

Observations & Recommendations

Feb 2026

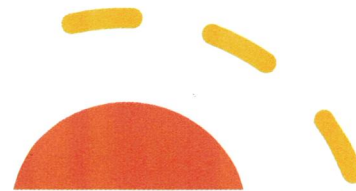
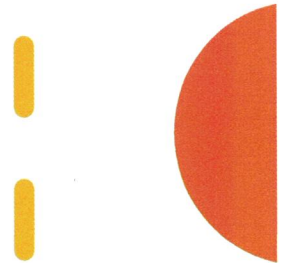
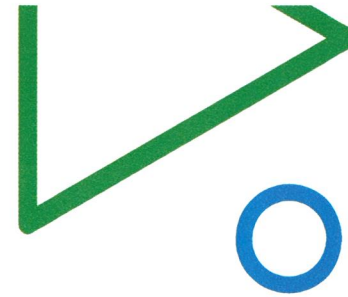


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Background

- e6 Management Consulting LP (e6) is a Finance & Management consulting firm based in Moncton, NB. Our holistic approach to evaluating organizational performance makes us uniquely positioned to offer solutions that meet the diverse needs of our clients. We have been offering our services to municipalities since 2016.
- SYSRC contacted e6 to discuss potential needs from a finance perspective in late 2025. From that discussion, a proposal was created to complete a current state finance assessment. (Described later in this document)
- The project kicked off on November 21, 2025 and subsequent discussions were held on December 19, 2025 and January 13, 2026 .
- Our approach incorporates several methods for information capture:
 - Team meetings and interviews with key employees
 - Direct observation
 - Review of reports and documents
 - A review of systems and processes
- Participants in this process included:
 - Cindy Ogden
 - Don Ferguson



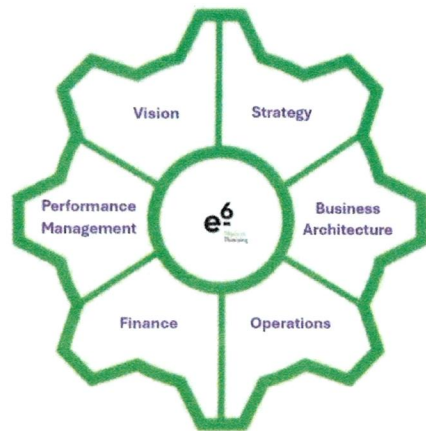
Methodology

- The observations presented in this report were drawn from in-person and virtual sessions and from documents provided by SYSRC.
- Documents reviewed include:
 - 2023 and 2024 Audited financial statements
 - 2025 YTD actual to budget
 - Purchasing policy draft
 - Policies enacted (Attendance and work, Statutory holiday, and Vacation leave)
 - 2025-01 Forensic audit RFP and addendum
 - Employment contracts
 - Office and vehicle leases
 - Payroll samples
 - Expense samples
- Observations and recommendations are based on information made available to us through the process of discovery and may not be exhaustive.



Approach

- e6 uses a proprietary approach to assess the overall health of an organization
- The approach examines the 6 key areas of organizational performance (as defined by our method)
- We evaluate each key areas through our maturity assessment model, which is explained on the following page.

