

*The University of Western Ontario
Department of Political Science
Master of Public Administration, Local Government Program*

PA 9912b

Financial Management in Local Government

**Course Outline
Winter Term
2021**

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Contact: By appointment before or after class. Any questions sent by email will be answered within 12 hours or less. Telephone conversations in lieu of office hours are welcomed.

Assignments: Students should familiarize themselves with the course (PA9912b) content on the electronic Western course management system OWL. All assignments must be submitted to the email address of the instructor bellchamber@sympatico.ca

TIMETABLE & LOCATION

Four weekends: Friday 5:00 – 7:00 PM and Saturday 10:00 AM – 2:00 PM:

January	15,16
February	5,6
March	5,6
March	26,27

All classes will be held via Zoom with invitations announced through the Course site on OWL

COURSE OBJECTIVES

It is assumed that the student anticipates a career related to local government, likely as a senior manager or policy analyst. Every appointed or elected person in local government has a role to play in financial management, but those with direct input or control over budgets are those upon whom this course is focused. The course is not designed to train one to be an accountant, but to be a knowledgeable user and provider of information related to management of the municipal corporation's finances.

This course follows the text (Graham) for the first two weekend sessions but will be supplemented with current materials dealing with government financial management including scholarly and other articles and reports.

To make the course as relevant as possible for the student, the materials will either deal with issues that are currently of concern or that are anticipated to be in the next few years. In giving students an understanding of the basic elements of public sector financial management, the course will demonstrate that financial considerations play a role in virtually every local government activity.

This course is not designed to train one to become an accountant! A key goal is to give students the knowledge of how to work with finance professionals in the organization to the benefit of the organization and the inhabitants of the jurisdiction.

The rate of change in private sector financial management has led change in the public sector, often by decades. But that time lag is narrowing as broader societal issues such as aging demographics, climate change and the impact of digital technology are affecting both sectors profoundly.

INSTRUCTIONAL STYLE AND EXPECTATIONS

- The instructional style is interactive and participative to the extent that online learning can allow with a class approaching 30 participants. It will involve a blend of lecture, breakout room group discussion on specific topics and group project work.
- It is expected that students will complete the assigned materials, **prior to each class** so that rewarding knowledge transfer can occur as we discuss concepts and actual applications.
- Lecture slides will be posted to OWL **after** each weekend session. The student should not anticipate that the slides will cover the lecture material in detail.

REQUIRED TEXTBOOKS

Graham, Andrew. Canadian Public Sector Financial Management, 3rd Edition. (Kingston, Canada, Queen's University, School of Policy Studies, 2019)

COURSE REQUIREMENTS AND EVALUATION

Assignment #1: Asset Management Analysis group project, individual submissions (Feb 1, 9:00 a.m.) (30%)

Assignment #2: Financial Analysis Presentation (March 26,27). (Assignment 3 is a group presentation/assignment and grade)	(30%)
Assignment #3: Financial Analysis written submission (April 6) (Assignment 4 is a group written assignment and grade)	(20%)
Final Examination: Open Book March 27	(20%)

Note: All assignments should be submitted in WORD format to the instructor, 11-point font - double-spaced by the date and time stated.

Assignment # 1: An analysis of the impact on a selected municipal service of Asset Management Planning for Municipal Infrastructure O. Reg 588/17(30%)

The task will be:

- To analyze the requirements and impact of *O. Reg 588/17 Asset Management Planning for Municipal Infrastructure* .
<https://www.ontario.ca/laws/regulation/r17588>
- Each group will select one type of infrastructure asset from the following list
 - o Bridges and major culverts
 - o Water source, treatment, and distribution system
 - o Road system (beds and surfaces)
 - o Wastewater collection, treatment, and disposal system
- The report should be written as if it is a current report to Council that tells members what they can expect to receive with respect to this service before July1, 2021.
- The analysis needs to incorporate discussion of possible impacts to operating and capital budgeting
- The assignment will be discussed at the January 16 session
- **Students should also read O. Reg 588/17 at least in a cursory fashion before January 16**

Submissions cannot not exceed 10 typewritten pages 11 font, double-spaced (although supporting exhibits, charts, graphs, tables can be attached if deemed appropriate).

This analysis is intended to be theoretical rather than drawn from a specific municipality.

- **Due February 1 at 9:00 a.m.**

Assignment # 2: Group Assignment – Complete a comprehensive Financial Management Analysis – March 26 & 27 (in class presentation) (30 %)

- The group will assume the role of a consulting team advising an unidentified individual who intends to run for Head of Council in a coming election. As a highly successful private sector entrepreneur this individual is accustomed to seeking confidential expert advice before making any public announcement. This individual is looking for both areas of success and areas of concern in financial matters.
- The municipality and several key information sources will be provided to the students at the **Feb 6 Class**.

Assignment # 3: Financial Management Analysis written by and submitted by each group including any modifications from the in-class feedback from March 26&27 Due: April 3 (12:00 noon) (20 %).

- Maximum length: 15 pages – double spaced 11pt font (not including appendices)

Final Examination: Open Book March 27 1.5 Hours (20%)

It is the student's responsibility to submit his or her own original written material in courses.

Late assignments will receive a 2% penalty for each day and will not be accepted 10 days following the due date.

Weekly Topic Schedule and Readings:

WEEKEND 1: Overview of Accounting and Budget Framework (Jan 15, 16)

Readings:

Graham, Andrew. Canadian Public-Sector Financial Management (3rd^d Edition)

Introduction: pages 2-8

Chapters 1 through 4

<https://www.ontario.ca/laws/regulation/r17588>

WEEKEND 2: Budgeting Techniques and Reporting) (February 5, 6)

Readings:

Graham, Andrew. Canadian Public-Sector Financial Management (3rd^d Edition)

Chapters 5 through 13

Students are advised to read all Chapters above although the lecture and discussion will not deal with all aspects of each as some components are more relevant to other levels of government.

WEEKEND 3: Revenues, and making sense of Public Information (March 5,6)

This Session will focus on the **key sources of municipal revenue** with a high-level analysis of **taxation and user fees** as applied in Ontario. This material will also be relevant to the major Group Assignment

In addition, it will review **special topics in both class and breakout sessions** that are or will be of interest to municipal practitioners in the 2020s as financial management issues change to reflect the interests of the broader public sector and the private sector in the Post 2020/21 Pandemic Era.

Readings for Weekend 3 will be assigned at the sessions in January and February to ensure that the material is as current and relevant as possible to both the full and part time students.

This session will also allow for a substantial block of time for breakout groups to work on the **March 26, 27 Group Assignment**.

WEEKEND 4: Group Presentations and Open Book Examination (March 26, 27)

Presentations are expected to take between 20 and 30 minutes. Three will be delivered and discussed on the Friday and four on the Saturday morning.

Commentary will be provided after each one that could be incorporated in the written submission due April 3.

Open Book Examination will take place between 12:30 and 2:00 pm.