

TOWN OF AMHERST
AMHERST, NOVA SCOTIA

CONSOLIDATED
FINANCIAL STATEMENTS
MARCH 31, 2010

**Town of Amherst
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AUDITOR'S REPORT

**To His Worship the Mayor and
Members of the Council of The Town of Amherst**

We have audited the consolidated statements of financial position of the Town of Amherst as at March 31, 2010 and the consolidated statements of operations and changes in financial position for the year then ended. These consolidated financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2010 and the results of the operations and the changes in its financial position for the year then ended in accordance with accounting principles for municipal governments established by the Canadian Institute of Chartered Accountants.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in the schedule is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion is fairly stated in all material respects to the basic financial statements.


Registered Municipal Auditors

Amherst, Nova Scotia

September 21, 2010

Town of Amherst
Consolidated Statement of Financial Position
As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| Financial Assets | | |
| Cash and Short Term Investments | \$ 4,653,031 | \$ 2,993,821 |
| Taxes and Rates Receivable (Note 5) | 1,449,935 | 1,223,460 |
| Total Financial Assets | <u>6,102,966</u> | <u>4,217,281</u> |
| Financial Liabilities | | |
| Accounts Payable - Trade | 538,915 | 645,608 |
| Unfunded Pension Liability (Note 14 & 15) | 790,575 | 616,275 |
| Long Term Debt (Note 8) | 7,054,793 | 6,858,144 |
| Capital Lease Obligation | - | 48,476 |
| Other Liabilities | 117,069 | 117,069 |
| Total Financial Liabilities | <u>8,501,352</u> | <u>8,285,572</u> |
| Net Financial Assets (Liabilities) | <u>(2,398,386)</u> | <u>(4,068,291)</u> |
| Non Financial Assets | | |
| Prepaid Expenses | 31,028 | 45,464 |
| Inventories of Supplies | 121,144 | 132,512 |
| Capital Assets (net of Accumulated Amortization) | 34,581,016 | 53,175,597 |
| Total Non Financial Assets | <u>34,733,188</u> | <u>53,353,573</u> |
| Net Assets (Liabilities) | <u>\$ 32,334,802</u> | <u>\$ 49,285,282</u> |
| Fund Balances | | |
| General Operating Fund (Page 5) | \$ 152,177 | \$ 124,850 |
| Water Operating Fund (Page 7) | (583,403) | (594,592) |
| General Capital Fund (Page 9) | 15,791,299 | 36,995,243 |
| Water Capital Fund (Page 11) | 10,270,215 | 7,817,485 |
| Reserve Funds (Page 13) | 4,493,923 | 3,046,514 |
| CJSMA Fund (Page 15) | 3,001,166 | 2,512,057 |
| Total Fund Balances | <u>33,125,377</u> | <u>49,901,557</u> |
| Amounts to be Recovered from Future Revenue (Note 6) | <u>(790,575)</u> | <u>(616,275)</u> |
| Total Municipal Position | <u>\$ 32,334,802</u> | <u>\$ 49,285,282</u> |

Town of Amherst
Consolidated Statement of Operations
For the Year Ended March 31, 2010

| | Budget 2010 | Actual 2010 | Actual 2009 |
|---|----------------------|----------------------|----------------------|
| Revenue | | | |
| Taxes | \$ 11,878,696 | \$ 11,849,294 | \$ 11,247,000 |
| Grants in Lieu of Taxes | 300,573 | 303,754 | 297,638 |
| Service to Other Governments | 213,410 | 213,410 | 209,833 |
| Sale of Services | 3,258,562 | 3,429,863 | 3,012,646 |
| Other Revenue from Own Sources | 430,040 | 543,918 | 481,595 |
| Unconditional Transfers from Government | 1,209,315 | 1,209,239 | 1,175,927 |
| Conditional Transfers from Government | 1,051,622 | 1,056,630 | 599,117 |
| Other (Note 7) | 166,894 | 181,962 | 547,195 |
| Total Revenue | <u>18,509,112</u> | <u>18,788,070</u> | <u>17,570,951</u> |
| Expenditures | | | |
| General Government Services | 1,892,905 | 1,895,037 | 1,681,361 |
| Protective Services - Police | 3,523,085 | 3,421,512 | 3,116,179 |
| Protective Services - Fire | 1,399,420 | 1,374,447 | 1,292,927 |
| Transportation Services | 1,833,068 | 1,860,935 | 1,880,761 |
| Environmental Health Services | 1,806,485 | 1,851,392 | 1,607,924 |
| Public Health Services | 198,600 | 211,553 | 192,821 |
| Environmental Development Services | 575,295 | 572,636 | 539,844 |
| Recreation and Cultural Services | 1,340,049 | 1,274,458 | 1,046,562 |
| Education | 1,382,104 | 1,382,160 | 1,354,320 |
| Water Utility | 1,728,238 | 1,776,341 | 1,525,327 |
| Total Expenditures | <u>15,679,249</u> | <u>15,620,471</u> | <u>14,238,026</u> |
| Capital | | | |
| General Government | - | 5,931 | 20,876 |
| Protective Services | 50,295 | 76,120 | 36,082 |
| Transportation Services | 763,950 | 709,239 | 832,035 |
| Environmental Health Services | 840,657 | 486,731 | 686,862 |
| Recreation and Cultural Services | 275,600 | 204,922 | 403,331 |
| Water Utility | 461,442 | 240,749 | 286,321 |
| Total Capital | <u>2,391,944</u> | <u>1,723,692</u> | <u>2,265,507</u> |
| Net Revenue | 437,919 | 1,443,907 | 1,067,418 |
| Amortization Expenditure | - | (1,342,415) | - |
| Adjusted Net Revenue | <u>437,919</u> | <u>101,492</u> | <u>1,067,418</u> |
| Financing and Transfers | | | |
| CJSMA Rate Differential | - | 272,739 | - |
| Change in Equity | 2,391,944 | 1,723,692 | 2,265,507 |
| Net Financing and Transfers | <u>2,391,944</u> | <u>1,996,431</u> | <u>2,265,507</u> |
| Change in Fund Balances | 2,829,863 | 2,097,923 | 3,332,925 |
| Fund Balances, Beginning of Year | 49,901,557 | 49,901,557 | 46,568,632 |
| Fund Balance, TCA Adjustment Beginning of Year | - | (18,874,103) | - |
| Fund Balances, End of Year | <u>\$ 52,731,420</u> | <u>\$ 33,125,377</u> | <u>\$ 49,901,557</u> |

