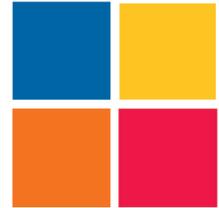




# Canadian Association of Government Finance Officers



AUGUST 2020

## National Professional Development Conference Update

### INSIDE THIS ISSUE

Planning is progressing for the 2020 CAGFO National Conference and we are working hard to ensure that registrants have a “next-best-thing-to-being-there” experience, with timely and topical presentations, discussions, and social networking opportunities.

This much-anticipated annual professional development conference will still feature the relevant and exciting presentations and discussions you’ve come to expect from CAGFO but there are also opportunities to include the whole family in our unique social programming!

Events include a Cooking Class with MasterChef winner Mary Berg and a Mixology demonstration from Erick Rosende. All you need to do is register for the conference and your family can attend!

We are very pleased to announce new group discount registration options for the 2020 CAGFO National Conference.

**New this year we are offering group rates for the following options:**

**1. Group Discount: \$750 for three**

**or less registrants from the same organization, and;**

**2. Organization Discount: \$1200 for four or more registrants from the same organization.**

The Organization discount option is proving to be very popular with some municipalities planning to register upwards of 100 finance officers to make use of the unlimited option for \$1200.00.

When registering, please complete Section 1 for the Organization and add your individual delegates in Section 2. The pricing will automatically adjust to the correct registration option based on the number of delegates entered.

If you are planning on registering 10 or more people, please feel free to submit an excel spreadsheet to [office@cagfo.ca](mailto:office@cagfo.ca) with the following columns completed for each registrant: First Name, Last Name, Position, Email, Phone.

If you need to add people or make any changes to an existing registration, please complete this [change form request](#).

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## NEW! CAGFO DISCUSSION FORUM

START THE CONVERSATION HERE!

### FORUM TOPICS INCLUDE:

- COVID-19 Impact and Solutions
- User Charges
- PSAB
- Financial Statements
- Taxes
- Audits
- Council Reporting
- Technology for Government Finance Officers
- AND MORE!

[Click here to access the CAGFO FORUM and start the conversation!](#)

## SPONSOR AND EXHIBIT OPPORTUNITIES STILL AVAILABLE!

Partnering with CAGFO allows your organization to be aligned with an association’s commitment to promoting excellence in government finance. As a CAGFO partner, you will have access to up to 1000 conference participants as well as being included in our mailings to more than 5000 people working in the government finance field. Most of these delegates are senior decision makers in local and provincial

government, who collectively have final spending authority on billions of dollars annually.

A virtual exhibit hall will also be offered at the 2020 National Conference. Use his opportunity to connect with our delegates and maximize your investment!

For more info, please contact Lee Gould at [Lee@cagfo.ca](mailto:Lee@cagfo.ca).



## 2020 CAGFO NATIONAL CONFERENCE - SOCIAL PROGRAMMING



**Invite your whole family!! The social programming at the 2020 CAGFO National Conference offers something for everyone. Register for the conference and invite your whole family to learn new skills together from the comfort of your own home.**

Mary Berg is a self-taught home cook who can pretty much always be found in the kitchen. She's also a strong believer in the philosophy that any good party starts and ends right there.

Television audiences know Mary as host of her own feature series Mary's Kitchen Crush and the Season 3 winner of CTV's MasterChef Canada. She can also be seen as a regular Food Expert on CTV's Your Morning and The Marilyn Denis Show. In addition, just last Fall Mary published her own best-selling cookbook [Kitchen Party: Effortless Recipes for Every Occasion](#).

**Mary will be leading a one-hour cooking class at 7:00pm EST on Sunday, September 13th. Include your family as you learn to make Mary's [Heirloom Tomato Galette](#) like a masterchef from the comfort of your own kitchen!** From an early age, Mary always loved learning about, experimenting with, and sharing food. She has spent most of her life cooking and baking for those she most cares for. Her love of food has never faltered and she holds a strong appreciation for the restorative powers of a good, home-cooked meal.

