



BOARD REPORT

TO: Chair and Directors

File No: 5360 01

SUBJECT: Annual Financial Statement Audit Services – Contract Extension

DESCRIPTION: Report from Jodi Pierce, Manager, Financial Services dated August 21, 2019. Authorization for the sole source contract extension.

RECOMMENDATION #1: THAT: the Board empower the authorized signatories to enter into a five year agreement with BDO Canada LLP for the provision of annual financial statement audit services for fiscal year ends 2020 to 2024 (inclusive) at a cost of \$106,053, this 19th day of September, 2019.

RECOMMENDATION #2: THAT: In accordance with Section 169, Subsection (1) of the Community Charter, the appointment of BDO Canada LLP as the auditors for the 2020-2024 year-end Financial Statements be approved, this 19th day of September, 2019.

SHORT SUMMARY:

The Community Charter requires that the local government appoint an auditor annually. In 2015, a Request for Proposals was extended for the provision of audit services and BDO Canada LLP was the successful proponent. The existing agreement expires at the end of 2019 therefore staff sought an extension from the current provider.

CSR Purchasing Policy No. F- 32 "Procurement of Goods & Services" states that Board authorization must be obtained for any sole sourced contract over \$10,000.

VOTING:	Unweighted Corporate	<input type="checkbox"/>	LGA Part 14 (Unweighted)	<input type="checkbox"/>	Weighted Corporate	<input checked="" type="checkbox"/>	Stakeholder (Weighted)	<input type="checkbox"/>
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BACKGROUND:

Under Section 169 of the Community Charter, an auditor must be appointed for the local government; under Section 171 of the Community Charter, the auditor must report to the Board on the annual financial statements; and under Section 814.1 of the Local Government Act, the audited financial statements must be presented to the Board. Staff requested that the current provider (BDO Canada LLP) provide a quote for an additional five year agreement. The quotation received has minimal annual increases; represents a good value to taxpayers; and, is within the five year financial plan for the years 2020-2023. Provision will be made in the upcoming five year financial plan for the fifth year of the agreement. Staff recommends extending the agreement as per the quotation received.

POLICY:

In accordance with Policy No. F-32 "Procurement of Goods & Services", Board authorization must be obtained for any sole sourced contract over \$10,000.

FINANCIAL:

The cost associated with the recommended proposal is \$106,053 which excludes applicable taxes and is within the approved 2019-2023 Five Year Financial Plan. Provision for the fifth year will be made in the upcoming 2020-2024 Five Year Financial Plan.

KEY ISSUES/CONCEPTS:

To extend the agreement for the provision of audit services for an additional five years.

IMPLEMENTATION:

Upon Board approval, the authorized signatories will sign the agreement with BDO Canada LLP for the provision of audit services for fiscal years 2020-2024 inclusive.

COMMUNICATIONS:

BDO Canada LLP will be notified of the Board's decision.

DESIRED OUTCOMES:

The Board approve the staff recommendations.

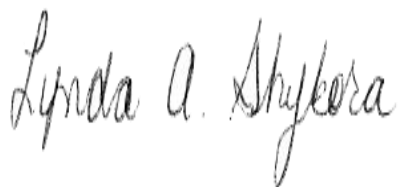
BOARD'S OPTIONS:

1. *Endorse the Recommendation.*
2. *Deny the Recommendation.*
3. *Defer.*
4. *Any other action deemed appropriate by the Board.*

Report Approval Details

Document Title:	2019-09-19_Board_FIN Provision of Audit Services.docx
Attachments:	
Final Approval Date:	Aug 21, 2019

This report and all of its attachments were approved and signed as outlined below:



Lynda Shykora - Aug 21, 2019 - 11:02 AM



Charles Hamilton - Aug 21, 2019 - 11:29 AM