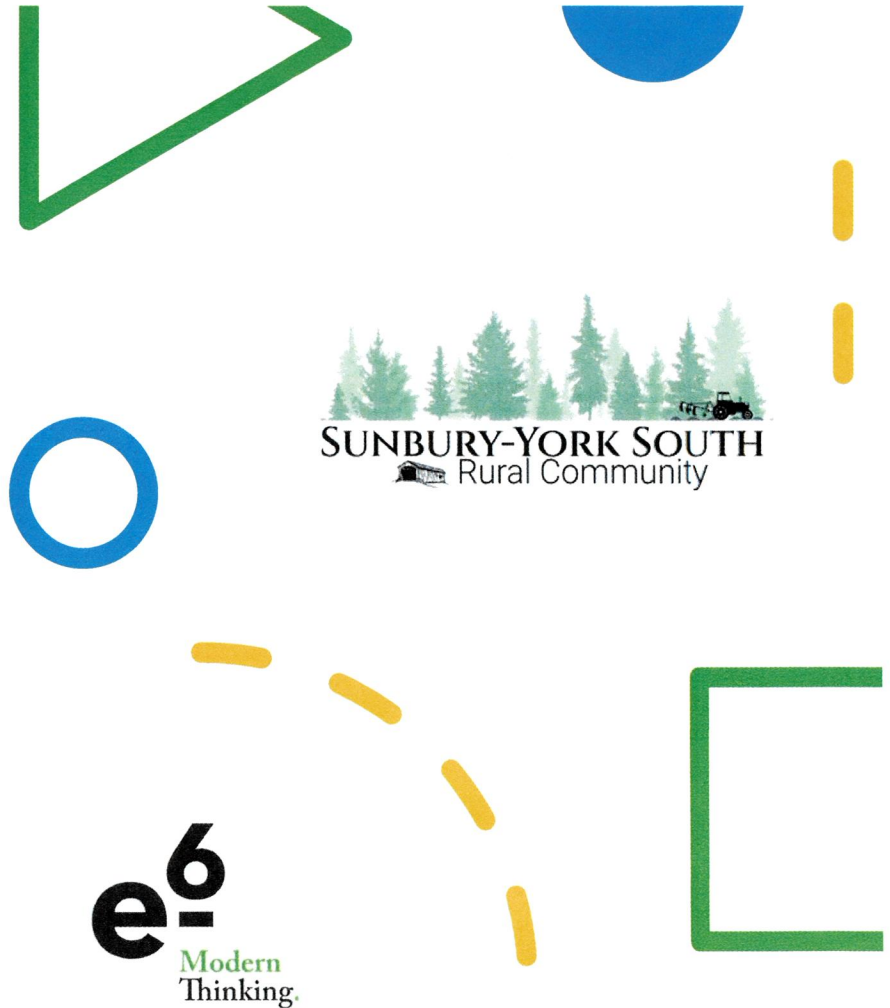


Approach

The Finance Maturity Model provides a structured framework to evaluate the effectiveness, efficiency, and strategic value of an organization's finance function. It enables finance leaders to assess current capabilities, identify gaps, and plan for progressive improvements that align with business objectives.

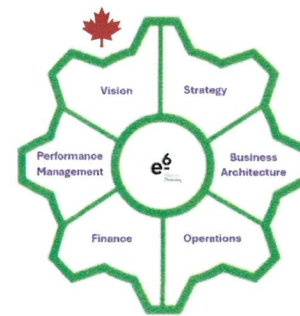
Maturity Levels Overview

| Level | Name | Characteristics |
|-------|-----------------------|--|
| 1 | Ad Hoc / Initial | Processes are inconsistent, reactive, and undocumented. Heavy reliance on individual knowledge. |
| 2 | Basic / Emerging | Some processes documented, but execution remains manual and inconsistent. Limited integration of systems. |
| 3 | Defined / Established | Processes are standardized, documented, and consistently applied. Technology supports most core tasks. |
| 4 | Managed / Measured | Processes are monitored, measured, and optimized. Strong integration of systems and use of analytics. |
| 5 | Optimized / Strategic | Finance is a strategic partner driving business performance. Predictive analytics, automation, and continuous improvement embedded in culture. |

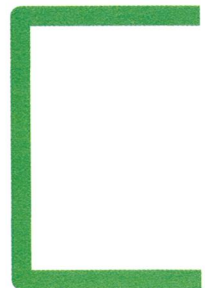
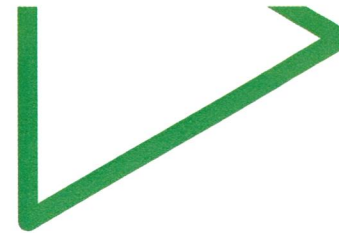


