

Community Contact

Manitoba Aboriginal and Northern Affairs



November/
December
2008

*For and
About Local
Government
Development*

Northern Harvest Forum
Promotes Local Foods

2

Safeguarding Your
Community's Financial
Assets

4

GAAP Set for 2009

6

Municipal Employees
Benefits Program
Membership

7

Robinson Named Acting
ANA Minister

7

Municipal Calendar

8

Northern Home Grown Foods



At the October 2008 Northern Harvest Forum in Thompson, Manitoba, Jack Flett (left) of Pikwitonei and Ricky Pronteau of Thicket Portage show off beet jelly preserves they made using locally grown beets.

This Issue

Welcome to the November/
December 2008 *Community
Contact* newsletter.

The theme for this issue of *Community Contact* is financial reporting. In this issue we provide information on how communities can protect themselves from potential fraud, look at how the move to generally accepted accounting practices (GAAP) will affect communities and review the municipal employee benefits program (MEBP).

Our feature article provides an overview of the Northern Harvest Forum and banquet held on World Food Day, October 16, 2008 in Thompson, Manitoba. The forum and two days of workshops focused on the success of northern food development and the ability of people to grow their own nutritious foods. Closing out this issue is the municipal calendar reminders for the months of December 2008 and January 2009.

As this year draws to a close, we would like to extend greetings and best wishes for a Merry Christmas and a happy holiday season to all Manitoba Aboriginal and Northern Affairs communities and residents.

Enjoy this issue and please feel free to contact us with your comments, pictures and article suggestions, or to request additional copies.



Northern

On October 16, 2008, the Northern Harvest Forum and banquet took place celebrating World Food Day at the Royal Canadian Legion in Thompson Manitoba. The forum, and two days of workshops on local food production and preservation, provided a well received boost to people and communities in Manitoba's north. Workshops provided hands on learning and helped communities develop plans to increase nutritious food accessibility in northern Manitoba.

The late Minister Oscar Lathlin, an avid supporter of northern food programs and security initiatives, brought warm greetings from Manitoba Aboriginal and Northern Affairs (ANA) to banquet guests. Other dignitaries and community leaders welcomed northerners and invited guests to a nutritious Manitoba feast of Wabowden pickerel, Clear Lake wild rice, Thicket Portage chicken, wild moose and northern veggies, reinforcing the idea that the north can indeed feed the north.

The Northern Harvest Forum provided an opportunity for northern communities to exhibit innovative concepts in northern agriculture and tell their success stories. Successes in northern food development are led by the collaborative efforts of partner community based organizations such as the Bayline Regional Roundtable, Northern Association of Community Councils (NACC), Four Arrows Regional Health Authority and Frontier School Division.

These organizations have dedicated their efforts to improving accessibility of nutritious food to northern and remote communities by becoming signatories to the Manitoba Food Charter. They also actively follow their food action plan, with activities including combating high food prices by growing local produce and livestock, and supporting community diabetes prevention.

Workshop presentations included:

Agriculture and Programming for Youth

Eleanor Weitowicz of Wabowden, Manitoba shared her success story about youth programs using the Frontier School Divisions Veggie Adventure curriculum to involve youth in community effort, producing local food through the science programs.

Composting Black Gold

This workshop focused on increasing the quality of your soil through outdoor composting and indoor worm composting.

Harvest Forum

Promotes Local Foods

Healthy Cooking using Foods from the Garden

Participants learned several healthy recipes using ingredients from the garden and helped prepare a yam soup that was served at lunch.

Food Processing and Storage

Back by popular demand, this workshop presented by Patti Eillers of Manitoba Agriculture, Food and Rural Initiatives was offered on both days of the forum. Participants learned how to preserve products from the garden. They prepared canned beets, learned how to make baby food and other preserves, and received information on how to store vegetables grown in a garden.

These success stories were also captured by the Vitality television show, featuring the Vitality Gardening series on the Aboriginal Peoples Television Network (APTN). In partnership with Northern Healthy Foods Initiative (NHFI), Vitality Gardening has produced a series of 13 shows on northern and urban gardening, promoting wellness through local food production. The series began November 1 on APTN and shows the expertise of Frances Hall and Valerie Parker, both from Wabowden, Manitoba. You can visit the Vitality Television website at watchvitality.com for more information.

Peeling, slicing and dicing the locally grown yams for a yam soup prepared for participants at the Northern Harvest Form banquet held in Thompson on October 16, 2008.



World Food Day

The United Nations Food and Agriculture Organization celebrates World Food Day each year on October 16, the day on which the organization was founded in 1945.

