

Township of

# North Dundas

## COUNCIL REPORT

<b>To:</b>	CAO, Mayor and Members of Council
<b>From:</b>	John J Gareau, CPA, CA, AMCT, Treasurer
<b>Date of Meeting:</b>	July 9 <sup>th</sup> 2013
<b>Subject:</b>	Finance Department Report – June 30 <sup>th</sup> 2013

### Bank Balances:

Bank Balances, June 30 <sup>th</sup>	2013 June 30 <sup>th</sup>	Last Month May 31 <sup>st</sup>	2012 June 30 <sup>th</sup>
General Operating Acct	11,318,935.72	9,219,838.75	11,191,629.84
Cash, GIC's, (Reserve Fund)	6,199,120.37	6,198,799.88	6,115,959.29
<b>Total</b>	<b>\$17,518,056.09</b>	<b>\$15,418,638.63</b>	<b>\$17,307,589.13</b>

	June 30 2013	June 30 2012	June 30 2011
<b>Taxes Receivable Outstanding</b>			
Current Year (2013)	4,938,958.33	5,151,194.10	5,001,862.99
One Year in Arrears (2012)	541,514.03	668,623.77	565,338.46
Two Years in Arrears (2011)	281,767.23	344,695.74	320,590.52
Three Years in Arrears (2010+)	204,180.80	136,185.50	92,005.46
Penalty & Interest	142,896.25	137,130.59	113,953.35
<b>Sub-Total</b>	<b>6,109,316.64</b>	<b>6,437,829.70</b>	<b>6,093,750.78</b>
Allowance for Uncollectible Taxes	(226,077.04)	(169,059.80)	(169,059.80)
<b>Net Taxes Receivable</b>	<b>\$5,883,239.60</b>	<b>\$6,268,769.90</b>	<b>\$5,924,690.98</b>
<b>Total Taxes Billed to Date</b>	<b>\$15,772,502.70</b>	<b>\$15,424,344.99</b>	<b>\$15,013,783.03</b>
<b>Percentage O/S Over Levy</b>	<b>37.301%</b>	<b>40.642%</b>	<b>39.462%</b>

Net taxes receivable last month (ignoring the allowance account) were \$1,801,841.53; this month's balance of \$6,109,316.64 represents the net impact of billing our final tax instalment and cash collections. The final tax billing across all three years (2011-2013) is consistent in that all three years had a final billing in May with due dates of June 30<sup>th</sup> and September 30<sup>th</sup>. You can see the similarities when you look at the percentage of taxes outstanding – it is very comparable and ranges from 37.301% to 40.642%. We are very pleased to report that the lowest of the three year range is the current year. The June and September due dates tie in very nicely with our financial commitments to the Counties and School boards and assists in meeting our cash flow requirements during the busy summer construction period.

## State of the Union

Our cash position is still very strong as evidenced from the cash balances reported on page 1. In addition to our "normal" bills, our second instalment for the school board levies was due the end of June in the amount of \$819,072.45 – this amount has been taken into account in arriving at our month end cash position.

Along with our aforementioned school board levy that was due the end of June, our second instalment to the Counties is due July 15<sup>th</sup> in the amount of approximately \$1,733,914 – this amount has not been deducted out of the total cash reported – so we will have some heavy demands on our cash flow over the next 3 months. The total of just these two commitments (Schools and Counties) is approximately \$2.5M plus there will obviously be other cash flow requirements associated with operating and capital expenditures.

We have not had to borrow any funds from Infrastructure Ontario yet, but have spoken to Bob Keene regarding this option and they are still very much looking forward to receiving our business. Given our current workload and the fact that we are not in a pressing financial situation right now, this project has been put on the back burners until such time as we finalize our Capital Asset Management Plan and are in a better position to address our cash flow and borrowing requirements.

## Year-End Audit – 2012 Audited (Final) Financial Statements

The auditors delivered their audit report and presentation of the 2012 DRAFT audited financial statements at the June 11<sup>th</sup> council meeting. We have now received final copies of the Audited financial statements and these will be provided to council at the July 9<sup>th</sup> meeting.

## Final Tax Billing:

We mailed out the final tax bills totalling \$7,888,517.26 with a due date of June 28<sup>th</sup> – so this cash inflow has come in extremely helpful in paying the June (second instalment) of the Education levy. We also have the county levy of approximately \$1.7M to pay by July 15<sup>th</sup>.

All of this is helping to stave off the need to borrow and so far we have not had to incur any borrowing costs.

