

# Embracing Complexity and Continuous Improvement



## AN INTERVIEW WITH TARA BAKER

**Jara Kern**, writer with Right Angle Studio, spoke with **Tara Baker** (left), treasurer and general manager of finance for the City of Guelph in Ontario, Canada, about her career path in municipal finance, the biggest challenges facing local governments, and how finance officers can better embrace complexity.

Since joining the City of Guelph in January 2011, Tara has moved progressively through roles including corporate analyst and manager before moving into her current position in June 2016. In 2022 and early 2023, she served as acting general manager for IT before returning to finance. Before entering the municipal finance sector, Tara was an assurance manager at KPMG. A chartered professional accountant, Tara has been an active member of GFOA since 2011 and has been part of GFOA's Rethinking Budgeting team since its inception in 2021.

### Finding her place 'in industry'

Tara didn't begin her career in municipal finance, but she has certainly found her passion as she's built a career working for the City of Guelph. After graduating from McMaster University with a Bachelor of Commerce in business, Tara became a CPA and went into public accounting. At KPMG, Tara conducted audits in a

wide range of industries, including manufacturing, non-profit, education, health care, and local government. "When I left public accounting to go into 'industry,' as we call it," she recalled, "it was local finance that appealed to me because I really liked the people and the culture I had encountered. I could also see how the work really impacted people and that it mattered." Her first role with the City of Guelph was as a senior corporate analyst, a financial reporting role similar to her work in audit—but now on the other side, in a new sector.

Tara immediately embraced the complexity and challenges. "Right away, I found the dynamic between an elected council of decision makers and a professional administration very interesting. We deliver many different services, and it's a challenge to stay connected to everything that's going on, see the need, and bring the financial strategies and recommendations that pull it all together for council and community. I enjoy the whole process and all its moving parts."

### Shifting toward strategy

For Tara, success in her career has come from not shying away from its complexity, but instead developing a level of comfort in bringing knowledge, skills, and experience to move ideas and problem solving forward. As she advanced into new roles with the City of Guelph, she had to transition away from a pure focus on financial reporting and accounting, and toward strategy and budgeting. "In accounting, you have a historical lens on the business, creating the financial statements and conducting the trend analysis after things have happened," she explained. "It's different in budgeting. As you find disconnects, or explain why actual results differ from projections, you see how essential it is to connect the dots between finance and strategy at the front end of any planning. This is where I could get involved in how to change policy and the budget presentation to address gaps between what's actually happening between accounting, budgeting, and planning."

Tara relishes the challenge of orchestrating the budgeting process, including performance reporting, the strategic planning cycle, and functions that feed into and flow out of the budget, to create successful outcomes and communications. "As treasurer, I have to set the tone. I lead the process of generating the budget as well as the education and communications around it. Budgeting brings individual departments together as one entity, with financial strategies and policies that can help council make better, more informed decisions. As government finance officers, we can be an important part of the solution for the important issues our communities face."

For the last three years, Tara has served on GFOA's Rethinking Budgeting team. "When it comes to the principles and process, budgeting has been done the same way for a long time. Rethinking Budgeting is so interesting and important because it's focused on improvement and innovation in the budgeting process." Such areas include community engagement, equity considerations, innovations in communication, and the relationship of the budget to the strategic planning cycle. "Together we are generating innovation that will change how communities across the United States and Canada address budgeting."

## Addressing local government challenges

Despite being on different sides of the same border, local governments in the United States and Canada face many of the same urbanization challenges: housing affordability, aging infrastructure, social service delivery, limited revenue and data access and use, climate change, and more. “The significant weather events resulting from climate change are forcing us to look at infrastructure in new ways to mitigate the impacts,” Tara emphasized, “as well as how we can fund these needs and more with a limited revenue base.”

