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**Date:** November 6, 2017

**To:** Mayor and Council

**Author:** Ryan McLeod, Manager of Financial Services

**RE:** External Audit Services – Extension Agreement

**Report No.:** FS-2017-24

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#### **AIM**

To obtain Council's authorization to enter an extension agreement with BDO Canada LLP ("BDO") for the audit of the municipality's Financial and Trust Fund statements for the years ending 2017 through 2021.

#### **BACKGROUND**

In 2012, administration issued an RFP for audit services for years 2012 through 2016. Three audit firms responded to the RFP and BDO was selected as the successful bidder. Please refer to appendix A for details on the 2012 tender results.

#### **DISCUSSION**

As we have been pleased with the level of service provided by the incumbent auditing firm, we asked BDO to provide a fee quotation for audit services from 2017 to 2021.

BDO responded to our request for quote with fees totaling \$132,553 over the next 5 years. Please refer to appendix B for a copy of BDO's fee quotation.

Given our level of satisfaction with their services and the fact that this fee quote continues to be less than the fees quoted by the 2 competitors who responded to the 2012 RFP, we feel that it is in the best interest of the municipality to extend our audit service agreement with BDO for the next 5 years.

#### **LINK TO STRATEGIC PLAN**

Effectively manage corporate resources and maximize performance in day-to-day operations.

## **FINANCIAL CONSIDERATIONS**

As noted above, the fees quoted for audit services from 2017 – 2021 are less than the competitive bids received in 2012, and represent a 3.3% increase over the total fees paid from 2012-2016. Extending the agreement with BDO would not have a significant impact on our annual operating budget.

## **CONSULTATIONS**

Sandra Zwiers, Director of Financial Services

## **RECOMMENDATION**

Council authorize the municipality to engage BDO Canada LLP for the audit of the municipality's Financial and Trust Fund statements for the years ending 2017 through 2021.

*Ryan McLeod*

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Manager of Financial Services

*Sandra Zwiers*

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Peggy Van Mierlo-West, C.E.T.  
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