

## **External Auditor's Update on Off-Site Levy Assurance Procedures**

### **RECOMMENDATIONS:**

That Audit Committee:

1. Receive this report, attachment and presentation for the Corporate Record; and
2. Keep the Closed Meeting discussions confidential pursuant to Section 24 and 26 of the *Freedom of Information and Protection of Privacy Act*, to be reviewed 2022 May 20.

### **RECOMMENDATION OF THE AUDIT COMMITTEE, 2021 MAY 20:**

That Council:

1. Receive this report and Attachments for the Corporate Record; and
2. Approve the External Auditor's additional fees, contained in the Confidential Attachment 2, to be funded from Corporate costs; and
3. Direct that Attachment 2 remain confidential pursuant to Sections 24 (Advice from officials) and 26 (Testing procedures, tests and audits) of the *Freedom of Information and Protection of Privacy Act*; to be reviewed 2022 May 20.

## **HIGHLIGHTS**

- The External Auditor (Deloitte LLP) is providing Audit Committee with a progress update (both public and in closed meeting) on the assurance procedures undertaken with respect to their Council directed engagement with the Off-Site Levy Governance Committee and industry representatives.
- What does this mean to Calgarians? Citizens are informed on the independent assurance procedures undertaken by the external auditor on concerns with off-site levies.
- Why does this matter? Calgarians should have confidence in City policies and processes. Industry concerns with off-site levies are being evaluated by an independent firm who will present recommendations for corrective action.
- The City collects off-site levies from developers to fund Calgary's growth-related infrastructure costs and is reviewing the off-site levy bylaw with plans to bring a new bylaw to Council in 2022.
- Industry representatives have expressed concerns with respect to off-site levy stewardship, governance, accounting and project management.
- Details on the progress of this engagement have been provided by the External Auditor and are contained in the Attachment.
- The final report will be presented at the 2021 June 24 Audit Committee Meeting.
- Strategic Alignment to Council's Citizen Priorities: A well-run city.
- Audit Committee was directed by Council, in Motion Arising PFC2021-0035, to engage with the Off-Site Levy Governance Committee and for the external auditor to evaluate the concerns raised by stakeholders. At the January 28, 2021 meeting Audit Committee directed the External Auditor to engage with the Off-Site Levy Governance Committee and stakeholders to understand and evaluate concerns, including those raised by industry representatives.
- The External Auditor provided an update to Audit Committee on Off-Site Levy Assurance Procedures at their 2021 April 20 Meeting (AC2021-0545).

**Audit Resource Management Report to  
Audit Committee  
2021 May 20**

**ISC: UNRESTRICTED  
AC2021-0661  
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**ATTACHMENT**

Attachment 1 – Status Update on Assurance Procedures as at 2021 May 13  
Attachment 2 – Confidential - the External Auditor's additional fees

Department Circulation

Councillor E. Woolley	Chair of Audit	Approve
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