

2020 Appointment of the External Auditor**Report Purpose**

To seek Council approval on the appointment of the external auditor for the year ending December 31, 2020.

Recommendation

THAT the appointment of Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2020 be approved.

Our Prioritized Strategic Goals

Governance Requirement

Report

The provision of external audit services is subject to annual appointment by Council. Ernst & Young LLP was the successful proponent in the 2019 Request for Proposal. The award provides an option of four annual extensions.

According to the schedule of fees provided in the Request for Proposal, Ernst & Young LLP is expecting to charge up to \$141,400 for 2020 for the following audits:

- Strathcona County Consolidated Financial Statements;
- Financial Information Return (required by the Ministry of Municipal Affairs);
- Local Authorities Pension Plan (LAPP);
- APEX Pension Plan;
- Family and Community Support Services;
- Pioneer Housing Foundation Financial Statements; and,
- Strathcona County Library Financial Statements.

Actual costs may vary depending on the actual number of hours spent on our files. The total fee proposed for 2020 is reflective of the continuing impact of the scope of the audit and audit reporting requirements. We are confident that Ernst & Young LLP will be cost effective and provide value added services this year.

Council and Committee History

July 23, 2019 Council directed Administration to proceed to negotiate and execute a contract with the successful proponent as set out in Enclosure 1 to conduct the annual audit process as set out in the request for proposals.

Other Impacts

Policy: FIN-001-010: Financial Reporting

Legislative/Legal: Section 280 of the *Municipal Government Act*, R.S.A 2000 c. M-26 requires Council to appoint one or more auditors for the municipality.

Interdepartmental: Corporate Finance, Family and Community Services, Human Resources, Legislative and Legal Services and Strathcona County Library

Master Plan/Framework: Not applicable