

ISSUE 96
SEPTEMBER 2016



DOLLARS *AND* \$ENSE PERSPECTIVE

INSIDE THIS ISSUE:

- | | |
|---------|----------------------------------|
| PAGE 3 | Executive Director's Report |
| PAGE 4 | Fall PD Program Details |
| PAGE 6 | Optimizing Contract Value |
| PAGE 7 | My Week at Boot Camp |
| PAGE 9 | Collectors' Corner |
| PAGE 10 | Message to Collectors' |
| PAGE 11 | Ministry Update |
| PAGE 12 | Get to know GFOABC Staff & Board |
| PAGE 14 | Procurement Toolkit |



MEMBER NEWS

& UPDATES

- GFOABC is excited to introduce **Cindy Shelest** as our new Program Manager.
- We expect the GFOABC Forum to return to the website very soon. You will receive an email when it goes live. Posts from the old website will be available under the *Archived* folder.
- The reference materials from the old website can now be found on the new website under *About Us*.

TO INCLUDE YOUR MEMBER UPDATES IN THE NEWSLETTER
PLEASE SEND THEM TO OFFICE@GFOABC.CA

BOARD OF DIRECTORS

TANYA GAROST, *President*

KEVIN BERTLES, *Vice President*

RICK DANYLUK, *Secretary Treasurer*

LINDA TYNAN, *Past President*

DIRECTORS AT LARGE

GENELLE DAVIDSON

NOREEN KASSAM

DEAN REAR

TREVOR THOMPSON

LORRAINE COUGHLIN

SHEILA THIESSEN

SHELLEY HAHN

LENORA LEE



Executive Director's Report

Paul Macklem

Well, our new GFOABC team has experienced the tradition of 'Boot Camp' for the very first time and, while exhausting for us, we know it was much tougher for all those participating! The word that comes to mind first about the week is 'rewarding'. Starting on a beautiful Sunday afternoon with 36 strangers to each other, new to local government, finance people was a bit intimidating for all of us. Thankfully, that was short-lived and everyone soon moved from introductions to intense learning. For those who have been through the Boot Camp program, you'll be familiar with how long-term collegial relationships can be formed in less than a week through all day and night group training and friendly competition.

The feedback we received from all those participating was overwhelmingly positive regarding program content. Some great suggestions were noted for GFOABC staff to follow-up on that will make it even better for both our participants and faculty when we next offer Boot Camp in August 2017.

We've been thinking about the tradition and success of Boot Camp and how best to mirror the experience for members who have the basics of local government finance and are leading or preparing for leadership positions in their organization. The Advanced Financial Leadership Academy (AFLA) was initiated in 2015 with 15 participants who found it both challenging and relevant to their career development as leaders. Our faculty members have been working hard to refine what is already a very solid program for reintroduction into our 2017 program inventory. In fact, we are planning to hold the next AFLA program at the University of Victoria later in the same week as our Boot Camp. The goal is to provide the same atmosphere and intensity for learning as well as to link the progression of these two programs for all participants. Our staff are very excited about the possibilities and are working with our faculty members to make for a great experience as we expand our foundational offerings.

Look forward to hearing more about our plans in the coming months!



GFOABC 2016 FALL PD PROGRAMMING

NOVEMBER 9 & 10, 2016 in VANCOUVER

Wednesday November 9

Advanced Budgeting – Facilitated by Janice Aver

This course will review all aspects of budgeting for local governments, from issuing budget guidelines, up to and including presenting the finished product to Council. Participants will explore advanced ideas, techniques and practice related to the more challenging aspects of budgeting including: budget strategies and policies; prioritization; budget for capital assets; public engagement; and presentation to Council.

Reserves – Facilitated by Gary Scandlan

This course will lay the foundation for establishing reserve/reserve fund policies to assist in long-term financial planning, asset management and management of liabilities. It will focus on the statutory basis for several types of reserves and reserve funds and the approach to measuring and developing policies to address the needs of the municipality.

Debt Financing for Local Governments in BC – Facilitated by Shelley Hahn & Lauren Kerr

This course will provide participants with a good understanding of the complete borrowing process from the initial decision making process to examining internal borrowing options and debt management issues, to following through with the legal/legislated requirements, and administering debt on an ongoing basis. This course will deal with both capital and operational borrowing over the short and/or long term.

REGISTRATION OPEN

User Fees – Facilitated by Jim Bruzzese

User fees represent an opportunity for your municipality to attain real autonomy in addressing particular issues in your community. They have become a vital source of revenue to BC local governments overall. While user fees are generally applied in keeping with the principles of cost recovery, there remain issues regarding the types of costs targeted for recovery which need to be addressed.

