

Staff Report



To	Committee of the Whole
Service Area	Office of the Chief Administrative Officer
Date	Tuesday, October 7, 2025
Subject	Appointment of the External Auditor

Recommendation

1. That KPMG LLP be appointed as the external auditor for the City of Guelph for the fiscal years ending 2025 through 2029.
 2. That the Treasurer be authorized to annually execute the engagement letter with KPMG LLP subject to the terms approved.
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Executive Summary

Purpose of Report

To provide an overview of the results of the Request for Proposals (RFP) process for External Audit Services for the 2025 – 2029 fiscal years.

Key Findings

The contract with the City of Guelph’s (the City) current auditors, KPMG LLP, expired with the completion of the audit for the 2024 fiscal year.

An RFP for External Audit Services was posted on the City’s procurement website on July 11, 2025, and closed on August 8, 2025. The RFP encompassed audits and special compliance reports with separate pricing for the following entities:

- City of Guelph
- Guelph Municipal Holdings Inc.
- Guelph Junction Railway
- Wellington-Dufferin-Guelph Public Health (WDGPH)
- The Elliott Community (The Elliott) and;
- The Downtown Guelph Business Association (DGBA)

Four submissions were received from KPMG LLP, Deloitte LLP, Doane Grant Thornton LLP and MNP LLP. All submissions met the mandatory criteria set out in the RFP and no proposals were disqualified. After combining technical and pricing scores, KPMG LLP was the highest-ranked proponent and is recommended for appointment by the evaluation committee.

The cost of the City’s 2025 audit is \$95.5 thousand and is within the approved 2025 budget.

Strategic Plan Alignment

Transparent and competitive procurement practices promote fiscal responsibility, which helps the City maintain a healthy financial position.

Future Guelph Theme

Foundations

Future Guelph Objectives

Foundations: Maintain the City's healthy financial position

Financial Implications

Costs for the City's 2025 audit are within the approved 2025 budget.

Report

The Municipal Act allows municipalities to appoint municipal auditors for a maximum of five years per term. The contract with the City's current auditors, KPMG LLP, expired with the completion of the 2024 fiscal year audit.

In accordance with the Council's policy on Selection and Appointment of the External Auditor, an RFP for external audit services was prepared in consultation with our consolidated entities. The RFP was posted on the City's procurement website on July 11, 2025, and closed on August 8, 2025, which complies with the City's procurement by-law. The evaluation criteria and content of the RFP was consistent with the approved policy and was available to all proponents.

The evaluation committee consisted of the Deputy Treasurer, Manager, Financial Strategy and Reporting, Senior Financial Analyst - Reporting, Financial Strategy and Reporting, Senior Financial Analyst - Strategy, Financial Strategy and Reporting.

Following the closure of the RFP for External Audit Services, four submissions were received from the following firms:

- KPMG LLP
- Deloitte LLP
- Doane Grant Thornton LLP
- MNP LLP

All proposals met the mandatory criteria outlined in the RFP and no submissions were disqualified.

Once the submission period closed, the proposals were distributed to the evaluation committee for independent review and evaluation of the technical components. Each evaluation committee member conducted a thorough assessment of the proposals based on the criteria specified in the RFP. Upon completion of the technical evaluations, the pricing component was calculated in accordance with the methodology defined in the RFP. After combining technical and pricing scores, KPMG LLP was the highest-ranked proponent.

The evaluation committee recommends that KPMG LLP be appointed the external auditors for the period 2025-2029 pending an annual performance evaluation.

The cost for the City's 2025 audit is \$95.5 thousand and is within the approved budget for 2025. Audit fees for our consolidated partners have been communicated to the respective entities.

Financial Implications

Costs for the City's 2025 audit are within the approved 2025 budget.

Consultations and Engagement

- Consultations were held with WDGPH, The Elliott and the DGBA for the development of the RFP.
- Staff met with the Chair and Vice-Chair of the Audit Committee to review the request for proposal, evaluation matrix, bids received, and the outcome of the scoring and evaluation that supports the recommendation to the Audit Committee.

Attachments

None.

Departmental Approval

Justin Wei, Deputy Treasurer, Manager Financial Strategy and Reporting

Report Author

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This report was approved by:

Shanna O'Dwyer

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This report was recommended by:

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Chief Administrative Officer

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