



Town of Amherst
Audit Committee

Agenda

Date: **Tuesday, March 7, 2023**
Time: **4:00 pm**
Location: **Council Chambers, Town Hall**

	Pages
1. CALL TO ORDER	
1.1 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.”	
2. APPROVAL OF AGENDA	
3. APPROVAL OF MINUTES - November 8, 2022	3 - 4
4. ELECTION OF CHAIR AND VICE CHAIR	5 - 8
5. THIRD QUARTER FINANCIAL REPORT	9 - 23
5.1 Capital Budget Actuals-to-Date	24 - 26
6. MUNICIPAL PROFILE FCI RESULTS 2020/21	27 - 64
6.1 Financial Condition Indicators - History with Other Comparable Municipal Units	65 - 65
7. INVENTORY CONTROL OF NON-CAPITAL EQUIPMENT DRAFT POLICY	66 - 67
8. IN CAMERA	
8.1 Approval of Minutes	
8.1.1 December 7, 2022	
8.1.2 November 8, 2022	

9. ADJOURN

**Town of Amherst
Audit Committee
Minutes**

Date: November 8, 2022
Time: 4:00 pm
Location: Council Chambers, Town Hall

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

Staff Present Jason MacDonald, Chief Administrative Officer
Sarah Wilson, Director of Finance
Kim Jones, Director of Corporate Communications/Clerk
Natalie LeBlanc, Deputy Clerk

Others Present Mark Milner, Auditor, Jorgensen & Bickerton Inc.

1. **CALL TO ORDER**
Mayor Kogon called the meeting to order at 4:30 p.m.

2. **APPROVAL OF AGENDA**
Moved By Councillor Emery
Seconded By Councillor Baker
To approve the agenda as circulated.

Motion Carried

3. **APPROVAL OF MINUTES**

3.1 **September 27, 2022**
Moved By Councillor Fawthrop
Seconded By Deputy Mayor Landry
To approve the minutes of the September 27, 2022 Audit Committee meeting as included in the agenda package.

Motion Carried

Jeff Brennan joined the meeting at this time.

4. **PRESENTATION OF AUDITED FINANCIAL STATEMENTS**

4.1 **Town of Amherst Consolidated**
Sarah Wilson presented the Town of Amherst Consolidated Financial Statements, included as part of the agenda package.

Deputy Mayor Landry asked what projects qualify for the use of gas tax. Sarah Wilson to send the list.

4.2 Audit Findings Letter

Mark Milner presented the Audit Findings Letter, included as part of the agenda package.

4.3 Representation Letter - Consolidated

Mark Milner presented the Management Representation Letter, included as part of the agenda package.

Mr. Milner left the meeting at this time.

5. ACCEPTANCE OF FINANCIAL STATEMENTS

5.1 Recommendation to Accept Town Statements

Moved By Rob Small

Seconded By Councillor Davidson

That the Audit Committee recommend to Town Council the acceptance of the Audited Consolidated Financial Statements for the Town of Amherst for the fiscal year ended March 31, 2022, which have been audited by the firm Jorgensen & Bickerton Inc.

Motion Carried

6. OTHER

6.1 Second Quarter Financial Report

Sarah Wilson presented the Second Quarter Financial Report included as part of the agenda package. Information item only, no direction given or action required.

6.2 Capital Budget Actuals-to-Date

Sarah Wilson presented the Capital Budget Actuals-to-Date included as part of the agenda package.

Rob Small asked if any capital projects would not be completed. The CAO replied yes, the Victoria Street, Russell Street and Beacon projects, as well as the fire truck. Sarah Wilson added that equipment delivery dates could also be factors.

7. In Camera

Moved By Deputy Mayor Landry

Seconded By Councillor Fawthrop

To go in camera.

Motion Carried

8. ADJOURN

Moved By Councillor Emery

Seconded By Deputy Mayor Landry

To adjourn the meeting.

Motion Carried

Kimberlee Jones
Municipal Clerk

David Kogon, MD
Mayor



MEMO

To: Audit Committee

From: Sarah Wilson, Director of Finance

Date: March 7, 2023

Re: Annual Election of Chair and Vice-Chair

As per # 7 of Policy 03000-05 Audit Committee Terms of Reference, the Chair shall be a member of Council and shall be elected annually by the Committee.

Staff will be looking for nominations for Chair and Vice-Chair.



DEPARTMENT: Council and Corporate Services

TITLE: Audit Committee Terms of Reference

Minutes reference date: 29 March 2016 27 February 2017

Purpose

1. The Audit Committee (the "Committee") assists Town Council ("Council") in fulfilling its oversight responsibilities relating to finance and audit matters delegated to management by Council.
2. In particular, the Committee assists Council by reviewing:
 - a. Key financial information that will be provided to the province or made public;
 - b. Compliance with strategic financial plans, operating and capital budgets;
 - c. External and/or internal audit activities;
 - d. The system of internal controls, risk management and financial information technology;
 - e. Cash and investment management activities;
 - f. Insurance coverage of significant risks and uncertainties;
 - g. Financial Condition Indicators.

Composition, Operations and Accountability

3. The Committee shall be comprised of all members of Council plus two citizen appointments. The Committee shall be appointed by Council.
4. The initial citizen appointments (effective November 1, 2016) will be for one-year terms, as a transitional measure, and subsequent citizen appointments will be for two-year terms. Citizen appointees shall possess knowledge and understanding of financial and investment matters.
5. The Chief Administrative Officer (CAO) of the Town or his or her appointee shall be the secretary of the Committee
6. The Chief Administrative Officer, Treasurer and Accountant shall be non-voting members of the Committee.
7. The Chair shall be a member of Council and shall be elected annually by the Committee.
8. The Committee shall meet at least four times each year. The Committee Chair will make periodic reports to Council on matters relating to the Committee's duties and responsibilities.
9. The Committee shall meet with the external auditors as it deems appropriate to consider any matter that the Committee or auditors determine should be brought to the attention of Council.
10. Through the CAO the Committee may request members of the Town's senior management to attend meetings of the Committee as deemed necessary.
11. The Committee provides open avenues of communication among management, employees, external auditors and Council.

Duties and Responsibilities

12. The Committee has the following responsibilities and will perform the following duties.

Financial Information

- a. The Committee will review the following financial information that will be provided to the Province or made public:
 - i. Annual audited financial statements;
 - ii. Management discussion and analysis that accompanies the audited financial statements
- b. Ensure that meaningful financial information regarding current financial results and up to date forecasts is received on a timely basis, and that it provides information required for decision making.
- c. Review quarterly internal financial reports.
- d. Review:
 - i. the appropriateness of accounting policies and financial reporting practices and any proposed changes thereto;
 - ii. any new or pending developments in accounting and reporting standards; and
 - iii. significant estimates contained in the financial statements and other financial information.
- e. The Committee will:
 - i. assess the performance of the external auditor;
 - ii. review and recommend that Council approve the engagement or reappointment of the external auditor as required;
 - iii. oversee the activities of the external auditor by:
 1. reviewing, assessing and receiving assurances as to the independence of the external auditor;
 2. reviewing the provision of non-audit services performed by the external auditor;
 3. reviewing the external audit plan including the engagement letter, materiality limits, staffing, timetable and proposed fees;
 4. if necessary, requesting to meet with the external auditor without management present;
 5. reviewing matters with respect to the conduct and reporting of the external audit with particular reference to any difficulties encountered or restrictions imposed by management; and
 6. receiving and reviewing the external auditor's:
 - a. audit report;
 - b. findings with respect to the appropriateness of accounting policies, management estimates and significant accounting and/or reporting issues;
 - c. management letter including managements responses thereto and the evaluation of the internal control system; and
 - d. other matters of relevance identified in the audit.

- f. The Committee will periodically evaluate the need for the establishment of an internal audit function and make appropriate recommendations to the Council.

Internal Control, Risk Management and Financial Information Systems

- g. The Committee will review:
- i. the system of internal control;
 - ii. financial policies;
 - iii. the strategic and financial risk assessment process to ensure that key strategic and financial risks are identified, assessed and risk mitigation strategies are implemented;
 - iv. financial information technology to ensure that it effectively supports or provides for current and future planning, financial activities;
 - v. the security of financial information, financial information technology and financial information disaster recovery plans; and
 - vi. compliance with financial statutory and regulatory obligations.

Investment Management Activity

- h. The Committee shall be responsible for the management of the Town's investment portfolio in accordance with paragraph 5 (c) of the Investment Policy, #03600-01.

Banking Services

- i. The Committee will periodically assess banking services and oversee the procurement of these services in accordance with Council policy.

Insurance Coverage of Significant Risks and Uncertainties

- j. The Committee will review the adequacy of insurance program and coverage for significant risks and uncertainties.

Terms of Reference for the Committee

13. The Committee will review its terms of reference annually.



THIRD QUARTER FINANCIAL REPORT

FOR THE PERIOD ENDED DECEMBER 31, 2022 (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 seven 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

Statement of Financial Position, page 8

- ℓ Consolidated Statement of Financial Position

Capital Budget, pages 9-11

- ℓ 2022/23 Capital budget with actual and committed costs

Tax Rates, pages 12-13

- ℓ General
- ℓ Mandatory Provincial Contribution Area Rate
- ℓ Community Support Area Rate

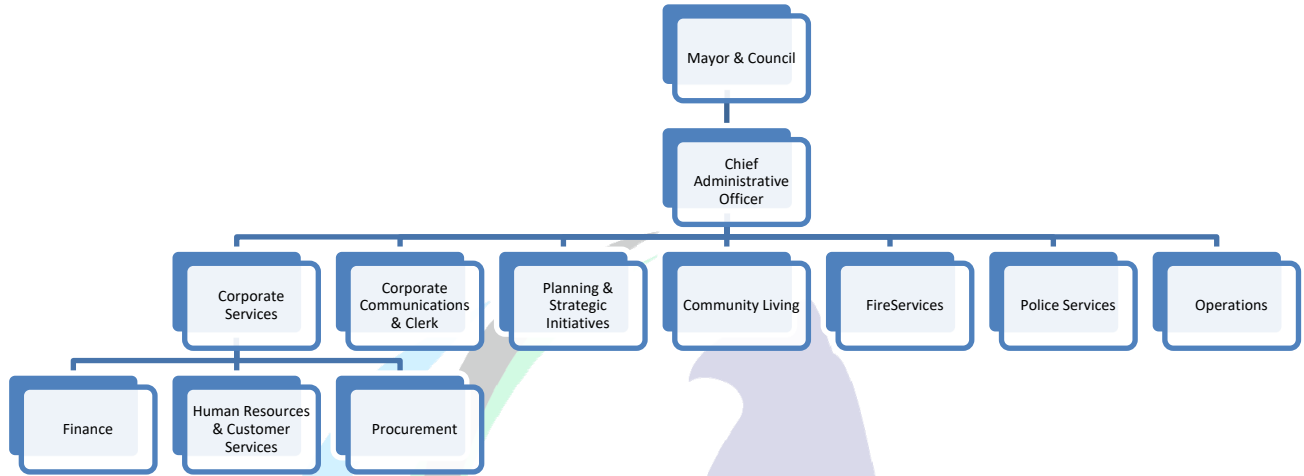
Other Rates, pages 14 - 15

- ℓ Deed Transfer Tax
- ℓ Uniform Charge – Solid Waste
- ℓ Sewer Rates
- ℓ Uniform Charge – Wastewater Treatment Facility
- ℓ Water Utility Rates

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

Corporate Communications & Clerk

- / Corporate Communications
- / Clerk's Office
 - o Council & Committee Liaison
 - o Records Management
- / Information Services

