



## STAFF REPORT ACTION REQUIRED

### Appointment of External Auditor

<b>Date:</b>	June 22, 2015
<b>To:</b>	TTC Insurance Company Limited Shareholders
<b>From:</b>	Chief Executive Officer

### Summary

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The purpose of this report is to seek approval for the appointment of the external auditor for the 2015 fiscal year. Audit services are required to complete the annual financial audit pursuant to Section 102 of the Insurance Act (Ontario).

### Recommendations

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#### It is recommended that the shareholders

1. Approve the appointment of PricewaterhouseCoopers LLP for the provision of external audit services for the 2015 fiscal year.

### Financial Summary

Sufficient funds are included in the TTC's 2015 operating budget, as approved by the Board on February 2, 2015 and approved by City of Toronto Council on March 10/11, 2015. Sufficient funds will be included in future years' operating budgets as appropriate.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

### Decision History

On March 31, 2015, City Council authorized the Auditor General to enter into an agreement with PricewaterhouseCoopers LLP (PWC) to perform the annual financial statement audits for the years 2015 to 2019 inclusive for the City of Toronto and certain of its agencies and corporations, including TTC Insurance Company Limited, on the terms and conditions set out in the RFP and in a form satisfactory to the City Solicitor.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.AU1.20>.

At today's TTC Insurance Company Limited Audit Committee meeting, the Committee will have before it a report recommending the appointment of PricewaterhouseCoopers LLP. Approval by the shareholders is required.

### **Issue Background**

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

### **Accessibility/Equity Matters**

There are no accessibility or equity issues associated with this report.

### **Comments**

The City negotiated fixed (flat) price fees for external audit services to TTC Insurance Company Limited for the five year duration of the contract awarded to PWC. These fees are summarized as follows:

	Annual Fee	Total Contract Value		
		Net of all applicable taxes	Including applicable taxes and charges	Net of HST recoveries
TTCICL	12,000	60,000	67,800	61,056

Note that fees for external audit services for 2014 were \$14,410 plus HST.

### **Contact**

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