

**Audit Resource Management Report to
Audit Committee
2021 June 24**

**ISC: UNRESTRICTED
AC2021-0901
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External Auditor Audit on Annual Off-Site Levy Balances

RECOMMENDATION:

That Audit Committee recommends that Council receive this report and Attachment for the Corporate Record.

HIGHLIGHTS

- The External Auditor (Deloitte LLP) is providing the final audit report on the audited annual off-site levy balances 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. Concerns with off-site levies have been evaluated by Deloitte LLP and recommendations are presented for corrective action (Attachment).
- The City collects off-site levies from developers to fund Calgary's growth-related infrastructure costs and Administration 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.
- At their 2021 March 01 Combined Meeting Council approved Deloitte LLP's service proposal to provide assurance procedures on the audit of the off-site levy balances from 2016-2020 (AC2021-0215).
- The Attachment provided by Deloitte LLP contains the findings of their independent audit of the off-site levy balances for 2016-2020.
- Identified matters will be communicated in Deloitte's Administration recommendation letter to be presented to the 2021 July 22 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 Audit Committee with updates at the 2021 April 30 Meeting (AC2021-0545) and the 2021 May 20 Meeting (AC2021-0661).

ATTACHMENT

Report to the Audit Committee on the 2016-2020 off-site levy audit

Department Circulation

Councillor Evan Woolley	Chair of Audit Committee	Approve
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