



**AUDIT COMMITTEE
MEETING AGENDA**

**TUESDAY, MARCH 24, 2015
6:30 P.M.**

**COUNCIL CHAMBERS
AURORA TOWN HALL**

PUBLIC RELEASE
March 20, 2015



TOWN OF AURORA AUDIT COMMITTEE MEETING AGENDA

Tuesday, March 24, 2015
6:30 p.m.
Council Chambers

1. DECLARATION OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

2. APPROVAL OF THE AGENDA

RECOMMENDED:

THAT the agenda as circulated by Legal and Legislative Services be approved as presented.

3. DELEGATIONS

- (a) **Giselle Bodkin, Partner, and Andrea Nauss, Manager, BDO Canada LLP**
Re: Item 1 – CFS15-013 – Audit Plan for 2014 Fiscal Year

4. CONSIDERATION OF ITEMS

5. CLOSED SESSION

6. ADJOURNMENT

AGENDA ITEMS

1. CFS15-013 – Audit Plan for 2014 Fiscal Year

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RECOMMENDED:

THAT Report No. CFS15-013 be received; and

THAT the 2014 year end Audit Plan as proposed by BDO Canada LLP be endorsed.



TOWN OF AURORA
AUDIT COMMITTEE REPORT

No. CFS15-013

SUBJECT: *Audit Plan for 2014 Fiscal Year*

FROM: *Dan Elliott, Director, Corporate & Financial Services - Treasurer*

DATE: *March 24, 2015*

RECOMMENDATIONS

THAT Report No. CFS15-013 be received; and

THAT the 2014 year end Audit Plan as proposed by BDO Canada LLP be endorsed.

PURPOSE OF THE REPORT

In accordance with the Audit Committee Terms of Reference the audit committee is responsible to:

“Review the audit plan and audit fee schedule for the ensuing year end”

BACKGROUND

Attached is the Audit Plan for the 2014 Year End audit as prepared by the firm of BDO Canada LLP (BDO). Representatives from BDO will be making a short presentation to the Committee in order to review its details.

COMMENTS

Since 2012, BDO has been providing Auditing Services for the Town of Aurora as part of a joint tender with the six northern York municipalities. 2014 represents the final year of the existing contract with BDO.

The attached report prepared by BDO addresses the audit plan for 2014 year end, including the scope and approach to their audit. Staff are not in a position to comment or challenge the approach that the auditors have chosen in order to fulfil their professional obligations required when rendering an audit opinion report. From the perspective of the Financial Services group, we continue to be committed to the provision of any requested documentation to the auditor in a prompt fashion in an effort to facilitate the audit in a timely manner.

March 24, 2015

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Report No. CFS15-013

Audit fees are always quoted on the presumption that staff will have completed all requested schedules and support materials requested in advance of the audit, and that the financial statements and associated notes have been properly and fully prepared by staff. The fees also anticipate not finding any item of substance requiring extensive additional audit effort to resolve or report. Accordingly, the recommendation includes a provision that the Treasurer be authorized to approve additional fee invoices to an amount not to exceed 10% of the quoted fee.

The auditors are required to review all Council minutes, including closed session minutes. They are also required to review the prior year's internal control letters and consider any concerns raised therein during their current audit, looking for continuing circumstances, weaknesses or concerns as raised in the prior year, and how such may affect the outcome of their current audit, and the opinion to be expressed therefrom.

LINK TO STRATEGIC PLAN

The annual audit is a statutory requirement, and is guided by professional standards applicable to all Canadian licenced audit practitioners. Preparation and publication of the annual audited financial statements supports the Strategic Plan principles of integrity, progressive corporate excellence and continuous improvement.

ALTERNATIVE(S) TO THE RECOMMENDATIONS

1. Audit Committee may wish to commission the auditors to undertake any special reviews or additional works, however these will incur additional professional fees, for which budget funding will be required.

FINANCIAL IMPLICATIONS

The cost for the audit has been provided for within the 2014 budget, as the audit relates to the 2014 fiscal year. The audit fees have been fully accrued against the 2014 expenses.

An amount of \$40,900 has been budgeted for 2014 with anticipated fees of \$27,500 for the audit of the consolidated financial statements, excluding administration charges and taxes. However, incremental costs are anticipated for additional work on tangible capital assets.

