



Town of Amherst
Audit Committee
Agenda

Date: **Wednesday, July 3, 2024**
Time: **3:00 pm**
Location: **Council Chambers, Town Hall**

Pages

1. **CALL TO ORDER**
2. **TERRITORIAL ACKNOWLEDGMENT**

“I would like to acknowledge that our gathering today is taking place in (MEEG-MA-GEE), the traditional, unceded and ancestral territory of the Mi'kmaw people. I would also like to acknowledge that Nova Scotia has another unique people. These are the Indigenous Blacks of Nova Scotia whose legacy and contributions date back over 400 years predating confederation of this land. We are all treaty people.”
3. **APPROVAL OF AGENDA**
4. **ACCEPTANCE OF MINUTES - March 5, 2024** 2 - 3
5. **AUDIT PLAN COMMUNICATION LETTER** 4 - 8
6. **FOURTH QUARTER REPORT** 9 - 18
7. **MUNICIPAL PROFILE FCI RESULTS 2021-22** 19 - 57
8. **ADJOURN**

Town of Amherst
Audit Committee
Minutes

Date: March 5, 2024
Time: 12:00 pm
Location: Council Chambers, Town Hall

Members Present David Kogon, Council representative, Chair
Dale Fawthrop, Council representative
Charlie Chambers, Council representative
George Baker, Council representative
Hal Davidson, Council Representative
Lisa Emery, Council representative
Leon Landry, Council representative
Rob Small, Citizen representative
Jeff Brennan, Citizen representative

Staff Present Jason MacDonald Chief Administrative Officer
Sarah Wilson, Director, Finance
Natalie LeBlanc, Municipal Clerk
Cindy Brown, Administrative Assistant

1. CALL TO ORDER
Mayor Kogon called the meeting to order.

2. TERRITORIAL ACKNOWLEDGMENT
Mayor Kogon gave the Territorial Acknowledgment.

3. APPROVAL OF AGENDA
Moved By Councillor Davidson
Seconded By Councillor Baker
To approve the agenda as circulated.

Motion Carried

4. ACCEPTANCE OF MINUTES - November 21, 2023
Mayor Kogon called for any errors or omissions in the minutes. There being none, the minutes of the November 21, 2023 meeting of the Audit Committee were accepted as included in the agenda package.

5. ELECTION OF CHAIR AND VICE CHAIR
The Clerk called for nominations for the position of Chair for the 2024 calendar year. Councillor Davidson nominated Mayor Kogon. Deputy Mayor Fawthrop seconded the nomination. The Clerk called for any further nominations. There being none, Mayor Kogon was elected as Chair.

The Clerk called for nominations for the position of Vice-Chair for the 2024 calendar year. Councillor Baker nominated citizen appointee Rob Small. Councillor Emery seconded the nomination. The Clerk called for any further nominations. There being none, Rob Small was elected as Chair.

6. THIRD QUARTER FINANCIAL REPORT

The Director of Finance Sarah Wilson reviewed the Third Quarter Financial Report as included in the agenda package. Information item only; no direction given or action required.

6.1 Capital Budget Actuals-to-Date

The Director of Finance Sarah Wilson reviewed the Capital Budget Actuals-to-Date as included in the agenda package. Information item only; no direction given or action required.

7. ADJOURN

There being nothing further, Mayor Kogon adjourned the meeting.

Natalie LeBlanc,
Municipal Clerk

David Kogon, MD
Mayor

July 3, 2024

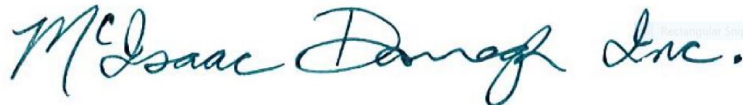
Town of Amherst
98 Victoria Street East
Amherst NS B4H 1X6

**To the Council of the
Town of Amherst**

We have been engaged to audit the consolidated financial statements of the Town of Amherst for the year ending March 31, 2024. It is critical under Canadian Auditing Standards that there be effective two-way communication between the auditor and the Audit Committee. To that end, we have prepared the following summary of our audit planning, which includes the key areas about which we will communicate directly to the Committee.

We are available at your convenience to discuss your concerns that may arise from the matters we have communicated. If there are any additional expectations the Audit Committee may have, we ask that you contact us as soon as convenient, particularly if we may be required to undertake additional work over and above that currently planned.

Regards,



CHARTERED PROFESSIONAL ACCOUNTANTS

Enclosures

Responsibilities

The ability to deliver high quality financial reporting is dependent upon the commitment of management and auditor. To be effective, it is imperative that these roles are fulfilled with diligence and commitment to good corporate governance processes.

Management

Management is responsible for preparation of the financial statements. This includes responsibilities related to internal control, such as designing and maintaining accounting records, selecting and applying accounting policies, safeguarding of assets, preventing and detecting error and fraud, and being aware of circumstances that could result in fraudulent financial reporting.

Audit Committee

The Audit Committee is central to ensuring the integrity of financial information and acts as an advisory role to Council because the committee is extensively informed on various matters relating to the financial statement audit. A primary purpose of the Audit Committee is to liaise and oversee the work of the external auditor. The Audit Committee has a responsibility to communicate areas of concern to the auditor on a timely basis so they may be addressed in the conduct of the audit, as appropriate. Prior to the release of the audited financial statements, the Audit Committee and Council must formally review and approve the financial statements.

The Audit Committee must also help establish the appropriate tone for the organization by emphasizing honesty, ethical behaviour and the prevention of fraud. In overseeing financial reporting, it is important to challenge, analyze, interpret and evaluate the information presented by management, therefore the Audit Committee should ensure that it understands the organization's operating environment, the basic structure of transactions, their business purpose, and the significant implications.

Auditor

Our responsibility is to express an opinion on the financial statements based on the audit. The audit is performed to obtain reasonable, but not absolute, assurance as to whether the financial statements are free of material misstatement. Misstatements may be due to fraud or error. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected, particularly intentional misstatements concealed through collusion, even though the audit is properly planned and performed.

Summary of our Formal Communications

Prior to the completion of our audit, we will communicate with the Audit Committee in writing regarding the following matters:

- ◆ The audit plan, including the level of responsibility assumed in performing an audit under Canadian Auditing Standards; (this document)
- ◆ The results of our audit, including any difficulties encountered in performing the audit;
- ◆ Our auditors' report on the financial statements; and
- ◆ Our letter to management, reporting significant deficiencies in internal control relating to the preparation of the financial statements.

Though audit procedures are not designed with the intention of uncovering such matters, if any of the following come to our attention during the course of the audit we will communicate directly to the Audit Committee at the conclusion of our audit, or earlier if we determine that is appropriate.

- ◆ Illegal acts or non-compliance with regulatory requirements;
- ◆ Significant transactions inconsistent with the ordinary course of business, including those indicative of fraud or possible fraud;
- ◆ Unusual transactions, including those with related parties;
- ◆ Significant new accounting principles or policies;
- ◆ Disagreements with management;
- ◆ Difficulties encountered during the audit, including any limitations placed on the scope of our audit;
- ◆ Misstatements, including unadjusted audit differences and/or errors discovered during the audit. We will request that management adjust any non-trivial differences noted during the course of our audit, and will request of the Audit Committee that adjustment be made of any non-trivial differences that management has not corrected;
- ◆ If we determine that our audit opinion will require modification or if the audit report will include an additional paragraph emphasizing matters which we believe should be brought to the attention of readers.

Summary of our Audit Approach

Preliminary Audit Planning

Preliminary planning includes a review of the accounting processes and the determination of materiality. The audit requires careful planning based on an understanding of the organization and the industry in which it operates, risk factors, current operating conditions, how the organization is managed and governed, as well as an understanding of the organization's internal control system, irrespective of the audit strategy used for specific financial statement assertions. This knowledge allows us to identify the areas of potential misstatements, and to determine the nature, extent and timing of auditing procedures required

Audit Scope

We have been engaged to audit the consolidated financial statements of the Town of Amherst for the year ended March 31, 2024 comprised of all organizations and enterprises accountable to the Town of Amherst including the following:

- General and Capital Funds
- Water Operating and Capital Funds
- Operating and Capital Reserve Funds
- Percentage of Cumberland Joint Services Management Authority

These statements will be prepared in accordance with Canadian public sector accounting standards. We have also been engaged to audit the non-consolidated financial statements of the Town of Amherst Water Utility for the same period. These statements will be prepared in accordance with the Nova Scotia Utility and Review Board Regulatory Handbook.

Materiality

A misstatement or the aggregate of all misstatements in financial statements is considered to be material if, in the light of surrounding circumstances, it is probable that the decision of a person who is relying on the financial statements, and who has a reasonable knowledge of business and economic activities, would be changed or influenced by the misstatement. Misstatements in financial statements arise from departures from generally accepted accounting principles and include departures from fact, inappropriate determination of accounting estimates, and omissions of necessary information.

Our anticipated planning materiality for the consolidated financial statements has been established at \$475,000. We use a factor of planning materiality, based on risk in specific financial statement areas, to assist us in determining the extent of our testing.

Risk of Material Misstatement

Our audit approach is designed to obtain sufficient, appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriately low level. This means we focus our audit work on areas that have a higher risk of being materially misstated. We assess business and fraud risk factors to identify balances or transactions that are susceptible to misstatement so that we can establish required audit procedures.

Based on our preliminary knowledge of the organization, we have identified the following areas as having a potentially higher risk of material misstatement and thus will be subject to additional specific audit procedures.

- ◆ Completeness of revenue
- ◆ Override of controls around manual journal entries
- ◆ Completeness and accuracy of financial statement presentation and disclosure in accordance with PSAS for the consolidated financial statements

Audit Procedures

In responding to our risk assessment, we will use a combination of tests of controls, tests of detail and substantive analytical procedures. The objective of the tests of controls is to evaluate whether certain controls operated effectively. The objective of the tests of detail is to detect material misstatements in the account balances and transaction streams. Substantive analytical procedures are used to identify differences between recorded amounts and predictable expectations in larger volumes of transactions over time.

Illegal Acts, Fraud, Intentional Misstatements and Errors

Our auditing procedures, including tests of your accounting records, are limited to those considered necessary based on the control environment, governance structure and circumstances encountered during the audit and would not necessarily disclose all illegal acts, fraud, intentional misstatements or errors should any exist. We will conduct the audit under Canadian Auditing Standards, which include procedures to consider the potential likelihood of fraud and illegal acts occurring.

Should we become aware that an illegal or possible illegal act or an act of fraud may have occurred, other than one considered clearly inconsequential, we will communicate this information directly to you.

It is management's responsibility to detect and prevent illegal actions. If such acts are discovered or you become aware of circumstances in which the organization may have been involved in fraudulent, illegal or regulatory non-compliance situations, such circumstances must be disclosed to us.

Logistics

Planning has commenced for the 2024 audit, with fieldwork expected to begin in mid to late July. The date of our audit report cannot be before the date on which those with the authority to approve the consolidated financial statements have asserted they have taken responsibility for the consolidated financial statements. In the case of Town of Amherst, this will be Council, on recommendation from the Audit Committee. We will also require management to sign a letter of representation on the date of approval before we can release our audit report. This date will be that on which Council approves the consolidated financial statements.

Accounting Standards

There are no new Public Sector Accounting Standard that will affect the 2024 financial statements of the Town of Amherst.

Independence

Our professional code of conduct requires that we evaluate our independence annually. We must consider all relationships between the Town of Amherst and McIsaac Darragh that, in our professional judgment, may reasonably be thought to bear on our independence as auditors.

In determining which relationships to report, standards require us to consider relevant rules and related interpretations prescribed by the Chartered Professional Accountants of Nova Scotia covering matters such as: holding a position that gives us the right or responsibility to exert significant influence over the financial or accounting policies of the Town of Amherst; direct or indirect personal or business relationships of our immediate family, close relatives and partners with the Town of Amherst; and provision of services by us in addition to our audit engagement.

We are not aware of any relationships between the Town of Amherst and Mclsaac Darragh that have occurred between April 1, 2023 and March 31, 2024 that, in our professional judgment, may reasonably be thought to bear on our independence as auditors of the Town of Amherst.


Client Service Team

Staff auditors

Audit senior - Selena MacDonald CPA, CGA

Engagement partner – Cindy Costin-Fury CPA, CA

Second partner - Susan Mclsaac FCPA, FCA



FOURTH QUARTER FINANCIAL REPORT

FOR THE PERIOD ENDED MARCH 31, 2024 (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 four parts:

Organizational Structure, page 3

- ℓ Hierarchy with departmental responsibilities.

Commentary, page 4

- ℓ Charts and comments

Schedules of Operations, pages 5-7

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

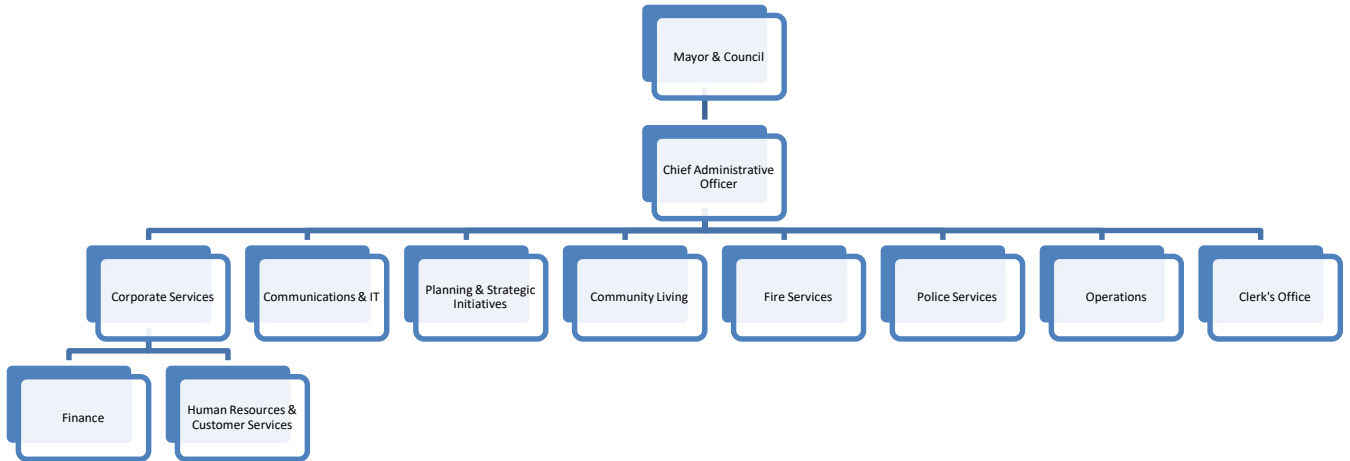
Capital Budget, pages 8-10

- ℓ 2023/24 Capital budget with actual costs

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.



Corporate Services

- // Finance
 - // Accounting
 - // Budgeting
 - // Accounts Payable
- // Human Resources & Customer Services
 - // Property Taxes
 - // Water/Sewer Billing
 - // Customer Service
 - // Human Resources

Communications & IT

- // Corporate Communications
- // Procurement
- // Information Services

Planning & Strategic Initiatives

- // Planning / Development
- // Strategic Initiatives / Projects
- // Inspections / Permits
- // Unsightly Premises
- // Business Development

Clerk's Office

- // Council & Committee Liaison
- // Records Management

Community Living

- // Wellness
- // Programming
- // Community Events
- // Tourism

Fire Services

- // Fire Rescue
- // Hazmat

Police Services

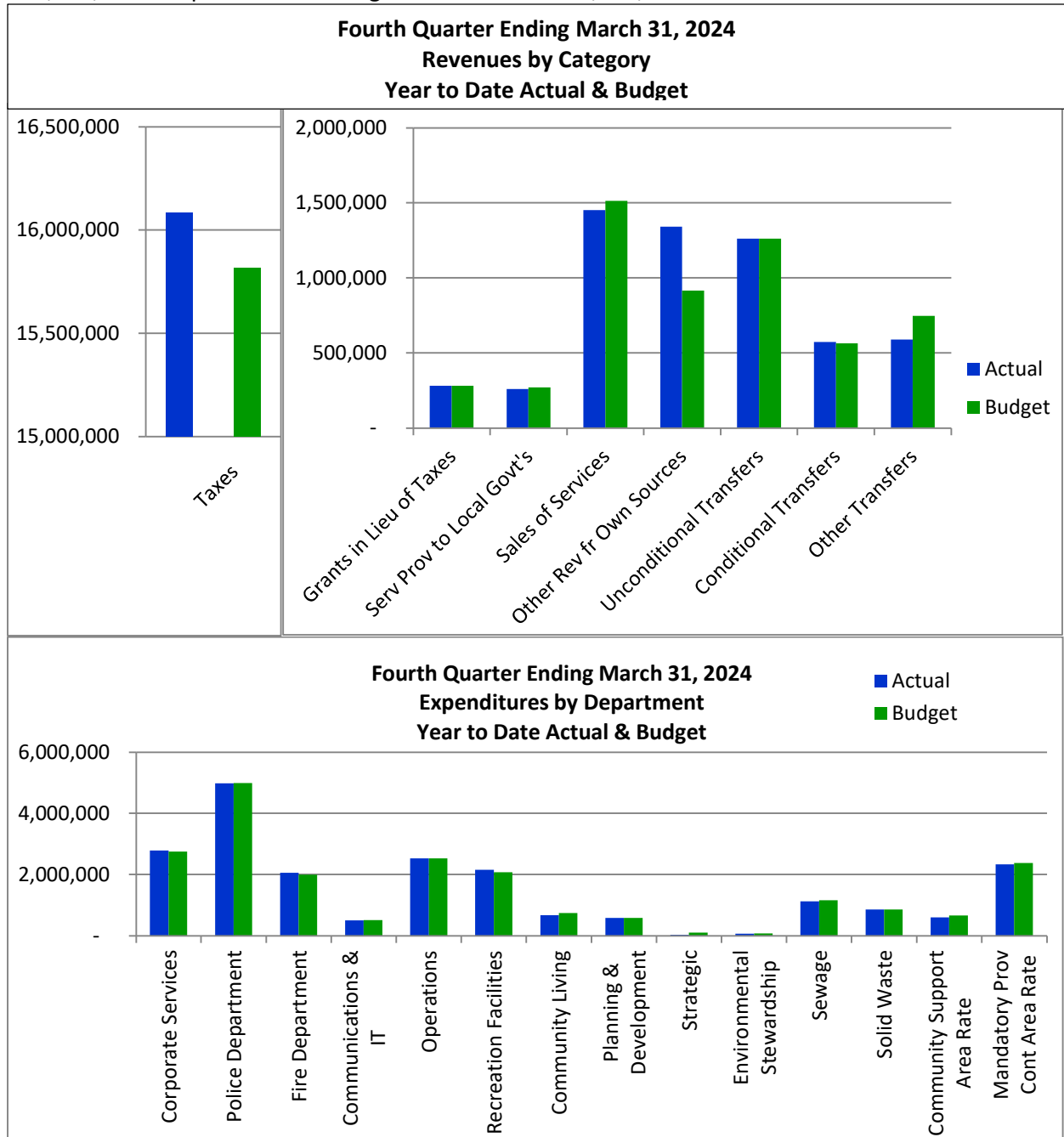
- // Crime
- // Major Crime
- // Street Crime
- // Crime Prevention
- // Community Partnerships

Operations

- // Engineering
- // Public Works
- // Solid Waste
- // Sewer
- // Water Utility
- // Recreation - Facilities
 - // Stadium
 - // Parks / Playgrounds
 - // Robbs

COMMENTARY

At the end of the fourth quarter for 2023/24 the general operating fund had a surplus of \$619,598 compared to budget. The Town’s operating revenues were \$21,842,092 compared to the budgeted amount of \$21,364,858. The Town’s expenditures at the end of the fourth quarter were \$21,222,494 compared to the budgeted amount of \$21,364,858.