The objectives of World Food Day are to:

- promote agricultural food production and stimulate national, bilateral, multilateral and non-governmental assistance
- encourage economic and technical co-operation among developing countries
- encourage the participation of rural people, particularly women and the least privileged categories, in decisions and activities influencing their living conditions
- heighten public awareness of the problem of hunger in the world
- promote the transfer of technologies to the developing world
- strengthen international and national solidarity in the struggle against hunger, malnutrition and poverty, and draw attention to achievements in food and agricultural development

Food Security

Food security refers to the availability of food and one's access to it. A household is considered food secure when its occupants do not live in hunger or fear of starvation. There are several definitions of food security:

- Food security exists when all people, at all times, have access

to sufficient, safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life.

- Food security for a household means access by all members at all times to enough food for an active, healthy life. Food security includes at a minimum:
 1. the ready availability of nutritionally adequate and safe foods
 2. an assured ability to acquire acceptable foods in socially acceptable ways (that is, without resorting to emergency food supplies, scavenging, stealing, or other coping strategies)
- The issue of food security directly affects Manitoba and northern communities because nutritious options are often limited. The costs of more nutritious options are often as much as three times more than in the south. This makes it more difficult for people in northern communities to make nutritious choices.



Safeguarding Your Community's Financial Assets

While financial fraud in the communities isn't common, it has happened. This information is intended to help create awareness of the potential for fraud in the communities and provide advice on how to prevent it from happening.

Every council member has a personal responsibility to protect community assets from misuse, theft or fraud. This includes never assuming someone else is safeguarding them. The following information will help council members protect community assets.

Council Meetings

- Attend regular council meetings, which should be held monthly.
- Ensure resolutions are passed to approve all payments.
- Ensure a resolution is passed approving the latest financial statement.

- Ensure minutes of past meetings are complete and accurate before approving them by:
 - checking your notes from previous meetings to ensure minutes were recorded correctly
 - comparing your approved payments list from the previous meeting to the list included with the minutes

Financial Statements

- Monthly financial statements should be presented at every council meeting.
- If financial statements are not available on a monthly basis, it may indicate that:
 - The community administrative officer (CAO) or other office staff need additional resources or training.
 - Fraud potential may exist.

- When reviewing the monthly financial statements:
 - Compare the current month to last year.
 - Look for large variances between months.
 - Compare the current month and year to date figures with the budget.
 - Ask questions to find out why any variances exist.
 - Ensure you understand how to read the balance sheet and income statement.
- Bank reconciliations
 - Reconcile the bank statement to the general ledger each month.
 - Complete reconciliation by the 20th of the following month.
 - If the bank statement is not reconciled to the general ledger:
 - Financial statements may be incorrect.
 - The CAO or other office staff may need training.
 - Fraud potential may exist.
 - When reviewing a completed bank reconciliation:
 - Check that the ending balance on the bank statement matches what is shown on the bank reconciliation.
 - Review the outstanding deposits list. Deposits should not be outstanding for more than one week.
 - Look at cancelled cheques for changes to amounts or the payee.
 - Look for cheques signed by only one person.
 - Check that the bank reconciliation balances. This means the ending bank balance plus outstanding deposits plus outstanding cheques should equal the general ledger balance.

Advances

- Policy F6 in the Local Government Development Manual of Policies and Procedures, of which each ANA community has a copy, states:
 - Under no circumstances are councils to give payroll advances, honorarium advances or loans.
 - Cash advances are permissible only for **travel** and, with council approval, for a council member or employee.
- Advances are a quick and easy way for council to lose money since:
 - Money might not be repaid.
 - Records of the actual balance owing may become confused.
 - Cheque log/listing may become confusing when council is no longer issuing consistent payroll amounts, or is issuing more than one cheque to an employee per pay period.
- A travel advance must not exceed 80 per cent of funds required for the trip.

- Travel advances may cause problems because:
 - The travel advance might not be deducted from the expense claim.
 - An expense claim might not be submitted and expenses such as hotel charges might be directly billed to the community.
 - The trip could be cancelled and the advance not repaid.
- Travel advances should not be issued until all previous travel advances have been settled.

Signing Cheques

- Cheque signing authority is a responsibility that should not be taken lightly.
- For your own protection, ensure you sign cheques only for purchases that have been approved by council.
- It is against department policy F6 to sign blank cheques:
 - If you sign a blank cheque, you have no control over whom the cheque is issued to or if it is for an approved expenditure.
 - The signed cheque could be stolen.
- Although it is against department policy, the signing of a blank cheque may occur. If this is the case, ensure you implement some controls:
 - Do it only on occasion if no other cheque signers are available.
 - Do not make it a standard practice.
 - Record the cheque numbers that were blank when you signed them.
 - Review those cheques/cheque log and supporting documentation after the cheques are issued.
- When signing authorized cheques:
 - Review the cheque log/listing from Simply Accounting. Watch for cheques issued to the same payee and for duplication of payments.
 - Review the supporting documentation and look at statement balances (ex: MTS, Hydro) to see if the previous balances were paid.
 - Review pay cheque calculations, check the hourly rate, number of hours and deductions.

