



SECOND QUARTER FINANCIAL REPORT

FOR THE PERIOD ENDED SEPTEMBER 30, 2019 (UNAUDITED)

Town of Amherst



INTRODUCTION

Quarterly financial reporting is being prepared by the Town of Amherst as a means of providing the community, council and the organization with a regular overview of financial and statistical information. Quarterly financial reporting is a strategic priority identified by council.

The primary information provided in the quarterly report is a comparison of the year to date budget amounts to actual revenues and expenditures for operating departments. All financial information is based on preliminary, unaudited information reported from the municipal finance system as of the report date. Seasonal variations in municipal operations may affect the proportion of revenues achieved or expenditures incurred to date.

This quarterly report provides information in seven parts:

Organizational Structure, page 3

- ▮ Hierarchy with departmental responsibilities.

Commentary, page 4

- ▮ Charts and comments

Schedules of Operations, pages 5-7

- ▮ Schedule of Operations – General Operating Fund – Revenues & Expenditures
- ▮ Schedule of Operations – General Operating Fund – Departmental & Mandatory Expenditures
- ▮ Schedule of Operations – Water Operating Fund – Revenues & Expenditures

Statement of Financial Position, page 8

- ▮ Consolidated Statement of Financial Position

Capital Budget, pages 9-12

- ▮ 2019/20 Capital budget with actual and committed costs

Tax Rates, pages 13-14

- ▮ General
- ▮ Mandatory Provincial Contribution Area Rate
- ▮ Community Support Area Rate

