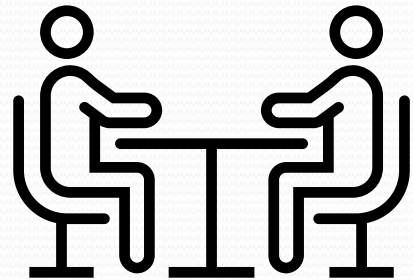
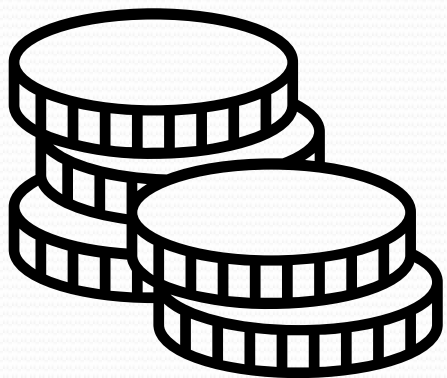


# The Role of CAO and Finance Department

Presented by Donna Teggart



# Agenda



- A Day in the Life
- Team Dynamics
- Departmental Duties
- Legislation, Rules, Policies
- Council and my Department
- Next Steps

# A Day in the Life

The CAO is responsible for:

Overseeing administration  
and operations for  
Municipality  
- includes waterworks

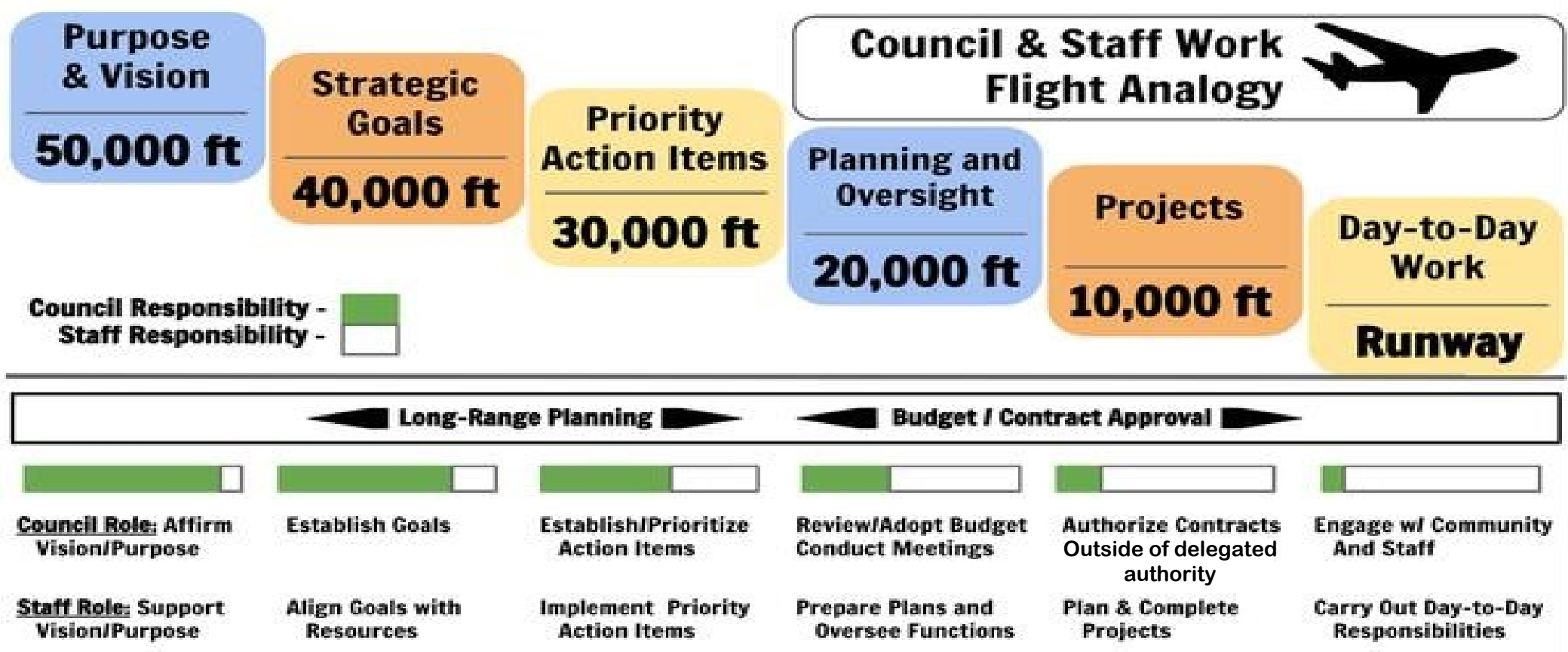
HR functions and health,  
safety, and wellness of all  
staff

