



# Report for Action

## Appointment of External Auditor

**Date:** June 12, 2018  
**To:** TTC Insurance Company Limited Shareholders  
**From:** 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 2018 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 2018 fiscal year.

### Financial Summary

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Sufficient funds are included in the TTC's operating budget (2018-\$12,500), as approved by the Board on November 17, 2017 and approved by City of Toronto Council on February 12, 2018. Sufficient funds will be included in future years' operating budgets as appropriate.

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

### Equity/Accessibility Matters

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

### Decision History

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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.

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

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

## Comments

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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 (5-year)		
		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 in 2015 were \$15,435 plus HST, which included additional charges of \$3,435 plus HST to assist in the FSCO exemption to IFRS.

## Contact

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Brian Leck, Director, TTC Insurance Company Limited  
Phone: 416-393-3860  
Email: Brian.Leck@ttc.ca

## Signature

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Richard J. Leary  
Chief Executive Officer (Acting)

## Attachments

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None