



**MINUTES
AUDIT COMMITTEE**

**June 15, 2023, 9:30 AM
ENGINEERING TRADITIONS COMMITTEE ROOM**

PRESENT: Councillor R. Pootmans, Chair
Councillor E. Spencer, Vice-Chair
Councillor T. Wong
Councillor J. Wyness (Partial Remote Participation)
Public Member L. Caltagirone
Public Member M. Lambert (Remote Participation)
Public Member K. Kim (Remote Participation)

ALSO PRESENT: General Manager C. Arthurs
General Manager S. Dalglish
City Auditor L. Ormsby
A/Chief Financial Officer L. Tochor
Executive Advisor C. Smillie
Legislative Advisor C. Nelson
Legislative Advisor J. Booth

1. CALL TO ORDER

Councillor Pootmans called the meeting to order at 9:32 a.m.

ROLL CALL

Councillor Spencer Councillor Wyness, Public Member Caltagirone, Public Member Lambert, Public Member Kim, and Councillor Pootmans

Absent at Roll Call: Councillor Wong

2. OPENING REMARKS

Public Member Caltagirone provided a traditional land acknowledgement.

3. CONFIRMATION OF AGENDA

By General Consent, Committee modified the lunch recess from 60 minutes to 75 minutes.

Moved by Councillor Spencer

That the Agenda for the 2023 June 15 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, 2023 April 19

Moved by Councillor Wyness

That the Minutes of the 2023 April 19 Regular Meeting of the Audit Committee be confirmed.

MOTION CARRIED

5. CONSENT AGENDA

5.1 DEFERRALS AND PROCEDURAL REQUESTS

None

6. POSTPONED REPORTS

None

7. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

7.1 Code of Conduct Program Audit, AC2023-0537

Moved by Public Member Caltagirone

That with respect to Report AC2023-0537, 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 Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, Public Member Lambert, and Public Member Kim

MOTION CARRIED

7.2 Calgary Convention Centre 2022 Annual Report, AC2023-0513

Moved by Councillor Spencer

That 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*, Committee now move into Closed Meeting, at 10:33 a.m. in the Engineering Traditions Committee Room, to discuss confidential matters with respect to Item 7.2, Calgary Convention Centre 2022 Annual Report, AC2023-0513.

And further, that the following be authorized to attend the Closed Meeting: Harman Gill and Sanjeev Rajani, External Auditors (Deloitte LLP), Rob Palmer, Kurby Court, and Carol McQuade (Calgary Convention Centre Authority).

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, Public Member Lambert, and Public Member Kim

MOTION CARRIED

People in attendance during the Closed Meeting discussions with respect to Report AC2023-0513:

Clerks: C. Nelson, J. Booth, and C. Doi. Advice: K. Black, L. Ormsby, L. Kerr, C. Smillie. External: H. Gill, S. Rajani, R. Palmer, K. Court, and C. McQuade.

Committee reconvened in public meeting at 10:57 a.m. with Councillor Pootmans in the Chair.

ROLL CALL

Councillor Spencer, Councillor Wyness, Public Member Caltagirone, Public Member Kim, and Councillor Pootmans

Absent from Roll Call: Councillor Wong and Public Member Lambert

Public Member Lambert (Remote Member) joined the meeting at 10:58 a.m.

Moved by Councillor Wyness

That Committee rise and report.

MOTION CARRIED

Moved by Public Member Kim

That with respect to Report AC2023-0513, the following be approved, **after amendment:**

That the Audit Committee:

1. Receive this report, attachments, and presentation for the Corporate Record; **and**
2. **Direct that the Closed Meeting discussions be held 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.***

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, Public Member Lambert, and Public Member Kim

MOTION CARRIED

7.3 Calgary Municipal Land Corporation 2022 Annual Report, AC2023-0514

The following documents were distributed with respect to Report AC2023-0514:

- A revised Attachment 5; and
- A presentation entitled "Presentation to Audit Committee".

Public Member Lambert (Remote Member) left the meeting at 11:20 a.m.

Moved by Councillor Spencer

That with respect to Report AC2023-0514, the following be approved:

That the Audit Committee receive this report and presentation for the Corporate Record.

For: (5): Councillor Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

7.4 External Auditor 2022 Management Letter, AC2023-0518

Moved by Public Member Caltagirone

That with respect to Report AC2023-0518, the following be approved:

That the Audit Committee:

1. Request that the External Auditor provide an update regarding the implementation status of the recommendations contained in the 2022 Management Letter (Attachment) at the 2024 January Regular Meeting of the Audit Committee; and
2. Recommend that Council receive this report and attachment for the Corporate Record.

For: (5): Councillor Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

7.5 New Accounting Standards Update (Verbal), AC2023-0641

Moved by Public Member Kim

That with respect to Verbal Report AC2023-0641, the following be approved:

That the Audit Committee:

1. Receive this presentation for the Corporate Record; and
2. Recommend that Administration return to the 2023 December 14 Regular Meeting of the Audit Committee to present a final update on the new accounting standards.

For: (5): Councillor Pootmans, Councillor Spencer, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

Committee recessed at 12:04 p.m. and reconvened at 1:15 p.m. with Councillor Pootmans in the Chair.

ROLL CALL

Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, Public Member Kim, and Councillor Pootmans

Absent from Roll Call: Public Member Lambert

7.6 2022 Civic Partner Audit Report, AC2023-0414

Councillor Pootmans left the Chair at 1:23 p.m. and Councillor Spencer assumed the Chair.

