

COUNCIL REPORT – OFFICE OF THE CITY AUDITOR

Edmonton

TAXATION, ASSESSMENT AND COLLECTIONS SYSTEM GOVERNANCE AUDIT

RECOMMENDATION

That the April 29, 2025, Office of the City Auditor report OCA03026, be received for information.

Report Purpose

Information only.

Executive Summary

This report presents the results of the Taxation, Assessment and Collections System Governance audit.

REPORT

The City of Edmonton uses the Taxation, Assessment and Collections System (TACS) to support the overall administration of property taxes. In 2024, the City used TACS to assess over 433,500 properties and support the collection of approximately \$2.6 billion in municipal taxes and provincial education taxes.

The objective of this audit was to determine whether the Financial and Corporate Services (FCS) department has an effective governance process for the Taxation, Assessment and Collections System to maintain usability.

Overall, the Office of the City Auditor (OCA) found that the FCS department partially met the audit objective. The department has some aspects of a governance process in place to maintain the TACS application's usability. These include:

- Aligning investment in the TACS application with the City's overall Business Technology Strategy.
- Identifying key TACS application risks and prioritizing specific areas for improvement.

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- Forming a committee that consists of representatives from both the Assessment and Taxation Branch and Open City and Technology Branch that is responsible for guiding, monitoring, and ensuring the success of the TACS Transformation Program (the Program).
- Allocating resources to the Program.
- Developing an internal Program website to report and track progress of the Program as a whole.

However, the OCA found the following areas where the department can improve its governance of the TACS application:

- Overall Strategic Oversight - The department has not established a governing body for the overall TACS application.
- Risk Management - The department does not have a formal process in place to identify, assess, monitor, and report on operational risks at the TACS application level on an ongoing basis.

The OCA made the following two recommendations to the FCS department:

1. Establish a governing body for the TACS application including formally defining, assigning, and communicating the roles and responsibilities of its members to improve strategic oversight of the TACS application.
2. Improve and document the risk management process to regularly identify, assess, monitor, and report on how TACS application risks are being managed.

POLICY

Bylaw 16097 - Audit Committee Bylaw, Section 14(d) states that, "The Committee will review all reports from the City Auditor which will include reports from the City Auditor dealing with completed audit projects."

ATTACHMENT

1. Taxation, Assessment and Collections System Governance Audit Report