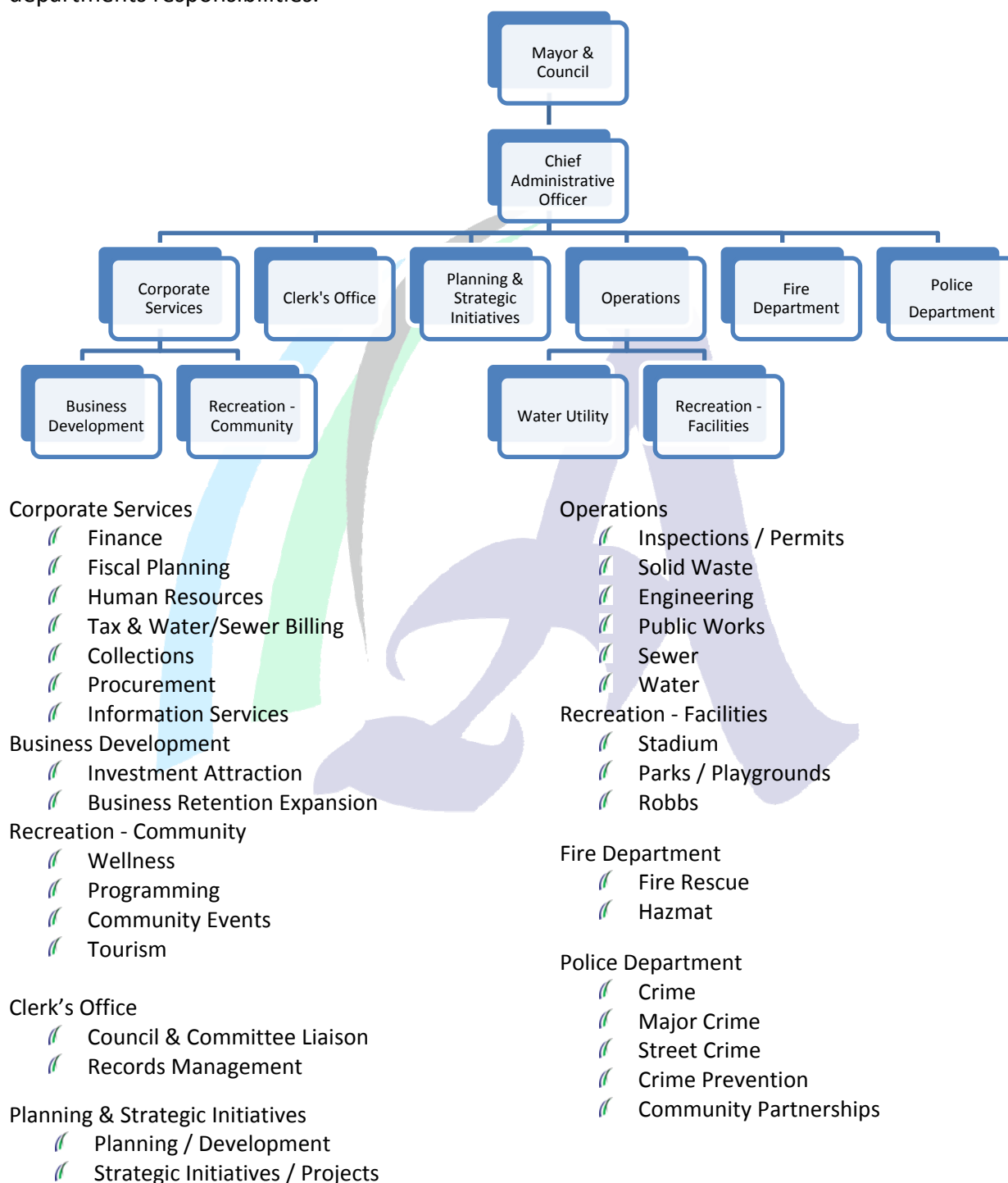
Other Rates, pages 15 - 16

- ▮ Deed Transfer Tax
- ▮ Uniform Charge – Solid Waste
- ▮ Sewer Rates
- ▮ Uniform Charge – Wastewater Treatment Facility
- ▮ Water Utility Rates

Quarterly financial reporting follows the fiscal year of the municipality which is April 1 through March 31.