Providing leadership and  
recommendations in  
delivering best possible  
services

Implementing Council  
decisions. Communicate with  
Council on internal and  
external issues affecting Trent  
Lakes. Providing advice and  
assistance to Council

Responding to matters of  
concern from the public

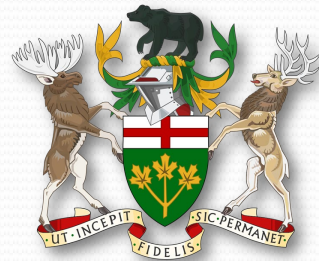
Liaising with committees,  
boards, agencies and  
authorities ensuring positive  
relationships



# Legislative Duties Outside of Council

## Mandatory Legislation:

- Occupational Health and Safety Act
- Employment Standards Act
- Accessibility for Ontarians with Disabilities Act (AODA)
- Planning Act
- Building Code Act
- Fire Protection and Prevention Act
- Emergency Management and Civil Protection Act
- Municipal Act
- Assessment Act
- Development Charges Act
- Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)
- Ontario Safe Drinking Water Act



# A Day in the Life



The Finance Department is responsible for:

Collecting money payable to the Municipality

Depositing money received

Paying all debts and other expenditures

Preparing the annual budget and setting the annual tax rate

Managing the financial and non-financial assets and required reporting

Maintaining accurate records and accounts of all financial affairs

Ensuring investments are compliant with regulations

Providing Council and staff with information on financial affairs

## **Chasity Robertson, Deputy Treasurer**

- Payroll functions in keeping with CUPE Contract, Provincial and Federal regulations
- Maintenance of personnel records
- Monitoring tax arrears and making payment arrangements
- Keeping accurate inventories and values of all tangible capital assets

## **Tasha Flynn-Patterson, Tax Clerk/Accounts Payable**

- Accounts Payable
- Cash Receipting
- Telephone and counter contact for tax inquiries
- Ownership and address changes
- Pre-authorized and mortgage company maintenance



## **Finance Administrative Assistant**

- Primary telephone and reception contact
- Cash Receipting
- Tracks and handles complaints for respective departments
- Prepares outgoing mail and daily mail pick-up
- Orders office supplies for all departments

## **Bianca Dragicevic, Legislative Coordinator/Executive Assistant to the CAO**

- Assistance to CAO and Corporate Services in research, administrative and clerical support, implementation and maintenance of Municipal policies, procedures and programs
- Records Management and Freedom on Information assistance for all departments
- Election support

## **Rachel Stark, Economic Development and Marketing Coordinator**

- Communications and community engagement
- Economic Development Marketing/Tourism
- Staff Liaison for Economic Development Committees of Council and local community organizations
- Supports local businesses, creates and implements tourism related strategies and promotes the Municipality for business development

## **Donna Teggart, CAO/Director of Finance/Treasurer**

- Managing financial affairs of the Municipality
- Preparing annual capital and operating budgets /calculating tax rates
- Ensuring budgetary control with required Council reporting
- Asset Management and Long-Term Financial Plan administrator
- Cash Flow and Reserve Management and annual financial audit

# Departmental Duties - Accounting



## Transaction recording

- Complete and accurate records of properly authorized transactions

## Transaction processing

- Accounts payable, accounts receivable, payroll processing, property taxation

## Transactions reporting to meet legal requirements

- Financial Statements, grant claims, payroll remittances, HST, etc.