Internal Controls – Facilitated by Jamie Black

Internal controls are an integral part of controlling risk and ensuring financial transactions are completed with correct authorization and within budget. This course explores some of the key risks associated with the process and the internal controls required to effectively manage the disbursement process. Participants will gain an understanding of the basic internal controls required and provide the participants with an understanding of how to effectively and efficiently deal with disbursing local government monies.

Property Tax Policy and Rates – Facilitated by Doug Stein and Garry Jackson

This course will provide a framework for analyzing property taxation policy and setting property tax rates. Participants will gain an understanding of the legislation and current topics and related issues.

Hotel Information

Please use this [LINK](#) when booking your hotel room to ensure you receive the GFOABC rate of \$159.00. The rate is available to you before and after the Fall PD program to allow for an extended stay.

Spring 2017

In the Spring of 2017 we will be bringing our courses outside of the Lower Mainland. If you are interested in sponsoring GFOA in your local community, please contact Cindy at 250-382-6871 or cshlest@gfoabc.ca.

Reminder that we are looking for suggestions for courses to be offered during the Spring PD. A list of our current course offerings is on our [website](#). If you have ideas for new courses you would like to see offered, please contact Cindy.



Optimizing contract value

Are you maximizing the value you get from your contracts?

Taking the right approach to contract management has an important role to play in delivering value for money to the public and confidence in your contracts.

Public sector organizations spend billions of dollars through third party contracts to deliver key public services as well as on the construction of major infrastructure projects. With extensive public sector infrastructure investment targets and ever-increasing scrutiny over public spending, delivering better value at a lower cost is a key challenge for all public bodies.

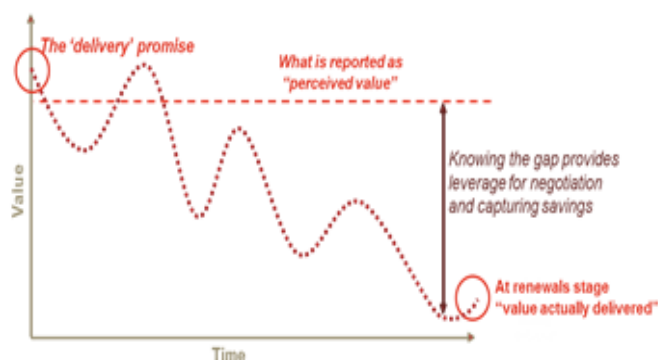
Contract value is typically eroded over time, unless a robust contract management framework is embedded from the start.

Even where standard controls and purchase to pay processes are in place, we often find that the “value expectation” at the procurement stage has been eroded over time, leaving significant gaps between the perceived value and the value actually delivered. This typically leads to cost escalation and deteriorating service quality.

This can be due to a number of factors, including ineffective contract management processes & controls, staff rotation & knowledge loss, insufficiently controlled scope changes and poorly designed incentives.

Significant benefits, including increased service quality and value for money, are available if you can unlock the commercial value within your complex contracts and relationships.

Value delivered changes over time



Here are a few things to consider:

- 1. Focus on the entire contract lifecycle**
- 2. Bridge the gap between procurement and contract management**
- 3. Continuously monitor compliance, performance and finances**
- 4. Independent professional advice can be crucial**
- 5. Don't wait until it's too late**



James Smail is a Director in PwC Canada's Commercial Assurance practice, dedicated to managing third party contracting risks and ensuring his clients receive the value captured at procurement throughout the contract lifecycle.

Phone: +1-403-614-1506

Email: j.m.smail@pwc.com



Congratulations to the Boot Camp graduating class of 2016

MY WEEK AT BOOTCAMP

I signed up for GFOA boot camp in Victoria with trepidation, I had been in my role as Manager of Financial Services for eight months, but this was my first position in local government. Would I be able to keep up? The emails were coming fast and furious – my team colour was yellow (who looks good in yellow?), advance reading – check, all set to start at 16:00 hours Sunday (are they serious?), all from the ever efficient “Sergeant Major” Erica Christie.

The groups were varied – from Accountants to CFOs, from the smallest municipalities to the big city of Surrey, from 2 weeks to 20 years’ experience. We learned the rules of engagement: there were points to be earned, penalties to endure and tasks that would stretch us outside our comfort zone all for the glory of winning the “Golden Boot”.