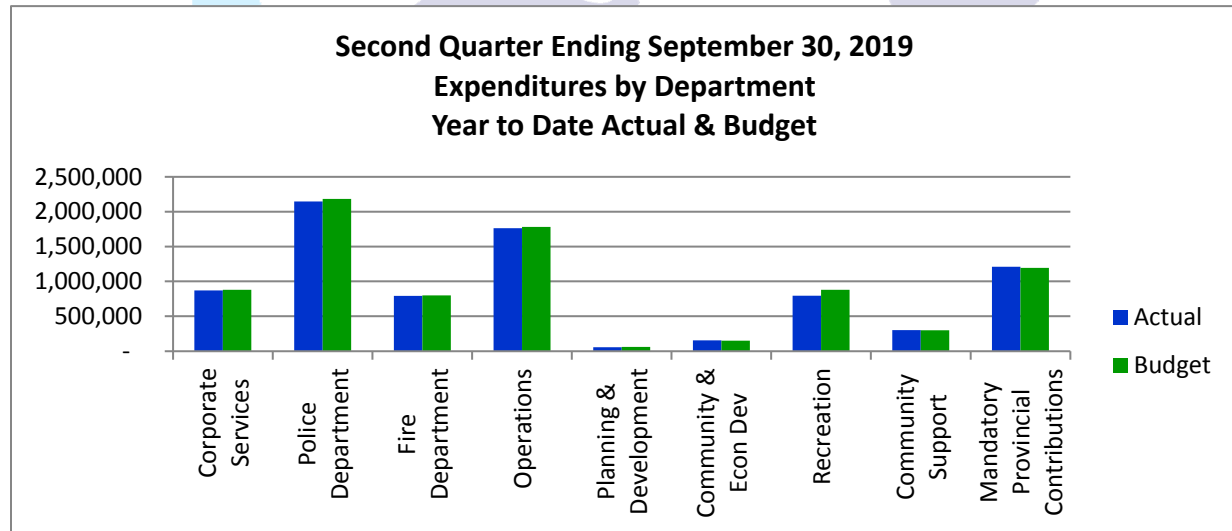
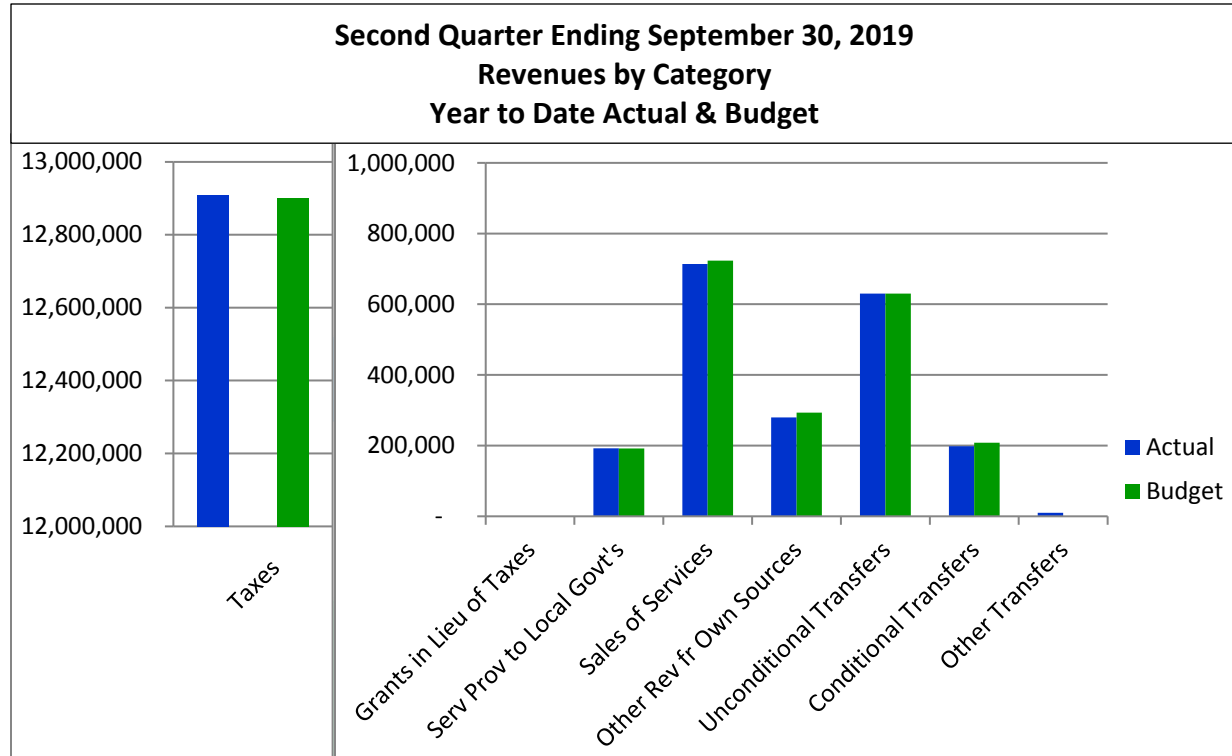
ORGANIZATIONAL STRUCTURE

Below is the organizational structure of the Town of Amherst with a brief description of each departments responsibilities.



COMMENTARY

Six months into the 2019/20 fiscal year the general operating fund has a surplus of \$124,771 compared to budget. The Town's operating revenues are \$14,933,586 compared to the budgeted amount of \$14,948,217. The Town's expenditures at the end of the second quarter are \$8,087,048 compared to the budgeted amount of \$8,226,450.



