

Township of

# North Dundas

## COUNCIL REPORT

<b>To:</b>	CAO, Mayor and Members of Council
<b>From:</b>	John J Gareau, CA, AMCT, Treasurer
<b>Date of Meeting:</b>	Oct 16 <sup>th</sup> 2012
<b>Subject:</b>	Finance Department Report – Sept 30 <sup>th</sup> 2012

### Bank Balances:

Bank Balances, Sept 30 <sup>th</sup>	2012 Sept 30 <sup>th</sup>	Last Month Aug 31 <sup>st</sup>	2011 Sept 30 <sup>th</sup>
General Operating Acct	6,227,190.99	9,156,291.15	9,295,334.56
Cash, GLC's, (Reserve Fund)	6,137,087.10	6,128,601.21	6,060,422.83
<b>Total</b>	<b>\$12,364,278.09</b>	<b>\$15,284,892.36</b>	<b>\$15,355,757.39</b>

Taxes Receivable – Sept 30 <sup>th</sup>	2012	2011	2010
Current Year (2012)	1,694,588.59	1,796,181.12	3,786,456.72
One Year in Arrears (2011)	532,555.42	505,312.91	461,340.48
Two Years in Arrears (2010)	309,620.96	282,097.81	215,876.03
Three Years in Arrears (2009+)	126,934.46	77,576.73	78,314.40
Penalty & Interest	146,887.21	129,737.42	127,712.82
<b>Sub-Total</b>	<b>2,810,586.64</b>	<b>2,790,905.99</b>	<b>4,669,700.45</b>
Allowance for Uncollectible Taxes	(169,059.80)	(14,812.76)	(14,812.76)
<b>Net Taxes Receivable</b>	<b><u>\$2,641,526.84</u></b>	<b><u>\$2,776,093.23</u></b>	<b><u>4,654,887.69</u></b>
<b>Total Taxes Billed to Date:</b>	<b><u>15,487,251.96</u></b>	<b><u>\$15,281,557.65</u></b>	<b><u>\$14,514,604.92</u></b>

<b>Percentage O/S Over Levy</b>	<b>17.056%</b>	<b>18.166%</b>	<b>32.070%</b>
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Net taxes receivable last month were \$5,287,204.36; this month's balance of \$2,641,526.84 represents cash collections during the month of September of approximately \$2,645,677.52. The final instalment of our 2012 taxes was due September 30<sup>th</sup> – so this was a very good cash flow month. In terms of billing and collecting, we are on par with last year and a month ahead of 2010 when the final instalment was due October 31<sup>st</sup>. This is the reason for the large spike in the 2010 comparable numbers.

The percentage of taxes outstanding indicates that 2012 taxes are slightly better than 2011 and much better than 2010 (this is mainly due to the one month timing difference wherein our final tax instalment was due September 30<sup>th</sup> this year versus October 31<sup>st</sup> in 2010); the balance outstanding this year is actually less than last year (by approximately \$134,566.39) and we have also billed \$205,694.31 more this year compared to last year. On a percentage basis, the 2012 outstanding taxes represent a net improvement over last year of approximately 1.1%.

### **State of the Union**

Our cash position is still very strong as evidenced by the cash balances reported on page 1. We made our third instalment to the school boards that was due the end of September in the amount of \$848,264. In addition, we also made our final instalment to the Counties that was due October 15<sup>th</sup> in the amount of \$3,366,034.13. The total of just these two commitments is approximately \$4.2M and both these amounts are "out" of our bank balances for September 2012; conversely, the county amount was NOT out of our September 2011 comparable bank balance. The amount of the county payment for 2011 was \$3,219,011.04 – if this amount were deducted from the 2011 bank balances on page 1; it would yield an adjusted operating account balance of \$6,076,323.52 – which accounts for the difference between the bank balances for the years 2011 and 2012.