Observations, Impacts, and Recommendations

| | Vision | |
|--|---|--|
| Observations | Impacts | Recommendations |
| There is no formalized or communicated organizational vision. | Absence of a clear vision, mission and values can: | We acknowledge that it is not the opportune time to focus on mission, vision and values.. That being said: |
| <p>For a rural community, a clear mission, vision, and corresponding values can:</p> <ul style="list-style-type: none"> • Unite people around a shared identity • Guide decision-making and reduce conflict • Strengthen participation, partnerships, and funding opportunities • Build resilience, sustainability, and long-term confidence | <ul style="list-style-type: none"> • Lead to disparity in purpose between individuals • Make decision making difficult • Create confusion for employees in understanding how their work supports the greater objectives of the community • Make times of crisis more difficult to navigate • Create a reactive administrative environment. | <ul style="list-style-type: none"> • a few key, documented and communicated guiding principles would benefit the administration in the short to medium term. • With the introduction of new members of the administrative and legislative teams, a vision mission and values exercise (with a corresponding strategic plan) would help to build cohesion and purpose. |
| Together, they turn a collection of individuals into a cohesive, purpose-driven community capable of shaping its own future. | | |

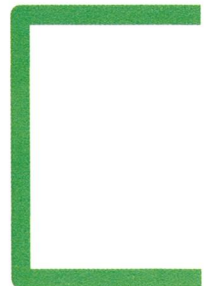
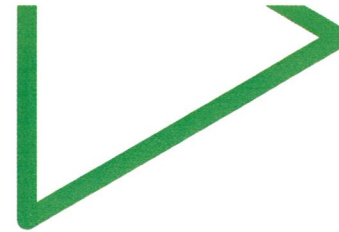
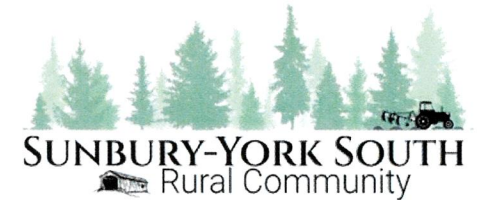


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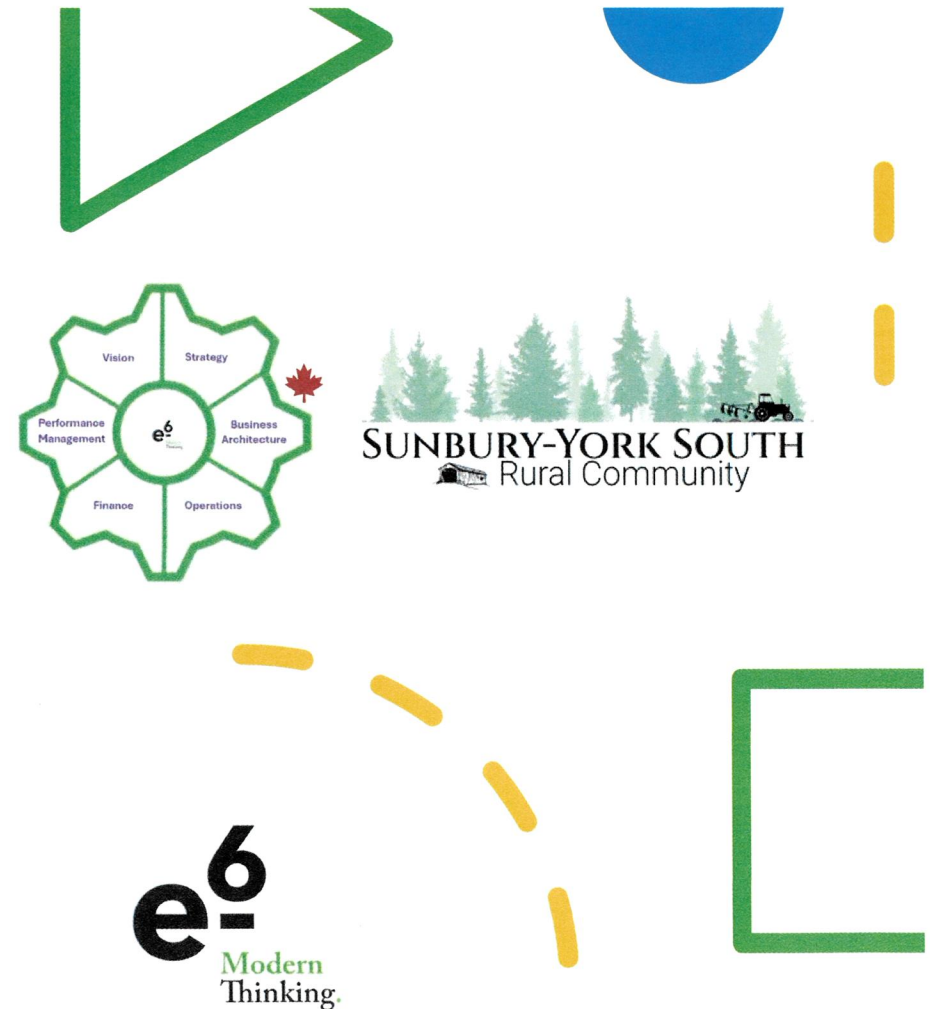
Observations, Impacts, and Recommendations

