

MUNICIPALITIES





Accountable and transparent

BDO recognizes the need for accountability and transparency within municipalities, which directly or indirectly use public funds. The procedures we undertake to help you meet these requirements include:

- Review and analysis of (non-payroll) payments to staff and council
- Review and analysis of payments made to companies controlled by senior staff or council members
- Review of conflict of interests
- Review of expense report format and filings to council and staff
- Statistical analysis of payments to staff and council
- Review of tender procedures

▶ REGULATORY CHANGES AND LIMITED FUNDING HAVE MADE IT HARDER FOR MUNICIPAL GOVERNMENTS TO ADDRESS INCREASING OPERATIONAL AND TECHNOLOGICAL DEMANDS.

As pressure grows from stakeholders for your financial accountability, BDO can help you meet all of your financial obligations with confidence. For over 85 years, we have worked with municipalities to meet their financial reporting responsibilities.

We are leaders in researching and implementing all new standards, and give valuable insights that offer opportunities to affect your bottom line. Our experienced professionals use their expertise to help you with your specific needs.

The BDO audit approach

BDO's risk-based audit approach focuses on obtaining sufficient evidence to reduce the risk of a material misstatement in the financial statements. This "top down" approach emphasizes planning and care, which are required to develop audit programs before the work commences. It also focuses the audit effort on high risk areas. We learn about your operations and develop a plan in close cooperation with your Members of Council.

Beyond year-end audits of financial statements and advice on Generally Accepted Accounting Principles (GAAP) and International

Financial Reporting Standards (IFRS), we also offer the following specialized assurance services:

- Assistance with Public Sector Accounting Board (PSAB) conversion and disclosure requirements
- Reserve fund, five-year plan and capital budget advice
- Benchmarking and additional audit reports on specific functions, or for specific funders

In addition, we are knowledgeable in the application of IFRS to Government Business Enterprises. Our IFRS team can help in the planning and conversion to IFRS that will be required by certain government entities.

Other services

Taxation

Tax minimization is an issue for all clients, including municipalities. Along with our tax specialists, we develop strategies and innovative ideas that help you to be tax efficient while still complying with financial requirements. Our areas of specialization include:

- GST and other commodity tax analysis and re-filing
- Payroll
- Employee tax planning
- Property purchase
- Public/private partnerships

Business Advisory Services

BDO offers various strategic advice, analysis and due diligence services that are critical to today's municipalities:

- Assistance with evaluation of potential private/public partnership arrangements
- Value-for-money audits of specific functions
- Due diligence related to acquisitions
- Review of cost-sharing agreements
- Restructuring:
 - Organizational reviews
 - Developing personnel
 - Physical and financial impact studies as a result of amalgamation
 - Implementation and transition


- Human resources:
 - Employee search and selection
 - Attitudinal studies
 - Performance evaluations
 - Salary reviews
 - Workshops and training sessions for employees

Risk Advisory Services (RAS)

BDO's risk advisory services are based on the pillars of the Enterprise Risk Management COSO framework. The RAS group assists organizations with the following services:

- Risk assessment
- Enhancement or establishment of the internal audit function
- Evaluation of the effectiveness of the internal audit function
- Information technology internal audits:
 - Computer feasibility studies
 - System design
 - System selection or conversion
 - Installation
 - Training
- Strategic partnering and co-sourcing
- Enterprise-wide risk management





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