



MINUTES

AUDIT COMMITTEE

HELD 2013 DECEMBER 12 AT 9:30 AM

IN THE ENGINEERING TRADITIONS COMMITTEE ROOM

PRESENT: Councillor R. Pootmans, Chair
Councillor J. Magliocca, Vice-Chair
Councillor S. Keating
Councillor E. Woolley
Citizen Representative B. Day
Citizen Representative R. Ghosh
Citizen Representative R. Walters

ALSO PRESENT: Chief Financial Officer E. Sawyer
City Auditor K. Palmer
Executive Assistant P. Frank
External Auditor H. Gill
Legislative Assistant D. Williams

This meeting was conducted in accordance with the Procedure Bylaw 44M2006, as amended.

1. ELECTION OF CHAIR AND VICE-CHAIR

Following nomination procedures, Councillor Pootmans was elected Chair of the Audit Committee, by acclamation.

Following nomination procedures, Councillor Magliocca was elected Vice-Chair of the Audit Committee, by acclamation.

2. CONFIRMATION OF AGENDA

CONFIRM AGENDA, Moved by Mr. Day, that the Agenda for the 2013 December 12 Regular Meeting of the Audit Committee be confirmed, **after amendment**, as follows:

ADD URGENT BUSINESS, IN CAMERA:

EXTERNAL AUDITOR - VERBAL REPORT, VR2013-0090

CARRIED

3. CONFIRMATION OF MINUTES

3.1 MINUTES OF THE REGULAR MEETING OF THE AUDIT COMMITTEE, 2013 SEPTEMBER 12

CONFIRM MINUTES, Moved by Mr. Day, that the Minutes of the 2013 September 12 Regular Meeting of the Audit Committee be confirmed.

CARRIED

4. NEW BUSINESS

4.1 ENMAX CORPORATION ANNUAL REPORT TO THE AUDIT COMMITTEE, AC2013-0835

SPEAKERS

1. Jim Hankinson
2. David Halford

APPROVE, Moved by Councillor Magliocca, that the Recommendations contained in Report AC2013-0835 be approved, as follows:

1. That Audit Committee receives this Report for Information;
2. That the Audit Committee recommends that Council receives this Report for Information; and
3. That Attachments 1, 3, 4, 5 and 6 and the in-camera discussions related to those Attachments remain Confidential under sections 24(1) (a), 25 (b) and 25 (c) of the *Freedom of Information and Protection of Privacy Act*.

CARRIED

4.2 EXTERNAL AUDITOR'S 2013 FISCAL YEAR AUDIT PLAN, AC2013-0841

CONDOLENCES

On behalf of the Audit Committee, Councillor Pootmans offered condolences to Trevor Nakka, and his family, on the recent loss of his father, Norman Nakka.

AMENDMENT, Moved by Councillor Keating, that the Administration Recommendations contained in Report AC2013-0841 be amended by adding a Recommendation 3 as follows:

3. That Council approve the additional fees as outlined in the Fee Schedule on Page 8 of the Attachment in the amounts of:
 - \$40,000 for additional fees related to the 2013 Flood and the implementation of new accounting standards; and
 - \$16,000 for the Peoplesoft upgrade.

CARRIED

APPROVE, AS AMENDED, Moved by Councillor Woolley, that the Administration Recommendations contained in Report AC2013-0841 be approved, **as amended**, as follows:

That the Audit Committee:

1. Receive this Report, including the Deloitte 2013 Audit Plan, for Information; and
2. Recommends that Council receive this Report for Information.
3. **Recommends that Council approve the additional fees as outlined in the Fee Schedule on Page 8 of the Attachment in the amounts of:**
 - **\$40,000 for additional fees related to the 2013 Flood and the implementation of new accounting standards; and**
 - **\$16,000 for the Peoplesoft upgrade.**

CARRIED

4.3 CITY AUDITOR'S OFFICE 3RD QUARTER 2013 REPORT, AC2013-0789

APPROVE, Moved by Councillor Keating, that the Recommendations contained in Report AC2013-0789 be approved, as follows:

1. That Audit Committee receive this report for information.
2. That Audit Committee recommends that Council receive this report for information.

CARRIED

4.4 RECOMMENDATION FOLLOW-UP - MANAGEMENT ACTIONS UP TO APRIL 30, 2013, AC2013-0787

APPROVE, Moved by Mr. Walters, that the Recommendations contained in Report AC2013-0787 be approved, as follows:

1. That Audit Committee receive this report for information.
2. That Audit Committee recommends that Council receive this report for information.

CARRIED

4.5 AUDIT COMMITTEE THIRD QUARTER STATUS REPORT, AC2013-0839

CLERICAL CORRECTION

A clerical correction was made in the second line of the header of Report, Audit Committee Third Quarter Status Report, by deleting the number "0789" following the words "AC2013-" and by substituting the number "0839".

APPROVE, Moved by Mr. Ghosh, that the Administration Recommendation contained in Report AC2013-**0839** be approved, as follows:

That the Audit Committee recommends that Council receive this report for information.