| Strategy | | |
|--|---|--|
| Observations | Impacts | Recommendations |
| <p>There is no formalized strategic plan.</p> <p>For a rural community, a strategic plan can:</p> <ul style="list-style-type: none"> Promote a shared purpose and identity Create stronger community alignment and improve decision-making. Improve collaboration Create resilience during change and crisis Enable long-term planning and sustainable development Creates leadership continuity and stability Set the foundation for operational plans at the administrative level | <p>Absence of a strategic plan can lead to:</p> <ul style="list-style-type: none"> Lack of clear direction and agreed-upon priorities. Decisions that may be reactive rather than strategic. Limited ability to align resources & initiatives toward shared goals. Reduced competitiveness when seeking external funding, grants, and partnerships. Increased risk of inconsistent decision making | <p>Similar to the recommendations surrounding Vision, Mission and Values, We acknowledge that is not the opportune moment to complete a 5-year strategic plan. That being said:</p> <ul style="list-style-type: none"> Work plans should be built for the Assistant Clerk and Interim CAO/Clerk (and any other staff that may come on board) Key objectives and measures of success should accompany workplans. |



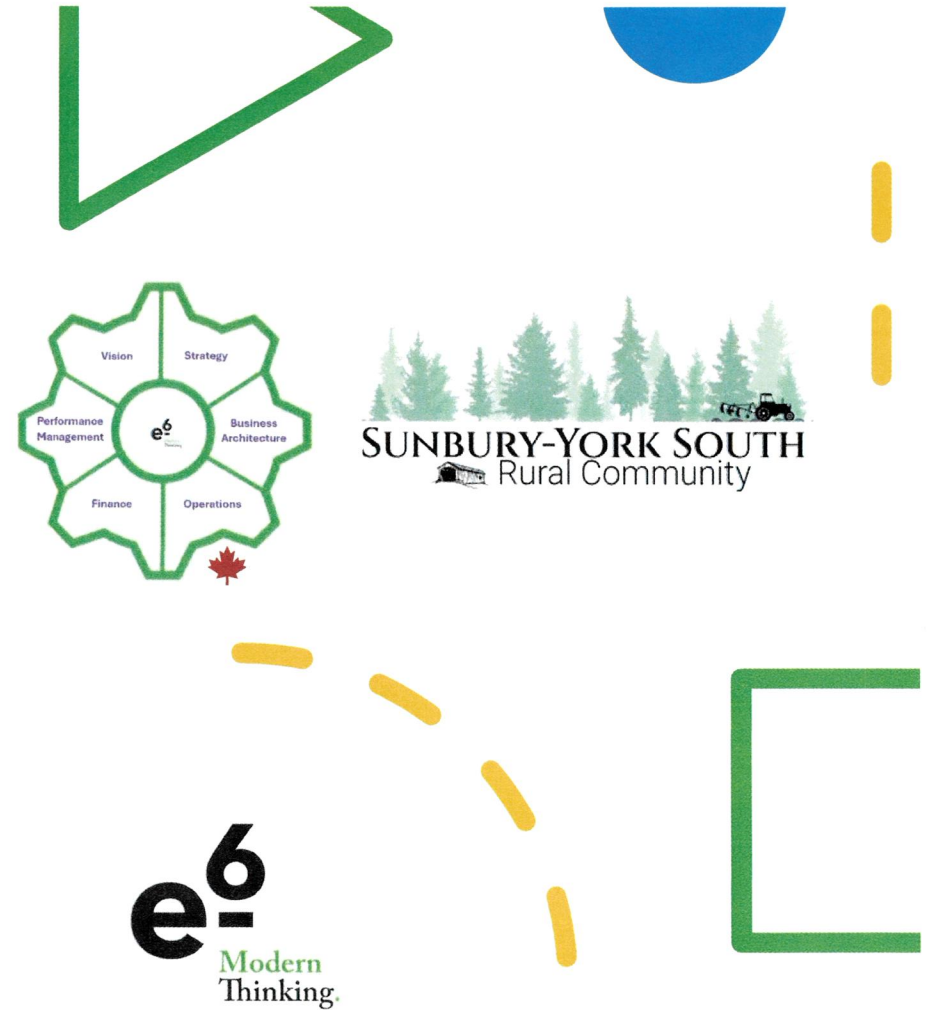
Observations, Impacts, and Recommendations