Planning & Strategic Initiatives

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

Community Living

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

Fire Services

- / Fire Rescue
- / Hazmat

Police Services

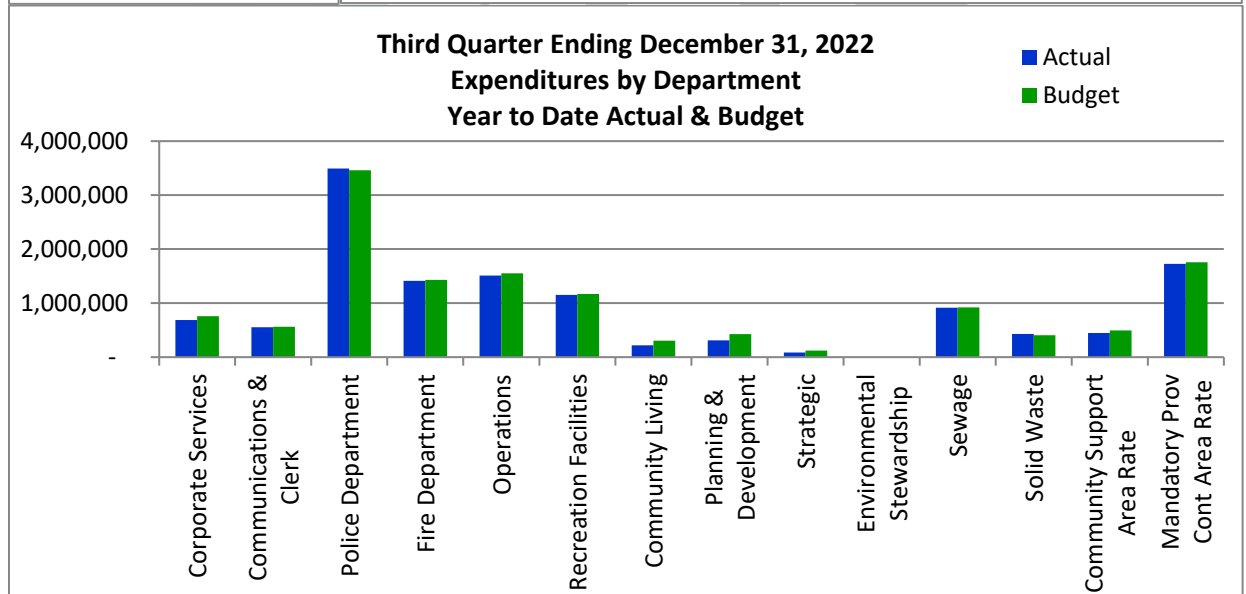
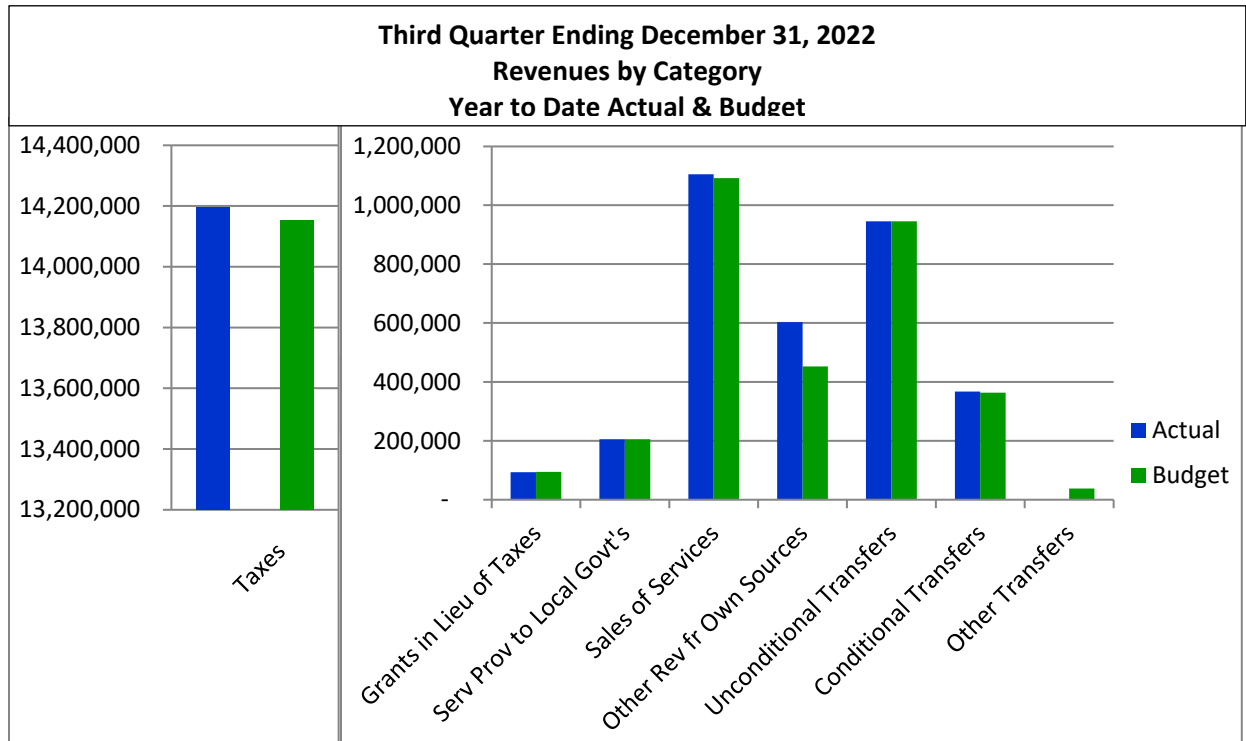
- / Crime
- / Major Crime
- / Street Crime
- / Crime Prevention
- / Community Partnerships

Operations

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

COMMENTARY

Nine months into the 2022/23 fiscal year the general operating fund has a surplus of \$593,810 compared to budget. The Town’s operating revenues are \$17,513,800 compared to the budgeted amount of \$17,342,709. The Town’s expenditures at the end of the third quarter are \$12,921,487 compared to the budgeted amount of \$13,344,206.



SCHEDULE OF OPERATIONS

Town of Amherst
Schedule of Operations - General Operating Fund
For the Nine Months Ended December 31, 2022

	2021/22 Actual	2022/23 Actual	2022/23 Budget	2022/23 Variance
Revenues				
Taxes	\$ 13,904,731	\$ 14,194,878	\$ 14,151,913	\$ 42,965
Grants in Lieu of Taxes	120,802	93,557	94,371	- 814
Services Provided to Other Local Govt	197,776	205,287	205,187	100
Sales of Services	1,067,779	1,104,717	1,091,947	12,770
Other Revenue from Own Sources	393,945	602,773	452,408	150,365
Unconditional Transfers	1,890,574	945,288	945,287	1
Conditional Transfers	313,038	367,300	363,596	3,704
Other Transfers	42,638	-	38,000	- 38,000
Total Revenues	<u>17,931,283</u>	<u>17,513,800</u>	<u>17,342,709</u>	<u>171,091</u>
Expenditures				
Wages & Benefits	6,638,603	6,710,280	6,977,490	- 267,210
Administrative Costs	503,670	583,853	610,704	- 26,851
Building & Facility Costs	534,028	578,015	584,913	- 6,898
Vehicle & Equipment Costs	283,951	312,935	279,455	33,480
Materials & Supplies	350,488	321,577	292,119	29,458
Grants to Organizations	257,337	319,301	297,117	22,184
Other Municipal Costs	761,331	898,249	922,287	- 24,038
Fiscal Services	3,054,062	2,701,688	2,711,031	- 9,343
Fire Protection Charge	529,909	544,584	544,585	- 1
Tax Exemptions	136,057	123,642	150,811	- 27,169
Cost Recovery	- 216,050	- 172,637	- 26,306	- 146,331
Total Expenditures	<u>12,833,386</u>	<u>12,921,487</u>	<u>13,344,206</u>	<u>- 422,719</u>
Surplus	<u>5,097,897</u>	<u>\$ 4,592,313</u>	<u>\$ 3,998,503</u>	<u>\$ 593,810</u>

SCHEDULE OF OPERATIONS (cont'd)

Town of Amherst
Schedule of Operations - General Operating Fund
Departmental and Mandatory Expenditures
For the Nine Months Ended December 31, 2022

	2021/22 Actual	2022/23 Actual	2022/23 Budget	2022/23 Variance
Departmental Expenditures				
Corporate	\$ 769,667	\$ 686,340	\$ 756,994	-\$ 70,654
Communications & Clerk	\$ 540,495	\$ 552,239	\$ 560,722	- 8,483
Police	3,373,922	3,491,397	3,459,576	31,821
Fire	1,387,975	1,412,107	1,430,254	- 18,147
Operations	1,582,487	1,509,239	1,549,344	- 40,105
Recreation Facilities	1,079,852	1,150,099	1,168,789	- 18,690
Community Living	226,054	215,624	303,266	- 87,642
Planning & Development	239,507	308,015	425,358	- 117,343
Environmental Stewardship	-	-	-	-
Strategic	45,897	82,861	119,013	- 36,152
Sewage	1,009,192	913,265	919,735	- 6,470
Solid Waste	461,480	427,513	402,728	24,785
Community Support Area Rate	385,320	446,264	492,040	- 45,776
Total Departmental Expenditures	<u>11,101,848</u>	<u>11,194,963</u>	<u>11,587,819</u>	<u>- 392,856</u>
Mandatory Expenditures				
Assessment Services	114,553	84,028	84,029	- 1
Corrections	82,242	81,114	83,065	- 1,951
Housing	246,897	263,502	291,411	- 27,909
Education	1,222,371	1,232,406	1,232,408	- 2
Regional Library	65,475	65,474	65,474	-
Total Mandatory Expenditures	<u>1,731,538</u>	<u>1,726,524</u>	<u>1,756,387</u>	<u>- 29,863</u>
Grand Total Expenditures	<u>\$ 12,833,386</u>	<u>\$ 12,921,487</u>	<u>\$ 13,344,206</u>	<u>-\$ 422,719</u>

SCHEDULE OF OPERATIONS (cont'd)

Compared to budget, the Water Operating Fund is showing a surplus of \$45,194 at the end of the third quarter. Revenues are over budget by \$40,495 and expenditures are under budget by \$4,699.

Town of Amherst
Schedule of Operations - Water Operating Fund
For the Nine Months Ended December 31, 2022

	2021/22 Actual	2022/23 Actual	2022/23 Budget	2022/23 Variance
Revenues				
Sale of Services	\$ 9,931	\$ 9,537	\$ 10,000	-\$ 463
Interest on o/s Water A/R	6,419	5,561	3,500	2,061
Misc Rev & Inc fr Other Non Utility	1,300	2,870	1,040	1,830
Metered Sales	920,000	1,087,475	1,051,192	36,283
Flat Rate Sales	125,821	126,271	125,912	359
Bulk Water Sales	12,300	6,525	8,500	- 1,975
Fire Protection	630,844	648,315	648,315	-
Private Hydrants	10,250	15,000	14,750	250
Sprinkler Service	14,300	17,250	15,100	2,150
Total Revenues	1,731,165	1,918,804	1,878,309	40,495
Expenditures				
Wages & Benefits	520,802	544,144	546,240	- 2,096
Administrative Costs	56,850	59,982	64,218	- 4,236
Building & Facility Costs	191,086	190,039	198,190	- 8,151
Vehicle & Equipment Costs	28,911	73,256	46,752	26,504
Materials & Supplies	137,252	178,042	179,563	- 1,521
Other Municipal Costs	219,436	223,267	238,466	- 15,199
Fiscal Services	112,998	169,570	169,570	-
Total Expenditures	1,267,335	1,438,300	1,442,999	- 4,699
Surplus	\$ 463,830	\$ 480,504	\$ 435,310	\$ 45,194

STATEMENT OF FINANCIAL POSITION

Town of Amherst
Consolidated Statement of Financial Position
As at December 31, 2022

	<u>As at December 31, 2022</u>	<u>As at December 31, 2021</u>
Financial Assets		
Cash and cash equivalents	\$ 12,433,934	\$ 13,054,206
Receivables	1,913,810	1,686,671
	<u>14,347,744</u>	<u>14,740,877</u>
Liabilities		
Accounts payable and accrued liabilities	1,694,088	2,184,954
Deferred revenue	432,108	406,634
Long term debt	7,817,929	8,758,608
	<u>9,944,126</u>	<u>11,350,196</u>
Net assets (debt)	<u>4,403,618</u>	<u>3,390,681</u>
Non-financial assets		
Prepaid expenses	56,293	33,798
Inventories of supplies	106,774	91,621
Deferred grant - solar garden	238,462	244,587
Capital assets (net of accumulated amortization)	64,576,327	64,769,621
Capital work in progress	2,770,722	1,647,657
	<u>67,748,579</u>	<u>66,787,283</u>
Accumulated surplus	<u>\$ 72,152,197</u>	<u>\$ 70,177,963</u>

CAPITAL BUDGET

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at December 31, 2022	2022/23 Budget
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WATER CAPITAL BUDGET		
Wellfield Generator <i>(carry over)</i>	223,720	240,000
New Dump Truck <i>(carry over)</i>	-	175,000
Water Meter Reading Handheld Device <i>(carry over)</i>	14,017	15,000
Fire Hydrant Replacement <i>(carry over)</i>	11,753	12,500
Water Meter Replacement <i>(carry over)</i>	11,262	12,500
Beacon Street - water main replacement	7,231	215,000
West Victoria Street ~ CNR to Hickman - water main replacement <i>[contingent on grant funding]</i>	-	820,400
McCully Street Booster Station - study & design	-	50,000
Inline Turbidimeters for PRV Chambers	31,943	40,000
New Service Truck	65,250	55,000
Street Sweeper/Hydro Excavator (20% water, 80% general)	76,296	76,300
Future Project Design Costs	-	
Future Project Design Costs - Dale Street	2,066	
Future Project Design Costs - Queen Street	5,368	
Future Project Design Costs - York Street	5,991	30,000
Fire Hydrant Replacement	12,869	12,500
Water Meter Replacement	-	12,500
Acoustic Water Leak Detector	10,428	11,000
Asphalt Recycler (25% water, 75% general)	20,857	20,900
WATER CAPITAL BUDGET TOTAL	499,050	1,798,600