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Report No. CFS15-013

CONCLUSIONS

That Council endorse the proposed audit plan as presented by BDO.

PREVIOUS REPORTS

None.

ATTACHMENTS

Attachment #1 – Audit Plan letter to the Audit Committee as prepared by BDO

PRE-SUBMISSION REVIEW

Executive Leadership Team - Thursday, March 12, 2015

Prepared by: Jason Gaertner, Manager Financial Planning



Dan Elliott, CPA, CA
Director of Corporate & Financial
Services - Treasurer



Neil Garbe
Chief Administrative Officer

Audit Committee Meeting Agenda
Tuesday, March 24, 2015

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Attachment #1



Tel: 705 726 6331
Fax: 705 722 6588
www.bdo.ca

BDO Canada LLP
300 Lakeshore Drive, Suite 300
Barrie, ON L4N 0B4 Canada

March 4, 2015

Members of the Audit Committee
The Corporation of the Town of Aurora
100 John West Way, Box 1000
Aurora, Ontario, L4G 6J1

Dear Sirs/Madams:

We are pleased to present our audit service plan for the audit of the consolidated financial statements of The Corporation of the Town of Aurora ("the Municipality") for the year ended December 31, 2014. The purpose of this letter is to summarize our approach, scope, and delivery plan for the engagement.

This report has been prepared solely for the use of the Audit Committee and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

The Audit Committee plays an important part in the audit planning process and we look forward to meeting with you to discuss our audit plan as well as any other matters that you consider appropriate.

Yours truly,

A handwritten signature in black ink, appearing to be 'G. Bodkin'.

Giselle Bodkin, CPA, CA
Partner through a Corporation
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants



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EXECUTIVE SUMMARY

ENGAGEMENT LETTER

The terms and conditions of our engagement are included in the engagement letter, which was signed previously on behalf of the Audit Committee.

RESPONSIBILITIES

It is important for the Audit Committee to understand the responsibilities that rest with the external auditor and the responsibilities of those charged with governance. BDO's responsibilities are outlined within the annual engagement letter. The oversight and financial reporting responsibilities of the Audit Committee as they pertain to the annual audit are summarized below.

- Oversee the work of the external auditor engaged for the purpose of issuing an auditor's report.
- Pre-approve all non-audit services to be provided to the Municipality by the external auditor.
- Facilitate the resolution of disagreements between management and the external auditor regarding financial reporting matters, if any.
- Refer to Appendix E for full details on the responsibilities of the Audit Committee.

ENGAGEMENT OBJECTIVES

- Express an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position, and results of operations, changes in its net assets and cash flows of the Municipality in accordance with Public Sector Accounting Standards (PSAB).
- Present significant findings to the Audit Committee including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.
- Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.
- Consult regarding accounting and reporting matters as requested throughout the year.



AUDIT STRATEGY

Refer to Appendix B for our audit strategy.

MATERIALITY

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Judgments about materiality are made in light of surrounding circumstances and include an assessment of both quantitative and qualitative factors and can be affected by the size or nature of a misstatement, or a combination of both.

For purposes of our audit, we have set preliminary materiality at \$1,450,000 for the Municipality and a preliminary performance materiality at \$1,087,500.

Our materiality calculation is based on the Municipality's preliminary results. In the event that actual results vary significantly from those used to calculate preliminary materiality we will communicate these changes to the Mayor and Council as part of our year end communication.

We encourage management to correct any misstatements identified throughout the audit process.

RISKS AND PLANNED AUDIT RESPONSES

Based on our knowledge of the Municipality's business, our past experience, and knowledge gained from management and the Audit Committee, we have identified the following significant risks; those risks of material misstatement that, in our judgment, require special audit consideration.

Significant risks arise mainly because of the complexity of the accounting rules, the extent of estimation and judgment involved in the valuation of these financial statement areas, and the existence of new accounting pronouncements that affect them. We request your input on the following significant risks and whether there are any other areas of concern that the Audit Committee has identified.



