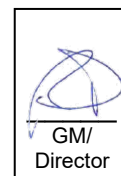
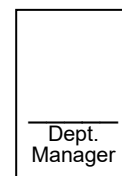


AGENDA INFORMATION	
☒ Regular Meeting	Date: September 21, 2026
☐ Other:	Date: _____



The District of North Vancouver REPORT TO COUNCIL

September 9, 2026

AUTHOR: Jaskaran Gill, Manager, Financial Planning and Reporting

SUBJECT: Appointment of External Auditor

RECOMMENDATION:

THAT Council appoint BDO Canada LLP as the external auditor for The Corporation of the District of North Vancouver, including the North Vancouver Recreation & Culture Commission, North Vancouver District Public Library and North Shore Emergency Management, pursuant to Section 169 of the Community Charter.

AND THAT this appointment be for an initial five-year term, subject to an annual review and re-appointment by Council.

REASON FOR REPORT:

Section 169 of the Community Charter requires Council to appoint an auditor for the municipality.

The Finance and Audit Standing Committee has reviewed the results of the Request for Proposal process and recommends the appointment of BDO Canada LLP as the District's external auditor.

SUMMARY:

In April 2026, the District issued Request for Proposal (RFP) 031-26 for external audit services through an open and competitive procurement process. Following a comprehensive evaluation of written submissions and interviews, BDO Canada LLP achieved the highest overall score and was identified as the preferred proponent.

The evaluation committee concluded that BDO Canada LLP demonstrated the municipal audit expertise, resources, audit methodology, and overall value necessary to provide independent external audit services to the District and its related entities.

Based on the evaluation results, the Finance and Audit Standing Committee recommends that Council appoint BDO Canada LLP as the District's external auditor.

BACKGROUND:

The District's current external audit engagement has reached the end of its term. To ensure compliance with Section 169 of the Community Charter and maintain independent assurance over the District's annual consolidated financial statements, staff initiated a competitive procurement process for external audit services.

On April 28, 2026, staff issued Request for Proposal RFP-031-26 for Assurance Services through the District's electronic bidding platform. The RFP closed on May 27, 2026. Five submissions were received, including four qualified public accounting firms with significant municipal audit experience and one submission that did not meet the mandatory requirements of the RFP.

The proposal evaluation process was completed between May and July 2026 and included both detailed written evaluations and follow-up interviews with the highest-ranked proponents.

DISCUSSION:**Proposal Evaluation Process**

An evaluation committee consisting of representatives from the District's Finance Department and North Vancouver Recreation & Culture Commission independently reviewed all compliant submissions. Proposals were evaluated using the criteria established in the RFP. The cost component represented 20% of the total score while technical criteria represented 80% of the total score.

The evaluation criteria included:

- Demonstrated understanding of the District's operating environment and audit risks.
- Familiarity with municipal legislation, Public Sector Accounting Standards and regulatory requirements.
- Qualifications and experience of the proposed audit team.
- Availability of specialized technical resources.
- Experience providing services to municipalities of similar size and complexity.
- Ability to support multiple reporting entities within a consolidated reporting environment.
- Organizational stability and professional reputation.
- Overall cost and value of services provided.

Following the written evaluation stage, the three highest-ranked proponents were invited to participate in interviews focused on:

- Audit innovation and efficiency.
- Technology and data analytics capabilities.
- Emerging reporting requirements.
- Client service model and communication approach.
- Value-added insights and continuous improvement opportunities.
- Long-term service delivery strategy.

BDO Canada LLP achieved the highest overall score in both the written submission and interview phases of the evaluation. The evaluation committee unanimously identified BDO Canada LLP as the preferred proponent.

Evaluation Summary

Item	Result
Procurement Method	Open Competitive RFP
RFP Number	RFP-031-26
Proposals Received	5
Evaluation Method	Written Submission and Interview
Technical Weighting	80%
Financial Weighting	20%
Recommended Firm	BDO Canada LLP

Evaluation results summary table based on the completed procurement process

Proposal Evaluation Summary

Consensus Score from Written Proposal Stage (100 pts max)

Consensus Score from Interview Stage (100 pts max):

TOTAL SCORE (200 pts max):

MNP	BDO	KPMG
SCORE	SCORE	SCORE
78.12	81.16	79.86
79.10	85.50	75.50
157.22	166.66	155.36

Strength of Municipal Audit Experience

BDO demonstrated extensive experience providing audit services to municipalities and other public sector organizations of similar size and complexity. The firm demonstrated a strong understanding of local government operations, governance structures, Public Sector Accounting Standards, and applicable legislative requirements.

