

## FINANCE DEPARTMENT MONTHLY REPORT

To: Colin Smith, CAO

Prepared by: Robert Higson, CPA, CA

Date: October 23, 2019

Month: October 2019

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### 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)	\$207,000 (Oct'19)	\$179,000 (Sept '19)	Stable	Stable
Accounts Payable processed (Sept '19 vs. Aug '19)	\$5,065,582 (358 cheques)	\$3,406,301 (436 cheques)	-	-
% of Water & Sewer Bills sent electronically (quarterly Jul'19 vs Apr '19)	15.5% (946 out of 6,088)	15.4% (934 out of 6,081)	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)	ONGOING - Developing Asset Management practices for Town buildings is a priority for staff as appropriate levels of preventative maintenance and periodic replacement/refurbishment of capital components will result in longer term savings. Lifecycle costs are reviewed for all assets being acquired. Several building condition assessments have recently been completed and the reports are currently being reviewed by the Manager of Facilities. The results shall be considered and incorporated into the annual budgeting process.

Priority	Status
	The Finance Director is in regular communication with other Department Directors re: ongoing monitoring of the status of condition assessments for roads, parks and recreation and town owned buildings.
Long Term Financial Planning and Managing Debt Ratio	<p><u>Long Term Financial Plan</u></p> <p>There will be a few minor amendments to the current approved version of the <i>Long Term Capital Plan and Financial Projections</i> in preparation for the upcoming budget discussions. These will reflect certain 2019 capital projects and items carried over into 2020. One example of this is the new bus purchase. This simply reflects a change in timing.</p> <p>As mentioned previously, there is a certain level of uncertainty surrounding the longer term including specifically the size and scope of economic growth contributing to the tax base as well as projected growth at external service providers such as the Codiac Regional Policing Authority (CRPA).</p> <p>As new information becomes available, amendments to the financial projections shall continue to be brought to Council's attention and incorporated into the longer term plan.</p> <p><u>Borrowing Long Term Debt</u></p> <p>AWAITING NEWS - The Director has submitted the Application to participate in the fall long term borrowing managed on behalf of all NB municipalities by the provincial Municipal Capital Borrowing Board (MCBB). Because of positive tender results, positive operating budget projections, funds available from prior year borrowing and deferment of a couple of capital items the Town will borrow \$4.1m this fall which is less than the budgeted amount for borrowing of \$5.3m for capital projects.</p> <p>The province will likely go to the financial markets in late November and the Town will receive the proceeds of debt issuance shortly thereafter.</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 been focused on the 2020 budget development. Budget preparation is progressing well and on schedule. Town departments have submitted both Operating and Capital Budgets to the Finance Department. The Director of Finance has compiled all departmental operating and capital budgets into comprehensive documents. The CAO and Directors have scheduled two full

days on Thursday, October 31 and Friday, November 1 to review, discuss and prepare the budget presentation scheduled for Town Council meetings commencing on Wednesday, November 20 and Saturday, November 23. The public is invited to attend these meetings.

Information and presentations by many third party service providers have been made on October 24 at a public Council meeting.