CARRIED

4.6 AUDIT COMMITTEE 2014 WORK PLAN, AC2013-0840

APPROVE, Moved by Mr. Walters, that the Administration Recommendations contained in Report AC2013-0840 be approved, as follows:

1. That the Audit Committee approves the 2014 Work Plan as per the Attachment; and
2. That the Audit Committee forwards this Report to Council for Information.

CARRIED

4.7 2014 ANNUAL AUDIT PLAN, AC2013-0785

APPROVE, Moved by Mr. Day, that the Recommendations contained in Report AC2013-0785 be approved, as follows:

1. That Audit Committee accepts the City Auditor's Report relating to Council Motion NM2013-39;
2. That Audit Committee approve the City Auditor's 2014 Audit Plan and forward to Council for information; and
3. That Audit Committee recommends to Council that the City Auditor presents the City Auditor's 2014 Audit Plan to Council.

CARRIED

4.8 CITY AUDITOR'S OFFICE BYLAW AND CHARTER, AC2013-0830

CLERICAL CORRECTION

At the request of Mr. Day, a clerical correction was noted on Page 2 of Attachment 2 to Report AC2013-0830, first paragraph, second sentence, by deleting the word "onto" following the words "budget to Audit Committee for their review and their recommendation" and by substituting the words "on to".

APPROVE, Moved by Councillor Magliocca, that the Recommendations contained in Report AC2013-0830 be approved, as follows:

That Audit Committee recommends that Council:

1. Approve the City Auditor's Office Charter (Attachment 2)
2. Give three readings to the proposed Bylaw to amend the City Auditor Bylaw 30M2004 (Attachment 3).

CARRIED

4.9 AUDIT SUB-COMMITTEE ON ACCESS CALGARY PROGRAM, ELECTION OF MEMBER, VERBAL REPORT, AC2013-0843

APPROVE, Moved by Councillor Magliocca, that with respect to Verbal Report AC2013-0843, the following be approved:

That the Audit Committee appoint Councillor Woolley, to the Audit Sub Committee on Access Calgary Program, to fill the vacant position resulting from the retirement of former Alderman Lowe.

CARRIED

5. IN CAMERA ITEMS

IN CAMERA, Moved by Councillor Magliocca, that, in accordance with Section 197 of the *Municipal Government Act*, and Section 24 (1) of the *Freedom of Information and Protection of Privacy Act*, Committee now move In Camera at 11:36 a.m., in order to consider several confidential matters.

CARRIED

The Audit Committee moved into public session at 12:05 p.m., with Councillor Pootmans in the Chair.

RISE AND REPORT, Moved by Councillor Magliocca, that the Committee rise and report.

CARRIED

5.1 CITY AUDITOR VERBAL REPORT, AC2013-0790

APPROVE, Moved by Mr. Walters, that with respect to Verbal Report AC2013-0790, the following be approved:

That the Audit Committee:

1. Receive the City Auditor Verbal Report for information; and
2. Keep the Verbal Report and in camera discussions confidential under Section 24(1) of the *Freedom of Information and Protection of Privacy Act*.

CARRIED

5.2 EXTERNAL AUDITOR - VERBAL REPORT, VR2013-0090

APPROVE, Moved by Mr. Ghosh, that with respect to Verbal Report VR2013-0090, the following be approved:

That the Audit Committee:

1. Receive the External Auditor Verbal Report for information; and
2. Keep the Verbal Report and in camera discussions confidential under Section 24(1) of the *Freedom of Information and Protection of Privacy Act*.

CARRIED

6. ADJOURNMENT

ADJOURN, Moved by Councillor Magliocca, that this meeting adjourn at 12:06 p.m.

CARRIED

CONFIRMED BY COMMITTEE ON

CHAIR

LEGISLATIVE ASSISTANT

THE FOLLOWING ITEMS HAVE BEEN FORWARDED TO THE 2014 JANUARY 13
COMBINED MEETING OF COUNCIL:

CONSENT:

ENMAX CORPORATION ANNUAL REPORT TO THE AUDIT COMMITTEE, AC2013-0835

EXTERNAL AUDITOR'S 2013 FISCAL YEAR AUDIT PLAN, AC2013-0841

CITY AUDITOR'S OFFICE 3RD QUARTER 2013 REPORT, AC2013-0789

RECOMMENDATION FOLLOW-UP - MANAGEMENT ACTIONS UP TO APRIL 30, 2013,
AC2013-0787

AUDIT COMMITTEE THIRD QUARTER STATUS REPORT, AC2013-0839

AUDIT COMMITTEE 2014 WORK PLAN, AC2013-0840

OTHER

(The following Reports contain oppositions and/or Bylaws that require reading by Council.
Accordingly, they should be voted on separately.)

2014 ANNUAL AUDIT PLAN, AC2013-0785

CITY AUDITOR'S OFFICE BYLAW AND CHARTER, AC2013-0830

The next Regular Meeting of the Audit Committee has been scheduled to be held on
2014 January 23 at 9:30 AM.