Mary's signature style of re-

imagining culinary classics while maintaining the original heart of the dish has helped make a passion of cooking for those she loves into her full-time dream job. Delivered with her genuine and charming persona, Mary creates recipes that anyone from a kitchen novice to a culinary wizard can master.

For more information on Mary Berg, visit [www.asmallstove.com](http://www.asmallstove.com). You can also follow along with Mary on [Instagram](#) and [Twitter](#) and on [Facebook](#).

Erick Rosende is the Director/

Corporate trainer, ISG Sommelier/WSET Spirits Educator with Ultimate Bartending. Erick is a Master Mixologist and Sommelier with 20 years of bartending and managing experience throughout USA, Brazil, Spain, Mexico, Chile and of course Canada. He is known as one of the all time Pro bartenders, and is now sharing his vast knowledge and experience with the new great upcoming bartenders in Canada. When Erick is not instructing at Ultimate Bartending School you can find him managing at Edmonton Event Centre, Empire Ballroom, The Treasury, Underground Sound and many other locations for Bar Source Canada, entertaining celebrities and VIPs.



**Erick will be closing out the conference with a free 1-hr demo at 3:00pm EST on Thursday, September 17th. Recipes will be provided in advance for five cocktails including a selection of mocktails.**

For more info, please visit [click here](#).

## President's Report

Our role, as finance professionals, requires us to be resilient during periods of uncertainty. The last six months has been a challenge for us all, to say the least. Our focus and perseverance has been and continues to be needed to prevail through this difficult period of time. The ongoing pandemic that continues to test us all has undoubtedly provided us with paramount experiences and learning opportunities that have strengthened our ability to lead and overcome obstacles of significant consequence. As leaders, we are tasked with finding opportunities to guide our organizations to success and Leading Through Adversity, to prosperity. Our theme for this year's conference, Leading Through Adversity, is very appropriate and suited for this time. The Canadian Association of Government Finance Officers (CAGFO) has been and continues to be here for you with the tools and resources you need in order to adapt and to navigate through this time. Like so many others, CAGFO has 'gone virtual' with our much-anticipated national professional development conference. Our lineup of speakers – Kevin Page, Enid Slack and Michael Puskaric to name a few – are phenomenal. Relevant topics, engaging sessions and pertinent fo-

runs for discussions set us apart from other conferences and professional development experiences. Additionally, we have built in some networking through a cooking demonstration and drink mixology events.

Don't miss this great opportunity to participate, especially when there can be unlimited participants within your organization at an all-in, low cost. For more information on our upcoming conference, please visit <https://cagfo.ca/2020-annual-conference/>.

I'd like to thank our staff, Lee, Sam and Anne for rising to the challenge of planning our first virtual conference! Their enthusiasm, dedication and hard work is sure to make this conference a success.

This is my last message as President of CAGFO. I have had the pleasure to serve you, our CAGFO Membership, in this role for the past two years. Over this time, CAGFO has grown to almost 10,000 Members and stakeholders, making CAGFO the largest association representing and supporting the interests of Canada's government finance officers. Thank-you for your trust and confidence in me to lead.



**Noreen Kassam, CPA, CGA**  
**Director Finance**  
 City of Burnaby, BC

## GOLD SPONSORS



## CAGFO Notice of 2020 Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM) of the Members of the Canadian Association of Government Finance Officers (CAGFO) will take place 'virtually' on Wednesday, September 16, 2020 starting at 11:30 hours (Eastern Time).

Notice is also given that matters to be brought before the meeting include the following:

1. Approval of minutes of the Annual Meeting of the Members on, October 4th 2019.
2. President's Report
3. Treasurer's Report

- Financial statements and Report of Auditor
- Appointment of Auditor for the 2020 fiscal year

### 4. Election of Directors

Minutes, unapproved audited financial statements and the report of the Auditor will be made available as separate documents for view at [www.cagfo.ca](http://www.cagfo.ca).

