



# **SECOND QUARTER FINANCIAL REPORT**

## **FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UNAUDITED)**

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**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.

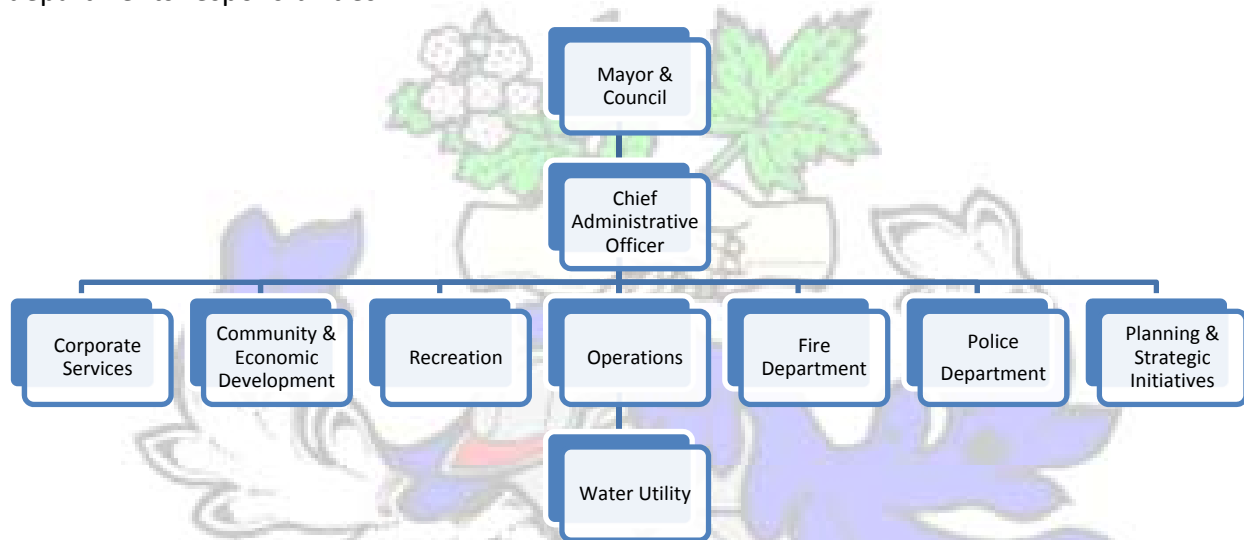
*Rates, pages 13-16*

- ▮ 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

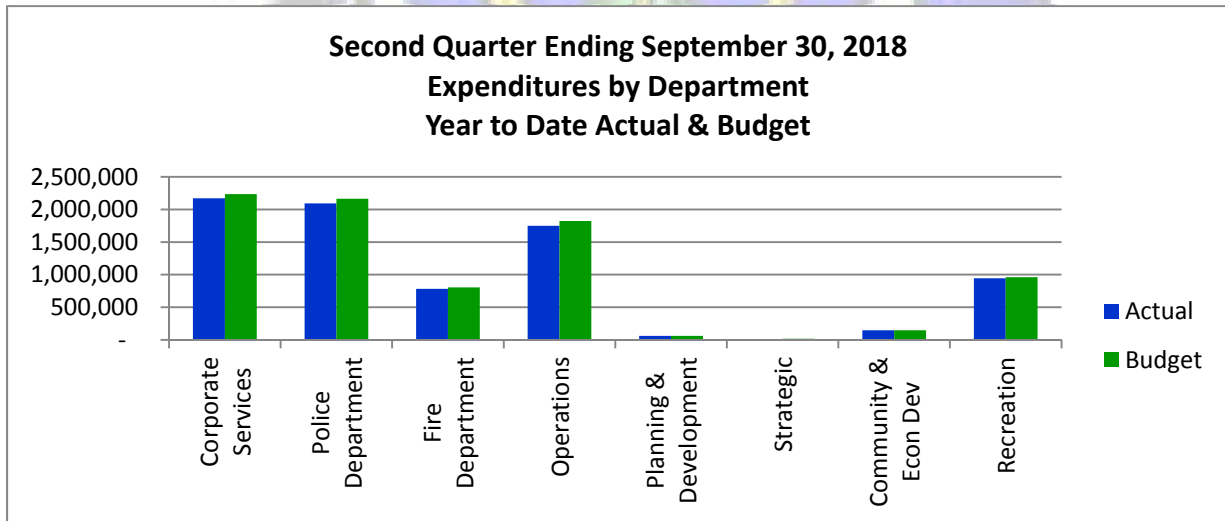
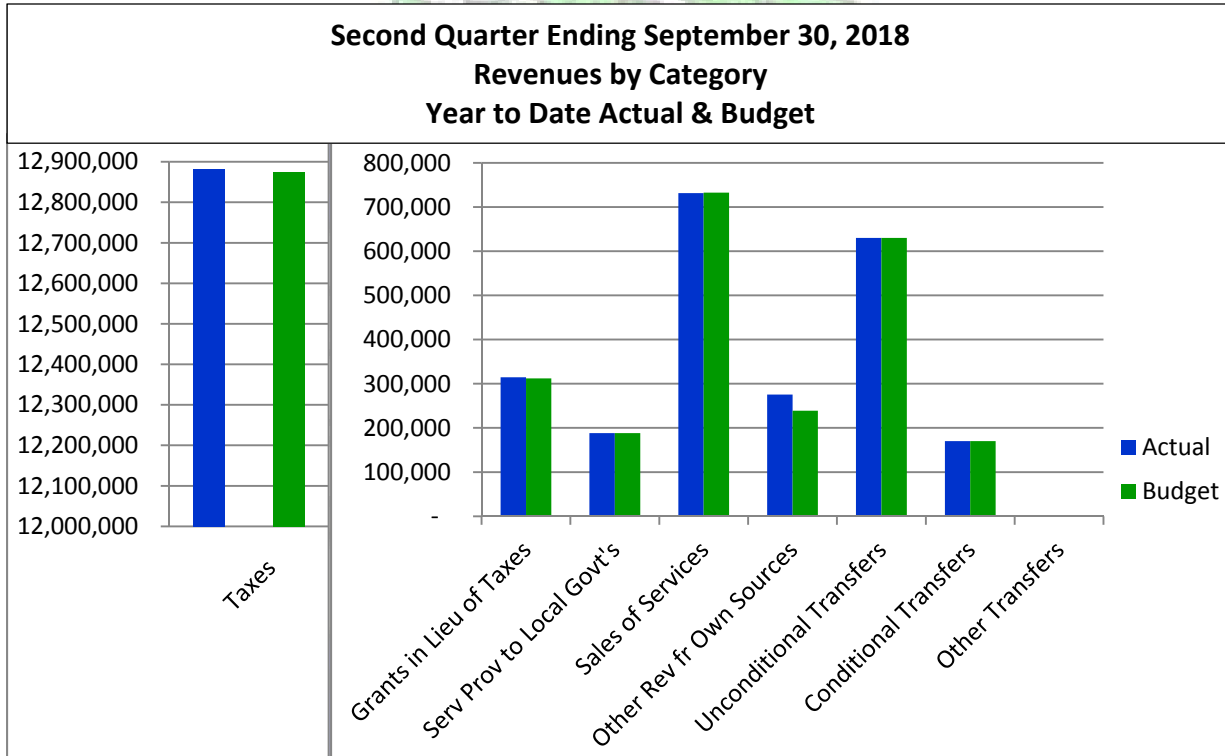
- / Crime
- / Major Crime
- / Street Crime
- / Crime Prevention
- / Community Partnerships

### Planning & Strategic Initiatives

- / Planning / Development
- / Strategic Initiatives / Projects

## COMMENTARY

Six months into the 2018/19 fiscal year the general operating fund has a surplus of \$298,984 compared to budget. The Town's operating revenues are \$15,192,076 compared to the budgeted amount of \$15,146,224. The Town's expenditures at the end of the second quarter are \$7,959,259 compared to the budgeted amount of \$8,212,391.



## SCHEDULE OF OPERATIONS

**Town of Amherst**  
**Schedule of Operations - General Operating Fund**  
**For the Six Months Ended September 30, 2018**

