



Audit Committee Minutes

December 6, 2022

9:30 a.m.

River Valley Room, 1st floor, City Hall

Present: J. Wright, A. Knack, K. Principe, E. Rutherford, M. Madamombe

1. Call to Order and Related Business

1.1 Call to Order and Land Acknowledgement

Councillor J. Wright called the meeting to order at 9:30 a.m., Tuesday, December 6, 2022, and acknowledged that Audit Committee meets on the traditional land of Treaty 6 Territory. The Chair also acknowledged the diverse Indigenous peoples whose ancestors' footsteps have marked this territory for centuries such as: Cree, Dene, Sauteaux, Blackfoot, Nakota Sioux, as well as Metis and Inuit, and now settlers from around the world.

1.2 Roll Call

Vice-Chair J. Wright conducted roll call and confirmed the attendance of Members of Audit Committee.

Mayor A. Sohi was absent with notice.

Public Member C. Burrows was absent with notice.

Councillors T. Cartmell, M. Janz, and K. Tang; R. Yusuf and R. Zheng, Office of the City Clerk, were also in attendance.

1.3 Adoption of Agenda

Moved by: K. Principe

That the December 6, 2022, Audit Committee meeting agenda be adopted with the following change:

Addition:

- 9.2 KPMG Non-audit Service Request
(Private pursuant to sections 16 and 25 of the *Freedom of Information and Protection of Privacy Act*)

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

1.4 Approval of Minutes

Moved by: A. Knack

That the October 21, 2022, Audit Committee meeting minutes be approved.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

1.5 Protocol Items

There were no Protocol Items.

2. Items for Discussion and Related Business

2.1 Select Items for Debate

The following items were selected for debate: 6.3, 6.4, 6.5, 6.6, 7.1, 7.2, 9.1 and 9.2.

2.2 Vote on Reports not Selected for Debate

Moved by: A. Knack

That the recommendations in the following reports be approved:

- 6.1 Office of the City Auditor Recommendation Follow-up Dashboard Report - As at September 29, 2022
- 6.2 Administrative Update on the Auditor's Dashboard
- 7.3 Office of the City Auditor 2023 - 2026 Proposed Operating Budget

- 7.4 Office of the City Auditor Recommendation Follow-up Dashboard Report - As at November 17, 2022
- 7.5 Administrative Update on the Auditor's Dashboard

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

2.3 Requests to Speak

There were no Requests to Speak.

2.4 Requests for Specific Time on Agenda

Moved by: J. Wright

That the following items be dealt with at a specific time on the agenda:

- 7.1 KPMG 2022 Audit Planning Report - First item of business
- 7.2 2023 Annual Work Plan - Second item of business
- 9.2 KPMG Non-audit Service Request - Third item of business

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

3. Councillor Inquiries

There were no Councillor Inquiries.

4. Reports to be Dealt with at a Different Meeting

There were no Reports to be Dealt with at a Different Meeting.

5. Requests to Reschedule Reports

There were no Requests to Reschedule Reports.

6. Unfinished Business

6.1 Office of the City Auditor Recommendation Follow-up Dashboard Report - As at September 29, 2022

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That the October 21, 2022, Office of the City Auditor report OCA01514, be received for information.

6.2 Administrative Update on the Auditor's Dashboard

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That the October 21, 2022, Office of the City Manager report OCM01521, be received for information.

6.3 City Governance of Fort Edmonton Park Audit

Items 6.3 and 6.4 were dealt with together.

The following members of Administration's delegation made a presentation and answered questions:

- H. Quach, City Auditor
- J. Flaman, Deputy City Manager, Community Services

The following members of Administration's delegation answered questions:

- R. Jevne, Community Services
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services

Items 6.3 and 6.4 were voted on together.

Moved by: K. Principe

That the October 21, 2022, Office of the City Auditor report OCA01510, be received for information.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

6.4 Administrative Response to City Governance of Fort Edmonton Park Audit

Items 6.3 and 6.4 were dealt with together.

Items 6.3 and 6.4 were voted on together.

Moved by: K. Principe

That the October 21, 2022, Community Services report CS01484, be received for information.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

Moved by: E. Rutherford

**Administration Update on Implementation of City Auditor
Recommendations related to Fort Edmonton Management Company**

That Administration provide a report after the implementation of the City Auditor recommendations as outlined in Attachment 1 of the Office of the City Auditor report OCA01510, related to Fort Edmonton Management Company and highlight recommendations on any other agreements that would benefit from updates related to role clarity, funding, and goals and objectives.

