



**City of Kelowna**  
**Audit Committee Open Meeting**  
**Minutes**

Date: April 25, 2023  
 Location: Knox Mountain Meeting Room (#4A)  
 City Hall, 1435 Water Street

Members Present Mayor Tom Dyas, Councillors Ron Cannan and Luke Stack

Staff Present City Manager, Doug Gilchrist; City Clerk, Stephen Fleming; Divisional Director, Financial Services, Joe Sass; Financial Planning Manager, Melanie Antunes; Controller, Matt Friesen; Business Performance & Advisory Services Manager, Shelly Little; Senior Airport Finance & Corporate Services Manager, Shayne Dyrdal\*

Guest Tyler Neels, Auditor Grant Thornton

(\* Denotes partial attendance)

**1. Call to Order - Chair**

Mayor Dyas called the meeting to order at 1:01 p.m.

**2. Confirmation of Minutes - 2022**

Moved By Councillor Stack

THAT the Minutes of the Audit Committee Meeting of April 28, 2022 be confirmed as circulated.

Carried

**3. Financial Services Opening Remarks**

**3.1 Financial Health Presentation**

Staff:

- Displayed a PowerPoint Presentation.
- Responded to questions from the Audit Committee.

**4. 2022 Airport Financial Statements**

**4.1 Auditor's Report and Airport Financial Statement**

Tyler Neels, Auditor:

- Provided introductory remarks.
- Spoke to the Auditor's Airport letter.

#### 4.2 Memorandum - Review of Airport Financial Statements

Staff:

- Displayed a PowerPoint Presentation.
- Financial Statements are for the year 2022.
- Spoke to the financial impacts of the pandemic, which had started in 2020 and continued into 2022, trending to normal in 2022.
- Provided comments on the Airport Financial Statements.
- Spoke to Federal funding impacts.
- Responded to questions from the Audit Committee.

### 5. 2022 Consolidated Financial Statements

#### 5.1 Auditor's Report and Consolidated Financial Statements

Tyler Neels, Auditor:

- Spoke to the Auditor's Report.
- Provided opening remarks.

#### 5.2 Memorandum - Review of Consolidated Financial Statements

Staff:

- Displayed a PowerPoint Presentation.
- Provided an overview of the Statements.
- Responded to questions from the Audit Committee.

#### 5.3 Notes to the Financial Statements and Supporting Schedules

Staff:

- Displayed a PowerPoint Presentation.
- Provided highlights from the Notes to the Consolidated Financial Statements and Schedules.
- Responded to questions from the Audit Committee.

#### 5.4 Independent Audit Report

Tyler Neels, Auditor:

- Displayed a PowerPoint Presentation.
- Provided an Executive Summary.

The meeting recessed at 2:28 p.m.

The meeting reconvened at 2:34 p.m.

### 6. Resolution Closing the Meeting to the Public

Moved By Councillor Stack

THAT this meeting be closed to the public to Section 90(1) (l) of the Community Charter for Council to deal with matters relating to the following:

- Annual Reports

Carried

### 7. Adjourn to Closed Session

The meeting adjourned to a closed session at 2:54 p.m.

The meeting reconvened to an open session at 3:07 p.m.

**9. 2022 Financial Statements**

**9.1 Memorandum - Audit Committee Review of 2022 Surplus and Reserves**

Staff:

- Identified the 2022 operating and utility surplus funds accumulations and expenditures.

**9.2 Memorandum - 2022 Surplus from Operations**

Staff:

- Spoke to the 2022 Surplus from the Operations memo dated April 25, 2023.
- Responded to questions from the Audit Committee.

Moved By Mayor Dyas

THAT the 2022 General Fund Surplus of \$11,961,967 generated from operating and capital programs be distributed as per the City Manager's memo dated April 25, 2023.

**Carried**

**10. Consideration of Financial Statements and Surplus Allocation**

**10.1 Draft Report to Council - Audit Committee Review of 2022 Financial Statements and Recommendation**

**10.2 Adoption of Financial Statements, Surplus Allocation Recommendation and Report to Council**

Moved By Councillor Cannan

THAT the Audit Committee receives, for information, the Report from the Financial Services and the City Auditor dated April 25, 2023 with respect to the Consolidated Financial Statements and Auditor's Report for the City of Kelowna for the year ending December 31, 2022 and recommends the Report be forwarded to Council;

AND THAT the Audit Committee recommends to Council the appropriation of \$11,961,967 generated from all general fund operations in 2022 to reserves and accumulated surplus as detailed in the Report from the City Manager dated April 25, 2023;

AND THAT the Audit Committee recommend to Council that the Consolidated Financial Statements and Auditor's Report for the City of Kelowna for the year ending December 31, 2022 be reprinted in and form part of the City of Kelowna's Annual Report.

**Carried**

**11. Termination**

The meeting was declared terminated at 3:36 p.m.