

FINANCE DEPARTMENT MONTHLY REPORT

To: Colin Smith, CAO

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Date: May 24, 2018

Month: April/May 2018

Section 1: Operational Dashboard

Metric	Current Period	Prior Period	Annual Result	Trend
Debt Ratio (end of year)	11.93% 2018 (Budget)	13.96% 2017 (Actual)	Decrease	Stable
Accounts Receivable (significantly past due accounts only)	\$185,000 (May/18)	\$240,000 (Apr/18)	Stable	Stable (Director working with NEW clerk to collect accounts)
Accounts Payable processed (Apr 18 vs. Mar '18)	\$1,670,005 (284 cheques)	\$1,215,793 (384 cheques)	-	-
% of Water & Sewer Bills sent electronically (quarterly May '18 vs. Feb' 18)	11.5% (693 out of 6,030)	11.3% (678 out of 6,022)	Gradual growth in e-billing	Stable Town is promoting this option via contest and at the municipal payments counter

Section 2: Status of Department's Operational Priorities for 2018

Priority	Status
Lead the Town in the development of a long range capital Asset Management Plan (AMP)	<p>The AMP Team is now considering next step(s) to refine and further develop the "fluid" document and AM process. The options under consideration may include reviewing software to help manage our asset database, reviewing and better defining the levels of service provided by these assets and conducting further condition assessments of assets owned by the Town.</p> <p>As well the Director, along with other department directors and the CAO attended a kick off meeting on May 23 in connection with incorporating</p>

Priority	Status
	<p>natural assets into our AM plan. At this time the scope is limited to the Mill Creek Nature Park area. The intent is to determine how the existing natural assets such as ponds, streams, forest and topography, etc. may be of benefit to the Town in managing storm water for this area. It has been proven that natural assets can be as valuable as engineered assets in certain cases for management storm water within municipalities. This natural asset initiative is being managed and funded through the South East Regional Service Commission and is expected to take between 1-2 years.</p>
Long Term Financial Planning and Managing Debt Ratio	<p>The Town received formal approval from MCBB to borrow <u>up to</u> \$5.4m for financing 2018 Capital items. The exact amount the Town will borrow shall be determined later this year when projects are nearing completion. Council will be asked to approve the specific \$ amount of the borrowing drawdown at that time.</p> <p>Staff have participated in two (2) working sessions with Council to discuss the long term capital and financial plan for the next ten years. A draft update ten (10) year plan incorporating Council's direction will be presented to Council at the May 28 COW meeting. The updated draft ten (10) year plan includes a proposed 10 cent increase in the property tax rate over the period from 2018 to 2027.</p> <p>Monitoring and managing the debt ratio, which has been calculated at 13.96% as at December 31, 2017, is one of the most important objectives for the Director of Finance. The proposed ten year plan includes a debt ratio of 16.69% at the end of the ten year plan.</p>
Technology Options	<p>Staff is promoting <i>e-billing</i> by offering a draw for a prize package for those who sign up for it. There have been a number of residents signing up in response to this promotion but there is still much more opportunity to increase e-billing to save mailing and paper costs as well as the environmental costs of using paper.</p>

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

Water Rate Discussions with City of Moncton

The Director attended a meeting on May 23 along with Finance officials from both Dieppe and Moncton for the purposes of discussing the \$ /cubic meter rate for water purchased from the City of Moncton. The exercise is spelled out in a formal Agreement but is further complicated this year by the blue/green algae issue and potential costs associated with this 2017 occurrence. Staff will report to Council with details of the costs and action plan associated with the algae issue once the City of Moncton has completed further review. The rate in discussion is applicable for the year commencing January 1, 2019.

RCMP Building Committee

The Director continues to participate in Committee discussions related to the financing, ownership structure and other items related to the proposed new RCMP facility. On May 23 the Committee met and agreed in principle on the appropriate major components of the financial arrangements in relation to this capital project. Council will receive an update of this project at the tri-community Council meeting on June 13.

Benefits (Health and Dental) Renewal

The Director(s) of Finance and Human Resources have initiated discussions to commence the annual renewal process with Manulife. In conjunction with the renewal, which is effective on July 1, 2018, discussions are taking place with Mercer Consulting to review the adequacy of our benefits plan, renewal quotation amounts, industry trends and the value of obtaining quotations from other insurance providers at this time. Staff will report to Council once this process is further along, in any event, no later than July 1, 2018.