

Town of Amherstburg
Financial Services Department
INFORMATION REPORT

To: Mayor Hurst and Members of Council
From: Justin Rousseau, Director of Financial Services
Date: October 22, 2014
Meeting: November 17, 2017
Subject: Update on the Deloitte Report

Recommendation:

It is recommended that:

1. The report from the Director of Financial Services dated October 22, 2014 regarding the Update on the Deloitte Report be received for information.

Background:

In January of 2014, Council initiated requests of the Ministry of Municipal Affairs to conduct an audit regarding the Town's financial situation. Over several months of dialogue between the Ministry and the Town, a Memorandum of Understanding was agreed upon for a financial services review and By-law 2014-29 was adopted by Council on April 7th, 2014. The Ministry undertook a procurement process and the successful proponent engaged by the Ministry on behalf of the Town was Deloitte LLP. A field review was undertaken by Deloitte between June 25th, 2014 and July 15th, 2014. The scope of the Deloitte review included the areas of:

1. Matching Revenues and Expenses
2. Stewardship of All Municipal Assets
3. Reserves and Reserve Funds
4. Communication with Council on Financial Matters
5. Agreements, Policies, Procedures and By-Laws
6. Financial Practices and Policies

The review covered the period of January 1, 2009 to June 30th, 2014.

On August 11, 2014, Deloitte LLP presented the Town with the Town of Amherstburg– Financial Management and Practices Review Report. The report contained 41 recommendations to assist the Town in addressing a number of high profile financial matters, annual operating deficits and long term debt. The report outlines areas of improvement to ensure the Financial Services Department of the Town reaches a mature state. Council unanimously adopted the following resolution:

“That the presentation be received and that Council and Administration continue to work with the representatives from Deloitte LPP in implementing the 41 recommendations of the financial services review.”

Subsequently, a Special Council Meeting was held on September 11th, 2014 to allow Council the opportunity to question and obtain a better understanding of the findings and 41 recommendations contained within the Deloitte report. The following is a progress report providing a status update for Council on the implementation of 41 recommendations contained within the Deloitte report.

Comments:

Administration has been working on many of the recommendations contained within the report. Upon a detailed review of the report, Administration has prioritized and divided the recommendations contained within the report into 6 major projects of focus. Those projects are as follows:

1. Development and Approval of a Strategic Financial Plan for the Town of Amherstburg
2. Development of increased monitoring and reporting practices for capital projects and expenditures.
3. Development of financial reporting practices to Council.
4. Develop and implementation of a Council training session on the presentation and understanding of financial information pertaining to the Town of Amherstburg
5. Development of an enhanced policies and procedures for the Financial Services Department, inclusive of the roles and responsibilities of financial staff.
6. Development of internal control mechanisms to evaluate and monitor the policies and procedures for the major accounting streams.

Administration is confident that the 6 projects identified above will address the 41 recommendations tabled within the Deloitte report. Administration has provided Appendix "A" as a summary identifying the recommendations and progress to date.

Others Consulted:

The Manager of Financial Services, and the Supervisor of Accounting, were consulted with regards to this report.

Financial Implications:

There are no financial implications with respect to this report.

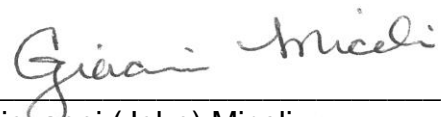
Conclusion:

It must be noted that a significant amount of progress has been made by Administration since the 41 recommendations were presented and adopted by Council on August 11, 2014. In summary, Administration completed and implemented solutions for 15 of the 41 recommendations as per the attached Appendix "A". Administration is diligently working to complete the remaining 26 recommendations in advance of the 24 month timeline established by the Deloitte report.

Prepared by:


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Director of Finance

Reviewed by:


Giovanni (John) Miceli
Chief Administrative Officer

Attachment(s):

Deloitte Update Chart