Should you have any questions please don't hesitate to contact CAGFO by email at [office@cagfo.ca](mailto:office@cagfo.ca) or 604.493.2017.

The draft agenda is available [here](#).

## PSAB'S INTERNATIONAL STRATEGY DECISION

At its May 5, 2020 meeting, the Public Sector Accounting Board (PSAB) voted to approve Option 2: Adapt IPSAS principles when developing future standards as its future international strategy. This decision has been years in the making and involved extensive consultation with Canadian stakeholders.

Over the last decade, IPSAS have matured and are a high-quality and comprehensive set of accounting standards. With other jurisdictions comparable to Canada adopting or adapting International Public Sector Accounting Standards (IPSAS), the Board signaled its intent to review its approach towards IPSAS in its [2017-2021 Strategic Plan](#).

PSAB considered four options for its international strategy. They are defined in [Consultation Paper 2, Reviewing PSAB's Approach to International Public Sector Accounting Standards](#):

- Option I – Status Quo: Continue with the existing Canadian-made standard setting-process.
- Option II – Adapt IPSAS principles when developing future standards.
- Option III – Adopt IPSAS except when a departure is permitted.
- Option IV – Adopt IPSAS.

After careful review of all stakeholder input, including significant feedback from the municipal government community, the Board concluded that the best way forward is Option 2: Adapt IPSAS principles when developing future standards.

Under this option, PSAB will continue to develop PSAS, but future standards would be based on the principles in IPSAS

standards. This means that if a project is undertaken and an IPSAS already exists, the principles of that IPSAS will be used as a base for developing the corresponding Canadian PSAS. When PSAB chooses to develop a standard where there is no equivalent IPSAS standard, the standard would be developed as they are today.

The Board will establish Criteria for Modifying and Reviewing Principles in IPSAS that will act as a framework and provide guidance on when departures from IPSAS principles are permitted. Examples of circumstances where modification would be allowed include IPSAS principles that are contrary to PSAB's conceptual framework, or IPSAS principles that are not appropriate for application in the Canadian environment. Under this option, PSAB will maintain its role as the sole standard-setter authorized to set generally accepted accounting standards for all public sector entities in Canada. It will also continue to have complete autonomy in developing Public Sector Accounting Standards (PSAS) and determining which standards are to be developed.

While the effective date of the Board's decision is May 5, 2020, the decision will be implemented for all new projects beginning on or after April 1, 2021. PSAB will be issuing a Basis for Conclusions document on the International Strategy decision in the coming weeks. We invite you, the municipal government community, to review the Basis for Conclusions document when it becomes available on the International Strategy [project page](#).

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## BUDGET BOOK VS. FINANCIAL STATEMENTS: WHAT'S WORSE?



Finance professionals in government and education have several daunting (frustrating, annoying, I could go on...) reporting challenges to address each year:

1. the Annual Audited Financial Report,
2. the Budget Book and
3. some special purpose reports like the FIR for governments in Alberta & Ontario or the CAUBO report for universities & colleges

While automating the annual financial statements is generally recognized as a major win for your finance team, perhaps an even bigger win is automating the budget book.

To an outsider, this might be a surprise. Isn't going through an audit the worst thing possible? Admittedly, it's not a lot of fun and yes it is incredibly time consuming; but the budget book is worse. Here's why..

### 1) Much more content

How long are your annual financial statements? For many of our clients (governments, universities & colleges, large publicly traded companies) a typical set of statements include:

- a cover page
- a table of contents
- 4 statements
- 20 - 30 notes
- 4 - 6 schedules

All told, the report is perhaps 30 pages. For a regional district or a local government in the USA that must prepare a Comprehensive Annual Financial Report (CAFR) the page count is likely to increase to 200 + pages. In any case, there is a lot of complexity to these reports.

A budget book (sometimes called the "financial plan") is almost always much larger. 200 or 300 pages is actually a small budget document. For those clients that participate in the GFOA Distinguished Budget Presentation Awards program, their guidelines tend to result in very large budget books. Some even approach 1,000 pages!

