

Draft Minutes

COMMITTEE ON CANADIAN ISSUES (CCI)

Toronto, Ontario

Friday, January 30, 2004, 8:30am – 3:30pm

Saturday, January 31, 2004, 8:30am – 4:15pm

Members present:

Stan Westby (co-chair)
Janice Baker (co-chair)
Robert Bishop
Len Brittain
Penny Bruin
Keith Dowdall
Del Dyck
Jo-Anne Ferrier
Bruce Fisher

Roger Galipeau
Chris Good
Paul Macklem
John Rop
Roger Rosychuk
Lloyd Russell
Mike Ruta
Steve Zorbas

Members absent:

Andrew Beckett
Karen Bittner
Jacques Marleau

GFOA Officers and Staff:

Edward Harrington (GFOA President)
Stephen Gauthier
James Phillips

Patrice Martin, Montreal

Friday, January 30th, 2004

The various task forces met separately to coordinate their presentations for the regular meeting of the full committee on Saturday. At the same time, the co-chairs met with staff to review over the agenda for the two-day meeting.

The entire committee then met for informational sessions. The first presentation was by Lorne Turner from the City of Toronto on municipal performance measurement. Next Jack Lawrence from City of Mississauga led a presentation on the City of Mississauga's recent web portal launch. Roger Galipeau also updated the committee on the progress of the 2006 GFOA Montreal conference. The committee then received a presentation on GFOA's Yield Advantage on optimizing municipal investment performance.

The final item for the day covered by the committee was the Infrastructure Canada presentation on standards setting for accounting for infrastructure in Canada. Cecile Cleroux from Infrastructure Canada updated the committee on the purpose of Infrastructure Canada, its strategic approach to infrastructure, and partnering with other organizations to achieve its objectives. Reg Andres and Marie Lemay from the Canadian Council of Professional Engineers also briefed the committee on infrastructure. Tim Beauchamp updated the CCI on the Public Sector Accounting Board's future projects and its position on infrastructure. Infrastructure Canada recommended possibly establishing a task force to determine which of its objectives could be accomplished and to receive input from the CCI in regards to this. The committee will discuss its potential role in the initiative at the business meeting on Saturday.

Saturday, January 31st, 2004

Welcome and opening announcements

Co-chairs Janice Baker and Stan Westby welcomed the committee to Toronto for the eleventh meeting since committee's inception in San Francisco in 1998 (the sixth held in Canada). Stan Westby acknowledged the founding members of the committee Penny Bruin, Keith Dowdall, Roger Galipeau, and John Rop. Stan Westby is also a founding member of the committee. GFOA's President Edward Harrington also welcomed the committee and thanked the committee on behalf of GFOA for its efforts in the approving Recommended Practices that are applicable to Canadians and its work toward the 2006 GFOA Montreal Conference.

Approval of the agenda

Roger Rosychuk made the motion to approve the agenda, which was seconded by Len Brittain, and the motion carried unanimously.

Approval of the minutes

Jo-Anne Ferrier made the motion to approve the minutes of the meeting of May 17, 2003, held in New York, in conjunction with GFOA's annual conference. The motion was seconded by Robert Bishop, and carried unanimously.

Administrative matters

Bruce Fisher who is the Manager of Financial Planning for the Halifax Regional Municipality has joined the committee. He replaces Mark Gilbert, who no longer serves on the committee due to other professional obligations. Janice Baker will now be the committee's link for the FCM to replace Mark Gilbert. Tim Beauchamp and Robert Charpentier will also no longer serve on the committee due to other professional obligations. Stan Westby will now be the link for the Western Canada GFOA.

Stan Westby asked the committee to bring forward any recommendation for a replacement for Robert Charpentier. Tim Beauchamp served as an advisor for the committee.

Report on activity of GFOA's Executive Board

Stan Westby updated the committee on key initiatives adopted by GFOA's Executive Board. The committee was briefed on the GFOA Yield Advantage, the adoption of GFOA's first biennial budget, and new recommended practices adopted by the Executive Board.

Mission Statement

Janice Baker led the review of the draft mission statement that was circulated to the entire committee. The co-chairs revised the original mission statement to be consistent with GFOA's strategic plan. The committee also analyzed a draft strategic plan document for the CCI. The committee requested a few revisions in the wording of the draft strategic plan. Paul Macklem made the motion to approve the committee's mission statement and strategic plan document, with recommended revisions. The motion was seconded by John Rop and carried unanimously. Both the committee's mission statement and strategic plan will be included within the Canadian section on GFOA's website.

Report on Canadian membership

The committee reviewed over a document on recent Canadian GFOA membership trends. Lloyd Russell commented that the membership has been constant and that the committee should focus and identify which municipalities could be new members to increase membership. He also noted that the membership numbers did not include City of Ottawa.

