



MEDIA RELEASE

FOR IMMEDIATE RELEASE

MR# 2020066

DATE: 2 October 2020

RE: Transfer from operating reserves approved by Amherst town council

AMHERST, Nova Scotia – Amherst town council approved transferring \$13,137.92 to its general operating fund from its operating reserves at its Sept. 28, 2020, council meeting.

The transfer was made in order to cover a deficit of the same amount in the Mandatory Provincial Contribution Rate for the 2019-20 fiscal year.

The deficit was the result of the regional housing expense coming in over budget by \$18,767, while the corrections and assessment services expenses came in under budget, leaving the \$13,137.92 shortfall.

The regional housing, corrections, assessment services, regional library and school board expenses make up the Mandatory Provincial Contribution Rate. They are set by the provincial government, but must be paid for by the town.

Year-end capital financing adjustments

Council approved housekeeping adjustments to its 2019-20 water and general capital budgets that included:

- Increasing the water operating capital from revenue to \$114,673.80 from \$40,000 and increasing the general operating capital from revenue to \$496,030.80 from \$491,535;
- Withdrawing \$4,000 from capital reserve, which represents the trade-in allowance for two thermal imaging cameras against the purchase of three new thermal imaging cameras in the general capital fund, and;



- Withdrawing \$33,857 from capital reserves to fund a portion of the new roof on the Community Credit Union Business Innovation Centre.

The adjustment involving the thermal imaging cameras accounts for the sale of two old cameras and the subsequent use of the money to help fund the purchase of the new cameras.

The adjustment involving the Community Credit Union project allowed the town to use surplus money to pay for the project with cash instead of borrowing over the long term.

Having council approve these adjustments at year end was recommended by auditors at the end of the 2017-18 fiscal year in order to ensure transparency.

These changes do not increase either capital budget. However, they result in the borrowing by the water utility being decreased to \$58,394 from \$698,082, which results in a savings about \$40,000 over the next 15 years. Similarly, the savings by not borrowing long-term debt for the Community Credit Union Business Innovation Centre roof project is about \$25,000 over 15 years.

Debenture pre-approval

Council passed a resolution for the pre-approval of a debenture issuance in the amount of \$1,044,090.

This long-term borrowing provides the financing of the water main replacement of Willow St., from Spring St. to East Pleasant St., the purchase of a backhoe for the water utility and the paving and curbing on Willow St., from Spring St. to East Pleasant St. It also includes the long-term borrowing for the installation of a culvert and sanitary sewer on Willow St., between Walter Purdy Ave. and Oceanview Dr.

The pre-approval is required in order to borrow the funds from the Municipal Finance Corporation this fall as all councils in Nova Scotia must provide written approval for the debenture issuance to the corporation by Nov. 13, 2020.

The pre-approval resolution sets the maximum interest rate at 5.5 per cent (it could be lower), the amount to be borrowed at \$1,044,090 and the term is not to exceed 15 years.

This is the established process for borrowing from the Municipal Finance Corporation. As with all borrowing for capital purpose by a municipality, it will require the approval of the Minister of Municipal Affairs.

Transfer of W.A. Reid Trust

Council approved a request to transfer the W.A. Reid Trust, in the amount of \$47,266.11, to the Chignecto-Central Regional School Board from the Town of Amherst.

The trust provides funds to Amherst Regional High School students for the purchase of teaching aids and/or prizes for creative writing that are presented to Grade 11 and 12 students.



At the time the trust was created in 1984, the town's school board was the administrator of schools in Amherst. This is no longer the case. Currently, the town sends the funds to the regional school board for the award.

Transferring the trust to the school board removes the town from the process and makes the party that is granting the monetary prizes responsible for the trust.

Audited Financial Statements

Council approved the acceptance of the audited consolidated financial statements for the Town of Amherst and the non-consolidated financial statements for the Amherst Utility for the fiscal year ending March 31, 2020.

The town ended the 2019-20 fiscal year with a \$187,788 surplus, while the utility had a surplus of \$4,685.

The financial statements can be found on the town's website at:

https://amherst.ca/index.php?option=com_docman&view=list&layout=table&slug=financial-statments&Itemid=376

Property Tax Financing Program application extension

Council approved extending the deadline for applications for the COVID-19 Property Tax Financing Program to Oct. 31, 2020, from July 31, 2020.

The program allows qualifying taxpayers the opportunity to pay their 2020-21 taxes over 24 months at an interest rate of 1.35 per cent.

Residential taxpayers have to establish that they have been impacted by providing documentation establishing that they have either been laid off due to COVID-19 or are in receipt of the Canada Emergency Response Benefit (CERB).

Commercial taxpayers, who are assessed at \$2 million and under, or are operating a tourism operation have to establish financial hardship due to COVID-19 by submitting relevant sales data.

Revision to salary administration policy

Council approved housekeeping changes to the Town of Amherst's salary administration policy.

These changes include adjusting the salary range for the canine control officer, school crossing guards and ice marshal to between \$13.21 and \$15.07 per hour and increasing the jail guard starting salary to \$16.93.

The other changes update the current titles and positions of a variety of staff members.



Sale of Maple Avenue

Town-owned property at the intersection of Maple and Victoria streets was declared surplus by council and staff were ordered to list the sale of the property for a 14-day period at a minimum asking price of \$16,000.

Amendments to 2020-21 capital budget.

Council approved amendments to the 2020-21 capital budget that will result in a grass infield at the Robbs Centennial Complex and a replacement of a portion of the Park Street sidewalk.

The installation of the grass infields at all three baseball fields at the complex will cost of about \$30,000 and should significantly cut the amount of dust that blows from the fields during dry windy weather.

The replacement of the Park Street sidewalk, between Patterson and Mission streets will cost about \$15,000.

Funding for both projects will come from the federal gas tax.

Library lease

Council approved a new lease for the Cumberland Regional Library's head office space that results in an increase in office space, by 96 square metres, for the library's headquarters and a five per cent increase in rent, which will now be \$2,548.05 plus HST per month.

The new lease indicates the Cumberland Regional Library will cover up to 50 per cent of the renovation costs required to increase the size of the head office, up to a maximum of \$4,000.

AYTC appointments

Council approved the appointments to the 12-member Amherst Youth Town Council.

Appointed to serve the second year of a two-year term were Grade 12 students Jenna Stewart and Jaya Parady, and Grade 9 student Rowan Blanch.

Grade 12 members appointed to one-year terms because they graduate this year are: Rajan Minocha-McKenney, Grace Doncaster, Dan Osborne, Braeden Lines and Jenna Clarke.

Appointed to serve two-year terms are Grade 11 students Olivia Pulsifer, Serah Quinn, Grade 11 student Aurelia Mitchell and Grade 7 student Kennedy Allen.

Drover Street

Council decided against declaring Drover St. a surplus property because the undeveloped street could play an important role in the development of a large tract of land that sits to the north and east of Drover St. The decision followed a request by several Durley St. residents who wanted to purchase the



undeveloped Drover St.

October meetings

Council approved a motion to cancel the Oct. 19, 2020, committee of the whole meeting and the Oct. 26, 2020, council session due to the fact the municipal election takes place on Oct. 17, 2020.

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