



## **Municipal Administration Program (MAP) Unit 3: Municipal Financial Management Course Outline**

**Updated June 2024**

### **Course Description**

MAP Unit 3 outlines the general features of financial management in Ontario municipal government. Municipal financial management is highly regulated and complex, but it is important for both current and aspiring municipal professionals to understand how council and staff work together to meet legislative requirements and ensure public funds are used responsibly to meet the needs of residents. The unit covers foundational topics such as fiduciary duties, tax and non-tax revenues, reporting, budgeting, and auditing, as well as common challenges that municipalities face.

By the end of this unit you will be able to:

- Analyze the major sources of revenue and operating expenses in your municipality
- Recognize key legislative requirements related to financial management that Ontario municipalities must meet
- Explain the property assessment and taxation system in Ontario
- Outline the basic steps and considerations in a municipal budgeting process
- Identify common processes, systems, policies, and by-laws that municipalities employ to maintain financial integrity

The MAP certificate of completion will be issued upon completion of four units:

- Unit 1: Introduction to Local Government
- Unit 2: Municipal Administrative Structure
- Unit 3: Municipal Financial Management
- Unit 4: Management in the Municipality

MAP can be taken on its own or as part of AMCTO's Diploma in Municipal Administration (DMA). It is also the education pre-requisite for AMCTO's Certified Municipal Officer (CMO) and Accredited Municipal Professional (AMP) designations.

## Course Delivery Formats

AMCTO offers MAP in two formats: correspondence format and Zoom format.

- If you are taking the course in **correspondence format**, you will complete the assigned readings and submit assessments according to a given schedule. There are no classes to attend. Your work is graded by a marker.
- If you are taking the course in **Zoom format**, you will attend interactive online classes led by an instructor in addition to completing readings and assessments. Your work is graded by the instructor.

Peer-to-peer discussions are an important part of MAP, regardless of the format. All course materials, assessments, and discussion forums (in units where discussion forums apply) are provided through AMCTO's online learning platform, AMCTO Connect.

A syllabus with assessment due dates is provided when the course opens each term.

## Grading Scheme

Assessment	Weight
Assignment 1: Revenues, Expenses, and Reporting	15%
Assignment 2: Fiduciary Duties	15%
Assignment 3: Property Assessment and Taxation	15%
Assignment 4: Miscellaneous Revenues	15%
Assignment 5: Budgeting	15%
Final Assignment: Unit Review and Application	25%

To successfully complete the unit, students must earn a minimum grade of 51% on the final assignment and an overall average grade of 60% or higher for the entire unit.

Students who do not achieve 51% but score at least 35% on the final assignment will be given the opportunity for a re-write. This re-write must take place on the date(s) chosen by AMCTO.

Students who score less than 35% on the initial final assignment or under 51% on the re-write will be required to re-register to take the course in its entirety.

## Assignment Expectations

MAP is an academic program that requires time commitment for reading, research, and writing. The assignments require you to read the textbook and do additional research on the web to apply the content to real-world examples and issues.

Assignments 1, 3, and 5 are council reports up to 900 words in length. Assignments 2 and 4 and the final assignment comprise mostly short-answer questions that require responses up to 200 words in length.

Further guidelines and expectations will be provided with the course syllabus and assignment instructions.

**A note on time commitment:** When past MAP participants were asked to report how much time they spent on assignments, the responses varied widely because they come to the courses with different levels of prior knowledge, reading/research/writing skills, and professional experience. This makes it difficult to estimate how much time it will take to complete the course work. However, we recommend preparing to spend a minimum of 35 to 40 hours over the course of the term for each unit.

## Due Dates

There will be a schedule of assignment deadlines in the course. It is the student's responsibility to keep track of the deadlines and understand the penalties for late submissions under Section 3 of the Education Programs Policy. The policy will be provided in the course syllabus.

## Academic Integrity

Students in AMCTO's education programs are expected to abide by the association's policy on academic integrity (section 4 of the Education Programs Policy). Plagiarism is considered academic misconduct and will result in a zero on the entire assignment. Repeated offences will lead to more severe penalties such as expulsion.

Sources used in assignments must be properly cited. Using artificial intelligence (AI) tools or other automated tools to rewrite, paraphrase, or generate responses to assignment or discussion questions is not permitted.

It is the student's responsibility to be informed about the definitions and consequences of academic misconduct. The full policy will be provided in the course syllabus.

## **MAP Unit 3 Topic Outline**

### **Chapter 1: Introduction to Municipal Financial Management**

- The basics of municipal accounting and financial management
- What makes up municipal revenues and expenditures
- Financial reporting and asset management requirements for municipalities

### **Chapter 2: Municipal Fiduciary Duty**

- The general roles of municipal council in their fiduciary duty
- The detailed responsibilities of council in the financial management of the municipality
- The financial management roles of various staff of the municipality
- The different financial management structures in municipalities

### **Chapter 3: Property Assessment and Municipal Taxation**

- How the property taxation system works in Ontario
- The basics of how property value is assessed, how property taxes are calculated, and the effects of tax ratios
- What municipalities can do to manage their assessment base
- The tax tools available to municipalities, such as tax rebates and tax capping
- Tax-levying processes and collection methods

### **Chapter 4: Miscellaneous Local Revenues**

- The different ways that municipalities can earn revenues through sources such as user fees and charges, fines and penalties, and development charges, and the challenges associated with each of these sources
- The statutory basis for the charging and collection of miscellaneous local revenues
- Sources of revenue generation that local municipalities can explore and the balance between affordability and breaking even

### **Chapter 5: The Operating and Capital Budget Process**

- The four stages of the traditional budgeting process
- How the operating and capital budgets are developed
- How capital expenditures in the budget are financed
- Recommended improvements to the standard budgeting process

## **Chapter 6: Systems of Financial Management**

- The methods recommended for managing cash (short-term money), debt and various funds (reserves) in a municipality
- The management of physical assets and the implications of PSAS on the recording and planning for municipal assets
- The position and duties of the municipal auditor and the auditor-municipality relationship
- The use of external reports as a tool for good financial management