SCHEDULE OF OPERATIONS

Town of Amherst
Schedule of Operations - General Operating Fund
For the Year Ended March 31, 2024

	2022/23 Actual	2023/24 Actual	2023/24 Budget	2023/24 Variance
Revenues				
Taxes	\$ 14,478,112	\$ 16,084,386	\$ 15,815,943	\$ 268,443
Grants in Lieu of Taxes	262,185	281,675	280,638	1,037
Services Provided to Other Local Govt	221,732	260,303	270,071	(9,768)
Sales of Services	1,456,338	1,452,100	1,512,123	(60,023)
Other Revenue from Own Sources	1,029,194	1,341,467	914,591	426,876
Unconditional Transfers	1,260,382	1,260,382	1,260,382	-
Conditional Transfers	503,779	572,719	564,800	7,919
Other Transfers	62,974	589,060	746,310	(157,250)
Total Revenues	19,274,696	21,842,092	21,364,858	477,234
Expenditures				
Wages & Benefits	9,273,330	9,903,039	10,015,843	(112,804)
Administrative Costs	797,168	842,300	1,005,546	(163,246)
Building & Facility Costs	991,265	1,094,635	965,229	129,406
Vehicle & Equipment Costs	419,618	446,835	437,151	9,684
Materials & Supplies	527,304	722,078	637,300	84,778
Grants to Organizations	439,318	485,017	430,687	54,330
Other Municipal Costs	1,423,429	1,739,320	1,764,880	(25,560)
Fiscal Services	4,327,438	5,290,306	5,257,687	32,619
Fire Protection Charge	726,114	737,629	737,629	-
Tax Exemptions	123,642	132,926	149,726	(16,800)
Cost Recovery	(188,422)	(171,591)	(36,820)	(134,771)
Total Expenditures	18,860,204	21,222,494	21,364,858	(142,364)
Surplus	\$ 414,492	\$ 619,598	\$ -	\$ 619,598

Provided for Information Purposes	
2023/24 Surplus derived from:	Surplus
Sewage	\$ 28,798
Community Support Area Rate - Social Equity	16,911
Community Support Area Rate	59,679
Mandatory Provincial Contribution Area Rate	41,128
General Operating	473,682
	620,198
Solid Waste - (deficit)	(600)
	\$ 619,598

SCHEDULE OF OPERATIONS (cont'd)

Town of Amherst				
Schedule of Operations - General Operating Fund				
Departmental and Mandatory Expenditures				
For the Year Ended March 31, 2024				
	2022/23	2023/24	2023/24	2023/24
	Actual	Actual	Budget	Variance
Departmental Expenditures				
Corporate	\$ 2,456,715	\$ 2,780,805	\$ 2,747,349	\$ 33,456
Police	4,743,535	4,977,014	4,986,219	(9,205)
Fire	1,916,431	2,050,483	1,988,745	61,738
Communications & IT	300,916	496,137	510,289	(14,152)
Operations	2,342,000	2,522,065	2,528,158	(6,093)
Recreation Facilities	1,543,212	2,149,183	2,076,084	73,099
Community Living	384,606	668,280	736,334	(68,054)
Planning & Development	474,853	578,848	581,950	(3,102)
Strategic	114,101	28,419	95,000	(66,581)
Environmental Stewardship	36,394	58,807	71,780	(12,973)
Sewage	1,167,621	1,121,465	1,153,679	(32,214)
Solid Waste	611,633	857,501	855,143	2,358
Community Support Area Rate	553,990	599,398	658,911	(59,513)
Total Departmental Expenditures	<u>16,646,007</u>	<u>18,888,405</u>	<u>18,989,641</u>	<u>(101,236)</u>
Mandatory Expenditures				
Assessment Services	112,038	109,994	109,995	(1)
Corrections	108,150	106,463	118,967	(12,504)
Housing	263,502	313,144	325,000	(11,856)
Education	1,643,208	1,711,188	1,733,956	(22,768)
Regional Library	87,299	93,300	87,299	6,001
Total Mandatory Expenditures	<u>2,214,197</u>	<u>2,334,089</u>	<u>2,375,217</u>	<u>(41,128)</u>
Grand Total Expenditures	<u>\$ 18,860,204</u>	<u>\$ 21,222,494</u>	<u>\$ 21,364,858</u>	<u>\$ (142,364)</u>

SCHEDULE OF OPERATIONS (cont'd)

Compared to budget, the Water Operating Fund has a surplus of \$4,494 at the end of the fourth quarter. Revenues are over budget by \$12,730 and expenditures are over budget by \$8,236.

Town of Amherst
Schedule of Operations - Water Operating Fund
For the Year Ended March 31, 2024

	2022/23 Actual	2023/24 Actual	2023/24 Budget	2023/24 Variance
Revenues				
Sale of Services	\$ 13,851	\$ 10,674	\$ 12,000	\$ (1,326)
Interest on o/s Water A/R	7,621	8,555	5,000	3,555
Misc Rev & Inc fr Other Non Utility	3,170	1,225	1,200	25
Metered Sales	1,421,321	1,455,166	1,458,251	(3,085)
Flat Rate Sales	184,731	199,766	185,140	14,626
Bulk Water Sales	6,750	5,085	8,500	(3,415)
Fire Protection	829,844	843,004	843,004	-
Private Hydrants	15,500	15,250	14,750	500
Sprinkler Service	17,000	16,950	15,100	1,850
Total Revenues	<u>2,499,788</u>	<u>2,555,675</u>	<u>2,542,945</u>	<u>12,730</u>
Expenditures				
Wages & Benefits	746,376	759,977	786,420	(26,443)
Administrative Costs	91,950	93,534	113,401	(19,867)
Building & Facility Costs	241,265	229,173	262,756	(33,583)
Vehicle & Equipment Costs	107,259	55,890	86,594	(30,704)
Materials & Supplies	236,791	240,931	237,000	3,931
Other Municipal Costs	289,830	291,928	305,495	(13,567)
Fiscal Services	781,994	879,748	751,279	128,469
Total Expenditures	<u>2,495,465</u>	<u>2,551,181</u>	<u>2,542,945</u>	<u>8,236</u>
Surplus	<u>\$ 4,323</u>	<u>\$ 4,494</u>	<u>\$ -</u>	<u>\$ 4,494</u>

CAPITAL BUDGET

Town of Amherst Capital Budget - 2023/24 Projects	Actual Cost at March 31, 2024	2023/24 Budget
WATER CAPITAL BUDGET		
Dump Truck <i>(carry over)</i>	-	355,000
West Victoria Street ~ CNR to Hickman - water main replacement <i>[contingent on grant funding] (carry over)</i>	-	820,400
McCully Street Booster Station - study & design <i>(carry over)</i>	6,049	50,000
Water Meter Replacement <i>(carry over)</i>	13,132	12,500
McCully Street Booster Station - upgrades	-	300,000
Wellfield Engineering Design & Construction - Swab Launchers	61,708	80,000
Fire Hydrant Replacement	17,828	15,000
Water Meter Replacement	13,132	15,000
Wellfield Variable Frequency Drives (VFD's)	84,167	85,000
Land Purchases (potential)	254,748	338,470
Russell Street - new development - water service connections	-	12,000
WATER CAPITAL BUDGET TOTAL	450,763	2,083,370
GENERAL CAPITAL BUDGET		
EQUIPMENT		
LED Lighting upgrade <i>[contingent on grant funding] (carry over)</i>	-	670,000
Sidewalk Snowplow with Blower	202,238	210,000
Service Truck (1 Ton) - Streets	68,213	70,000
Subtotal	270,451	950,000
BUILDINGS / LAND		
Video Conference System for 5 Ratchford Street <i>(carry over)</i>	9,126	12,000
Industrial Park Directory Sign Replacement <i>(carry over)</i>	25,698	25,000
Library Door Replacement <i>(carry over)</i>	34,841	35,000
Town Hall - New Roof <i>(carry over)</i>	-	135,000
Works Garage - Heating / Cooling <i>(carry over)</i>	44,014	50,000
Land Purchase - Blaine Street & Ottawa Avenue <i>(carry over)</i>	99,364	100,000
Town Hall - Server - replacement	20,127	22,000
Four Fathers Library - HVAC Upgrade	-	40,000
Land Sales	10,542	-
Stadium - Lighting Upgrades	19,856	19,900
Lighting Upgrades - APD, Town Hall, PW Garage & Library	165,587	147,500
Marshview Drive - land purchase (year 1 of 3)	439,799	200,000
Subtotal	868,954	786,400
LARGE MULTI - CATEGORY PROJECTS		
West Victoria Street ~ CNR to Hickman - sanitary sewer, storm sewer (corrugated), pulverize & rebuild street, curb, sidewalk <i>[contingent on grant funding] (carry over)</i>	-	1,523,600
Russell Street - sanitary sewer, storm sewer (corrugated), pulverize & rebuild street <i>[contingent on grant funding] (carry over)</i>	-	720,000
Russell Street - new development - sanitary sewer, storm sewer, paving	-	145,000
Subtotal	-	2,388,600

= projects carried over to the 2024/25 capital budget.

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2023/24 Projects	Actual Cost at March 31, 2024	2023/24 Budget
STREETS		
Academy ~ Wellington to Dickey (Cold Mill and Pave)	45,728	62,000
Church ~ Longleah to Robert Angus Drive (Cold Mill and Pave)	126,343	125,000
Erncliffe ~ Copp to Lawrence (Overlay)	42,337	42,000
Foundry ~ Copp to Sackville (Overlay)	29,690	40,000
Hickman ~ West Pleasant to Mission (Overlay)	104,767	95,000
Lennox ~ Haliburton to Westland Est (Overlay)	16,546	18,000
Lusby ~ All (Overlay)	25,307	26,000
Melrose ~ Agnew to Robie (Overlay)	28,929	30,000
Park ~ McCully to Maltby Court (Overlay)	37,270	35,000
Terrace ~ All (Overlay)	41,937	45,000
Prince Arthur ~ Church to Maple (Overlay)	47,617	45,000
Pearl Place ~ All (Overlay)	14,096	15,000
Copp ~ Ernie to West Victoria (Overlay)	25,050	22,000
Clarence ~ Robie to Clifford (Overlay)	41,750	42,000
Maple ~ Victoria to Crescent (Overlay)	64,326	60,000
Crescent ~ Church to Maple (Overlay)	54,696	52,000
Gerard ~ All (Overlay)	16,649	20,000
LaPlanche ~ Victoria to Robbs (Cold Mill and Pave)	183,810	175,000
Subtotal	<u>946,850</u>	<u>949,000</u>
<i>RC = Reconstruction and paving; CM = Cold mill and Paving; P = Pulverize and paving; O = Asphalt Overlay</i>		
SIDEWALKS		
Maltby Court ~ Park Street to West Highlands (TOA) - new construction	5,169	10,000
Cornwall Street ~ Anson Ave to Kent Drive (TOA) - replacement	16,119	20,000
Prince Arthur Street ~ Maple to Church - both sides (TOA) - replacement	31,795	80,000
Mission Street ~ Hickman to York (TOA) - replacement	14,887	15,000
Tactile Plates - pilot project downtown	8,285	20,000
West Victoria Street ~ Hickman to Lusby	21,027	21,100
Subtotal	<u>97,282</u>	<u>166,100</u>
STORMSEWER		
Storm Water Management Plan (<i>carry over</i>)	79,075	80,000
Flood Mitigation Upgrades	-	499,000
Subtotal	<u>79,075</u>	<u>579,000</u>
SANITARY SEWER		
Terrace Street Lift Station - Pump # 2 - replacement	31,547	32,000
Terrace Street Lift Station - Pump # 1 - repair	11,589	9,000
Subtotal	<u>43,135</u>	<u>41,000</u>

= projects carried over to the 2024/25 capital budget.

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2023/24 Projects	Actual Cost at March 31, 2024	2023/24 Budget
FIRE DEPARTMENT		
Fire Truck - replace Ladder 4 - Aerial device <i>(carry over)</i>	2,063,051	2,084,677
Air Compressor - replacement (Station unit) <i>(carry over)</i>	9,864	10,000
Fire suppression hose (Set # 2) - replacement <i>(carry over)</i>	34,981	35,000
Fit Testing System <i>(carry over)</i>	14,046	17,000
Structural Firefighting Bunker Gear (6-9 sets) - replacement	19,637	22,000
Replacement Wildland Coveralls (Qty 28)	15,509	16,000
Powered Extrication Tools - replacement	69,065	68,000
Breathing Air Refilling Stations - replacement (Station unit)	-	30,000
Fire Station Bldg Repairs - Replace front main entrance	13,979	18,000
Fire Station Bldg Repairs - Replace (1/3) interior & exterior lights (year 1 of 3)	36,588	13,000
Subtotal	<u>2,276,721</u>	<u>2,313,677</u>
POLICE DEPARTMENT		
APD HVAC <i>(carry over)</i>	7,947	18,000
APD In House Camera Systems and Adjustments <i>(carry over)</i>	9,835	8,500
Body Armour and attachments - 20 Units	25,882	30,000
Multisuns Voice Recorder	18,164	20,000
Containment Equipment - 4 Carbines and accessories	4,757	16,500
Police Station - Boiler Replacement	60,382	65,000
Subtotal	<u>126,967</u>	<u>158,000</u>
RECREATION		
Beacon Street Park - Sponge Surface Repair <i>(carry over)</i>	20,961	20,000
Rotary Park - Play Equipment Replacement <i>(carry over)</i>	35,379	40,000
Community Events Trailer <i>(carry over)</i>	12,479	15,000
Zero Turn Replacement c/w grass catcher <i>(carry over)</i>	31,191	35,000
Robbs Lighting <i>(carry over)</i> - replace lights at Dwight Jones & Cecil Small fields and to install new lights at Robbs 3 baseball field.	497,230	490,400
Replace 1/2 Ton Truck	59,076	60,000
Utility Trailer Replacement	8,079	12,000
Decorative Lighting	16,526	25,000
4 Stream Waste Receptacles for Parks (year 1 of 2)	-	10,000
Trail Groomer (attachment for Kubota Tractor)	26,431	21,000
Willow Trail Fencing (adjacent properties on Abbey Road)	5,355	10,000
Stadium Elevated Viewing Surface (Ice Level)	-	10,000
Subtotal	<u>712,707</u>	<u>748,400</u>
GENERAL CAPITAL BUDGET TOTAL	5,422,141	9,080,177
GRAND TOTAL WATER & GENERAL CAPITAL BUDGETS	5,872,904	11,163,547

= projects carried over to the 2024/25 capital budget.



Municipal Report



Town of Amherst

Department of Municipal Affairs and Housing

Municipal Profile and
Financial Condition Indicators Results

2021-22

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Introduction

The Department of Municipal Affairs and Housing compiles municipal indicators on behalf of the Nova Scotia Government and the Association of Municipal Administrators of Nova Scotia (AMANS) that focus on three areas:

- financial matters;
- administration of the municipality; and
- characteristics of the community.

This report creates a snapshot from those financial and demographic statistics to help community members and decision makers better understand:

- the municipality in which they live;
- the municipality's key characteristics; and
- the municipality's financial risks.