All of this content means more work. More tables, more text, and more numbers that must reconcile.

### 2) Considerable emphasis on non-financial data

For the most part, financial statements are focused on financial data. There are text portions (the policies and notes), but even then they are either relatively static (e.g. your revenue recognition policy is not changing year-by-year) or primarily about details of the financial data.

In contrast, it is very common for the budget book to contain hundreds of pages of narrative. Large narrative discussions of the following are required of GFOA Distinguished Budget Presentation Award Program participants in a budget book:

1. the budget process,
2. entity-wide long-term financial policies,
3. organizational charts and
4. descriptions of the organization, its community, the population and background information related to the services provided.

Why does this make the process harder? More content means more page breaks, larger table of contents, more pages to number, etc. In short, it means more elements to have problems with. Secondly, much of this narrative changes year after year, necessitating a process of collecting, organizing and updating hundreds of pages of content.

### 3) Graphs & pictures

Annual Financial Statements rarely include graphs & pictures. They tend to be very utilitarian documents, comprised almost exclusively of tables of data and a few pages of narrative in the notes section. Very few of our clients even add a logo or picture to the cover page!

Contrast this with the budget book. The vast majority of these documents contain many graphical elements including:

1. organization charts
2. graphs
3. pictures of ongoing projects, the finance team, local wildlife, etc.

A quick review of one of the budget book for one of our clients showed that in the 425 pages, there were nearly 300 graphical elements! Just like the challenges listed above in large narrative sections, graphical elements must be managed and updated year after year. To make matters worse, consider that many finance professionals are not expert in how to use graphical elements to maximize communication effectiveness.

### 4) A much broader collaboration

In most organizations, assembling the annual financial statements is primarily the task of the core finance team. While dozens of folks may contribute reconciliations and supporting documents, perhaps only a handful of people contribute to the statements directly.

For the budget book, dozens or even hundreds of people contribute to that huge volume of text we mentioned earlier. It might only be a few paragraphs per person, but it seems like every Tom, Dick & Wendy contribute to the budget book content.

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## BUDGET BOOK VS. FINANCIAL STATEMENTS: WHAT'S WORSE? *Cont'd*

That means the team that assembles the book needs to track who is contributing to each section. Then they need to know if that individual provided their content yet, and when they do provide the content someone has to make sure that it gets reviewed, approved, and finally correctly inserted into the end report. That is a lot of little steps which must be repeated potentially hundreds of times to arrive at the completed book.

### The End Result

The end result of these four points is one absolute fact. If your budget document is hundreds of pages bigger than your financial statements, budget book automation will be an incredibly valuable accomplishment for your organization.



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## Partner Events

### UPCOMING CONFERENCES

September 14- 17, 2020  
CAGFO National Conference  
[Virtual conference](#)

September 22- 25, 2020  
MFOA Ontario  
[Virtual conference](#)

October 19-21, 2020  
CPA Public Sector Conference  
[Virtual conference](#)

November 23, 2020  
Association of Manitoba Municipalities Annual Convention  
AMM

May 26-28, 2021  
GFOA BC  
Victoria, BC

May 30-June 2, 2021  
GFOA Alberta  
Banff, AB

June 27-30, 2021  
GFOA International  
Chicago, IL

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## CAGFO'S WEBINAR OFFERINGS

The CAGFO - Bloom webinar series continues this Thursday with **Financial Policy 101** as this week's topic. It is fundamental for municipalities to have policies in place. Learn the basics of policy development and how to create effective policies that make a difference! [Register here.](#)

The next in the series is **Audit Essentials Tools and Knowledge for a Successful**

**Audit** scheduled for Thursday, August 27th. This webinar will provide essential knowledge to ensure a successful audit and will enhance the municipal professional's ability to make a challenging process easier! [Register here.](#)

[CAGFO's popular Weekly Wednesday Webinar Series is on hold until after the conference.](#)