

TTC INSURANCE COMPANY LIMITED

AUDIT COMMITTEE

REPORT NO.

MEETING DATE: June 24, 2014

SUBJECT: Appointment of External Auditors

ACTION ITEM

RECOMMENDATION

It is recommended that the Audit Committee:

1. Appoint PricewaterhouseCoopers LLP to perform the 2014 financial year-end audit of TTC Insurance Company Limited, and
2. Forward this report to the Shareholders for approval.

FUNDING

Sufficient funds are available in the 2014 TTC operating budget. Future year's budgets will include adequate provisions for these costs.

BACKGROUND

The City issued a Request for Proposal on November 3, 2009 for external audit services for the City and its Agencies, Boards and Commissions (including TTC and its related entities). Five firms submitted a proposal. The proposals were scored by an evaluation team which included a representative from TTC.

On February 10, 2010, the City's Audit Committee approved the appointment of PricewaterhouseCoopers LLP for the provision of external audit services for the City and its Agencies, Boards and Commission on the basis that the proponent had the highest overall evaluated score and the lowest cost.

DISCUSSION

Audit services are required to complete the annual financial audit pursuant to Section 102 of the Insurance Act (Ontario).

The annual audit fees for TTC Insurance Company Limited under the contract with PricewaterhouseCoopers LLP are summarized below.

	2010	2011	2012	2013	2014
TTCICL	11,750	11,750	12,610	13,470	14,410
HST	1,528	1,528	1,639	1,751	1,873
Total	13,278	13,278	14,249	15,221	16,283

JUSTIFICATION

This report will be forwarded to the Shareholders for approval.

42.35