For example, the snapshot makes it easy to:

- compare the Three-Year Change in Tax Base indicator to understand the municipality's revenue growth in comparison to cost of living; and
- use the change in population to indicate whether a community's population is growing or declining and its potential impact on municipal revenues and expenses.



Chapter 1 - Municipal Profile

Municipalities are diverse and operate within unique demographic and economic characteristics. These characteristics have a significant impact on municipal performance and subsequent strategies required to ensure a sustainable environment. This chapter outlines the unique demographic and economic characteristics of the Municipality, specifically its composition, population trends, demographics, median household income levels, employment rates, and educational attainment. The municipal profile trends could have impacts on the current and potential future tax base for a municipality.



Municipal Profile - Highlights

About the Municipality

Located in: Cumberland County

Approximate size: 12 km²

Number of dwellings*: 4,805

Government: 7 Elected councillors (including the Mayor)

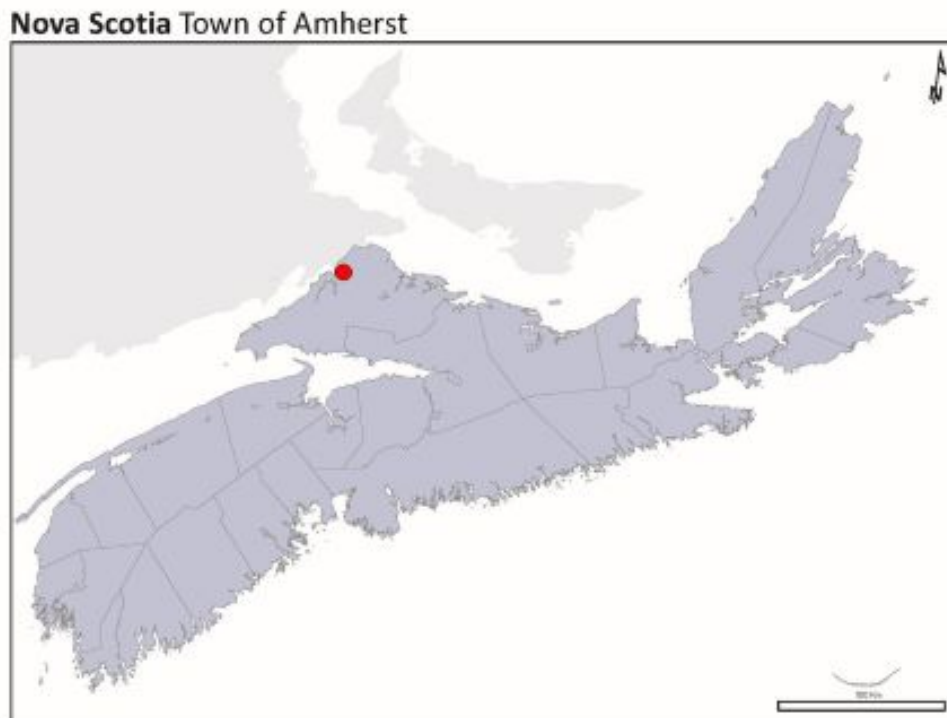


Figure 1 - Location of Municipality

Municipal Profile - Highlights

Population Highlights

Municipal Population 2021 Census:	9,404
Percent of Provincial population:	0.98%
Municipal Population 5-year trend:	-0.10%
County's 5-year trend:	0.37%

Since the last census in 2016, **-9** fewer people live in the Municipality

Population Change from 2016 to 2021

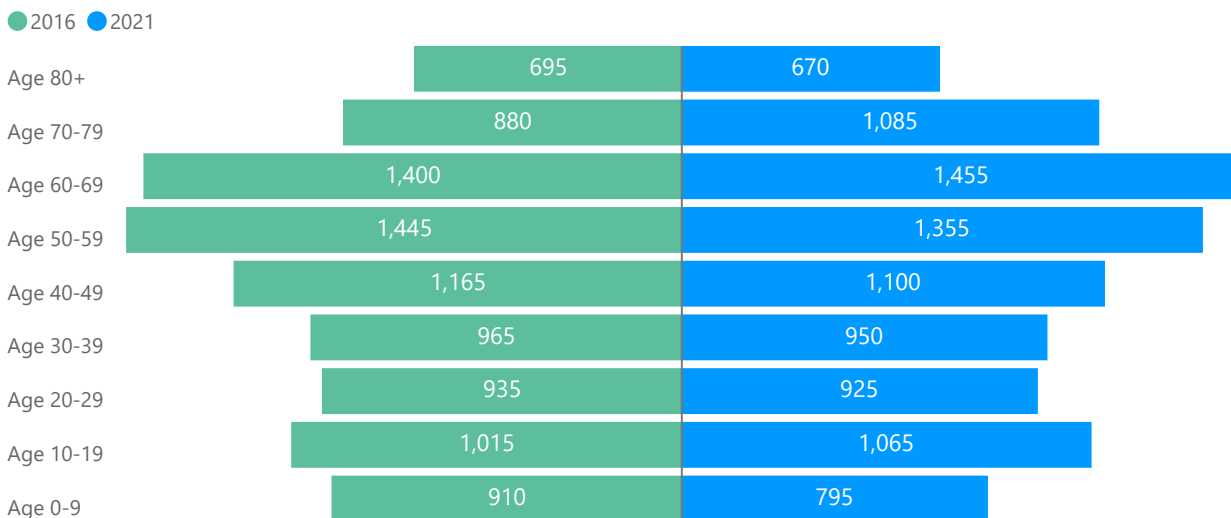


Figure 2 - Population Change from 2016 to 2021 (rounded to nearest five). Source: Statistics Canada

Municipal Profile - Highlights

Population Trends

20-year trend: Declining (supported by Figure 3 below)

Highest Age Bracket: 60-69 years of age (supported by Figure 4 below)

