

Township of

North Dundas

COUNCIL REPORT

To:	CAO, Mayor and Members of Council
From	John J Gareau, CPA, CA, AMCT, Treasurer
Date of Meeting:	December 10 th 2013
Subject:	Finance Department Report – Nov 30 th 2013

Bank Balances:

Bank Balances, Nov 30 th	2013 Nov 30 th	Last Month Oct 31 st	2012 Nov 30 th
General Operating Acct	6,213,489.48	7,111,283.40	6,273,442.81
Cash, GIC's, (Reserve Fund)	6,230,907.51	6,225,105.39	6,070,736.64
Total	\$12,444,396.99	\$13,336,388.79	\$12,344,179.45

	Nov 30 2013	Nov 30 2012	Nov 30 2011
Taxes Receivable Outstanding			
Current Year (2013)	1,028,355.05	1,060,178.23	1,138,448.65
One Year in Arrears (2012)	434,012.87	432,676.90	464,380.43
Two Years in Arrears (2011)	206,917.82	277,105.98	238,867.07
Three Years in Arrears (2010+)	190,578.65	93,887.93	65,019.51
Penalty & Interest	168,027.59	150,250.22	141,583.44
Sub-Total	2,027,891.98	2,014,099.26	2,048,299.10
Allowance for Uncollectible Taxes	(226,077.04)	(169,059.80)	(169,059.80)
Net Taxes Receivable	\$1,801,814.94	\$1,845,039.46	\$1,879,239.30
Total Taxes Billed to Date	\$15,986,022.38	\$15,890,826.37	\$15,594,540.64
Percentage O/S Over Levy	11.271%	11.611%	12.051%

Net taxes receivable last month (ignoring the allowance account) were \$2,276,121.08; this month's balance of \$2,027,891.98 (a decrease of \$248,229.10) represents the net impact of cash collections for the month of November. September was a tax collection month –our “final” tax due date was actually September 30th so in theory the balance outstanding should be zero. Although not everyone paid 100% of their final levy (as evidenced by the balance of taxes still outstanding) – the balances for the current year (2013) are down about 11% from what they were last month – so tax collection remains a priority and the tax department is doing an admirable job of staying on top of the outstanding balances.

For council's information, we did have a supplemental billing on September 19th (in the amount of \$120,052.50) payable in two instalments; one due October 15th and the second due December 5th. Therefore, part of the reason for the outstanding tax balance is the approximately \$60k that is only coming due in December.

Taxes receivable also include other charges that have been added to the tax roll. Once added, these charges 'lose their identity' and are 'collected in the same manner as taxes' – therefore they add to the balance of outstanding taxes receivable. For example, we had \$29,914.84 of water bills added to taxes this past month and Michelle billed the municipal drains for a total of \$89,642.91 – none of these amounts are due yet so this helps contribute to our outstanding balances.

The final instalment for the school boards in the amount of approximately \$890,772 is due December 15th; this payment has not been deducted from the above bank balances (which are shown as of November 30th) – so our cash balances will take a bit of a hit this month.

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 30th and September 30th. You can see the similarities when you look at the percentage of taxes outstanding – they are very comparable and range from a high of 12.051% to a low of 11.271%. We are also very pleased to report that the lowest of the three-year range is the current year – although all three are virtually identical.

State of the Union

Our cash position is still very good as evidenced by the cash balances reported on page 1. We still have to make our fourth instalment to the school boards by the middle of December (as mentioned above) in the amount of \$890,772.40. We have already made our final instalment to the Counties that was due October 15th in the amount of \$3,530,439.24. In addition, there will be a **final** payment in January 2014 to the Counties and school boards for their share of the net supplementary taxes less write-offs for the 2013 fiscal year.

In the main, cash balances are down from last month because we have made some heavy capital expenditures in 2013 – some of which are being financed over several years although the cash payment had to be made in 2013.

Projects Worked on During November

- Preparing for and attending at department head meeting of November 13th and December 4th
- Prepared and submitted an EOI (Expression of Interest) grant application for MIII- Small, Rural, and Northern Municipal Infrastructure Fund – applied for a 90% Grant to do rehabilitation work on South Street – Chesterville; Received an email back and had several telephone conversations with the Ministry of Infrastructure - they were looking for a revised council resolution addressing certain specific requirements – copy was sent following approval at last month's meeting.
- Prepared and sent out an RFP (Request for Proposal) for auditing services for the next five years – commencing with the 2013 fiscal year; received RFP's back from three accounting firms on November 29th. We have been trying to review these but they are quite voluminous and budget and AMP deadlines have taken priority; we will review them over the next few weeks and report back to council for the meeting in January.
- Used up six more days of vacation – November 4, 5, 6, 11, 20, and November 27th
- Meeting with Engineers from exp Services, Inc. (engineering firm retained by KPMG to assist with the technical and engineering aspects of the Asset Management Plan). Several telephone calls back and forth with engineering firm and auditors to finalize AMP.
- Working on budgets with various departmental managers.

Asset Management Plan

The Ontario Ministry of Infrastructure, through the Municipal Infrastructure Investment Initiative (MIII) has made funding available to undertake a study for an asset management plan. We filed an Expression of Interest in October 2012 with the Ministry of Infrastructure to be eligible for funding under the Asset Management Program – and we received funding in the amount of \$22,689.30 in December 2012 expressly for that purpose.

Bailey Church from the audit firm KPMG will be in attendance at the council meeting to present a draft of the Asset Management Plan for council's approval by December 31st.

Bank reconciliations – are all done up to date; and **Active Net** is balanced to the end of November.

Budget Meetings

- Budget meetings: met with the CAO and department heads for the following budgets:
 - Public Works
 - Recreation
 - Drainage

These departmental budgets will be presented to council at the 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

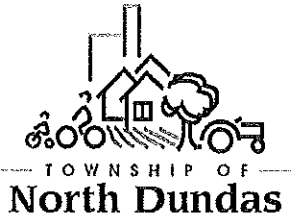
Approved by:


Original signed by Angela Rutley

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COUNCIL REPORT

To:	CAO, Mayor and Members of Council
From:	Carly Bulger, Accounting Assistant (Part-time)
Date of Meeting:	December 10 th 2013
Subject:	Finance Department Report – November 30 th 2013

Carly

- Continuously assisting with the Asset Management Plan, due by December 31st, 2013, including regular email exchanges with Fred Lacasse, Project Engineer with exp Services Inc. (engineering firm retained by KPMG to assist with the technical and engineering aspects of the Asset Management Plan.)
- Took part in the tender for external audit services including the public opening.
- Assisted with the 2014 first draft of road and fire budgets.
- Prepared bank balances for November 19th council report.
- Collected capital invoices in preparation of the 2013 capital binder, updated related spreadsheets, and prepared correcting journal entries as necessary.
- Organized and accounted for revenue of a capital nature to build up financing of capital.
- Photocopied invoices and completed summary sheets to prepare for PSAB 2013.
- Performed bank deposits, answered calls, and sorted mail when short-staffed.

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