



Audit and Budget Committee

Council Chamber
9909 Franklin Avenue, Fort McMurray

Tuesday, October 07, 2014
4:00 p.m.

Agenda

Call to Order

1. Adoption of the Agenda
2. Minutes of Audit and Budget Committee meeting - September 16, 2014

New and Unfinished Business

3. Questions to the Municipal Auditor
4. 2015 Proposed Budget - Audit and Budget Committee Workshops (New Proposed Dates)
5. Cost Summary - Fort McMurray Airport Authority Events

Motion to Move In Camera

6. Overview of Proposed 2015 Community Investment Program
(In camera pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act)

Motion to Reconvene in Public

Adjournment

Unapproved Minutes of a Meeting of the Audit and Budget Committee held in the Council Chamber at the Municipal Offices in Fort McMurray, Alberta, on Tuesday, September 16, 2014, commencing at 3:00 p.m.

Present: S. Germain, Chair
M. Blake, Mayor
T. Ault, Councillor
G. Boutilier, Councillor
L. Bussieres, Councillor
J. Cardinal, Councillor
K. McGrath, Councillor
P. Meagher, Councillor
J. Stroud, Councillor
A. Vinni, Councillor

Absent: J. Chadi, Councillor

Administration: M. Ulliac, Interim Chief Administrative Officer
S. Kanzig, Chief Legislative Officer
A. Rogers, Senior Legislative Officer
S. Harper, Legislative Officer

Call to Order

Mayor M. Blake called the meeting to order at 3:10 p.m.

1. Adoption of the Agenda

Moved by Councillor J. Stroud that the agenda be approved as presented.

CARRIED UNANIMOUSLY

2. Minutes of Audit and Budget Committee Meeting - September 2, 2014

Moved by Councillor T. Ault that the Minutes of the Audit and Budget Committee Meeting - September 2, 2014 be approved.

CARRIED UNANIMOUSLY

New and Unfinished Business

3. Questions to the Municipal Auditor

Ralph Timleck, Municipal Auditor, addressed the progress of the internal audit of the transit contract indicating that the draft report would be redistributed to the Audit and Budget Committee once management responses are incorporated into the document.

4. Mayor and Chief Administrative Officer Expenses

Arrival

Councillor L. Bussieres entered the meeting at 3:16 p.m.

Moved by Councillor K. McGrath that the Mayor and Chief Administrative Officer's Expenses for the period January 1 to August 31, 2014 be accepted as information.

CARRIED UNANIMOUSLY

5. Capital Projects Status Update – Second Quarter, 2014

Elsie Hutton, Chief Financial Officer; Kola Oladimeji, Director of Finance; and Emdad Haque, Director of Engineering, provided a status update on capital projects for the second quarter of 2014.

A request was made to have administration report back on whether or not unused funds allocated to closed projects could be reallocated to rural placemaking.

Moved by Councillor T. Ault that the Capital Projects Status Update, second quarter, 2014 be accepted as information.

CARRIED UNANIMOUSLY

6. Status Update on Consolidated User Fees and Charges

Arrival

Councillors S. Germain and G. Boutilier entered the meeting at 3:48 p.m.

Assuming of the Chair

Councillor S. Germain assumed the Chair at 3:49 p.m.

Kola Oladimeji, Director of Finance, provided an update on Consolidated User Fees and Charges.

A request was made to have administration provide information regarding the establishment of user fees and charges, and the procedure for the delegation of this responsibility to municipal facilities and part 9 corporations.

Moved by Councillor G. Boutilier that the Status Update on Consolidated User Fees and Charges be accepted as information.

CARRIED UNANIMOUSLY

7. 2014 External Audit Service Plan - Deloitte

Rachel Gosse, Partner with Deloitte LLP, provided a presentation on the 2014 External Audit Service Plan.

Exit

Councillor K. McGrath exited the meeting at 4:32 p.m.

Moved by Councillor A. Vinni that the 2014 Audit Service Plan as

provided by the external Auditors, Deloitte, be accepted as information.

CARRIED UNANIMOUSLY

Motion to Move In Camera

Moved by Councillor J. Stroud that the Audit and Budget Committee move in camera pursuant to section 24 of the Freedom of Information and Protection of Privacy Act.

CARRIED UNANIMOUSLY

**8. 2013 External Audit (Deloitte) Management Letter
(In Camera pursuant to Section 24 of the Freedom of Information and Protection of Privacy Act)**

Exits, Returns and Arrivals

Councillor G. Boutilier exited the meeting at 4:44 p.m. and reentered at 4:46 p.m.
Councillor K. McGrath reentered the meeting at 4:47 p.m.
Councillor A. Vinni exited the meeting at 4:58 p.m. and reentered at 5:03 p.m.
Councillor P. Meagher entered the meeting at 4:59 p.m.
Councillor J. Cardinal exited the meeting at 5:01 p.m. and reentered at 5:04 p.m.
Councillor K. McGrath exited the meeting at 5:08 p.m.