Population Trend from 2001 to 2021

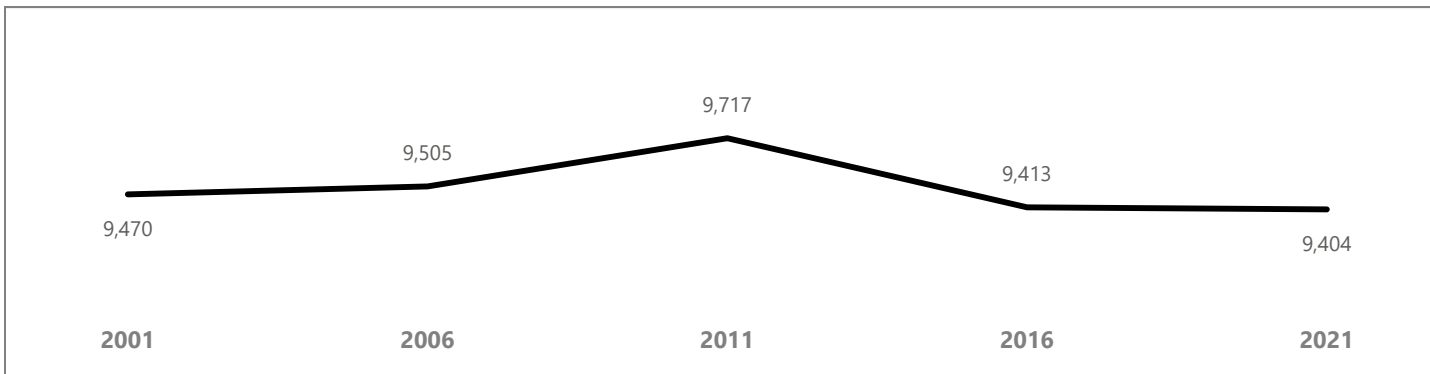


Figure 3 - Population from 2001-2021. Source: Statistics Canada

Population Change from 2016 to 2021

Year ● 2016 ● 2021

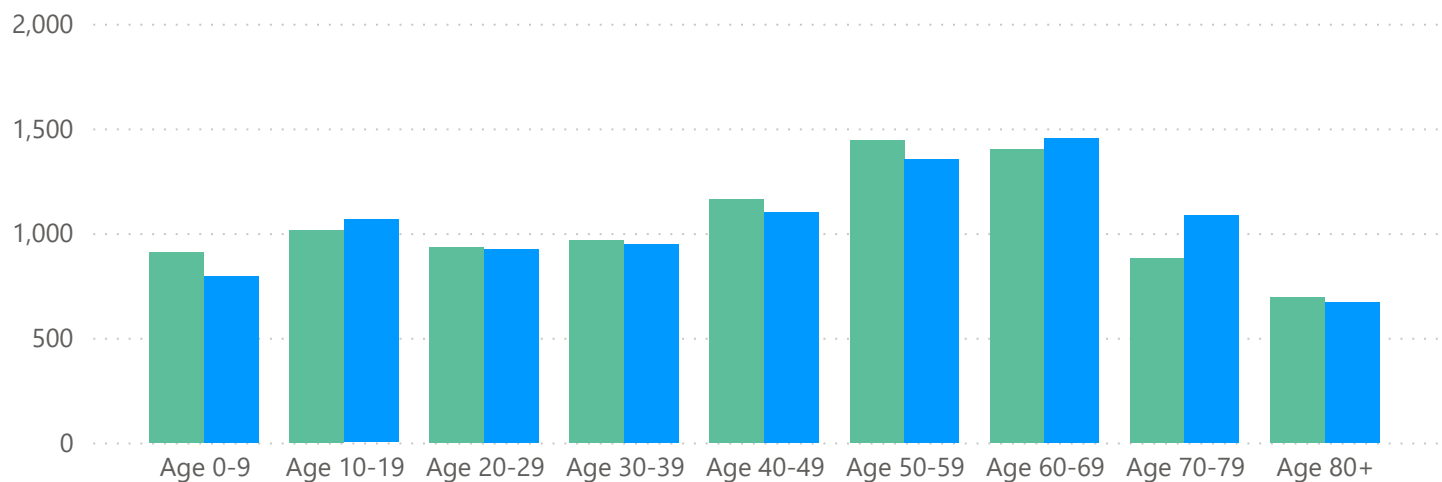


Figure 4 - Population by Age Group from 2016 to 2021. Source: Statistics Canada

Municipal Profile - Highlights

Population Comparison

Comparison of the Town of Amherst vs. the Town Average

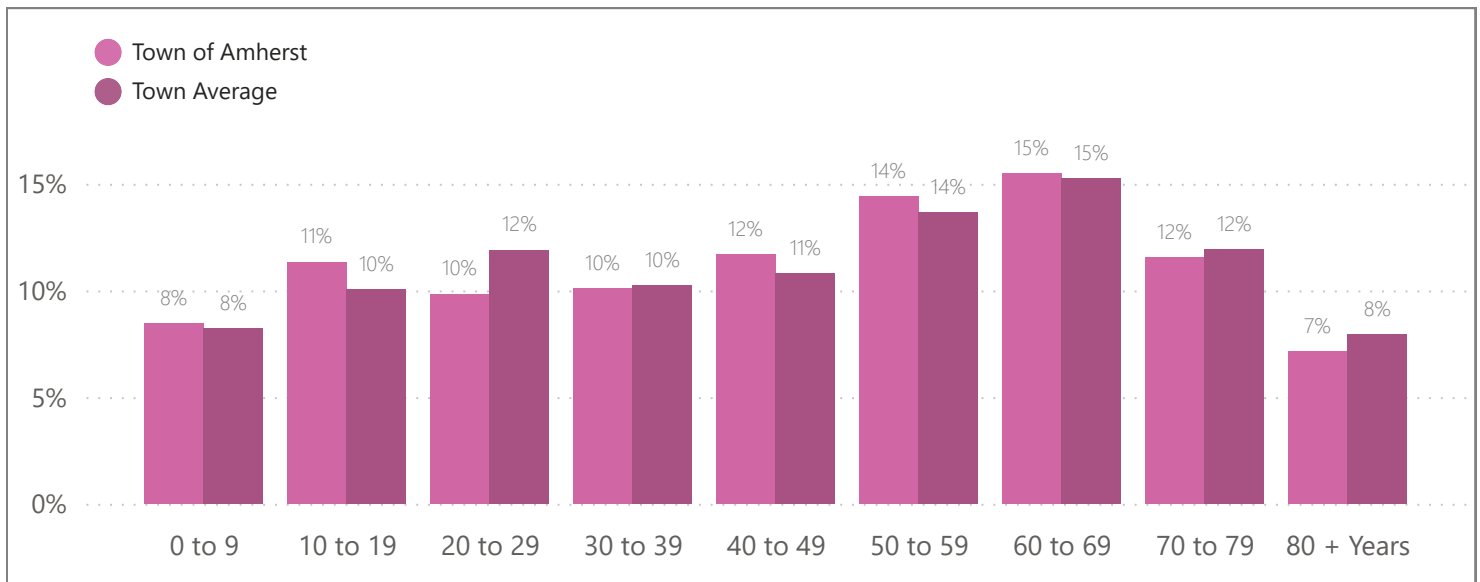


Figure 5 - Population by Age Group. Source: Statistics Canada

Comparison of the Town of Amherst vs. the Provincial Average

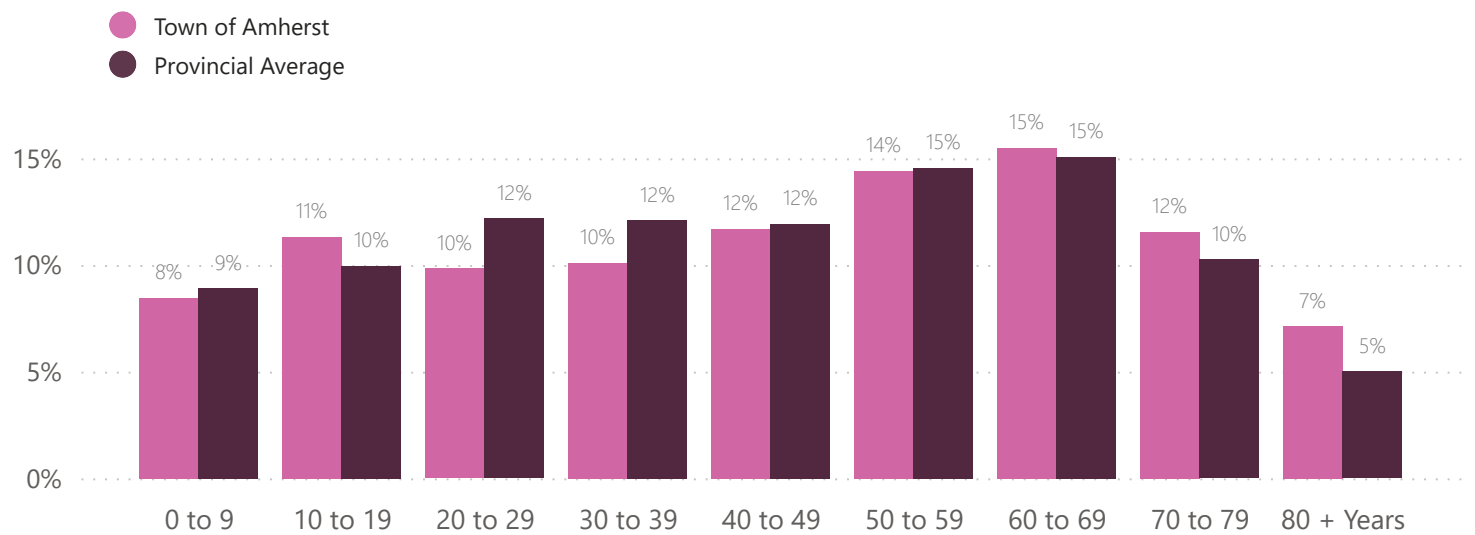


Figure 6 - Population by Age Group. Source: Statistics Canada

Municipal Profile - Highlights

Age Group Comparison

Population Age Groups

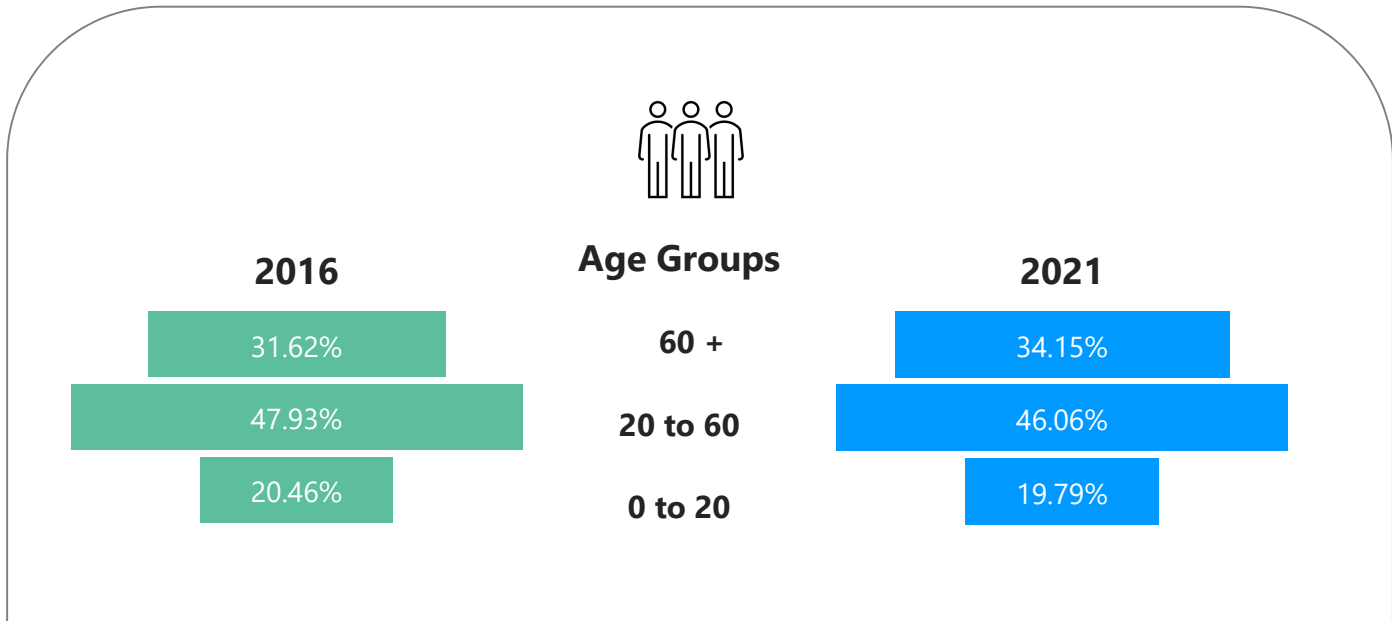


Figure 7 - Population by Age Group 2016 vs 2021. Source: Statistics Canada

Generational Groups

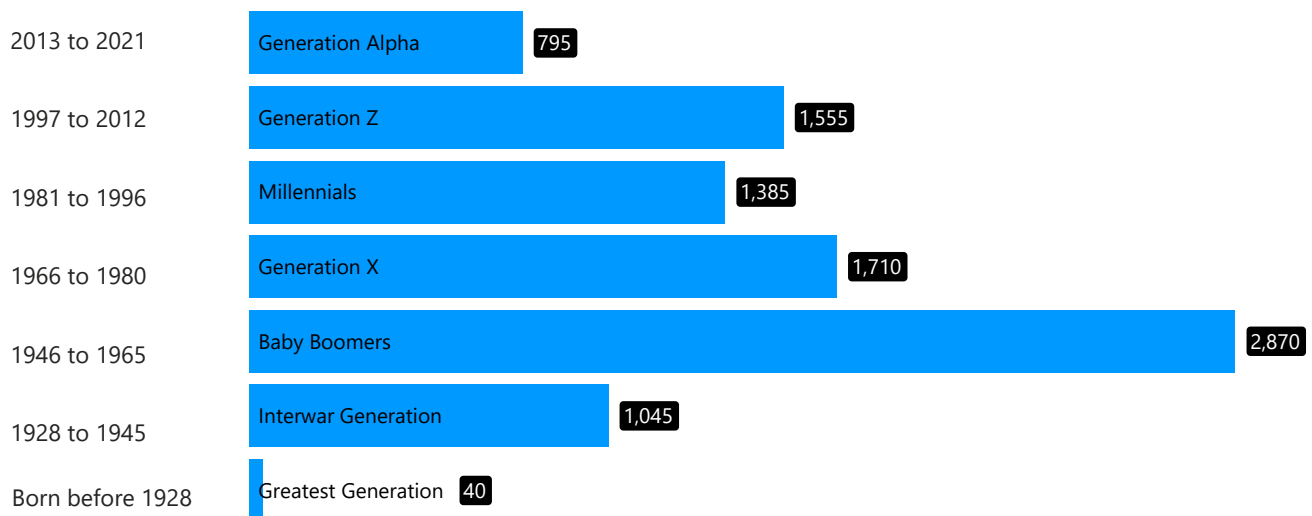


Figure 8 - Population by Generation for 2021 (rounded to nearest five). Source: Statistics Canada

Municipal Profile - Highlights

Economic Indicators

Along with population trends, employment rates and median household income are important economic indicators. Education levels can also play a crucial role in economic and social progress and can help improve income distribution. These factors provide an indication of the wellbeing of the economy and labour force. The educational level noted in the chart below represents the percentage of population, aged 15 and over, who have education beyond a high school diploma.

	2016 Census	2021 Census	+/-	Provincial Average
Median household Income:	\$46,677	\$55,600	\$8,923	\$61,724
Employment rate:	50.1%	45.9%	-4.2%	46.2%
Education level:	44.9%	44.2%	-0.7%	50.5%

Figure 9 - 2021 Census; Source: Statistics Canada

Median household Income: Town of Amherst median household income increased since 2016.

Employment rate: The employment rate at the Town of Amherst decreased since 2016.

Education level: The education level at the Town of Amherst decreased since 2016.

Chapter 2 - Assessment Information

Since property taxes are a primary source of revenue for most municipalities, special emphasis has been placed on reviewing assessment trends. For more information about the following financial indicators, please refer to Chapter 4 - Financial Condition Indicators.

Three-year change in
 Tax Base (Uniform Assessment¹): 1.8% Growth is not keeping pace with the cost of living (Moderate risk)

Reliance on a Single Business or Institution: 2.1% Not dependent (Low Risk)

Residential Tax Effort: 3.1% Has some flexibility (Low Risk)

The line graphs below show the five-year trend of residential and commercial portion of the municipality's taxable assessment.

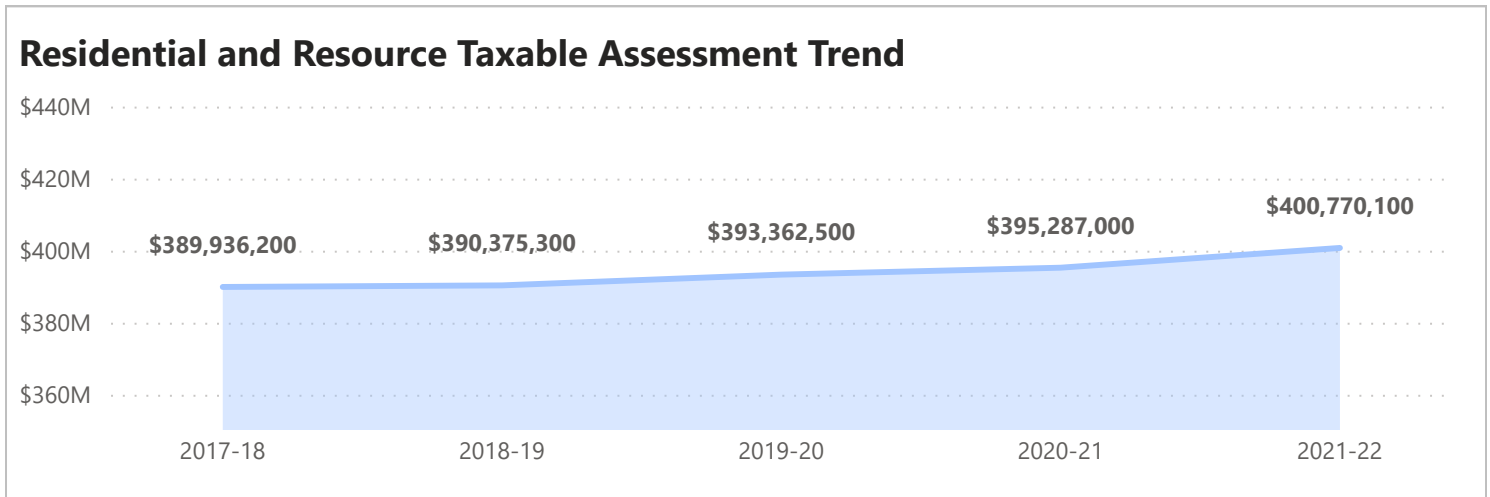


Figure 10 - Residential taxable assessment over the last five years. Source: 2017-18 to 2021-22 Statement of Estimates - Assessment

Commercial Taxable Assessment Trend

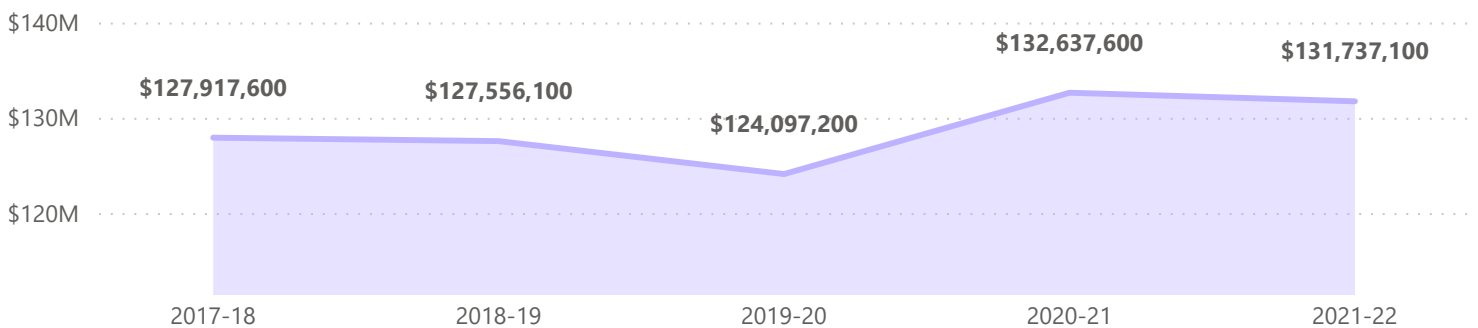


Figure 11 - Commercial taxable assessment over the last five years. Source: 2017-18 to 2021-22 Statement of Estimates - Assessment

¹ Uniform assessment is the value of a municipality's taxable property assessment plus the capitalized value of payments in lieu of taxes.

Chapter 3 - Financial Information

General Overview

Audited financial statements are presented on a consolidated basis. These consolidated financial statements present all municipal entities as one single reporting entity:

- all the individual funds managed by the Municipality
- organizations or enterprises that the Municipality owns or controls, such as:
 - Cumberland Joint Services Management Authority

The Municipality's non-consolidated financial statements present the individual funds managed by the Municipality, such as the General Operating Fund, General Capital Fund, Non-operating Reserve Fund, Operating Reserve Fund and, if applicable, Water Operating Fund, Water Capital Fund, Water Reserve Fund, Electric Operating Fund, Electric Capital Fund, and Electric Reserve Fund. Non-consolidated financial statements are reconciled but not audited².

Financial Reporting Compliance

Legislated Requirements

Submitted before deadline³:

- | | |
|---|------------|
| ◦ Audited Consolidated Financial Statements | No |
| ◦ Financial Information Return (FIR) | No |
| ◦ Statement of Estimates - Assessment (SOE-A) | Yes |
| ◦ Statement of Estimates - Budget (SOE-B) | Yes |
| ◦ Management Letter/Internal Control Letter | No |
| ◦ Summary Report of Expenses | No |
| ◦ Summary Report of Hospitality Expenses | No |

Financial Statements include:

- | | |
|---|------------|
| ◦ Unqualified Audit Opinion | Yes |
| ◦ Elected Officials remuneration and expenses | Yes |

Expense and Hospitality report posted online quarterly	Yes
--	------------

² Please be advised that, although the Department of Municipal Affairs and Housing reconciles, at a high level, a municipality's non-consolidated financial statements to the consolidated financial statements, the non-consolidated financial statements are usually not audited nor presented in full accordance with Canadian public sector accounting standards.

³ Annually, municipalities are required to submit their financial information by Sept 30th.

Financial Highlights

Revenue

Total consolidated revenue:	\$22.2 Million
Revenue generated from own source revenue*:	\$17.5 Million
Total general operating revenue:	\$17.6 Million
Largest general operating revenue:	75% Net property taxes and payments in lieu of taxes

Expenses

Total consolidated expenses:	\$19.3 Million
Total general operating expenses:	\$14.2 Million
Largest general operating expense:	44% Protective services

Annual Surplus

Annual consolidated surplus (deficit):	\$2.9 Million
Consolidated accumulated surplus (deficit):	\$68.7 Million
Annual general operating surplus (deficit):	\$2.2 Million

Debt

Total consolidated long-term debt:	\$7.8 Million
Total general capital fund long-term debt:	\$6.4 Million
General operating fund bank indebtedness:	\$0

* Total consolidated revenue excluding government transfers

Revenue

\$22.2M

2021-22 Consolidated Revenue

Total consolidated revenue: \$22.2 Million
 Largest revenue: \$13.2 Million Net property taxes and payments in lieu of taxes
 Revenue generated from own source revenue: 79%

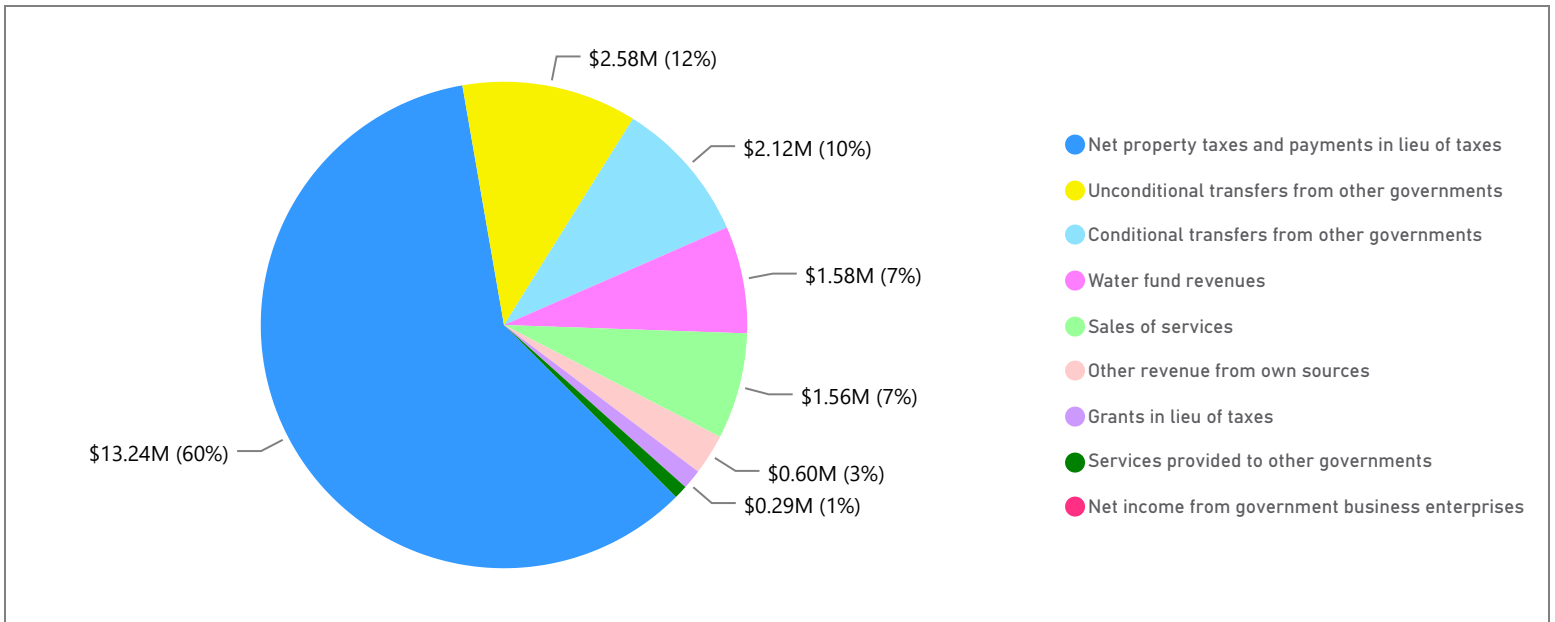
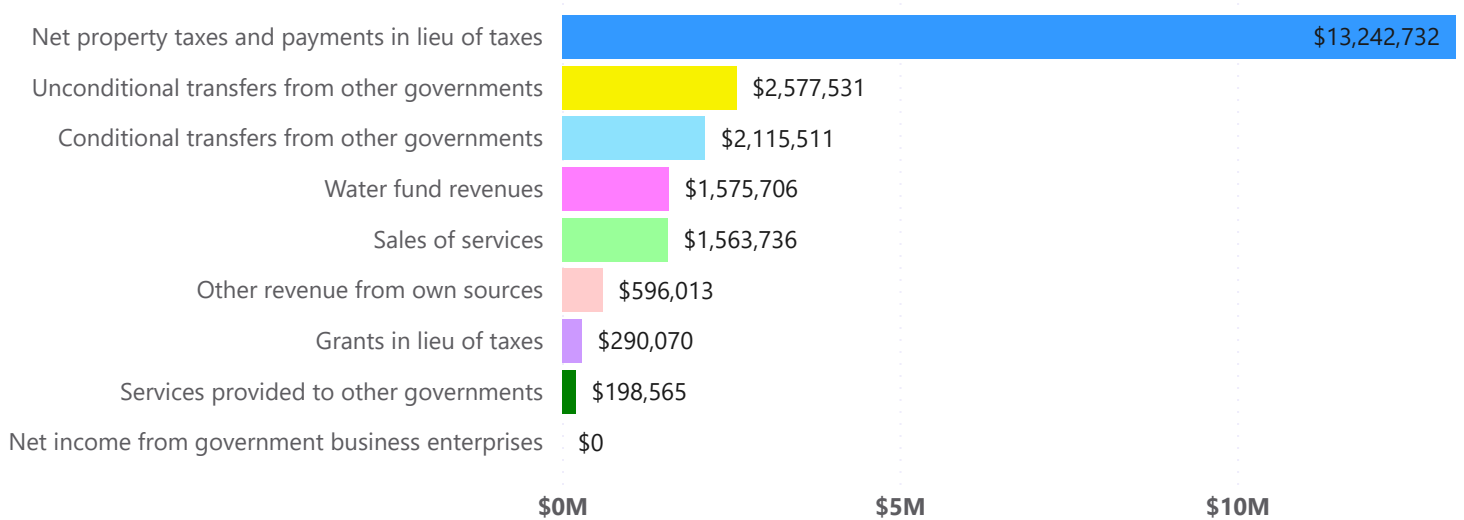


Figure 11 - Consolidated Revenue Source: 2021-22 Financial Information Return

The graphs above and below show the Municipality's consolidated revenue divided into categories.

