



**Severn Sound Environmental Association  
Joint Municipal Service Board  
2024 First Quarterly Meeting (Q1) - April 25, 2024**

**STAFF REPORT**

**No:** 10-24-SSEA  
**Date:** April 18, 2024  
**To:** Chair and Members of the SSEA Board of Directors  
**From:** Julie Cayley, Executive Director

---

**SUBJECT: SSEA Treasurer Services**

---

*Strategic Plan Goal 4: An Exceptional Organization*

---

**RECOMMENDATION:**

**RESOLVED THAT: Staff Report No. 10-24-SSEA regarding SSEA Treasurer services be received; AND**

**FURTHER THAT: a letter be sent to the CAO and Mayor of the Township of Tay to request the Township of Tay extend the end date of the Treasurer agreement and thus their treasurer and HR services to December 31, 2024.**

---

**Purpose of Staff Report**

To update the Board on the progress in securing a new treasurer municipality for SSEA.

**Background and Analysis**

As a Joint Municipal Service Board, the SSEA agreement between the 8-member municipalities requires Severn Sound Environmental Association (SSEA) to use a member municipality as our treasurer municipality (see SSEA agreement, treasurer services fall under administration section 4). Originally this was the Town of Midland and currently is the Township of Tay. Township of Tay staff have and continue to provide professional, quality service and support to the best of their ability. This is not a voluntary service, the SSEA paid \$36,460.38 (+hst) in 2023 and the charge back fee structure is included in the Treasurer services MOU. It should be noted that the treasurer services agreement no longer includes IT services.

February 1<sup>st</sup> 2024 the SSEA Board gave direction to staff to investigate interest from member municipalities to act as the Treasurer municipality for the SSEA. The Township of Tay provided notice, shared with the member municipalities by way of a letter from Tay to each members Mayor (dated February 14, 2024), that they will be terminating the MOU signed between Tay and SSEA to provide administrative services including treasurer and HR as of August 2024. As such, the SSEA now has a deadline of August 16, 2024 to find a new partner municipality to deliver these services. The SSEA sent a letter seeking expression of interest in providing Treasury/HR services to the (SSEA) to the municipal members (not including Tay) and the County of Simcoe on April 2, 2024.

As of April 19<sup>th</sup> 2024, 3 replies have been received including the Townships of Severn, Springwater and Tiny all expressing support. All three have indicated that they are all in varying types of transition in terms of a number of factors and would be in a better position to give serious consideration in 2025. A meeting is to be held with the Township of Tiny on April 19<sup>th</sup>. In discussions SSEA staff are understanding that trying to transition the SSEA financials and HR (including payroll) mid year is less than ideal; is a significant deterrent to other members being interested in exploring being the new treasurer and would likely result in significant costs in terms of additional audit and potential glitches in transitioning AP/AR and payroll. Staff have reached out to the auditor for advice.

**Conclusion/Recommendation**

At the time of the Q1 SSEA Board meeting there will be approximately 15 weeks to try and find a new treasurer and implement the transition. August 16<sup>th</sup> 2024 does not provide a long runway to prepare and transition treasurer and HR services and our last move did add unexpected costs to our budget as I suspect this transition will as well. Staff are exploring a number of options including approaching the County of Simcoe.

It is becoming abundantly clear that the cost of this unexpected transition as well as the potential new yet unknown treasurer relationship is unknown at this time and will likely result in both a one time and ongoing increase in cost.

As making this transition as cost effective and manageable as possible for all 8 members of the SSEA is critical, it is recommended that a request be made to the Township of Tay to extend the end date of the agreement and thus their treasurer and HR services to December 31, 2024.

Prepared and Approved for Submission by:

*Original signed by*

---

Julie Cayley, Executive Director

Attachment: February 15, 2024 - Notice of Termination of Treasurer Services from Township of Tay  
April 2, 2024 - SSEA Treasurer Services Letter  
SSEA Treasurer & HR Services – Support Requirements Details Document

# TAY TOWNSHIP

450 Park Street  
PO Box 100  
Victoria Harbour, Ontario  
L0K 2A0



February 14, 2024

Severn Sound Environmental Association  
489 Finlayson Street  
PO Box 460  
Port McNicoll, ON  
L0K 1R0

sent via email [jcayley@severnsound.ca](mailto:jcayley@severnsound.ca)

**Attention: Ms. Julie Cayley, Executive Director**

Dear Julie:

**Re: Termination of Existing Memorandum of Understanding Notice**

During the Special Council meeting held earlier today Council passed the attached motion related to providing notice pursuant to Section 10 of the Memorandum of Understanding between the Severn Sound Environmental Association and the Corporation of the Township of Tay.