| Business Architecture | | |
|---|---|---|
| Observations | Impacts | Recommendations |
| Roles and responsibilities are not formally documented for all positions within the municipality. | Lack of clarity increases the risk of task duplication, gaps in accountability, and control weaknesses. | Document and formally approve roles and responsibilities for all municipal positions. |
| Systems access (i.e. Sage, banking) are not clearly segregated or regularly reviewed. | Inappropriate system access elevates cybersecurity and fraud risk. | Review and monitor user access regularly , and assign sysadmin access to an individual independent from day-to-day accounting functions |
| Overtime and vacation tracking, and expense reimbursement processes vary by employee. | Manual and inconsistent processes increase the risk of errors, inefficiencies, and staff dependency. | Standardize the tracking methods for overtime, vacation, and expense reimbursements across all employees |
| Accounting and finance processes are not formally documented. | Lack of documentation limits continuity during staff absences or turnover. | Document and standardize all core accounting and finance processes . |
| Paper-based filing remains prevalent. | Paper filing increases administrative burden | Digitize the filing system to improve accessibility, retention, and operational efficiency. |



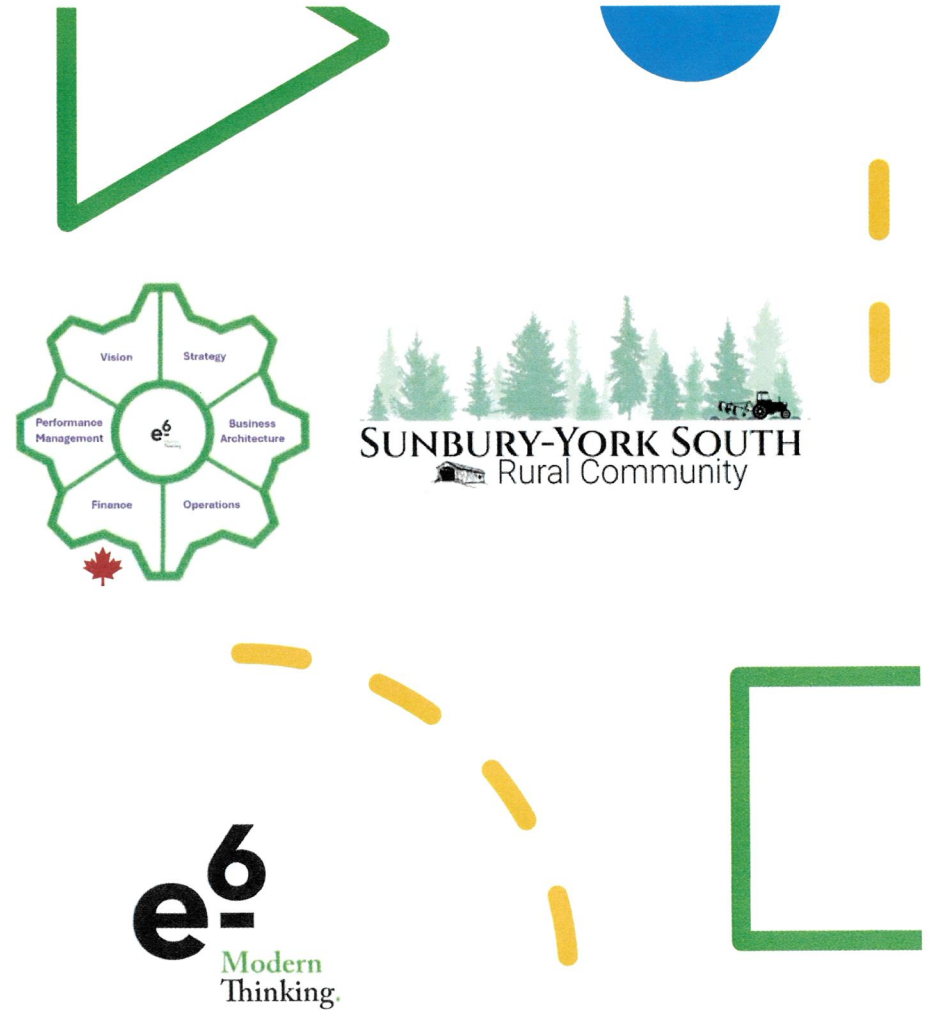
Observations, Impacts, and Recommendations