“General” Paul Macklem the Executive Director of GFOA facilitated the program; he easily related the technical learning with real live examples. His opening remarks “the standard you walk past is the standard you accept” resonated. The bar had been set – we are entrusted to manage the public’s purse and they deserve our best efforts every day – starting now!

Continued onto next page

Maureen Peatfield works for the Resort Municipality of Whistler as the Manager of Financial Services. Maureen was a member of the **yellow team** who won the Golden Boot at this year's Boot Camp.



The faculty were the who's who of local government finance – local finance managers with 30+ years' experience to GFOA board members, audit and business partners. The topics were varied and highly relevant including: our responsibilities as financial officers, budgeting, property taxation, sources and uses of fund and financial reporting.

The MFA was there with their bag of money and Civic Info entertained us while imparting the resources we need to excel. The ministry sent a delegation daily showing their commitment to this program.

I leave boot camp with more confidence, the memories of the laughs we shared, 35 new friends and colleagues and the Golden Boot! Hooyah!

Yours truly,

Maureen Peatfield CPA, CMA

"Private first class"

Resort Municipality of Whistler

WHAT IS BOOT CAMP YOU ASK?

This camp is designed for finance people from both regional districts and municipalities who are new to local government, are working in local government finance departments and want to move to the level of chief financial officer, or are in the CFO role and want a better grounding in the requirements and responsibilities of the position.

Held every summer at the University of Victoria, the fee includes four days accommodation, all meals and refreshments as well as workshop materials. Some places will be reserved for people currently working for smaller municipalities, who need immediate training. Participants are required to stay at the University of Victoria accommodations in order to gain the full benefits of the program.

Tax Sale “Notice” including Substituted Service

The Local Government Act requires that owners must be given notice of tax sale. Section 657 states (1) Not later than 3 months after the sale of property at an annual tax sale, the collector must give written notice of the sale and of the day the redemption period ends, either by serving the notice or by sending it by registered mail, to persons registered in the land title office as (a) owner of the fee simple of the property, or (b) owner of a charge on the property.

(2) On application, the Supreme Court may order that the notice under subsection (1) may be served by substituted service in accordance with the order.

(3) No liability or responsibility other than as set out in subsection (1) rests with the collector or municipality to give notice of the sale for taxes.

In the September 2012 GFOA Newsletter, the Collectors' Corner article outlined several things you can do to contact delinquent owners such as personally attending the property, searching Google or LinkedIn, contacting a relative or neighbour, contacting the local RCMP to name a few suggestions. Does sending an owner a registered letter prior to the tax sale meet the requirement of “notice” per S657? No, S657 applies after the tax sale. Also, notwithstanding S657(3), there have been court cases

which reversed the tax sale because even though a registered letter was sent, the court ruled that the owner did not understand the implications of the tax sale. So, what if you can't confirm that the owner has been contacted or is nowhere to be found? How do we give notice?

Having sent the registered letter, you want to confirm receipt of the letter by obtaining the online signature confirmation from Canada Post. The challenge is to confirm who actually signed for the registered letter. But hopefully the owner will now contact you. The next step is to obtain the services of a process server or skip tracer. Give them instructions to personally contact the owner to serve the notice. The process server will provide you with an affidavit as to either having served the notice or not. With the above efforts to contact the owner/chargeholder documented, the last resort is to obtain substituted service per S657(2). By the middle of November you should contact your municipal lawyer to obtain a desk order from the court. You will need to provide your lawyer with an affidavit of attempted service. The substituted service order will specify how to serve notice. Notwithstanding some legal opinions, substituted service is the only guarantee that the owner has been given notice and you have done everything you could to comply with S657.

Doug Stein has worked in municipal finance for over 30 years. In 2011 he retired from his position as Manager of Revenue Services for the District of Saanich. Doug has been very involved with the Collectors' Forum, is a GFOABC Life Member and a CPA, CMA.



Doug hosts all of GFOABC's tax webinars. Please note the October 26th Collectors' Forum has been moved to 9:00am. For more details on GFOABC's tax webinars please [click here](#).



Message to Tax Collectors

On August 18th, 2016 representatives from the Property Taxation Branch, Vadim, Tempest, MAIS and Diamond software, and select local governments teleconferenced to discuss the roll-out of the upcoming automatic property tax deferment renewal program. The objective of the conference call was to provide software firms information about the program and solicit their feedback on timing and software improvement costs so that local governments can plan for possible software budget impacts for 2017.

The above mentioned software providers will be doing work to determine what software upgrades will be required and what budget impact this may have to their customers.