RISKS AND PLANNED AUDIT RESPONSES (CONTINUED)

	Audit Risk	Proposed Audit Approach
Management Override of Controls	Management is in a unique position to perpetrate fraud because of management's ability to directly or indirectly manipulate accounting records prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	<p>Our planned audit procedures test the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of financial statements.</p> <p>We will also obtain an understanding of the business rationale for significant transactions that we become aware of that are outside the normal course of operations for the Municipality, or that otherwise appear to be unusual given our understanding of the Municipality and its environment. We will review accounting estimates for biases and evaluate whether the circumstances producing the bias, if any, represented a risk of material misstatement due to fraud.</p>



FRAUD RISK

Canadian generally accepted auditing standards require us to discuss fraud risk with the Audit Committee on an annual basis. We have prepared the following comments to facilitate this discussion.

Required Discussion	BDO Response	Question to Audit Committee
Details of existing oversight processes with regards to fraud.	Through our planning process, and based on prior years' audits, we have developed an understanding of your oversight processes including: <ul style="list-style-type: none"> • Audit Committee charters; • Discussions at Audit Committee meetings and our attendance at those meetings; • Review of related party transactions; and • Consideration of tone at the top. 	Are there any new processes or changes in existing processes relating to fraud that we should be aware of?
Knowledge of actual, suspected or alleged fraud.	Currently, we are not aware of any fraud.	Are you aware of any instances of actual, suspected or alleged fraud affecting the Municipality?

Refer to Appendix F for our considerations of possible fraud and illegal activities during the performance of our audit.

FINAL ENGAGEMENT REPORTING

As part of our final reporting to the Audit Committee, we will provide a communications package to support the committee in discharging their responsibilities. This communication will include any identified significant deficiencies in internal controls. See Appendix H for a comprehensive list of communication requirements throughout the audit.



OTHER MATTERS

Audit Fees	We propose fees of \$27,500 (2013 - \$25,000) for the audit of the consolidated financial statements, excluding administration charges and taxes. Refer to Appendix E for circumstances that could potentially affect our fees.
Timing	The following schedule has been agreed to with management: <ul style="list-style-type: none">• Weeks of January 5, 2015 and January 12, 2015 - Interim audit work• Weeks of April 6, 2015 and April 13, 2015- Yearend audit work
Independence	Our annual independence letter has been included as Appendix G
Management Representations	As part of our audit finalization we will obtain written representation from management, a copy of these representations will be included as part of our final report.
New Accounting Standards	Refer to Appendix J for changes in standards. Any changes that will impact the Municipality have been highlighted in more detail in the risk section above.



APPENDIX A - Your BDO Engagement Team

Name	Role	Years on Engagement	Email
Giselle Bodkin, CPA, CA	Engagement Partner	3 years	gbodkin@bdo.ca
Andrea Nauss, CPA, CA	Assurance Manager	2 years	anausss@bdo.ca
Tom Wolfenden	Assurance Senior	3 years	twolfenden@bdo.ca
Felix Young	Assurance Intermediate	2 years	fyoung@bdo.ca



APPENDIX B - Audit Strategy

Our overall audit strategy involves extensive partner and manager involvement in all aspects of the planning and execution of the audit and is based on our overall understanding of the Municipality.

We will perform a risk based audit which allows us to focus our audit effort on higher risk areas and other areas of concern for management and the Mayor and Council.

To assess risk accurately, we need to gain a detailed understanding of the Municipality's operations and the environment it operates in. This allows us to identify, assess and respond to the risks of material misstatement.

To identify, assess and respond to risk, we obtain an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the consolidated financial statements. We then determine whether adequate accounting records have been maintained and assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.



Based on our risk assessment, we design an appropriate audit strategy to obtain sufficient assurance to enable us to report on the consolidated financial statements.

We will choose audit procedures that we believe are the most effective and efficient to reduce audit risk to an acceptably low level. The procedures are a combination of testing the operating effectiveness of internal controls, substantive analytical procedures and other tests of detailed transactions.

We will perform audit procedures maintaining an appropriate degree of professional skepticism, in order to collect evidence to conclude whether or not the consolidated financial statements are presented fairly, in all material respects in accordance with PSAB.

It is important that we maintain effective two-way communication with the Audit Committee throughout the entire audit process so that we may both share timely information. The audit



process will conclude with an audit meeting and the preparation of our final report to the Audit Committee.



APPENDIX C - Management Responsibilities

All facets of a Municipality's internal controls including those governing the accounting records, systems and financial statements will be impacted by the Municipality's complexity, the nature of risks, and the related laws, regulations, or stakeholder requirements. It is management's responsibility to determine the level of internal control required to respond reasonably to the Municipality's risks.

The preparation of the Municipality's financial statements including all disclosures in accordance with PSAB is the responsibility of management. Among other things, management is responsible for:

1. Design and implementation of internal controls over financial reporting to enable the preparation of financial statements that are free of material misstatements;
2. Inform the Municipality's auditors of any deficiencies in design or operation of internal controls;
3. Update the Municipality's auditors for any material change in the Municipality's internal controls including if the individual responsible for the controls have changed;
4. Identification of and compliance with any laws, regulations, and/or agreements which apply to the Municipality;
5. Any adjustments required to the consolidated financial statements to correct material misstatements;
6. Safeguarding of assets;
7. Provide the auditor with all financial records, and related data which may be related to the recognition, measurement and or disclosure of transactions in the consolidated financial statements;
8. Provide accurate copies of all minutes of the meetings of the Mayor and Council or committees of directors;
9. Provide timely, accurate information as requested for the completion of the audit;
10. Allow unrestricted access to persons, or information as requested as part of the audit;
11. Notify the auditor of any circumstances which arise between the date the audit work is completed and the approval date of the consolidated financial statements.

Representation Letter

We will make specific inquiries of the Municipality's management about the representations embodied in the consolidated financial statements and internal control over financial reporting. During the completion of our audit documentation, we will require management to confirm in writing certain representations in accordance with Canadian generally accepted auditing standards. These representations are to be provided to us in the form of a representations letter which will be provided as near as practicable to, but not after the date of our auditor's report on the consolidated financial statements.



APPENDIX D - Circumstances Affecting Timing and Fees

The fee quote for the audit is based on careful consideration of the time required to complete the required work. Circumstances may arise during the engagement which could significantly impact the targeted completion dates and or our fee estimates. As a result, additional fees may be necessary. Such circumstances include, but are not limited to, the following:

Significant Issues

1. Changes in the design or function of internal controls can impact the audit and result in additional substantive testing;
2. Significant number of proposed adjustments which are identified during the audit work;
3. Significant changes are required to the format or information contained in the consolidated financial statements;
4. New issues resulting from changes to:
 - a. Accounting standards, policies or practices
 - b. Special events or transactions which were not contemplated in the original budget
 - c. The financial reporting process or systems involved
 - d. Accounting personnel or availability of accounting personnel
 - e. The requirement to include specialists in the audit work
5. Changes to the scope of the audit.

Audit Execution

1. Audit schedules are not provided in a timely manner, are not mathematically correct, or do not agree to the underlying accounting records.
2. There are significant delays in responding to our requests for information or responses require significant further investigation.
3. The quality of the supporting information for the audit work has deteriorated from our previous experience.
4. A complete working paper package is not provided on the agreed upon date.
5. There is a limitation of access to the financial staff required to complete the audit.



APPENDIX E - Audit Committee Responsibilities

General Responsibilities

It is the Audit Committees responsibility to provide oversight of the financial reporting process. This includes management's preparation of the consolidated financial statements, monitoring of the Municipality's internal controls, overseeing the work of the external auditor, facilitating the resolution of disagreements between management and the auditor, as well as the final review of the consolidated financial statements and other annual reporting.

Significant Audit Findings

Based on the work we perform, any significant identified deficiencies in internal control will be reported to you in writing. The purpose of our audit is to express an opinion on the consolidated financial statements. While our audit includes a consideration of the internal control structure of the Municipality, our work is focused on those controls relevant to financial reporting. As such our work was not designed to provide an opinion on the effectiveness of the internal controls.

We will communicate our views regarding any significant qualitative aspects of the Municipality's accounting practices. This would include the selection and application of accounting policies, estimates and financial statement disclosure. If during our audit we feel that the selected policies, estimates or disclosures are not appropriate for the Municipality under its reporting framework, we will communicate these matters to the Audit Committee.