GENERAL CAPITAL BUDGET		
EQUIPMENT		
New Backhoe - sewer	120,174	198,000
New Street Sweeper (80% general, 20% water)	305,184	305,200
Server replacement (Town Hall)	19,191	19,200
LED Lighting upgrade	-	670,000
Electric Vehicle Charging Station (Qty - 2) - Level 2	18,413	23,000
Sale of asset fees - GovDeals	3,167	-
Asphalt Recycler (75% general, 25% water)	62,572	62,600
Subtotal	528,701	1,278,000
BUILDINGS / LAND		
Solar for Community Buildings - WWTF <i>(carry over)</i>	143,228	198,905
Solar for Community Buildings - Reservoir property <i>(carry over)</i>	189,585	198,905
Works Garage - Security Doors <i>(carry over)</i>	18,803	15,000
Video Conference System for 5 Ratchford Street <i>(carry over)</i>	-	12,000
Industrial Park Directory Sign Replacement <i>(carry over)</i>	-	25,000
Library Door Replacement	-	35,000
Town Hall - New Roof	-	135,000
Works Garage - Heating / Cooling	-	50,000
Flag Pole (new - possibly 4th pole in front of YMCA)	3,371	6,000
Land Purchase	95,344	100,000
Land Sale	2,098	-
Subtotal	452,429	775,810

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at December 31, 2022	2022/23 Budget
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]</i>	-	1,523,600
Russell Street - sanitary sewer, storm sewer (corrugated), pulverize & rebuild street <i>[contingent on grant funding]</i>	-	720,000
Beacon Street ~ Croft to Church - street, sanitary sewer, storm sewer, curb	17,590	225,000
Boylston Avenue ~ Milford to Elmwood - asphalt overlay, curb and storm sewer (corrugated)	214,489	210,000
Mitchell Court - asphalt overlay (widen) and curb	123,464	120,000
Future Project Design Costs	-	
Future Project Design Costs - Dale Street	4,011	
Future Project Design Costs - Queen Street	10,427	
Future Project Design Costs - York Street	11,630	30,000
Subtotal	<u>381,611</u>	<u>2,828,600</u>
STREETS		
Chandler Road (O)	87,053	60,000
Harding Avenue (O)	79,633	80,000
McCully Street ~ Anson to CNR Mainline (CM)	128,256	128,000
Brownell Avenue (O)	45,573	45,000
Dale Street ~ Eddy to North Adelaide (O)	33,810	35,000
Rosewood Drive ~ Kimberly Court to Pinehurst (O)	32,824	40,000
Davison Street ~ Dickey to Queen (O)	20,406	20,000
Prince Arthur ~ Church to Acadia (CM)	104,361	105,000
Subtotal	<u>531,915</u>	<u>513,000</u>
<i>RC = Reconstruction and paving; CM = Cold mill and Paving; P = Pulverize and paving; O = Asphalt Overlay</i>		
SIDEWALKS		
Dickey Brook Trail ~ Donald to Charles - Gravel Trail (Active Transportation Plan) (Town Crew) <i>(carry over)</i>	6,822	10,000
Willow Street Trail - East to Abbey - Gravel Trail (Active Transportation Plan) (Town Crew) <i>(carry over)</i>	63,977	50,000
Albion Street ~ west side from Clinton to Highland Village	13,396	45,000
Regent Street ~ Elmwood to Spring (new)	25,662	23,000
Subtotal	<u>109,857</u>	<u>128,000</u>
STORM/SANITARY SEWER		
Willow Street Trail - East to Abbey (under new trail) - new sanitary sewer main (Town Crew) <i>(carry over)</i>	46,158	50,000
Racetrack Rd. Lift Station - Wet Well Wizard	14,376	15,000
Storm Water Management Plan	75,825	80,000
Subtotal	<u>136,359</u>	<u>145,000</u>

CAPITAL BUDGET (cont'd)

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at December 31, 2022	2022/23 Budget
FIRE DEPARTMENT		
Fire Station Bldg Repairs - Repair floor and wall finishes in south entrance <i>(carry over)</i>	976	7,000
Fire Station Bldg Repairs - Replace the two main exterior entrances <i>(carry over)</i>	15,969	18,000
Fire Suppression Hose (set #1) - replacement <i>(carry over)</i>	51,564	52,000
Fire Truck - replace Ladder 4 - Aerial device	2,084,677	1,600,000
Air Compressor - replacement (Station unit)	-	20,000
Structural firefighting bunker gear (6-9 sets) - replacement	-	22,000
Fire suppression hose (Set # 2) - replacement	-	30,000
Fit Testing System	-	12,000
Subtotal	2,153,186	1,761,000
POLICE DEPARTMENT		
Ballistic Plates - Hard Body Armour - Carbine - 15 sets <i>(carry over)</i>	19,785	21,000
Smart Board - Community Room <i>(carry over)</i>	26,715	27,000
Patrol Vehicle #3	64,556	65,000
APD HVAC	-	18,000
APD In House Camera Systems and Adjustments	-	8,500
Treadmill	6,569	8,000
Subtotal	117,625	147,500
RECREATION		
Vehicle - Car/SUV for Community Wellbeing Team <i>(carry over)</i>	25,086	25,000
New Outdoor Skating Rink / Tourist Center / Market / Take Out Seating <i>(carry over)</i>	-	200,000
Zero Turn Grass Catcher <i>(carry over)</i>	9,081	10,000
Brine Pump - Stadium <i>(carry over)</i>	11,700	20,000
Centotaph Renovations <i>(carry over)</i>	40,987	40,000
Truck (1/2 Ton) - to replace Ranger #2	-	40,000
Decorative Lighting	23,389	25,000
Beacon Street Park - Sponge Surface Repair	-	20,000
Dickey Park - Accessible Pathway (East Pleasant to Splash Pad)	32,260	28,400
Lions Park - Accessible Pathway (Hill Street to Play Structures)	36,044	31,000
Elmwood Drive Park - Accessible Entrance (Elmwood Drive to washrooms and food pantry)	7,796	8,000
Beacon Park - Accessible Pathway (Beacon Street to Play Structure)	4,880	5,000
Robb Complex - Replace Roof Main Building	-	10,000
Rotary Park - Play Equipment Replacement	-	40,000
Self Watering Planters	15,340	17,000
Community Events Trailer	8,645	15,000
Zero Turn Replacement c/w grass catcher	-	35,000
Robbs Lighting	-	200,000
Dog Park (Dickey Park - small dogs area)	9,057	20,000
Skate Park Upgrades (sun shelter and drinking fountain)	7,813	10,000
Subtotal	232,078	799,400
GENERAL CAPITAL BUDGET TOTAL	4,643,761	8,376,310
GRAND TOTAL WATER & GENERAL CAPITAL BUDGETS	5,142,811	10,174,910

TAX RATES

There are three different tax rates: general, mandatory provincial contribution area rate and the community support area rate. These 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, 2022. 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 30, 2022.

Tax Rates

1. General – this rate is used to pay for services provided by the Town to residents of the Town. These services include; fire, police, planning, transportation and public works, economic development, recreation, as well as internal services performed by the Corporate Services department. The general operations rate remained the same for fiscal 2022/23.
2. Mandatory Provincial Contributions Area Rate - the cost for provincial services the province charges the municipality for. Any changes in these costs are mandated by the Province and passed on to the municipalities to collect on their behalf. The Mandatory Provincial Contribution Area Rate remained the same for fiscal 2022/23. This rate includes the following provincial services:
 - ☞ Education
 - ☞ The Town is required to provide funding to the Chignecto Central Regional Centre for Education 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.

TAX RATES (cont'd)

🌿 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.

🌿 Regional Library

🌿 The Town is required to fund the Cumberland Public Library pursuant to a formula determined by the Province of Nova Scotia. The Town does not share in any surplus or deficits. In addition, the Town provides funds for the operating and maintenance of the library building which is included in the General Rate.

3. Community Support Area Rate – a rate that provides funding for services that, in the opinion of Council, provide support to the community. In 2022/23 the Community Support Area Rate remained the same as the prior year. These include support to the following organizations/events:

🌿 Grants to Organizations

🌿 'A' Fresh Start Grants

🌿 Youth Free Ice Time

🌿 Cumberland YMCA

🌿 Tax Exemption Policy

🌿 Tax Reduction Policy

🌿 Community Events

In summary, all tax and area rates are per \$100 of Assessment. The rates are as follows:

Residential / Resource	<u>2021/22</u>	<u>2022/23</u>
🌿 Residential / Resource Tax Rate	\$1.197	\$1.197
🌿 Mandatory Provincial Contributions Area Rate	\$0.402	\$0.402
🌿 Community Support Area Rate	<u>\$0.071</u>	<u>\$0.071</u>
Total Residential / Resource Rates	\$1.670	\$1.670
Commercial	<u>2021/22</u>	<u>2022/23</u>
🌿 Commercial Tax Rate	\$3.997	\$3.997
🌿 Mandatory Provincial Contributions Area Rate	\$0.402	\$0.402
🌿 Community Support Area Rate	<u>\$0.071</u>	<u>\$0.071</u>
Total Commercial Rates	\$4.470	\$4.470

OTHER RATES

1. 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 2022/23 fiscal year the deed transfer tax will remain the same at 1.25%.

2. Uniform Charge

Solid Waste Management Uniform Charge

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.

The uniform charge for 2022/23 to be levied is \$185 (2021/22 - \$185).

3. 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:

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

Sewer Consumption Rate (per cubic meter)

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

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

Sewer Base Charges (Quarterly)

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

Sewer Non-Metered Customers

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

OTHER RATES (cont'd)

- a. Wastewater Treatment Facility Uniform Charge (this offsets expenses for sewer services for those not charged a sewer base charge).
 - ⌘ 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.
 - ⌘ The uniform charge for unmetered mobile homes within a land leased community for 2022/23 to be levied is \$72 (2021/22 - \$72).

4. 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 March 29, 2022. In accordance with the NSUARB Order for the 2022/23 fiscal year, the rates are as follows:

Water Base Charges (Quarterly)	
⌘ Un Metered	\$ 89.72
⌘ Size of Meter	
⌘ 5/8"	\$ 36.95
⌘ ¾"	\$ 53.76
⌘ 1"	\$ 87.39
⌘ 1.5"	\$ 171.47
⌘ 2"	\$ 272.35
⌘ 3"	\$ 541.39
⌘ 4"	\$ 844.05
⌘ 6"	\$1,684.78
⌘ 8"	\$3,029.95

Water Consumption Rate (per cubic meter)
 ⌘ \$0.828 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.

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at February 28, 2023	2022/23 Budget
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WATER CAPITAL BUDGET		
Wellfield Generator <i>(carry over)</i>	223,720	240,000
New Dump Truck <i>(carry over)</i>	-	175,000
Water Meter Reading Handheld Device <i>(carry over)</i>	14,017	15,000
Fire Hydrant Replacement <i>(carry over)</i>	11,753	12,500
Water Meter Replacement <i>(carry over)</i>	11,262	12,500
Beacon Street - water main replacement	7,231	215,000
West Victoria Street ~ CNR to Hickman - water main replacement <i>[contingent on grant funding]</i>	-	820,400
McCully Street Booster Station - study & design	-	50,000
Inline Turbidimeters for PRV Chambers	32,047	40,000
New Service Truck	65,054	55,000
Street Sweeper/Hydro Excavator (20% water, 80% general)	76,296	76,300
Future Project Design Costs	-	
Future Project Design Costs - Dale Street	2,066	30,000
Future Project Design Costs - Queen Street	5,368	
Future Project Design Costs - York Street	5,991	
Fire Hydrant Replacement	12,869	12,500
Water Meter Replacement	-	12,500
Acoustic Water Leak Detector	10,428	11,000
Asphalt Recycler (25% water, 75% general)	20,857	20,900
Land Purchase (Challenge Fund Grant)	6,040	-
WATER CAPITAL BUDGET TOTAL	504,999	1,798,600

GENERAL CAPITAL BUDGET		
EQUIPMENT		
New Backhoe - sewer	120,174	198,000
New Street Sweeper (80% general, 20% water)	305,184	305,200
Server replacement (Town Hall)	19,191	19,200
LED Lighting upgrade	-	670,000
Electric Vehicle Charging Station (Qty - 2) - Level 2	19,710	23,000
Sale of asset fees - GovDeals	3,167	-
Asphalt Recycler (75% general, 25% water)	62,572	62,600
Subtotal	529,998	1,278,000
BUILDINGS / LAND		
Solar for Community Buildings - WWTF <i>(carry over)</i>	178,739	198,905
Solar for Community Buildings - Reservoir property <i>(carry over)</i>	190,209	198,905
Works Garage - Security Doors <i>(carry over)</i>	16,441	15,000
Video Conference System for 5 Ratchford Street <i>(carry over)</i>	-	12,000
Industrial Park Directory Sign Replacement <i>(carry over)</i>	-	25,000
Library Door Replacement	-	35,000
Town Hall - New Roof	-	135,000
Works Garage - Heating / Cooling	-	50,000
Flag Pole (new - possibly 4th pole in front of YMCA)	3,371	6,000
Land Purchase	95,344	100,000
Land Sale	2,098	-
Subtotal	486,201	775,810

= projects anticipated to be carried over to the 2023/24 capital budget.

