



THIRD QUARTER FINANCIAL REPORT

FOR THE PERIOD ENDED DECEMBER 31, 2018 (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 six 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, Appropriations & 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

- // 2018/19 Capital budget with actual and committed costs.

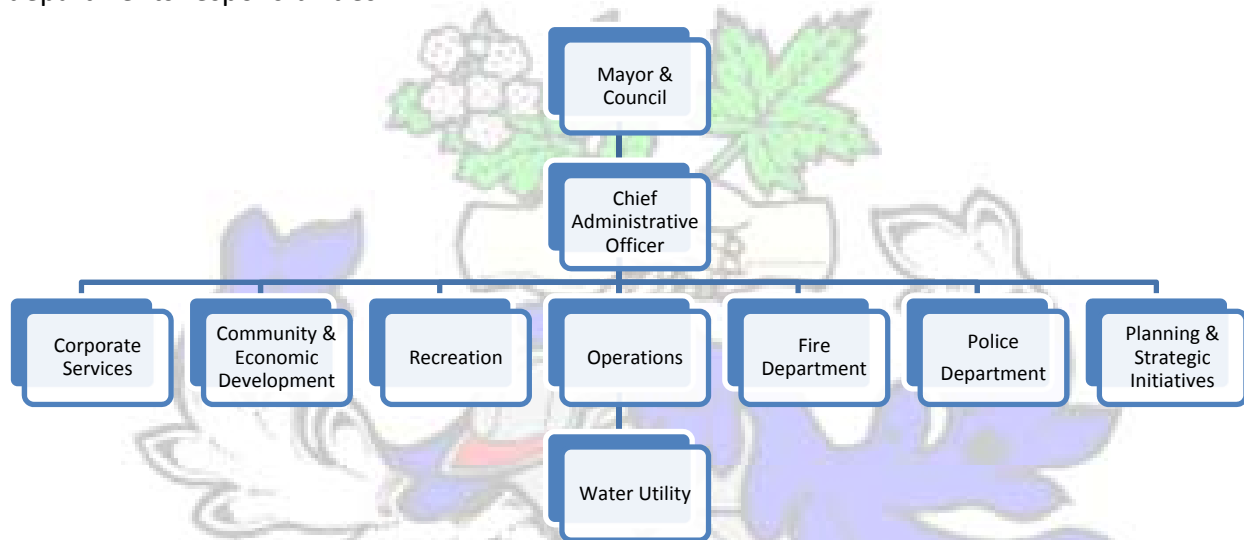
Rates, pages 13-16

- // Tax rates
- // Uniform charges
- // Sewer rates
- // Water Utility rates
- // Deed transfer tax

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
- / Fiscal Planning
- / Tax & Water/Sewer Billing
- / Collections
- / Procurement
- / Information Services

Community & Economic Development

- / Investment Attraction
- / Business Retention Expansion

Recreation

- / Stadium
- / Parks / Playgrounds
- / Wellness
- / Programming
- / Robbs
- / Community Events
- / Tourism

Operations

- / Inspections / Permits
- / Solid Waste
- / Engineering
- / Public Works
- / Sewer
- / Water

