



COUNCIL REPORT

Report Date: January 7, 2026
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VanRIMS No.: 08-2000-20
Meeting Date: January 20, 2026
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TO: Vancouver City Council
FROM: General Manager, Finance and Supply Chain Management
SUBJECT: Appointment of External Auditor for 2026

Recommendations

THAT the accounting firm of KPMG LLP (KPMG) be appointed as the City's External Auditor for the fiscal year 2026.

Purpose and Executive Summary

The purpose of this report is to recommend appointment of KPMG as the City's External Auditor for 2026.

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.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

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 contained fixed fees for the City's audit over the contract term with provisions to adjust fees based on changes in scope.

KPMG made a request for a fee adjustment citing five new auditing standards and two new accounting standards as well as increases in the City's size and complexity of transactions over the last five years. The City reviewed and discussed these items with KPMG and acknowledges their impact on the scope of services. The adjusted fee request is \$177,930, an increase of \$54,000 to the original contracted amount.

Discussion

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.

Staff recommend exercising the option to extend the contract for the 2026 audit.

Financial Implications

Funding is provided in the 2026 annual operating budget.

Legal Implications

There are no legal implications associated with this report's recommendations.

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