| Operations | | |
|---|--|--|
| Observations | Impacts | Recommendations |
| Bills are received by email and mail, printed, and manually filed. | Manual handling increases processing time and the risk of lost or misfiled documentation. | Adopt a centralized accounts payable (AP) platform to manage invoices digitally. |
| Limited segregation of duties across banking, payables, and payroll. | Concentration of duties increases the risk of fraud or undetected errors. | Improve segregation of duties where feasible and introduce compensating controls where staffing is limited. |
| No cardholder agreements are in place for credit cards. | Lack of formal agreements weakens accountability over card usage. | Implement credit cardholder agreements outlining allowable use and responsibilities. |
| Upon request, we tested 2023, 2024 financial statements to determine if there is evidence of mismanagement or fraudulent behaviour. | Undocumented policies create ambiguity which leaves too much room for subjective interpretation. | We recommend documenting and adopting key finance policies and communicating consistently to stakeholders. |
| While we do not believe that there is any evidence of deliberate mismanagement or fraud, lack of documented policies (ie: Purchasing) leaves too much to interpretation. | | We do not recommend a "forensic audit" as the cost would greatly outweigh the potential benefit. You would be better served to allocate resources to solidifying documentation for the future . |



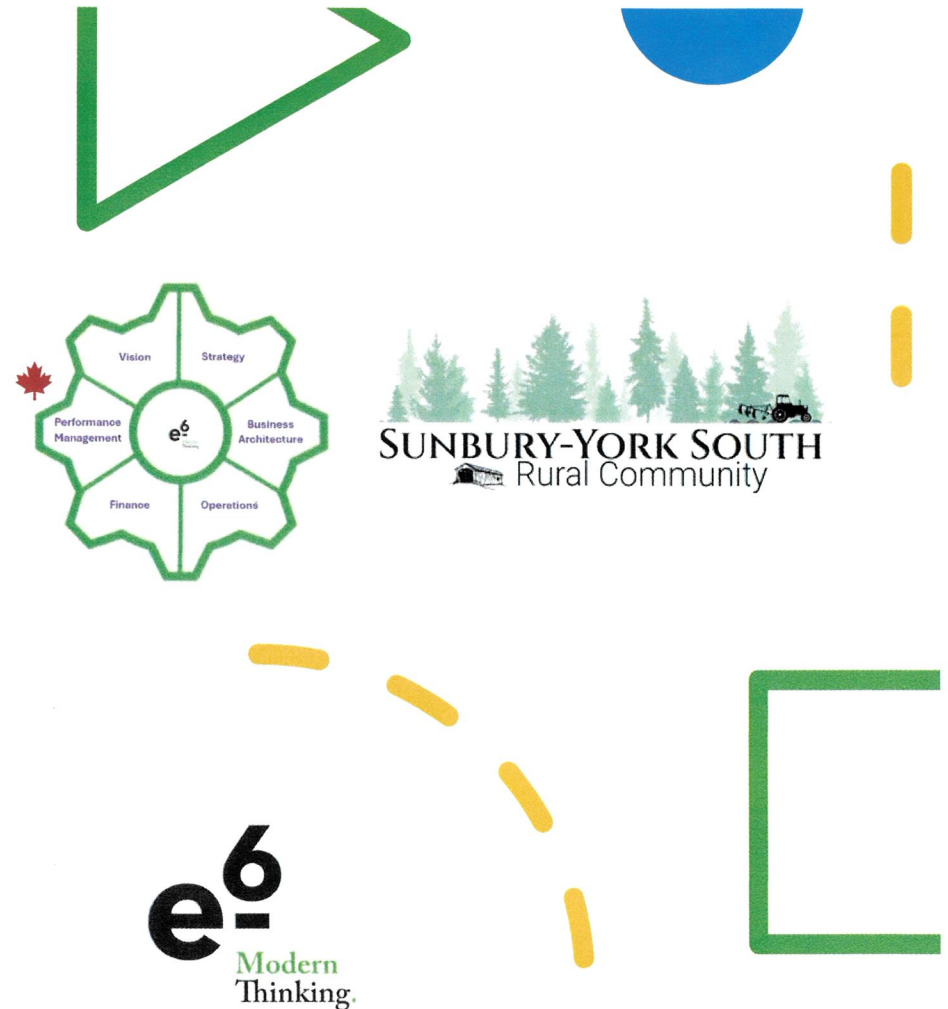
Observations, Impacts, and Recommendations

| Finances | | |
|---|--|---|
| Observations | Impacts | Recommendations |
| Purchase policy limits expenditures within approved budgets to a low threshold (\$1,000). Certain policy provisions lack clarity (e.g., meals during lunch hours, credit card usage for travel-related expenses). | Overly restrictive thresholds may create administrative bottlenecks. Ambiguities lead to inconsistent application of policy. | Review and update purchasing policies to ensure they are practical, clear, and aligned with operational needs while maintaining appropriate controls . |
| Bank and credit card reconciliations are not formally reviewed and approved. Payroll is not consistently reviewed prior to processing. Invoices lack visible evidence of review or approval. | Weak review controls increase the risk of errors, fraud, and delayed detection. | Require documented review and approval of reconciliations, payroll, and invoices. |