Town of Amherst
Consolidated Statement of Changes in Financial Position
As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|---------------------|---------------------|
| Increase (Decrease) in Cash and Cash Equivalents | | |
| Operating Activities | | |
| Net Revenue (Expenditures) | \$ 101,492 | \$ 1,067,418 |
| Amortization / Depreciation | 1,473,492 | 171,543 |
| Decrease (Increase) in Receivables | (226,475) | 623,836 |
| Increase (Decrease) in Payables | (106,693) | (1,460,944) |
| Increase (Decrease) in Unfunded Pension Liability | - | (236,826) |
| Increase (Decrease) in Other Liabilities | - | (159,762) |
| Decrease (Increase) in Prepaid Expenses | 14,436 | (789) |
| Decrease (Increase) in Inventory of Supplies | 11,368 | (9,204) |
| Total Operating Activities | <u>1,267,620</u> | <u>(4,728)</u> |
| Financing Activities | | |
| Proceeds of Long Term Debt | 932,845 | 2,942,240 |
| Long Term Debt Repayment | (696,599) | (749,976) |
| Total Financing Activities | <u>236,246</u> | <u>2,192,264</u> |
| Investing Activities | | |
| Loss on Disposal of Capital Assets | 52,243 | - |
| Loss on Disposal of Leased Capital Asset | 74,695 | - |
| Adjusting entry done to correct capital assets. | - | 159,762 |
| Total Investing Activities | <u>126,938</u> | <u>159,762</u> |
| Net Increase (Decrease) in Cash and Cash Equivalents | 1,630,804 | 2,347,298 |
| Cash and Cash Equivalents | | |
| Beginning of Year | 2,993,821 | 598,273 |
| CJSMA Rate Differential | 28,406 | 48,250 |
| End of Year | <u>\$ 4,653,031</u> | <u>\$ 2,993,821</u> |

Town of Amherst
Schedule of Financial Position - General Operating Fund
As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Financial Assets | | |
| Cash and Short Term Investments | \$ (316,760) | \$ (35,932) |
| Taxes and Rates Receivable | 985,481 | 773,268 |
| Total Financial Assets | <u>668,721</u> | <u>737,336</u> |
| Financial Liabilities | | |
| Accounts Payable - Trade | 453,279 | 560,755 |
| Unfunded Pension Liability | 751,326 | 573,822 |
| Other Liabilities | 117,069 | 117,069 |
| Total Financial Liabilities | <u>1,321,674</u> | <u>1,251,646</u> |
| Net Financial Assets (Liabilities) | <u>(652,953)</u> | <u>(514,310)</u> |
| Non Financial Assets | | |
| Prepaid Expenses | 20,550 | 36,740 |
| Inventories of Supplies | 33,254 | 28,598 |
| Total Non Financial Assets | <u>53,804</u> | <u>65,338</u> |
| Net Assets (Liabilities) | <u>\$ (599,149)</u> | <u>\$ (448,972)</u> |
| | | |
| General Operating Fund Balance | \$ 152,177 | \$ 124,850 |
| Amounts to be Recovered from Future Revenue | <u>(751,326)</u> | <u>(573,822)</u> |
| General Operating Municipal Position | <u>\$ (599,149)</u> | <u>\$ (448,972)</u> |

Town of Amherst
Schedule of Operations - General Operating Fund

For the Year Ended March 31, 2010

| | Budget 2010 | Actual 2010 | Actual 2009 |
|--|--------------------|---------------------------|--------------------|
| Revenue | | | |
| Taxes | \$ 11,878,696 | \$ 11,849,294 | \$ 11,247,000 |
| Grants in Lieu of Taxes | 300,573 | 303,754 | 297,638 |
| Service to Other Governments | 213,410 | 213,410 | 209,833 |
| Sale of Services | 1,079,176 | 1,224,293 | 1,008,103 |
| Other Revenue from Own Sources | 454,040 | 567,918 | 502,595 |
| Unconditional Transfers from Government | 1,209,315 | 1,209,239 | 1,175,927 |
| Conditional Transfers from Government | 305,100 | 306,918 | 191,071 |
| Total Revenue | <u>15,440,310</u> | <u>15,674,826</u> | <u>14,632,167</u> |
| Expenditures | | | |
| General Government Services | 1,892,905 | 1,850,693 | 1,681,361 |
| Protective Services - Police | 3,556,085 | 3,475,014 | 3,164,795 |
| Protective Services - Fire | 1,433,620 | 1,411,476 | 1,329,954 |
| Transportation Services | 2,277,940 | 2,231,522 | 2,315,233 |
| Environmental Health Services | 1,152,269 | 1,201,271 | 1,062,409 |
| Public Health Services | 198,600 | 211,553 | 192,821 |
| Environmental Development Services | 575,295 | 572,636 | 539,844 |
| Recreation and Cultural Services | 1,348,449 | 1,288,140 | 1,087,424 |
| Education | 1,382,104 | 1,382,160 | 1,354,320 |
| Total Expenditures (Note 9) | <u>13,817,267</u> | <u>13,624,465</u> | <u>12,728,161</u> |
| Net Revenue | 1,623,043 | 2,050,361 | 1,904,006 |
| Amortization Expenditure (Note 10) | - | (1,342,415) | - |
| Adjusted Net Revenue | <u>1,623,043</u> | <u>707,946</u> | <u>1,904,006</u> |
| Financing and Transfers | | | |
| Debt Principal Repayment | (636,884) | (636,884) | (538,780) |
| Lease Principal Repayment | (7,681) | (7,681) | (9,752) |
| Transfers from Reserves | 136,210 | 116,701 | 203,323 |
| Transfers to Reserves | (736,688) | (1,098,616) | (862,149) |
| Transfers to General Capital | (378,000) | (396,554) | (681,700) |
| Net Financing and Transfers | <u>(1,623,043)</u> | <u>(2,023,034)</u> | <u>(1,889,058)</u> |
| Change in General Operating Fund Balance | - | (1,315,088) | 14,948 |
| Amortization Expenditure (Note 10) | - | 1,342,415 | - |
| Net Change in General Operating Fund Balance | <u>-</u> | <u>27,327</u> | <u>14,948</u> |
| General Operating Fund Balance, Beginning of Year | <u>-</u> | <u>124,850</u> | <u>109,902</u> |
| General Operating Fund Balance, End of Year | <u>\$ -</u> | <u>\$ 152,177</u> | <u>\$ 124,850</u> |

Town of Amherst
Schedule of Financial Position - Water Operating Fund

As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Financial Assets | | |
| Cash | \$ (843,193) | \$ (859,531) |
| Receivables | 204,543 | 205,229 |
| Total Financial Assets | <u>(638,650)</u> | <u>(654,302)</u> |
| Financial Liabilities | | |
| Accounts Payable - Trade | 32,643 | 44,204 |
| Unfunded Pension Liability | 39,249 | 42,453 |
| Total Financial Liabilities | <u>71,892</u> | <u>86,657</u> |
| Net Financial Assets (Liabilities) | <u>(710,542)</u> | <u>(740,959)</u> |
| Non Financial Assets | | |
| Inventories of Supplies | 87,890 | 103,914 |
| Net Assets (Liabilities) | <u>\$ (622,652)</u> | <u>\$ (637,045)</u> |
| Water Operating Fund Balance | \$ (583,403) | \$ (594,592) |
| Amounts to be Recovered from Future Revenue | <u>(39,249)</u> | <u>(42,453)</u> |
| Water Operating Municipal Position | <u>\$ (622,652)</u> | <u>\$ (637,045)</u> |

