



Calgary's Urban Placemakers

CMLC AUDIT COMMITTEE MEETING
2016 Report to Audit Committee
September 22, 2016



CMLC Governance Framework

- Governed by an 9 member independent Board of Directors
- Eight board meetings were held in 2015
- Four committees of the Board have been set to focus on specific governance responsibilities
 - Audit
 - Corporate Governance
 - Compensation & Human Resources
 - Environment, Health & Safety





Audit Committee

- Four independent member committee chaired by Lyle Edwards
- Mandate was approved by the Committee and by the Board of Directors in 2008 and revised in 2015
- Four Audit Committee meetings were held in 2015





Corporate Governance Committee

- Four independent member committee chaired by Evan Hazell
- Mandate was approved by the Committee by the Board of Directors in 2008 and revised in 2015
- Three Corporate Governance Committee meetings were held in 2015



2015 Audit Report

- Deloitte issued a clean audit report issued for the 2015 year end
- No significant issues identified in audit letter by Deloitte
- Management representation letter was signed by President & CEO and the Director, Finance & Corporate Services



2015 Financial Statements

- No disclosure deficiencies in the 2015 financial statements
- Financial statements of CMLC are consolidated into The City of Calgary's financial statements



Risk Management

CMLC Board approved the Enterprise Risk Management in March 2016

Top Three Risks

Economy

- Reassessed and confirmed our revenue projections and continue to use a conservative approach to set project spending
- We are realizing better pricing on construction projects through our procurement methods
- Consumer market for residential product remains soft however we are forward planning and designing value priced residential product to add to the pipeline

Public Safety

- Environmental, Health & Safety Committee meets regularly to assess and improve our standards
- We hire independent 3rd party safety auditors to ensure compliance with safety standards

Reputation Risk

- Proactively engage key stakeholders – shareholder meetings, use of media to inform public on our plans and achievements
- Continue to be innovative, produce tangible results and complete projects on budget and on time



Recruitment & Succession

- Board approved a Human Resources strategy work plan in December 2015
- A comprehensive analysis of CMLC organizational structure and staff development plan was completed in 2015
- Board Recruitment - 3 new board members (2015)



Summary and Outlook 2016

- Board Strategy Planning session (3 year Business Plan objectives) – September 23rd, 2016
- Continue to monitor the local economy and manage any risk effectively
- Focus on strong internal controls and strong corporate governance
- The Audit and Corporate Governance Committees continue at least twice during the year



QUESTIONS?

