



# TOWN OF AMHERST

## CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2021



**Town of Amherst  
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March 31, 2021**

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## TOWN OF AMHERST

Consolidated Financial Statements

Year Ended March 31, 2021

### Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements of the Town of Amherst are the responsibility of the Town's management and have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada ("CPA"). A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Town's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

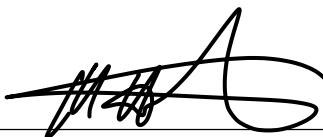
The audit committee meets with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by Jorgensen & Bickerton Inc., independent external auditors appointed by the Town. The accompanying Auditors' Report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.

Amherst, NS  
September 22, 2021



Jason MacDonald, MCIP, LPP  
Chief Administrative Officer



Michael Hunter, CPA, CA  
Chief Financial Officer

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## INDEPENDENT AUDITOR'S REPORT

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To the Mayor and Council of Town of Amherst

### Opinion

We have audited the consolidated financial statements of Town of Amherst (the Town), which comprise the consolidated statement of financial position as at March 31, 2021, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, changes in net debt and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2021, and the results of its operations and accumulated surplus, remeasurement gains and losses, changes in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

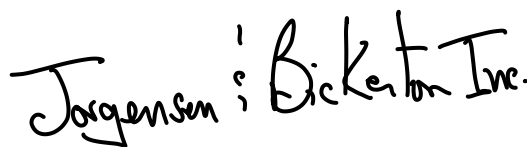
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#### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Amherst, Nova Scotia  
September 22, 2021

Jorgensen & Bickerton Inc.  
Chartered Professional Accountants

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**Town of Amherst**  
**Consolidated Statement of Financial Position**  
As at March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Financial assets</b>		
Cash and cash equivalents (Note 7)	\$ 9,972,025	\$ 8,485,217
Receivables (Note 8)	1,181,288	1,859,948
	<u>11,153,313</u>	<u>10,345,165</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 14)	2,271,838	1,983,789
Deferred revenue (Note 15)	453,679	359,909
Long term debt (Note 17)	7,324,518	8,142,995
Pension liability (Note 21)	794,300	550,400
Provision for landfill closure & post closure costs (Note 18)	1,535,010	1,471,966
	<u>12,379,345</u>	<u>12,509,059</u>
<b>Net debt</b>	<u>(1,226,032)</u>	<u>(2,163,894)</u>
<b>Non-financial assets</b>		
Prepaid expenses	111,833	90,518
Inventories of supplies	91,959	101,044
Deferred grant - solar garden (Note 20)	244,587	-
Tangible capital assets, net of accumulated amortization (Note 9)	66,715,451	66,644,070
	<u>67,163,830</u>	<u>66,835,632</u>
<b>Accumulated surplus</b>	<u>\$ 65,937,798</u>	<u>\$ 64,671,738</u>
<b>Accumulated surplus is comprised of:</b>		
Accumulated operating surplus	\$ 65,936,716	\$ 64,664,560
Accumulated remeasurement gains	1,082	7,178
	<u>\$ 65,937,798</u>	<u>\$ 64,671,738</u>

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**Town of Amherst**  
**Consolidated Statement of Operations and Accumulated Surplus**  
For the year ended March 31, 2021

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	<u>Actual 2021</u>	<u>Actual 2020</u>
<b>Revenues</b>		
Taxes	\$ 13,674,157	\$ 13,170,224
Grants in lieu of taxes	298,776	301,339
Service to other governments	198,300	192,194
Sale of services	3,862,973	3,921,676
Other revenue from own sources	487,122	667,062
Unconditional transfers from government	1,260,382	1,260,382
Conditional transfers from government	1,293,111	3,080,272
Other (Note 19)	-	88,431
Total revenues	<u>21,074,821</u>	<u>22,681,580</u>
<b>Expenditures</b>		
General government services	2,798,255	2,388,474
Protective services - Police	4,307,249	4,388,351
Protective services - Fire & Inspection	1,200,586	1,189,404
Transportation services	2,855,291	3,076,580
Environmental health services	2,977,790	2,959,060
Public health services	195,599	248,767
Environmental development services	356,512	446,848
Recreation and cultural services	1,789,406	2,020,589
Education	1,596,852	1,599,384
Water utility	1,725,125	1,706,710
Total expenditures	<u>19,802,665</u>	<u>20,024,167</u>
<b>Annual surplus</b>	<b>1,272,156</b>	<b>2,657,413</b>
<b>Accumulated surplus at beginning of year</b>	<u><b>64,664,560</b></u>	<u><b>62,007,147</b></u>
<b>Accumulated surplus at end of year</b>	<u><u><b>\$ 65,936,716</b></u></u>	<u><u><b>\$ 64,664,560</b></u></u>