Due Date: To be determined, Audit Committee

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

6.5 Enforcement Services Management and Support Audit

Items 6.5 and 6.6 were dealt with together.

Items 6.5 and 6.6 were voted on together.

The following members of Administration's delegation made a presentation and answered questions:

- J. Flaman, Deputy City Manager, Community Services
- D. Jones, Community Services

The following member of Administration's delegation made a presentation:

- H. Quach, City Auditor

Moved by: E. Rutherford

That the October 21, 2022, Office of the City Auditor report OCA01512, be received for information.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

6.6 Administration Response - Enforcement Support Services

Items 6.5 and 6.6 were dealt with together.

Items 6.5 and 6.6 were voted on together.

Moved by: E. Rutherford

That the October 21, 2022, Community Services report CS01460, be received for information.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

7. Public Reports

7.1 KPMG 2022 Audit Planning Report

The following member of the delegation made a presentation and answered questions:

- R. Borrelli, KPMG

Moved by: K. Principe

That the KPMG Audit Planning Report for the year ending December 31, 2022, as set out in the Attachment 1 of the December 6, 2022, Financial and Corporate Services report EXT01537, be approved.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

7.2 2023 Annual Work Plan

The following member of Administration's delegation made a presentation and answered questions:

- H. Quach, City Auditor

The following member of Administration's delegation answered questions:

- N. Jacobsen, Office of the City Manager (Legal Services)

Moved by: E. Rutherford

That the Office of the City Auditor 2023 Annual Work Plan, as set out in Attachment 1 of the December 6, 2022, Office of the City Auditor report OCA01597, be approved.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

7.3 Office of the City Auditor 2023 - 2026 Proposed Operating Budget

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That Audit Committee recommend to City Council Budget:

That the Office of the City Auditor's 2023-2026 Proposed Operating Budget, as outlined in Attachment 1 of the December 6, 2022, Office of the City Auditor report OCA01598, be approved.

7.4 Office of the City Auditor Recommendation Follow-up Dashboard Report - As at November 17, 2022

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That the December 6, 2022, Office of the City Auditor report OCA01596, be received for information.

7.5 Administrative Update on the Auditor's Dashboard

This item was not selected for debate and was dealt with as part of item 2.2. The following motion carried:

That the December 6, 2022, Office of the City Manager report OCM01600, be received for information.

8. Responses to Councillor Inquiries

There were no Responses to Councillor Inquiries on the agenda.

9. Private Reports

Moved by: K. Principe

That Audit Committee meet in private pursuant to sections 16 (disclosure harmful to business interests of a third party), 24 (advice from officials) and 25 (disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act* for the discussion of items 9.1 and 9.2.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

Audit Committee met in private at 10:18 a.m., Tuesday, December 6, 2022.

Moved by: E. Rutherford

That Audit Committee meet in public.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

Audit Committee met in public at 10:36 a.m., Tuesday, December 6, 2022.

9.1 External Auditors - Annual Performance and Non-Audit Services Update

The following members of Administration's delegation answered questions:

- H. Rai, Financial and Corporate Services
- S. Padbury, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services

Moved by: J. Wright

1. That the December 6, 2022, Financial and Corporate Services report FCS01483, be received for information.
2. That the December 6, 2022, Financial and Corporate Services report FCS01483 remain private pursuant to sections 16 (disclosure harmful to business interests of the thirdparty) and 24

(advice from officials) of the *Freedom of Information and Protection of Privacy Act*.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

9.2 KPMG Non-audit Service Request

The following member of Administration's delegation made a presentation and answered questions:

- H. Rai, Financial and Corporate Services

The following member of Administration's delegation answered questions:

- S. Padbury, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services

Moved by: J. Wright

1. That the request from KPMG to submit a proposal for consulting services as outlined in Attachment 1 of the December 6, 2022, Financial and Corporate Services report FCS01612, be approved.
2. That the December 6, 2022, Financial and Corporate Services report FCS01612 remain private pursuant to sections 16 (disclosure harmful to business interests of a third party) and 25 (disclosure harmful to economic and other interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

In Favour (5): J. Wright, A. Knack, K. Principe, E. Rutherford, and M. Madamombe

Carried (5 to 0)

10. Motions Pending

There were no Motions Pending on the agenda.

11. Notices of Motion and Motions without Customary Notice

Councillor J. Wright asked whether there were any Notices of Motion. There were none.

12. Adjournment

The meeting adjourned at 11:35 a.m., Tuesday, December 6, 2022.

Chair

City Clerk