Consolidated Revenue



Revenue

\$17.6M

2021-22 General Operating Revenue

Total general operating revenue:	\$17.6 Million
Largest general operating revenue:	75% Net property taxes and payments in lieu of taxes
Uncollected Taxes Financial Condition Indicator (FCI):	2.9%
Reliance on Government Transfers (FCI):	16.5%

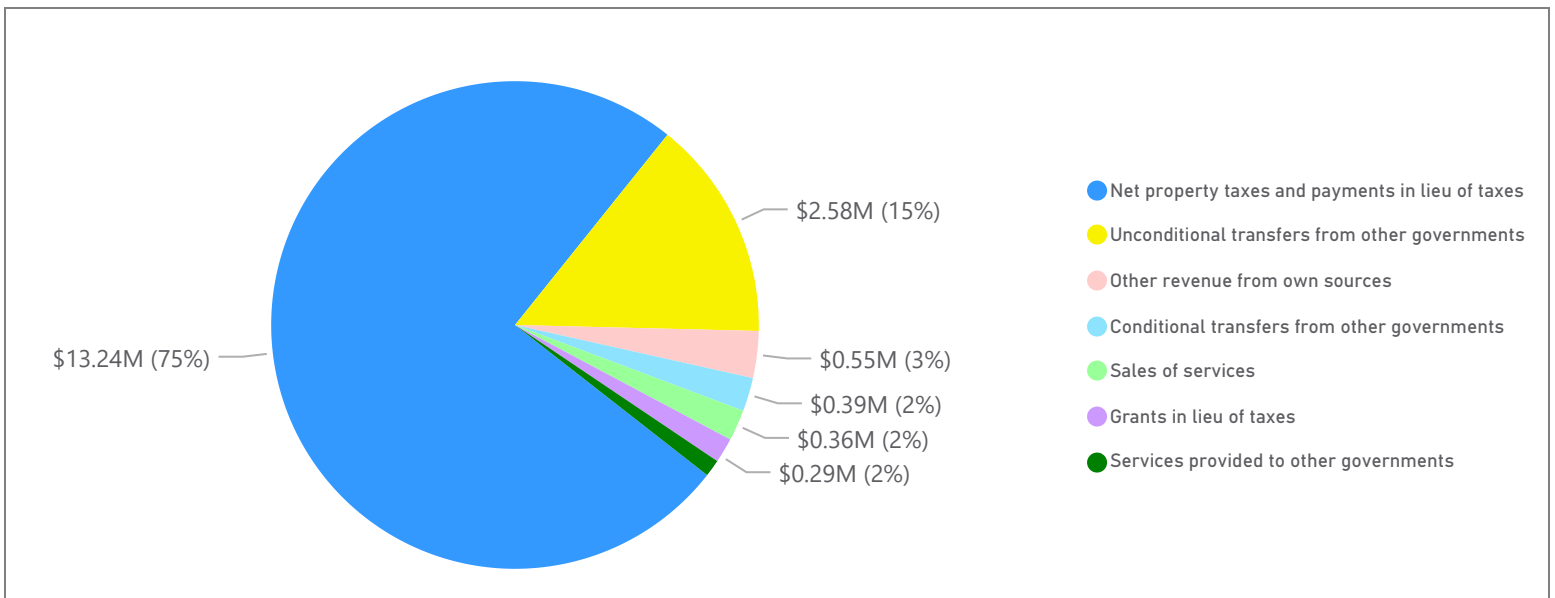
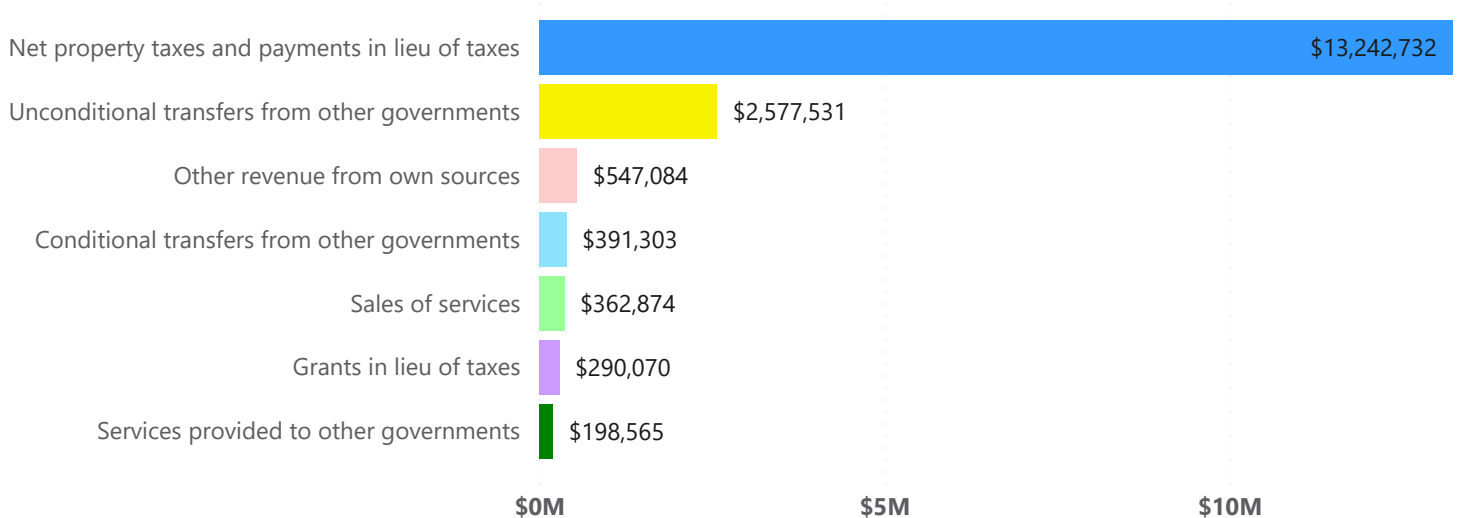


Figure 12 - General Operating Fund Revenue: 2021-22 Financial Information Return

The graphs above and below show the Municipality's general operating fund revenue divided into categories.

General Operating Revenue



Expenses

\$19.3M

2021-22 Consolidated Expenses

Total consolidated expenses: \$19.3 Million
 Largest expense: 31% Protective services

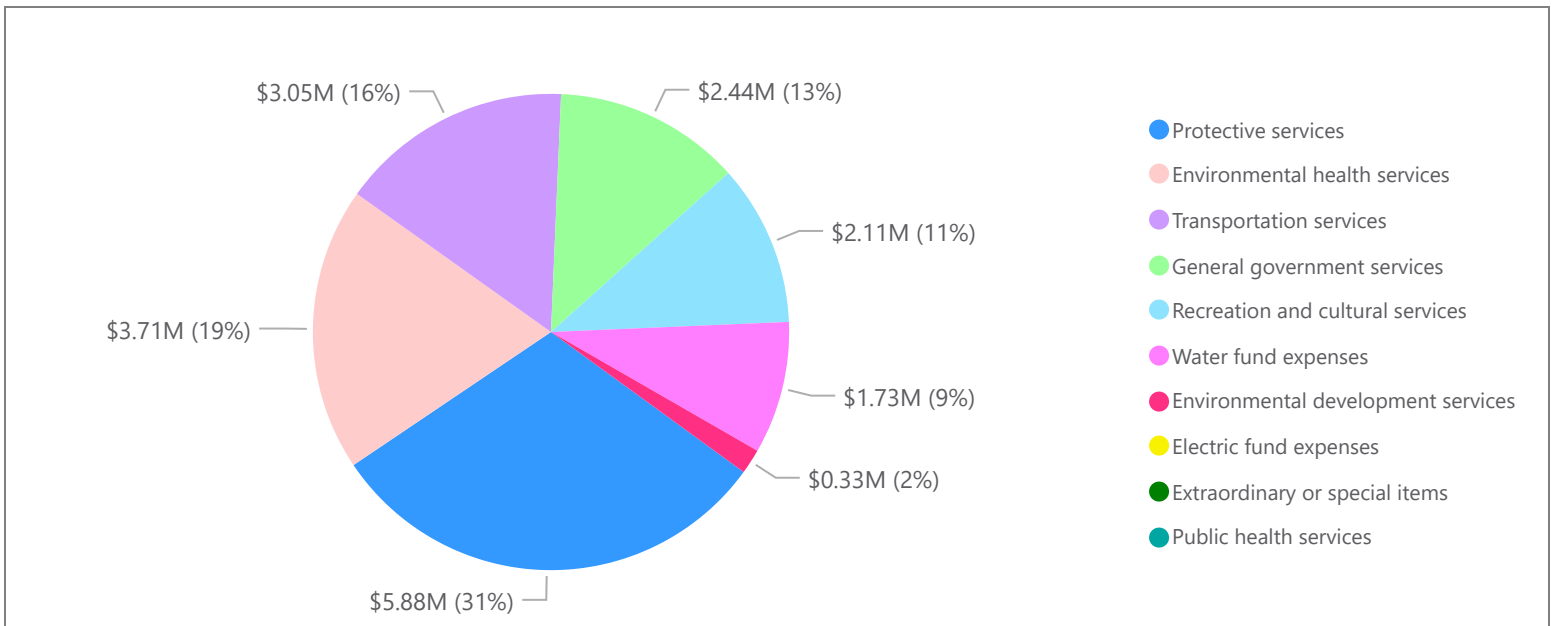
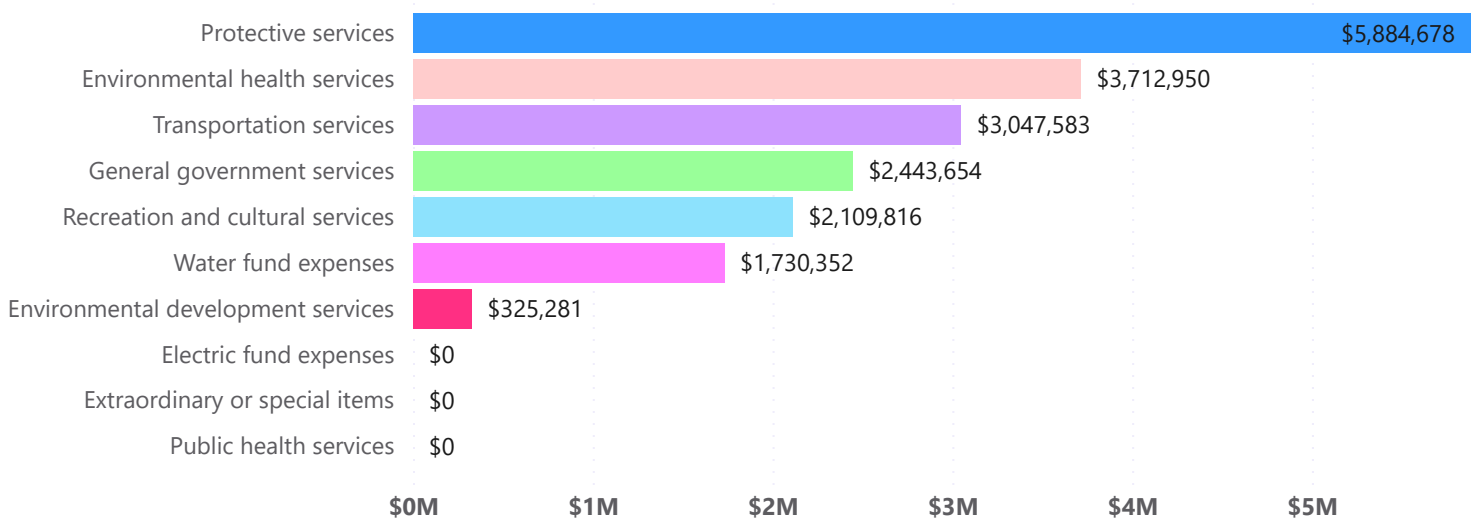


Figure 13 - Consolidated Expenses Source: 2021-22 Financial Information Return

The graph above and table below show the Municipality's consolidated expenses divided into categories.

Consolidated Expenses



Expenses

\$14.2M

2021-22 General Operating Expenses

Total general operating expenses: \$14.2 Million

Largest general operating expense: 44% Protective services

General operating reserves as a percentage of total general operating expenses: 37.6%

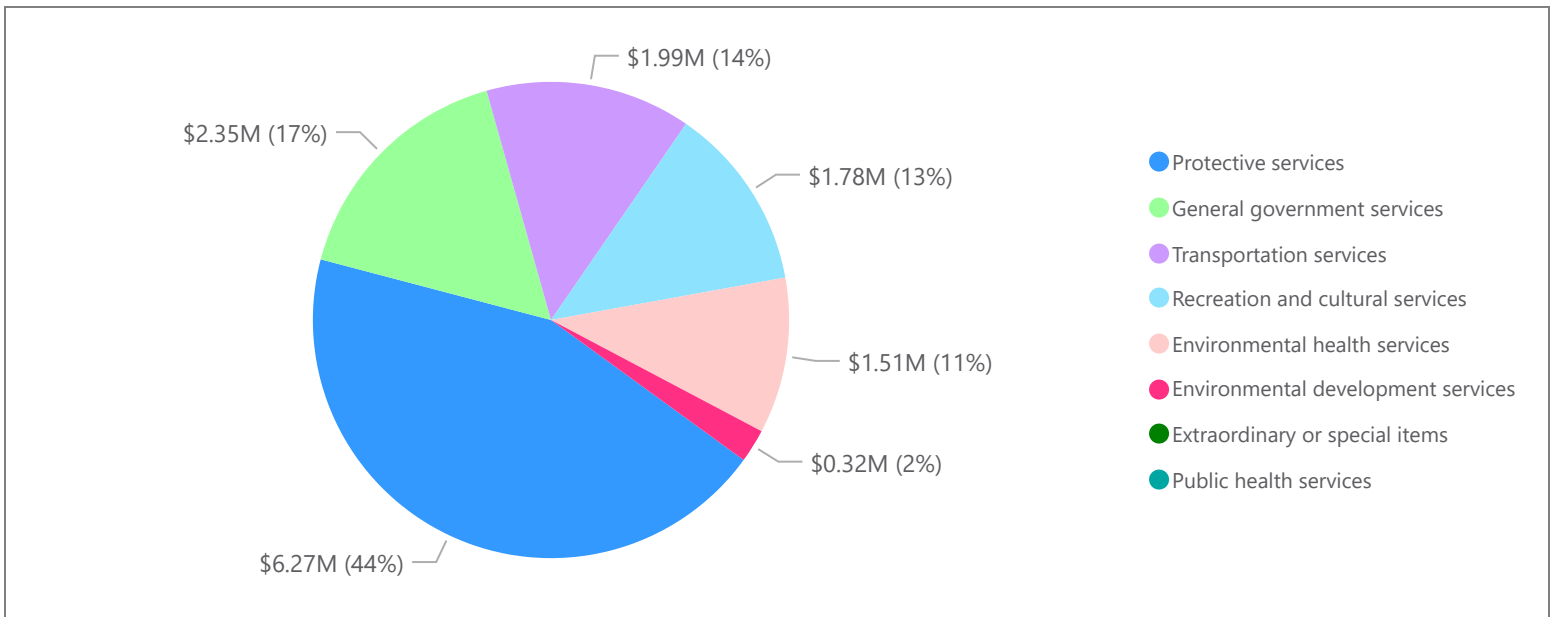
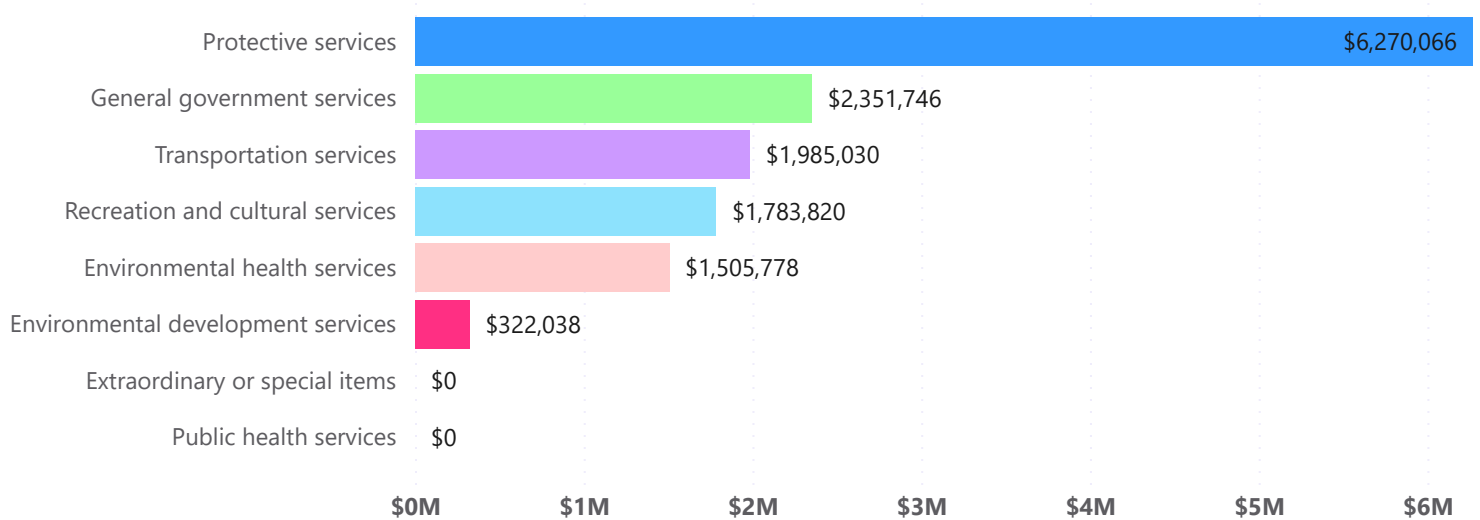