| Bill payment methods vary, and dual authorization is not consistently applied. | Inconsistent payment methods complicate cash management and control oversight. | Ensure all bank withdrawals have dual authorization, with limited, monitored exceptions (e.g., PADs). |



Observations, Impacts, and Recommendations

| Performance Management | | |
|--|--|---|
| Observations | Impacts | Recommendations |
| The community does not have clearly defined indicators to measure performance in its main areas of activity. | Council and administration have limited visibility into whether services and initiatives are performing as intended. | Establish a small number of clear performance indicators to provide consistent oversight of key activities. |
| Performance information is gathered inconsistently and relies on informal practices rather than standard methods. | Information available to Council may be incomplete or difficult to compare over time | Implement simple and consistent approaches to collecting performance information across the organization. |
| Performance measures are not clearly connected to the community's strategic priorities. | Progress toward strategic goals is difficult to assess, limiting effective governance oversight. | Align performance indicators with strategic objectives to support clearer monitoring of progress. |
| Performance results are reviewed informally and are not consistently used to support decisions. | Decisions may be reactive and not fully supported by evidence. | Introduce periodic performance reviews to support informed, forward-looking decision-making. |
| Accountability for results is informal, and performance information is not consistently used to drive improvement. | Opportunities to strengthen services and outcomes may not be fully identified or addressed. | Reinforce accountability by using performance information to guide discussions on improvement and priorities. |



Summary & Conclusion

- SYSRC's finance function demonstrates commitment and foundational capability but remains at an early stage of maturity.
- Advancing toward more structured, documented, and integrated practices will strengthen governance, support sustainability, and enhance transparency for the community.