Town of Amherst
Schedule of Operations - Water Operating Fund
 For the Year Ended March 31, 2010

| | Budget 2010 | Actual 2010 | Actual 2009 |
|--|------------------|---------------------|---------------------|
| Revenue | | | |
| Metered | \$ 889,000 | \$ 904,917 | \$ 885,514 |
| Flat | 105,000 | 104,769 | 105,927 |
| Public Fire Protection | 444,872 | 445,272 | 445,947 |
| Sprinkler Service | 15,000 | 15,000 | 13,250 |
| Sale of Services | 12,528 | 6,527 | 20,878 |
| Sundry | 1,000 | 831 | - |
| Other - Non-Operating Revenue | 10,400 | 64,791 | 9,443 |
| Total Revenue | <u>1,477,800</u> | <u>1,542,107</u> | <u>1,480,959</u> |
| Expenditures | | | |
| Source of Supply | 13,690 | - | 3,241 |
| Power and Pumping | 110,491 | 155,970 | 159,598 |
| Water Treatment | 9,373 | 3,034 | 1,269 |
| Transmission and Distribution | 640,895 | 619,913 | 578,449 |
| Administrative | 444,277 | 491,647 | 299,195 |
| Depreciation | 182,040 | 183,320 | 171,544 |
| Total Expenditures (Note 9) | <u>1,400,766</u> | <u>1,453,884</u> | <u>1,213,296</u> |
| Net Revenue | <u>77,034</u> | <u>88,223</u> | <u>267,663</u> |
| Financing and Transfers | | | |
| Debt Principal Repayment | (52,034) | (52,034) | (72,034) |
| Transfer to Water Capital | (25,000) | (25,000) | (25,000) |
| Net Financing and Transfers | <u>(77,034)</u> | <u>(77,034)</u> | <u>(97,034)</u> |
| Change in Water Operating Fund Balance | - | 11,189 | 170,629 |
| Water Operating Fund Balance, Beginning of Year | - | (594,592) | (765,221) |
| Water Operating Fund Balance, End of Year | <u>\$ -</u> | <u>\$ (583,403)</u> | <u>\$ (594,592)</u> |

Town of Amherst
Schedule of Financial Position - General Capital Fund
 As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|----------------------|----------------------|
| Financial Assets | | |
| Cash | \$ (407,417) | \$ (340,267) |
| Receivables | 165,825 | 98,665 |
| Total Financial Assets | <u>(241,592)</u> | <u>(241,602)</u> |
| Financial Liabilities | | |
| Long Term Debt | 6,171,295 | 6,143,572 |
| Capital Lease Obligation | - | 48,476 |
| Total Financial Liabilities | <u>6,171,295</u> | <u>6,192,048</u> |
| Net Financial Assets (Liabilities) | <u>(6,412,887)</u> | <u>(6,433,650)</u> |
| Non Financial Assets | | |
| Capital Assets (Note 4) | 40,892,174 | 43,428,893 |
| Accumulated Amortization (Note 4) | (18,687,988) | - |
| Total Non Financial Assets | <u>22,204,186</u> | <u>43,428,893</u> |
| Net Assets (Liabilities) | <u>\$ 15,791,299</u> | <u>\$ 36,995,243</u> |
| General Capital Fund Balance | <u>\$ 15,791,299</u> | <u>\$ 36,995,243</u> |
| General Capital Municipal Position | <u>\$ 15,791,299</u> | <u>\$ 36,995,243</u> |

Town of Amherst
Schedule of Operations - General Capital Fund
For the Year Ended March 31, 2010

| | 2010 | 2009 |
|--|----------------------|----------------------|
| Revenue | | |
| Federal Gas Tax Proceeds | \$ 746,522 | \$ 378,225 |
| Interest on Federal Gas Tax Funds | 3,190 | 29,821 |
| Donations for Capital Projects | - | 7,675 |
| Insurance Proceeds for Motor Vehicle | 8,929 | - |
| Grants for Capital Projects | 165,825 | 524,000 |
| Total Revenue | <u>924,466</u> | <u>939,721</u> |
| Expenditures | | |
| Amorization | 1,290,172 | - |
| Loss on Disposal of Capital Assets | 52,243 | - |
| Loss on Disposal of Leased Capital Asset | 74,685 | - |
| Total Expenditures | <u>1,417,100</u> | <u>-</u> |
| Capital Expenditures | | |
| General Government | 5,931 | 20,876 |
| Protective Services | 76,120 | 36,082 |
| Transportation Services | 709,239 | 832,035 |
| Environmental Health Services | 486,731 | 657,699 |
| Recreation and Cultural Services | 204,922 | 403,331 |
| Total Capital Expenditures (Note 11) | <u>1,482,943</u> | <u>1,950,023</u> |
| Net Revenue (Expenditures) | <u>(1,975,577)</u> | <u>(1,010,302)</u> |
| Financing and Transfers | | |
| Debt Principal Payments | 636,884 | 538,780 |
| Capital Lease Payments | 7,681 | 9,752 |
| Transfer from General Operating | 396,554 | 681,700 |
| Transfers from Reserves | 283,278 | 163,821 |
| Transfers to Reserves | (785,962) | (895,319) |
| Change in Equity | 1,482,943 | 1,950,023 |
| Net Financing and Transfers | <u>2,021,378</u> | <u>2,448,757</u> |
| Change in General Capital Fund Balance | 45,801 | 1,438,455 |
| General Capital Fund Balance, Beginning of Year | 36,995,243 | 35,556,788 |
| General Capital Fund Balance, TCA Adjustment Beg. of Year | (21,249,745) | - |
| General Capital Fund Balance, End of Year | <u>\$ 15,791,299</u> | <u>\$ 36,995,243</u> |

Town of Amherst
Schedule of Financial Position - Water Capital Fund
As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|--------------------------|-------------------------|
| Financial Assets | | |
| Cash | \$ 515,235 | \$ 279,372 |
| Financial Liabilities | | |
| Long Term Debt | <u>749,603</u> | <u>533,399</u> |
| Net Financial Assets (Liabilities) | <u>(234,368)</u> | <u>(254,027)</u> |
| Non Financial Assets | | |
| Capital Assets (net of Accumulated Depreciation) (Note 4) | <u>10,504,583</u> | <u>8,071,512</u> |
| Net Assets (Liabilities) | <u>\$ 10,270,215</u> | <u>\$ 7,817,485</u> |
| Water Capital Fund Balance | <u>\$ 10,270,215</u> | <u>\$ 7,817,485</u> |
| Water Capital Municipal Position | <u>\$ 10,270,215</u> | <u>\$ 7,817,485</u> |