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at February 28, 2023	2022/23 Budget
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]</i>	-	1,523,600
Russell Street - sanitary sewer, storm sewer (corrugated), pulverize & rebuild street <i>[contingent on grant funding]</i>	-	720,000
Beacon Street ~ Croft to Church - street, sanitary sewer, storm sewer, curb	17,590	225,000
Boylston Avenue ~ Milford to Elmwood - asphalt overlay, curb and storm sewer (corrugated)	214,489	210,000
Mitchell Court - asphalt overlay (widen) and curb	123,464	120,000
Future Project Design Costs	-	
Future Project Design Costs - Dale Street	4,011	
Future Project Design Costs - Queen Street	10,427	
Future Project Design Costs - York Street	11,630	30,000
Subtotal	381,611	2,828,600
STREETS		
Chandler Road (O)	87,053	60,000
Harding Avenue (O)	79,633	80,000
McCully Street ~ Anson to CNR Mainline (CM)	128,256	128,000
Brownell Avenue (O)	45,573	45,000
Dale Street ~ Eddy to North Adelaide (O)	33,810	35,000
Rosewood Drive ~ Kimberly Court to Pinehurst (O)	32,824	40,000
Davison Street ~ Dickey to Queen (O)	20,406	20,000
Prince Arthur ~ Church to Acadia (CM)	104,361	105,000
Subtotal	531,914	513,000
<i>RC = Reconstruction and paving; CM = Cold mill and Paving; P = Pulverize and paving; O = Asphalt Overlay</i>		
SIDEWALKS		
Dickey Brook Trail ~ Donald to Charles - Gravel Trail (Active Transportation Plan) (Town Crew) <i>(carry over)</i>	6,822	10,000
Willow Street Trail - East to Abbey - Gravel Trail (Active Transportation Plan) (Town Crew) <i>(carry over)</i>	66,770	50,000
Albion Street ~ west side from Clinton to Highland Village	13,396	45,000
Regent Street ~ Elmwood to Spring (new)	25,662	23,000
Subtotal	112,650	128,000
STORM/SANITARY SEWER		
Willow Street Trail - East to Abbey (under new trail) - new sanitary sewer main (Town Crew) <i>(carry over)</i>	46,158	50,000
Racetrack Rd. Lift Station - Wet Well Wizard	14,376	15,000
Storm Water Management Plan	80,462	80,000
Subtotal	140,996	145,000

= projects anticipated to be carried over to the 2023/24 capital budget.

Town of Amherst Capital Budget - 2022/23 Projects	Total Actual Committed & WIP Costs at February 28, 2023	2022/23 Budget
FIRE DEPARTMENT		
Fire Station Bldg Repairs - Repair floor and wall finishes in south entrance <i>(carry over)</i>	976	7,000
Fire Station Bldg Repairs - Replace the two main exterior entrances <i>(carry over)</i>	15,969	18,000
Fire Suppression Hose (set #1) - replacement <i>(carry over)</i>	51,564	52,000
Fire Truck - replace Ladder 4 - Aerial device	2,084,677	1,600,000
Air Compressor - replacement (Station unit)	-	20,000
Structural firefighting bunker gear (6-9 sets) - replacement	22,109	22,000
Fire suppression hose (Set # 2) - replacement	34,981	30,000
Fit Testing System	-	12,000
Subtotal	2,210,276	1,761,000
POLICE DEPARTMENT		
Ballistic Plates - Hard Body Armour - Carbine - 15 sets <i>(carry over)</i>	19,785	21,000
Smart Board - Community Room <i>(carry over)</i>	26,715	27,000
Patrol Vehicle #3	64,556	65,000
APD HVAC	-	18,000
APD In House Camera Systems and Adjustments	-	8,500
Treadmill	6,569	8,000
Subtotal	117,625	147,500
RECREATION		
Vehicle - Car/SUV for Community Wellbeing Team <i>(carry over)</i>	25,086	25,000
New Outdoor Skating Rink / Tourist Center / Market / Take Out Seating <i>(carry over)</i>	-	200,000
Zero Turn Grass Catcher <i>(carry over)</i>	9,081	10,000
Brine Pump - Stadium <i>(carry over)</i>	11,700	20,000
Cenotaph Renovations <i>(carry over)</i>	40,987	40,000
Truck (1/2 Ton) - to replace Ranger #2	38,045	40,000
Decorative Lighting	23,389	25,000
Beacon Street Park - Sponge Surface Repair	-	20,000
Dickey Park - Accessible Pathway (East Pleasant to Splash Pad)	32,260	28,400
Lions Park - Accessible Pathway (Hill Street to Play Structures)	36,044	31,000
Elmwood Drive Park - Accessible Entrance (Elmwood Drive to washrooms and food pantry)	7,796	8,000
Beacon Park - Accessible Pathway (Beacon Street to Play Structure)	4,880	5,000
Robb Complex - Replace Roof Main Building	-	10,000
Rotary Park - Play Equipment Replacement	-	40,000
Self Watering Planters	15,340	17,000
Community Events Trailer	8,645	15,000
Zero Turn Replacement c/w grass catcher	-	35,000
Robbs Lighting	-	200,000
Dog Park (Dickey Park - small dogs area)	9,057	20,000
Skate Park Upgrades (sun shelter and drinking fountain)	7,813	10,000
Subtotal	270,123	799,400
GENERAL CAPITAL BUDGET TOTAL	4,781,395	8,376,310
GRAND TOTAL WATER & GENERAL CAPITAL BUDGETS	5,286,394	10,174,910

= projects anticipated to be carried over to the 2023/24 capital budget.



Municipal Report



Town of Amherst

Department of Municipal Affairs and Housing

Municipal Profile and
Financial Condition Indicators Results

2020-21

Municipal Profile and Financial Condition Indicators Report

2020-2021 Fiscal Period

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	<h3>Chapter 1 - Municipal Profile Information</h3> <ul style="list-style-type: none">• Municipal Location and Size• Population Information and Demographic Trends• Number of Dwelling Units• Median Household Income• Employment Rate• Education Level
	<h3>Chapter 2 - Assessment Information</h3> <p>Information regarding uniform assessment* trends, dependence, and percentage of median household income required to pay the average tax bill.</p> <ul style="list-style-type: none">• Three-year change in Uniform Assessment• Highest Reliance on a Single Business or Institution• Residential Tax Effort• Residential and Commercial Uniform Assessment 5-Year Trend <p><i>*Uniform Assessment is taxable property assessment plus the capitalized value of payments made to municipalities in lieu of taxes.</i></p>
	<h3>Chapter 3 - Financial Information</h3> <ul style="list-style-type: none">• Revenue Information - revenue by source (consolidated and operating fund), percentage of revenue reliance on government transfers, and percentage of tax revenue not collected.• Expenditures Information - expenses by fund (consolidated and operating fund) and operating reserve as a percentage of expenses.• Accumulated Surplus (Deficit) Information - accumulated surplus (deficit) by fund, annual surplus (deficit) and number of annual deficits in the last 5 years.• Debt Information - Longterm debt, bank indebtedness and percentage of revenue used for debt principle and interest payments.
	<h3>Chapter 4 - Financial Condition Indicators</h3> <p>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. Thirteen indicators consisting of:</p> <ul style="list-style-type: none">• 4 key performance indicators;• 5 financial indicators that concern management and debt; and• 3 indicators relating to internal and external factors that could impact the municipality’s revenue stream.
	<h3>Appendices</h3> <ul style="list-style-type: none">• List of additional municipal data located on the Nova Scotia Open Data Portal• Municipality’s website contact information
	<h3>Contact Information</h3>

Introduction

The Department of Municipal Affairs and Housing compiles municipal indicators on behalf of the Nova Scotia Government and 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

Name:	Town of Amherst
County:	Cumberland County
Approximate size:	12 km ²
Number of dwellings:	4,777
Government:	7 elected councillors (including the Mayor)



Figure 1- Location of Municipality

Population Highlights

Population 2016:	9,415
Population 5-year trend:	-3.1%
County 5-year trend:	-0.4%
Demographic trend:	Aging
Up to 19 Yrs.	20%
20 to 59 Yrs.	48%
Over 60 Yrs.	32%

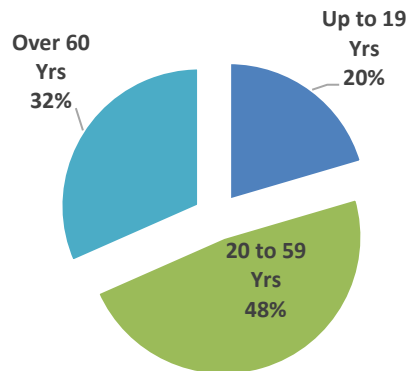


Figure 2 - Age Breakdown

Population Trends

Population: 9,415
 Provincial population: 1.0%
 20-year trend: Declining [supported by Figure 3 below]
 Age Trend: Majority between 40-69 years of age [supported by Figure 4 below]

Population Trend from 1996 to 2016

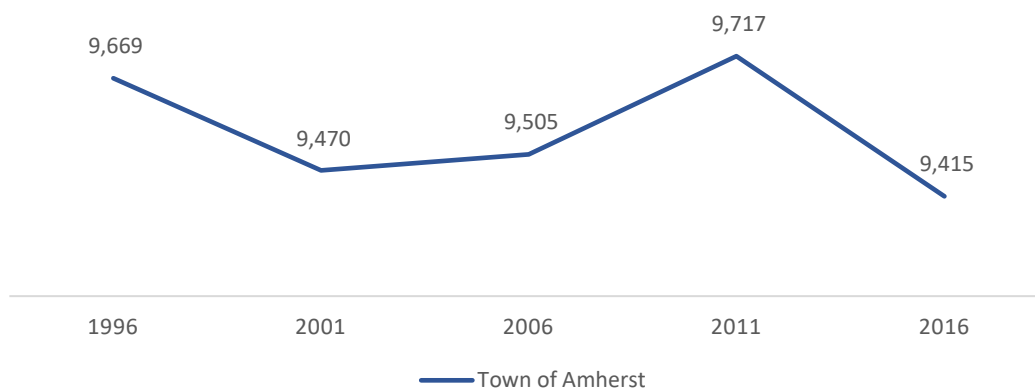


Figure 3 - Population from 1996-2016. Source: Statistics Canada

2016 Population by Age

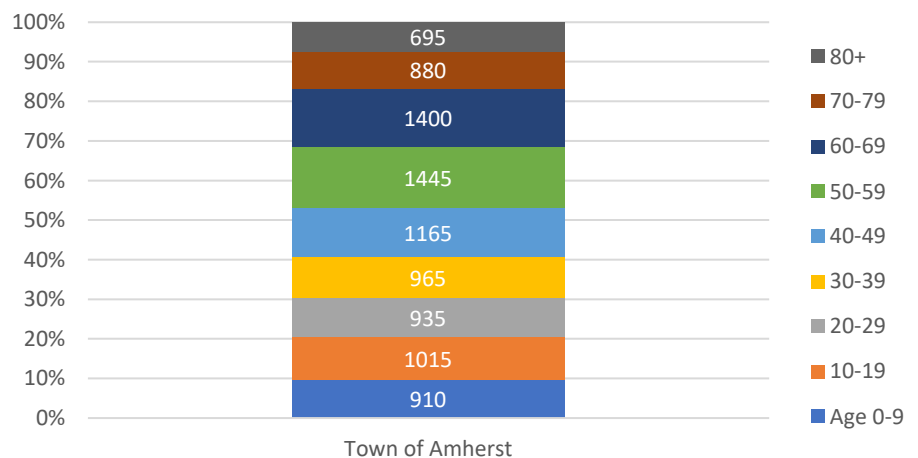


Figure 4 - Population by Age for 2016. Source: Statistics Canada

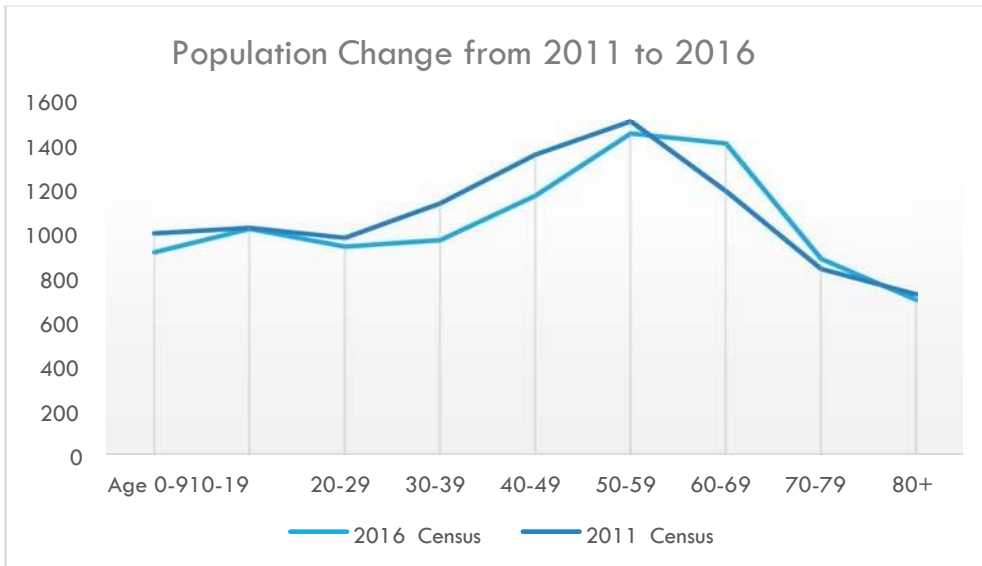


Figure 5- Population Age Change from 2011 to 2016. Source: Statistics Canada

According to the 2016 Census, similar to most towns in Nova Scotia, the majority of Amherst’s citizens are between the ages of 40 and 69.