# Departmental Duties – Financial Planning



## Ten-Year Financial Planning

- Responsible for infrastructure forecasts, revenue and expenditure modelling

## Long Term Financial Planning

- Implement service vision, ensure sustainability in Municipality's ability to meet financial and service obligations now and in the future, building and use of reserves, actively seeking government grants, investment and debt management

## Public engagement related to the services provided

- Surveys to gauge public opinion on services (cost, quantity, quality, responsiveness and performance) and provide results.

# Long-Term Financial Policy



- Ensures financial capacity available to achieve vision of Strategic Plan
- Looks at long-term community benefits and community wishes
- Ensures revenues are constantly reviewed and reserves are built and available for capital replacement
- Speaks to debt and government grants and the link between operating and capital budgets
- Commits to updating projection schedules/deficits annually, taking lifecycle costing into account, and using actual replacement costing

## Reserve and Reserve Funds

- Established by Council to assist with long term financial stability and financial planning. Reserve Funds have restricted uses and earn interest annually
- Monies set aside to help offset future obligations and pressures
- To finance specific purpose expenditures as approved by Council
- Minimize tax rate fluctuations due to unanticipated expenditures and revenue shortfalls
- Fund ongoing projects and programs



# Long-Term Financial Policy - Reserves



Reserve transfers are a critical component in setting aside funds for future capital requirements as per the Long-Term Financial Plan Policy

Unspent budget funding put in Reserves for future use



# Departmental Duties-Asset Management



Ensure critical services delivered are based on well-planned, well-built and well-maintained infrastructure

Responsible for recording what we have, where it is, what it is worth, when we need to replace it, and what it costs to replace

Calculate and report on the annual infrastructure gap and manage all Reserve and Reserve Funds

Risk Management  
Risk analysis and mitigation, insurance required, and deductibles

# Asset Management Plan - Main Questions



What do we own  
and where is it?

What condition is  
it in?

What is the level of  
service (current  
and desired) each  
asset provides?

What is the asset's  
remaining useful  
life or service life?

What assets are  
most critical and  
what is the level of  
risk to function?

Need and cost to  
sustain the services  
provided by each  
asset?

# Asset Management Plan- What is an Asset?



**Community Assets are publicly owned and provide services that the community relies on. Asset categories include:**

- Land and Land Improvements
- Buildings and Building Improvements
- Infrastructure (roads, culverts, water)
- Rolling Stock (licensed vehicles and unlicensed rolling equipment)
- Equipment/Furniture (fixed equipment/machinery, bunker gear, radios)

# Asset Management Plan - What it Looks at

Process used in decision-making to help figure out how to care for the infrastructure that delivers valuable services to the community

## Performance

- Considers current and future needs
- e.g. How often a road is plowed and whether it is at the level that is expected

## Manages risk and opportunities

- What is the consequence of service failure (insignificant to catastrophic)

## Cost

- How much do we need to maintain and replace our assets?

# Asset Management Plan - What we Have



181.59 km surface treated roads  
105.35 km gravel roads  
11.25 km asphalt  
7691 m of culverts  
+ water infrastructure

19 corporate  
buildings

2 outdoor rinks, 4  
beaches, 2 parks  
and boat launches

Vehicles (50+) and  
equipment

Computer  
hardware,  
streetlights

# Asset Management Plan - Importance



- Provides the information needed to meaningfully address what assets are required while still maintaining the services and quality of life citizens have come to enjoy
- Various plan updates have been required under regulation – Trent Lakes is compliant with all updates
- Includes all costs incurred throughout the life of an asset including planning, capital, operations, preventative maintenance and renewal

# Departmental Duties - Glossary of Terms



## Capital Budget

- Used for infrastructure projects (e.g. construction, acquisition and rehabilitation/major maintenance of roads, buildings, land, vehicles, equipment, etc.)