Town of Amherst
Schedule of Operations - Water Capital Fund

 For the Year Ended March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|--|----------------------|---------------------|
| Revenue | | |
| Interest Income | \$ 54 | \$ 3,283 |
| Capital Expenditures | | |
| Transmission Mains | - | - |
| Distribution Mains | 218,220 | 244,355 |
| Meters | - | - |
| Power & Pumping | 22,529 | 41,966 |
| Purification | - | - |
| Tools & Equipment | - | - |
| Computers | - | - |
| Transportation Equipment | - | - |
| Total Capital Expenditures (Note 11) | <u>240,749</u> | <u>286,321</u> |
| Net Revenue (Expenditures) | <u>(240,695)</u> | <u>(283,038)</u> |
| Financing and Transfers | | |
| Debt Principal Payments | 52,034 | 72,034 |
| Transfer from Water Operating | 25,000 | 25,000 |
| Change in Equity | 240,749 | 286,321 |
| Net Financing and Transfers | <u>317,783</u> | <u>383,355</u> |
| Change in Water Capital Fund Balance | 77,088 | 100,317 |
| Water Capital Fund Balance, Beginning of Year | 7,817,485 | 7,717,168 |
| Water Capital Fund Balance, TCA Adjustment Beg. of Year | <u>2,375,642</u> | <u>-</u> |
| Water Capital Fund Balance, End of Year | <u>\$ 10,270,215</u> | <u>\$ 7,817,485</u> |

Town of Amherst
Schedule of of Financial Position - Reserve Funds
As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|---------------------|---------------------|
| Financial Assets | | |
| Cash | \$ 4,493,923 | \$ 2,804,473 |
| Accounts Receivable | - | 5,422 |
| GIC - Federal Gas Tax Program | - | 236,619 |
| Net Financial Assets | <u>\$ 4,493,923</u> | <u>\$ 3,046,514</u> |
| | | |
| Reserve Fund Balances (Note 13) | <u>\$ 4,493,923</u> | <u>\$ 3,046,514</u> |
| | | |
| Reserve Funds Municipal Position | <u>\$ 4,493,923</u> | <u>\$ 3,046,514</u> |

Town of Amherst
Schedule of Operations - Reserve Funds

 For the Year Ended March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|---|---------------------|---------------------|
| Revenue | | |
| Value of Land Donated | \$ - | \$ 3,450 |
| Proceeds from Disposal of Equipment | 7,154 | 1,446 |
| Other | - | 7,341 |
| Total Revenue | <u>7,154</u> | <u>12,237</u> |
| Expenditures | | |
| General Government | <u>44,344</u> | - |
| Net Revenue (Expenditures) | <u>(37,190)</u> | <u>12,237</u> |
| Financing and Transfers | | |
| Transfer from General Operating | 1,098,616 | 862,149 |
| Transfer from General Capital | 785,962 | 895,319 |
| Transfer to General Operating | (116,701) | (203,323) |
| Transfer to General Capital | <u>(283,278)</u> | <u>(163,821)</u> |
| Net Financing and Transfers | <u>1,484,599</u> | <u>1,390,324</u> |
| Change in Reserve Fund Balances | 1,447,409 | 1,402,561 |
| Reserve Fund Balances, Beginning of Year | <u>3,046,514</u> | <u>1,643,953</u> |
| Reserve Fund Balances, End of Year | <u>\$ 4,493,923</u> | <u>\$ 3,046,514</u> |

Town of Amherst
Schedule of Financial Position - Cumberland Joint Services Mgmt Authority Fund

 As at March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Financial Assets | | |
| Cash | \$ 1,211,243 | \$ 903,665 |
| Receivables | 94,086 | 146,298 |
| Total Financial Assets | <u>1,305,329</u> | <u>1,049,963</u> |
| Financial Liabilities | | |
| Payables and Accruals | 52,993 | 40,649 |
| Long Term Debt | 133,895 | 181,173 |
| Total Financial Liabilities | <u>186,888</u> | <u>221,822</u> |
| Net Financial Assets (Liabilities) | <u>1,118,441</u> | <u>828,141</u> |
| Non Financial Assets | | |
| Prepaid Expenses | 10,478 | 8,724 |
| Capital Assets | 1,872,247 | 1,675,192 |
| Total Non Financial Assets | <u>1,882,725</u> | <u>1,683,916</u> |
| Net Assets (Liabilities) | <u>\$ 3,001,166</u> | <u>\$ 2,512,057</u> |
| | | |
| Cumberland Joint Services Fund Balance | <u>\$ 3,001,166</u> | <u>\$ 2,512,057</u> |
| | | |
| Cumberland Joint Services Management Authority Municipal Position | <u>\$ 3,001,166</u> | <u>\$ 2,512,057</u> |

Town of Amherst
Schedule of Operations - Cumberland Joint Services Mgmt Authority Fund

 For the Year Ended March 31, 2010

| | <u>2010</u> | <u>2009</u> |
|--|---------------------|---------------------|
| Revenue | | |
| Solid Waste Operations | \$ 686,798 | \$ 590,717 |
| Compost Operations | 78,244 | 68,120 |
| Recycling Operations | 131,311 | 108,391 |
| Other | 9,109 | 28,194 |
| Total Revenue | <u>905,462</u> | <u>795,422</u> |
| Expenditures | | |
| Administration | 121,748 | 98,266 |
| Solid Waste Operations | 194,043 | 222,058 |
| Compost Operations | 94,122 | 52,269 |
| Recycling Operations | 279,063 | 216,814 |
| Capital Assets Acquired | - | 29,163 |
| Other | 116 | - |
| Change in Prepaid Expense | - | (2,942) |
| Total Expenditures | <u>689,092</u> | <u>615,628</u> |
| Net Revenue | <u>216,370</u> | <u>179,794</u> |
| Financing and Transfers | | |
| Rate Differential | 272,739 | - |
| Change in Prepaid Expense | - | (2,942) |
| Change in Equity | - | 29,163 |
| Net Financing and Transfers | <u>272,739</u> | <u>26,221</u> |
| Change in Cumb Joint Services Mgmt Auth Fund | 489,109 | 206,015 |
| Cumb Joint Services Mgmt Auth Fund Balance, Beginning of Year | <u>2,512,057</u> | <u>2,306,042</u> |
| Cumb Joint Services Mgmt Auth Fund Balance, End of Year | <u>\$ 3,001,166</u> | <u>\$ 2,512,057</u> |

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Amherst are the representations of management prepared in accordance with Generally Accepted Accounting Principles for local governments as established by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The focus of PSAB financial statements is on the financial position of the Town of Amherst and the changes thereto.

a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net assets and in financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Town of Amherst for the administration of their financial affairs and resources and which are owned or controlled by the Town of Amherst, namely:

- General Operating and Capital
- Water Utility and Capital
- Operating and Capital Reserves
- Cumberland Joint Services Management Authority

Inter-departmental and inter-organizational transactions have been eliminated.

b) Fund Accounting

Funds within the consolidated financial statements consist of the operating funds, capital and reserve funds. Transfers between funds are recorded as adjustments to the appropriate municipal fund balance.