School initiative

Stephen Gauthier updated the committee on a recent GFOA initiative to increase school district participation in the GFOA awards programs. The committee discussed the potential of having school entities in Canada participate in the CANFR Program and other awards programs. Some of the members commented that there may not be a market for participation in the programs due to the regulations in the various provinces. After further discussion, the committee concluded that there should be a continued focus on increasing the participation of municipalities in the awards program and that increasing school district participation could be reviewed possibly at a later date.

GFOA Yield Advantage

The committee discussed the GFOA Yield Advantage based on the presentation from the previous day. Several of the members expressed interest in the GFOA Yield Advantage and noted that there needs to be greater understanding of necessary steps for a successful

implementation in Canada. Steve Zorbas commented that he supports possibly a strategic partnership on the GFOA Yield Advantage with the MFOA. Len Brittain recommended establishing a task force to develop a work plan for successful implementation. After further discussion, the committee will establish a task force to work with GFOA to examine the potential for the customization of the GFOA Yield Advantage in Canada. Len Brittain will lead the group of volunteers, which includes Janice Baker, Penny Bruin, Chris Good, Paul Macklem, Roger Rosychuk, and Lloyd Russell. Jacques Marleau will also be contacted to see if he is interested in participating.

GFOA Consulting

Stan Westby updated the committee on GFOA's consulting project for the Municipality of Burnaby. Some of the members expressed interest in the consulting projects offered by GFOA and their applicability for Canadian municipalities.

Standards Task Force

Jo-Anne Ferrier, the co-chair of Standards Task Force, reviewed the Task Force's six-month work plan with the Committee. The continued review of recommended practices for their applicability to Canadians and a draft proposal on the approach to deal with PSAB standards for municipalities for the June meeting were the major items discussed from the work-plan.

Robert Bishop, the chair of the Accounting, Auditing and Financial Reporting Virtual Committee, brought forward the recommended practices The Use of Trend Data and Comparative Data for Financial Analysis and Using Websites to Improve Access to Budget Documents and Financial Reports for first reading by the Committee.

Jo-Anne Ferrier reviewed the recommended practices brought forward from Karen Bittner's Budgeting and Financial Management Virtual Committee. Steve Zorbas made a motion for final approval, as amended by the Committee, the recommended practice Performance Management: Using Performance Measurement for Decision Making. The motion was seconded by Keith Dowdall and carried unanimously. The Committee also reviewed the following recommended practices for first reading:

- Appropriate Level of Unreserved Fund Balance in the General Fund
- Measuring the Cost of Government Services
- Sustainability

In regards to the recommended practice Appropriate Level of Unreserved Fund Balance in the General Fund, Stephen Gauthier suggested that a Canadian recommended practice may need to be developed, since terminology may not be applicable to Canadians.

Chris Good, the chair of the Cash Management Virtual Committee, submitted the following recommended practices for final approval:

- Purchasing Card Programs (motion: Roger Rosychuk; second: Steve Zorbas, unanimous approval)
- Selection of Investment Advisors for Non-Pension Fund Assets (motion Mike Ruta; second: Penny Bruin, unanimous approval)
- Use of Lockbox Services (motion Lloyd Russell; second: Steve Zorbas, unanimous approval)
- Commercial Paper (motion Roger Rosychuk; second Lloyd Russell, unanimous approval)
- Use of Positive Pay or Reverse Positive Pay (motion Steve Zorbas; second John Rop, unanimous approval)

Chris Good also brought forward the recommended practice Use and Application of Voluntary Agreements and Guidelines for Cash Management for first reading.

Jo-Anne Ferrier, the chair of the Debt Management Virtual Committee, submitted the recommended practice Selecting Bond Counsel for final approval. Lloyd Russell made a motion to approve it, seconded by Len Brittain, and the motion carried unanimously.

The Retirement and Benefits recommended practices and the PSAB standards process will be discussed at next meeting in Milwaukee.

Janice Baker led a discussion with the committee on increasing the number of participants and reviewers in GFOA's CAnFR program and the Budget Awards Program. Janice Baker asked the committee members to recommend individuals from the members' municipalities that would be interested in being a reviewer for the awards programs.

A document on the GFOA recommended practice Adoption of Financial Policies was distributed to the committee by Roger Galipeau. Roger Galipeau discussed the municipalities that have adopted the Financial Policies recommended practice and also suggested promoting the recommended practice to the various municipalities in Canada. The committee members also suggested that the other recommended practices that are applicable to Canadians should also be promoted. Roger Galipeau made a motion for the co-chairs to draft a letter promoting the Adoption of Financial Policies recommended practice and to also equally recognize the other recommended practices. The letter will be distributed to the appropriate individuals in the provinces, as recommended by the committee members. The motion was seconded by Del Dyck and it carried, but not unanimously.

Bruce Fisher will join the task force.