## Properties Eligible for Tax Sale

We sent a listing with twenty-one (21) properties that were eligible for tax registration to Ault & Ault; we have not heard anything back from them regarding how the registrations are progressing but in the meantime, one individual on this list cleared his outstanding amount. Failure to pay off the amounts will result in their properties being listed for tax registration. The total amount of taxes outstanding for this 'group of 21' is \$440,978.87 – obviously collection from just this group alone would go a long way towards bringing our taxes receivable down considerably.

## Projects Worked on During June

Basically the month has been taken up with the following:

- Preparing for and attending at department head meetings of June 6<sup>th</sup> and July 8<sup>th</sup>.
- Meeting with representatives from BMO/Bank of Montreal (Portfolio Services Group) to discuss investment/financing strategies
- Assisted Michelle with balancing the Final tax billing – amounts billed agree to budgeted data for the year
- Assisted with 2013 Final Tax Rate By-Law and completion of Appendix A
- Worked with Michelle to compile a listing of tax arrears for tax registration

- Participated in the final webinar: "5 Steps to Developing an Asset Management Plan"
- Completed all notes for final Audited financial statements – copies to be provided at council meeting
- Working on the FIR (Financial Information Return) – plan to have it completed by end of July
- Assisted with May 2013 bank reconciliation – all bank reconciliations are current up to end of May
- Considerable amount of time spent getting RFP (Request For Proposal) done and out – was emailed to select firms on Thursday, July 4<sup>th</sup>

### **Asset Management Plan**

The Township of North Dundas (along with every other municipality in Ontario) has to have a draft of our capital needs in place by the end this fiscal year (December 31<sup>st</sup> 2013) as a necessary first step in securing government funding on a go-forward basis. This is going to be a major project and will involve the cooperation and participation of all departments, the CAO office and council.

RFP (Request for Proposal) was prepared and sent out on July 4<sup>th</sup> – we have a deadline date for responses for this Friday, July 12<sup>th</sup>.

### **Investment of Funds**

Meeting with representative of BMO/Nesbitt Burns re investment of our cash resources. Will look into this and report back to council at a later meeting.

### **Staff Reports (attached)**

I have attached the monthly reports from the finance staff for council's information.

Respectfully submitted,

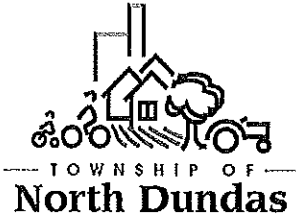


Original signed by John J Gareau

Approved by:



Original signed by Angela Rutley



Township of

# North Dundas

## COUNCIL REPORT

<b>To:</b>	CAO, Mayor and Members of Council
<b>From:</b>	Carly Bulger, Acctg Assistant
<b>Date of Meeting:</b>	July 9 <sup>th</sup> 2013
<b>Subject:</b>	Finance Department Report – June 30 <sup>th</sup> 2013

### Carly

- Assisted Michelle in stuffing and sorting tax bills for mailing on June 4<sup>th</sup> 2013.
- Participated in webinar: "Municipal Financial Reporting Automation for Municipal Finance Officers' Association of Ontario."
- Completed the consolidated schedule of segment information for the financial statements.
- Collected capital invoices in preparation of the 2013 capital binder and updated related spreadsheets.
- Organized and accounted for revenue of a capital nature to build up financing of capital.
- Worked on schedules 10, 12, 40, 42, 75a, 75b, 80a for the FIR (Financial Information Return).
- Reconciled total expenditures from the trial balance to schedule 40 of the FIR.
- Assisted John in preparing the Asset Management Plan Request for Proposal.
- Received instruction for cross training purposes to perform bank deposits and sort mail



Township of

# North Dundas

## COUNCIL REPORT

<b>To:</b>	CAO, Mayor and Members of Council
<b>From</b>	Michelle McDonell, Tax Collector
<b>Date of Meeting:</b>	July 9 <sup>th</sup> 2013
<b>Subject:</b>	Finance Department Report

- The month of June was very busy with the collection of taxes, issuing tax certificates and dealing with enquiries from law offices regarding taxes.
- I submitted the Schedule C's for the roads that we will be claiming Gas Tax funding for this year.
- I have reviewed the taxpayers monthly Pre-Authorized Payment Plans to verify that their property taxes will be paid in full with the November 20<sup>th</sup> payment. I have sent letters to any homeowner where an increase to their PAP of twenty dollars or more was needed to meet this deadline.
- Reminder notices will be going out by July 11<sup>th</sup>. This always generates a few unhappy taxpayers, especially the ones who claim that they had never received their tax bill or new owners who were not aware of the June 28<sup>th</sup> deadline.