Fire Department

- / Fire Rescue
- / Hazmat

Police Department

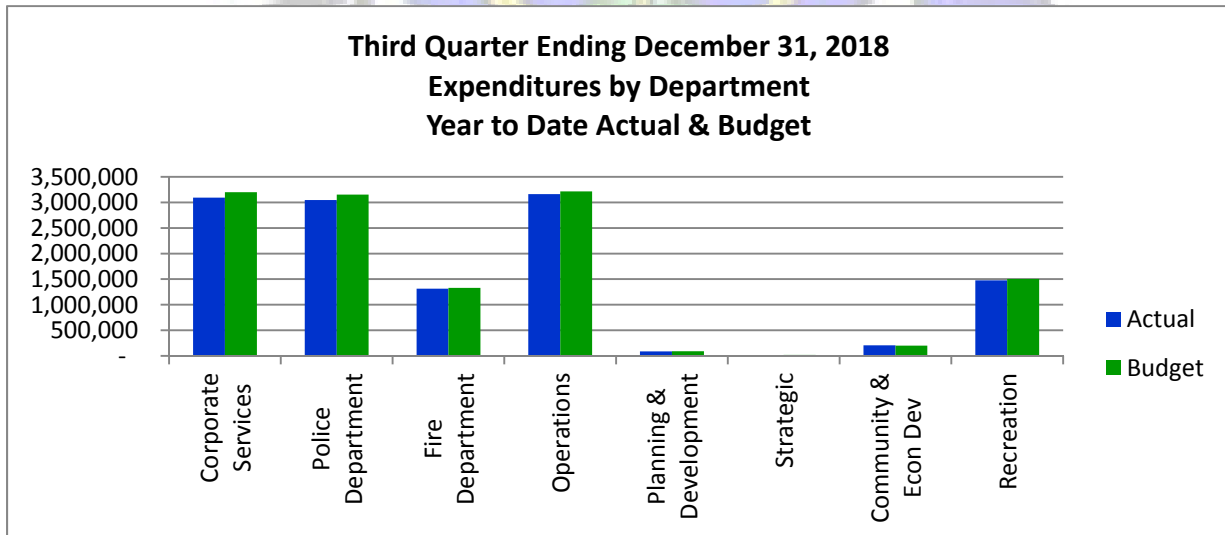
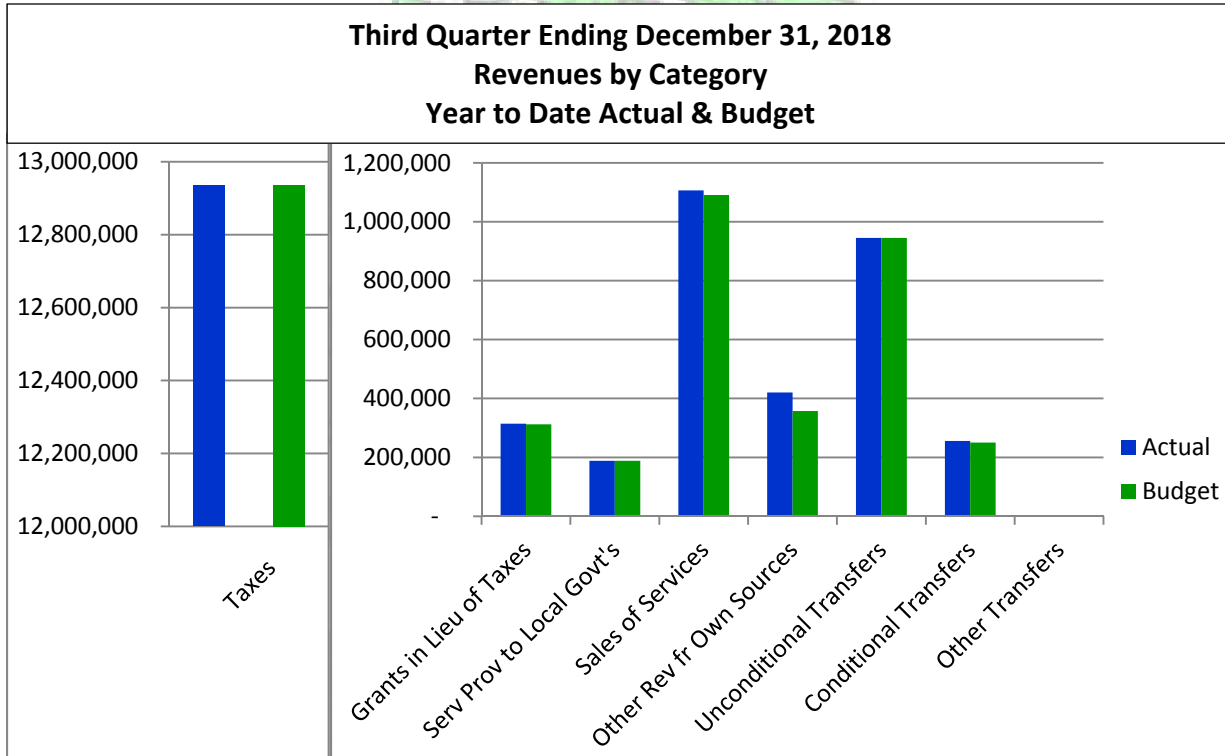
- / Crime
- / Major Crime
- / Street Crime
- / Crime Prevention
- / Community Partnerships

Planning & Strategic Initiatives

- / Planning / Development
- / Strategic Initiatives / Projects

COMMENTARY

Nine months into the 2018/19 fiscal year the general operating fund has a surplus of \$401,771 compared to budget. The Town's operating revenues are \$16,165,263 compared to the budgeted amount of \$16,079,246. The Town's expenditures at the end of the third quarter are \$12,397,478 compared to the budgeted amount of \$12,713,232.