The operating funds reflect the financial activities associated with the provision of municipal government services.

The capital funds reflect the financial activities associated with the acquisition, construction and funding of capital assets.

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

c) Revenue and Expenditure Recognition

Revenues are recorded using the accrual basis of accounting as they are earned and measurable. Expenditures are accounted for in the period the goods and services are acquired and liability is incurred or transfer is due.

Property tax revenue is based on assessment determined in accordance with Nova Scotia Legislation. Tax rates are set annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. Penalties on overdue taxes are recorded in the period levied.

d) Tangible Capital Assets

During the current year, the Town adopted Section 3150 – Tangible Capital Assets of the Public Sector Accounting Handbook which came in effect on January 1, 2009. Amortization has been recorded as an expense and is calculated on a straight-line basis over an asset's estimated useful life. Prior year's figures have not been restated.

The Town records depreciation in the Water Utility Operating Fund which is calculated based on rates prescribed by the Nova Scotia Utility and Review Board. The annual depreciation amount is transferred to the Water Utility Capital Fund and is used to help fund fixed asset additions.

The historic costs for capital assets are recorded on the statement of financial position. Capital assets and projects in progress are reported as expenditures in the statement of operations in the year of acquisition. The Town records amortization on its property and equipment based on rates recommended under generally accepted accounting principles.

e) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost being determined on a FIFO basis.

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

f) Government Transfers

Government Transfers are recognized in the period in which the events giving rise to the transfer occur, providing transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

g) Investment Income

Investment income earned on surplus current funds, capital funds and reserve funds are reported as revenue in the period earned.

2. CONTRIBUTION TO BOARDS

The Town of Amherst is required to finance the operations of various Boards and Commissions, along with other Municipal Units in Cumberland County to the extent of its participation based on assessment or population formula.

In addition to any budgeted contributions, the Municipal Units share in the deficits or surpluses of these Boards based on their sharing percentages.

Cumberland Regional Housing Authority

The Town of Amherst along with other municipal units is required to finance its share of the operating deficit in the Cumberland Regional Housing Authority out of current year's operations. The deficit financed for 2009/10 was \$211,553 (2008/09 - \$192,821).

Downtown Amherst Revitalization Society

The Town of Amherst collects a tax levy on behalf of the Downtown Amherst Revitalization Society and remits these funds to it. The Town does not share in any surplus or deficits.

Cumberland Regional Library

During the year, the Town of Amherst paid \$55,444 (2008/09 - \$51,280) to the Cumberland Regional Library. The Town of Amherst does not share in any surplus or deficits.

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

3. CONTRIBUTION TO PROVINCIAL GOVERNMENT DEPARTMENTS & AGENCIES

The Town of Amherst is required to finance the operations of various provincial government departments and boards, along with other municipal units in the province, based upon formulas defined in legislation.

Education Contribution

The Town of Amherst is required to contribute to the Chignecto Central Regional School Board based on a calculation using the mandatory municipal education rate (set by the Minister of Education) times the Town of Amherst's uniform assessment. For 2009/10 the education contribution was the education tax rate of \$0.3200 per \$100 of uniform assessment times the uniform assessment of \$431,925,426 for a total amount paid of \$1,382,160 (2008/09 - \$1,354,320).

Corrections Contribution

The required contribution for corrections is calculated first using an amount set by the Province, to be recovered from all municipal units. Fifty percent of this recovery amount is allocated among municipal units using each unit's uniform assessment as a percentage of provincial uniform assessment. The other fifty percent is allocated using each unit's number of dwelling units as a percentage of provincial dwelling units. During 2009/10 the Town of Amherst paid \$154,070 (2008/09 - \$153,961) to the Province for corrections services.

Assessment Services Contributions

The required contribution for assessment services is calculated first using an amount set by the Province to be recovered from all municipal units. Fifty percent of this recovery amount is allocated among municipal units using each unit's uniform assessment as a percentage of provincial uniform assessment. The other fifty percent is allocated using each unit's number of assessment accounts as a percentage of provincial assessment accounts. During 2009/10 the Town of Amherst paid \$123,059 (2008/09 - \$119,154) to the Province for assessment services.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

4. TANGIBLE CAPITAL ASSETS

General Capital

| Category | TCA Cost March 31, 2009 | Additions | Disposals | TCA Cost March 31, 2010 | Accumulated Amortization April 1, 2009 | Amortization Reduction from Disposal of Asset | Yearly Amortization March 31, 2010 | Accumulated Amortization March 31, 2010 | Net Book Value March 31, 2010 |
|-------------------------------|----------------------------|---------------------|-------------------|-------------------------------|--|--|---|--|-------------------------------------|
| Land | \$ 850,430 | - | \$ - | \$ 850,430 | \$ - | \$ - | \$ - | \$ - | \$ 850,430 |
| Land Improvements | 993,860 | 56,067 | - | 1,049,927 | 773,751 | - | 41,997 | 815,748 | 234,179 |
| Municipal Buildings | 7,856,024 | 46,873 | - | 7,902,897 | 2,114,589 | - | 179,716 | 2,294,305 | 5,608,592 |
| Other Buildings | 225,158 | 35,000 | - | 260,158 | 112,324 | - | 6,504 | 118,828 | 141,330 |
| Wastewater Treatment Facility | 1,558,266 | 245,261 | - | 1,803,527 | 95,766 | - | 36,071 | 131,837 | 1,671,690 |
| Electronic Data Equipment | 208,769 | - | - | 208,769 | 126,106 | - | 36,449 | 162,555 | 46,214 |
| Machinery & Equipment | 1,364,888 | 251,178 | 8,600 | 1,607,466 | 719,068 | 8,600 | 135,668 | 846,136 | 761,330 |
| Vehicles | 2,238,207 | 189,542 | 70,878 | 2,356,871 | 1,996,033 | 67,411 | 123,151 | 2,051,773 | 305,098 |
| Streets | 5,786,486 | 322,675 | 148,219 | 5,960,942 | 2,647,709 | 104,416 | 227,561 | 2,770,854 | 3,190,088 |
| Sidewalks | 2,233,772 | 22,879 | - | 2,256,651 | 1,150,302 | - | 82,963 | 1,233,265 | 1,023,386 |
| Curbs | 2,905,535 | 35,089 | - | 2,940,624 | 1,459,486 | - | 107,443 | 1,566,929 | 1,373,695 |
| Traffic & Street Lights | 676,054 | 37,219 | - | 713,273 | 393,040 | - | 17,686 | 410,726 | 302,547 |
| Sanitary Sewer Mains | 4,635,990 | 96,535 | 11,602 | 4,720,923 | 2,579,036 | 11,602 | 70,122 | 2,637,556 | 2,083,367 |
| Sanitary Force mains | 1,232,434 | - | - | 1,232,434 | 227,587 | - | 24,649 | 252,236 | 980,198 |
| Sanitary Lift Stations | 3,188,300 | 1,879 | - | 3,190,179 | 1,053,629 | - | 124,581 | 1,178,210 | 2,011,969 |
| Storm Sewers | 3,718,898 | 143,056 | 24,851 | 3,837,103 | 2,161,297 | 19,878 | 75,611 | 2,217,030 | 1,620,073 |
| Grand Total | \$ 39,673,071 | \$ 1,483,253 | \$ 264,150 | \$ 40,892,174 | \$ 17,609,723 | \$ 211,907 | \$ 1,290,172 | \$ 18,687,988 | \$ 22,204,186 |

