



**MINUTES
AUDIT COMMITTEE**

**July 25, 2018, 9:30 AM
IN THE COUNCIL CHAMBER**

PRESENT: Councillor E. Woolley, Chair
Councillor G. Chahal, Vice-Chair
Councillor J. Farkas
Councillor D. Farrell
Citizen Representative L. Caltagirone
Citizen Representative M. Lambert

ALSO PRESENT: Chief Financial Officer E. Sawyer
City Auditor K. Palmer
Executive Assistant C. Smillie
External Auditor T. Nakka
Acting City Clerk D. Williams
Legislative Assistant J. Palaschuk

1. **CALL TO ORDER**

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

2. **OPENING REMARKS**

Councillor Woolley provided today's opening remarks.

3. **CONFIRMATION OF AGENDA**

Moved by Councillor Chahal

That the Agenda for today's Meeting be amended, by bringing forward Item 6.4, Integrated Risk Management Program Update, AC2018-0911 to be dealt with immediately following item:

6.7 External Auditor 2018 Audit Service Plan and Fees Report, AC2018-0913.

MOTION CARRIED

Moved by Citizen Representative Caltagirone

That the Agenda for the 2018 July 25 Regular Meeting of the Audit Committee be confirmed, **as amended**.

MOTION CARRIED

4. CONFIRMATION OF MINUTES

4.1 Minutes of the Regular Meeting of the Audit Committee, 2018 June 19

Moved by Councillor Farkas

That the Minutes of the Regular Meeting of the Audit Committee held 2018 June 19 be confirmed.

MOTION CARRIED

5. POSTPONED REPORTS

None

6. ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

6.1 Calgary Public Library Audit and Finance Committee Annual Report, AC2018-0589

Speakers

1. Bill Ptacek, Chief Executive Officer
2. Elrose Klause, Controller, Calgary Public Library
3. Debra Giles, Chair Audit and Finance, Calgary Public Library
4. Sarah Meilleur, Director, Service Delivery City Centre Community Libraries and Central Library

Moved by Councillor Farrell

That with respect to Report AC2018-0589, the following be approved:

That the Audit Committee receives this Report for information.

MOTION CARRIED

6.2 ENMAX Audit Committee 2017 Annual Report, AC2018-0470

Speakers

1. Charles Ruigrok, Chair, ENMAX Audit Committee
2. Helen Wesley, Executive Vice President, Finance IT, and Chief Financial Officer, ENMAX

Moved by Citizen Representative Lambert

That with respect to Report AC2018-0470, the following be approved:

That the Audit Committee:

1. Receives this Report for information; and
2. Directs that Attachments 1, 6, 7, 8, and the Closed Meeting discussions related to those Attachments, remain confidential pursuant to Sections 24 and 25 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

6.3 Calgary Arts Development Authority Audit Committee Annual Report, AC2018-0591

Speakers

1. Tim Mah, Chair, Calgary Arts Development Authority
2. Patti Pon, Chief Executive Officer, Calgary Arts Development Authority

Moved by Citizen Representative Caltagirone

That with respect to Report AC2018-0591, the following be approved:

That the Audit Committee receives this Report for Information.

MOTION CARRIED

6.4 Integrated Risk Management Program Update, AC2018-0911

A PowerPoint presentation entitled "Integrated Risk Management Program Update", dated 2018 July 25, was distributed with respect to Report AC2018-0911.

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0591:

Clerks: D. Williams and J. Palaschuk. Advice: J. Napier, C. Stewart, K. Gardiner, E. Sawyer, K. Palmer, C. Smilie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Councillor Farrell

That with respect to Report AC2018-0911, the following be approved:

Administration recommends that the Audit Committee:

1. Receive this report for information;
2. Recommend that Council receive this report for information; and
3. Direct that Attachment 2 and Attachment 3 remain confidential pursuant to Sections 23, 24, and 25 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

6.5 2017 Municipal Election Review, AC2018-0852

Moved by Councillor Farrell

That with respect to Report AC2018-0852, the following be approved:

1. That the Audit Committee receive this report for information; and

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

MOTION CARRIED

6.6 City Auditor's Office 2nd Quarter 2018 Report, AC2018-0860

Moved by Councillor Farrell

That Report AC2018-0860 be postponed to the call of the chair.

MOTION CARRIED

Moved by Councillor Farrell

That this Report be lifted from the table and dealt with at this time

MOTION CARRIED

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0860:

Clerks: D. Williams and J. Palaschuk. Advice: J. Napier, C. Stewart, K. Gardiner, E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Councillor Farrell

That with respect to Report AC2018-0860, the following be approved, **after amendment**:

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

And further, that the Closed Meeting discussions remain confidential subject to Sections 23 and 24 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

6.7 External Auditor 2018 Audit Service Plan and Fees Report, AC2018-0913

Moved by Councillor Chahal

That with respect to Report AC2018-0913, the following be approved:

That the Audit Committee:

1. Reviews and approved the Deloitte 2018 Audit Services Plan (Attachment 1); and

2. Recommends that Council receive this Report and the Attachments for information.

MOTION CARRIED

7. ITEMS DIRECTLY TO COMMITTEE

7.1 REFERRED REPORTS

None

7.2 NOTICE(S) OF MOTION

None

8. URGENT BUSINESS

None

9. CONFIDENTIAL ITEMS

Moved by Citizen Representative Caltagirone

That the Audit Committee move into Closed Meeting, at 11:44 a.m., in the Council Lounge, to consider confidential matters with respect to the following items, pursuant to Sections 16, 19, 24, 25, and 26 of the *Freedom of Information and Protection of Privacy Act*:

- 6.4 Integrated Risk Management Program Update AC2018-0852 Attachments 2 and 3;
- 6.6 City Auditor's Office 2nd Quarter 2018 Report AC2018-0860;
- 9.1.1 External Auditor - Provision of Additional Services AC2018-0915;
- 9.1.2 External Auditor - Provisions of Additional Services Approval Request AC2018-0928;
- 9.1.3 External Auditor 2017-2018 Performance Assessment AC2018-0194;
- 9.1.4 Audit Forum (Verbal) AC2018-0916;
- 9.1.5 External Auditor Report (Verbal) AC2018-0917;
- 9.1.6 City Auditor's Office - 2019-2022 Budget Proposal AC2018-0861; and
- 9.1.7 City Auditor Report (Verbal) AC2018-0918

MOTION CARRIED

Committee reconvened in public at 1:02 p.m. with Councillor Woolley in the Chair.

Moved by Councillor Farkas

That Committee rise and report.

MOTION CARRIED

9.1 ITEMS FROM OFFICERS, ADMINISTRATION AND COMMITTEES

9.1.1 External Auditor – Provision of Additional Services, AC2018-0915

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0915:

Clerks: D. Williams and J. Palaschuk. Advice: R. Hinse, L. Luhnau, E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Councillor Chahal

That with respect to Report AC2018-0915, the following be approved:

That the Audit Committee:

1. Approve Recommendation 1; and
2. Direct that this Report, Recommendations and Closed Meeting discussions remain confidential pursuant to Sections 16 and 24 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.2 External Auditor – Provision of Additional Services Approval Request, AC2018-0928

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0928:

Clerks: D. Williams and J. Palaschuk. Advice: E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Councillor Chahal

That with respect to Report AC2018-0928, the following be approved:

That the Audit Committee:

1. Approve Recommendation 1; and
2. Direct that this Report, Recommendations and Closed Meeting discussions remain confidential pursuant to Sections 16 and 24 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.3 External Auditor 2017-2018 Performance Assessment, AC2018-0914

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0914:

Clerks: D. Williams and J. Palaschuk. Advice: R. Hinse, L. Luhnau, E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Citizen Representative Lambert

That with respect to Report AC2018-0914, the following be approved:

That the Audit Committee recommends:

1. That Council receive this report and Attachments for information; and
2. That this Report, Attachments, and the Closed Meeting discussions remain confidential pursuant to Sections 16 and 19 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.4 Audit Forum (Verbal), AC2018-0916

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0916:

Clerks: D. Williams and J. Palaschuk. Advice: E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2018-0916, the following be approved:

That that Audit Committee directs that the Verbal Report and Closed Meeting discussions remain confidential pursuant to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*

MOTION CARRIED

9.1.5 External Auditor Report (Verbal), AC2018-0917

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0915:

Clerks: D. Williams and J. Palaschuk. Advice: E. Sawyer, K. Palmer, C. Smillie, C. Male. External Advice: T. Nakka, H. Gill, E. Vervoort.

Moved by Councillor Farkas

That with respect to Report AC2018-0917, the following be approved:

That the Audit Committee directs that the Verbal Report and Closed Meeting discussions remain confidential pursuant to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.1.6 City Auditor's Office - 2019-2022 Budget Proposal, AC2018-0861

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0861:

Clerks: D. Williams and J. Palaschuk. Advice: K. Palmer, C. Smillie.

Moved by Citizen Representative Lambert

That with respect to Report AC2018-0861, the following be approved:

That the Audit Committee:

1. Approve recommendation 1; and

2. recommend that the report and In Camera discussions remain confidential pursuant to Section 24 of the *Freedom of Information and Protection of Privacy Act* until which time the agenda is published for the 2018 November Once Calgary Operating and Capital Budget Plan.

MOTION CARRIED

9.1.7 City Auditor Report (Verbal), AC2018-0918

Administration in attendance during the Closed Meeting discussions with respect to Report AC2018-0918:

Clerks: D. Williams. Advice: K. Palmer.

Moved by Citizen Representative Caltagirone

That with respect to Report AC2018-0918, the following be approved:

That the Audit Committee directs that the Verbal Report and Closed Meeting discussions remain confidential pursuant to Sections 24 and 26 of the *Freedom of Information and Protection of Privacy Act*.

MOTION CARRIED

9.2 URGENT BUSINESS

None

10. ADJOURNMENT

Moved by Councillor Chahal

That this meeting adjourn at 1:08 p.m.

MOTION CARRIED

The following items have been forwarded to the 2018 September 10 Combined Meeting of Council:

Consent

2017 Municipal Election Review, AC2018-0852

Integrated Risk Management Program Update, AC2018-0911

City Auditor's Office 2nd Quarter 2018 Report, AC2018-0860

External Auditor 2018 Audit Service Plan and Fees Report, AC2018-0913

Closed Meeting

External Auditor 2017-2018 Performance Assessment, AC2018-0914

City Auditor's Office - 2019-2022 Budget Proposal, AC2018-0861

That the next Regular Meeting of the Audit Committee has been scheduled for 2018
September 18 at 9:30 a.m.

CONFIRMED BY COMMITTEE ON

CHAIR

ACTING CITY CLERK

UNCONFIRMED