	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
<b>Revenues</b>				
Taxes	\$ 12,788,421	\$ 12,881,923	\$ 12,874,127	\$ 7,796
Grants in Lieu of Taxes	320,257	314,625	311,991	2,634
Services Provided to Other Local	186,323	188,379	188,208	171
Sales of Services	720,130	731,615	732,702	- 1,087
Other Revenue from Own Sources	231,176	275,342	239,005	36,337
Unconditional Transfers	630,192	630,192	630,191	1
Conditional Transfers	150,000	170,000	170,000	-
Other Transfers	-	-	-	-
<b>Total Revenues</b>	<b>15,026,499</b>	<b>15,192,076</b>	<b>15,146,224</b>	<b>45,852</b>
<b>Expenditures</b>				
Wages & Benefits	3,865,842	3,945,256	4,102,346	- 157,090
Administrative Costs	301,841	393,525	405,315	- 11,790
Building & Facility Costs	389,974	418,718	432,278	- 13,560
Vehicle & Equipment Costs	205,396	188,172	199,181	- 11,009
Materials & Supplies	181,702	236,848	254,925	- 18,077
Grants to Organizations	50,300	118,357	118,357	-
Other Municipal Costs	569,204	565,721	543,955	21,766
Fiscal Services	1,753,143	1,687,680	1,707,967	- 20,287
Fire Protection Charge	316,572	333,082	341,622	- 8,540
Tax Exemptions	98,254	115,521	114,611	910
Cost Recovery	- 108,801	- 43,621	- 8,166	- 35,455
<b>Total Expenditures</b>	<b>7,623,427</b>	<b>7,959,259</b>	<b>8,212,391</b>	<b>- 253,132</b>
<b>Surplus</b>	<b>7,403,072</b>	<b>\$ 7,232,817</b>	<b>\$ 6,933,833</b>	<b>\$ 298,984</b>

SCHEDULE OF OPERATIONS (cont'd)

<b>Town of Amherst</b> <b>Schedule of Operations - General Operating Fund</b> <b>Departmental, Appropriations and Mandatory Expenditures</b> <b>For the Six Months Ended September 30, 2018</b>				
	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
<b>Departmental Expenditures</b>				
Corporate	\$ 896,276	\$ 1,032,201	\$ 1,076,562	-\$ 44,361
Police	2,098,784	2,092,912	2,163,255	- 70,343
Economic Development	99,127	146,699	147,245	- 546
Recreation	866,790	944,151	961,840	- 17,689
Fire	734,066	782,342	805,487	- 23,145
Operations	984,792	1,077,616	1,140,003	- 62,387
Solid Waste	280,816	262,178	250,089	12,089
Sewage	377,696	410,092	431,697	- 21,605
Planning & Development	71,765	60,658	62,332	- 1,674
Strategic	110	12,472	16,780	- 4,308
<b>Total Departmental Expenditures</b>	<b>6,410,222</b>	<b>6,821,321</b>	<b>7,055,290</b>	<b>- 233,969</b>
<b>Appropriations</b>				
Appropriation Capital Reserve	-	-	-	-
Appropriation Operating Reserve	52,691	-	-	-
Appropriation General Capital	-	-	-	-
<b>Total Appropriations</b>	<b>52,691</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Mandatory Expenditures</b>				
Assessment Services	87,431	87,759	87,869	- 110
Corrections	57,574	57,016	57,862	- 846
Housing	238,071	192,793	211,000	- 18,207
Education	777,438	800,370	800,370	-
<b>Total Mandatory Expenditures</b>	<b>1,160,514</b>	<b>1,137,938</b>	<b>1,157,101</b>	<b>- 19,163</b>
<b>Grand Total Expenditures</b>	<b>\$ 7,623,427</b>	<b>\$ 7,959,259</b>	<b>\$ 8,212,391</b>	<b>-\$ 253,132</b>

## SCHEDULE OF OPERATIONS (cont'd)

Compared to budget, the Water Operating Fund is showing a surplus of \$23,098 at the end of the second quarter. Revenues are under budget by \$4,864 and expenditures are also under budget by \$27,962.

**Town of Amherst**  
**Schedule of Operations - Water Operating Fund**  
**For the Six Months Ended September 30, 2018**

	2017/18 Actual	2018/19 Actual	2018/19 Budget	2018/19 Variance
<b>Revenues</b>				
Sale of Services	\$ 4,232	\$ 1,513	\$ 1,500	\$ 13
Interest on o/s Water A/R	2,833	3,436	2,800	636
Misc Rev & Inc fr Other Non Utility	300	275	650	- 375
Metered Sales	555,662	595,701	608,144	- 12,443
Flat Rate Sales	75,347	80,240	80,240	-
Bulk Water Sales	2,725	7,275	3,370	3,905
Fire Protection	399,168	429,468	429,468	-
Private Hydrants	10,250	14,750	11,500	3,250
Sprinkler Service	13,900	15,150	15,000	150
<b>Total Revenues</b>	<b>1,064,417</b>	<b>1,147,808</b>	<b>1,152,672</b>	<b>- 4,864</b>
<b>Expenditures</b>				
Wages & Benefits	320,842	332,695	352,553	- 19,858
Administrative Costs	41,016	34,396	35,946	- 1,550
Building & Facility Costs	109,331	125,362	116,908	8,454
Vehicle & Equipment Costs	31,628	25,191	31,064	- 5,873
Materials & Supplies	86,707	97,725	102,674	- 4,949
Other Municipal Costs	78,917	99,450	103,636	- 4,186
Fiscal Services	23,106	21,809	21,809	-
Cost Recovery	-	-	-	-
<b>Total Expenditures</b>	<b>691,547</b>	<b>736,628</b>	<b>764,590</b>	<b>- 27,962</b>
<b>Surplus</b>	<b>\$ 372,870</b>	<b>\$ 411,180</b>	<b>\$ 388,082</b>	<b>\$ 23,098</b>