SCHEDULE OF OPERATIONS

Town of Amherst
Schedule of Operations - General Operating Fund
For the Nine Months Ended December 31, 2018

	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
Revenues				
Taxes	\$ 12,866,235	\$ 12,934,854	\$ 12,935,567	-\$ 713
Grants in Lieu of Taxes	320,015	314,628	311,991	2,637
Services Provided to Other Local	186,323	188,379	188,208	171
Sales of Services	1,070,206	1,106,589	1,090,641	15,948
Other Revenue from Own Sources	378,535	420,060	357,552	62,508
Unconditional Transfers	945,288	945,288	945,287	1
Conditional Transfers	230,792	255,465	250,000	5,465
Other Transfers	26,400	-	-	-
Total Revenues	16,023,794	16,165,263	16,079,246	86,017
Expenditures				
Wages & Benefits	5,916,888	6,107,725	6,269,172	- 161,447
Administrative Costs	425,657	571,710	593,324	- 21,614
Building & Facility Costs	621,836	657,913	661,271	- 3,358
Vehicle & Equipment Costs	286,432	266,812	271,638	- 4,826
Materials & Supplies	234,533	348,802	352,799	- 3,997
Grants to Organizations	58,550	160,129	158,782	1,347
Other Municipal Costs	896,995	866,629	836,000	30,629
Fiscal Services	3,092,985	2,892,002	2,955,611	- 63,609
Fire Protection Charge	479,493	503,893	512,432	- 8,539
Tax Exemptions	99,454	115,971	114,611	1,360
Cost Recovery	- 156,302	- 94,108	- 12,408	- 81,700
Total Expenditures	11,956,521	12,397,478	12,713,232	- 315,754
Surplus	4,067,273	\$ 3,767,785	\$ 3,366,014	\$ 401,771

SCHEDULE OF OPERATIONS (cont'd)

Town of Amherst Schedule of Operations - General Operating Fund Departmental, Appropriations and Mandatory Expenditures For the Nine Months Ended December 31, 2018				
	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
Departmental Expenditures				
Corporate	\$ 1,293,451	\$ 1,497,935	\$ 1,584,430	-\$ 86,495
Police	3,130,242	3,045,042	3,152,173	- 107,131
Economic Development	149,011	206,055	201,532	4,523
Recreation	1,373,000	1,475,387	1,503,726	- 28,339
Fire	1,234,874	1,313,273	1,329,696	- 16,423
Operations	1,602,441	1,808,975	1,869,383	- 60,408
Solid Waste	409,144	400,816	388,134	12,682
Sewage	910,297	951,589	958,732	- 7,143
Planning & Development	107,091	87,092	90,139	- 3,047
Strategic	140	15,430	19,780	- 4,350
Total Departmental Expenditures	10,209,691	10,801,594	11,097,725	- 296,131
Appropriations				
Appropriation Capital Reserve	-	-	-	-
Appropriation Operating Reserve	52,691	-	-	-
Appropriation General Capital	65,357	-	-	-
Total Appropriations	118,048	-	-	-
Mandatory Expenditures				
Assessment Services	116,575	117,012	117,158	- 146
Corrections	86,361	85,524	86,793	- 1,269
Housing	238,071	192,793	211,000	- 18,207
Education	1,187,775	1,200,555	1,200,556	- 1
Total Mandatory Expenditures	1,628,782	1,595,884	1,615,507	- 19,623
Grand Total Expenditures	\$ 11,956,521	\$ 12,397,478	\$ 12,713,232	-\$ 315,754

SCHEDULE OF OPERATIONS (cont'd)

Compared to budget, the Water Operating Fund is showing a surplus of \$45,819 at the end of the third quarter. Revenues are over budget by \$13,884 and expenditures are under budget by \$31,935.

