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BOARD OF DIRECTORS

- Noreen Kassam**
(President)
City of Burnaby, BC
- Kelly Lemoine**
(Vice President)
City of Winnipeg, MB
- Jason Turnbull**
(Treasurer)
City of Saskatoon, SK
- Katherine Macdonald**
(Secretary)
City of Yellowknife, NT
- Lorrie Schmalenberg**
(Past-President)
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- Karen Grommada**
City of Port Coquitlam, BC
- Kelly Gibson**
Town of Banff, AB
- Ed Kaemingh**
Sturgeon County, AB
- Lindsay Schneider**
City of Whitehorse, YT
- Gary Kent**
City of Mississauga, ON
- Paul Wills**
Nova Scotia MFC, NS
- STAFF**
- Susan Broadfoot**
- Sam Weller**
- Penny Bruin**

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GREAT CONFERENCE IN WINNIPEG!



Our annual conference was held in Winnipeg in September and was a great success. Our theme, “Building on Diversity” fit perfectly in the heart of Canada and the home of the Canadian Museum for Human Rights.

We hosted our Welcome Reception in the museum. The beautiful ambience and setting of the museum set the course for the conference.

On Wednesday morning, Gail Stephens gave her insights on how to survive in local government. Tim Beauchamp continued to assure us that we are still going in the right direction with all the upcoming PSAB changes.

On Wednesday afternoon there were concurrent sessions on cyber risk, the total cost of risk, long-term financial sustainability planning, and the Annual PSAB update. We discussed the impacts of changing technology, communicating financial information, and dove deeper into

PSAB’s Proposed Conceptual Framework and Proposed Reporting Model.

Highlights from Thursday include Mohamed Fahmy sharing his stories and experiences as a journalist in the Middle East. We had sessions on risk, ideas on transforming our financial statements, partnering, citizen engagement, budgets, asset management, corporate sponsorships, and more on PSAB. And, of course, on Thursday evening we were entertained by Johnny Cash and Elvis Presley and sang to their greatest hits!

Finally, on Friday, we received some insights and tips from a seasoned panel on working in a municipality in the future, a Housing Economic Update, and some motivation on leadership and resiliency.

Thank you to everyone who helped make our 2018 conference a success. We look forward to seeing you in Vancouver in October 2019!



LIFETIME MEMBERSHIP AWARDS

We awarded our first Lifetime Membership Awards at our national conference in September.

Tim Beauchamp, former director of the Public Sector Accounting Board, has been directly involved in our conferences since 1989, where he has been a long-time presenter. Betty Holsten-Boyer,



who recently retired from the City of Winnipeg, was probably the longest-serving board member of our association. We all appreciate both of their contributions.

Having life members is not only a way of recognizing outstanding service, but it allows us to use their wisdom for years to come.

PRESIDENT'S REPORT

I am very honored and excited to be serving as your President for the 2018/19 fiscal year. I would like to take the opportunity to thank the outgoing President, Lorrie Schmalenberg, for doing a remarkable job at leading CAGFO to a national organization over the past couple of years. We've got an amazing Board (listed on Page 1). The Board is committed to the expansion of our membership base to Eastern Canada and will continue to strengthen our relationships with partnering organizations.

At the Board's last retreat, held after the 2018 CAGFO Conference, the following Committees were established: Communications Committee, PSAB Committee, External Relations Committee, and Membership Committee and Conference Committee. Each Committee will have Board representation and are focussed on policy development around membership

needs from the respective perspectives. Additional information on each Committee and opportunities for our membership to participate will be posted to our website shortly.

I'd also like to acknowledge Broadwell Services, our contractors, who continue to be the backbone of the organization, ensuring the Board stays on course. CAGFO will also soon be adding a Manager of Operations and Member Services to our administrative team. We've got a busy year ahead of us and are looking forward to sharing our accomplishments and seeing you at our next conference in Vancouver from October 2-4, 2019!



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PARTNERS



PSAB NEWS:

Changes to how municipalities account for pensions may be coming

The Public Sector Accounting Board (PSAB) issued its third document for comment as part of its [Employment Benefits project, Employment Benefits: Non-traditional Pension Plans](#).

Non-traditional pension plans involve employers sharing different degrees of risk related to pension benefits with other parties, including employees and other employers. Examples include: joint defined benefit plans; multiemployer defined benefit plans; target benefit plans; and plans with any risk-sharing provisions, such as contribution limits, contingent contributions and contingent benefits (including conditional indexation).

A key principle explored in the document is that entities would report their share of the accrued benefit obligation of the pension plan in their financial statements, reflecting the substance of the plan's terms and taking into consideration relevant factors, facts, events and circumstances.

This may have significant effects on the accrued benefit obligation reported by municipalities. One of the implications is that defined contribution accounting would no longer be the default accounting for municipalities participating in multiemployer plans. The municipality would need to consider whether they have any obligations to make additional contributions to multiemployer plans if there are not enough assets to pay for benefits.

Influence the future of pension accounting and respond by February 1, 2019.

Learn about the key features of the document by reading [In Brief](#), a plain and simple overview of this document for comment; and listening to the webinar ([English/French](#)) presented by members of PSAB's Employment Benefits Task Force.