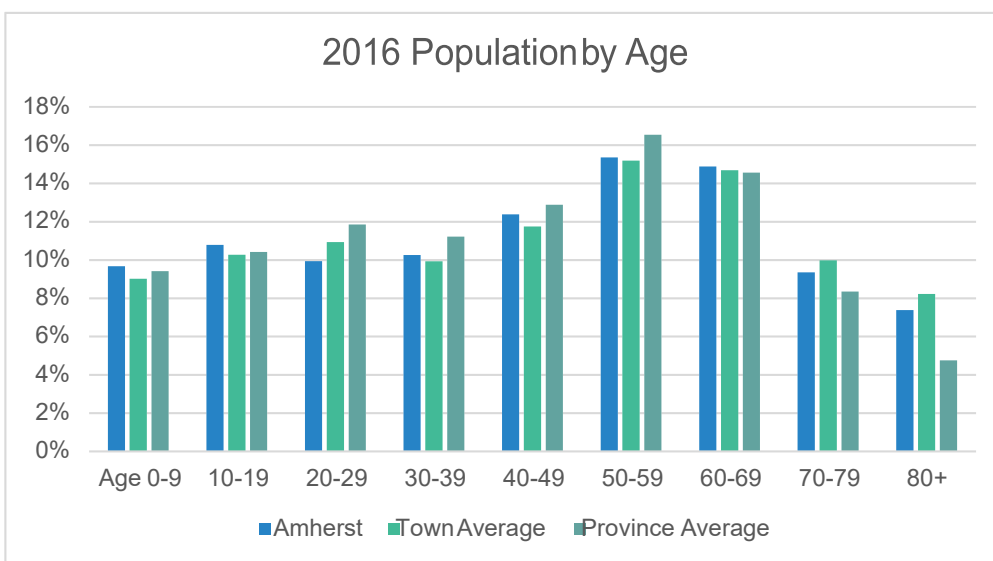


Figure 6 - Comparison of Population by Age for 2011 and 2016. Source: Statistics Canada

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.

	2016 Census	2011 Census	+/-	Town Average
Median Household Income	\$46,677	\$41,027	\$5,650	\$48,934
Employment Rate	50.1%	51.3%	-1.2%	48.3%
Education Beyond High School	44.9%	46.8%	-1.9%	52.0%

Source: 2011 and 2016 Statistics Canada

Median household income: Amherst's median household income is lower than the provincial town average, although it has increased since 2011.

Employment rate: The Town of Amherst's employment rate is above the provincial town average, although it has declined.

Education level: Amherst's education level is lower than the provincial town average and has decreased since 2011.

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.

Three-year change in Tax Base (Uniform Assessment) ⁽¹⁾ :	0.8%	growth does not keep pace with cost of living
Reliance on a Single Business or Institution Financial Condition Indicator (FCI):	1.4%	not dependent (low risk)
Residential Tax Effort FCI:	3.6%	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.

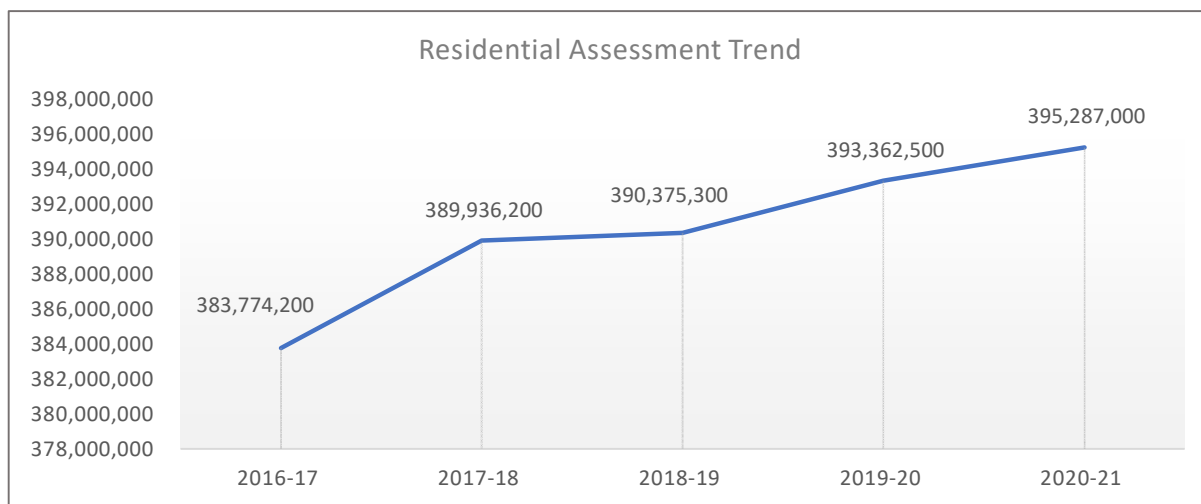


Figure 7 - Residential taxable assessment over the last five years. Source: 2016-17 to 2020-21 Statement of Estimates - Assessment

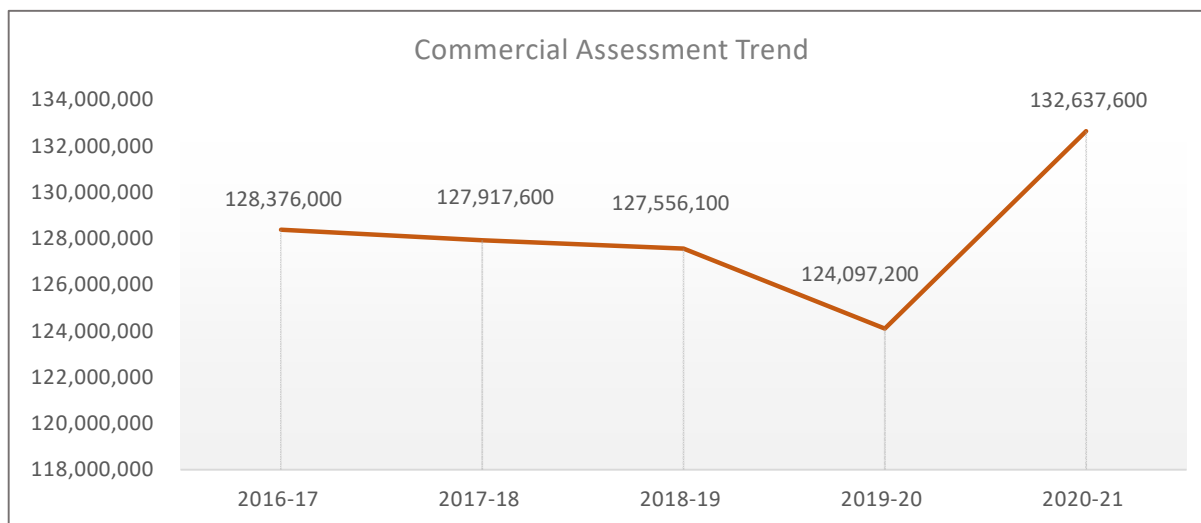


Figure 8 - Commercial taxable assessment over the last five years. Source: 2016-17 to 2020-21 Statement of Estimates - Assessment

⁽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:
 - Water Utility
 - Cumberland Joint Services Management Authority - 40%

The Municipality's non-consolidated financial statements present only 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:

Audited Financial Statements and Financial Information Return	Yes
Submission of financial information:	After deadline ³
Financial statements include:	
Remuneration and Expenses for Elected	Yes
Unqualified Opinion:	Yes
Quarterly Expense and Hospitality Report posted online:	Yes
Summary Expense and Hospitality Report submitted:	Yes
Statement of Estimates (SOE) -Assessment and SOE-Budget submitted:	Yes

² Please be advised that, although the Department 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, with an exception made for the 2020-21 FIR, which was due November 24

Financial Highlights

Revenue

Total consolidated revenue:	\$19.2 million
Revenue generated from own source revenue *:	\$16.6 million
Total general operating revenue:	\$16.0 million
Largest general operating revenue:	80%
	Net property taxes and payments in lieu of taxes

Expenses

Total consolidated expenses:	\$18.1 million
Total general operating expenses:	\$13.3 million
Largest general operating expense:	44%
	Protective services

Annual Surplus

Annual consolidated surplus (deficit):	\$1.1 million
Consolidated accumulated surplus (deficit):	\$65.9 million
Annual general operating surplus (deficit):	\$1.4 million

Debt

Total consolidated long-term debt:	\$7.3 million
Total general capital fund long-term debt:	\$6.8 million
General operating fund bank indebtedness:	\$0.0

*excluding government transfers

Revenue:

\$19.2 M
2021 Consolidated Revenue

Total consolidated revenue: \$19.2 million
 Largest revenue: \$12.8 million
 Net property taxes and payments in lieu of taxes
 Revenue generated from own source revenue: 86%

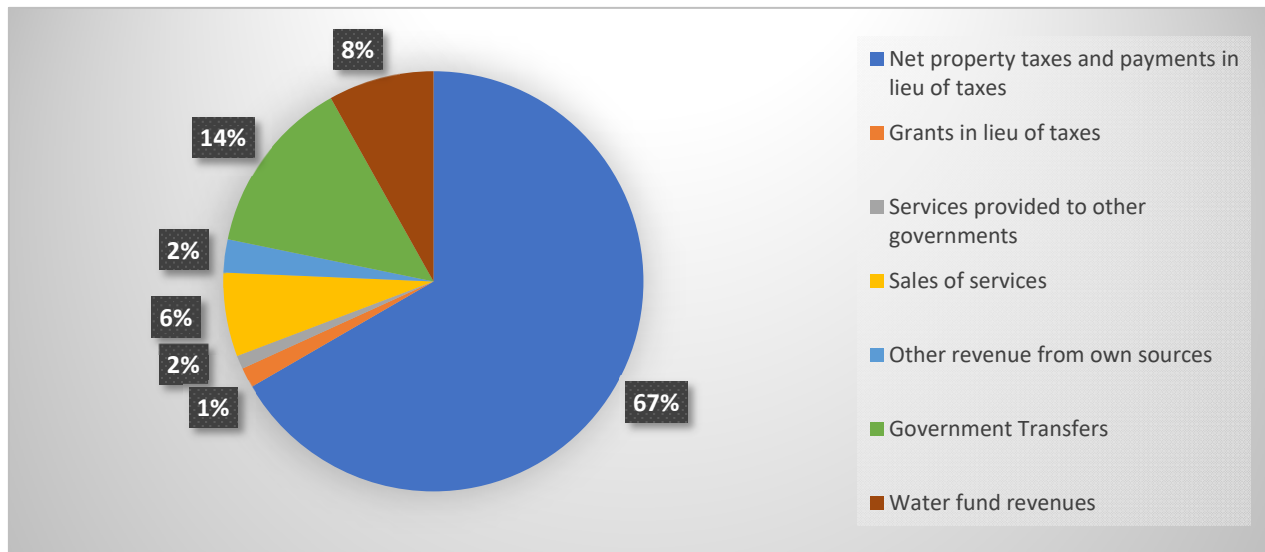


Figure 9 - Consolidated Revenue Source: 2020-21 Financial Information Return

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

	<u>Consolidated Revenue</u>
Net property taxes and payments in lieu of taxes	\$12,773,408
Grants in lieu of taxes	\$298,775
Services provided to other governments	\$198,300
Sales of services	\$1,236,644
Other revenue from own sources	\$487,122
Government Transfers	\$2,618,229
Net income from government business enterprises	\$0
Water fund revenues	\$1,559,662
Electric fund revenues	\$0
	<u>\$19,172,140</u>