The evaluation committee concluded that BDO possesses the expertise required to audit a complex municipal organization with multiple reporting entities and a diverse range of service delivery areas.

Depth of Professional Resources

The proposed engagement team demonstrated access to specialized resources in key technical areas including public sector accounting, information technology controls, asset management, pension and benefit accounting, and emerging accounting and reporting requirements.

The evaluation committee determined that BDO has sufficient depth and capacity to provide continuity of service and respond effectively to evolving organizational and regulatory requirements over the term of the engagement.

Audit Methodology and Risk Management

BDO's proposed methodology emphasized proactive planning, timely communication, risk identification, and efficient delivery of audit services. The firm's approach includes regular engagement with management, early identification of emerging issues, and clear communication throughout the audit process.

The evaluation committee concluded that this approach will support a high-quality audit while minimizing disruption to staff and operations.

Technology and Data Analytics

BDO demonstrated its use of technology, automation, and data analytics to enhance audit quality, improve efficiency, and focus audit efforts on higher-risk areas. The firm provided examples of how technology can support more effective audit planning and analysis while maintaining professional judgment and auditor independence.

The evaluation committee viewed these capabilities as a benefit that supports both audit effectiveness and service efficiency.

Overall Value

BDO submitted a competitive financial proposal and achieved the highest overall evaluation score. When considered alongside the firm's municipal expertise, technical resources, audit methodology, and service model, the evaluation committee determined that BDO provides the best overall value to the District.

FINANCIAL IMPLICATIONS

The proposed audit fees are considered competitive and reflective of current market conditions and the scope and complexity of services required. As the District's external audit contract was extended for four years since its original contract in 2017 and it has not been competitively procured in approximately 9 years, the updated fee structure reflects both market changes and evolving audit requirements. The revised annual cost of approximately **\$166,200** was identified through the competitive procurement process and will be incorporated into the Fall 2026 Financial Plan Amendment, representing an increase of **\$59,000** over the current base budget of **\$107,200**. As the audit includes services provided to multiple organizations, the net impact to the District tax levy is approximately **\$44,500**.

The proposed agreement establishes a five-year fee schedule with annual increases averaging approximately **3.5%** per year. Staff will continue to monitor audit costs through the annual budget process.

Timing/Approval Process:

The appointment of the external auditor is required as soon as possible to allow the successful proponent to complete engagement planning activities and undertake interim work scheduled for late 2026.

Conclusion:

Following a competitive procurement process, BDO Canada LLP achieved the highest overall evaluation score based on written submissions, interviews, municipal audit expertise, proposed methodology, professional resources, and overall value. The evaluation committee concluded that BDO Canada LLP is best positioned to provide independent external audit services to the District and its related entities.

The Finance and Audit Standing Committee supports this recommendation and recommends that Council appoint BDO Canada LLP as the District's external auditor pursuant to Section 169 of the Community Charter.

Respectfully submitted,



Jaskaran Gill

Manager, Financial Planning and Reporting

REVIEWED WITH:					
☐ Business and Economic	_____	☐ Finance	_____	External Agencies:	
☐ Bylaw Services	_____	☐ Fire Services	_____	☐ Library Board	_____
☐ Clerk's Office	_____	☐ GIS	_____	☐ Museum and Archives	_____
☐ Climate and Biodiversity	_____	☐ Human Resources	_____	☐ NSEM	_____
☐ Communications	_____	☐ Integrated Planning	_____	☐ NS Health	_____
☐ Community Planning	_____	☐ ITS	_____	☐ NVRC	_____
☐ Development Engineering	_____	☐ Parks	_____	☐ RCMP	_____
☐ Development Planning	_____	☐ Real Estate	_____	☐ Other:	_____
☐ Engineering Operations	_____	☐ Review and Compliance	_____		
☐ Environment	_____	☐ Solicitor	_____		
☐ Facilities	_____	☐ Utilities	_____		

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