## STATEMENT OF FINANCIAL POSITION

**Town of Amherst**  
**Consolidated Statement of Financial Position**  
**As at September 30, 2018**

	As at September 30, 2018	As at September 30, 2017
<b>Financial Assets</b>		
Cash and cash equivalents	\$ 9,440,777	\$ 10,133,515
Receivables	2,861,094	3,072,424
	<u>12,301,871</u>	<u>13,205,940</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,988,147	2,370,808
Deferred revenue	4,088,519	257,452
Long term debt	8,785,890	9,643,949
	<u>14,862,556</u>	<u>12,272,209</u>
<b>Net assets (debt)</b>	- 2,560,685	933,731
<b>Non-financial assets</b>		
Prepaid expenses	10,041	10,016
Inventories of supplies	108,094	130,438
Capital assets (net of accumulated amortization)	57,813,102	54,673,999
Capital work in progress	6,714,248	2,339,844
	<u>64,645,485</u>	<u>57,154,296</u>
<b>Accumulated surplus</b>	<u>\$ 62,084,800</u>	<u>\$ 58,088,027</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 Sept 30/18	2018/19 Budget
<b>WATER</b>			
Water Reservoir Replacement (CWWF project) <i>(carry over)</i>		796,948	915,876
Willow Street ~ Spring to East Pleasant watermain replacement - including portion of paving & culvert <i>(extension of CWWF project)</i>		26,849	1,797,332
East Pleasant Street - Church to Central watermain replacement		227,080	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
<b>WATER TOTAL</b>		<b>1,050,877</b>	<b>3,136,958</b>
<b>GENERAL CAPITAL</b>			
<b>TRANSPORTATION &amp; PUBLIC WORKS</b>			
<b>EQUIPMENT</b>			
Via Rail Station ~ new furnace <i>(carry over)</i>		-	7,000
Truck Mounted Line Striping System (centreline painter)		73,450	75,000
Subtotal		<b>73,450</b>	<b>82,000</b>
<b>BUILDINGS / LAND</b>			
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>		-	25,000
Highway Signs (Economic Development)		4,057	15,000
Subtotal		<b>4,057</b>	<b>190,000</b>
<b>LARGE MULTI - CATEGORY PROJECTS</b>			
East Pleasant ~ Church to Central - street reconstruction, sanitary sewer, storm sewer, curb		350,271	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		1,669	535,000
Subtotal		<b>351,940</b>	<b>1,040,000</b>

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Sept 30/18	2018/19 Budget
<b>STREETS</b>		
Church Street micro seal <i>(carry over)</i>	48,402	50,000
Derby Street - pave gravel section at bottom and curb	877	90,000
Tantramar (Overlay)	43	100,000
Subtotal	<b>49,322</b>	<b>240,000</b>
<i>RC = Reconstruction and paving; CM = Cold mill and Paving; P = Pulverize and paving; O = Asphalt Overlay</i>		
<b>SIDEWALKS</b>		
Victoria Street West (Arlington to Hickman) - replace with concrete sidewalk	-	100,000
Robert Angus Drive - Church to Willow - Gravel Trail <i>(Active Transportation Plan)</i>	-	62,500
Willow Street - Robert Angus Drive to East Pleasant - Gravel Trail <i>(Active Transportation Plan)</i>	-	62,500
South Albion Street - Robert Angus Drive to Canadian Tire - Off Street Asphalt Trail <i>(Active Transportation Plan)</i>	2,910	100,000
Subtotal	<b>2,910</b>	<b>325,000</b>
<b>SANITARY SEWER</b>		
Racetrack Road - Pump Station Upgrades (Surcharge Tank)	-	<b>50,000</b>
<b>FIRE DEPARTMENT</b>		
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)	-	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	<b>44,186</b>	<b>303,000</b>