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

4. TANGIBLE CAPITAL ASSETS (cont'd)

Water Capital

| Category | TCA Cost March 31, 2009 | Additions | Disposals | TCA Cost March 31, 2010 | Accumulated Depreciation April 1, 2009 | Depreciation Reduction from Disposal of Asset | Yearly Depreciation March 31, 2010 | Accumulated Depreciation March 31, 2010 | Net Book Value March 31, 2010 |
|-------------------------------|-------------------------------|-------------------|------------------|-------------------------------|--|---|---|---|----------------------------------|
| Land | \$ 577,450 | \$ - | \$ - | \$ 577,450 | \$ - | \$ - | \$ - | \$ - | \$ 577,450 |
| Land Improvements | - | - | - | - | - | - | - | - | - |
| Buildings, Reservoirs & Wells | 1,727,313 | - | - | 1,727,313 | 660,358 | - | 21,925 | 682,283 | 1,045,030 |
| Electronic Data Equipment | 156,155 | 22,529 | - | 178,684 | 96,196 | - | 15,473 | 111,669 | 67,015 |
| Vehicles | 142,212 | - | - | 142,212 | 124,123 | - | 9,082 | 133,205 | 9,007 |
| Water Mains - Town | 6,981,447 | 218,220 | 10,679 | 7,188,988 | 2,840,864 | 10,679 | 65,813 | 2,895,998 | 4,292,990 |
| Water Mains -County | 5,291,549 | - | - | 5,291,549 | 1,234,494 | - | 52,620 | 1,287,114 | 4,004,435 |
| Meters | 391,611 | - | - | 391,611 | 210,735 | - | 13,956 | 224,691 | 166,920 |
| Hydrants | 445,140 | - | - | 445,140 | 98,953 | - | 4,451 | 103,404 | 341,736 |
| Grand Total | \$ 15,712,877 | \$ 240,749 | \$ 10,679 | \$ 15,942,947 | \$ 5,265,723 | \$ 10,679 | \$ 183,320 | \$ 5,438,364 | \$ 10,504,583 |

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

5. RECEIVABLES

| | <u>2010</u> | <u>2009</u> |
|----------------------|---------------------|---------------------|
| Taxes and Sewer | \$ 750,167 | \$ 602,886 |
| Water | 204,543 | 205,229 |
| HST Rebate | 235,314 | 170,382 |
| Capital Grants | 165,825 | 98,665 |
| CJSMA - Tipping Fees | <u>94,086</u> | <u>146,298</u> |
| Totals | <u>\$ 1,449,935</u> | <u>\$ 1,223,460</u> |

Taxes receivable have been recorded net of an allowance for doubtful accounts of \$311,859 (2009 - \$345,719). The allowance represents 100% of all outstanding business occupancy taxes and a review of all other accounts for possible uncollectible amounts.

6. AMOUNTS TO BE RECOVERED FROM FUTURE REVENUE

| | <u>2010</u> | <u>2009</u> |
|--|-------------------|-------------------|
| General Op Fund - Unfunded Pension Obligation | \$ 287,826 | \$ 311,322 |
| General Op Fund - Unfunded Pension Obligation (PANS) | 463,500 | 262,500 |
| Water Operating Fund - Unfunded Pension Obligation | <u>39,249</u> | <u>42,453</u> |
| | <u>\$ 790,575</u> | <u>\$ 616,275</u> |

The unfunded pension obligations are currently being paid monthly and recorded as an expense when paid.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

7. OTHER REVENUE

The following is a summary of the line item "Other" as reported in the Consolidated Statement of Operations on Page 2:

| | Budget 2010 | Actual 2010 | Actual 2009 |
|---|-------------------|-------------------|-------------------|
| Interest Income | \$ - | \$ 54 | \$ 3,283 |
| Value of Land Donated | - | - | 3,450 |
| Town Auction Proceeds | - | 6,279 | 1,446 |
| Donations & Grants for Capital Projects | 166,894 | 166,700 | 531,675 |
| Other | - | 8,929 | 7,341 |
| | <hr/> | <hr/> | <hr/> |
| Total | <u>\$ 166,894</u> | <u>\$ 181,962</u> | <u>\$ 547,195</u> |

8. LONG TERM DEBT

The total principal repayments on long term debt in each of the next five years are as follows:

| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Government | \$ 6,000 | \$ - | \$ - | \$ - | \$ - |
| Protective Services | 38,424 | 33,454 | 9,561 | 9,561 | 9,561 |
| Transportation Services | 289,645 | 247,345 | 232,645 | 197,045 | 197,045 |
| Environmental Health Services | 146,654 | 138,454 | 97,454 | 97,454 | 97,453 |
| Recreation & Culture | 151,217 | 151,219 | 139,979 | 139,979 | 139,978 |
| Water Utility | 69,916 | 64,616 | 64,616 | 54,416 | 54,416 |
| Cumb. Joint Serv Mgmt Auth. | 66,027 | 66,027 | - | - | - |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Totals | <u>\$ 767,883</u> | <u>\$ 701,115</u> | <u>\$ 544,255</u> | <u>\$ 498,455</u> | <u>\$ 498,453</u> |

All long term debt outstanding has been properly authorized by Service Nova Scotia and Municipal Relations. Debenture debt is issued on the credit and security of the Town of Amherst at large.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

9. EXPENDITURES BY OBJECT

The following is a summary of the expenditures as reported in the Schedule of Financial Activities:

General Operating Fund – Page 5

| | Budget 2010 | Actual 2010 | Actual 2009 |
|----------------------------|----------------------|----------------------|----------------------|
| Wages and Benefits | \$ 6,630,070 | \$ 6,743,639 | \$ 6,071,154 |
| Interest on Long Term Debt | 290,610 | 290,602 | 186,930 |
| Administrative Costs | 861,813 | 759,369 | 717,281 |
| Building & Facility Costs | 641,887 | 672,305 | 679,954 |
| Vehicle & Equipment Costs | 701,906 | 640,969 | 643,853 |
| Materials & Supplies | 511,180 | 500,512 | 506,235 |
| Grants to Organizations | 41,800 | 39,099 | 47,250 |
| Other Municipal Costs | 1,451,150 | 1,266,248 | 1,308,296 |
| Fiscal Services | 2,189,029 | 2,216,278 | 2,120,585 |
| Fire Protection Charge | 456,182 | 434,472 | 434,472 |
| Tax Exemption Individuals | 71,000 | 95,735 | 50,864 |
| Cost Recovery | (29,360) | (34,763) | (38,713) |
| | <u>\$ 13,817,267</u> | <u>\$ 13,624,465</u> | <u>\$ 12,728,161</u> |