In addition, we will communicate:

- Any significant difficulties which arose during the audit;
- Any reasons identified which may cause doubt as to the Municipality's ability to continue as a going concern;
- The written representations we will request from management;
- Any identified unadjusted misstatements;
- Any identified or suspected fraudulent activities.



APPENDIX F - Auditor's Considerations of Possible Fraud and Illegal Activities

We are responsible for planning and performing the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements, whether caused by error or fraud, by:

- Identifying and assessing the risks of material misstatement due to fraud;
- Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion, as well as sophisticated and carefully organized schemes designed to conceal it.

During the audit, we will perform risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the Municipality's internal control system, to obtain information for use in identifying the risks of material misstatement due to fraud and make inquiries of management regarding:

- Management's assessment of the risk that the consolidated financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- Management's process for identifying and responding to the risks of fraud in the Municipality, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in the Municipality; and
- Management's communication, if any, to employees regarding its view on business practices and ethical behaviour.

In response to our risk assessment and our inquiries of management, we will perform procedures to address the assessed risks, which may include:

- Inquiry of management, the Mayor and Council, and others related to any knowledge of fraud, suspected fraud or alleged fraud;
- Perform disaggregated analytical procedures and consider unusual or unexpected relationships identified in the planning of our audit;
- Incorporate an element of unpredictability in the selection of the nature, timing and extent of our audit procedures; and
- Perform additional required procedures to address the risk of management's override of controls including:
 - Testing internal controls designed to prevent and detect fraud;
 - Testing the appropriateness of a sample of adjusting journal entries and other adjustments for evidence of the possibility of material misstatement due to fraud;



- Reviewing accounting estimates for biases that could result in material misstatements due to fraud, including a retrospective review of significant prior years' estimates; and
- Evaluating the business rationale for significant unusual transactions.



APPENDIX G - Independence Letter



March 4, 2015

Members of the Audit Committee
The Corporation of the Town of Aurora
100 John West Way, Box 1000
Aurora, Ontario, L4G 6J1

Dear Sirs/Madams:

We have been engaged to audit the consolidated financial statements of the Corporation of the Town of Aurora (the "Municipality") for the year ended December 31, 2014.

Canadian generally accepted auditing standards (GAAS) require that we communicate at least annually with you regarding all relationships between the Municipality and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the appropriate provincial institute and applicable legislation, covering such matters as:

- Holding a financial interest, either directly or indirectly in a client;
- Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client;
- Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- Economic dependence on a client; and
- Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Municipality and our Firm that, in our professional judgment may reasonably be through to bear on independence that have occurred from August 12, 2014 to January 8, 2015.

We hereby confirm that we are independent with respect to the Municipality within the meaning of the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario as of January 8, 2015.

This letter is intended solely for the use of the Audit Committee, Management and others within the Municipality and should not be used for any other purposes.

Yours truly,

A handwritten signature in black ink, appearing to read 'Giselle Bodkin', with a small flourish at the end.

Giselle Bodkin, CPA, CA
Partner through a Corporation
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants



APPENDIX H - Communication Requirements

Required Communication	Audit Planning Presentation	Audit Results Presentation	Communication Completed
1. Our responsibilities under Canadian GAAS	✓		Y
2. Our audit strategy and audit scope	✓		Y
3. Fraud risk factors	✓		Y
4. Going concern matters		✓	N
5. Significant estimates or judgments		✓	N
6. Audit adjustments		✓	N
7. Unadjusted misstatements		✓	N
8. Omitted disclosures		✓	N
9. Disagreements with Management		✓	N
10. Consultations with other accountants or experts		✓	N
11. Major issues discussed with management in regards to retention		✓	N
12. Significant difficulties encountered during the audit		✓	N
13. Significant deficiencies in internal control		✓	N
14. Material written communication between BDO and Management		✓	N
15. Any relationships which may affect our independence	✓		Y
16. Any illegal acts identified during the audit		✓	N
17. Any fraud or possible fraudulent acts identified during the audit		✓	N
18. Significant transactions with related parties not consistent with ordinary business		✓	N
19. Non-compliance with laws or regulations identified during the audit		✓	N
20. Limitations of scope over our audit, if any		✓	N
21. Written representations made by Management		✓	N
22. Any modifications to our opinion, if required		✓	N