## Operating Budget

- Used for day-to-day operations (e.g. salaries and wages, goods and services) – also known as current budget

## Current Value Assessment

- Current value assigned to property by the Municipal Property Assessment Corporation (MPAC). Currently January 1, 2016



# Policies – Budget Policy



Policy speaks to target budget passing date in February

Requires the Treasurer to regularly report variances to Council

## Operating (Current) Budget

\$11,059,954.88 in 2022

- Ongoing operation of services like salaries, goods & services and must reflect same service level as prior year unless Council has directed otherwise

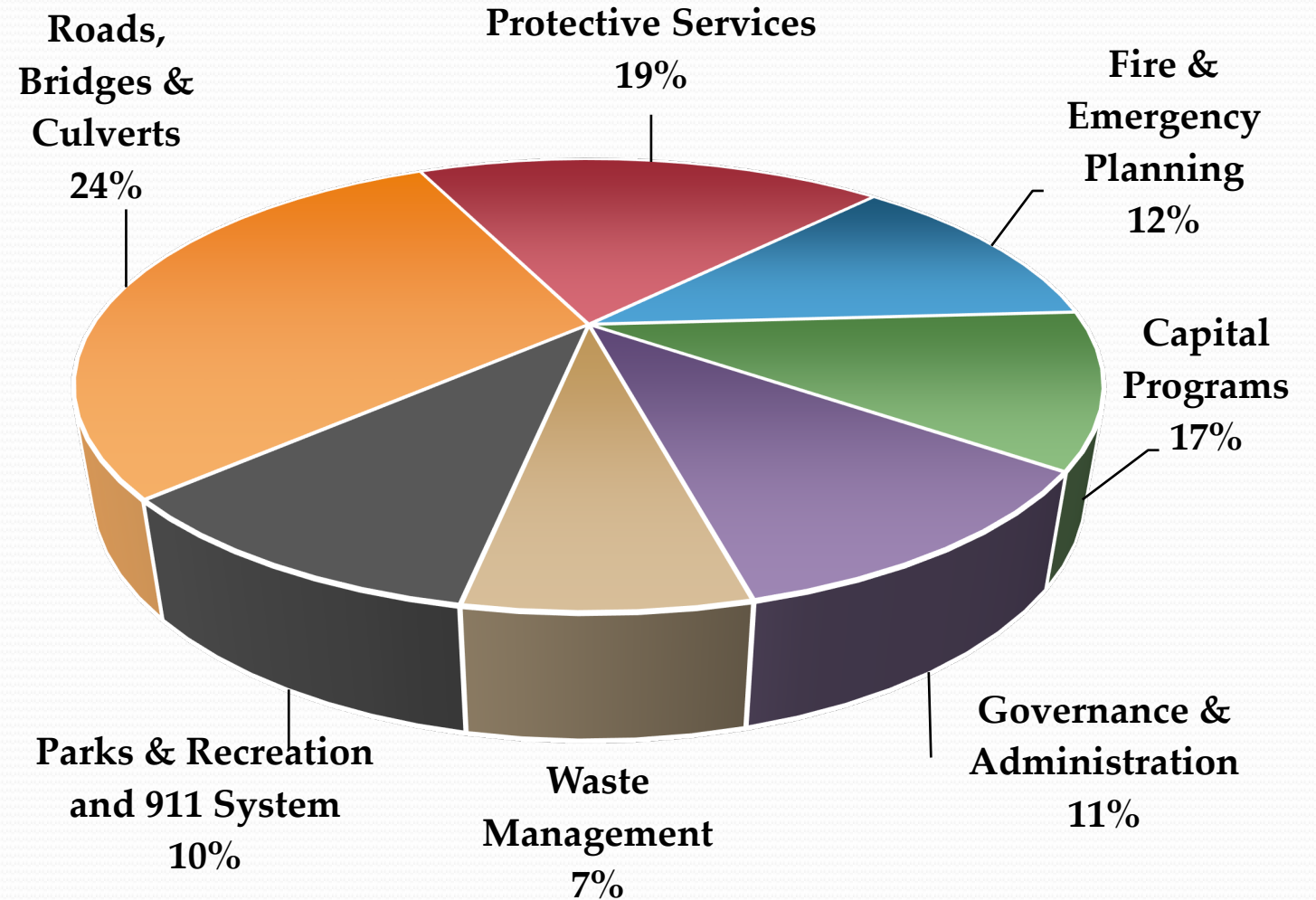
## Capital Budget

\$11,058,133.64 in 2022

- Construction, rehabilitation/major maintenance, road renewal, buildings & vehicles. Replacement based on Asset Management Plan schedules or updated risk controls

# Fun Fact – Most asked question

What do I get  
for my taxes?