Watch for signs of financial difficulties, such as late payments, vendors calling, late payment charges/penalties and use of reserve funds for operating expenses. These could be signs that the community's funds are being used for unapproved expenditures.

By being aware of financial issues that might occur in your community, you can help protect the community's assets. If you have any questions, please contact Angel Anderson, community audit manager at 204-677-6812.



GAAP Set for 2009

Effective for the fiscal year beginning April 1, 2009, the Canadian Institute of Chartered Accountants (CICA) is requiring all governments in Canada, including local governments such as Community Councils, to adopt generally accepted accounting practices (GAAP). Manitoba's standards for government accounting and financial reporting are set by the Public Sector Accounting Board (PSAB).

The new financial reporting requirements will support consistent accounting and reporting throughout the public sector. New financial statements will provide users with more useful information by reflecting the total financial picture of the community. Manitoba Aboriginal and Northern Affairs (ANA) expects the PSAB GAAP changes to be in use by the March deadline.

Three main areas are affected by GAAP are:

- tangible capital assets
- liabilities
- consolidated financial statements

Tangible capital assets include:

- infrastructure items
 - roads and sidewalks
 - water and sewer systems
- general assets
 - land and buildings
 - vehicles and equipment
 - computers and software

The current practice is to record these items as expenses in the year purchased or built. GAAP will now require these items to be capitalized in the balance sheet in the year purchased or built, allowing them to be written off over their useful life (amortization/depreciation).

Incorporated communities will likely be reporting their tangible capital assets on the community's balance sheet. It is still to be determined where assets of unincorporated communities will be reported. They may be recorded in community financial statements, in the trust fund or in the financial statements of the province. The change in accounting rules for reporting assets deals only with the presentation of financial statements. It does not affect or change management of assets.

Liabilities include:

- goods and services received at year end but not yet paid for
- payroll hours and vacation pay not paid out at year end
- environmental liabilities such as closure costs of waste disposal sites

Liabilities are to be reported in the balance sheet of the financial statements. Adjusting entries will be required at year end for the payroll and vacation pay liability. If the community uses the Simply Accounting computer program, the goods and services not paid for at year end can be tracked easily through the program's payable and receivable modules.

Consolidated Financial Statements include:

- Audited financial statements of controlled entities such as community development corporations must be consolidated with the audited financial statements of the community council.
- Revenues from other sources such as recreation committees will be included in the financial statements of the community council.

Each community development corporation needs to be reviewed to establish whether it is controlled by the community council. Control exists when:

- council has the power to appoint or dismiss the board
- council has the power to direct the ongoing use of assets
- majority of the board members are also council members
- council has the power to create or change the goals of the entity

ANA is working with the communities to:

- collect information required to support financial reporting of tangible capital assets
- aid in the preparation of journal entries required at year end
- clarify what information is needed for the auditors
- help review community development corporations to determine whether control exists

For questions or concerns regarding PAAB GAAP, please contact Leanne Kowal at 204-622-2110 or 204-679-8425.

Municipal Employees Benefits Program Membership

Are you an employee of a Manitoba Aboriginal and Northern Affairs (ANA) community council? Do you know about or understand the pension, disability and insurance plans available to you?

Although knowing about your benefit plans may not take priority over immediate financial considerations, a little planning today could help reduce concerns in the future. As an employee who participates in or has the option to participate in a municipal employee benefits program (MEBP), you have a number of responsibilities to consider. These include:

- enrolling as soon as you meet eligibility requirements
- maintaining up-to-date records (ex: change of marital status or number of dependants)
- making sure to complete all forms properly, with deductions and remittances current, accurate and up-to-date

For full-time employees, MEBP enrolment is compulsory. Enrolment is also mandatory for part-time employees who have worked two consecutive years and have earned at least one-quarter of the Canada Pension Plan (CPP) yearly maximum. This works out to \$11,225 for 2008. Your ANA MEBP administrator should be able to tell you the exact date of your eligibility.

When you join the MEBP, the community administration officer (CAO) will ask you to provide proof of age. A birth or baptismal certificate is considered satisfactory proof of age. If you do not

have either certificate, you can obtain a birth certificate copy by contacting Manitoba Vital Statistics toll free at 1-800-282-8069 ext. 3701. The current charge for a replacement copy of a birth certificate is \$25. Along with providing your proof of age, you will be asked to complete five forms that are mandatory for MEBP enrolment. You should retain a copy of each form for your own records.