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Sept 30/18	2018/19 Budget
<b>POLICE DEPARTMENT</b>		
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	-	49,000
Subtotal	<b>38,694</b>	<b>266,000</b>
<b>RECREATION</b>		
<b>CARRY OVERS</b>		
Park/Decorative Land Development - Four Fathers monument (100 Victoria - beside Town hall) ( <i>carry over</i> )	8,813	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	<b>28,813</b>	<b>92,203</b>
<b>STADIUM</b>		
Stadium Sound System - replace speakers ( <i>carry over \$25,000</i> + \$65,000 NEW = \$90,000)	89,875	90,000
Stadium - Ice Plant Reconditioning	14,750	30,000
Stadium Rink Boards	17,836	25,000
Stadium - Wifi Upgrade	36,849	22,000
Stadium - Dehumidifiers	47,826	55,000
Subtotal	<b>207,136</b>	<b>222,000</b>
<b>PARKS</b>		
West Highland (Lions) Park Development - phase 2 washrooms, etc	-	12,500
Christie Park - repairing bricks & steps	-	15,000
Subtotal	<b>-</b>	<b>27,500</b>

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2018/19 Projects	Total Actual Committed & WIP Costs at Sept 30/18	2018/19 Budget
<b>RECREATION (cont'd)</b>		
<b>OTHER</b>		
Dog Park ( <i>carry over \$25,000 + \$10,000 NEW = \$35,000</i> )	-	35,000
Murals - restoration/repair	-	10,000
Subtotal	-	<b>45,000</b>
<b>ROBBS</b>		
Robb's - New Roof	2,608	24,000
Robb's Lighting	-	10,000
Subtotal	<b>2,608</b>	<b>34,000</b>
<b>FIXTURES</b>		
Decorative Lighting	-	<b>30,000</b>
<b>VEHICLES/EQUIPMENT</b>		
New Tractor - to replace 2004 Kubota Tractor	-	35,000
Commercial overseeder / aerator	-	7,000
Subtotal	-	<b>42,000</b>
<b>Recreation Total</b>	<b>238,557</b>	<b>492,703</b>
<b>GENERAL TOTAL</b>	<b>803,116</b>	<b>2,988,703</b>
<b>GRAND TOTAL WATER &amp; GENERAL</b>	<b>1,853,993</b>	<b>6,125,661</b>









## 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:

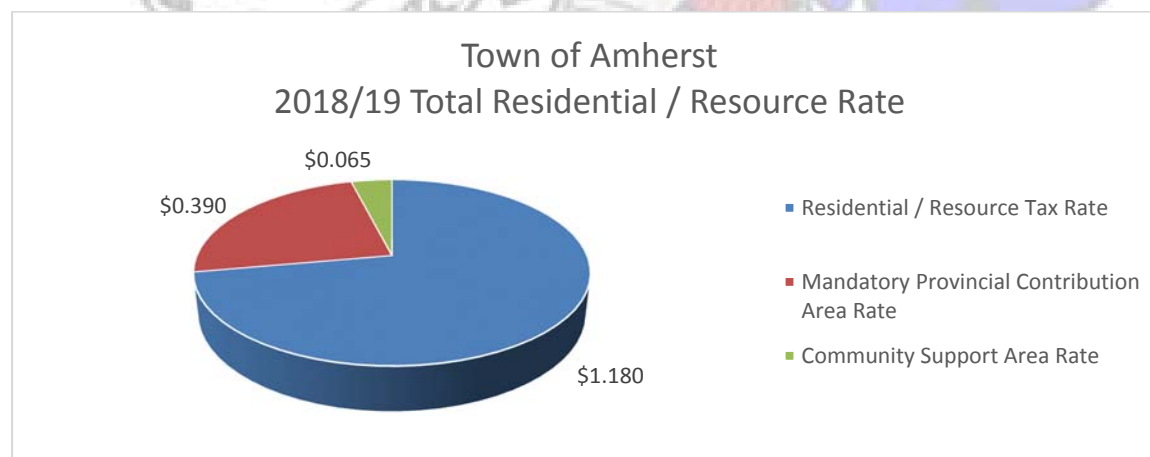
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|---|--|
|  Grants to Organizations |  Community Events |
|  Tax Exemption By Law    |  Cumberland YMCA  |
|  Tax Reduction Policy    |  |

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

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.