

**To:** COUNCIL

**Meeting Date:** 5/23/2023

**Subject:** Appointment of Auditor for GrandBridge Corporation for 2023

**Submitted By:** David Calder, City Manager

**Prepared By:** David Calder, City Manager

**Report No.:** 23-048-OCM

**File No.:** C1101

**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 23-048-OCM Appointment of Auditor for GrandBridge Corporation for 2023 be received.

AND THAT the Corporation of the City of Cambridge, as the Shareholder, approve the appointment of KPMG as the Auditors for GrandBridge Corporation for the fiscal year 2023.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

The purpose of this report is to seek Council's approval for the appointment of Auditors for 2023 as recommended by the GrandBridge Corporation Board of Directors, because the City of Cambridge is a majority shareholder of GrandBridge Energy. This report is presented to Council each year and forms part of the submission to GrandBridge at the Annual General Meeting. The Annual General Meeting for GrandBridge is scheduled for May 25<sup>th</sup>, 2023.

#### **Key Findings**

The audit firm of KPMG is being recommended for appointment by the GrandBridge Corporation Board of Directors for the fiscal year 2023.

#### **Financial Implications**

There are no financial impacts to the City of Cambridge 2023 budget.

**STRATEGIC ALIGNMENT:**

☐ Strategic Action

**Objective(s):** Not Applicable

**Strategic Action:** Not Applicable

**OR**

☐ Core Service

**Program:** Not Applicable

**Core Service:** Not Applicable

**BACKGROUND:****Role of Shareholder**

As a shareholder for GrandBridge Corporation, the City of Cambridge, through its Council, is required to approve the appointment of Auditors on an annual basis. The shareholders for GrandBridge are the City of Cambridge (majority shareholder), the City of Brantford and the Township of North Dumfries.

Included as Attachment No. 1 to this report is correspondence from GrandBridge, dated April 10, 2023, requesting that Cambridge council in their role as shareholder endorse the appointment of auditors for the fiscal year 2023.

KPMG is the current Auditor for GrandBridge Corporation. The Board of Directors at their meeting of March 30, 2023, have recommended to the Shareholder that KMPG be retained for the fiscal year 2023.

The correspondence identifies the Board of Directors for GrandBridge Corporation. Article 3.2 (c) of the Unanimous Shareholders Agreement (USA) outlines that for the initial three (3) year period of the establishment of the new local distribution corporation (LDC), that the Board of Directors have been previously confirmed on May 2, 2022. The current Board of Directors for GrandBridge Corporation are:

Mayor of Cambridge, Jan Liggett

Craig Mann

Mayor of Brantford, Kevin Davis

Scott Saint

Mayor of North Dumfries, Sue Foxton

Anita Davis

Lynn Woeller

Gerry Remers

Peter Ferraro

Terry Smith

### **ANALYSIS:**

The Board of Directors consistent with their fiduciary responsibilities have made a recommendation to the shareholders (Cities of Cambridge and Brantford and the Township of North Dumfries) with respect to the appointment of Auditors for the fiscal year 2023.

City staff have a very good working relationship with the President and CEO, the Board of Directors and the Auditors for GrandBridge. Staff do not have any concerns with respect to the recommendation of the Board of Directors to appoint KPMG as the Auditors for GrandBridge for the fiscal year 2023.

### **EXISTING POLICY / BY-LAW(S):**

N/A

### **FINANCIAL IMPACT:**

There is no financial impact to the City of Cambridge.

### **PUBLIC VALUE:**

#### **Collaboration:**

As a shareholder the city is providing public value by supporting the work of GrandBridge Corporation in its fiduciary responsibilities to ensure a return to the shareholder.

### **ADVISORY COMMITTEE INPUT:**

N/A

**PUBLIC INPUT:**

Posted publicly as part of the report process.

**INTERNAL / EXTERNAL CONSULTATION:**

There was no internal/external consultation undertaken.

**CONCLUSION:**

Staff is recommending that Cambridge City Council, as the shareholder, approve the appointment of KPMG as the Auditors for GrandBridge Corporation for the fiscal year 2023 as recommended by the Board of Directors.

**REPORT IMPACTS:**

Agreement: **No**

By-law: **No**

Budget Amendment: **No**

Policy: **No**

**APPROVALS:**

**This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:**

**Director**

**Deputy City Manager**

**Chief Financial Officer**

**City Solicitor**

**City Manager**

**ATTACHMENTS:**

1. Appendix A – Correspondence from GrandBridge Corporation, dated April 10, 2023.