10.1.2 Audit Forum (Verbal), AC2021-0891

People in attendance during the Closed Meeting discussions with respect to Report AC2021-0891:

Clerks: D. Williams and L. Gibb. Advice: C. Smillie.

Moved by Citizen Representative Caltagirone

That with respect to Verbal Report AC2021-0891, the following be approved:

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

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

MOTION CARRIED

10.1.3 External Auditor (Verbal), AC2021-0892

No Report given.

10.1.4 City Auditor (Verbal), AC2021-0893

No Report given.

10.2 URGENT BUSINESS

None

11. ADJOURNMENT

Moved by Councillor Colley-Urquhart

That this meeting adjourn at 2:54 p.m.

MOTION CARRIED

The following items have been forwarded on to the 2020 July 05 Combined Meeting of Council:

CONSENT

- Green Line Program Governance Follow-up Audit, AC2021-0918
- 311 Response Audit, AC2021-0923
- External Auditor 2020 Management Letter, AC2021-0914
- Off-site Levy Schedules and Notes (2020-2016), AC2021-0968
- External Auditor Audit on Annual Off-Site Levy Balances, AC2021-0901
- Overview of the Corporate Project Management Framework and its Quality Assurance Process, AC2021-1005
- External Auditor Specified Audit Procedures on the Corporate Project Management Framework (CPMF), AC2021-0913

The next Regular Meeting of the Audit Committee is scheduled to be held on 2021 July 22 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK