

**2023 Appointment of the External Auditor****Report Purpose**

To seek Council approval on the appointment of the external auditor for the year ending December 31, 2023.

**Recommendation**

THAT the appointment of Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2023, be approved.

**Our Strategic Goals**

Governance Requirement

N/A

**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 approximately \$152,000 for 2023 for the following engagements:

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

Actual costs may vary depending on the actual number of hours spent on Strathcona County's files. The total fee proposed for 2023 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.

As this is the final annual extension available, administration will begin the Request for Proposal process in the spring of 2024, which will involve Council as the External Auditors do not report to Administration.

**Council and Committee History**

July 5, 2022	Council approved the appointment of Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2022.
July 20, 2021	Council approved the appointment of Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2021.
July 21, 2020	Council approved the appointment of Ernst & Young LLP as the external auditor for Strathcona County for the year ending December 31, 2020.
July 23, 2019	Council appointed Ernst & Young LLP as the Strathcona County Auditors.

**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.

**Financial/Budget:** N/A

**Interdepartmental:** Financial and Strategic Services, Family and Community Services, Human Resources, Legislative and Legal Services and Strathcona County Library

**Master Plan/Framework:** n/a