



*Government Finance Officers Association of Alberta*

*Newsletter - Summer 2010 Issue*

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## President's Report

Hello to all. It is with great pride that I sit down and take pen to paper for my first report as President of GFOA Alberta Chapter. It is truly an exciting experience to be part of an association that has grown in membership and relevance affecting most all levels of municipal finance staff in the Province.

For those of you that were able to attend the provincial conference in Lethbridge I hope you enjoyed the conference as much as I did. Kudos to staff from both Lethbridge County and the City of Lethbridge for a well planned and executed conference. The sessions were timely and pertinent to events happening in the municipal finance environment. At the annual general meeting there was a call for volunteers for the following three task forces: Communication, Research and Professional Development. While the response was satisfactory if you or someone you know would like to volunteer on a task force please contact one of the task force chairs or a member of the Board (a list is on the web site).

The Board and all task force members will be meeting in Red Deer this September to review the strategic plan and explore areas where synergies exist between the three task forces. There is an enthusiastic momentum developing with-in the task forces and we are reaping the results in the form of a top notch web site and training programs targeted at several levels of finance employees. I encourage all of you to visit the web site often and use the 'Contact Us' capability to pass on any comments. This is a member's site and we strive to make it user-friendly and functional.

I would like to send out special thanks to George Huybregts who after 14 years of service on the Board has retired. George has been a guiding force on the Board and will be greatly missed. I would also like to welcome Kelly Gibson to the Board. Kelly comes to the Board from the Professional Development task force. I also thank all the other Board members and task force members whose tireless efforts volunteering their time are making this association the world class organization that it is.

Rick Wojtkiw, CMA

President, Alberta GFOA

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## New Information for Municipalities: Fuel Tax Rebate Program

### Tax and Revenue Administration Fuel Tax Act Special Notice Vol. 1 No. 29

**Released:** July 13, 2010  
**Produced by:** Alberta Finance and Enterprise, Tax and Revenue Administration  
**For more information:** [tra.revenue@gov.ab.ca](mailto:tra.revenue@gov.ab.ca)  
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#### **SPECIAL NOTICE PRESCRIBED REBATE OFF-ROAD PERCENTAGES (PROP) PROGRAM FOR MUNICIPALITIES**

*NOTE: This special notice is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this special notice and governing legislation, the legislation takes precedence.*

Effective July 1, 2010, the following municipalities will be eligible for the PROP program: Alberta cities, improvement districts, Metis settlements, municipal districts, special areas and specialized municipalities as defined by [Alberta Municipal Affairs](#).

Starting with the quarterly claim period ending September 30, 2010, an eligible municipality can apply for a rebate under the PROP program on all clear fuel dispensed into licensed equipment used for municipal operations. The PROP rate for eligible municipalities is 10 per cent.

Eligible municipalities can also apply for a rebate of fuel tax paid on clear fuel dispensed into unlicensed equipment when marked fuel was not reasonably available, as set out in paragraph 45 of Information Circular [PROP-1](#), *Prescribed Rebate Off-road Percentages*. In this case, municipalities are required to track the per-unit volume of clear fuel dispensed into the unlicensed units.

Tax and Revenue Administration (TRA) will be mailing eligible municipalities a Fuel Tax Rebate Enrolment package in the next few weeks. To enrol for the PROP program, municipalities should complete and submit the enrolment application included in the package.

Eligible municipalities will be required to submit PROP rebate applications electronically using the Tax and Revenue Administration Client Self-Service ([TRACS](#)) system. TRA will provide instructions after successfully processing the enrolment application.

For fuel used before July 1, 2010, municipalities are required to file their rebate claims under the Tax Exempt Fuel User (TEFU) program. To ease the transition for municipalities from the TEFU to the PROP program, TRA may extend a current TEFU survey to June 30, 2010. [Please contact TRA at 780-644-4200 to request an extension of your current survey or for more information about the municipalities' PROP program.](#)



## Western GFOA Conference:

September 15-17, 2010

Winnipeg, Manitoba

[More Info](#)



Historical Fort Garry Hotel



### PCI Compliance for Organizations

Over the last few years security and data breaches have prompted credit card companies and banks to ensure personal data is protected. The Payment Card Industry Data Security Standard (PCI DSS) is a protocol set up by the major credit card companies to help protect against security threats when payment cards are processed. The major credit card companies formed the PCI Security Standards Council to create a set of minimum standards for merchants who store, process and transmit cardholder data. A number of high profile breaches of cardholder information at the merchant level inspired the implementation of the PCI DSS.