\$16.0 M 2021 General Operating Revenue

Total general operating revenue:	\$16.0 million
Largest general operating revenue:	80%
	Net property taxes and payments in lieu of taxes
Uncollected Taxes Financial Condition Indicator (FCI):	2.1%
Reliance on Government Transfers FCI:	11.2%

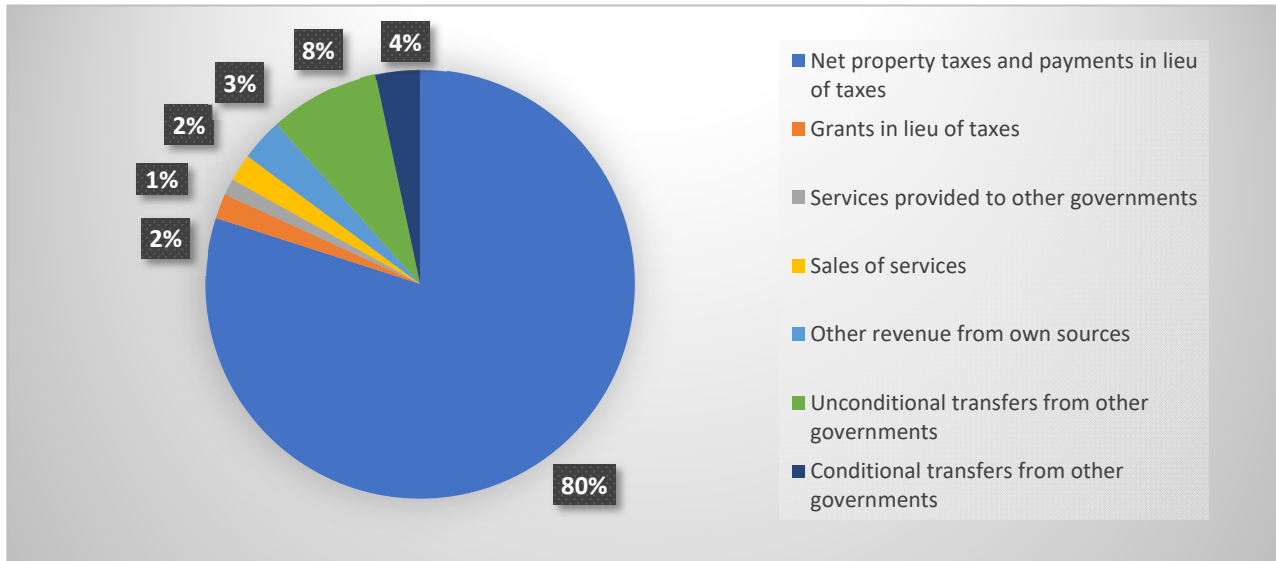


Figure 10 - General Operating Fund Revenue Source: 2020-21 Financial Information Return

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

	General Operating Revenue
Net property taxes and payments in lieu of taxes	\$12,773,408
Grants in lieu of taxes	\$298,775
Services provided to other governments	\$198,300
Sales of services	\$329,343
Other revenue from own sources	\$512,556
Unconditional transfers from other governments	\$1,325,118
Conditional transfers from other governments	\$532,842
	\$15,970,342

Expenses:

\$18.1 M
2021 Consolidated Expenses

Total consolidated expenses: \$18.1 million
 Largest expense: 30%
 Protective services

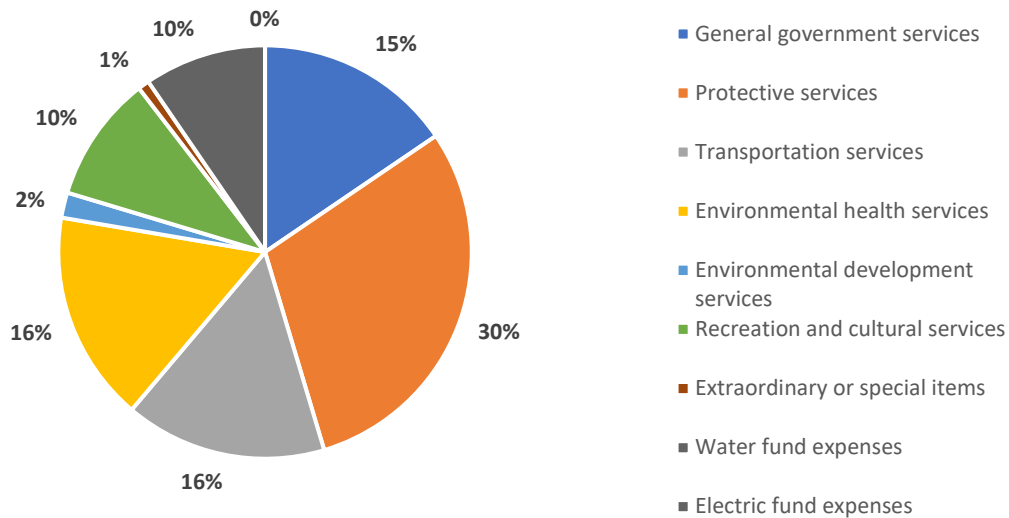


Figure 11 - Consolidated Expenses Source: 2020-21 Financial Information Return

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

	Consolidated Expenses
General government services	\$2,798,255
Protective services	\$5,397,605
Transportation services	\$2,855,291
Environmental health services	\$2,977,790
Public health services	\$0
Environmental development services	\$356,512
Recreation and cultural services	\$1,789,406
Extraordinary or special items	\$160,624
Water fund expenses	\$1,725,125
Electric fund expenses	\$0
	\$18,060,608

\$13.3 M 2021 General Operating Expenses

Total general operating expenses: \$13.3 million
 Largest general operating expense: 44% Protective services
 General operating reserves as a percentage of total general operating expenses: 27.6%

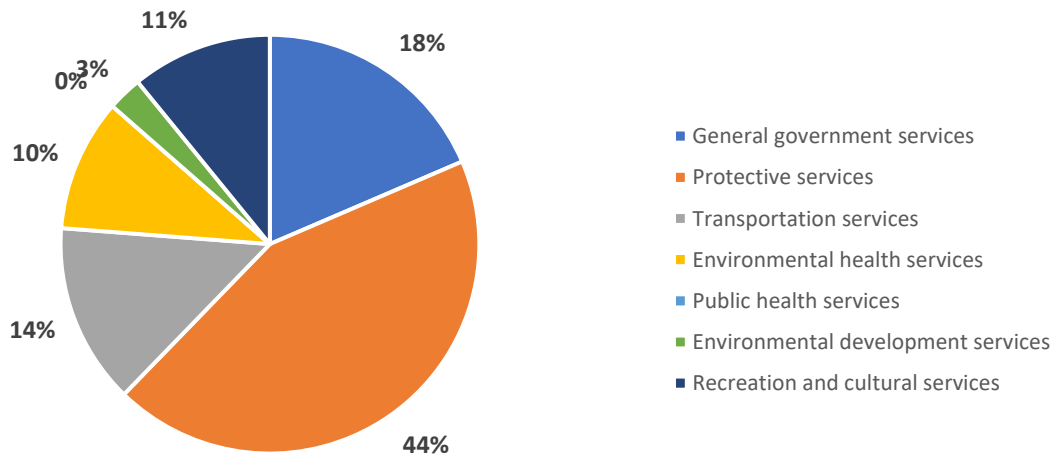


Figure 12 - General Operating Fund Expenses Source: 2020-21 Financial Information Return

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

	General Operating Expenses
General government services	\$2,464,419
Protective services	\$5,815,760
Transportation services	\$1,856,245
Environmental health services	\$1,361,492
Public health services	\$0
Environmental development services	\$353,269
Recreation and cultural services	\$1,447,210
Extraordinary or special items	\$0
	\$13,298,395

Town of Amherst

The graph below shows the expense by function for the municipal operations or General Operating Fund expenses compared to the provincial town average.

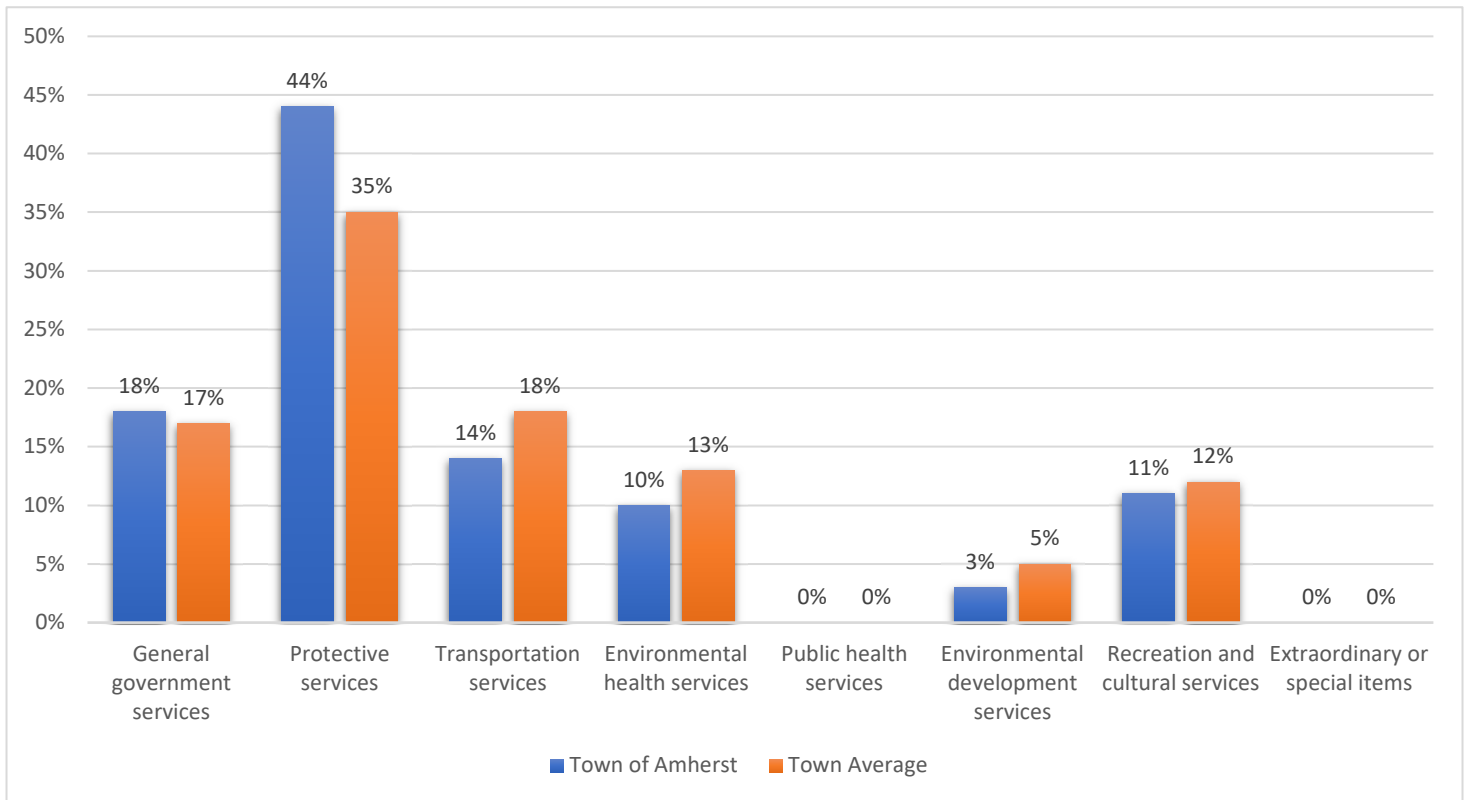


Figure 13 - Comparison of General Operating Fund Expenses to Provincial Town Average. Source: 2020-21 Financial Information Return

Accumulated Surplus (Deficit)

Annual Surplus: Revenue - Expenses

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

Annual consolidated surplus (deficit):	\$1.1 million
Consolidated accumulated surplus (deficit):	\$65.9 million
Annual general operating surplus (deficit):	\$1.4 million
Number of Deficits in the Last 5 Years Financial Condition Indicator (FCI) :	Nil