Moved by Councillor Wong

That pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 17 (Disclosure harmful to personal privacy), 20 (Disclosure harmful to law enforcement), 23 (Local public body confidences), and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*, Committee now move into Closed Meeting, at 1:27 p.m. in the Engineering Traditions Committee Room, to discuss confidential matters with respect to the following Items:

- 7.6 2022 Civic Partner Audit Report, AC2023-0414
- 10.1.1 Building Access Control Continuous Auditing Project, AC2023-0541
- 10.1.2 Audit Forum (Verbal), AC2023-0515
- 10.1.3 External Auditor (Verbal), AC2023-0516
- 10.1.4 City Auditor (Verbal), AC2023-0517
- 10.1.5 City Auditor Performance Management Process (Confidential), AC2023-0658

And further, that the following be authorized to attend the Closed Meeting with respect to Items: 7.6, 10.1.1, 10.1.2, and 10.1.3: Harman Gill, Sanjeev Rajani, and Simona Milojevik, External Auditors (Deloitte LLP).

For: (5): Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

People in attendance during the Closed Meeting discussions with respect to Report AC2023-0414:

Clerks: C. Nelson, J. Booth, and C. Doi. Advice: K. Black, L. Tochor, L. Ormsby, L. Kerr, C. Smillie, J. Chase, A. Szaflarski, K. Mustard, M. Yong, R. Turley, and C. Tooth. External: H. Gill.

Councillor Wyness (Remote Member) left the meeting at 1:56 p.m.

Councillor Pootmans resumed the Chair at 2:08 p.m.

Councillor Wyness (Remote Member) joined the meeting at 2:28 p.m.

Committee reconvened in public meeting at 2:43 p.m. with Councillor Pootmans in the Chair.

ROLL CALL

Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, Public Member Kim, and Councillor Pootmans

Absent from Roll Call: Public Member Lambert

Moved by Councillor Spencer

That Committee rise and report.

MOTION CARRIED

Moved by Public Member Caltagirone

That with respect to Report AC2023-0414, the following be approved, **after amendment**:

That the Audit Committee recommend that Council:

1. Receive this report for the Corporate Record; and
2. Direct that Attachments 3, 4 and 6, **and the Closed Meeting discussions** be held confidential pursuant to Sections 16 (Disclosure harmful to business interests of a third party), 23 (Local public body confidences), and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act* (Alberta), to be reviewed 2026 October 22.

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, and Public Member 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

10.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

10.1.1 Building Access Control Continuous Auditing Project, AC2023-0541

People in attendance during the Closed Meeting discussions with respect to Confidential Report AC2023-0541:

Clerks: C. Nelson, J. Booth, and C. Doi. Advice: L. Tochor, L. Ormsby, C. Smillie, R. Visscher, D. Oyekan, R. Morris, and A. Lee. External: H. Gill.-

Moved by Councillor Wong

That with respect to Confidential Report AC2023-0541, the following be approved:

That the Audit Committee:

1. Receive this report for the Corporate Record;
2. Recommend that Council receive this report for the Corporate Record; and
3. Direct that the Closed Meeting discussions, report, and attachment be held confidential pursuant to Section 20 (Disclosure harmful to law enforcement) of the *Freedom of Information and Protection of Privacy Act*, to be reviewed no later than 2038 June 15.

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

10.1.2 Audit Forum (Verbal), AC2023-0515

People in attendance during the Closed Meeting discussions with respect to Confidential Verbal Report AC2023-0515:

Clerks: C. Nelson, J. Booth, and C. Doi. Advice: L. Tochor, L. Ormsby, and C. Smillie. External: H. Gill.

Moved by Public Member Caltagirone

That with respect to Confidential Verbal Report AC2023-0515, the following be approved:

That the Audit Committee direct that the Closed Meeting discussions be held confidential pursuant to Section 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

10.1.3 External Auditor (Verbal), AC2023-0516

No report given.

10.1.4 City Auditor (Verbal), AC2023-0517

No report given.

10.1.5 City Auditor Performance Management Process (Confidential), AC2023-0658

Administration in attendance during the Closed Meeting discussions with respect to Confidential Report AC2023-0658:

Clerks: C. Nelson, J. Booth, and C. Doi. Advice: R. Dimitriou, J. Kapala, and C. Smillie.

Moved by Councillor Wong

That with respect to Confidential Report AC2023-0658, the following be approved:

That the Audit Committee

1. Approve Confidential Recommendations 1 and 2;
2. Recommend that Council receive this report for the Corporate Record; and
3. Direct that the Closed Meeting discussions and report be held confidential pursuant to Sections 17 (Disclosure harmful to personal privacy) and 24 (Advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

For: (6): Councillor Pootmans, Councillor Spencer, Councillor Wong, Councillor Wyness, Public Member Caltagirone, and Public Member Kim

MOTION CARRIED

10.2 URGENT BUSINESS

None

11. BRIEFINGS

None

12. ADJOURNMENT

Moved by Councillor Spencer

That this meeting adjourn at 2:46 p.m.

MOTION CARRIED

The following Items have been forwarded to the 2023 July 4 Regular Meeting of Council:

CONSENT AGENDA

- Code of Conduct Program Audit, AC2023-0537
- External Auditor 2022 Management Letter, AC2023-0518
- 2022 Civic Partner Audit Report, AC2023-0414
- Building Access Control Continuous Auditing Project, AC2023-0541
- City Auditor Performance Management Process (Confidential), AC2023-0658

The next Regular Meeting of the Audit Committee is scheduled to be held on 2023 July 19 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

CITY CLERK

UNCONFIRMED