



**ADMINISTRATION & FINANCE DIVISION
TREASURY REPORT 2014/128**

TO: Mayor & Council
FROM: Dawn Galusha, Deputy Treasurer
DATE: December 10, 2014
SUBJECT: Appointment of Auditors

BACKGROUND

Section 296 of the Municipal Act, 2001 states that a municipality shall appoint an auditor licensed under the Public Accounting Act who is responsible for annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit and performing duties requires by the municipality or local board.

As attached By-Law No. 10/11 appointing BDO Dunwoody for the Town of Fort Frances for a two-year term commencing January 1, 2011 through December 31, 2012. It appears that no by-laws have been authorized since that time.

An auditor of a municipality shall not be appointed for a term exceeding five years and appointment is enacted by by-law. It is Administration's recommendation that BDO Canada LLP be appointed auditors for the Town of Fort Frances for a period of January 1, 2013 to December 31, 2017.

The Administration and Finance Executive Committee directed more information was necessary regarding the RFP and Tendering process for Audit Services. As attached, an excerpt from Procurement Policy 1.12, SCHEDULE A, states "The purchasing methods described in this policy do not apply to the following goods and services;" Section "4. C. Audit Services".

RECOMMENDATION

Administration recommends that BDO Canada LLP be appointed as auditors for the Town of Fort Frances for a five-year term ending December 31, 2017.

Council Approval of This Report Will Agree to the recommendation of the Administration and Finance Executive Committee that BDO Canada LLP be appointed as auditors for the Town of Fort Frances.

Further, Administration recommends that BDO Canada LLP be appointed as auditors for the Town of Fort Frances for a five-year term ending December 31, 2017.

Auditor

296. (1) A municipality shall appoint an auditor licensed under the *Public Accounting Act, 2004* who is responsible for,

- (a) annually auditing the accounts and transactions of the municipality and its local boards and expressing an opinion on the financial statements of these bodies based on the audit; and
- (b) performing duties required by the municipality or local board.
- (c) Repealed: 2006, c. 32, Sched. A, s. 124 (1).

2001, c. 25, s. 296 (1); 2004, c. 8, s. 46; 2006, c. 32, Sched. A, s. 124 (1).

Scope

(2) A duty designated by the Minister under this section may be general or specific in its application and may be restricted to the municipalities, local boards or auditors designated. 2001, c. 25, s. 296 (2).

Not regulation

(2.1) A designation by the Minister under this section is not a regulation within the meaning of Part III (Regulations) of the *Legislation Act, 2006*. 2006, c. 21, Sched. F, s. 120 (9).

Term

(3) An auditor of a municipality shall not be appointed for a term exceeding five years. 2001, c. 25, s. 296 (3).

Non-employee

(4) Despite any Act, the auditor of a municipality shall not be an employee of the municipality or of a local board of the municipality. 2001, c. 25, s. 296 (4).

Reporting relationship

(5) The auditor of a municipality shall report to the council of the municipality. 2001, c. 25, s. 296 (5).

TOWN OF FORT FRANCES

BY-LAW NO. 10/11

(Being a by-law to appoint an auditor for the Town –the *Municipal Act, 2001*, S.O. 2001, c.25, Section 296.)

WHEREAS on February 14, 2011, Council approved a recommendation from the Administration and Finance Executive Committee on the appointment of auditors for the Town of Fort Frances for the fiscal years commencing January 1, 2011 and January 1, 2012;


AND WHEREAS auditor appointments are to be by-law.

NOW THEREFORE Council for the Corporation of the Town of Fort Frances
HEREBY ENACTS as follows:-

1. THAT BDO Canada LLP be appointed municipal auditors for the Corporation of the Town of Fort Frances for a two-year term commencing January 1, 2011 through December 31, 2012.

This by-law shall come into force and take effect on the final passing thereof.

READ THREE TIMES and finally passed in open Council this 22nd day of February 2011.



R. Avis, Mayor

G. Treftlin, Clerk

SCHEDULE A

The purchasing methods described in this policy do not apply to the following goods and services;

1. Training and Education
 - A. Registration and tuition fees for conferences, conventions, courses and seminars
 - B. Magazines, books and periodicals
 - C. Memberships
2. Refundable Employee/Councillor Expenses
 - A. Advances
 - B. Meal Allowances
 - C. Travel and Entertainment
 - D. Miscellaneous – non travel
3. Employer's General Expenses
 - A. Payroll Deduction Remittances
 - B. Medical
 - C. Licenses (vehicle, firearm, etc)
 - D. Debenture Payment
 - E. Grants to Agencies
 - F. Damage Claims
 - G. Petty Cash Replenishment
 - H. Tax Remittances
4. Professional and Special Services
 - A. Committee Fees
 - B. Legal fees and other professional services related to litigation or legal matters
 - C. Audit Services
 - D. Veterinary Expenses
5. Utilities
6. Advertising services required by the Town on or in but not limited to radio, television, newspaper and magazines
7. Bailiff or collection agencies