



MEDIA RELEASE

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RE: Amherst ends 2017-18 fiscal year with 558,000 surplus

AMHERST, Nova Scotia – The Town of Amherst ended the 2017-18 fiscal year with a \$558,000 surplus, according to audited financial statements accepted by Amherst town council on Sept. 24.

The main drivers for the surplus were municipal contributions to housing, which came in \$101,900 under budget, wages and benefits, which came in \$87,700 under budget, mainly due to vacancies that have since been filled, and, due to last year's warm winter, the cost of fuel and natural gas, which came in \$71,300 under budget.

The surplus was transferred to the operating reserve as required.

In keeping with the town's philosophy of minimizing debt, surplus funds in the operating reserve were used to pay for the new fire truck, which cost \$525,907. This transfer saves the town \$168,929 in long-term borrowing costs because the town won't have to borrow money to pay for the fire truck.

The statements also show the town's departments all came in within budget. They also show the operating and capital reserves continue to be healthy, with an operating reserve balance of \$3 million and almost \$1.6 million in the capital reserve.

In addition, the documents show the town spent almost \$4.6 million on capital projects during the last fiscal year. About \$1.5 million was spent on East Victoria Street replacing sanitary sewers, storm sewers, sidewalks and curbing, and repaving the street. About \$1.6 million was spent on storm water separation on Station Street. These were the two largest projects for fiscal 2018.

The town forecasts its financial condition indices will be healthy again this year and very similar to last year's scores, which showed the town to be in a strong financial position. The Department of Municipal Affairs is expected to release the official 2018 scores in early 2019.



The financial statements also indicated the Amherst Water Utility ended the year with a \$203,314 surplus. However, council approved using \$197,297 of it to pay for capital projects instead of borrowing money to fund the work. The move saves the town about \$67,000 in long-term borrowing costs.

“In a time when we see that many municipal units are struggling financially its reassuring to know that we’ve had another solid year financially,” Mayor David Kogon said.

Auditors Jorgensen & Bickerton Inc. said it was their opinion the financial statements “present fairly, in all material respects, the financial position of the Town of Amherst as at March 31, 2018.”

The also indicated the accounting work carried out by town staff was done in accordance with public sector standards.

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