At this time, Tempest software has indicated that they will be able to provide budget information to local governments by late September and there will be software upgrades available to support the automatic deferment renewal program in time for the 2017 tax season. Customers of Vadim, MAIS or Diamond should contact their sales representatives for more information on timelines and possible budget impact.

The Property Taxation Branch is working on a solution for smaller municipalities that do not use the above software providers or that wish to implement automatic renewals without software changes. Shortly, the Property Taxation Branch will be sending letters to municipalities providing more information on the proposed program changes and on options on how these changes could be implemented.



Message from the Ministry

One of the changes identified in the Ministry of Finance's presentation at the 2016 GFOABC conference was a requirement for municipalities to collect and report the Social Insurance Number (SIN) of home owner grant applicants. The collection of SIN is a key component in the ministry's plan to ensure that homeowner grants are only paid to eligible homeowners.

The Municipal Finance Working Group, which includes representatives from 10 municipalities, considered the security implications of that change for the municipalities. The working group received a number of submissions highlighting the risk of a privacy breach due to municipalities not having sufficient measures in place to protect SIN. Consequently, the ministry has decided municipalities will not be collecting SIN from home owner grant applicants.

The working group will now focus on considering the other homeowner grant changes announced at the conference:

- Simplified application process
- Claim file format
- Monthly frequency for claim files
- Consolidate current year and retroactive claims to one file type
- Tips submitted online through eTax

Get to know your GFOABC

Board and Staff

Genelle Davidson, born and raised in



Toronto, moved west to Kimberley BC in the early 90's where she began her career in local government finance with the RD of East Kootenay

located in Cranbrook. The move from the big city to rural life was quite an adjustment for this City girl - Who knew that deer would run freely throughout a "City" and that there was such a thing as drive-by hunters!

Pre-local government, Genelle's first career was in mainframe computer programming using odd programming languages like RPG, Cobol, Fortran and Assembler...who knew she was fluent in so many languages?

Genelle holds the CMA AAT, the Intermediate Certificate in Municipal Administration, and a CPA, CMA professional accounting designation. She is a long time member of the LGMA and has sat on the Board of GFOABC since 2014. She is passionate about local government service and through the GFOABC Finance and Administration, and Education Committees she is giving back by helping to ensure our organization is strong, relevant and well positioned to support our LG finance peers.

Lorraine Coughlin, CPA, CGA



I began my career in local government finance in 2009 and am currently the Deputy Treasurer for the Town of Gibsons. Prior to that, I worked for the Sunshine Coast School District and various Credit Unions. One of my first jobs was working at the Visitor Information Centre in historic Yale, BC. Little did I realize that the summer I spent in that small A-frame hut, on the side of the Trans-Canada Highway, reading maps upside down, was actually my first foray into public service.

My involvement with the GFOABC began when I attended Boot Camp in 2009. It was a great introduction to the many aspects of local government and I've continued to take and benefit from pro-d workshops ever since. I am a new Board member, having joined in June 2016. I also sit on the Finance & Administration and the Communications Committees. I value the GFOABC and the services it provides and am pleased to be able to contribute to an organization that has supported me over the years.



Cindy Shelest

I am happy to be working with the GFOA. I was drawn to this organization's belief that we are Better Together! Having worked as a Financial Officer for many years in different capacities, I understand how important a network of trusted colleagues can be. I hope to become a part of your network as you grow your career in government finance.

I began my career as a Certified General Accountant and now hold the designation of CPA, CGA. As a Finance Officer I often held responsibility for human resources and received my Certified Human Resource Professional (CHRP) designation in 2011. I have also completed two Graduate Certificates at Royal Roads University, one in Leadership and one in Strategic Human Resource Management. I believe my diverse training and education will serve me well in developing courses for our members.

My work experience is also diverse. I've worked in health care and government, in small and large for profit organizations including telecommunications, forest industry, and legal services, as an instructor at a local College and in public practice as both a partner and a student.

I was raised in Prince George, BC, and have also lived in Vernon, and Vancouver. My family now enjoys living on beautiful Vancouver Island. I hope to meet many of our members soon at one of the GFOABC events in one of the many beautiful locations British Columbia offers.

YEAR-ROUND PROGRAMMING

SPRING PD PROGRAMMING Spring 2017

In April 2017 GFOABC will be holding Spring PD programming across British Columbia. Contact GFOABC directly to inform us of your municipality's specific programming needs.