# Budget Process – Tax Rates



- Tax rates determined by land use and assessment value set by MPAC
- Based on January 1, 2016 Current Value Assessment (CVA) with Provincial assessment freeze during the pandemic
- Residential Class accounts for 95.17% of total assessment
- Farmland and Managed Forest for 1.44%
- Commercial and Industrial for 0.9%

# Budget Process – Funding Sources



Property taxes and taxation from other governments

- e.g. payment in lieu of taxes (PIL)

User fees

- e.g. building fees, tipping fees

Other charges

- e.g. administrative fees, penalties

Interest income

- e.g. investments

Public sector grants

- e.g. OMPF and Gas Tax

Reserve and Reserve Fund

- e.g. Development Charge Reserves

# Budget Process – Who Pays For What?



## Municipality

- Fire services
- Policing
- Parks & recreation services
- Road maintenance and snow removal
- Transfer stations
- Economic Development
- By-law enforcement

## Development Charges

- Pay for costs related to growth
- New fire stations
- New/expanded roads
- Expansion of new parks and existing recreation facilities
- Development Charge updated studies

## Upper Tier

- Ambulance services
- Social housing
- County roads/bridges
- County facilities

# Fun Fact – Difference Between Budget and Tax Levy



## Budget

- Total spending planned for the year

## Municipal Tax Levy

- How much of the budget is raised through taxation

Taxes paid are based on tax rates set through levy requirements multiplied by individual phased-in assessment amounts determined by MPAC

# How do Tax Rates Compare?



County of Peterborough Municipalities 2022 Total Tax Rates	Per \$100,000
Cavan Monaghan	\$1,247.92
Asphodel-Norwood	\$1,226.83
Havelock-Belmont-Methuen - Village	\$1,155.65
Otonabee-South Monaghan	\$1,115.03
Havelock-Belmont-Methuen - General	\$984.74
Selwyn - Village	\$915.46
Douro-Dummer	\$903.73
Trent Lakes	\$887.92
North Kawartha	\$883.32
Selwyn - Rural	\$828.26

# Other Important Finance Policies



## Tax Billing and Collection Policy

## Capital Asset Policy

- Defines what is capital, useful life of each asset, and threshold amounts

## Grant Policy

## Investment Policy and Debt Policy



## Annual requirement

- Prepared on accrual basis PSAB Rules

## Consolidated Statement of Financial Position

- Shows what the municipality owns and owes, net financial assets/net debt and accumulated surplus or what remains after assets have been used to meet liabilities

## Consolidated Statement of Operations

- Shows revenues, expenses and fiscal year results

## Consolidated Statement of Change in Net Financial Assets (Net Debt)

- Explains difference between the annual surplus or deficit and the change in financial assets
- Reports spending to acquire tangible capital assets and inventories of supplies and reports asset disposals and the use of inventory

## Consolidated Statement of Cash Flow

- Identifies where cash was used and where it came from

# Rules - Financial Information Return (FIR)



- Main data collection tool used by Municipal Affairs and Housing to determine financial and statistical information on municipalities
- Comprised of several schedules updated annually to comply with current legislation and reporting requirements
- Captures detailed financial data on revenue (including taxation), expenses (operating and capital), reserves and development charges

## **Treasurer must ensure:**

- Major budget variances are reported to Council quarterly with suggested solutions - to ensure internal controls
- Ensure proper audit reporting to Council through a written response to the annual Auditor's management letter findings
- Ensure all annual legislative reporting requirements are met and take initiative by providing information to assist Council in being pro-active and strategic in making decisions