Tara pointed to asset management and infrastructure renewal as an area where Canadian government finance officers are making progress, perhaps ahead of their U.S. counterparts. “In budgeting and strategies, we are very focused on having asset management plans and aligning our budget to the priorities that come out of these plans, as well as creating financial strategies that maintain current assets. These plans also define the service level of these assets, and the different financial investments required to maintain them at the standard the council expects for the community.”

With a population of 145,000 and growing, the City of Guelph faces many of the same urbanization challenges outlined above, particularly housing affordability and demand for social services to address homelessness and support for mental health, including addiction. Tara said, “When you really unpack these problems, they are not core functions of city service delivery. But they are the real needs in our community, and we in local government are closest to them. When you layer on things like the limits to property tax dollars, infrastructure needs, and high inflation, you see the financial pressure start to stack.” It’s this kind of complexity and the opportunity to advance solutions that have always drawn Tara to work through the fiscal challenges of meeting community needs. “It’s really about the importance of being the fiduciary responsibility over public funds.”

Communicating process and progress, though, is not always easy, and there is room for improvement in the ways

local governments share financial information with stakeholders, including the public. “If you can turn your complex financial reports into more accessible communications, it builds trust. There is such a return on that investment in building trust.”

## Building and maintaining connections

Tara makes connecting with other municipal finance officers a professional priority. In addition to taking an active role with the GFOA Rethinking Budgeting team, she belongs to the Municipal Finance Officers’ Association of Ontario. This provincial-level association enables members to share best practices as well as work through changes to legislation that may affect service delivery and policy at the local level. She also participates on the peer review board of MFOA’s ONE Investment, which opens investment management opportunities on behalf of municipalities in the province, helping them pool assets or maximize potential returns on excess cash.

Connection is also critical to effective process improvement. At the City of Guelph, Tara is continually focused on building relationships between her team and other departments. Like many other governments, the city has experienced recent turnover. This has brought new ideas and energy, but it also resulted in a loss of some institutional knowledge about processes. Recently, Tara and her team introduced a new learning and improvement initiative, the “Who Does What Series.” The inaugural event focused on capital funding and brought all staff together to learn, interact, and build relationships. “Because our workplace has a hybrid model, we don’t see each other in person all the time. This session helped provide some foundational process education but also built rapport. We ended it with a valuable list of opportunities for improvement that we are working through.”

Being relationship-focused also helps in navigating politics, which can present challenges for finance officers in any municipality. “My colleagues and I try to remember that our role is not political, that we are to provide the best professional advice we can, and frame it for our audiences. Key to this is being agile and flexible, and building relationships based on trust that endure over time.”

## Meeting the future head-on

Tara and her team cultivate a continuous improvement mindset when it comes to the big challenges and opportunities for local government. She highlighted two that many face: attracting talent and advancing digital transformation.

“We are competing for talent with all sectors, not just municipal finance,” Tara said. “We must be more progressive to be competitive, and this means offering flexibility like remote and hybrid work. We could also do more to market the importance of the work our sector does, and to foster a positive culture between council and administration. This requires a shift, for councils to think of themselves as employers and board of directors as much as community representatives.” She also pointed out the importance of building a solid talent development pipeline to attract more graduates directly from university programs into municipal finance roles.

Recently Tara spent eight months as acting general manager for IT with the City of Guelph, which has given her perspective on the importance of digital transformation for local governments. “The way of the future is data. While I was in IT, I saw firsthand that one of our biggest obstacles to a more data-driven environment is the way government technology has been built over time—these are historically on-premise legacy systems that are siloed, that don’t integrate with each other at all.” This reality is forcing governments to think differently about their entire technology infrastructures to enable the kind of workflows that pull and push data across all systems, for all customer interactions. This is where true customer centricity and customer service can happen. “We must step back and really think about system architecture to make it more integrated and agile, so we don’t have to rebuild and reinvent for the future again. It’s about building for change.”

Embracing the idea of building for change takes a great deal of flexibility and resilience—qualities Tara has drawn on and honed during her career, and qualities that any government finance professional would do well to cultivate, too. ■

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