Courses being considered:

- Purchasing
- Taxation
- Budgeting
- Payroll

ANNUAL CONFERENCE Victoria - June 14–16, 2017

The GFOABC holds its Annual General Meeting and Conference in May or June each year. The conference is held in various locations across the province to reflect the diverse membership. Each year the Association prepares a program that provides numerous educational sessions on current issues and thought-provoking keynote speakers as well as networking opportunities for members.

BOOTCAMP—BACK TO BASICS Victoria - August 2017

This camp is designed for finance people from both regional districts and municipalities who are new to local government, are working in local government finance departments and want to move to the level of chief financial officer, or are in the CFO role and want a better grounding in the requirements and responsibilities of the position.

BOOTCAMP—ADVANCED LEADERSHIP Victoria - August 2017

This advanced financial leadership academy has been designed for financial leaders in local government who want to take their career to that next level and help their organization make effective use of current resources through a more strategic and long term focus throughout the organization. This program has a focus on the long term financial issues facing local governments and will be relevant for all current and emerging leaders in local government finance.

HELD AT THE UNIVERSITY OF VICTORIA, TUITION INCLUDES TWO NIGHTS' ACCOMMODATION AND ALL MEALS AND WORKSHOP MATERIALS.

TAX WEBINARS On your computer, all year round

Taxation and Assessment—12 Month Webinar Series

Occurs every third Wednesday of the Month, 10am - 11am

Collectors' Forum Webinar - FREE! - Collectors' Forum occurs every 3 months on the fourth Wednesday of the month.

Annual Municipal Tax Sale 2016 - 3 Session Webinar Series

Tuesday, August 30th, 2016 - Tuesday, September 27th, 2016 10am

GFOABC PROGRAMMING IS AVAILABLE TO LOCAL
GOVERNMENT FINANCE OFFICERS ACROSS CANADA

FOR MORE INFORMATION PLEASE VISIT
WWW.GFOABC.CA

Helping Local Governments respond to the Auditor General for Local Government's Findings



LGMA and GFOABC are pleased to offer :
**Procurement Webinar Series for
 Local Governments in BC**



OCTOBER 18, NOVEMBER 1, 15 & 29, 2016

LGMA and GFOABC have partnered to provide support for senior administrators who are responsible for managing their local government's procurement practices. In response to the recommendations for capital and operational procurement from the Auditor General for Local Government, a *Procurement Toolkit, First Edition 2016*, has been created to provide practical tools such as sample bylaws, policies, forms and procedures to assist local governments in their procurement practices. The Procurement Toolkit is available with the purchase of at least one of the four webinars.

This four webinar series on the technical requirements for leading-edge practices in procurement has been developed by procurement specialist, Ms. Cris Munro, SCMP, CPSM, CPM. The webinars will provide CAOs, CFOs, procurement officers and other local government staff with a solid understanding of the operational practices of procurement in British Columbia, including risks, laws, policy and trade agreements, procurement procedures and models and performance measures.

<p>WEBINAR 1 Policy, Laws and Trade Agreements This webinar will cover the following:</p> <ul style="list-style-type: none"> • Policies • Commercial Contract Law • Laws of Competitive Bidding • Canadian Legislation: Competition Act • Trade Agreements: NWPTA, AIT • The mandate of procurement and aligning to local objectives 	<p>WEBINAR 2 Procurement Procedures and Models This webinar will cover the following:</p> <ul style="list-style-type: none"> • Definition of Value for Money, Transparency • Purchase Goods, Services, Professional Services (non-construction) • Shared Services Contracts, Thresholds & Costs • Finding a Supplier • Informal and Formal Processes; Communications during informal/formal processes; • Public Openings & Contracts
<p>WEBINAR 3 Performance Measurement & Contracting for Professional Services This webinar will cover the following:</p> <ul style="list-style-type: none"> • Measurement starts with Policy • Supplier Performance • Procurement Performance • Role of Professional Consultants • Value vs. Cost • Limitation of Liability • Field Reviews, Constructability Reviews 	<p>WEBINAR 4 The Nuances of Construction This webinar will cover the following:</p> <ul style="list-style-type: none"> • Capital vs. Operations • Types of Capital Projects – nomenclature • The marketplace • Planning • Bid Documents • Bid Process • Contract Documents

THANK YOU TO OUR SPONSORS



BC ASSESSMENT



The Kits Investment Group
Vancouver Bentall
www.cibcwg.com/gary-kits



LIDSTONE & COMPANY
BARRISTERS AND SOLICITORS



PHILLIPS, HAGER & NORTH
Investment Management®



Next Publication
December 2016