

Auditor General 2024 Budget Request

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2023 Budget and Actual

	2023 Approved Budget	2023 Actual (Projected)	Variance
Salaries	\$1,693,000	\$1,683,000	\$10,000
Contracted Services	247,000	151,000	96,000
Training	15,000	10,000	5,000
Support Costs	50,000	42,000	8,000
TOTAL OPERATING COSTS	2,005,000	1,886,000	119,000
Capital/One Time Costs	-	-	-
TOTAL REQUEST	\$2,005,000	\$1,886,000	\$119,000

- Subject matter expertise (SME) 70% of contracted services
- SME required under Canadian Audit Standards
- Foundation for credibility of OAG's work
- Budget allowance for SME is requested
- Extent of SME required difficult to predict
- Changes to the audit program
- Type of expertise and cost not known until audit scope and nature of evidence determined

2023 - 2024 Budget Comparison

	2024 Request	2023 Budget	Variance
Salaries	\$2,060,000	\$1,693,000	367,000
Contracted Services	239,000	247,000	(8,000)
Training	15,000	15,000	-
Support Costs	98,000	50,000	48,000
TOTAL OPERATING COSTS	2,412,000	2,005,000	407,000
Capital/One Time Costs	-	-	-
TOTAL REQUEST	\$2,412,000	\$2,005,000	\$407,000

Salaries & Benefits +\$367K

- Whistleblowing staff employed all year +\$270K
- Cost of living & merit increases +\$97K

Support costs +\$48K

- Audit & data analytic software licenses +\$52K
- Misc. savings (\$4K)

Contracted services (\$8K)

- Contractors (\$12K)
- Allowance for inflation +\$4K

- City owned building – no additional rent
- Used furniture from City stores – no additional cost to acquire
- HR support for recruitment
- IT support for secure file storage, webpage services & audit software installation
- Training – in-house training where possible
- Desktop publishing – in-house
- Invited Internal Audit to piggy-back on audit and data analytics software acquisition

Return on Investment

Estimated Benefits Resulting from Implementation of Audit Recommendations

2023	Audit	One Time	Annual Recurring Benefits					Total
		Benefits	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	
1	Building Permit Fees	-	\$ 1,723,985	\$ 1,723,985	\$ 1,723,985	\$ 1,723,985	\$ 1,723,985	\$ 8,619,925
2	Office Furniture Purchases	-	-	-	-	-	-	-
3	Permit Cost Recovery Model	-	2,395,087	4,790,174	7,185,261	9,580,348	11,975,435	35,926,305
		A	\$ 4,119,072	\$ 6,514,159	\$ 8,909,246	\$ 11,304,333	\$ 13,699,420	\$44,546,230
	Annual Operating Costs	2021	\$ 159,167					
		2022	1,177,328					
		2023	719,053					
	Total Cumulative Operating Cost		\$ 2,055,548	B				
	Return on Investment	A/B	200%					

2024 Budget Request

	2024 Budget Request	Notes
Salaries	\$2,060,000	Full year for whistleblowing staff
Contracted Services	239,000	70% SME, 17% QA, 11% legal
Training	15,000	Designation maintenance, prof. competence
Support Costs	98,000	Software licenses, professional licenses, telecom, etc.
Total Operating Costs	2,412,000	
One Time Costs	-	
TOTAL REQUEST	\$2,412,000	

THAT the Auditor General Committee endorse the Auditor General's 2024 budget request of \$2,412,000 to fund the operations of the Office of the Auditor General for 2024;

FURTHER THAT the endorsement be recommended to Council for approval.

Questions?