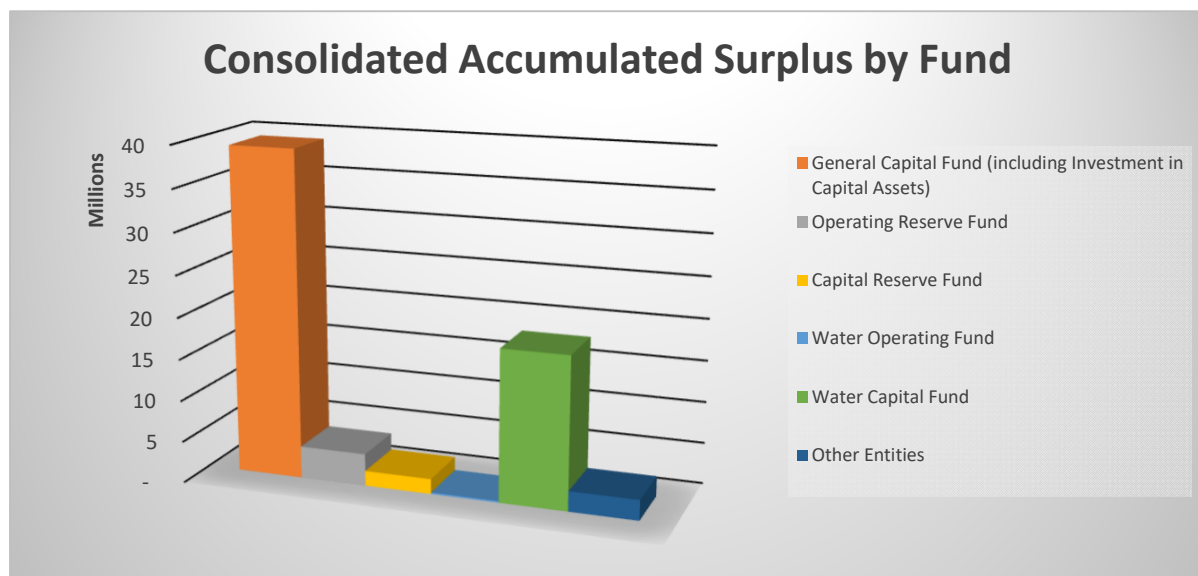


Figure 14 - Consolidated Accumulated Surplus by Fund. Source: 2020-21 Financial Information Return

Debt

Total consolidated long-term debt:	\$7.3 million
Total general capital fund long-term debt:	\$6.8 million
Debt Service Financial Condition Indicator (FCI):	7.1%
Operating fund bank indebtedness:	\$0.0
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 12 indicators organized into base, structure and roof, focusing on:

- roof: 4 key performance indicators;
- structure: 5 financial indicators that concern management and debt; and
- base: 3 indicators relating to internal and external factors that could impact the municipality’s revenue stream.

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 Condition Index assessment for the Town of Amherst is Low.

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

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

OVERALL RESULTS FOR TOWNS FOR 2020-21



Financial Condition Indicators Highlights for 2020-21

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.

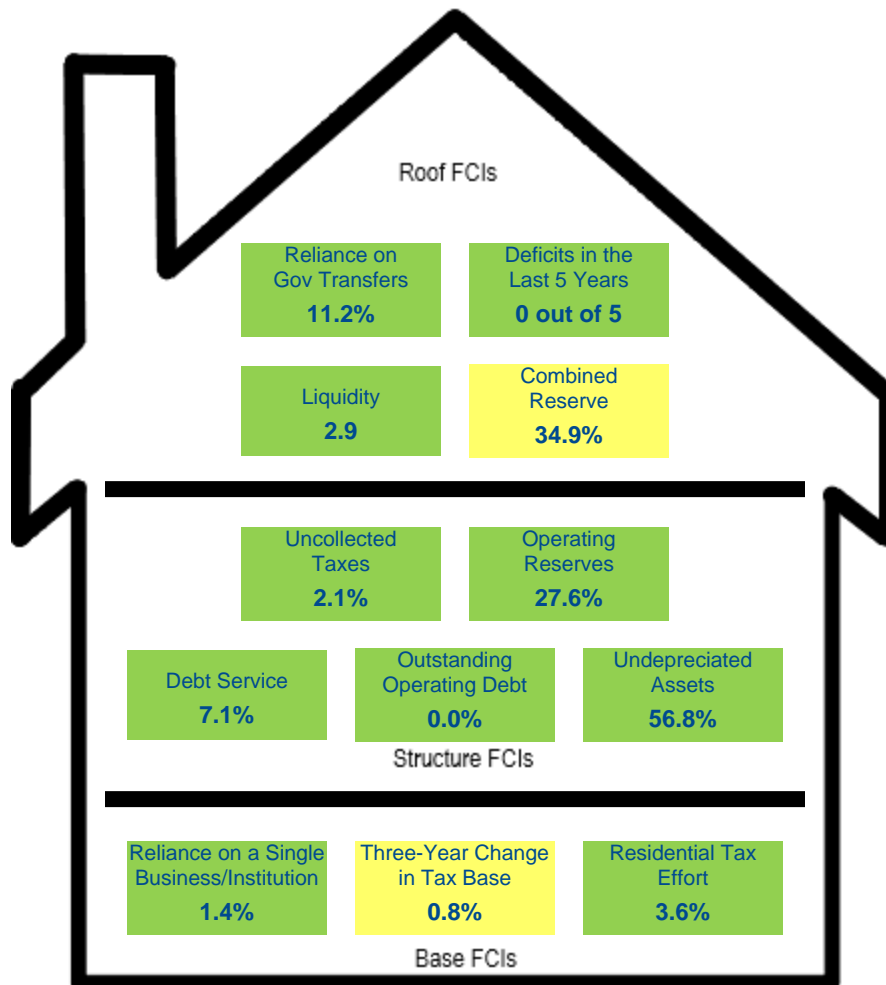
As shown in the House model below, Amherst's FCIs are comprised of:

Low Risk (green): 10 Indicators

Moderate Risk (yellow): 2 Indicators

High Risk (red): 0 Indicators

Details on the individual FCI assessments are provided below.



Two-Year Comparison of Financial Condition Indicators

BASE	2020-21	2019-20	+/-
3-year Change in Tax Base	● 0.8%	● 2.9%	-2.1%
Reliance on a Single Business or Institution	● 1.4%	● 1.6%	-0.2%
Residential Tax Effort	● 3.6%	● 3.6%	0.0%

STRUCTURE

Uncollected Taxes	● 2.1%	● 5.9%	-3.8%
Operating Reserves	● 27.6%	● 22.6%	5.0%
Debt Service	● 7.1%	● 7.9%	-0.8%
Outstanding Operating Debt	● 0.0%	● 0.0%	0.0%
Undepreciated Assets	● 56.8%	● 58.3%	-1.5%

ROOF

Deficits in the Last 5 Years	● 0/5	● 0/5	0
Liquidity	● 2.9	● 3.1	-0.2
Reliance on Government Transfers	● 11.2%	● 10.5%	0.7%
Combined Reserve	● 34.9%	● 31.7%	3.2%

* For 3-year Change in Tax Base, CPI % change for 2020-21 is 6.7% and for 2019-20 is 3.2%

Residential Tax Effort

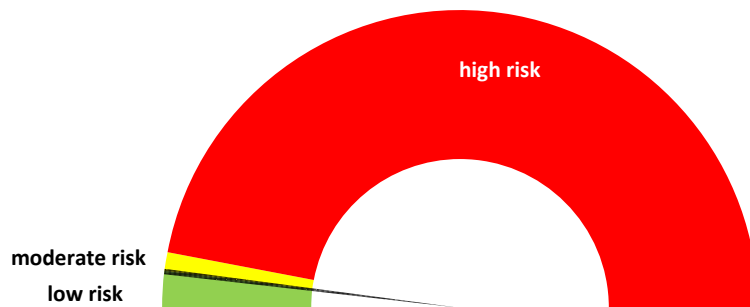
2020-21 Results: **Low risk** **3.6%**
3.6% of median household income is required to pay the average tax bill.

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:
$$\frac{\text{Total residential tax revenue per dwelling unit}}{\text{Median Household Income}} = 3.6\%$$

Risk Thresholds:

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



Three-Year Change in Tax Base

2020-21 Results: **Moderate risk 0.8%**

What does it mean? Growth is below the CPI % change of 6.7% but above 0%.

The Municipality’s tax base is not keeping up with the cost of municipal services and programs.

Calculation:
$$\frac{\text{Current Uniform Assessment} - \text{Uniform Assessment 3 Years Prior}}{\text{Uniform Assessment 3 Years Prior}} = 0.8\%$$

- Risk Thresholds:**
- Low: Equal or above CPI% Change
 - Moderate: Below CPI % Change, but not negative growth
 - High: Negative growth

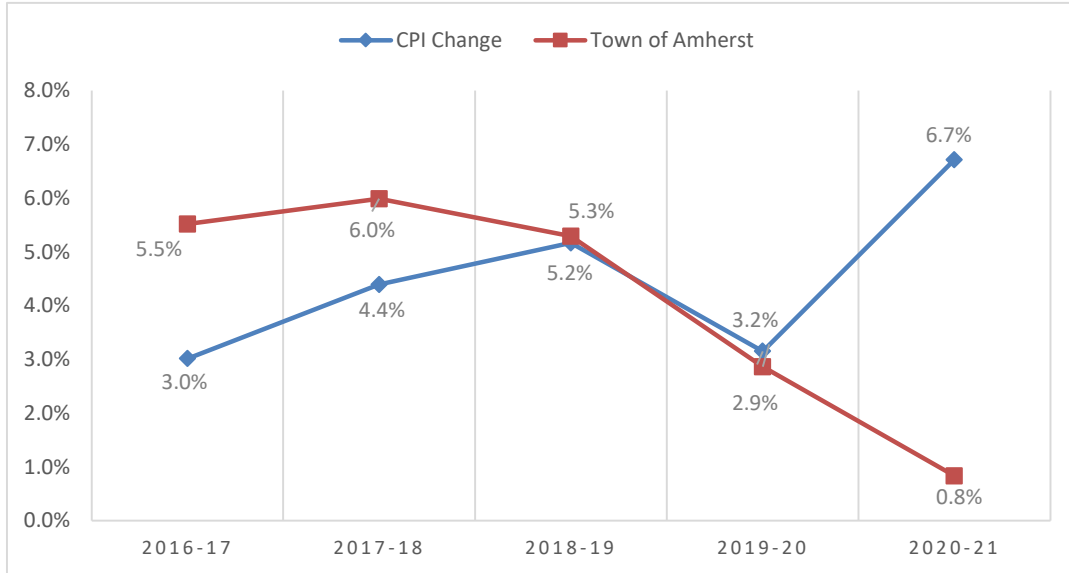


Figure 15- Three-year change in Uniform Assessment in comparison to three-year change in CPI for the last 5 years. Source: Statement of Estimates-Assessment and Statistics Canada

FCI Indicators - Structure (Management) Indicators

Debt Service

2020-21 Results:

Low risk **7.1%**

7.1% of own source revenue is spent on principal and interest payments.




What does it mean?

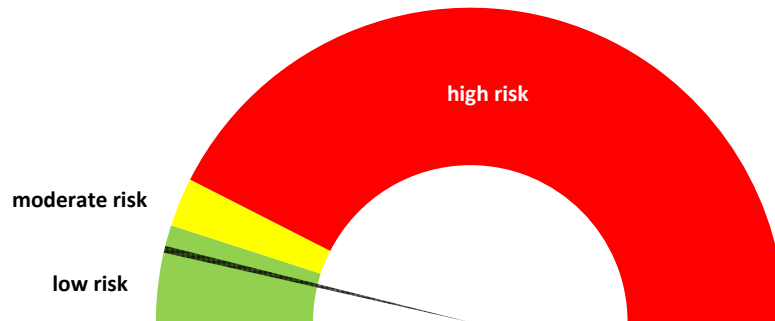
With adequate cash flow, the Municipality may have the flexibility to increase borrowing levels to help finance future capital expenditures.

Calculation:

$$\frac{\text{Principal and Interest Paid on Long-term Debt}}{\text{Total Own Source Operating Revenue}} = 7.1\%$$

Risk Thresholds:

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



Operating Reserve

2020-21 Results: **Low risk** **27.6%**

What does it mean?




The Municipality is setting aside sufficient funds to help mitigate any unforeseen risks or future needs

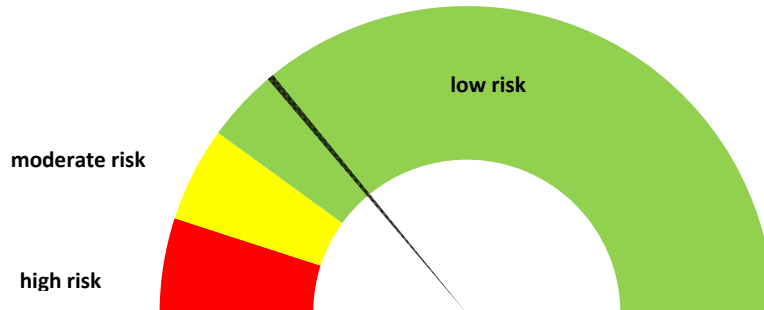
This indicator provides the value of funds set aside for planned future needs, to smooth expenses or for unexpected expenses.

Calculation:

$$\frac{\text{Total Operating Reserve Fund Balance}}{\text{Total Operating Expenditures}} = 27.6\%$$

Risk Thresholds:

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



Undepreciated Assets

2020-21 Results: **Low risk** **56.8%**

What does it mean?




This indicator estimates that the Town's capital assets have 56.8% of their useful life remaining.

