

Auditor General 2026 Budget Request

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9 October 2025



CITY OF
VANCOUVER

Office of the
Auditor General

2025 Budget and Actual

	2025 Approved Budget	2025 Actual (Projected)	Variance
Salaries	\$2,190,000	\$2,200,000	(\$10,000)
Contracted Services	232,000	208,000	24,000
Training	16,000	16,000	—
Support Costs	95,000	88,800	6,200
TOTAL OPERATING COSTS	2,533,000	2,512,800	20,200
Capital/One Time Costs	-	-	-
TOTAL REQUEST	\$2,533,000	\$2,512,800	\$20,200

- Subject matter expertise (SME) 66% of contracted services
- SME required under Canadian Audit Standards
- Foundation for credibility of OAG's work
- Budget allowance for SME is requested – though significantly reduced from 2025
- Extent of SME required difficult to predict
- Type of expertise and cost not known until audit scope and nature of evidence determined
- Cybersecurity audit program deferred

“A” 2025 - 2026 Budget Comparison

	2026 Request - A	2025 Approved Budget	Variance	
Salaries	\$2,263,500	\$2,190,000	73,500	3%
Contracted Services	151,000	232,000	(81,000)	-35%
Training	8,000	16,000	(8,000)	-50%
Support Costs	85,500	95,000	(9,500)	-10%
TOTAL OPERATING COSTS	2,508,000	2,533,000	(25,000)	-1%
One Time Costs	-	-	-	-
TOTAL REQUEST	\$2,508,000	\$2,533,000	(\$25,000)	-1%

“B” 2025 - 2026 Budget Comparison

	2026 Request - B	2025 Approved Budget	Variance	
Salaries	\$2,437,400	\$2,190,000	247,400	11%
Contracted Services	151,000	232,000	(81,000)	-35%
Training	8,000	16,000	(8,000)	-50%
Support Costs	85,500	95,000	(9,500)	-10%
TOTAL OPERATING COSTS	2,681,900	2,533,000	148,900	5.9%
One Time Costs	-	-	-	-
TOTAL REQUEST	\$2,681,900	\$2,533,000	\$148,900	5.9%

Cost Savings vs. Cost Drivers

Common to both Alternative 'A' & 'B'

• Pushed back audits requiring significant 3 rd party technical expertise	(\$63,000)
• Reduced other contracted services	(\$18,000)
• Reduced training	(\$8,000)
• Eliminated conferences & travel	(\$3,500)
• Misc administrative reductions	<u>(\$6,000)</u>
• Total reductions <u>4% of 2025 budget</u>	<u>(\$98,500)</u>
• Base salaries and benefits	<u>\$73,500</u>
Net reductions included in 'A' & 'B'	<u>\$25,000</u>

Return on Investment

Estimated Benefits Resulting from Implementation of Audit Recommendations

Audit		Estimated Annual Recurring Benefits					2028	2029	Total
		2023	2024	2025	2026	2027			
Building Permit Fees		\$ 885,329	\$ 320,083	\$ 1,196,224	\$ 1,196,224	\$ 1,196,224	\$ -	\$ -	\$ 4,794,084
Office Furniture Purchases		-	-	-	-	-	-	-	-
Permit Cost Recovery Model		4,000,000	11,700,000	11,700,000	11,700,000	11,700,000	-	-	50,800,000
Park Board Revenue Mgt.		-		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	8,000,000
VPD Enterprise Risk Mgt.		-							-
NPO Leases		-	-	2,912,000	2,912,000	2,912,000	2,912,000	2,912,000	14,560,000
	A	\$ 4,885,329	\$ 12,020,083	\$ 17,408,224	\$ 17,408,224	\$ 17,408,224	\$ 4,512,000	\$ 4,512,000	\$ 78,154,084
Annual Operating Costs	2021	\$ 159,167							
	2022	1,177,328							
	2023	1,713,147							
	2024	2,102,049							
Total Cumulative Operating Cost		\$ 5,151,691	B						
Return on Investment	A/B	328%							
Net of Set-up Costs		4,600,474	367%						

2026 Budget Request

Alternative 'A'	2026 Budget Request	Notes
Salaries	\$2,263,500	
Contracted Services	151,000	66% SME, 26% QA, 8% legal
Training	8,000	Designation maintenance, prof. competence
Support Costs	85,500	Software licenses, professional licenses, telecom, etc.
Total Operating Costs	2,508,000	
One Time Costs	-	
TOTAL REQUEST	\$2,508,000	-1% from 2025 budget

2026 Budget Request

Alternative 'B'	2026 Budget Request	Notes
Salaries	\$2,437,400	1 Sr. Auditor added, as described above
Contracted Services	151,000	66% SME, 26% QA, 8% legal
Training	8,000	Designation maintenance, prof. competence
Support Costs	85,500	Software licenses, professional licenses, telecom, etc.
Total Operating Costs	2,681,900	
One Time Costs	-	
TOTAL REQUEST	\$2,681,900	+5.9% from 2025 budget

THAT the Auditor General Committee endorse the Auditor General’s budget request of \$2,508,000 to fund the operations of the Office of the Auditor General for 2026;

FURTHER THAT the endorsement be recommended to Council for approval.

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Questions?