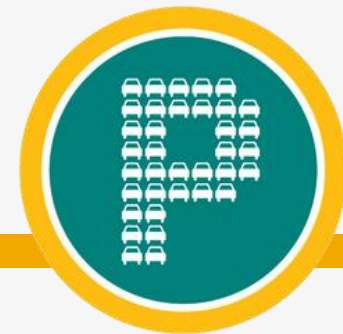


Calgary Parking Authority

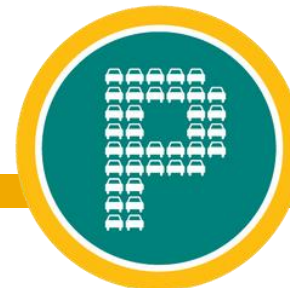
Annual Report to The City of
Calgary Audit Committee



AC 2018-0601 ATTACHMENT 10
OCTOBER 2018

CPA Audit Subcommittee Structure

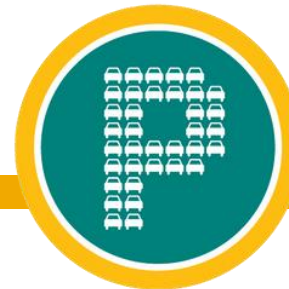
- Reports to the Calgary Parking Committee
- Annual election to the Committee
- Comprised of 3 members:
 - The City's CFO or designate, serving as chair
 - Two citizen members
- Meets quarterly at a minimum
- Terms of Reference reviewed annually



CPA Audit Subcommittee Functions

OVERSIGHT OF THE FOLLOWING:

- Integrity of CPA's financial statements
- Internal control systems
- Risk management
- External auditor's services



CPA Audit Subcommittee Members (as of Sept 2018)

ERIC SAWYER (TBD)

- CFO at The City of Calgary
- BComm and MBA in finance from the University of Toronto

JOHN PANTAZOPOULOS (TBD)

- VP Financial Services at Alberta Treasury Branch.
- BComm from the University of Saskatchewan CFA
- Charterholder

LISHA HASSANALI (END OF TERM)

- Team Manager, Employee and Campaign Engagement at the United Way
- Leadership Calgary program graduate
- BA in Political Science from the University of Calgary

CPA ORGANIZATIONAL LEADERSHIP

Glen Furtado, General Manager



Changes to CPA Organizational Leadership in the past year include:
Hiring Jared Foulds as Manager, Financial Services;
Temporarily designating Shelley Trigg as Acting General Manager;
Hiring Glen Furtado as General Manager.
Merging Enforcement Support and Enforcement groups together

Regulatory/ Business Assessments

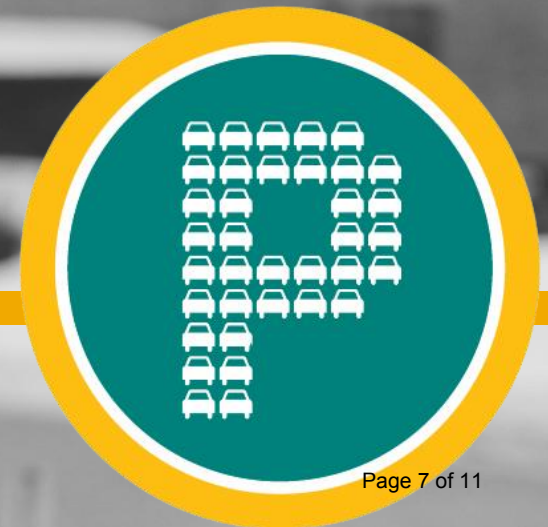


EXTERNAL AUDIT FINDINGS

Deloitte issued CPA an unqualified audit report for the year ended December 31 2017

Financial Results

- Revenues of \$86.7M in 2017 (\$86.5M in 2016)
- Expenses of \$59.4M in 2017 (\$57.6M in 2016)
- Expense variance due primarily to a change in capitalization policy
- Distributions to the City of Calgary of \$19.8M in 2017 (\$19.9M in 2016)



Market Influences



REGULATORY AND MARKET CHANGES THAT MAY IMPACT THE CURRENT BUSINESS APPROACH

1. Downturn in the Calgary economy
2. Increased consolidation and choice in parking industry
3. Ended Cash-In-Lieu Program



Integrated Risk Management

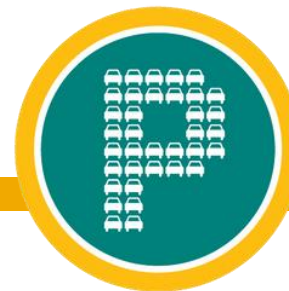
- Committee-approved Risk Policy, Risk Tolerance Statement, and Risk Parameters
- Audit Committee oversight of internal controls
 - Annual Control Environment Risk Assessment
 - Risk Register Assessment (risk identification, impact & probability assessment)

CPA KEY OPERATING AND STRATEGIC RISKS IDENTIFIED		Impact - Likelihood	Overall Risk Rating and Year-to-Year Comparative	
Description of Risk (What can happen, when can it happen)	Trend	2018 Impact Probability Assessment	2018 Risk Rating	2017 Risk Rating
Economic downturn impact to business, loss in parking revenue		4-4	6.4	8.0
Potential inadequate funding of Parking Structure Replacement Fund	NEW	4-4	4.8	N/A
Reliance on out-sourced service providers, and 3rd party system accuracy		4-3	4.8	3.6

Looking Forward

MAJOR INITIATIVES IN 2018 & BEYOND

- Optimize financial position and revenue generation
- Improve asset management planning
- Enhance external ParkPlus marketing and strategy



Thank you

We look forward to your input and continued support.

CPA AUDIT SUBCOMMITTEE