Figure 14 - General Operating Fund Expenses: 2021-22 Financial Information Return

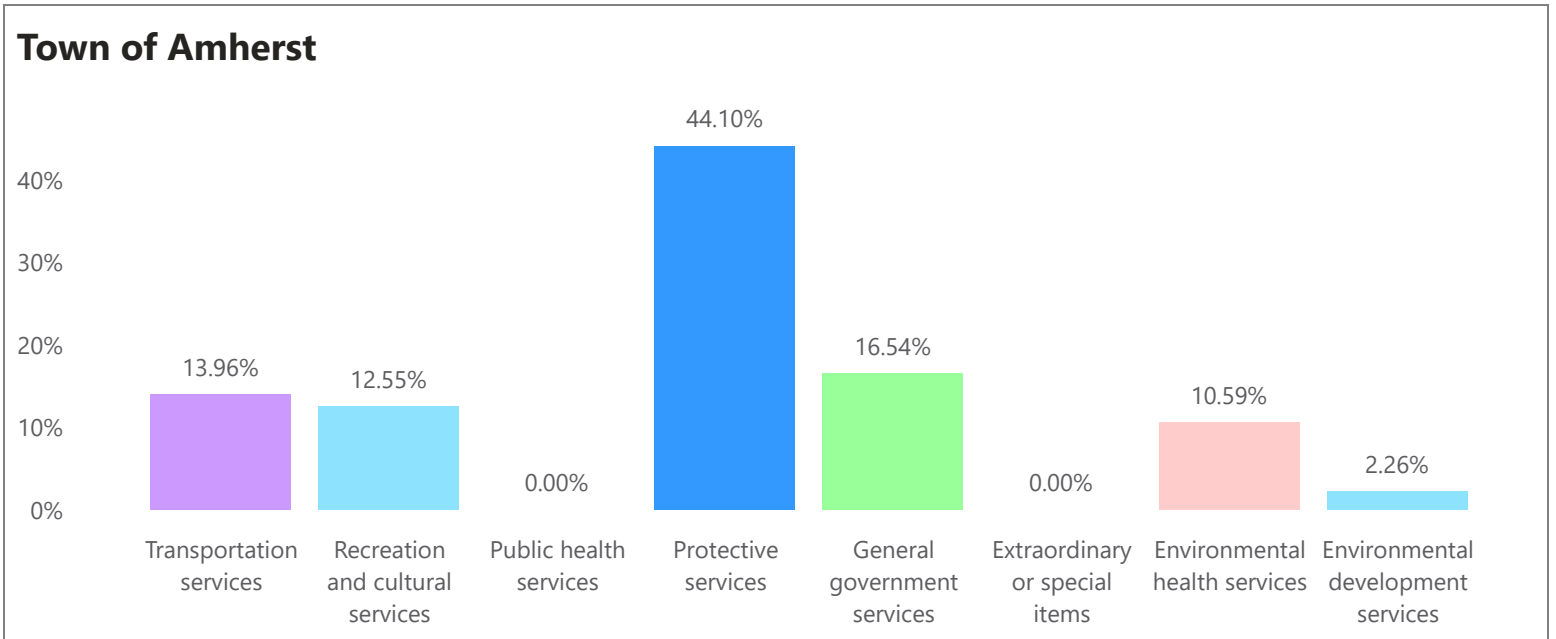
The graph above and table below show the Municipality's general operating fund expenses divided into categories.

General Operating Expenses

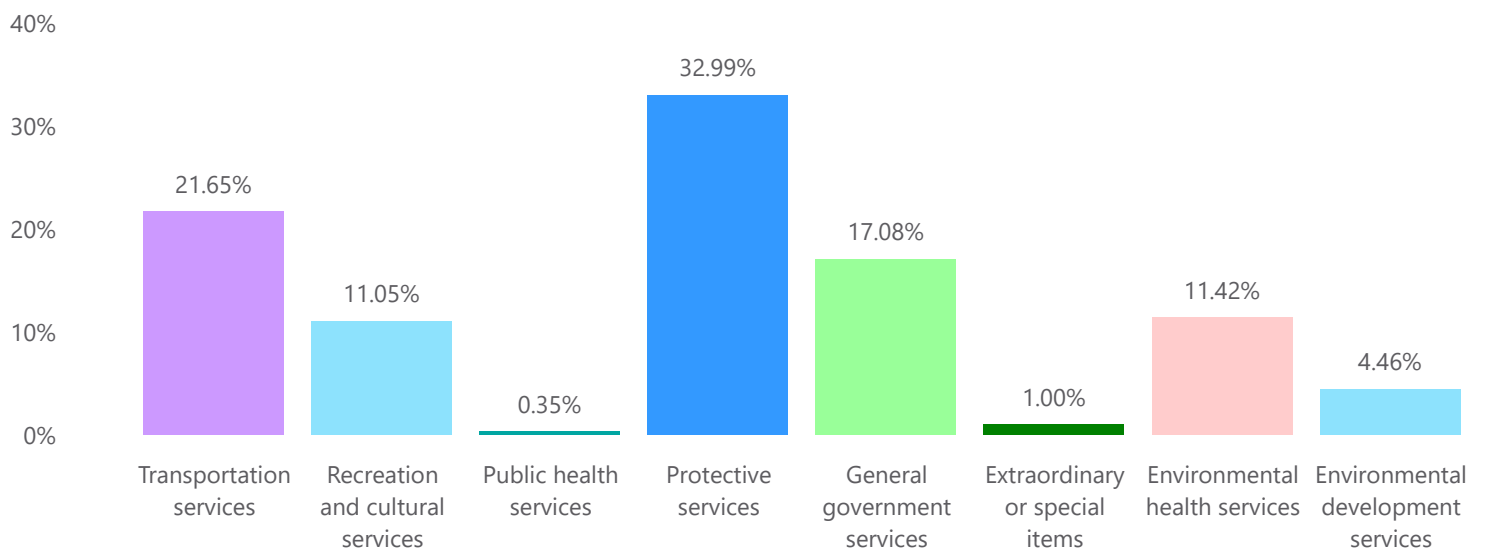


2021-22 General Operating Expenses Comparison to the Provincial Average

The graph below shows the expense by function for the municipal operations or General Operating Fund expenses compared to the Provincial Average.



Provincial Average



* Please note, these results do not include details from the Town of Mahone Bay due to outstanding financial reporting.

Figure 15 - Comparison of General Operating Fund Expenses to Provincial Average. Source: 2021-22 Financial Information Return

Accumulated Surplus (Deficit)

Annual surplus (deficit): Revenue - Expenses

Note: Annual surplus (deficit) is added to the accumulated surplus (deficit)

Annual consolidated surplus (deficit):	\$2.9 Million
Consolidated accumulated surplus (deficit):	\$68.7 Million
Annual general operating surplus (deficit):	\$2.2 Million
Number of Deficits in the Last 5 Years Financial Condition Indicator (FCI):	0

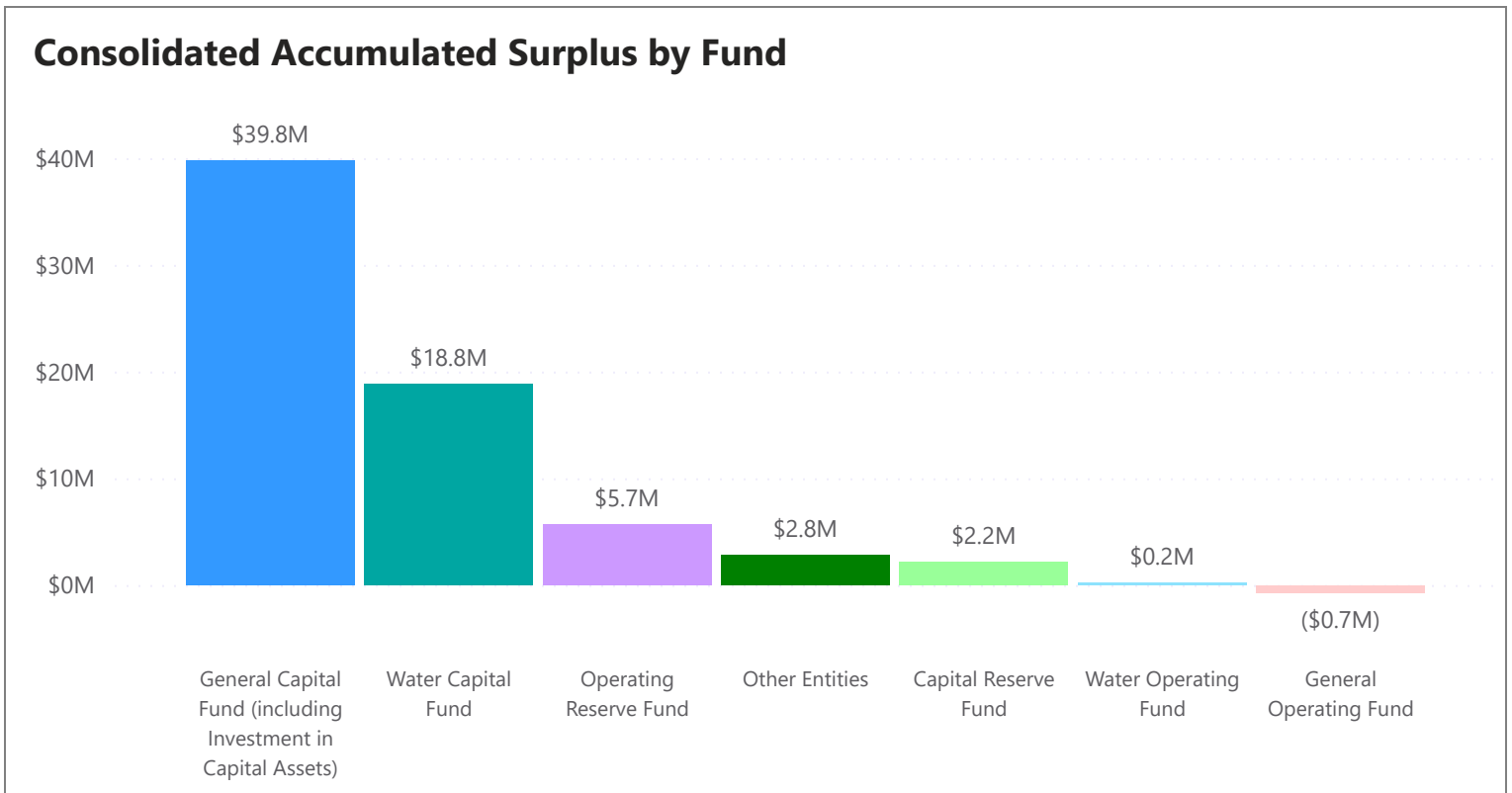


Figure 16 - Consolidated Accumulated Surplus by Fund. Source: 2021-22 Financial Information Return

Debt

Total consolidated long-term debt:	\$7.8 Million
Total general capital fund long-term debt:	\$6.4 Million
Debt Service Financial Condition Indicator (FCI):	7.6%
Operating fund bank indebtedness:	\$0
Outstanding Operating Debt FCI (as a percentage of Net Property Taxes/Payment in Lieu of Taxes, Grants in Lieu of Taxes and Government Transfers):	0.0%

Chapter 4 - Financial Condition Indicators: House Model

The Financial Condition Indicators (FCIs) condense multiple sources of information into a single visual “House Model” graph. The House Model gives a quick visual of a municipality’s strengths and possible areas where a municipality may want to focus its attention.

The Model:

The Model consists of twelve indicators organized into base, structure and roof, focusing on:

- Base: Three indicators relating to internal and external factors that could impact the municipality's revenue stream.
- Structure: Five financial indicators that concern management and debt; and
- Roof: Four key performance indicators, that reflect the municipality's ability to meet current and future needs in a balanced and independent manner.

Risk thresholds:

Each indicator is assessed against a risk threshold:

- low risk (**green**);
- moderate risk (**yellow**); and
- high risk (**red**).

Overall assessment:

The Department calculates an overall assessment for fiscal instability:

- low risk (**green**): 9-12 FCIs meet low risk threshold;
- moderate risk (**yellow**): 7-8 FCIs meet low risk threshold; and
- high risk (**red**): 6 or less FCIs meet low risk threshold.

For Comparison:

Prior years included the 5-Year Budget Accuracy as a financial condition indicator. Due to the impact of COVID-19, use of the 5-Year Budget Accuracy indicator has been suspended for 2020-2021 and 2021-2022. Its future inclusion or possible replacement will be re-evaluated for the 2022-2023 municipal reports.

Overall Assessment

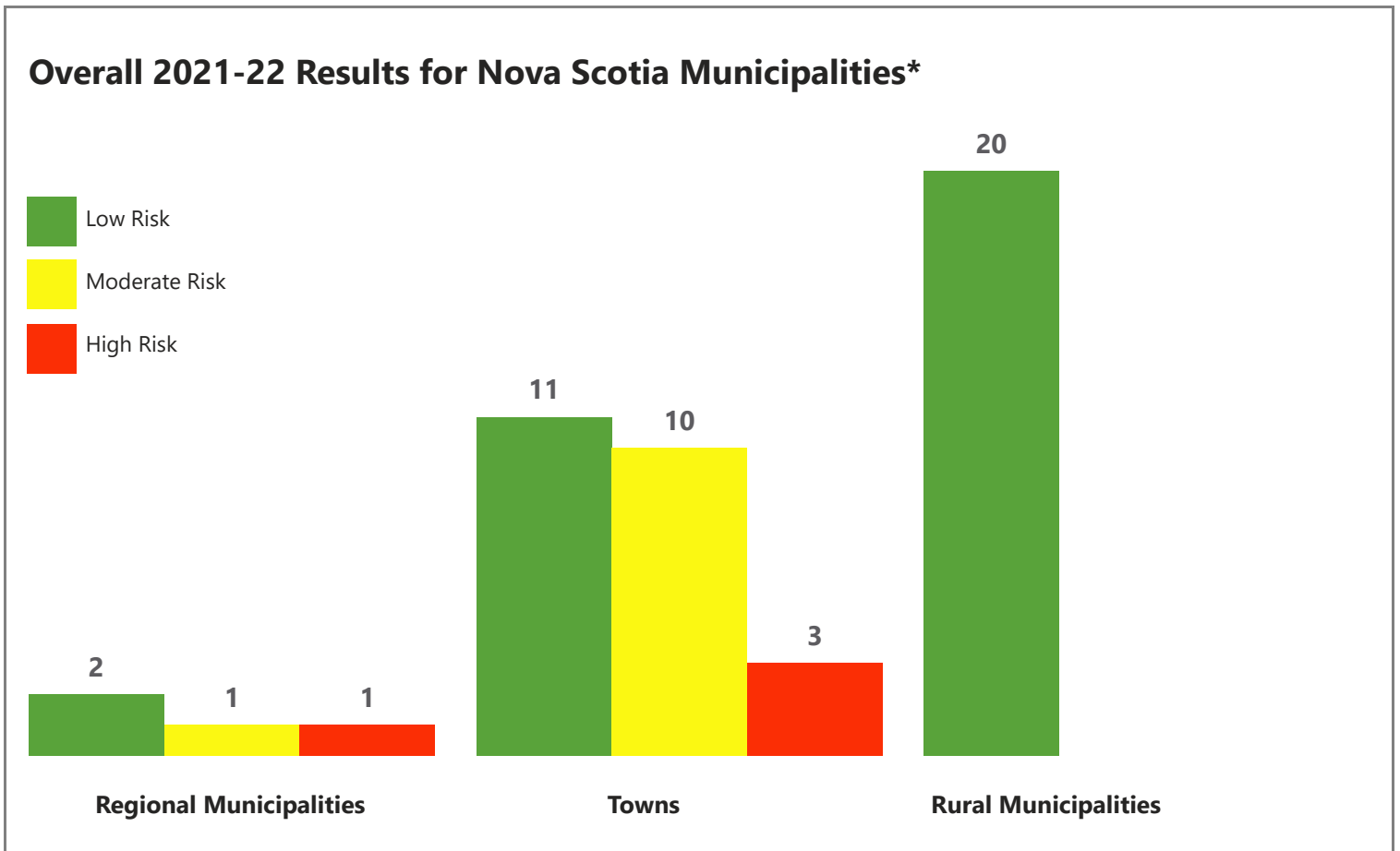
Overall Assessment for: Town of Amherst

Financial Condition: Low Risk

The overall Financial Conditions Index assessment for the Town of Amherst is Low Risk.

This means that while the Municipality might face some challenges, it is considered low risk for fiscal instability.

Comparison: The majority of Municipalities are at low risk (see chart below).



* Please note, these results do not include details from the Town of Mahone Bay due to outstanding financial reporting.