Town of Amherst
Schedule of Operations - Water Operating Fund
For the Nine Months Ended December 31, 2018

	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
Revenues				
Sale of Services	\$ 6,010	\$ 3,517	\$ 2,890	\$ 627
Interest on o/s Water A/R	5,922	4,702	4,300	402
Misc Rev & Inc fr Other Non Utility	1,220	1,025	1,250	- 225
Metered Sales	838,994	905,645	901,296	4,349
Flat Rate Sales	113,545	120,360	120,360	-
Bulk Water Sales	10,675	8,700	3,370	5,330
Fire Protection	562,089	600,279	600,278	1
Private Hydrants	10,250	14,750	11,500	3,250
Sprinkler Service	13,900	15,150	15,000	150
Total Revenues	1,562,605	1,674,128	1,660,244	13,884
Expenditures				
Wages & Benefits	491,995	514,010	520,709	- 6,699
Adminstrative Costs	53,438	55,947	58,937	- 2,990
Building & Facility Costs	145,369	167,258	161,277	5,981
Vehicle & Equipment Costs	45,555	44,601	49,675	- 5,074
Materials & Supplies	150,737	140,984	146,909	- 5,925
Other Municipal Costs	127,648	153,359	163,418	- 10,059
Fiscal Services	87,706	83,154	90,323	- 7,169
Cost Recovery	-	-	-	-
Total Expenditures	1,102,448	1,159,313	1,191,248	- 31,935
Surplus	\$ 460,157	\$ 514,815	\$ 468,996	\$ 45,819

STATEMENT OF FINANCIAL POSITION

Town of Amherst
Consolidated Statement of Financial Position
As at December 31, 2018

	As at December 31, 2018	As at December 31, 2017
Financial Assets		
Cash and cash equivalents	\$ 7,192,719	\$ 3,788,591
Receivables	1,545,962	2,015,768
	<u>8,738,681</u>	<u>5,804,359</u>
Liabilities		
Accounts payable and accrued liabilities	1,569,314	2,375,410
Deferred revenue	4,072,668	267,852
Long term debt	9,702,567	9,643,949
	<u>15,344,549</u>	<u>12,287,211</u>
Net assets (debt)	- 6,605,868	- 6,482,852
Non-financial assets		
Prepaid expenses	8,113	2,716
Inventories of supplies	107,767	131,128
Capital assets (net of accumulated amortization)	57,813,102	54,673,999
Capital work in progress	7,759,209	8,426,775
	<u>65,688,192</u>	<u>63,234,618</u>
Accumulated surplus	<u>\$ 59,082,323</u>	<u>\$ 56,751,766</u>

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

CAPITAL BUDGET

Town of Amherst Capital Budget - 2018/19 Projects		Total Actual Committed & WIP Costs at Dec 31/18	2018/19 Budget
WATER			
Water Reservoir Replacement (CWWF project) <i>(carry over)</i>		907,277	915,876
Willow Street ~ Spring to East Pleasant watermain replacement - including portion of paving & culvert <i>(extension of CWWF project)</i>		1,621,228	1,797,332
East Pleasant Street - Church to Central watermain replacement		300,367	300,000
New service truck		-	43,750
Land Purchase within wellfield protected area		-	55,000
Fire Hydrant Replacement		-	12,500
Water Meter Replacement		-	12,500
WATER TOTAL		2,828,872	3,136,958
GENERAL CAPITAL			
TRANSPORTATION & PUBLIC WORKS			
EQUIPMENT			
Via Rail Station ~ new furnace <i>(carry over)</i>		-	7,000
Truck Mounted Line Striping System (centreline painter)		73,450	75,000
Subtotal		73,450	82,000
BUILDINGS / LAND			
Library Heating Issues <i>(carry over)</i>		-	100,000
Net Zero Energy - recommendation from feasibility study <i>(carry over)</i>		-	50,000
Video live stream of Council Meetings <i>(carry over)</i>		9,550	25,000
Highway Signs (Economic Development)		12,558	15,000
Subtotal		22,108	190,000
LARGE MULTI - CATEGORY PROJECTS			
East Pleasant ~ Church to Central - street reconstruction, sanitary sewer, storm sewer, curb		559,390	505,000
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		522,614	535,000
Subtotal		1,082,003	1,040,000