CAO Responsibilities

CAOs should note the following information:

- Effective in the first pay-period ending in January 2009, the pension plan contribution rate will increase to 5.8 per cent from 5.3 per cent.
- The disability income plan contribution will decrease to 0.5 per cent from 0.6 per cent.
- Group life insurance deductions must be correct for the new calendar year and care must be taken to calculate and change the coverage amount for each employee for the first pay-period in the New Year. Rates are set once at the beginning of each year and not affected by pay changes until the next calendar year.

If you have questions about any aspect of your MEBP, visit mebp.mb.ca, contact your CAO or call the ANA MEBP administrator, Leo Poulin, at 204-677-6615.

Robinson Named Acting ANA Minister

Manitoba Culture, Heritage, Tourism and Sport Minister Eric Robinson has been named acting minister for Manitoba Aboriginal and Northern Affairs. Minister Robinson stands in for the late Minister Oscar Lathlin who passed away on November 2, 2008.

Minister Lathlin was a strong and caring voice for northern Manitoba. He worked tirelessly for his constituents and the people of the north. Minister Lathlin served as a Member of the Manitoba Legislature for The Pas constituency for nearly 18 years. Prior to his appointment as minister of Manitoba Aboriginal and Northern Affairs in 2002, he served as the minister of Manitoba Conservation.

A funeral held in The Pas on November 8 was attended by over 800 friends, family members and supporters. A special ceremony also took place in the Manitoba Legislature on November 21 to commemorate Minister Lathlin's contributions to Manitoba.

He will be sadly missed by his friends, colleagues, those who worked with him and by the people and communities he served.



Municipal Calendar Monthly Reminder for: December/January

December 2008

- 1 Deadline for receipt of any property tax payments to department to avoid penalties
- 12 **Management Maintenance Systems (MMS)**
 - Inspect heat trace and recirculating pumps for operation.
- 15 Deadline for receipt of payment to Receiver General to avoid penalty.
- 31 **NEW YEAR'S EVE**
 - Install Simply Accounting payroll tax updates.
 - **Annual physical inventory count must be completed prior to the new year.**
 - Order T4s.
 - Initiate pre-planning for capital projects that will be applied for at next years Capital Approval Board (ex: cost sharing possibilities).
 - Council should continue to review and revise their Community Management Plan due January 31.

Monthly Tasks:

- **Submit Manitoba Employee Benefit Program (MEBP) form and payment IMMEDIATELY after the last pay period of this month.**
- If applicable, submit to regional office the bi-weekly payrolls for the Building Independence Initiative.

Workplace Safety and Health (WSH) Reminders:

- Council to ensure fire extinguishers inspected monthly and to respond to action items highlighted from inspections.
- Does your bulletin board include: WSH policy, Harassment policy, Working Alone Plan, names of first aiders and WSH reps (employee and management)?
- Are first aid kits available in every building? Is your Community Prevention Plan updated?

January 2009

1 NEW YEAR'S DAY

- Deadline for receipt of any property tax payments to dept to avoid penalties.
- Prepare new TD1s.

- 2 Update tax tables in Simply Accounting.
- 5 Submit quarterly GST refund.
- 6 Send out tenders for audit contracts.
- 7 **Submit annual MEBP report to department.**
- 15 Deadline for receipt of payment to Receiver General to avoid penalty.
- 30 Submit contracts to department of auditor selection.
- 31 Submit:
 - **Community Management Plan** (includes budget)
 - minutes of public meeting
 - third quarter financial statements (Oct. to Dec.)
 - year end recreation report and annual recreation and wellness plan
 - technical assistance request for capital project applications prior to March 31

Monthly Tasks:

- **Submit MEBP form and payment no later than seven working days after the last pay period of this month.**

- If applicable, submit to regional office the bi-weekly payrolls for the Building Independence Initiative.

WSH Reminders:

- Council to ensure fire extinguishers inspected monthly and to respond to action items highlighted from inspections.
- Does your bulletin board include: WSH policy, Harassment policy, Working Alone Plan, names of first aiders and WSH reps (employee and management)?
- Are first aid kits available in every building? Is your Community Prevention Plan updated?

Departmental

- Regional office will conduct a Maintenance Cost Analysis review between January 1 and May 31.
- Send final assessment roll at month end.
- Submit MEBP Annual Report by January 15.

Community Contact

Paul Doolan, Editor

1680 Ellice Avenue, Bay 8
Winnipeg, MB R3H 0Z2
Ph: 204-945-2161
Toll free: 1-800-282-8069
Fax: 204-948-2389
E-mail: paul.doolan@gov.mb.ca
Web: manitoba.ca/ana



Community council members, community residents and departmental staff are strongly encouraged to submit feedback, comments, questions, suggestions and ideas to the editor.