Financial Condition Indicators Highlights for 2021-22

Overall Assessment

Green (Low Risk)

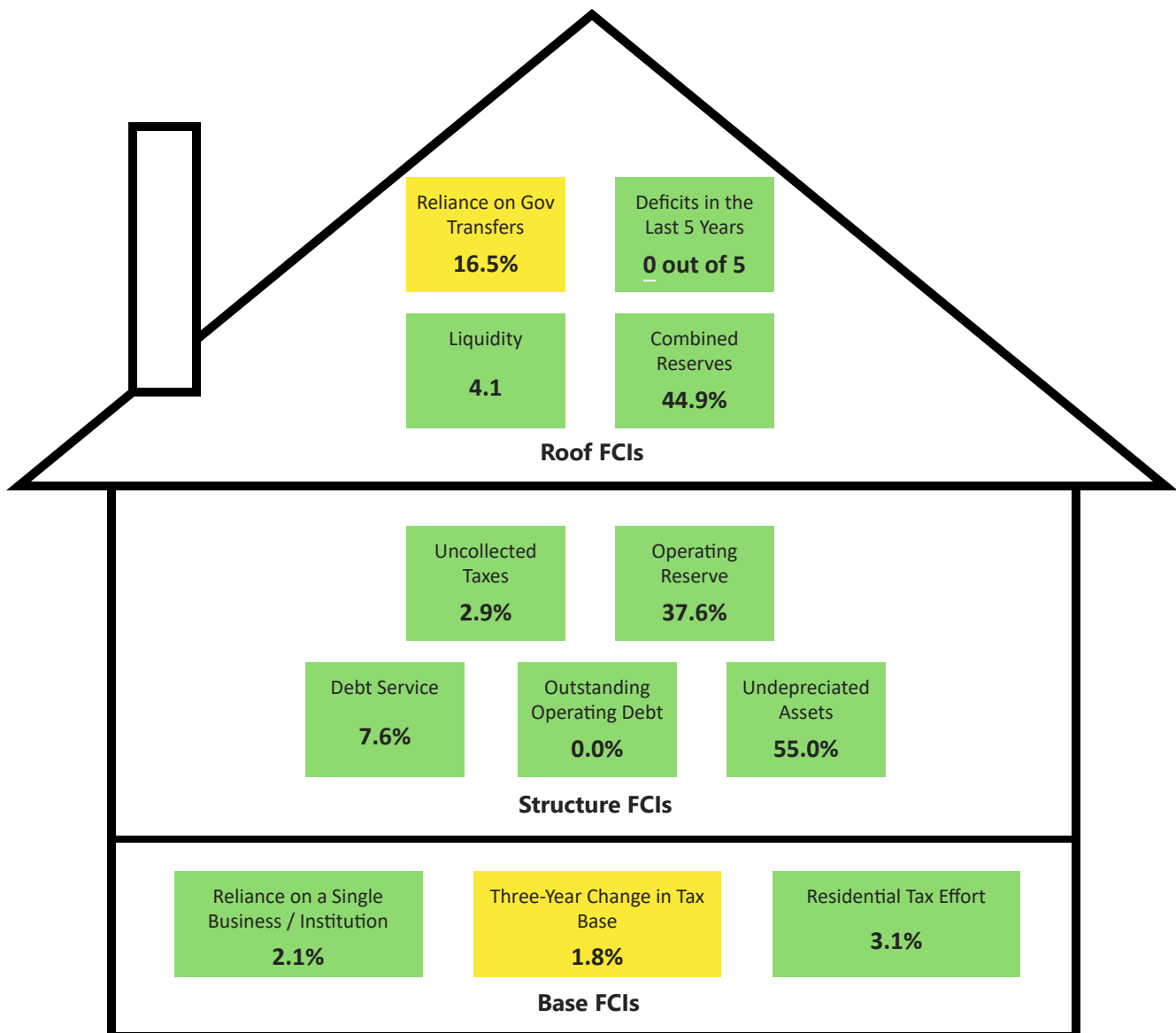
The overall Financial Conditions Index assessment for the Town of Amherst is Green (Low Risk).

This means that while the Municipality might face some challenges, it is considered low risk for fiscal instability.

As shown in the House model below, the Town of Amherst's FCIs are comprised of:

- Low Risk (green): 10 Indicators
- Moderate Risk (yellow): 2 Indicators
- High Risk (red): 0 Indicators

Individual FCI results are presented in the House below and are compared to last year's result on the next page.



Two-Year Comparison of Financial Condition Indicators

BASE	2020-21	2021-22	+/-
Reliance on a Single Business or Institution	1.4%	2.1%	0.7%
Three-Year change in Tax Base	0.8%	1.8%	1.0%
Residential Tax Effort	3.6%	3.1%	-0.5%
STRUCTURE			
STRUCTURE	2020-21	2021-22	+/-
Uncollected Taxes	2.1%	2.9%	0.8%
Operating Reserve	27.6%	37.6%	10.0%
Debt Service	7.1%	7.6%	0.5%
Outstanding Operating Debt	0.0%	0.0%	0.0%
Undepreciated Assets	56.8%	55.0%	-1.8%
ROOF			
ROOF	2020-21	2021-22	+/-
Reliance on Government Transfers	11.2%	16.5%	5.3%
Number of Deficits in the Last 5 Years	0	0	0
Liquidity	2.9	4.1	1.2
Combined Reserves	34.9%	44.9%	10.0%

*For 3-year Change in Tax Base, CPI change for 2020-21 was 6.7% and for 2021-22 was 12.1%.

Base FCI Indicator - Municipal Revenue Dimension

Reliance on a Single Business or Institution

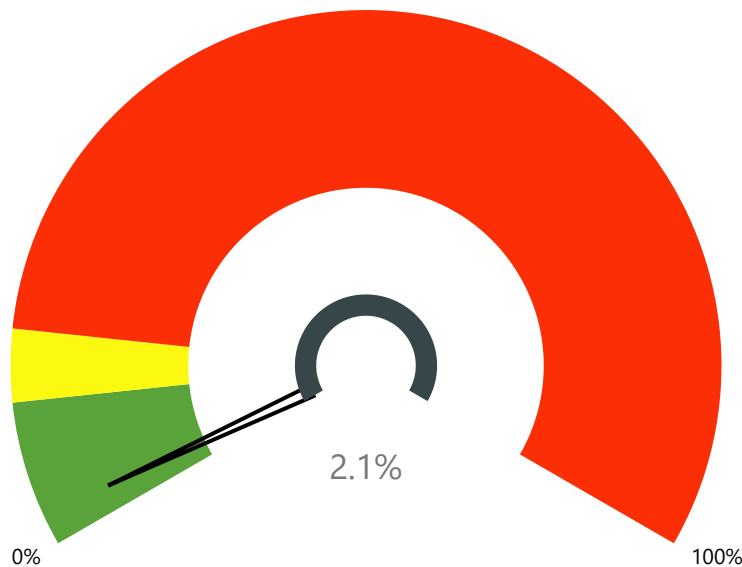
2021-22 Results: **Low Risk 2.1 %**

The largest single commercial or institutional account is 2.1 % of the Municipality's total Uniform Assessment.

What does it mean? The Municipality is showing no vulnerability in this area. The Municipality's tax base is not dependent on one single business or institution.

Calculation:
$$\frac{\text{Taxable assessment value of the largest business or institution}}{\text{Uniform assessment}} = 2.1\%$$

- Risk Thresholds:
- Low: Less than 10%
 - Moderate: 10% to 15%
 - High: Greater than 15%



Base FCI Indicator - Municipal Revenue Dimension

Three-Year Change in Tax Base

2021-22 Results: **Moderate Risk 1.8 %**

What does it mean? Growth is below the CPI % change of 12.1% but above 0%.
The Municipality's tax base is not keeping up with the cost of municipal services and programs.

Calculation:
$$\frac{\text{Current uniform assessment} - \text{Uniform assessment 3 years prior}}{\text{Uniform assessment 3 years prior}} = 1.8\%$$

- Risk Thresholds:
- Low: Equal or above CPI % change (Three Year CPI 2021-22: 12.1 %)
 - Moderate: Below CPI % change, but not negative growth
 - High: Negative growth

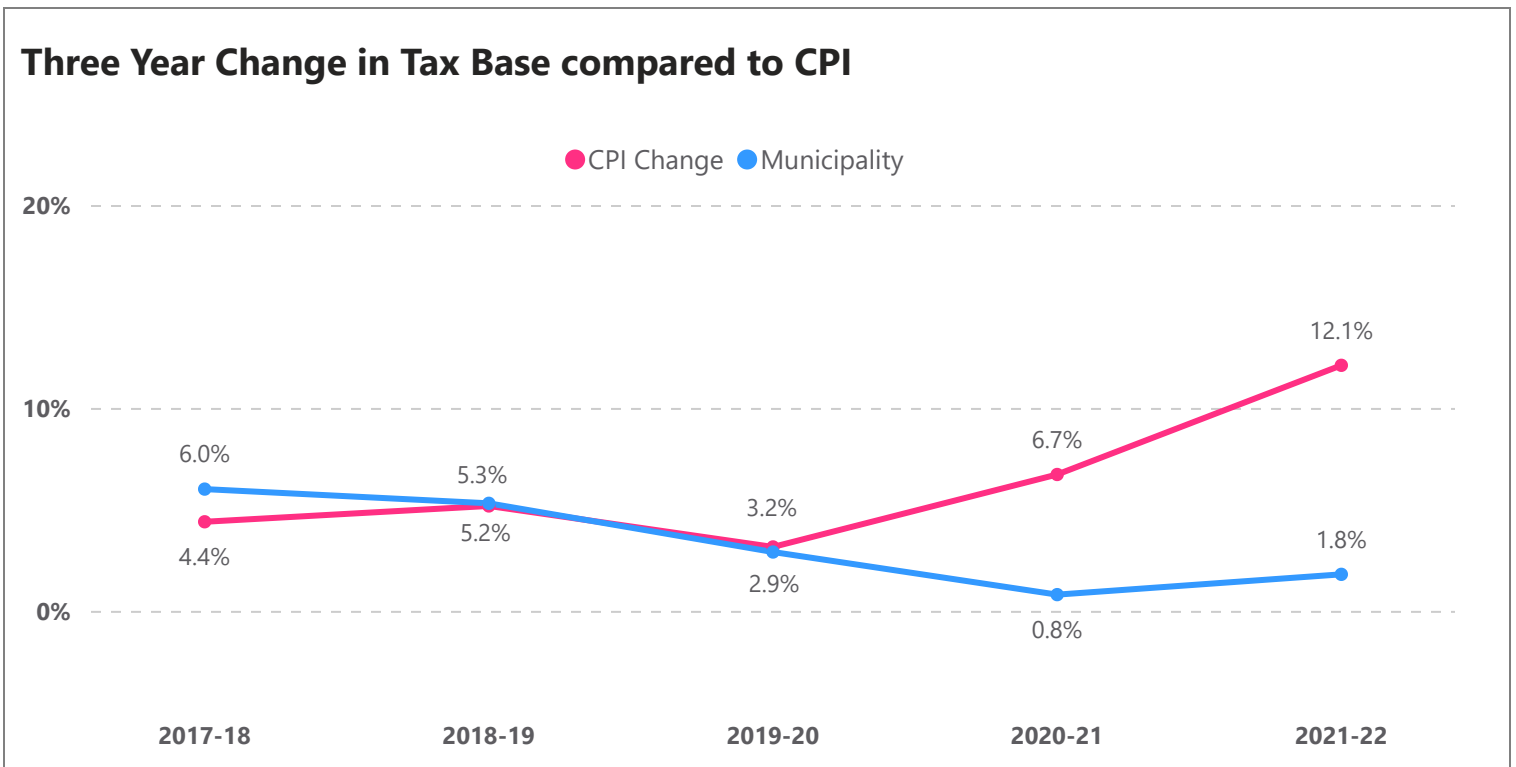


Figure 17 - Three-year change in Uniform Assessment in comparison to three-year change in CPI for the last 5 years.
Source: Statement of Estimates-Assessment and Statistics Canada

Base FCI Indicator - Municipal Revenue Dimension

Residential Tax Effort

2021-22 Results: **Low Risk 3.1 %**

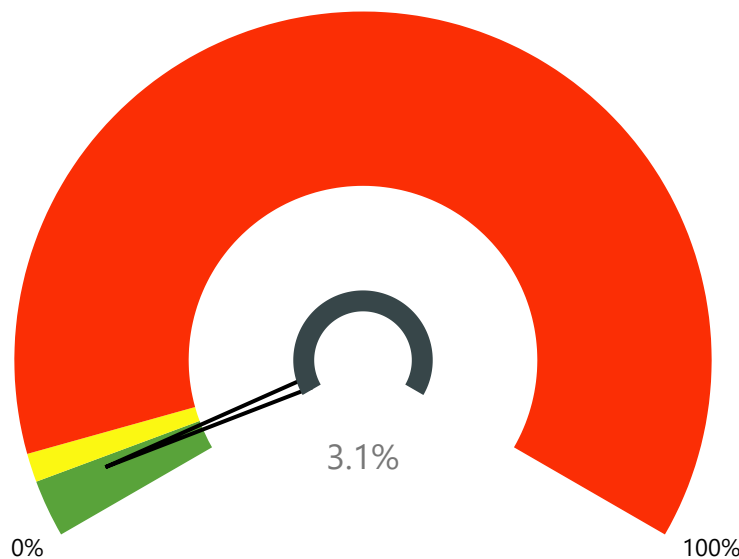
3.1 % of median household income is required to pay the average tax bill.

What does it mean? The Municipality has some flexibility to increase the taxes, if required.

This indicator helps council assess the affordability of municipal taxes in relation to the current service levels.

Calculation:
$$\frac{\text{Total residential tax revenue per dwelling unit}}{\text{Median household income}} = 3.1\%$$

- Risk Thresholds:
- Low: Less than 4%
 - Moderate: 4% to 6%
 - High: Greater than 6%



Structure (Management) FCI Indicator - Municipal Management Dimension

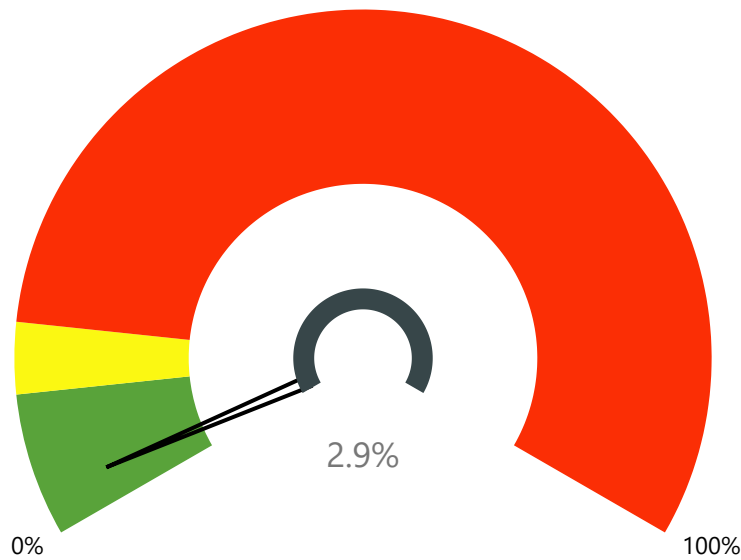
Uncollected Taxes

2021-22 Results: **Low Risk 2.9 %**

What does it mean? The Municipality is managing tax revenue collection.

Calculation:
$$\frac{\text{Total cumulative uncollected taxes}}{\text{Total taxes billed in current fiscal year}} = 2.9\%$$

- Risk Thresholds:
- Low: Less than 10%
 - Moderate: 10% to 15%
 - High: Greater than 15%



Structure (Management) FCI Indicator - Municipal Management Dimension

Operating Reserve

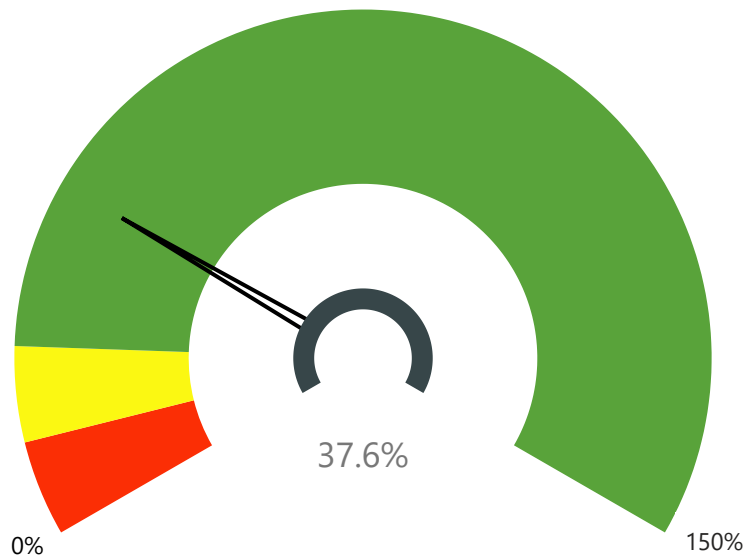
2021-22 Results: **Low Risk 37.6 %**

What does it mean? The Municipality is setting aside sufficient funds to help mitigate any unforeseen risks or future needs.

This indicator provides the value of funds set aside for planned future needs, to smooth expenses, or for unexpected expenses.

