

FINANCE DEPARTMENT MONTHLY REPORT

To: Colin Smith, CAO

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Date: June 19, 2019

Month: June 2019

Section 1: Operational Dashboard

Metric	Current Period	Prior Period	Annual Result	Trend
Debt Ratio	(Budget) 2019 9.45%	(Actual) 2018 10.5%	Decrease	Decreasing
Accounts Receivable (significantly past due accounts only)	\$169,000 (June '19)	\$190,000 (May '19)	Stable	Stable
Accounts Payable processed (May '19 vs. Apr '19)	\$2,063,531 (435 cheques)	\$1,588,672 (340 cheques)	-	-
% of Water & Sewer Bills sent electronically (quarterly Apr '19 vs Jan '19)	15.4% (934 out of 6,081)	14.8% (900 out of 6,064)	Gradual growth in e-billing	Increasing

Section 2: Status of Department's Operational Priorities for 2019

Priority	Status
Lead the Town in the development of a long range capital Asset Management Plan (AMP)	Monitoring the status of condition assessments for roads, parks and recreation and town owned buildings. The condition assessments will be taking place throughout the spring and summer months. The Finance Director is in regular communications with other Department Directors in connection with the status of their ongoing tasks related to Asset Management within individual departments, namely Engineering and Public Works, Parks and Recreation and Facilities Management.

Priority	Status
Long Term Financial Planning and Managing Debt Ratio	<p><u>Long Term Financial Plan</u></p> <p>The Director has been working with the other Directors and met with the CAO to review/revise the assumptions used in the most recent version of the long term financial plan, specifically to determine whether the projected future tax base growth rate assumptions and Equalization Grant levels should be adjusted. As well, proposed amendments to the Capital Plan were completed in June and shall be presented to Council outlining any proposed changes from the latest iteration of the long term capital and financial plan.</p> <p><u>Borrowing Long Term Debt</u></p> <p>The Town has received approval from the Municipal Capital Borrowing Board (MCBB) for Authorization to Borrow up to \$5.3m to finance 2019 capital items. With the recent Federal announcement of additional Gas Tax Funding of \$1.4m and successful tender pricing it is likely that the Town will not have to borrow as much as planned. This will be reflected in the updated proposed long term financial plan noted above.</p>
Municipal Annual Report	The 2018 <i>Annual Report</i> contents is complete, available on the website and has been well received.

Section 3: Other Notable Developments & Highlights for Council's Attention

Budget 2020

The Director of Finance has already participated in meetings with external third parties to discuss proposed Budget 2020 figures for some key items including RCMP policing costs as well as the cost of water purchases from the City of Moncton.

These discussions will continue over the remainder of the year and budget amounts will become firm by late Fall.

Professional Development

The Director continues to participate in education sessions including most recently:

Tax & Accounting Update for the Public Sector – KPMG Webinar - June 4, 2019

Requests for Proposals (RFP)

In keeping with the Town's practice of continuously attempting to ensure taxpayers are receiving optimal value for services, the following items are the subject of *Request for Proposals* (RFP):

External Financial Audit Services

The four (4) submissions were opened in two phases with certain criteria reviewed first and then subsequently pricing on June 18. The submissions have been reviewed by a Committee comprised of the CAO, Director of Finance and Accounting Supervisor. A recommendation will be made to Council on or before the RCM of July 8, 2019.

Health/Dental Plan Benefits

The market study is now complete and a presentation of the summary findings by Mercer Consulting was made to the *Pension and Benefits Committee* on June 13. Each of the two bargaining units are in the process of reviewing the results with their membership. The decision to remain with the current insurance company or switch to a different insurance company is imminent. If the Committee consensus is to remain with the current company it will not be necessary to bring this to Council, i.e., it would simply be a routine annual renewal. If a change in company is recommended then staff will prepare a Council Report Form for Council to provide background and rationale for such change.

The positive news at this time is that, based upon submissions received during the market study, there will be significant reductions in premiums. Further details will be provided soon.