SCHEDULE OF OPERATIONS

Town of Amherst
Schedule of Operations - General Operating Fund
For the Six Months Ended September 30, 2019

	2018/19 Actual	2019/20 Actual	2019/20 Budget	2019/20 Variance
Revenues				
Taxes	\$ 12,881,923	\$ 12,909,719	\$ 12,901,090	\$ 8,629
Grants in Lieu of Taxes	314,625	-	-	-
Services Provided to Other Local	188,379	192,193	192,019	174
Sales of Services	731,640	713,728	723,472	- 9,744
Other Revenue from Own Sources	264,729	279,709	293,245	- 13,536
Unconditional Transfers	630,192	630,192	630,191	1
Conditional Transfers	170,000	198,300	208,200	- 9,900
Other Transfers	-	9,745	-	9,745
Total Revenues	15,181,488	14,933,586	14,948,217	- 14,631
Expenditures				
Wages & Benefits	3,945,255	4,189,397	4,198,177	- 8,780
Administrative Costs	392,525	348,512	389,544	- 41,032
Building & Facility Costs	418,750	335,437	344,020	- 8,583
Vehicle & Equipment Costs	188,172	138,909	156,282	- 17,373
Materials & Supplies	236,816	258,591	258,486	105
Grants to Organizations	119,357	163,836	165,710	- 1,874
Other Municipal Costs	555,133	579,854	576,774	3,080
Fiscal Services	1,687,680	1,709,696	1,676,248	33,448
Fire Protection Charge	333,082	353,274	353,273	1
Tax Exemptions	115,521	127,352	116,102	11,250
Cost Recovery	- 43,621	- 117,810	- 8,166	- 109,644
Total Expenditures	7,948,670	8,087,048	8,226,450	- 139,402
Surplus	7,232,818	\$ 6,846,538	\$ 6,721,767	\$ 124,771

SCHEDULE OF OPERATIONS (cont'd)

Town of Amherst
Schedule of Operations - General Operating Fund
Departmental and Mandatory Expenditures
For the Six Months Ended September 30, 2019

	2018/19 Actual	2019/20 Actual	2019/20 Budget	2019/20 Variance
Departmental Expenditures				
Corporate	\$ 814,892	\$ 868,460	\$ 880,476	-\$ 12,016
Police	2,080,412	2,147,280	2,182,799	- 35,519
Economic Development	146,699	155,199	150,140	5,059
Recreation	892,044	793,434	880,058	- 86,624
Fire	782,342	791,255	798,823	- 7,568
Operations	1,065,375	1,102,802	1,127,290	- 24,488
Solid Waste	262,178	270,399	255,691	14,708
Sewage	410,092	390,243	398,694	- 8,451
Planning & Development	60,658	56,454	59,809	- 3,355
Strategic	12,472	1,176	-	1,176
Community Support	252,658	300,686	298,962	1,724
Total Departmental Expenditures	6,779,822	6,877,388	7,032,742	- 155,354
Mandatory Expenditures				
Assessment Services	87,759	58,630	59,384	- 754
Corrections	57,016	56,206	58,267	- 2,061
Housing	192,793	248,767	230,000	18,767
Education	800,370	799,692	799,692	-
Regional Library	30,910	46,365	46,365	-
Total Mandatory Expenditures	1,168,848	1,209,660	1,193,708	15,952
Grand Total Expenditures	\$ 7,948,670	\$ 8,087,048	\$ 8,226,450	-\$ 139,402

SCHEDULE OF OPERATIONS (cont'd)

Compared to budget, the Water Operating Fund is showing a surplus of \$36,381 at the end of the second quarter. Revenues are under budget by \$4,948 and expenditures are under budget by \$41,329.

Town of Amherst
Schedule of Operations - Water Operating Fund
For the Six Months Ended September 30, 2019

	2018/19 Actual	2019/20 Actual	2019/20 Budget	2019/20 Variance
Revenues				
Sale of Services	\$ 1,513	\$ 1,306	\$ 1,500	-\$ 194
Interest on o/s Water A/R	3,436	2,054	2,700	- 646
Misc Rev & Inc fr Other Non Utility	275	1,328	1,050	278
Metered Sales	595,701	608,415	613,402	- 4,987
Flat Rate Sales	80,240	83,160	83,160	-
Bulk Water Sales	7,275	6,900	6,000	900
Fire Protection	429,468	454,209	454,208	1
Private Hydrants	14,750	13,500	13,500	-
Sprinkler Service	15,150	13,150	13,450	- 300
Total Revenues	1,147,808	1,184,022	1,188,970	- 4,948
Expenditures				
Wages & Benefits	332,695	363,915	365,906	- 1,991
Administrative Costs	34,396	32,559	34,943	- 2,384
Building & Facility Costs	125,362	120,063	125,919	- 5,856
Vehicle & Equipment Costs	25,191	22,541	29,367	- 6,826
Materials & Supplies	97,725	88,959	99,012	- 10,053
Other Municipal Costs	99,450	127,900	133,897	- 5,997
Fiscal Services	21,808	22,851	22,851	-
Cost Recovery	-	8,222	-	- 8,222
Total Expenditures	736,627	770,566	811,895	- 41,329
Surplus	\$ 411,181	\$ 413,456	\$ 377,075	\$ 36,381

STATEMENT OF FINANCIAL POSITION

Town of Amherst
Consolidated Statement of Financial Position
As at September 30, 2019

	As at September 30, 2019	As at September 30, 2018
Financial Assets		
Cash and cash equivalents	\$ 10,483,820	\$ 9,440,777
Receivables	3,130,034	2,861,094
	<u>13,613,854</u>	<u>12,301,871</u>
Liabilities		
Accounts payable and accrued liabilities	2,358,721	1,988,147
Deferred revenue	825,409	4,088,519
Long term debt	8,846,708	8,785,890
	<u>12,030,838</u>	<u>14,862,556</u>
Net assets (debt)	<u>1,583,017</u>	- 2,560,685
Non-financial assets		
Prepaid expenses	25,942	10,041
Inventories of supplies	101,755	108,094
Capital assets (net of accumulated amortization)	62,677,764	57,813,102
Capital work in progress	3,143,868	6,714,248
	<u>65,949,329</u>	<u>64,645,485</u>
Accumulated surplus	<u>\$ 67,532,345</u>	<u>\$ 62,084,800</u>

Note: The Consolidated Statement of Financial Position does not include Cumberland Joint Services Management Authority.

CAPITAL BUDGET

Town of Amherst Capital Budget - 2019/20 Projects	Total Actual Committed & WIP Costs at Septmeber 30/19	2019/20 Budget
WATER CAPITAL BUDGET		
Willow Street ~ Spring to East Pleasant watermain replacement - including portion of paving & culvert (extension of CWWF project) (<i>carry over</i>)	1,768,264	1,797,332
New service truck (<i>carry over</i>)	47,471	43,750
2014 Water Backhoe Replacement	150,168	150,000
Fire Hydrant Replacement	-	12,500
Water Meter Replacement	13,491	12,500
Taplin Drive - water main replacement	21,476	20,000
Edgewood Drive - water and storm sewer upgrade	6,206	10,000
Monitoring Wells	-	40,000
WATER CAPITAL BUDGET TOTAL	2,007,076	2,086,082
GENERAL CAPITAL BUDGET		
OPERATIONS (TRANSPORTATION & PUBLIC WORKS)		
EQUIPMENT		
Via Rail Station ~ new furnace (<i>carry over</i>)	-	7,000
Crosswalk/Lights - West Victoria	5,525	10,000
New Truck - Replace 2006 Service Truck	47,471	43,750
Subtotal	52,996	60,750
BUILDINGS / LAND		
Library Heating Issues (<i>carry over</i>)	135	100,000
Net Zero Energy - recommendation from feasibility study (<i>carry over</i>)	-	50,000
Solar for Community Buildings	-	259,491
Community Credit Union Business Innovation Centre - new roof	-	75,000
Subtotal	135	484,491

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2019/20 Projects	Total Actual Committed & WIP Costs at Septmeber 30/19	2019/20 Budget
LARGE MULTI - CATEGORY PROJECTS		
Willow Street ~ Spring to High School (P) (add'l \$100k in CWWF project) \$110,000 & curb, sidewalk & Dickey Brook Culvert (add'l \$150k in CWWF project) \$200,000 & sanitary sewer North of Walter Purdy to High School) \$225,000 (<i>carry over</i>)	463,446	535,000
STREETS		
Railway Crossing Improvements - Anson/Industrial Park	-	54,785
Railway Crossing Improvements - Ernclyff	27,449	-
Abbey - Victoria to Elmwood (pulverize and pave)	28,171	28,000
Abbey Road / Spring Street Intersection - Drain tile, pulverize and pave	25,491	50,000
Taplin Drive (pulverize & pave)	25,045	10,000
Tantramar Crescent - before Westin Bakery driveway to Tupper (overlay)	155,000	155,000
Dunlap Street ~ Rupert to Charles (overlay)	10,974	14,000
Fairview Avenue ~ Winston to Myrtle (overlay)	16,085	25,000
Senior Street ~ Charles to Academy (overlay)	13,182	17,000
Durley Street ~ Lamy to end (overlay)	36,681	39,000
Gladstone Avenue (overlay)	30,411	30,000
West Victoria Street ~ Liberty Lane to James Street (overlay)	88,643	88,643
Subtotal	457,133	511,428
SIDEWALKS		
Robert Angus Drive - Church to Willow - Gravel Trail (<i>Active Transportation Plan</i>) (<i>carry over</i>)	22,032	62,500
Willow Street - Robert Angus Drive to East Pleasant - Gravel Trail (<i>Active Transportation Plan</i>) (<i>carry over</i>)	14,863	62,500
South Albion Street - Robert Angus Drive to Canadian Tire - Off Street Asphalt Trail (<i>Active Transportation Plan</i>) (<i>carry over</i>)	102,909	110,000
Park / West Pleasant intersection	-	10,000
Robert Angus Drive ~ Dairy Queen to Church - widen asphalt sidewalk (<i>Active Transportation Plan</i>)	223,074	275,000
Copp Avenue	15,049	50,000
North Adelaide Street ~ Harding to seniors complex (work done in-house)	4,182	28,000
Subtotal	382,109	598,000

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2019/20 Projects	Total Actual Committed & WIP Costs at Septmeber 30/19	2019/20 Budget
SANITARY SEWER		
Racetrack Road - Pump Station Upgrades (Surcharge Tank) <i>(carry over)</i>	-	50,000
Edgewood Avenue - Storm sewer and water upgrade	17,921	29,000
Wastewater Treatment plant and Lift Stations (SLI report) Laplanche River Upgrades to reduce clogging	127,476	125,000
Subtotal	145,397	204,000
FIRE DEPARTMENT		
Fire Station Bldg Repairs - Repair floor and wall finishes in south entrance <i>(carry over)</i>	-	7,000
Fire Station Bldg Repairs - Replace the two main exterior entrances <i>(carry over)</i>	-	18,000
New Truck - replace unit # 7 - Heavy duty truck (5 passenger) <i>(carry over)</i>	65,744	80,000
New Pumper - replace engine # 2	599,645	600,000
Replacement structural firefighting bunker gear (6-9 sets)	19,335	20,000
Replacement - Thermal imaging camera (TIC) #1	-	18,000
Fire Station Bldg Repairs - concrete ramp and stairs remove & replace	-	25,000
Fire Station Bldg Repairs - Prepare and apply a protective floor coating to the truck bays	-	75,000
Subtotal	684,723	843,000
POLICE DEPARTMENT		
Patrol Vehicle # 5 SUV 4X4 <i>(carry over)</i>	62,099	75,000
Patrol Vehicle # 1 <i>(carry over)</i>	55,361	49,000
Body Armour - 17 Units <i>(carry over)</i>	-	35,000
Cell Blocks- Accoustic Panels and Mics <i>(carry over)</i>	8,864	12,000
TMR2 Radio System <i>(partial carry over)</i>	-	125,000
Patrol Vehicle # 6	-	55,000
Server and VMWare	23,820	26,000
Fibre Communications between APD and Town Hall	-	34,500
Subtotal	150,144	411,500