APPENDIX I - Resources and Services

OTHER BDO SERVICES

Solutions	<p>BDO Solutions provides municipalities with the accounting software management tools need to run a better operation. Our expert team understands the complex reporting requirements municipalities must adhere to, as well as the limited resources they have to address these needs. Spend more time serving your constituents, better manage budgets, allocate time and resources more effectively and improve your ability to focus on the work that really matters to your Municipality.</p> <p>For more information, please visit the following link: http://www.bdosolutions.com/ca/</p>
Succession Planning	<p>Having a strong strategic plan, such as a succession plan for key employees and strategic planning for the Board, is critical to a municipality's success. With our succession planning services, we can help your municipality with:</p> <ul style="list-style-type: none">• Planning for a change in leadership• Setting a strategic direction for the Board• Develop a strategic business plan for operations• Aligning all three groups of stakeholders (Board, employees and members) and enhancing communication <p>For more information, please visit the following link: http://www.bdo.ca/en/Services/Advisory/Business-Transition/pages/default.aspx</p>
Risk Advisory	<p>As Canada's leading financial advisory firm, BDO helps municipalities and their management teams effectively assess, develop and manage strategic initiatives.</p> <p>Visit the following link to find out more: http://www.bdo.ca/en/Services/Advisory/Financial-Advisory/pages/default.aspx</p>
Outsourcing	<p>Our dedicated team of professional bookkeepers across Canada combined with our powerful Microsoft cloud technology platform can provide you and your Town with a world class bookkeeping solution that gives you anytime access to your financial information. Our BDO Client Portal provides you with access to comprehensive business management functionality and enables you to make proactive and informed decisions for your municipality.</p> <p>Visit the link below to find out how we can create a customized bookkeeping solution for your municipality: http://www.bdo.ca/en/Services/Outsourcing/Bookkeeping/pages/default.aspx</p>



**Indirect
Tax**

Municipality's operating in Canada are impacted by commodity taxes in some way or another. These include GST/HST, QST, PST, various employer taxes, and unless managed properly, can have a significant impact on your municipality's bottom line. The rules for municipalities can be especially confusing, and as a result many Towns end up paying more for indirect tax than they need to.

Municipalities must keep on top of changes to ensure they are taking advantage of the maximum refund opportunities. At BDO, we have helped a number of municipalities of all sizes with refund opportunities, which can reduce costs for the municipality and improve overall financial health.

For more information, please visit the following link:

<http://www.bdo.ca/en/Services/Tax/Indirect-Tax/pages/default.aspx>

BDO PUBLICATIONS

BDO's national and international accounting and assurance department issues publications on the transition and application of Public Sector Accounting Standards (PSAB). In addition, we offer a wide array of publications on Accounting Standards for Private Enterprises (ASPE), International Financial Reporting Standards (IFRS), and Accounting Standards for Not-for-Profit Organizations (ASPNO).

For additional information on PSAB, including links to archived publications and model financial statements, refer to the link below:

<http://www.bdo.ca/en/library/services/assurance-and-accounting/pages/default.aspx>.

MYPDR

Class is in session! Meeting Your Professional Development Requirements (MYPDR) is an educational program designed to support our clients, contacts and alumni in achieving their ongoing professional development requirements.

Through the MYPDR program, we are committed to providing timely, relevant topics that can support you in meeting your ongoing professional development needs. For more information on the MYPDR program or to register, please visit <http://www.cvent.com/d/34qqxp>.



APPENDIX J - Changes in Accounting Standards Affecting Your Municipality

Obligations for Contaminated Sites

Municipalities are required to adopt PS3260, Liability for Contaminated Sites for years beginning on or after April 1, 2014. Therefore for the Town you will be required to implement this standard for fiscal year ended December 31, 2015.

A liability for remediation of contaminated sites must be recognized when; all of the following criteria are satisfied:

- An environmental standard exists;
- Contamination exceeds the environmental standards;
- The government or government organization is directly responsible or accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

This standard will involve the Engineering department to identify all potential sites and assess the environmental impact, including any estimates of costs. This process should be documented and maintained for audit purposes.