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**Town of Amherst**  
**Consolidated Statement of Remeasurement Gains and Losses**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Accumulated remeasurement gains and (losses) at beginning of year</b>	<b>\$ 7,178</b>	<b>\$ 6,071</b>
Unrealized gains (losses) attributable to:		
Portfolio investments	<b>(6,342)</b>	1,039
Amounts reclassified to the statement of operations:		
Portfolio investments	<b>246</b>	68
Net remeasurement gains for the year	<b><u>(6,096)</u></b>	<b><u>1,107</u></b>
<b>Accumulated remeasurement gains at end of year</b>	<b><u><u>\$ 1,082</u></u></b>	<b><u><u>\$ 7,178</u></u></b>

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**Town of Amherst**  
**Consolidated Statement of Change in Net Debt**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Annual surplus</b>	<b>\$ 1,272,156</b>	<b>\$ 2,657,413</b>
Acquisition of tangible capital assets (Note 10)	<b>(2,875,153)</b>	(3,403,509)
Amortization of tangible capital assets (Note 11)	<b>2,801,216</b>	2,573,664
(Gain) / loss on sale of tangible capital assets (Note 12)	<b>2,555</b>	10,169
Proceeds on sale of tangible capital assets (Note 13)	<b>-</b>	19,164
	<u><b>(71,382)</b></u>	<u>(800,512)</u>
Consumption (acquisition) of supply inventory	<b>9,085</b>	(19,811)
Consumption (acquisition) of prepaid expenses	<b>(21,314)</b>	(4,742)
Consumption (acquisition) of deferred grant solar garden	<b>(244,587)</b>	-
	<u><b>(256,816)</b></u>	<u>(24,553)</u>
Net remeasurement gains	<u><b>(6,096)</b></u>	<u>1,107</u>
<b>Change in net financial assets</b>	<b>937,862</b>	1,833,455
<b>Net debt at beginning of year</b>	<u><b>(2,163,894)</b></u>	<u>(3,997,349)</u>
<b>Net debt at end of year</b>	<u><b>\$ (1,226,032)</b></u>	<u><b>\$ (2,163,894)</b></u>

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**Town of Amherst**  
**Consolidated Statement of Cash Flow**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Operating transactions</b>		
Annual surplus	\$ 1,272,156	\$ 2,657,413
Change in non-cash items:		
Amortization / depreciation (Note 11)	2,801,216	2,573,664
Decrease (increase) in receivables	678,660	(256,497)
Increase (decrease) in payables and accrued liabilities	288,049	(542,182)
Increase (decrease) in deferred revenue	93,770	(519,772)
Increase (decrease) in pension liability	243,900	(79,400)
Increase (decrease) in closure/post closure liability	63,044	20,140
Decrease (increase) in prepaid expenses	(21,314)	(4,742)
Decrease (increase) in inventory of supplies	9,085	(19,811)
Decrease (increase) in deferred grant solar garden	(244,587)	-
	<u>5,183,979</u>	<u>3,828,813</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets (Note 10)	(2,875,153)	(3,403,509)
Proceeds from sale of tangible capital assets (Note 13)	-	19,164
(Gain) / loss on sale of tangible capital assets (Note 12)	2,555	10,169
	<u>(2,872,598)</u>	<u>(3,374,176)</u>
<b>Investing transactions</b>		
Net remeasurement gains	<u>(6,096)</u>	<u>1,107</u>
<b>Financing transactions</b>		
Proceeds from long term debt issued	-	141,825
Long term debt repayment	(818,477)	(845,538)
	<u>(818,477)</u>	<u>(703,713)</u>
<b>Increase / (decrease) in cash and cash equivalents</b>	<b>1,486,808</b>	<b>(247,969)</b>
<b>Cash and cash equivalents beginning of year</b>	<u>8,485,217</u>	<u>8,733,186</u>
<b>Cash and cash equivalents end of year</b>	<u>\$ 9,972,025</u>	<u>\$ 8,485,217</u>

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**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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## **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 Chartered Professional Accountants of Canada (CPA Canada).

The focus of PSAB financial statements is on the financial position of the Town of Amherst and the changes thereto. The Consolidated Statement of Financial Position includes all of the assets and liabilities of the Town of Amherst.

Significant aspects of the accounting policies adopted by the Town are as follows:

### **a) Reporting Entity**

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt 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 Funds
- Water Operating and Capital Funds
- Operating and Capital Reserve Funds
- 40.41% of Cumberland Joint Services Management Authority

For consolidation purposes, inter-departmental and inter-organizational transactions have been eliminated.

### **b) Revenue and Expenditure Recognition**

Revenues are recorded using the accrual basis of accounting as they are earned and measurable. Expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation. Principal payments relating to long term debt are recognized as an expense when paid.

Property tax revenue is based on assessment as determined by Property Valuation Services Corporation. Tax rates are set annually. Taxation revenues are recorded at the time tax billings are issued (twice annually). Assessments are subject to appeal. Penalties on overdue taxes are recorded in the period levied.

### **c) Financial Instruments**

The consolidated financial statements consist of cash, accounts receivable, accounts payable, accruals and long term debt. It is the opinion of management that the Town is not exposed to significant interest or currency risk arising from these financial instruments.

