

DATE: July 14, 2023
TO: Board of Directors, BCRSD
FROM: Wendy Wiegers
THROUGH: Tom Ratermann
SUBJECT: 1st Quarter 2023 Financial Report Notes



GENERAL:

1. QB Online is designed to operate with one A/R and one A/P file. During the conversion in July, 2022, many accounts were moved into the Midway Arms A/R account and this was flagged during the annual audit. I researched the issues. Jason had been discussing a fix with Lara and nothing was resolved. I was able to move the entries into their correct accounts; however, it is a temporary fix. I will slowly phase out the individual A/R and A/P accounts into one account without losing the integrity of our data or reporting capabilities.
2. We are currently resolving some issues with the A/P process and streamlining procedures to reduce duplicate payments, voided checks and incorrect issues. For example, expenses being entered into incorrect QB accounts, payments made by credit card being entered as bills, incorrect due dates, etc.
3. I am attempting to streamline month end procedures by automating any processes that I can and just double checking them as I complete monthly tasks. For example, insurance prepaid adjustments are set up to automatically enter each month for 12 months.
4. BEC invoices were entered into the wrong accounts. These are being adjusted and a process set up.

BALANCE SHEET:

1. I moved the Money Marketing bank account to its own account to make it easier to reconcile. The accounts is still under "Investments" just separated out.
2. Checking Account is higher year to-date due to \$100,000 transfer in January from investment funds.
3. #102450: Due to accounting updates, I am reviewing the lease purchase agreement for the sewer jet and the way we accounted for it. The auditors made a JE adjustment but not sure why we have it listed under "Investments".
4. I am currently auditing and updating A/R Boone Electric and A/P Boone Electric accounts.
5. I am also currently updating and making current the Work in Progress accounts. No activity since August 2022 and I'm sure there are a few invoices that need to be added and projects added/removed. Working with Daniel on this.
6. Audit adjustments have changed some accounts: 160300 and 160301, 170300. I will be watching these closely and monitoring all asset accounts to make the audit next year easier with less adjustments at year end.
7. 160700 F/A Treatment Facilities has increased due to Butch's Investments entries.
8. 160800 F/A Collection Systems has increased due to Equipment Share, Eagle's Nest and Butch's Investment entries.

INCOME STATEMENT:

1. Total Income has increased \$158,000 due to an increase in fees, contracted services income (Ashland) and payout from an insurance claim on generator replacement (\$20,000).
2. Personnel expenses have increased \$88,000 mainly due to Operations and payroll tax increases. I am working with Jason on an issue with our Missouri tax payments. Convergence had the wrong account number for us and our payments were not being applied to our account. He is working on correcting and I

am working on a procedure to monitor tax payments. I have set up a monthly task to sign into accounts to make sure our tax payments are accurate.

3. #550754 Collection System costs show an increase due to prepaid pump adjustments.
4. #560100 Insurance account shows an increase due to an adjustment I made bringing the balance into alignment with current insurance expenses.
5. #545201 Computer Billing Services BEC has been adjusted due to previous mention of improving A/P processes to make sure invoices are being applied to correct expense accounts. BEC invoices are split over many different accounts and I created a cheat sheet for whoever enters bills. In this case, BEC services to BCRSD was being applied to an A/P account.

BUDGET VS ACTUAL

1. Customer Fees have increased \$27,000 and interest is over budgeted amount due to interest rates being up. Total income is over budgeted amount by \$84,000.
2. #532000 Bond Issuance Expense is over budget due to timing. UMB took the Admin fees for Direct loans out one month late.
3. #550756 Equipment Replacement expenses are over budget due to the Spring Park pump repair.
4. Insurance expenses show an increase due to my audit of prepaid expenses. I am making a \$9,000 adjustment to bring the account to current expense amounts.
5. Total expenses are \$83,000 under budgeted amount.
6. BCRSD is off budget by \$169,000 in the positive.

Wendy Wiegers
SIGNATURE:

Finance Manager
TITLE:

7/14/23
DATE: