



MEDIA RELEASE

FOR IMMEDIATE RELEASE

MR# 2020028

DATE: 27 April 2020

RE: Town of Amherst approves water utility's operating budget

AMHERST, Nova Scotia – The Amherst Water Utility's operating budget of slightly more than \$2.2 million was approved by Amherst town council during its April 27, 2020, session.

In approving the budget, council noted the water utility rates are set by the Nova Scotia Utility and Review Board and that the water rates for the 2020-21 fiscal year will remain the same as the 2019-20 rates.

Victoria Square lease agreement amendment

Council approved an amendment to a 99-year lease agreement the Town of Amherst signed in 1995 with the Municipality of Cumberland and the Province of Nova Scotia for Victoria Square.

The amendment concerns a strip of land where a ramp is being built in order to give everyone access to the Supreme Court building. Under the amendment that strip of land will be added to the deed for the courthouse and removed from the deed for the park.

General borrowing resolution

Council approved a general borrowing resolution authorizing a line of credit in the amount of \$7.7 million with the Royal Bank of Canada in the event that it is needed to meet the current expenditures of the Town of Amherst for the year ending March 31, 2021.

A general borrowing resolution is approved each year but has been rarely accessed. The amount is \$5.7 million more than the \$2 million approved in last years' borrowing resolution.



The increase was recommended by staff due to the state of emergency existing in the province as a result of the COVID-19 pandemic. The town is anticipating there will be some tax collection challenges this year due to the pandemic and the borrowing resolution will ensure the provision of municipal services in times of potentially tight cash flow due to the higher than normal accounts receivable levels that are anticipated.

The resolution does not mean the town will necessarily borrow the money, but it does give it the authority to borrow up to \$7.7 million if it becomes necessary. Interest is only charged on the amount accessed on a daily basis.

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