



Report to Council

Department: Corporate Services
Division: Finance and Business Services
Date: November 17, 2025
Prepared by: Ann Marie Unis, CPA, Manager, Financial Services
Report Number: Finance and Business Services-2025-09
Subject: External Audit Services Extension
Number of Pages: 3

Recommendation(s)

That Finance and Business Services-2025-09 entitled External Audit Services Extension prepared by Ann Marie Unis dated November 17, 2025 be received, and

That Council award the third-year extension to KPMG LLP in the amount of \$35,387.04 including non-refundable HST.

Purpose

In accordance with Section 296 (1) of the Municipal Act, 2001, 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.

Background and Discussion

In October 2020 at the regular Council meeting, Finance and Business Services Report 2020-02 was approved and awarded the RFP for external audit services to KPMG LLP for a three-year period (2020-2022). The RFP also included an option for a three-year extension. In November 2023, Council approved and awarded a one-year extension to KPMG LLP (resolution R23-11-438). In November 2024, Council approved the second-year extension to KPMG LLP (resolution R24-11-516).

Administration is requesting Council’s approval for a third-year extension for the current audit services with KPMG LLP. The following chart represents the cost (including non-refundable HST) per year over the three-year contract, as well as the three extensions (these costs include the 7% technology fee):

2020	2021	2022	2023	2024	2025
\$29,126.26	\$33,808.24	\$28,309.63	\$33,100.49	\$33,209.38	\$35,387.04

In 2022, we noticed a decrease in audit fees as we produced our Pre-PSAB Financial Statements in-house. The 2023-2025 increases can be associated with the quotes for services only being for one year, along with additional changes to

reporting requirements under PSAB and are considered a reasonable annual increase.

Financial Impact

The amount of the approved 2025 Operating budget for the annual audit for 2025 is sufficient to cover the costs as quoted.

Consultations

Kate Rowe, CPA, Director, Corporate Services/Treasurer

Link to Strategic Priorities

- Embrace asset management best practices to build, maintain, and continuously improve our municipally owned infrastructure.
- Leverage our Town's competitive advantages to promote jobs and economic investment.
- Take care of our natural environment and strengthen the sense of belonging to everyone who makes Essex "home".
- Deliver friendly customer service in an efficient, effective, and transparent manner while providing an exceptional working environment for our employees.
- Build corporate-level and community-level climate resilience through community engagement and partnership and corporate objectives.

Report Approval Details

Document Title:	External Audit Services Extension - Finance and Business Services-2025-09.docx
Attachments:	
Final Approval Date:	Nov 7, 2025

This report and all of its attachments were approved and signed as outlined below:



Kate Rowe, Director, Corporate Services - Nov 7, 2025 - 3:15 PM



Kate Giurissevich, Chief Administrative Officer - Nov 7, 2025 - 4:00 PM