

**Town of Riverview**  
**FINANCE AND IT DEPARTMENT MONTHLY REPORT**



To: Colin Smith, CAO

Prepared by: Shannon Parlee, CPA (Director of Finance & IT)

Date: October 23, 2023

Month & Year: October 2023

**Section 1: Operational Dashboard**

Metric	Current Period	Prior Period	Annual Result	Trend
<b>Debt Ratio</b>	{Budget} 2023 <b>8.97%</b>	{Actual} 2022 <b>8.50%</b>	<b>Stable</b>	<b>Healthy Position</b>
<b>Accounts Receivable</b> (Significantly past due accounts only, i.e., 270 days+)	<b>\$306,294</b> September '23	<b>\$257,696</b> August '23	Balance is <b>up</b> over month, but this is not a true increase, this is due to the timing of when the quarterly bills are issued.  The bills move from one aging period to the next as the new bill is issued, and we bill quarterly, therefore this occurs in the month after the bills are due (issued August, therefore hitting September). Total amount of A/R outstanding continues to fall which is a true representation of progress (we billed a total of \$1.5M last quarter for residential W&S).	The balance has <b>increased</b> for this aging bucket due to timing of billing.  Collection efforts have shown progress with the balance declining in total significantly since collections efforts have resumed.
<b>Accounts Payable Processed</b>	<b>\$2,891,602</b> (318 Cheques)	<b>\$3,366,647</b> (330 Cheques)	Results are <b>as expected</b> . Some large, planned	<b>Consistent</b> with our understanding of billing trends and

(August '23 vs. July '23)			settlements related to capital projects, and we also had a large payment scheduled to the City of Moncton (RCMP).	schedules of payments.
<b>% Of Residential Water &amp; Sewer bills sent electronically</b> (August '23 vs. May '23)	<b>20.77%</b> (1,301 of 6,265)	<b>20.40%</b> (1,275 of 6,250)	<b>Improving</b> over time.  Residential bills are sent out quarterly in February, May, August, and November.	Update from most recent August quarterly billing. Slight increase from previous quarter. Continually showing improvement however, still plenty of progress to be made.

## Section 2: Status of Department's Operational Priorities for 2023

Priority	Status
<p><b>Oversight and Management of the Finance &amp; IT functions to align with the Service Excellence expectations of the Town's Strategic Plan</b></p>	<p><b><u>Budget vs Actuals</u></b></p> <p>Costs are stable overall and falling in line with budget thus far for the operating budget. The Finance Department continues to track capital year to date weekly including detailed purchases for each project.</p> <p>As at end of September 2023, the Town is projecting a surplus in both the general and utility funds operating budgets as follows:</p> <ul style="list-style-type: none"> <li>• General: \$327,121</li> <li>• Utility: \$464,068</li> </ul> <p><b><u>Quick Highlights:</u></b></p> <p><b><i>General Fund</i></b></p> <ul style="list-style-type: none"> <li>• Revenue: overall is \$342k above budget. This is mostly driven by non-tax revenue which is \$244k above budget. \$156k of this total relates to proceeds on the sales of assets, which was much higher than expected.</li> <li>• Expenses: overall are \$15k above budget in total whereby savings in other areas (admin of \$191k) helped offset higher than budgeted costs elsewhere (Fire &amp; Rescue \$98k above budget; and Parks &amp; Recreation \$106k above budget).</li> </ul>

	<p><b>Utility Fund:</b></p> <ul style="list-style-type: none"> <li>• Revenue: is \$538k above budget due to more consumption than anticipated (Water and sewer – commercial – new builds/more usage). This is largely driven by TransAqua, who are significantly higher than expected. Director Parlee has had conversations with the CFO at TransAqua regarding these costs which she will provide detail when looking at overall YE totals.</li> <li>• Expenses: are \$74k more than budget, which is offset by higher revenue (higher revenues equates to higher expenses, due more service being provided). There were higher purchases of water (\$37k) and water operating costs (\$60k) – which the higher revenue helps offset.</li> </ul> <p>As part of the budget process, directors have updated the 2023 projections. During budget deliberations, there will be opportunity to discuss any changes and Director Parlee will also review all items in detail in future COW meetings to track finances to year-end.</p>
<p><b>Asset Management (Capital &amp; Inventory)</b></p>	<p>Director Parlee along with relevant staff have been identifying, analyzing, and implementing stronger management and control measures around asset management (both capital and inventory). The staff have already begun to identify potential operational/control weaknesses to improve for operational means as well as audit requirements.</p> <p>An Asset Management Committee (AMC) formed had their first meeting on October 5<sup>th</sup>, which went very well. All directors involved in asset management were involved, as well as those that directly oversee asset management, including Accounting Supervisor, Cathy Molnar.</p> <p>The committee discussed the mission, vision, and core values of AM, and how the objectives of the committee tie to the Strategic Plan. They also discussed the importance of an AMC, the future expectations of the committee, and discussed best management practices when it comes to accounting (capital vs expense, ongoing vs. current costs) and with preventive maintenance. The meeting finished with a round table discussion on how each department/staff managed their assets, any pain points, what technology they are using, and how we can help one another, such as learning ideas from others and streamlining processes that would add economies of scale. This will be a great benefit to the town to have a committee that works together for the Town as a whole, so each department does not operate in silos on asset management, and we can share important information with one another to improve our current practices.</p> <p>Director Parlee will report more on this committee by YE in detail. Director Parlee also continues to work on plans to develop strong controls around inventory management with a multiyear approach. These objectives align with the Strategic Plan of strong financial management of the Town’s Assets and in creating a sustainable plan for the long term that meets both or current and future needs.</p>

<p><b>Operational Process Improvements &amp; Internal Controls</b></p>	<p>The largest task in this objective involves the Accounts Payable Automation plan (Provider: BeanWorks). We continue to work with our developer to ensure the system is compatible with our current accounting software. We previously purchased “Integration Suite” from Central Square that is required to integrate our software and are in regular communication to ensure things are on target. This past week finance staff completed training on BeanWorks, which went very well. We are closing in very soon on launching this system, with a few final meetings needed between software developers. If all goes well, we should have a live system in before year-end.</p>
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**Section 3: Other Notable Developments & Highlights for Council's Attention**

**Budget**

The focus this time of year is the budget. Director Parlee has been working with all relevant parties for budget inputs, ranging from Codiac Transpo, SERCS, TransAqua to the Fire LSD revenue. She has also been working with staff on their sections. Accounting Supervisor, Cathy Molnar, has been very helpful in assisting with anyone needing details/explanations on accounts to help with their budget sections.

The Directors and CAO met October 18<sup>th</sup> and 19<sup>th</sup> for budget deliberations, covering both the operating and capital budgets. Per the budget timeline, council will receive their budget binders by the end of the day Friday, October 27<sup>th</sup>. Staff will present the budget to council November 1<sup>st</sup> (9am-4pm), and if needed, Saturday, November 4<sup>th</sup> (9am-3pm).