### **Financial Information Return (FIR) -- 2011**

The FIR was filed with the Ministry on Friday, September 28<sup>th</sup> – the filing deadline was September 30<sup>th</sup> so we made it just under the wire. I was in contact with Jon King – our Municipal Advisor in Kingston; he is with Municipal Services Office – Eastern Region - and with Jim Simos who is in charge of the FIR program with MMAH in Toronto. Both individuals confirmed that we have met our filing requirements regarding the FIR and our 4<sup>th</sup> quarter OMPF funding will not be held up. We still need to file the MPMP reports – and I am very close to having that document completed; I am hoping to file them by the end of next week.

### **Funding -- Asset Management Program:**

The Ontario Ministry of Infrastructure, through the Municipal Infrastructure Investment Initiative (MIII) has funding available to undertake a study for an asset management plan. We need to file an Expression of Interest by October 22<sup>nd</sup> with the Ministry of Infrastructure to be eligible for funding under the Asset Management Program – I am working on that in consultation with the auditors. A copy will be provided to council.

### **Auditors Presentation of DRAFT Financial Statements**

The auditors would like to present the DRAFT financial statements at our second meeting in October - the October 30<sup>th</sup> meeting – if this is suitable to council.

At that time we will review the 2011 financial picture with highlights on:

- The Capital Expenditures for the 2011 fiscal year.
- Unfinanced capital projects existing as at December 31<sup>st</sup> 2011
- Balances in Reserves and Reserve Funds as at December 31<sup>st</sup> 2011.

### **Properties Eligible for Tax Sale**

We had four properties as reported in previous Finance Reports that were eligible for tax sale. At last month's reporting, there was only one ratepayer remaining who had not paid in full or entered into a Tax Extension Agreement. We are pleased to report that that individual has since paid in full and no longer has an outstanding balance. However, another member of that list is in violation of his extension agreement; we have been in contact with him via telephone this past week; he promised to "do what he could" – but we still have not seen any payments. He will be three payments behind at date of council meeting.

### **Properties Eligible for Tax Registration**

We are providing a listing for council of various properties that are eligible for tax registration. This list is a "hodgepodge" of sorts but we wanted council to be aware of it and to know that we are working diligently on getting these amounts collected. There are about 57 properties pertaining to the 2012 fiscal year that have taxes that either are or were 3 years in arrears; the tax collector had prepared and mailed out a FINAL NOTICE to this group. These letters went out August 16<sup>th</sup> by Registered Mail advising the ratepayers that they have until September 26<sup>th</sup> to make arrangements or we would be proceeding to Tax Registration of their properties. Since that time, several have paid or made contact with the tax collector and this list has been greatly pared down by the end of September. Basically we are recommending the ones highlighted in green be sent for Tax Registration following the council meeting of October 16<sup>th</sup>.

### **Miscellaneous Issues**

In consultation with the CAO's office, I have registered for or attended the following seminars offered by MFOA and/or the Counties:

#### **September 6<sup>th</sup> 2012:**

- SD&G Treasurers' Association- Meeting at Counties Building to discuss an MPAC representative and a telephone meeting regarding a Vadim Webinar.

#### **October 2nd 2012:**

- MFOA Fall 2012 Seminars-Kingston  
How to Develop a Municipal Asset Management Plan
  - October 2<sup>nd</sup>

This one day seminar is available in Kingston on October 2<sup>nd</sup> and contains detailed information on the components of an Asset Management Plan; given that Carly is currently working as our PSAB coordinator and has expressed an interest to attend this seminar, we will both be attending. In addition, I am hoping to move toward a Vadim Capital Asset Management Plan in the future. Her involvement at the ground level would be invaluable and would provide ongoing benefits for many years to come.

