



SUBJECT: Appointment of auditors for Burlington Enterprises Corporation

TO: Corporate Services, Strategy, Risk & Accountability Cttee.

FROM: Finance Department

Report Number: F-32-20

Wards Affected: Not applicable

File Numbers: 125-01

Date to Committee: July 9, 2020

Date to Council: July 13, 2020

Recommendation:

Approve the appointment of the firm of KPMG as corporate auditors for the Burlington Enterprises group of companies for the five fiscal years 2020-2024.

PURPOSE:

The purpose of the report is to recommend the approval of the appointment of KPMG as auditors for the Burlington Enterprises group of companies.

Background and Discussion:

The shareholder direction to BEC (Burlington Enterprises Corporation) is a document that sets out the accountability, responsibility and relationship between the Board and the Shareholder. Section 6.4 gives the Shareholder authority to appoint the external auditor for Burlington Hydro.

As the result of an RFP process undertaken in 2020 three proponents were interviewed and evaluated by a selection committee. The firm of KPMG was chosen as the preferred proponent. KPMG was selected for the award of the contract based on their level of industry knowledge, fair pricing and expertise in auditing of the energy distribution sector.

Strategy/process

The recommended award of a contract to KPMG was ratified by the Audit and Finance Committee of BEC at its meeting of Tuesday June 9th, 2020. The resolution passed by the committee stated, "That the Audit and Finance Committee recommend to the Board that KPMG be appointed as Corporate Auditors for the Burlington Enterprises group of companies for the five fiscal years 2020-2024."

The recommendation was approved at the Board of Directors meeting of June 22, 2020.

Options Considered

A total of three respondents were interviewed and evaluated as a result of the RFP process.

Financial Matters:

Not applicable

Conclusion:

As shareholder, the City appoints the external auditors for the Burlington Enterprises group of companies. The approval of the appointment of the firm of KPMG is recommended.

Respectfully submitted,

Sandy O'Reilly

Controller and Manager of Financial Services

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Notifications:

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Report Approval:

All reports are reviewed and/or approved by Department Director, the Chief Financial Officer and the Executive Director of Legal Services & Corporation Council. Final approval is by the City Manager.