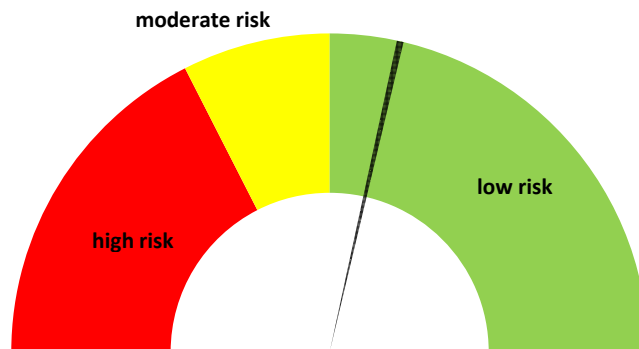
Municipalities across Canada are facing sufficient infrastructure challenges. This indicates that the Municipality is experiencing less of an infrastructure challenge than other municipalities.

Calculation:

$$\frac{\text{Total Net Book Value of Capital Assets}}{\text{Gross Costs of Capital Assets}} = 56.8\%$$

Risk Thresholds:

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



FCI - Roof (Key Performance) Indicators - the ability to meet current and future needs in a balanced and independent manner

Reliance on Government Transfers

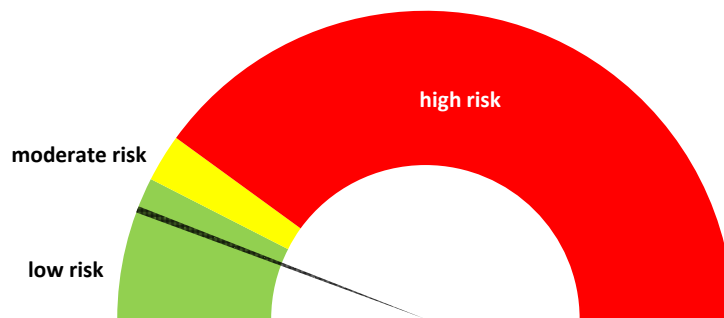
2020-21 Results: **Low risk** **11.2%**

What does it mean? The Municipality is not dependent on another level of government to meet its service obligations.

Calculation:
$$\frac{\text{Total Government Transfers}}{\text{Total Revenue}} = 11.2\%$$

Risk Thresholds:

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



Number of Deficits in the Last 5 Years

2020-21 Results: **Low risk** 0 Operating deficits 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 maintain a balanced budget.

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

Risk Thresholds:

- Low: 0 in the last 5 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)

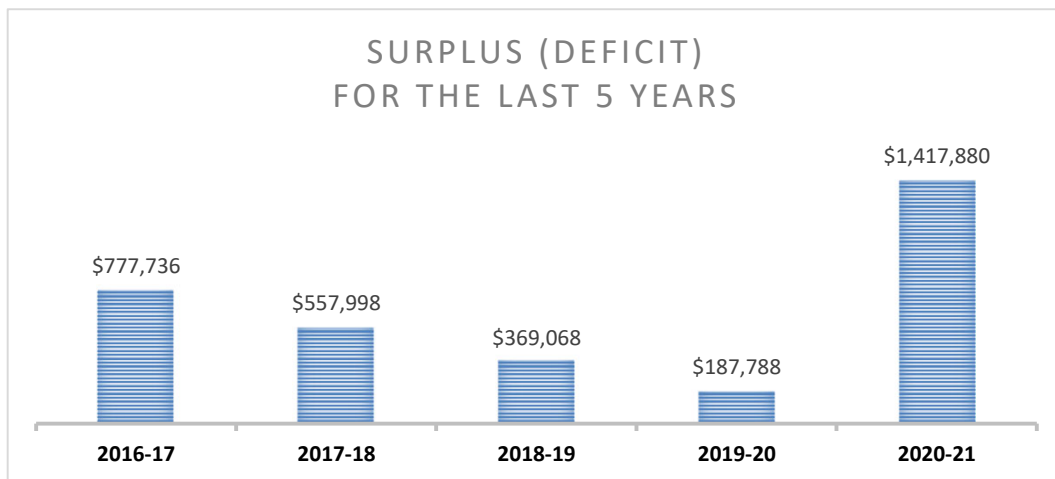


Figure 17- Annual operating fund surplus (deficit) for the last 5 years. Source: Financial Information Return

Combined Reserves

2020-21 Results: **Moderate risk 34.9%**

What does it mean?




This result indicates that the Municipality may appear to have sufficient reserves needed to address unexpected events or provide flexibility to address future projects.

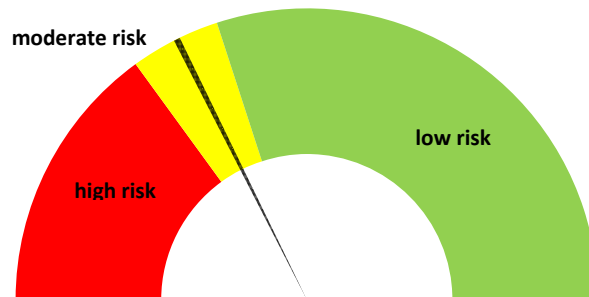
Reserves are critical components of a municipality's long-term sustainability. This indicator shows the value of the funds held in the reserves compared to a single year's operation, including amortization expenses.

Calculation:

$$\frac{\text{Total Operating and Capital Reserves}}{\text{Total Operating Expenses plus Amortization Expense}} = 34.9\%$$

Risk Thresholds:

-  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:

- 911 Municipal Grants
- Consolidated Revenues and Expenses by Municipality
- Municipal Affairs Funding Programs
- Emergency Services Provider Fund
- Farm Land Grant
- Financial Condition Indicators by Municipality
- Municipal Contributions to Roads
- Municipal Financial Capacity Grant (formally equalization program)
- 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

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



Financial Condition Indicators

Roof FCI's				Structure FCI's							Base FCI's		
Reliance on Government Transfers	Deficits in the Last 5 Years	Liquidity	Combined Reserves	Uncollected Taxes	5 Year Budget Accuracy	Operating Reserve	Debt Service	Outstanding Operating Debt	Undepreciated Assets	Reliance on a Single Business	Three-Year Change in Tax Base	Residential Tax Effort	

Town of Amherst

2017/18	10.7%	0 out of 5	2.5	29.3%	2.2%	3 out of 5	22.3%	8.4%	0.0%	61.3%	1.7%	6.0%	3.5%
2018/19	10.4%	0 out of 5	2.7	29.1%	2.1%	3 out of 5	21.1%	8.0%	0.0%	59.5%	1.6%	5.3%	3.5%
2019/20	10.5%	0 out of 5	3.1	31.7%	5.9%	3 out of 5	22.6%	7.9%	0.0%	58.3%	1.6%	2.9%	3.6%
2020/21	11.2%	0 out of 5	2.9	34.9%	2.1%	n/a	27.6%	7.1%	0.0%	56.8%	1.4%	0.8%	3.6%

Town of Truro

2017/18	9.9%	0 out of 5	1.3	13.6%	7.1%	5 out of 5	4.8%	10.0%	10.3%	62.1%	1.8%	4.4%	4.1%
2018/19	9.9%	0 out of 5	1.5	17.1%	6.6%	5 out of 5	8.3%	8.7%	9.0%	59.7%	2.0%	4.2%	4.2%
2019/20	9.9%	0 out of 5	1.5	17.6%	5.4%	5 out of 5	8.3%	8.1%	7.5%	57.8%	2.0%	1.7%	4.4%
2020/21	11.3%	0 out of 5	1.3	25.7%	4.0%	n/a	8.3%	8.3%	3.5%	55.8%	2.0%	2.7%	4.5%

Town of New Glasgow

2017/18	8.8%	0 out of 5	1.4	8.8%	11.1%	5 out of 5	6.1%	9.8%	10.5%	53.5%	3.2%	5.5%	4.0%
2018/19	8.8%	0 out of 5	1.9	13.8%	10.2%	5 out of 5	12.2%	11.5%	3.0%	52.0%	3.3%	4.2%	4.0%
2019/20	8.8%	0 out of 5	1.8	16.0%	9.2%	5 out of 5	14.0%	12.3%	4.2%	50.9%	3.3%	1.4%	4.0%
2020/21	11.3%	0 out of 5	1.9	22.2%	8.0%	n/a	22.0%	11.2%	6.0%	49.7%	3.3%	0.6%	4.1%

Town of Bridgewater

2017/18	5.5%	1 out of 5	1.8	34.6%	4.3%	4 out of 5	20.3%	5.2%	0.0%	50.5%	5.1%	6.8%	4.5%
2018/19	6.2%	1 out of 5	2.2	33.8%	7.6%	4 out of 5	23.9%	6.4%	0.0%	49.7%	4.9%	4.6%	4.6%
2019/20	6.0%	0 out of 5	2.3	39.6%	9.8%	4 out of 5	34.3%	5.1%	0.0%	49.5%	4.9%	2.5%	4.7%
2020/21	8.5%	0 out of 5	3.5	54.8%	6.8%	n/a	53.9%	4.2%	0.0%	47.8%	4.7%	3.8%	4.8%

Town of Yarmouth

2017/18	4.9%	2 out of 5	2.7	31.4%	8.2%	4 out of 5	19.5%	3.3%	0.0%	61.1%	4.3%	-1.7%	4.4%
2018/19	4.7%	2 out of 5	3.3	33.2%	8.7%	4 out of 5	22.8%	3.1%	0.0%	59.3%	4.2%	0.6%	4.4%
2019/20	5.2%	2 out of 5	2.1	30.9%	7.9%	5 out of 5	22.0%	2.4%	0.0%	57.3%	4.2%	1.1%	4.5%
2020/21	6.2%	1 out of 5	2.2	22.2%	7.6%	n/a	10.5%	2.3%	0.0%	59.9%	4.1%	4.2%	4.5%

Green Threshold	Less than 15%	0 in the last 5 years	Greater than 1.5	Greater than 40%	Less than 10%	5 out of 5 years	Greater than 20%	Less than 10%	Less than 25%	Greater than 50%	Less than 10%	Equal or above CPI % Change	Less than 4%
Yellow Threshold	15 to 20%	1 or more in the last 5 years	1 to 1.5	30 to 40%	10 to 15%	4 out of 5 years	10 to 20%	10 to 15%	25 to 50 %	35 to 50%	10 to 15%	Below CPI % Change, but not negative growth	4 to 6%
Red Threshold	Greater than 20%	1 or more in the last 2 years with one material deficit (0.5% of operating expenses)	Less than 1	Less than 30%	Greater than 15%	Less than 4 out of 5 years	Less than 10%	Greater than 15%	Greater than 50%	Less than 35%	Greater than 15%	Negative Growth	Greater than 6%

5-Year Budget Accuracy - threshold detail:

5 out of 5 years, expenditures were within +/- 5% or expenditure and revenue variances were within +/- 5% of each other
4 out of 5 years, expenditures were within +/- 5%
Less than 4 out of 5 years, expenditures were within +/- 5%
n/a Due to the impact of COVID-19, use of the 5 Year Budget Accuracy indicator has been suspended for 2020/21 and 2021/22. Its future inclusion or possible replacement will be re-evaluated for the 2022/23 municipal reports.



MEMO

To: Audit Committee

From: Sarah Wilson, Director of Finance

Date: March 7, 2023

Re: New Policy – Inventory Control of Non-Capital Equipment

At a meeting of the Audit Committee in the fall, a request was made for staff to develop a policy for Inventory Control of Non-Capital Equipment. Staff have created the Policy and it is attached for review.

Staff are looking for a motion from the Audit Committee to accept the Policy for Inventory Control of Non-Capital Equipment and to forward it to a future council meeting for approval.



TITLE: Inventory Control of Non-Capital Equipment Policy (DRAFT)
SECTION: Finance
POLICY NO:

APPROVAL DATE: _____ **CAO Signature:** _____

POLICY STATEMENT

The Town will ensure proper accounting of Town workplace equipment.

PURPOSE

To ensure that non-capital equipment for the Town of Amherst is accounted for on an annual basis.

APPLICATION

Departmental Directors will prepare a list of non-capital equipment in their department with a value between \$1,000 and \$5,000. This list will be updated on an annual basis and submitted to the Director of Finance no later than March 31. Any unaccounted-for change in equipment will be noted.

DEFINITION

For the purposes of this policy, non-capital equipment is defined as tools, computers, communications devices and equipment used by employees to carry out their work with an approximate value between \$1,000 and \$5,000.

ROLES AND RESPONSIBILITIES

Title/Role	Responsibilities
Director of Finance	To ensure that non-capital equipment for the Town of Amherst is accounted for on an annual basis.
Departmental Directors	To maintain a list of non-capital inventory and ensure that it is updated annually and submitted to the Director of Finance no later than March 31. Any unaccounted-for change in equipment will be noted.

For Administrative Use Only:

VERSION LOG

Amendment Description	Policy Owner	Approved By	Approval Date
	Director of Finance		