#### **October 31st 2012:**

- Reserves and Reserve Funds
  - MFOA Fall 2012 Seminar

#### **November 1st 2012:**

- Long Term Financial Planning
  - MFOA Fall 2012 Seminar

### **Projects Worked on During September**

Basically the month has been taken up with the following:

- Preparing for and attending at department head meetings of September 5<sup>th</sup> and October 10<sup>th</sup>.
- Preparing schedules and back up wpprs for the 2011 year-end audit file.
- Amendment to and Finalization of Reserves and Reserve Funds working papers for the y/end audit file – re allocation of 2011 surplus from August council meeting.
- Meetings and phone calls with delinquent taxpayers
- Preparing schedules and back up wpprs for FIR – 2011

- Telephone calls/month end balancing
- Meetings with 2 ratepayers to address their concerns re outstanding taxes


**Budget Meetings**

Budget meetings are scheduled for next week and department heads are working diligently on getting their first draft budget information ready.

Respectfully submitted,

  
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John J. Gareau

Approved by:

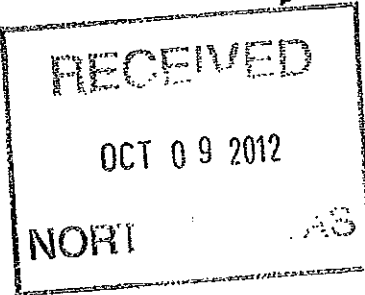
  
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Angela Rutley

Ministry of Agriculture,  
Food and Rural Affairs

Ministère de l'Agriculture,  
de l'Alimentation et  
des Affaires rurales

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## Rural Programs Branch

October 1, 2012

Howard Smith  
Chief Administrative Officer/Economic Development  
Township of North Dundas  
P.O. Box 489  
636 St. Lawrence Street  
Winchester, Ontario K0C 2K0

Dear Howard Smith:

I am writing to draw your attention to the Municipal Infrastructure Investment Initiative (MIII) – Asset Management program that was recently announced by the Government of Ontario as part of the Municipal Infrastructure Strategy.

Through this program, the province is making up to \$8.25 million in entitlement funding available to assist small municipalities and Local Services Boards (LSBs) with water/wastewater systems in Northern Ontario to develop and improve asset management plans.

Eligible applicants for this program include:

- Lower-tier municipalities with infrastructure assets and populations under 20,000;
- Upper- and single-tier municipalities with infrastructure assets and populations under 50,000; and
- LSBs with water and / or wastewater systems.

To apply for funding, eligible municipalities and LSBs must complete the following three steps:

1. Determine they meet the eligibility criteria.
2. Submit their 2011 Municipal Financial Information Return to the Ministry of Municipal Affairs and Housing. Returns must be received by **October 22, 2012**. (LSBs are not required to complete this step.)



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3. Complete and submit the Expression of Interest form and declaration to the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) by 5 p.m. EST on **October 22, 2012**.

I would encourage you to review the program manual and Expression of Interest form at <http://www.ontario.ca/municipalinfrastructure> for more detailed information. Hard copies can also be obtained via fax or regular mail by calling 1-888-588-4111.

Please note that going forward, any municipality seeking provincial infrastructure funding must demonstrate how its proposed project fits within a detailed asset management plan. This will help ensure that limited resources are directed to the most critical needs.

The launch of the municipal infrastructure strategy also included the release of a Guide for Municipal Asset Management Plans and online asset management toolkit. Both the guide and the toolkit are intended to help municipalities understand what asset management planning is and how important it is. The guide also details the various components that will be required in any asset management plan to accompany a request for capital infrastructure funding. The toolkit contains additional resources to help municipalities develop detailed asset management plans. Both are available at <http://www.ontario.ca/municipalinfrastructure>.

For more information and / or assistance, please contact OMAFRA by email, telephone or mail as shown below:

Email: [miii@ontario.ca](mailto:miii@ontario.ca)

Telephone: 1-888-588-4111

Address:

Municipal Infrastructure Investment Secretariat


c/o Rural Programs Branch

Ontario Ministry of Agriculture, Food and Rural Affairs

1 Stone Rd West, 4th Floor

Guelph ON N1G 4Y2

Thank you,



Dino Radocchia  
Manager, Infrastructure Programs