

# **REPORT**

## ***Finance***

**To:** Mayor Johnstone and Members of  
Council,

**Date:** January 22, 2024

**From:** Shehzad Somji  
CFO/Director of Finance

**File:**

**Item #:** 2024-28

**Subject:** **Financial Statements Audit Planning Report for Fiscal Year ended  
December 31, 2023**

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### **RECOMMENDATION**

THAT Council appoint KPMG, LLP as the City's external auditors.

THAT Council approve the annual audit planning report for the fiscal year ended December 31, 2023.

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### **PURPOSE**

To seek Council's approval of the audit planning report from the City's external auditors for the year ended December 31, 2023.

### **ANALYSIS**

As required by section 169 of the Community Charter the City has appointed the firm of KPMG, LLP (KPMG) as its independent external auditors. KPMG has prepared the audit planning report in Attachment 1 to Mayor and Council outlining the planned scope and timing for the audit of the City's 2023 consolidated financial statements. KPMG would be pleased to receive any comments or questions that Mayor and Council may have with respect to the report.

## **BACKGROUND**

The City completed a public procurement process, Request for Proposal (RFP) in October 2023. There were only two (2) responses received and they were evaluated on the following criteria:

- Price
- Employee and Organization Capabilities and Experience
- Business Process
- Value Add
- Social and Sustainability

The evaluators scored on an individual basis and then met as a team to complete a consensus scoring. Based upon the scoring KPMG was selected as the lead proponent. A contract was negotiated and signed in November.

## **FINANCIAL IMPLICATIONS**

The cost was higher than previous years but this was expected based upon an informal market sounding with other cities. Contract cost has increased from approximately \$44,000 to \$64,000.

## **OPTIONS**

There are three options for Council's consideration; they are:

Option 1 - THAT Council appoint KPMG, LLP as the City's external auditors.

Option 2 – THAT Council approve the annual audit planning report for the year ended December 31, 2023.

Option 3 – THAT Council provides further direction.

*Staff recommend Option 1 and 2.*

## **ATTACHMENT**

Attachment 1 – Audit Planning Report for the year ended December 31, 2023

This report was prepared by:

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Manager, Purchasing

Indeep Johal  
Manager, Financial Services

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Senior Manager, Financial Services

This report was approved by:

Shehzad Somji  
CFO/Director of Finance

Lisa Leblanc  
Acting Chief Administrative Officer