Should you have any questions regarding this correspondence please contact the undersigned at extension 222 or email [afay@tay.ca](mailto:afay@tay.ca).

Sincerely,

A handwritten signature in black ink, appearing to read 'Andrea Fay'.

Andrea D. Fay, Dipl. M.A.  
CAO/Deputy Clerk

Attachment

cc: Mayors of participating municipalities

**THE CORPORATION OF THE  
TOWNSHIP OF TAY**

MOVED BY: Deputy Mayor Barry Norris

SESSION February 14, 2024

SECONDED BY: Councillor Sandy Talbot

Whereas the Severn Sound Environmental Association (SSEA) Board, at their meeting held on February 1, 2024, passed a resolution to provide the opportunity for other member municipalities to assume the role of providing financial services to the SSEA; and

Whereas the Township of Tay undertook the provision of financial services in 2018 along with human resources and IT through a Memorandum Of Understanding (MOU) as a favour to the SSEA when the Town of Midland advised they could no longer perform this function; and

Whereas the County of Simcoe undertook SSEA's IT Services in 2023; and

Whereas the SSEA Board Chair upon introduction of the motion cited transparency as his main rationale for the recommendation; and

Whereas providing transparency is first and foremost to the Council of the Township of Tay;

Now therefore, the Township of Tay, to allow for another member municipality to undertake providing the financial services along with human resources to the SSEA, advise the SSEA in writing through our CAO, that the Township of Tay will terminate their MOU effective August 16, 2024, pursuant to Section 10 of the related MOU; and

That the letter advise that the Township will refrain from bidding on any related request for proposals.

CARRIED



DEFEATED



SIGNATURE: PRESIDING OFFICER

TED LOWKER



## Severn Sound Environmental Association

489 Finlayson St, PO BOX 460, Port McNicoll ON L0K 1R0

Tel: 705-534-7283 Fax: 705-534-7459

Email: [JCayley@severnsound.ca](mailto:JCayley@severnsound.ca) Website: [www.severnsound.ca](http://www.severnsound.ca)

April 2, 2024

SSEA Member CAOs (letter sent by email)

Dear SSEA partners,

RE: SSEA Treasurer and Human Resources/Treasurer services MOU

---

As a Joint Municipal Service Board our agreement requires Severn Sound Environmental Association (SSEA) to use a member municipality as our treasurer municipality. Originally this was the Town of Midland and currently is the Township of Tay. This is not a voluntary service, the SSEA paid \$36,460.38 (+hst) in 2023 and the charge back fee structure is included in the MOU. This letter serves to seek your expression of interest in providing Treasury/HR services to the (SSEA).

February 1<sup>st</sup> 2024 the SSEA Board gave direction to staff to investigate interest from member municipalities to act as the Treasurer municipality for the SSEA. As you are aware, the Township of Tay provided notice, shared with you the member municipalities by way of a letter to each of your Mayors (dated February 14, 2024), that they will be terminating the MOU signed between Tay and SSEA to provide administrative services including treasurer and HR as of August 2024. As such, the SSEA now has a deadline of August 2024 to find a new partner municipality to enter into an agreement with to deliver these services. As the SSEA has been directed over the past several years to build independence, our external administrative needs have also changed. Today, the service needs of SSEA have changed significantly, for example IT services no longer need to be included. Please see attached a list of services that the SSEA would like to discuss including in a new MOU. A link to the SSEA agreement is also included below, treasurer services fall under administration section 4.

We welcome the opportunity to discuss and clarify the details of what services the SSEA would require and the budget implications in an updated MOU as well as your interest and ability to provide these services to your Joint Municipal Service Board. In order to provide time for a smooth transition in treasurer and payroll services your response by May 17, 2024 or earlier would be appreciated.

