



REPORT

To: Chair and Directors

Report Number: FN-BRD-303

From: Financial Administration

Date: October 17, 2024

Subject: Contract Extension – RFP 26-2019 Financial Audit Services

RECOMMENDATION: [Corporate Weighted]

That the Regional Board extend the External Financial Auditing Services Contract, RFP 26-2019 with Beswick, Hildebrand, Lund for an additional five-year term from December 20, 2024 to December 19, 2029, at an additional cost over the term of the contract of \$152,570, from \$144,715 to \$297,285; further, that the Chair and Chief Administrative Officer be authorized to sign the contract extension on behalf of the Peace River Regional District.

BACKGROUND/RATIONALE:

On December 6, 2019, the Regional Board passed the following resolution:

MOVED, SECONDED and CARRIED,

That the Regional Board award the contract for “External Financial Auditing Services Request for Proposal No. 26-2019”, to Pricewaterhouse Coopers LLP (PWC) at the cost of \$144,715; and further, that the Chair and Chief Administrative Officer be authorized to sign the contract on behalf of the Regional District.

Since the award of the contract, the Prince George branch of Pricewaterhouse Coopers LLP has changed their name to Beswick, Hildebrand, Lund (BHL). The current contract with Beswick, Hildebrand, Lund expires on December 20, 2024. The contract conditions allow for extension of the term for an additional 5 years. BHL has been auditing the Peace River Regional District (PRRD) and Peace River Regional Hospital District (PRRHD) since 2019. Based on BHL’s performance, staff recommend the contract be extended.

ALTERNATIVE OPTIONS:

1. That the Regional Board decline to extend the contract with Beswick Kindebrand, Lund and instead approve the issuance of a Request for Proposal for External Financial Auditing Services.
2. That the Regional Board provide further direction.

STRATEGIC PLAN RELEVANCE:

Not Applicable to Strategic Plan

FINANCIAL CONSIDERATION(S):

The contract costs include both the PRRD and the PRRHD. The contract includes \$2,000 in travel expenses for BHL to perform the audit field work.

The total actual costs excluding taxes for audit services for the PRRD and PRRHD for the original five-year term were:

	2019	2020	2021	2022	2023	Total
Total audit and related services	\$ 26,000	\$ 23,128	\$ 24,286	\$ 25,000	\$ 25,750	\$124,164

The proposed fees for the additional term from December 20, 2024 to December 19, 2029 are:

	2024	2025	2026	2027	2028	Total
Total audit and related services	\$ 28,740	\$ 29,600	\$ 30,490	\$ 31,400	\$ 32,340	\$152,570

COMMUNICATIONS CONSIDERATION(S):

None at this time.

OTHER CONSIDERATION(S):

Community Charter Section 169 requires that the Board appoint an auditor and Section 171 requires that the auditor report to the Board on the annual financial statements of the Regional District.