Motion to Reconvene in Public

Moved by Councillor A. Vinni that the Audit and Budget Committee reconvene in public.

CARRIED UNANIMOUSLY

The Audit and Budget Committee met in camera from 4:43 p.m. to 5:20 p.m.

Return

Councillor K. McGrath reentered the meeting at 5:22 p.m.

The Audit and Budget Committee requested that administration bring back alternative date options for the upcoming Budget Workshop as the currently scheduled November 6, 7, and 8 2014 dates conflict with the statutory holiday weekend.

Adjournment

Moved by Councillor A. Vinni that the meeting adjourn.

CARRIED UNANIMOUSLY

The meeting adjourned at 5:26 p.m.

Chair

Chief Legislative Officer

**Subject: 2015 Proposed Budget - Audit and Budget Committee
Workshops (New Proposed Dates)****APPROVALS:**

Kola Oladimeji, Director
Elsie Hutton, Executive Director
Marcel Ulliac, Interim Chief Administrative Officer

Administrative Recommendation:

That the dates for the Audit and Budget Committee Budget Workshop for review of the 2015 Proposed Budget be rescheduled from November 6, 7 and 8, 2014 to November 12 and 13, 2014 from 3:00 pm – 8:00 pm; November 14, 2014 from 10:00 am – 6:00 pm; and November 15, 2014 from 9:00 am – 4:00 pm., as required.

Summary:

November 6, 7 and 8, 2014, are currently scheduled for the review of the 2015 Proposed Budget. Due to the Remembrance Day statutory holiday on November 11, there is an extended school closure November 7 through to November 11. Due to the 5 day weekend for a significant number of citizens and Council members, there is the potential for reduced participation in the 2015 Proposed Budget review. Hence, there is a need to shift the original date by a week starting 3:00 pm on November 12, 2014.

Background:

The review of the proposed budget is in preparation for approval of the budget scheduled for December 9, 2014. Approval of the budget is one of the most important functions that Council will do during this year. Changing the dates from the currently scheduled November 6, 7 and 8 to November 12, 13, 14, and 15, will not only increase the potential for both citizen and Council participation in these public meetings, but by extending the dates of the meeting, allows for a more thorough review of the information.

In order to update any Council requested changes to the proposed budget in advance of the December 9, 2014 meeting, staff will require time to incorporate the changes to the documents. The amount of work required will be entirely dependent on the changes request by the Audit and Budget Committee.

Alternative:

As outlined the preferred dates for the Audit and Budget Committee Workshops would now be November 12, 13, 14 and 15, 2014, as required.

Alternatively, November 19, 20, 21 and 22, 2014 could be considered as a final option. These dates however would make it extremely tight to meet the deadline with only 2 weeks to update any Audit and Budget Committee requested changes and prepare the final document for the December 9, 2014 Council meeting.

Budget/Financial Implication:

As with any meetings outside the core business hours for administration (8:30 am – 4:30 pm, Monday to Friday), there is the cost of overtime for any CUPE employees that are required to attend.

Rationale for Recommendation:

To have the greatest public and Council participation in the budget workshops as possible.



Briefing Note

Prepared for: Mayor and Councillors Title: Cost Summary – Fort McMurray Airport Authority Events Date prepared: October 7, 2014	Prepared by: David Leflar Title: Director Department: Legal and Legislative Services
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SUBJECT:

Cost Summary - West Airport Boundary Road - Highway Ribbon Cutting Ceremony and the 2014 Oilsands Celebration Banquet

BACKGROUND:

Invitations were extended to Mayor and Councillors through Legislative Services regarding the Highway Ribbon Cutting Ceremony – West Airport Boundary Road scheduled for Friday, October 3, 2014, as well as the 2014 Oilsands Banquet scheduled for October 16, 2014.

Inquiries were made by a member of Council regarding the Fort McMurray Airport Authority's costs associated with hosting these events, and it was requested that the matter be brought forward to the Audit and Budget Committee for discussion.

CURRENT STATUS:

Legislative Services contacted the Chief Executive Officer for the Fort McMurray Airport Authority and was advised that the October 3rd Ribbon Cutting Ceremony is actually a municipal event, with no cost to the Airport Authority. Further research revealed that the total municipal costs were \$336.36, with the balance of any other costs being absorbed by E-Construction and Stantec. Mr. Clements further advised that the Fort McMurray Airport Authority is an honoree at the Oilsands Banquet; therefore, no cost will be incurred by either the Municipality or the Airport Authority.

The Municipality's Finance Department has also confirmed that the Municipality does not provide ongoing operational funding to the Fort McMurray Airport Authority. The following will detail the Municipality's contributions provided to the Fort McMurray Airport Authority for various purposes:

- 2012 - \$12.5M capital funding - construction of new airport
- 2013 - \$ 6.5M capital funding - construction of new airport
- 2014 - \$ 6.25M capital funding - construction of new airport
- 2014 - \$ 250K special event funding - Fort McMurray Airshow