Infrastructure Canada

The committee discussed the Infrastructure Canada presentation and its potential of participating on a task force for developing a work plan for standard setting for infrastructure. Several of the members commented favorably on participating in this initiative, however noted additional details of the process need to be clarified. After further discussion, Roger Rosychuk made the motion that the committee supports in principle the Infrastructure Canada initiative, however the committee will seek additional information to determine its specific role. The motion was seconded by Keith Dowdall and carried unanimously. Stan Westby will be the link for the committee to communicate with Infrastructure Canada and will communicate the motion and comments of the committee. Members of the Infrastructure study team will be involved in the process, includes Steve Zorbas, Roger Galipeau, and also Lloyd Russell and Mike Ruta who will participate in the group.

Professional Development Task Force

Mike Ruta, the co-chair of the Professional Development Task Force, updated the committee on the efforts of the task force to identify potential speakers and topics for the 2004 GFOA annual conference in Milwaukee. He asked the committee members to recommend additional potential speakers.

The committee also discussed the preconference day at the 2006 GFOA Montreal conference specifically dedicated to Canadian issues. Stan Westby noted that the Western Canadian GFOA conference will be cancelled that year. Steve Zorbas commented on opportunity to work with the MFOA on the Canadian day at the Montreal conference. The committee members discussed the options of having a separate preconference day on Saturday or including specific Canadian sessions during the regular conference. The Professional Development Task Force will develop an action plan for this issue for the meeting in Milwaukee.

Len Brittain, the co-chair for this task force, updated the committee on the Innovative Revenue Sources Study Team. He discussed the potential outcomes from the study team such as developing a future GFOA recommended best practice as an aid to municipalities looking for new revenues, or to help assist politicians in decision making. A future step for the study team is to survey key individuals on municipal revenue sources.

Steve Zorbas also updated the committee on the Infrastructure Funding Study Team. The study team will be working on the Infrastructure Canada initiative as it develops.

Advocacy & Communications Task Force

John Rop, the co-chair of the Advocacy & Communications Task Force, discussed a report on the group's work that was circulated to the entire committee. The key items of the report were as follows:

- Publication of GFOA National Canadian Newsletter – John Rop noted that a goal is to have the newsletter published at an earlier date. The committee has decided that the maximum length of the newsletter will be eight pages. Also, back issues in the future will be included in the Canadian section of the website.
- Additional information to post on the GFOA website – An objective is to link the development of the Canadian content on the website to the GFOA Technology Resource Group (TRG). Roger Rosychuk will be a member of the TRG.
- Profile Western Canada conferences across all provinces – An objective is to continue to promote delegate exchanges with the MFOA as occurred in 2003.
- Establish a stronger link to the MFOA – Janice Baker updated the committee on the meeting between Dan Cowin, the Executive Director for the MFOA and Stephen Gauthier to discuss new opportunities of working between the organizations jointly.
- CCI Profile & Benefits publication – The task force will be working in the future on preparing a new document that incorporates recent key outcomes and activities.
- 2006 Montreal GFOA conference – An objective of the task force is to establish a benchmark target for attendance.
- Monitor GFOA Canadian membership – Lloyd Russell updated the committee on his analysis of the Canadian membership. The focus will be on which municipalities can be new members. He will forward information to committee members to help identify potential member cities.
- Obtain a Canadian municipality address listing – Del Dyck mentioned that a membership listing could be used to distribute GFOA informational packages to market the GFOA to various municipalities. Janice Baker commented that the information packages could possibly be distributed via the MFOA e-mail mailing list.
- Canadian events at the GFOA annual conference in Milwaukee – The committee will continue to focus on the Tuesday roundtable. Canadian members will be informed of the event via e-mail.
- Prepare individual CCI member profiles – Templates for the bios will be forwarded to members by the task force and the information will be forwarded to staff to be included on the website.
- Develop a list of GFOA website links – The task force will focus to include the GFOA link for any provincial associations that do not presently have this.

- Begin addressing advocacy issues – Lloyd Russell discussed the CCI’s advocacy role. He mentioned that an objective is to identify advocacy issues where the CCI can play a valuable role in national issues. Also, an objective is to confirm what advocacy role is appropriate for the CCI to undertake. He noted that a focus should be to link with

provincial municipal associations to best serve the municipal practitioners, rather than focusing too strongly to link with the FCM.

- Explore links to other organizations – Roger Rosychuk discussed the need to first examine the purpose for linking with other organizations.

Canadian Roundtable

The committee discussed potential topics for the roundtable. Some of the topics discussed were the following: the work of the committee, GST, Montreal conference update, website update, and Infrastructure Canada. The co-chairs of the task forces will be asked to be discussion leaders for the roundtable.

Other topics

Keith Dowdall and Steve Zorbas updated the committee on the conference exchange between the MFOA and the Western Canada GFOA.

The committee discussed briefly the potential for Canadian logo. The committee decided not to pursue this.

Stan Westby recognized the efforts of Penny Bruin on the committee, who will be moving to work in South Africa.

Adjournment

There being no further business before the committee, the meeting was adjourned. The next meeting of the CCI is scheduled to take place on Saturday, June 12, 2004, in Milwaukee, in conjunction with GFOA’s annual conference.