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2019/20 Projects	Total Actual Committed & WIP Costs at Septmeber 30/19	2019/20 Budget
RECREATION		
Dickey Park - Field Development - Goal Posts & Nets (<i>carry over</i>)	-	47,203
West Highlands (Lions) Park Development - phase 2 washrooms, etc (re-procure) (<i>carry over</i>)	-	12,500
Christie Park - repairing bricks & steps (<i>carry over</i>)	734	15,000
Murals - restoration/repair (<i>carry over</i>)	-	10,000
Robb's Lighting (<i>carry over</i>)	-	10,000
1 Ton Truck with Dump Box (replacement)	55,231	55,000
New Truck - replace 1/2 ton truck	35,336	35,000
Floor Scrubber (Stadium)	-	10,000
Ice Edger (Stadium)	6,800	15,000
Subtotal	98,101	209,703
GENERAL CAPITAL BUDGET TOTAL	2,434,184	3,857,872
GRAND TOTAL WATER & GENERAL CAPITAL BUDGETS	4,482,532	5,943,954

TAX RATES

There are three different tax rates: general, mandatory provincial contribution area rate and the community support area rate. These tax rates are established annually for residential, commercial and resource properties. Tax bills are issued bi-annually. The interim billing is 50% of the total prior year's bill and was due May 31, 2019. The final billing takes into consideration the accounts new assessment, the current year tax rate and uniform charges then deducting the interim billing. The final bill was due September 30, 2019.

Tax Rates

1. General – this rate is used to pay for services provided by the Town to residents of the Town. These services include; fire, police, planning, transportation and public works, economic development, recreation, as well as internal services performed by the Corporate Services department. The general operations rate decreased by one tenth of a cent (\$0.001) for fiscal 2019/20.
2. Mandatory Provincial Contributions Area Rate - the cost for provincial services the province charges the municipality for. Any changes in these costs are mandated by the Province and passed on to the municipalities to collect on their behalf. In 2019/20 the Town increased the Mandatory Provincial Contribution Area Rate by one and a half cents (\$0.015). This rate includes the following provincial services:
 - Education
 - The Town is required to provide funding to the Chignecto Central Regional Centre for Education under the Education Act. This mandatory education contribution is set by the Province of Nova Scotia and is based on the Town's share of the Uniform Assessment.
 - Property Valuation Services Corporation (Assessment)
 - The Town is required to provide funding to pay a share of the cost of operating the provincial assessment system. The Town pays a portion of the total Property Valuation Services Corporation costs, based on the Town's share of the Uniform Assessment and the Town's share of assessment accounts across the province.
 - Correction Services
 - The Town is required to make a mandatory contribution to the province to fund the cost of correctional services. The contribution is set by the Province of Nova Scotia and is based on the Town's share of the Uniform Assessment and the Town's share of dwelling units across the province.

TAX RATES (cont'd)

🌿 Housing

🌿 The Cobequid Housing Authority administers and manages public non-profit housing for seniors and families on low incomes within the Town. The Town is required to fund a portion of the prior year deficit of the Cobequid Housing Authority annually.

🌿 Regional Library

🌿 The Town is required to fund the Cumberland Public Library pursuant to a formula determined by the Province of Nova Scotia. The Town does not share in any surplus or deficits. In addition, the Town provides funds for the operating and maintenance of the library building which is included in the General Rate.