Now, merchants and organizations of all sizes are required to be PCI compliant in order to handle payment card transactions. The different payment brands all enforce the standards. The standards are broken up into six principles and requirements for achieving each principle:

#### Build and Maintain a Secure Network

1. Install and maintain a firewall configuration to protect cardholder data
2. Do not use vendor-supplied defaults for system passwords and other security parameters

#### Protect Cardholder Data

3. Protect stored cardholder data
4. Encrypt transmission of cardholder data across open, public networks

#### Maintain a Vulnerability Management Program

5. Use and regularly update anti-virus software
6. Develop and maintain secure systems and applications

#### Implement Strong Access Control Measures

7. Restrict access to cardholder data by business need-to-know
8. Assign a unique ID to each person with computer access
9. Restrict physical access to cardholder data

#### Regularly Monitor and Test Networks

10. Track and monitor all access to network resources and cardholder data
11. Regularly test security systems and processes

#### Maintain an Information Security Policy

12. Maintain a policy that addresses information security

The object of the PCI Data Security Standard is to compel merchants and organizations to implement the necessary measures to protect cardholder information from hackers and con artists. That way, cardholders

do not have to worry that when they pay for something in a municipality or online they may be inadvertently supplying criminals with the information they need to steal their identities and bring devastation to their credit report. Meeting PCI compliance is not always easy, but establishing and enforcing these standards can help prevent identity theft. Updates to the standards are issued periodically as criminals become more cunning and more ways to protect consumers are discovered.

PCI compliance is not legislated and for the most part is self assessed at this time. More information may be obtained by visiting [www.pcisecuritystandards.org](http://www.pcisecuritystandards.org) or speaking with your financial provider.

# Performance Management:

## Delivering what matters to residents: Whose idea is this? Part I

There is a buzz word out there – alignment. There is also considerable chatter about ‘budget alignment’. Well, alignment to what? Each community has a character which is a function of size, demographics and personalities. Community character evolves over time. This character is expressed in **COMMUNITY PRIORITIES** some call them **COMMUNITY CONCERNS**.

**Some have wondered why then with an abundance of vision, mission and value statements residents always seem unsatisfied or out-rightly opposed to well intentioned services, programs or capital programs.**

Such a state of affairs is an indication that the municipal budget is not expressing the priorities or concerns of the community.

Said differently, the municipality is delivering what does not matter to majority of stakeholders.

A good and very critical step is to engage all stakeholders in defining community concerns, needs and priorities. This is often referred to community or stakeholder engagement.

Information gathered through stakeholder engagement will facilitate a process of identification of priorities regarding services and infrastructure. Once the desirable state(s) or conditions known as **OUTCOMES** are identified, they should be grouped under broad goals. Experience has shown that focus on between 3 to 5 goals has proven to be realistic and easy for stakeholders to follow.

Once these broad goals or outcomes are agreed upon then all the well intentioned statements in the form of vision, mission and value statements must be linked, **ALIGNED** to the community priorities.

The budget, which is, a means through which resources are allocated must speak to each priority. It must be noted however, that

the budget development process must never be confused with stakeholder engagement. Stakeholders must not engage in budget development but must use the agreed community priorities to hold management responsible. That is **ALIGNMENT**.

The next article will survey four (4) approaches to achieving budget alignment.

### STEP 1.

#### IDENTIFY STAKEHOLDER CONCERNS, NEEDS AND PRIORITIES

Three part process:

1. Assess community needs, priorities, challenges and opportunities,
2. Identify opportunities and challenges for municipal services, tangible assets and management and,
3. Develop and disseminate broad goals.

#### About the Author:

Victor Mema is Manager, Financial Planning for the Regional Municipality of Wood Buffalo in northern Alberta. He is a frequent writer and presenter on best practices in budgeting and financial management for public sector institutions.

## GFOA Tidbits

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We like to hear from our Membership!

If you have any articles, comments or suggestions for our newsletters,  
or something you would like to see on our website,

please contact Candace Coombs, Executive Administrator  
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