



# Staff Report

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## Finance and IT Services

**Report To:** Committee of the Whole  
**Meeting Date:** June 10, 2019  
**Report Number:** FAF.19.092  
**Subject:** Inter-functional Transfer Follow-up  
**Prepared by:** Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets

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### A. Recommendations

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THAT Council receive Staff Report FAF.19.092, entitled “Inter-functional Transfer Follow-up”;

AND THAT Council direct staff to continue using policy POL.COR.15.03 entitled “Inter-Functional Transfer Policy” when completing the 2020 budget;

AND THAT Council direct staff to bring back a business/implementation plan for an electronic timesheet/time tracking software to the July 3, 2019 Committee of the Whole meeting.

### B. Overview

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At the May 27, 2019 Committee of the Whole meeting, Committee received staff report FAF.19.059 which outlined three options for the calculation of inter-functional transfers. At this meeting, Committee requested a fourth option be created to track and assign actual staffing costs to divisions and projects.

### C. Background

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Staff created three options for Council’s consideration, however each option relied on budgeted figures of the various divisions. Council didn’t feel that this was the most appropriate way to cost out the services received by the operating/user-fee divisions from the administrative divisions.

Council directed staff to consider a plan that allocated staff time to other divisions and projects so that Council and staff could have a better understanding of what different services and tasks are costing. This type of time tracking is called Activity Based Costing and is widely seen at consulting firms.

## **D. Analysis**

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There are two moving pieces with this report, the first being how to handle inter-functional transfers for the 2020 budget and the second being what would be required to start tracking staff time at an activity level.

For the inter-functional transfers, staff are recommending the status quo for building the 2020 budget; however, once a new time tracking software is in place in 2020, actual costs can be billed to the divisions and projects.

For the Activity Based Costing, staff are requesting a bit more time to create a more fulsome report. This additional time will allow staff to reach out to the Town's current software providers to see if they could offer something that can meet the Town's needs. Also, staff would like to reach out to counterparts at other municipalities and public sectors to see what they are using and if it is working.

The July 3<sup>rd</sup> report will provide Council with a better understanding of budget, staff resources, implementation and capabilities of different options for electronic timesheets.

## **E. The Blue Mountains Strategic Plan**

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The Blue Mountains Strategic Plan

Goal #4: Promote a Culture of Organizational and Operational Excellence

Objective #4: To Be a Financially Responsible Organization

## **F. Environmental Impacts**

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N/A

## **G. Financial Impact**

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For the 2020 budget, using the current policy will keep the transfers similar to what has been done in 2019; however, once actuals are being used, if there is a significant discrepancy between actuals and the budget, staff will bring a report to Council looking for authorization to fill the funding gap.

On the July 3<sup>rd</sup> report a budget will be requested for electronic timesheet software.

## **H. In consultation with**

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Ruth Prince, Director of Finance and IT Services

Jennifer Moreau, Director of Human Resources

Cathy Bailey, Manager of IT

## **I. Public Engagement**

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The topic of this Staff Report has not been subject to a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. Comments regarding this report should be submitted to Sam Dinsmore, Deputy Treasurer/Manager of Accounting and Budgets at [finance@thebluemountains.ca](mailto:finance@thebluemountains.ca).

## **J. Attached**

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N/A

Respectfully Submitted,

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Sam Dinsmore  
Deputy Treasurer/Manager of Accounting and Budgets

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Ruth Prince  
Director of Finance and IT Services

For more information, please contact:  
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