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Dec 31/18	2018/19 Budget
STREETS		
Church Street micro seal <i>(carry over)</i>	48,402	50,000
Derby Street - pave gravel section at bottom and curb	65,283	90,000
Tantramar (Overlay)	108,228	100,000
Subtotal	221,913	240,000
<i>RC = Reconstruction and paving; CM = Cold mill and Paving; P = Pulverize and paving; O = Asphalt Overlay</i>		
SIDEWALKS		
Victoria Street West (Arlington to Hickman) - replace with concrete sidewalk	29,415	100,000
Robert Angus Drive - Church to Willow - Gravel Trail <i>(Active Transportation Plan)</i>	7,342	62,500
Willow Street - Robert Angus Drive to East Pleasant - Gravel Trail <i>(Active Transportation Plan)</i>	8,918	62,500
South Albion Street - Robert Angus Drive to Canadian Tire - Off Street Asphalt Trail <i>(Active Transportation Plan)</i>	102,909	100,000
Subtotal	148,584	325,000
SANITARY SEWER		
Racetrack Road - Pump Station Upgrades (Surcharge Tank)	-	50,000
FIRE DEPARTMENT		
Replacement of structural firefighting bunker gear (6-10 sets)	-	20,000
Replacement - Self Contained Breathing Apparatus (SCBA) (Qty 6-9)	-	72,000
Replacement - Breathing Air cylinders	-	10,000
Fire extinguisher / Fire simulation trainer	-	46,000
New Truck - replace unit # 101	44,186	50,000
New Truck - replace unit # 7 - Heavy duty truck (5 passenger)	65,744	80,000
Fire Station Bldg Repairs - Repair floor and wall finishes in south entrance	-	7,000
Fire Station Bldg Repairs - Replace the two main exterior entrances	-	18,000
Subtotal	109,930	303,000

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Dec 31/18	2018/19 Budget
POLICE DEPARTMENT		
Vehicle - Patrol Car 3 <i>(carry over)</i>	38,694	45,000
Radio Console - Dispatch <i>(carry over)</i>	-	50,000
Cell Blocks - Acoustic Panels and Mics	-	12,000
Body Armour - 17 Units	-	35,000
Patrol Vehicle # 5 SUV 4X4	-	75,000
Patrol Vehicle # 1	34,029	49,000
Subtotal	72,723	266,000
RECREATION		
CARRY OVERS		
Park/Decorative Land Development - Four Fathers monument (100 Victoria - beside Town hall) <i>(carry over)</i>	18,889	25,000
Robb's Fencing <i>(carry over)</i>	20,000	20,000
Dickey Park - Field Development - Goal Posts & Nets <i>(carry over)</i>	-	47,203
Subtotal	38,889	92,203
STADIUM		
Stadium Sound System - replace speakers <i>(carry over \$25,000 + \$65,000 NEW = \$90,000)</i>	89,875	90,000
Stadium - Ice Plant Reconditioning	14,750	30,000
Stadium Rink Boards	28,047	25,000
Stadium - Wifi Upgrade	36,849	22,000
Stadium - Dehumidifiers	47,826	55,000
Subtotal	217,347	222,000
PARKS		
West Highland (Lions) Park Development - phase 2 washrooms, etc	-	12,500
Christie Park - repairing bricks & steps	-	15,000
Subtotal	-	27,500

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Dec 31/18	2018/19 Budget
RECREATION (cont'd)		
OTHER		
Dog Park (<i>carry over \$25,000 + \$10,000 NEW = \$35,000</i>)	35,408	35,000
Murals - restoration/repair	-	10,000
Subtotal	35,408	45,000
ROBBS		
Robb's - New Roof	2,608	24,000
Robb's Lighting	-	10,000
Subtotal	2,608	34,000
FIXTURES		
Decorative Lighting	-	30,000
VEHICLES/EQUIPMENT		
New Tractor - to replace 2004 Kubota Tractor	-	35,000
Commercial overseeder / aerator	6,342	7,000
Subtotal	6,342	42,000
Recreation Total	300,594	492,703
GENERAL TOTAL	2,031,306	2,988,703
GRAND TOTAL WATER & GENERAL	4,860,178	6,125,661

RATES

Tax & Area Rates

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, 2018. 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 28, 2018.

The Town of Amherst has two area rates on all property tax assessments; Mandatory Provincial Contributions and Community Support. In 2018/19 the Town reduced the Mandatory Provincial Contribution Area Rate by two cents and increased the general tax rate by two cents for residential and commercial. The Community Support Area Rate also increased by a half of one cent. The net effect of the rate changes for 2018/19 is an increase of a half of one cent for both residential and commercial.