Calculation:
$$\frac{\text{Total operating reserve fund balance}}{\text{Total operating expenditures}} = 37.6\%$$

- Risk Thresholds:
- Low: Greater than 20%
 - Moderate: 10% to 20%
 - High: Less than 10%



Structure (Management) FCI Indicator - Municipal Management Dimension

Debt Service

2021-22 Results: **Low Risk 7.6 %**

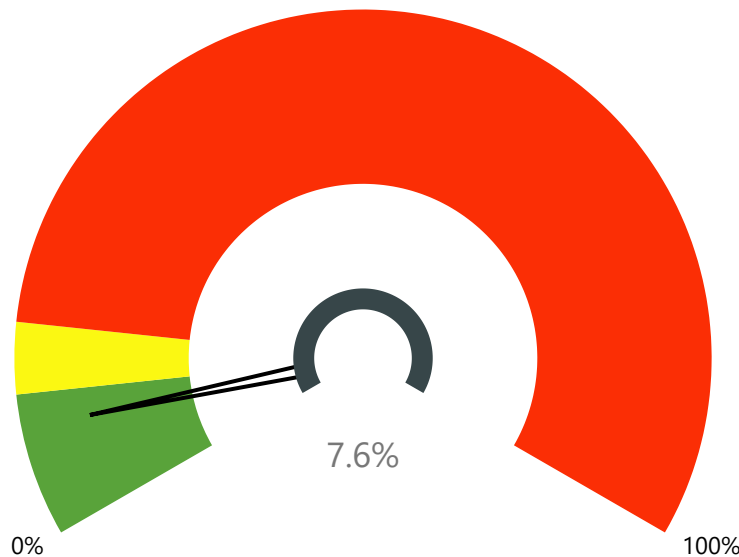
7.6% of own source revenue is spent on principal and interest payments.

What does it mean? With adequate cash flow, the Municipality may have the flexibility to increase borrowing levels to help finance future capital expenditures.

Calculation:

$$\frac{\text{Principal and interest paid on long-term debt}}{\text{Total own source operating revenue}} = 7.6\%$$

- Risk Thresholds:
- Low: Less than 10%
 - Moderate: 10% to 15%
 - High: Greater than 15%



Structure (Management) FCI Indicator - Municipal Management Dimension

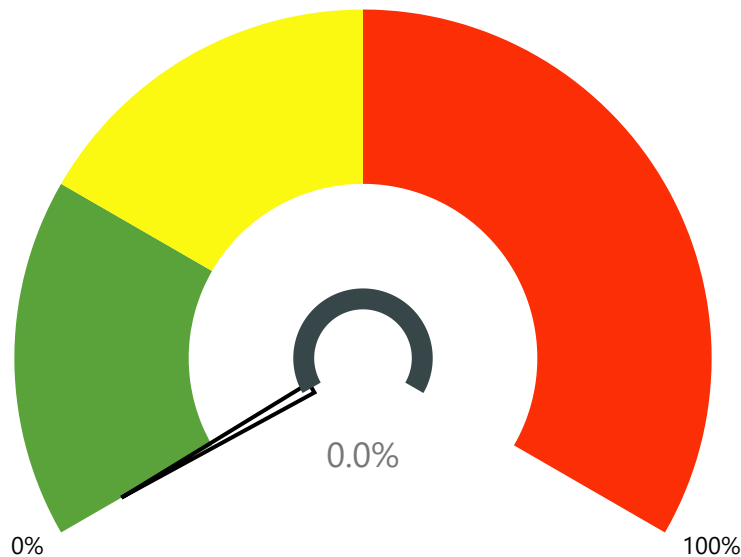
Outstanding Operating Debt

2021-22 Results: **Low Risk 0.0 %**

What does it mean? The Municipality is not carrying any operating debt.

Calculation:
$$\frac{\text{Total outstanding operating debt}}{\text{Total own source operating revenue}} = 0.0\%$$

- Risk Thresholds:
- Low: Less than 25%
 - Moderate: 25% to 50%
 - High: Greater than 50%



Structure (Management) FCI Indicator - Municipal Management Dimension

Undepreciated Assets

2021-22 Results: **Low Risk 55.0 %**

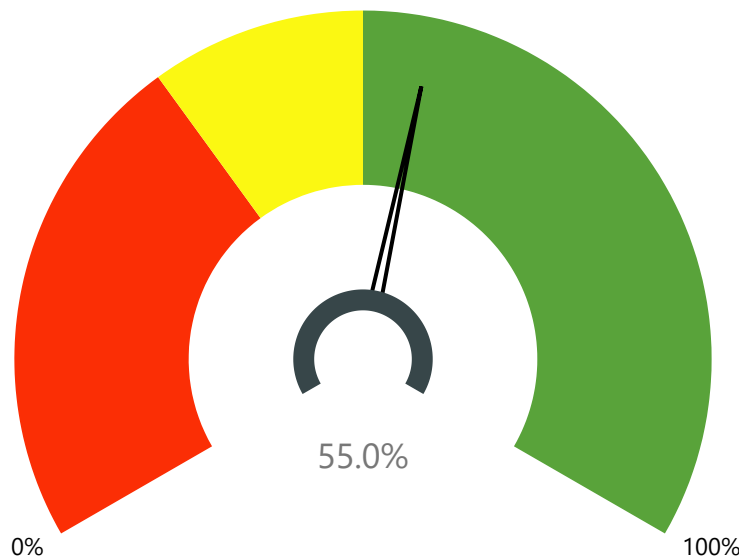
What does it mean? This indicator estimates that the Municipality's capital assets have 55.0 % of their useful life remaining

Municipalities across Canada are facing sufficient infrastructure challenges. This indicates that the Municipality may be experiencing less of an infrastructure challenge than other municipalities.

While this indicator provides an estimate of the useful life left in the Municipality/Town's recorded capital assets, it does not necessarily indicate the condition of those assets. For instance, some older assets could still be in good working condition, while the opposite could also be true.

Calculation:
$$\frac{\text{Total net book value of capital assets}}{\text{Gross costs of capital assets}} = 55.0\%$$

- Risk Thresholds:
- Low: Greater than 50%
 - Moderate: 35% to 50%
 - High: Less than 35%



Roof (Key Performance) FCI Indicator - Overall Assessment Dimension

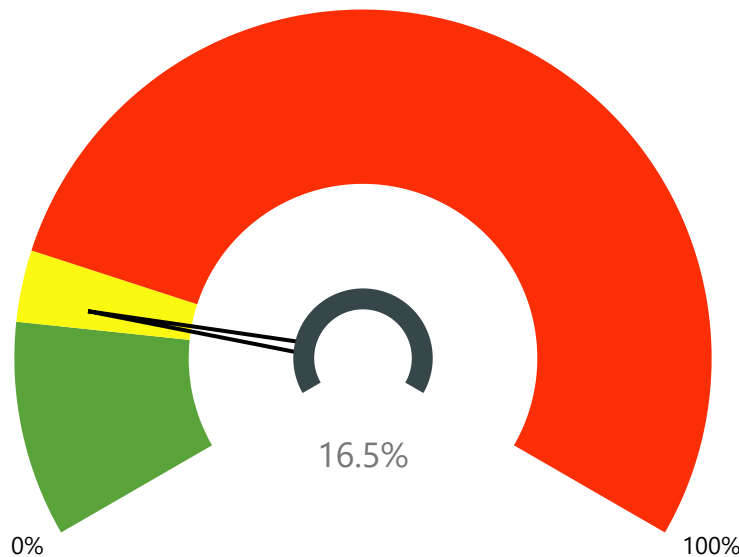
Reliance on Government Transfers

2021-22 Results: **Moderate Risk 16.5 %**

What does it mean? The Municipality is moderately dependent on another level of government to meet its service obligations.

Calculation:
$$\frac{\text{Total government transfers}}{\text{Total revenue}} = 16.5\%$$

- Risk Thresholds:
- Low: Less than 15%
 - Moderate: 15% to 20%
 - High: Greater than 20%



Municipal Comments:

The Reliance on Government Transfers indicator increased in 2021/22 because of the one time doubling of the Provincial Municipal Financial Capacity Grant.

Roof (Key Performance) FCI Indicator - Overall Assessment Dimension

Number of Deficits in the last 5 Years

2021-22 Results: **Low Risk: 0 Operating deficit in the last five years**

What does it mean? Deficits are important indications of financial health. The result indicates that the Municipality is able to meet its needs in a balanced manner and maintains a balanced budget.

Calculation: Number of non-consolidated operating deficits in the last five years = 0

- Risk Thresholds:
- Low: 0 in the last five years
 - Moderate: 1 or more in the last 5 years
 - High: 1 or more in the last 2 years with one material deficit (0.5% of operating expenses)

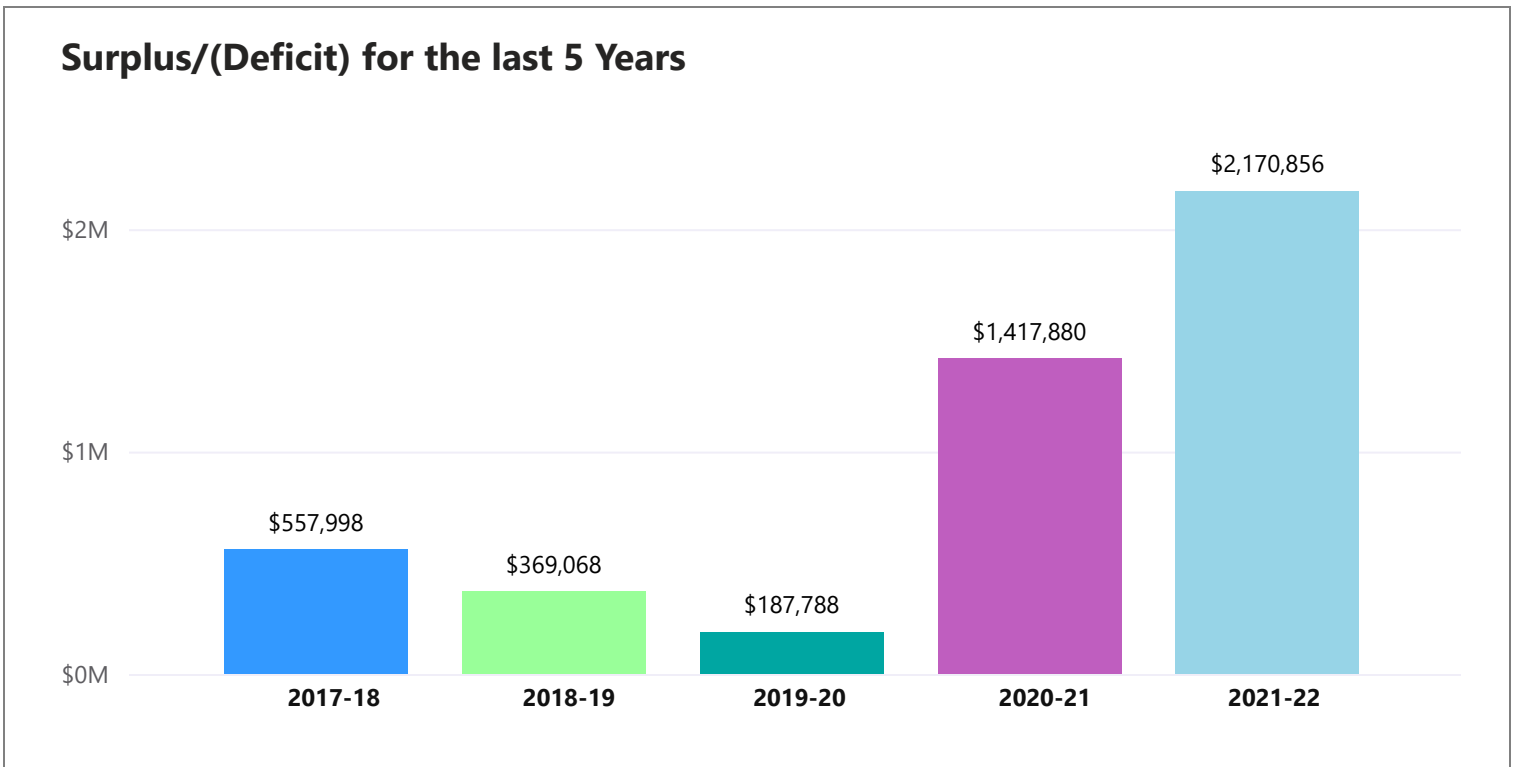


Figure 18 - Annual operating fund surplus (deficit) for the last 5 years. Source: Financial Information Return

Roof (Key Performance) FCI Indicator - Overall Assessment Dimension

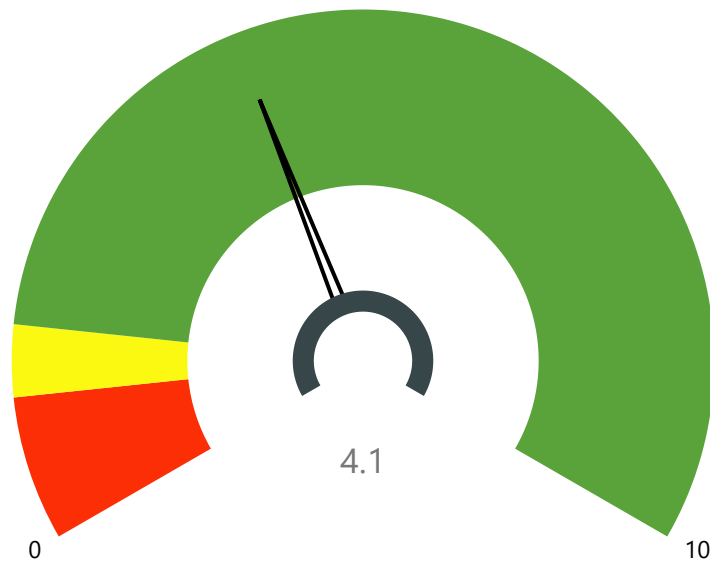
Liquidity

2021-22 Results: **Low Risk 4.1**

What does it mean? Liquidity is key to financial performance. The result indicates that the Municipality does not have a cash flow problem and is able to meet its service obligations.

Calculation:
$$\frac{\text{Total current financial assets}}{\text{Total current liabilities}} = 4.1$$

- Risk Thresholds:
- Low: Greater than 1.5
 - Moderate: 1 to 1.5
 - High: Less than 1



Roof (Key Performance) FCI Indicator - Overall Assessment Dimension

Combined Reserves

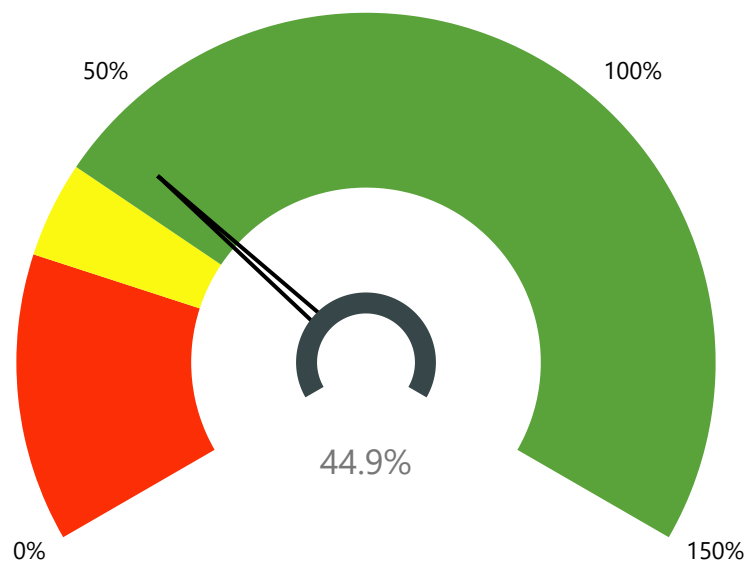
2021-22 Results: **Low Risk 44.9 %**

What does it mean? This result indicates that the Municipality does appear to have sufficient reserves needed to address unexpected events or provide flexibility to address future projects.

Calculation: Reserves are critical components of a municipality's long-term sustainability. This indicator shows the value of the funds held in the reserves compared to a single year's operation including amortization expenses.

Risk Thresholds:
$$\frac{\text{Total operating and capital reserves}}{\text{Total operating expenses plus amortization expense}} = 44.9\%$$

- Low: Greater than 40%
- Moderate: 30% to 40%
- High: Less than 30%



Appendix I - Additional Resources

Nova Scotia Government's Open Data Portal (data.novascotia.ca)

This portal provides access to various government data in a free, accessible, machine-readable format.

Financial datasets currently published through the Nova Scotia Government's Open Data Portal:

- Consolidated Revenues and Expenses by Municipality
- Municipal Affairs and Housing Funding Programs
- Farm Land Grant
- Financial Condition Indicators by Municipality
- Municipal Contributions to Roads
- Municipal Financial Capacity Grant
- Municipal Operating Fund- Summary of Revenue and Expenses by Municipality
- Municipal Operating Expenses by Function - 10 Year Summary
- Municipal Operating Revenue by Source - 10 Year Summary
- Municipal Property Tax Rates
- Nova Scotia Power Grant-in-Lieu
- Uniform Assessment

Appendix II - Municipal Website

The municipal website is amherst.ca

A municipality's website can be a helpful resource to access various financial information. Currently, most municipal websites provide:

- Audited Financial Statements
- Approved Operating Budget
- Quarterly Municipal Councilor and CAO Expense Report
- Quarterly Municipal Hospitality Expense Report

Contact Municipal Affairs and Housing

For more information, for support in action plan development, or to obtain a guide on action plan development:

municipalfinance@novascotia.ca.

