

**Audit Resource Management Report to
Audit Committee
2018 April 17**

**ISC: UNRESTRICTED
AC2018-0450
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External Auditor Provision of Additional Services

EXECUTIVE SUMMARY

The Audit Committee's mandate contained in Bylaw 48M2012 requires the Audit Committee to approve any additional services provided by the External Auditor, Deloitte LLP. This report seeks approval for the External Auditor to perform the audit of the City of Calgary's Core Benefit Plan for the year ending 2017 December 31.

ADMINISTRATION RECOMMENDATION:

That Audit Committee approve Deloitte LLP perform the audit of the Core Benefit Plan for the year ending 2017 December 31, with fees estimated at \$15,070, plus 7% administrative fee and 5% GST.

PREVIOUS COUNCIL DIRECTION / POLICY

Audit Committee Bylaw 48M2012, Schedule "B" states that the Audit Committee pre-approves all audit and non-audit services performed by the External Auditor.

BACKGROUND

At the 2017 July 27 Audit Committee meeting the 2017 Audit Service Plan (AC2017-0450) was approved. This approval by Audit Committee included approval of Appendix 3, which is a summary of engagement timing and estimated fees for Related Parties and other audits.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

The External Auditor is required to perform an audit on The City of Calgary Core Benefit Plan every four years. Audit Committee's approval of this audit, together with approval of the estimated fees in the amount of \$15,070 plus 7% administrative fee and 5% GST is requested. Completion of the Core Benefit Plan's audit is expected in 2018 May.

The main audit of The City of Calgary's financial statements for 2017 is separate from the Core Benefits Plan audit.

Stakeholder Engagement, Research and Communication

The External Auditor advised the Chair of Audit Committee that the audit of the Core Benefit Plan for the year ending 2017 December 31 is required.

Strategic Alignment

An audit of the Core Benefit Plan supports Council's Priority of a well-run City.

Social, Environmental, Economic (External)

Not applicable.

Financial Capacity

Current and Future Operating Budget:

The fees for this audit are funded through the Core Benefit Plan.

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Current and Future Capital Budget:

Not applicable.

Risk Assessment

If the audit is not approved by Audit Committee the External Auditor would not be in a position to express an opinion on the financial matters related to The City of Calgary's Core Benefit Plan.

REASON(S) FOR RECOMMENDATION(S):

An audit of The City of Calgary's Core Benefit Plan is required for 2017 and any additional work performed by the External Auditor must be pre-approved by the Audit Committee.

ATTACHMENT(S)

None