



**City of Kingston
Report to Council
Report Number 19-202**

To: Mayor and Members of Council
From: Lanie Hurdle, Acting Chief Administrative Officer
Resource Staff: Not applicable
Date of Meeting: July 9, 2019
Subject: Tourism Kingston: Appointment of Auditors Beyond Term of Service Level Agreement

Executive Summary:

The purpose of this report is to request Council's approval for the arms-length organization, Tourism Kingston (TK), to enter into a three (3) year contract for financial audit services with KPMG.

In accordance with the Service Level Agreement (SLA) entered into between the City of Kingston and Tourism Kingston ([Report to Council 16-325](#)), Section 2.0 "Transparency, Reporting and Accountability", clause 2.5 reads:

"2.5 Tourism Kingston covenants and agrees that it shall not, within the prior written approval of the City, enter into any contract with, or incur any financial obligation to, any third party which contract or obligation extends beyond the term of this Agreement, except with respect to funding programs as contemplated in Section 4.4 of this Agreement. The City agrees that this Clause shall not apply to prevent the hiring of permanent employees, so long as such business and/or employment is reflected in the approved budget."

The current SLA between the City of Kingston and Tourism Kingston will end on December 31, 2020, and the request from TK to enter into a new contract with KPMG for audit years 2019-2020-2021 (attached as Exhibit A), extends beyond the term of the SLA, therefore Council approval is required.

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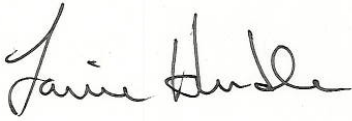
Recommendation:

That Council gives its approval for Tourism Kingston to appoint KPMG for financial audit services for the years 2019-2020-2021.

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Authorizing Signatures:



**Lanie Hurdle, Acting Chief Administrative
Officer**

Consultation with the following Members of the Corporate Management Team:

Peter Huigenbos, Acting Commissioner, Community Services	Not required
Jim Keech, President & CEO, Utilities Kingston	Not required
Desirée Kennedy, Chief Financial Officer & City Treasurer	OK
Sheila Kidd, Commissioner, Transportation & Public Works	Not required
Deanne Roberge, Acting Commissioner, Corporate Enterprise Services	Not required

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Options/Discussion:

The current Service Level Agreement (SLA) between the City of Kingston and Tourism Kingston (TK) will end on December 31, 2020, and the request from TK to enter into a new contract with KPMG for audit years 2019-2020-2021 (attached as Exhibit A), extends beyond the term of the SLA, therefore Council approval is required.

Tourism Kingston underwent an RFP process for financial audit services. Three bids were received. KPMG was selected by the TK Finance Committee based on the best price as well as the offer for HST remittance. The quote from KPMG was for a four (4) year period but TK is only approving up to three (3) years at this time.

At the Tourism Kingston Annual General Meeting on June 20, 2019, the TK Board approved the appointment of KPMG for one (1) year. Once Council approval is received, the TK Finance Committee will extend the KPMG contract to three (3) years.

By giving its approval for TK to enter into the contract with KPMG, the City is only giving its consent to the transaction and does not guarantee or otherwise assume liability on behalf of Tourism Kingston.

Existing Policy/By-Law:

[Report to Council 16-325](#), dated October 4, 2016

Notice Provisions:

Not applicable

Accessibility Considerations:

Not applicable

Financial Considerations:

Not applicable

Contacts:

Lanie Hurdle, Acting Chief Administrative Officer 613-546-4291 extension 1231

Other City of Kingston Staff Consulted:

Not applicable

Exhibits Attached:

Not applicable