Water Operating Fund – Page 7

| | Budget 2010 | Actual 2010 | Actual 2009 |
|----------------------------|---------------------|---------------------|---------------------|
| Wages and Benefits | \$ 477,220 | \$ 407,749 | \$ 388,144 |
| Interest on Long Term Debt | 25,234 | 25,216 | 28,349 |
| Administrative Costs | 66,420 | 67,608 | 52,879 |
| Building & Facility Costs | 158,942 | 164,250 | 151,404 |
| Vehicle & Equipment Costs | 73,171 | 78,856 | 82,943 |
| Materials & Supplies | 205,089 | 289,252 | 243,977 |
| Other Municipal Costs | 134,450 | 159,424 | 128,946 |
| Fiscal Services | 78,200 | 78,209 | (34,890) |
| Depreciation | 182,040 | 183,320 | 171,544 |
| | <u>\$ 1,400,766</u> | <u>\$ 1,453,884</u> | <u>\$ 1,213,296</u> |

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

10. AMORTIZATION & LOSS ON DISPOSAL OF CAPITAL ASSETS

General Operating Fund – Page 5

| | Budget 2010 | Actual 2010 | Actual 2009 |
|--|---------------------------|----------------------------------|---------------------------|
| <u>Amortization</u> | | | |
| General Government | \$ - | \$ 760 | \$ - |
| Protective Services - Police | - | 48,978 | - |
| Protective Services - Fire | - | 106,237 | - |
| Transportation Services | - | 561,885 | - |
| Environmental Health Services | - | 331,034 | - |
| Environmental Development Services | - | 12,118 | - |
| Recreation & Cultural Services | - | 229,160 | - |
| Total Amortization | <u>\$ -</u> | <u>\$1,290,172</u> | <u>\$ -</u> |
| <u>Loss on Disposal of Capital Assets</u> | | | |
| Protective Services - Police | \$ - | \$ 3,467 | \$ - |
| Transportation Services | - | 43,803 | - |
| Environmental Health Services | - | 4,973 | - |
| Total Loss on Disposal of Capital Assets | <u>\$ -</u> | <u>\$ 52,243</u> | <u>\$ -</u> |
| Total Amortization & Loss on Disposal | <u><u>\$ -</u></u> | <u><u>\$1,342,415</u></u> | <u><u>\$ -</u></u> |

The 2010 fiscal year was the first year to record annual amortization expense and loss on disposal of capital assets in the General Operating fund per the adoption of section 3150 of the Public Sector Accounting Board (PSAB) handbook. The offsetting entry for amortization expense and loss on disposal of capital assets is an adjustment to the General Operating fund balance.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

11. CAPITAL EXPENDITURES

General Capital Fund – Page 9

| | <u>Budget 2010</u> | <u>Actual 2010</u> |
|--|----------------------|---------------------|
| Town Beautification - Curb Islands - Town Entrance | \$ 75,000 | \$ 53,267 |
| Town Beautification - Implementation Costs | 20,000 | - |
| Dickey Park Redevelopment | 123,600 | 120,119 |
| Library Roof | 50,000 | 44,208 |
| Downtown Waste Receptacles | - | 5,931 |
| TPW - Replace 1991 Dump Truck | 120,000 | 104,851 |
| TPW - Replace 1985 936 Cat Loader | 160,000 | 160,108 |
| TPW - Replace Engineering Ford Van | - | 16,840 |
| Streets - East Pleasant - Christie to Central (RC) W & S | 120,650 | 151,856 |
| Streets - Pinehurst and Cambridge - reimburse Roymac asphalt/curb cost | 16,300 | 16,851 |
| Streets - Matthews Terrace - (Widen, overlay and curb) | 49,000 | 63,096 |
| Streets - Industrial Park Drive - Tantramar Crescent to Racetrack Rd (O) | 65,000 | 45,759 |
| Streets - Park St. ~ McCully to Hickman (O) | 20,000 | 15,193 |
| Streets - Clarence St. ~ Prince Arthur to Robie (O) | 24,000 | 15,630 |
| Streets - Rogers Ave ~ Curbing | 30,000 | - |
| Streets - Acadia St ~ Prince Arthur to Victoria (Paving) | 25,000 | 19,437 |
| Streets - Fernwood ~ Rosewood to Rosewood (O) | 36,000 | 20,112 |
| Streets - Townshend Ave. Donald to Charles RC | - | 3,361 |
| Sidewalks - Robert Angus - Church to Pharmasave Loop | 38,000 | 22,879 |
| Sidewalks - Southgate Village - Fernwood to behind Town Square | 10,000 | - |
| Storm Sewer - East Pleasant Storm Replacement (Christie to Stanley) | 129,830 | 79,742 |
| Storm Sewer - Stanley - Beacon to East Pleasant (Replace Corrugated Storm) | 33,000 | 31,719 |
| Storm Sewer - Chignecto - Beacon to East Pleasant (replace corrugated) | 34,000 | 31,595 |
| Sewage Treatment Plant Construction | 10,237,420 | 4,131 |
| Sewage Treatment Plant Design / Project Management | 485,000 | 214,926 |
| Environmental Risk Assessment for Sewage Treatment Plant | 177,000 | - |
| Preliminary Design & Soils Sampling for STP site | 32,000 | 26,204 |
| Aboiteau Relocation - carryover funding fr 08/09 | 658,274 | 431 |
| Sanitary Sewer - East Pleasant Sanitary Replacement (Christie to Central) | 126,827 | 96,535 |
| Eddy St. Lift Station | - | 1,448 |
| LED Roadway Lighting - 89 LED Street Lights - Industrial Park & Ratchford St | 9,000 | 8,168 |
| CED - Replace 1996 Dodge 1500 1/2 Ton Truck | 30,000 | 18,796 |
| CED - Replace Mower Deck for Attachment to Trackless | 18,000 | 19,134 |
| Stadium - Front Entry Contract | - | 2,665 |
| Fire Dept - Heavy Hydraulic Tools for Rescue Unit | 15,000 | 14,026 |
| Fire Dept - Heavy Duty Passenger Van 5-6 person 4WD/AWD | 30,000 | 26,322 |
| Police - CED's (Tasers) | 5,295 | 5,181 |
| Police - Truck Canine Unit | - | 22,423 |
| | <u>\$ 13,003,196</u> | <u>\$ 1,482,943</u> |
| Total General Capital | <u>\$ 13,003,196</u> | <u>\$ 1,482,943</u> |