Sincerely,

Julie Cayley, Executive Director  
Severn Sound Environmental Association

CC: SSEA Board  
Attachment  
[link to SSEA agreement](#)



## **Severn Sound Environmental Association Human Resources/Payroll support requirements re: Treasurer Municipality (as per SSEA agreement)**

### ***Human Resources/Payroll***

**The Municipality** to provide advice and support to the SSEA JMSB as follows:

- Assistance enrolling employees in the treasurer municipality Payroll system (currently ADP)
- Payroll processing including legislative deductions and remitting of same under the Municipality's business number
- Processing of employee mileage/expense claims
- Tracking of vacation, sick time, lieu time, etc. (currently done through ADP)
- Allow SSEA ED (or senior staff alternate) access to SSEA staff pay stubs
- Issuance of annual T4's (currently through ADP) and Record of Employment data as required.
- Enrollment in OMERS and all related reporting required by OMERS (since the Treasurer municipality acts as "employer" in terms of OMERS)
- Accident reporting for WSIB under the Municipality's WSIB account number
- Support SSEA senior staff in understanding compliance with Health and Safety Legislation
- Provide expert HR advice to SSEA senior staff

**The SSEA JMSB** through its administrative staff will provide:

- Employment contracts, employee policies, offers, hiring and termination are the responsibility of the SSEA senior staff (ED)
- Employment terms will be by agreement authorized by the SSEA and provided to the Municipality for payroll processing. The SSEA will ensure compliance with Pay Equity legislation and compliance/administration of the SSEA internal pay grid.
- Health and Safety training will be provided to all new employees by SSEA. The SSEA has its own Health and Safety Policies and holds

monthly meetings. Compliance with Health and Safety legislation is the responsibility of the SSEA and its senior staff.

- Administration of Benefit Plan – All administrative functions of the SSEA’s benefit plan including renewal rate negotiations, new enrollments, processing of claims, training and liaison with employees.
- Submission of staff time sheets within deadlines (currently done through ADP)
- Review and approval of SSEA staff time sheet submissions within deadlines (currently ADP)
- Review and approval of SSEA employee mileage/expense claims

### ***Treasury***

**The Municipality** to provide advice and support to the SSEA JMSB as follows:

- The municipality will process all financial transactions in accordance with the municipality’s financial policies and procedures as applicable.
- The municipality will create and post general journal adjusting entries as determined by SSEA administrative staff and the external auditor, in accordance with the accounting standards set out by the Public Sector Accounting Board (PSAB)
- The municipality will record the SSEA’s capital assets and prepare annual amortization schedules
- A separate fund will be created for the SSEA with General Ledger accounts as required.
- SSEA treasurer will be granted access (remote preferred) to the treasurer municipality’s financial system for the sole purpose of SSEA financials and GL codes
- Accounts Payable will be processed and suppliers paid based on the same payment terms as currently in place for the municipality. HST will be captured and remitted under the municipality’s business number. Payments will be made via the Municipality’s bank account and a transfer from the SSEA’s bank account will be made on a monthly basis to cover the cost of operations.
- The municipality will supply interim financing to the SSEA if/as needed, but will be subject to interest at a rate of Prime + 1%.

- The municipality will set up activity accounts for grant programs as requested in order to make tracking and reporting for grants efficient and transparent.
- The municipality will create customized reports in the Municipality's financial system for SSEA staff to use in monitoring expenditures and reporting to the SSEA Board and provide to SSEA on a monthly basis by the 10th of the following month.
- SSEA Staff Purchase Card program. The SSEA currently has purchasing cards through the municipality's provider - review of current purchasing card system used by SSEA and discuss based on the municipality's program or preferred option.
- Customer and Vendor numbers will be created in the financial system (currently Diamond) using the same format as the municipality, but will begin with a unique naming system specific to the SSEA in order to easily separate customer and vendor information for use by both parties.
- Enter invoices for services rendered, within the municipality's financial system and distribute monthly statements to customers for outstanding accounts.
- Use of municipality's business number for funding/grant applications, where required
- Provide tax receipts for financial donations to the SSEA (indicating donation for SSEA)
- Support and guidance on financial matters will be provided as well as liaise with the external auditors.
- Support and guidance on e-commerce solutions (ex. For tree purchases and donations)

**The SSEA JMSB** through its administrative staff will:

- Adhere to the SSEA procurement policy in alignment with the municipality's procurement policy as amended from time to time.
- Adhere to accounting policies as set out by PSAB.
- Distribute invoices to customers. Collection and follow-up of such receivables will be the responsibility of the SSEA administrative staff.
- Provide copies of invoices including GL codes to Treasurer municipality in a timely fashion
- Provide assurance that guidelines and requirements are met for each and every grant in progress and that appropriate backup



documentation is kept in an easily obtainable form and with the appropriate retention period.

- Records will be made available to the municipality as determined necessary for review and inquiry
- Run and distribute financial reports to the board provided by the municipality as necessary
- SSEA staff manage communication including thank you notes to donors