



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Audit Services Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	September 11, 2017
SUBJECT/REPORT NO:	Follow Up to Audit Report 2015-01 Corporate Services – Property Tax Billing & Collection (AUD17022) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Charles Brown CPA, CA, CPA (Illinois) 905-546-2424 x4469
SUBMITTED BY:	Charles Brown CPA, CA, CPA (Illinois) Director, Audit Services City Manager's Office
SIGNATURE:	

Discussion of Private and Confidential Appendix “A” to Report AUD17022 in closed session is subject to the following requirement of the City of Hamilton’s Procedure By-law and the *Ontario Municipal Act, 2001*:

- **Security of the property of the City.**

RECOMMENDATION

- (a) That Report AUD17022, respecting the follow up of Audit Report 2015-01, Corporate Services – Property Tax Billing & Collection, be received
- (b) That Appendix “A” to Report AUD17022 respecting Audit Report 2015-01, Corporate Services – Property Tax Billing & Collection, remain confidential.

EXECUTIVE SUMMARY

Audit Report 2015-01 was originally issued in September 2015 and management action plans with implementation timelines were included in the Report. In July 2017, Audit Services conducted a follow up exercise to determine if appropriate and timely actions had been taken. Of the five recommendations made in the original Report, one recommendation has been completed, one recommendation is initiated and three recommendations are not completed. Details of implementation specific to each recommendation are included in the Private & Confidential Appendix “A” to Report AUD17022.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None.
Staffing: None.
Legal: None.

HISTORICAL BACKGROUND

Audit Report 2015-01, Corporate Services – Property Tax Billing & Collection, was originally issued in September 2015. The Report provided five recommendations to strengthen internal controls and improve management oversight.

It is normal practice for Audit Services to conduct follow up reviews within 12-18 months following the issuance of the original Report in order to determine whether action plans committed to be department management have been implemented. This follow up audit was delayed as a result of staffing vacancies.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

The results of the follow up were provided to management responsible for the administration of property taxes in the City's Taxation Division of the Corporate Services Department.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The report attached as Appendix "A" to Report AUD17022 contains the original report, Audit Report 2015-01, along with comments indicating Audit Services' findings as a result of the follow up work that was performed.

There were five recommendations. One recommendation was "Completed", one was "Initiated" and three were "Not Completed". Appendix "A" to Report AUD17022 contains the details of implementation by recommendation.

Audit Services conducted this follow up audit in conformity with the *International Standards for the Professional Practice of Internal Auditing*. Audit Services believes that the work performed provides a reasonable basis for the follow up comments and conclusions.

ALTERNATIVES FOR CONSIDERATION

Not applicable.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Private & Confidential Appendix “A” to Report AUD17022