3. Community Support Area Rate – a rate that provides funding for services that, in the opinion of Council, provide support to the community. In 2019/20 the Town increased the Community Support Area Rate by just over half of a cent (\$0.006). These include support to the following organizations/events:

🌿 Grants to Organizations

🌿 'A' Fresh Start Grants

🌿 Youth Free Ice Time

🌿 Cumberland YMCA

🌿 Tax Exemption Policy

🌿 Tax Reduction Policy

🌿 Community Events

In summary, all tax and area rates are per \$100 of Assessment. The rates are as follows:

Residential / Resource	<u>2018/19</u>	<u>2019/20</u>
🌿 Residential / Resource Tax Rate	\$1.180	\$1.179
🌿 Mandatory Provincial Contributions Area Rate	\$0.390	\$0.405
🌿 Community Support Area Rate	\$0.065	\$0.071
Commercial	<u>2018/19</u>	<u>2019/20</u>
🌿 Commercial Tax Rate	\$3.980	\$3.979
🌿 Mandatory Provincial Contributions Area Rate	\$0.390	\$0.405
🌿 Community Support Area Rate	\$0.065	\$0.071

OTHER RATES

1. Deed Transfer Tax

When land/property is sold a Deed Transfer Tax (DTT) may be applicable. The Deed Transfer Tax rate is set by the Town and the DTT payable is calculated based on the sale price of the property. Deed Transfer Tax is collected on behalf of the Town through the Land Registration Office when the deed is registered/recorded.

For the 2019/20 fiscal year the deed transfer tax will remain the same at 1.25%.

2. Uniform Charge

Solid Waste Management Uniform Charge

This uniform charge is levied on each dwelling unit within the boundaries of the Town of Amherst in residential premises with less than four such dwelling units.

The uniform charge for 2019/20 to be levied is \$185 (2018/19 - \$175).

3. Sewer Rates

Effective April 1, 2015 there was a sewer base charge added to the metered quarterly bills. This new base charge was implemented because of the removal of the uniform charge for the wastewater treatment facility. Sewer services in the Town of Amherst are billed through one of the following methods:

Sewer Metered – consumption volume is determined by the Amherst Water Utility

Sewer Consumption Rate (per cubic meter)

Residential - \$0.99 per cubic meter of metered water consumption

Commercial - \$0.49 per cubic meter of metered water consumption

Sewer Base Charges (Quarterly)

Size of Meter

5/8"	\$ 18.00
3/4"	\$ 27.00
1"	\$ 43.75
1.5"	\$ 86.00
2"	\$ 136.25
3"	\$ 271.25
4"	\$ 500.00

Sewer Non-Metered Customers

For non-metered customers in unmetered mobile home parks, the park owner shall pay \$178.53 per dwelling unit per annum.

OTHER RATES (cont'd)

- a. Wastewater Treatment Facility Uniform Charge (this offsets expenses for sewer services for those not charged a sewer base charge).
 - As of April 1, 2015 the Town has removed the uniform charge for the Wastewater Treatment Facility for all assessments with the exception of unmetered mobile homes within a land leased community and replaced it with a base charge on the quarterly sewer bill.
 - The uniform charge for unmetered mobile homes within a land leased community for 2019/20 to be levied is \$72 (2018/19 - \$72).

4. Water Utility Rates

The Town of Amherst Water Utility is regulated by the Nova Scotia Utility and Review Board (NSUARB). The most recent water rate study was approved by the NSUARB on June 9, 2017. In accordance with the NSUARB Order for the 2019/20 fiscal year, the rates are as follows:

Water Base Charges (Quarterly)

Un Metered	\$ 83.16
Size of Meter	
▪ 5/8"	\$ 31.11
▪ 3/4"	\$ 45.35
▪ 1"	\$ 73.83
▪ 1.5"	\$ 145.03
▪ 2"	\$ 230.47
▪ 3"	\$ 458.32
▪ 4"	\$ 714.65
▪ 6"	\$1,426.67
▪ 8"	\$2,565.90

Water Consumption Rate (per cubic meter)

\$0.765 per cubic meter

The Town of Amherst bills water and sewer together quarterly. The fiscal year quarters are April to June, July to September, October to December and January to March.