



Calgary's Urban Placemakers

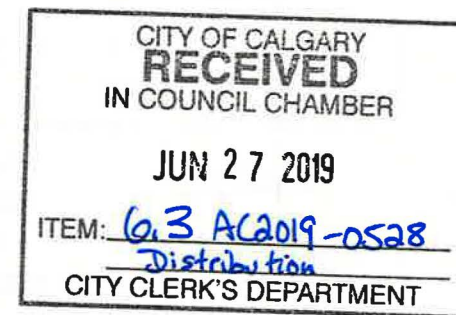
A person is running on a paved path that curves along a body of water. The sky is filled with large, white clouds. The path is bordered by a low wall of stones and concrete blocks. The overall scene is captured in a cool, blue-toned aesthetic.

PRESENTATION TO AUDIT COMMITTEE



Governance Structure

- 11 member independent Board of Directors
- 10 board meetings were held in 2018 (including Shareholder meeting and Annual General Meeting)
- Four committees of the Board have been set to focus on specific governance responsibilities
 - Audit
 - Corporate Governance
 - Compensation & Human Resources
 - Environment, Health & Safety

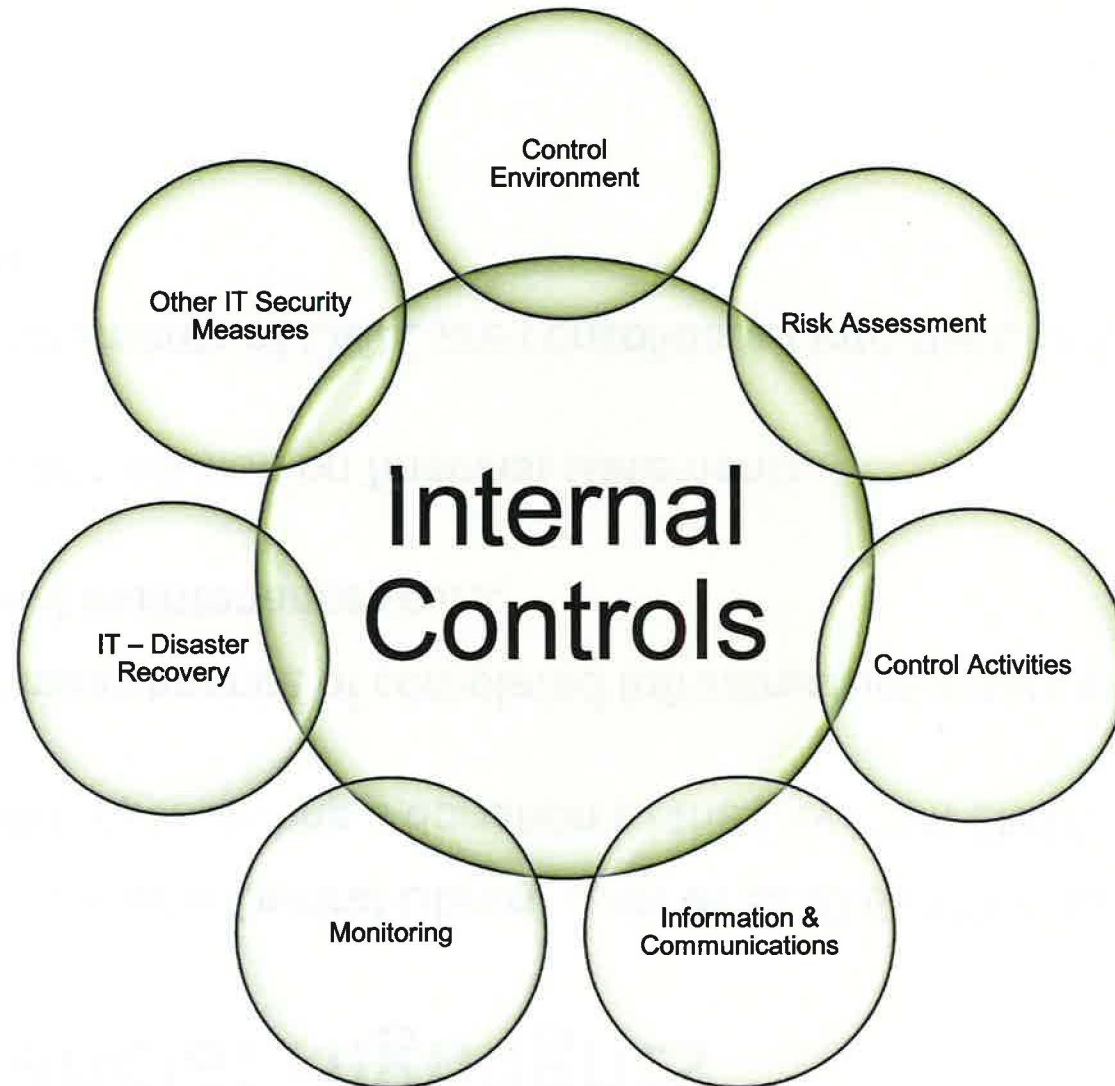


Summary of governance structure

	Audit Committee	Corporate Governance Committee	Compensation & Human Resources Committee	Environment, Health & Safety Committee
Chaired By	Sandip Lalli	Evan Hazel	Arlene Strom	Larry Clausen
Number of independent members	3	4	4	3
Number of Audit Committee Meetings Held in 2018	4	2	2	3
Frequency of review of Mandate	1	1	1	1



Internal Controls



2018 Financial Highlights

- Transfer of the New Central Library asset at \$230.6 million to the City with \$55.6 million representing a donation to the City from CMLC.
- Continued maintenance of completed Infrastructure assets saving the City on additional maintenance costs.
- Clean auditor's opinion on financial statements.
- Financial statements of CMLC are consolidated into the City financial statements



Succession Planning & Recruitment

- The Compensation & HR Committee approved a Human Resources work plan for 2019 which includes a detailed succession planning strategy.
- The senior management team manages and reports on the Human Resources strategy plan to the HR & Compensation Committee.
- Recruitment is conducted based on specific business needs and is approved by the President & CEO.
- CMLC has staggered Board terms that allows to ensure that there is continuity of Board of Directors and an appropriate balance of experience and a fresh mind set.



Key Risks

Economy

- Continuous reassessment and confirmation of our revenue projections and use of a conservative approach to set project spending
- Consumer market for residential product remains soft however we are forward-planning and continuous engagement with our developer partners on designing value-priced residential product to add to the pipeline

Public Safety

- Environmental, Health & Safety Committee meets to assess and improve our standards
- Over the past year we engaged key stakeholders and participated/organized meetings to improve public safety in the District.

Reputation Risk

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





Initiatives

- Board Strategy planning session on new three year budget and business plan – September 30, 2019
- 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



Audit Committee 2019 Work Plan

Winter

- Review annual work plan

Spring

- Annual audit 2018
 - Review audited financial statements
 - Review results of annual audit with external auditor
 - Evaluate performance of external auditor
- Annual audit 2019
 - Assess CMLC internal control environment

Fall

- Review Audit Committee Terms of Reference
- Annual audit 2019
 - Review and identify areas requiring special attention during annual audit
 - Review and approve external auditors audit scope and audit plan, and sign engagement letter
 - Assess CMLC risk management



A black and white photograph of a public square. In the background, a modern building with a flat roof and large windows is visible. Several tall, slender vertical pillars stand in the square; one of them has the letters 'US' on it. A large crowd of people is gathered in the square, some walking and some standing. In the foreground, the backs of several people's heads are visible as they look towards the square. The overall atmosphere is one of a busy public space.

QUESTIONS?