Mandatory Provincial Contributions Area Rate includes:

- Education
 - The Town is required to provide funding to the Chignecto Central Regional School Board 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.
- 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.

Community Support Area Rate includes support to the following organizations/events:

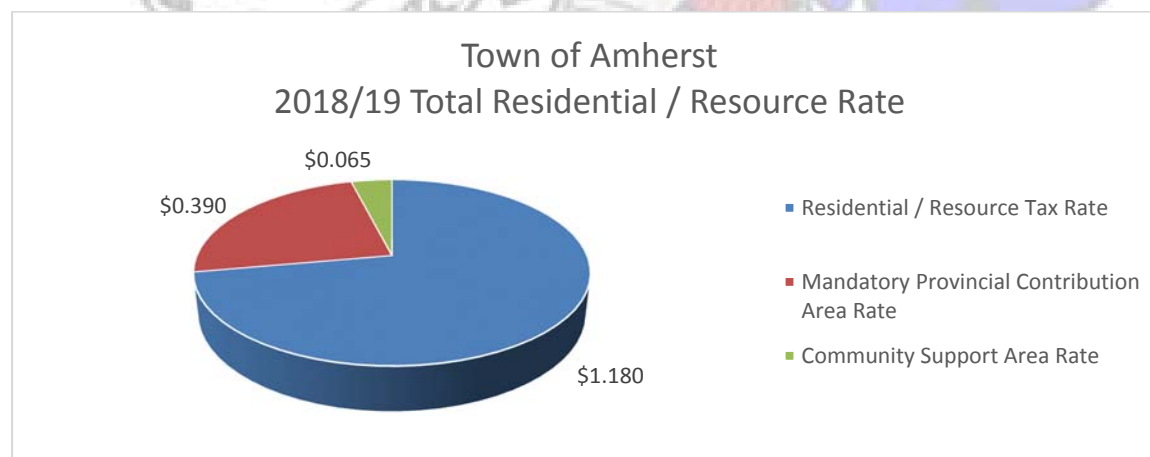
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| Grants to Organizations | Community Events |
| Tax Exemption By Law | Cumberland YMCA |
| Tax Reduction Policy | |

RATES (cont'd)

All tax and area rates are per \$100 of Assessment. The rates are as follows:

Residential / Resource	<u>2017/18</u>	<u>2018/19</u>
Residential / Resource Tax Rate	\$1.16	\$1.180
Mandatory Provincial Contributions Area Rate	\$0.41	\$0.390
Community Support Area Rate	<u>\$0.06</u>	<u>\$0.065</u>
Total Residential / Resource Rate	\$1.63	\$1.635
Commercial	<u>2017/18</u>	<u>2018/19</u>
Commercial Tax Rate	\$3.96	\$3.980
Mandatory Provincial Contributions Area Rate	\$0.41	\$0.390
Community Support Area Rate	<u>\$0.06</u>	<u>\$0.065</u>
Total Commercial Rate	\$4.43	\$4.435

Below is a graphic representation of the total residential / resource rate of \$1.635:



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 2018/19 fiscal year the deed transfer tax will increased from 1.0% to 1.25% effective July 1, 2018.

RATES (cont'd)

Uniform Charges

Solid Waste Management Uniform Charge

- ℓ 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.
- ℓ The uniform charge for 2018/19 to be levied is \$175 (2017/18 - \$160).

Wastewater Treatment Facility Uniform Charge

- ℓ 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.
- ℓ The uniform charge for unmetered mobile homes within a land leased community for 2018/19 to be levied is \$72 (2017/18 - \$72).

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:

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

Sewer Consumption Rate (per cubic meter)

- ℓ Residential - \$0.99 per cubic meter of metered water consumption
- ℓ Commercial - \$0.49 per cubic meter of metered water consumption

Sewer Base Charges (Quarterly)

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

- ℓ Sewer Non-Metered Customers

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

RATES (cont'd)

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 2018/19 fiscal year, the rates are as follows:

Water Base Charges (Quarterly)

Un Metered \$ 80.24

Size of Meter

5/8" \$ 30.74

3/4" \$ 44.78

1" \$ 72.86

1.5" \$ 143.06

2" \$ 227.29

3" \$ 451.91

4" \$ 704.62

6" \$1,406.57

8" \$2,529.69

Water Consumption Rate (per cubic meter)

\$0.728 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.