



REPORT

Report Date: December 6, 2021
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Meeting Date: January 25, 2022
[Submit comments to Council](#)

TO: Vancouver City Council
FROM: General Manager of Finance, Risk and Supply Chain Management
SUBJECT: Appointment of External Auditor for 2022

RECOMMENDATION

- A. THAT the accounting firm of KPMG LLP (KPMG) be appointed as the City's External Auditor for the fiscal year 2022.
- B. THAT the audit fee be set at \$111,200 (exclusive of applicable taxes). Funding is included in the 2022 operating budget.

REPORT SUMMARY

The purpose of this report is to recommend appointment of KPMG as the City's External Auditor for 2022.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

Section 230 of the *Vancouver Charter* requires Council, not later than the first Council meeting in each year, to appoint an accounting firm to audit the accounts and transactions of the City.

In 2020, the City awarded a 5-year contract for External Audit Services to KPMG LLP for the audits of 2021-2025. This report satisfies the legislative requirement that Council make an annual appointment of the External Auditor.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The City Manager concurs with the recommendations in this report.

REPORT

In 2020, the City awarded a 5-year contract for External Audit Services to KPMG LLP for the audits of 2021-2025 with an option for four (4) one-year extensions. The contract with KPMG contains fixed fees for the City’s audit over the 5 year term totalling \$573,100 (exclusive of taxes) as shown in the table below. The fee may only be adjusted if material scope changes are identified during the performance of the audit or if generally accepted auditing standards change.

The fee proposal for 2022 is \$111,200 (excluding taxes) consistent with the contract.

SERVICES AND DELIVERABLES	BASE FEES PER AUDIT YEAR					
	2021	2022	2023	2024	2025	Total
Audit of City of Vancouver Consolidated Financial Statements	\$107,900	\$111,200	\$114,500	\$118,000	\$121,500	\$573,100

Funding is provided in the 2022 annual operating budget.

CONCLUSION

Appointment of KPMG as the City’s external auditor will satisfy the requirements of Section 230 of the *Vancouver Charter* that Council appoint an auditor to audit the accounts and transactions of the City, including boards and all owned and controlled corporations.

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