Check out the next issue to learn about PSAB's new standard on asset retirement obligations and its impact on local governments. For more information, visit www.frascanada.ca/psabARO.

GOVERNMENT FINANCE OFFICERS EVENTS

UPCOMING CONFERENCES

May 19th-22nd 2019;
GFOA of United States
and Canada, Los Angeles, CA
[More information](#)

May 29th-31st 2019;
GFOA BC, Victoria, BC
[More Information](#)

June 2nd-5th 2019;
Alberta GFOA, Edmonton, AB
[More Information](#)

September 18th-20th 2019;
MFOA, Huntsville, ON
[More Information](#)

October 2nd-4th 2019;
CAGFO, Vancouver, BC
[More Information](#)

May 17th-20th 2020
GFOA of United States
and Canada, New Orleans, LA

Fall 2020
CAGFO, Edmonton, AB




2019 GFOA Alberta Conference
June 2nd-5th, 2019
River Cree Resort & Casino, Edmonton AB
"Building a Bright Green Future"
For more information: <https://www.gfoa.ab.ca/>



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CONTINUOUS CONTROLS MONITORING IS MANAGEMENT'S BEST FRIEND

Being audited is hard work! Managers spend a lot of time getting prepared, answering questions and generally feel like they are under a microscope. Despite this, most acknowledge that audits are valuable. How can you get the benefits that audits provide without the pain? Continuous Controls Monitoring (sometimes referred to by the acronym CCM or just shortened to continuous monitoring)!

To understand why this is true, we need to understand a bit about the similarities and differences between the two.

Both include the performance of assessments. One difference is ownership of the assessment process – the auditor is responsible for auditing, while monitoring is owned by management. You could say monitoring is auditing performed by management. CCM also provides several benefits.

Easier (and Cheaper) Audits

Continuous controls monitoring and external audit often directly impact each other. If you have an undocumented, unmonitored set of internal control activities, you should expect your external auditor to perform extensive sampling and testing. That leads to increased time and effort for the auditor, increased professional fees and increased support work for you.

Contrast that with an organization who has very strong monitoring of their internal controls, excellent documentation of the exceptions found and their remediation. Your auditor can review this evidence of your strong internal control system and conclude that there is minimal risk. That means less testing and time on their part, reduced professional fees and less work for you.

With continuous monitoring, your audit reports can change from a laundry list of errors made throughout the prior year to a discussion of improvements in your management and control processes to better prevent, detect and remediate errors in the future.

Timely and Efficient Management

In addition to reducing the number of tests being performed (which should yield less expensive audits), continuous monitoring provides another significant benefit - timeliness.

CCM occurs alongside business processes, so identified issues can be addressed proactively before it becomes a major (public) problem. Consider the difference between:

1. finding and putting a hold on a suspected duplicate invoice payment **before it is paid**

vs.

2. detecting the payment months after it has occurred during an audit and **then** trying to recover funds from the vendor.

By monitoring your internal control activities continuously, you have the opportunity to manage your processes as they are happening, rather than retrospectively.

Written By F.H. Black & Company Incorporated



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NEW BOARD MEMBER – GARY KENT

At our AGM in Winnipeg Gary Kent, Commissioner and Chief Financial Officer for the City of Mississauga, was elected to represent Ontario.

private sector transit organization and experienced deregulation, privatization, flotation and mergers in that industry.

Before beginning work with the City of Mississauga 23 years ago, Gary, a graduate of Glasgow Caledonian University, worked as the Finance Manager for a large

He holds accounting designations of ACCA and CPA, CGA.

Welcome, Gary!

NEW OFFICERS FOR 2018/19

Like many organizations, CAGFO members elect the Board of Directors at their AGM; but it is up to those board members to choose their President and officers. The new board members, shown on the first page of this newsletter, selected the following as their executive for 2018/19:

- Noreen Kassam, President
- Kelly Lemoine, Vice-President
- Jason Turnbull, Treasurer
- Katherine MacDonald, Secretary
- Lorrie Schmalenberg remains on the executive as Past-President

We thank them all in advance for their service.

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WE WANT TO HEAR YOUR IDEAS!

We are starting to plan the program for our 2019 conference in Vancouver, and we really want to hear ideas, thoughts and preferences from our members. What topics would you like us to address? What speakers would you like to hear? What would you like to see incorporated into our program? Do you have a specific topic you would like to present yourself? Tell us what you think by filling out [this form](#) from our website and send it to sam@cagfo.ca

VANCOUVER, BRITISH COLUMBIA OCTOBER 2ND-4TH 2019

DELEGATE REGISTRATION

Delegate fee will be \$700 until
July 15th 2019

Registration will open soon.

PRE-CONFERENCE SESSIONS

We will be offering pre-conference
sessions on Tuesday October 1st.
Details to be announced.



TRADE SHOW

Our Trade Show space will be
limited. Contact us at 250-598-
6871 if you have questions.

SPONSORSHIPS

We welcome enquiries from
potential sponsors across Canada!
Please contact us at:

office@cagfo.ca

or call 250 598 6871



HOTEL ROOMS

The conference is being held at the Vancouver Airport Sheraton. We will reserve a block of rooms. Bookings will open soon.