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

11. CAPITAL EXPENDITURES (cont'd)

Water Capital Fund – Page 11

| | <u>Budget 2010</u> | <u>Actual 2010</u> |
|--|-----------------------------|-----------------------------|
| Diesel Controller McCully Fire Pumping Station | \$ 40,000 | \$ 22,529 |
| Scada Software Upgrade | 30,000 | - |
| New Hammer for Tractor Backhoes | 16,000 | - |
| Meter Replacement | 15,000 | - |
| Land Purchase Wellfield | 20,000 | - |
| East Pleasant St - Water Main Replacement (Christie to Croft/Central) | 232,040 | 113,802 |
| Douglas Ave ~ Water Main Replacement - <i>holdback carryover from 08/09</i> | 7,725 | 7,990 |
| Stanley St ~ Water Main Replacement - <i>holdback carryover from 08/09</i> | 1,384 | 1,384 |
| Chignecto St ~ Water Main Replacement - <i>holdback carryover from 08/09</i> | 1,293 | 1,293 |
| Douglas Ave. ~ Paving Crescent to Abbott (O) | 17,000 | - |
| Stanley St. ~ Paving Pleasant to Beacon (O + Curb) | 46,000 | 53,225 |
| Chignecto St. ~ Paving Pleasant to Beacon (O + Curb) | 35,000 | 40,526 |
| | <u> </u> | <u> </u> |
| Total Water Capital | <u>\$ 461,442</u> | <u>\$ 240,749</u> |

12. CAPITAL EXPENDITURES – SOURCES OF FINANCING

General Capital Fund - Page 9

| | <u>Actual 2010</u> |
|--|-----------------------------|
| Capital out of Revenue | \$ 396,554 |
| Insurance Proceeds | 8,929 |
| Reserve Funds | 282,209 |
| Infrastructure Grant - PCAP | 166,894 |
| Long Term Debt | 664,607 |
| Capital Reserve - Carryover to 2010/11 | (36,250) |
| | <u> </u> |
| Total General Capital Sources of Financing | <u>\$ 1,482,943</u> |

Water Capital Fund - Page 11

| | <u>Actual 2010</u> |
|--|-----------------------------|
| Capital out of Revenue | \$ 25,000 |
| Long Term Debt | 215,749 |
| | <u> </u> |
| Total Water Capital Sources of Financing | <u>\$ 240,749</u> |

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

13. RESERVE FUND BALANCES

The following is a summary of the Reserve Fund Balances as reported in the Schedule of Financial Position – Reserve Funds on Page 12:

| | <u>2010</u> | <u>2009</u> |
|--|--------------------------------|--------------------------------|
| <u>Capital Reserve</u> | | |
| Sewage Treatment Plant - Uniform Charge | \$ 307,311 | \$ 260,132 |
| Sewage Treatment Plant - Gas Tax | 1,931,275 | 1,181,563 |
| Sewer Purposes | 11,594 | 11,594 |
| Reserve Fire Department | 109,652 | 75,000 |
| Uncompleted Funded Capital Projects fr Prior Years | | |
| - Environ. Risk Assess Sewage Treatment Plant | 59,000 | 59,000 |
| - Aboiteau Relocation (grant monies) | 428,274 | 428,274 |
| - East Pleasant St ~ Paving | 5,000 | - |
| - Robert Angus Drive Sidewalk Extensnion | 1,250 | - |
| Skateboard Park Donations | 875 | - |
| Unappropriated Reserve Fund Equity | <u>201,668</u> | <u>312,824</u> |
| Total Capital Reserve Fund Balance | <u>\$ 3,055,899</u> | <u>\$ 2,328,387</u> |
| <u>Operating Reserve</u> | | |
| Police Purposes | \$ 229,264 | \$ 19,059 |
| Police Proceeds of Crime | 1,627 | 1,627 |
| Debenture Retirement | - | 18,100 |
| NS Transit Rural Incentive Program Funding | - | 7,341 |
| Community Pool | 50,000 | - |
| Green Bin Replacement | 33,000 | - |
| Strategic Priorities | 67,064 | - |
| Unappropriated Reserve Fund Equity | <u>1,057,069</u> | <u>672,000</u> |
| Total Operating Reserve Fund Equity | <u>\$ 1,438,024</u> | <u>\$ 718,127</u> |
| Total Capital & Operating Reserve Fund Balances | <u><u>\$ 4,493,923</u></u> | <u><u>\$ 3,046,514</u></u> |

**Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010**

14. TOWN OF AMHERST PENSION PLAN

The Town of Amherst maintains a contributory defined benefit pension plan. In the most recent actuarial valuation report dated July 1, 2007, the plan was in a deficit position.

Special monthly payments of \$2,225 were required for 2009/10 to fund the current year's deficiency. The Unfunded Pension Obligation of \$327,075 has been recognized on the consolidated statement of financial position as an amount to be recovered from future revenue.

Effective January 1, 2008 all new full time employees are required to join a contributory defined contribution pension plan. Under this plan the employer is not responsible for any deficiency in the plan.

15. PANS PENSION PLAN

The Police Association of Nova Scotia (PANS) maintains a contributory defined benefit pension plan. The Town of Amherst was ordered by the Superintendent of Pensions to fund the plans deficiency.

Special monthly payments of \$8,750 are required to fund the current year's deficiency based on the actuarial valuation report dated September 30, 2006. The Unfunded Pension Obligation of \$157,500 has been recognized on the consolidated statement of financial position as an amount to be recovered from future revenue.

In the most recent actuarial valuation report dated September 30, 2009, the plan continued to be in a deficit position. Therefore, additional special monthly payments of \$8,500 are required starting October 2009 until September 2013. This additional Unfunded Pension Obligation of \$306,000 has also been recognized on the consolidated statement of financial position as an amount to be recovered from future revenue.

The Town of Amherst's share of the total Unfunded Pension Obligations for PANS at March 31, 2010 is \$463,500.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2010

16. GOVERNMENT PARTNERSHIP

Generally Accepted Accounting Principles for local governments as established by the Public Sector Accounting Board (PSAB) require a government's pro rata share of each of the assets, liabilities, revenues and expenditures (including capital expenditures) of any government partnership to be combined on a line by line basis with similar items in the government's financial statements. The Town of Amherst has a partnership with Cumberland Joint Services Management Authority which operates a landfill site in Little Forks. The Town of Amherst's pro rata share of Cumberland Joint Services Management Authority is included in these financial statements.

17. REMUNERATION PAID TO ELECTED OFFICIALS

| <u>Name</u> | <u>Office</u> | <u>Remuneration</u> |
|-----------------|---------------------------|---------------------|
| Robert Small | Mayor | \$ 18,390 |
| Terry Rhindress | Deputy Mayor / Councillor | \$ 14,796 |
| Robert Angel | Councillor / Deputy Mayor | \$ 14,989 |
| George Baker | Councillor | \$ 14,313 |
| Robert Bird | Councillor | \$ 14,313 |
| Dale Fawthrop | Councillor | \$ 14,313 |
| David March | Councillor | \$ 14,313 |