The Town is subject to credit risk with respect to taxes receivable to which the Town provides services. An individual may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk as does the Town's collection policy.

The carrying value of the financial instruments approximates fair value.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**d) Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand and balances with banks, net of bank indebtedness.

**e) Inventory**

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

**f) Tangible Capital Assets**

Effective April 1, 2009, the Town adopted Section 3150 – Tangible Capital Assets of the Public Sector Accounting Handbook. Tangible capital assets are recorded at cost. Amortization and depreciation have been recorded as an expense and are calculated on a straight-line basis over an asset's estimated useful life. Assets under construction are not amortized until the asset is put into use. Amortization and depreciation are recorded as an expense commencing in the year following acquisition.

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 tangible capital asset additions.

**g) Government Transfers**

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

**h) Investment Income**

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

**i) Use of Estimates**

In preparing the Town's financial statements management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**j) Budget**

The budget figures contained in the schedules to the Financial Statements were approved by Council on February 24, April 27 and May 25, 2020.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**k) Segmented Information**

The Town of Amherst is a diversified municipal unit that provides a wide range of services to its residents. For management reporting purposes, the Town's operations and activities are organized and reported by fund. This presentation is in accordance with the Provincial Financial Reporting and Accounting Manual, and was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Municipal services are provided by departments and their activity is reported in these funds. The services provided by these departments are as follows:

General government services

This department is responsible for the overall financial and local government administration. Its tasks include tax administration, trade payables and receivables, budgets, financial statements and adherence to the *Municipal Government Act*.

Protective services

The Town is primarily responsible for fire protection and public safety to its residents. The Town pays the operating and capital expenditures for the police and fire departments. Other protective services include building inspection, emergency measures, bylaw enforcement and fees paid to the province for correctional services.

Transportation services

The Town is responsible for the maintenance and construction of local roads and sidewalks including snow removal, as well as, street lighting within the Town.

Environmental health services

This department is responsible for the maintenance and operations of waste and sewer services provided to the residents and other customers.

Public health services

This department provides financial assistance to Housing Nova Scotia to cover the deficits of the public housing authorities in the region.

Environmental development services

This department is responsible for the activities that support and control the Town's economic development including environmental planning and zoning, industrial park development, tourism and community development. The Town is a partner in the Cumberland Business Connector which does economic development for Cumberland County.

Recreation and cultural services

This department is responsible for promoting and offering recreation services to the Town's residents, specializing in maintaining and assisting recreational facilities within the Town such as the stadium, parks, trails as well as the library.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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**1. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

**l) Landfill Closure & Post Closure Liability**

The Town accrues landfill closure and post closure requirements that include final covering and landscaping of the landfill, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions using the best information available to management.

**m) Liability for Contaminated Sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability would be recorded net of any expected recoveries. A liability for remediation of contaminated sites would be recognized if all the following criteria are met:

- i. an environmental standard exists;
- ii. contamination exceeds the environmental standard;
- iii. the Town:
  - a. is directly responsible; or
  - b. accepts responsibility; and
- iv. a reasonable estimate of the amount can be made.

On April 1, 2014, the Town adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis to March 31, 2013 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the Town.

**2. CONTRIBUTION TO BOARDS AND COMMISSIONS**

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.

**Cumberland Business Connector**

The Town of Amherst along with other municipal units funds a portion of the Cumberland Business Connector. For 2021 the Town's contribution was \$67,536 (2020 - \$67,536). The Cumberland Business Connector is a business led, not for profit organization. The focus of the Cumberland Business Connector is to foster a strong business environment in order to strengthen Cumberland County by removing barriers to business and connecting businesses with the resources they need to be successful.

**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 Centre for Education based on a formula calculation. For 2021 the education contribution was \$1,596,852 (2020 - \$1,599,384).

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

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**3. CONTRIBUTION TO PROVINCIAL GOVERNMENT DEPARTMENTS & AGENCIES (cont'd)**

**Corrections Contribution**

Municipalities in Nova Scotia are required to make a mandatory contribution to fund the cost of correctional services. The contribution is set by Provincial formula. During 2021 the Town of Amherst paid \$110,229 (2020 - \$112,412) to the Province for corrections services.

**Assessment Services Contribution**

The Town of Amherst is required to contribute to Property Valuation Services Corporation based on a formula calculation. For 2021 the assessment services contribution was \$116,333 (2020 - \$117,260).

**Cobequid Regional Housing Authority**

The Town of Amherst along with other municipal units is required to finance its share of the operating deficit in the Cobequid Regional Housing Authority out of current year's operations. The deficit financed for 2021 was \$195,599 (2020 - \$248,767).

**Cumberland Public Libraries**

During the year, the Town of Amherst paid \$61,820 (2020 - \$61,820) to the Cumberland Public Libraries. The Town of Amherst does not share in any surplus or deficits.

**4. TRUST FUNDS**

The Trust Funds being administered by the Town of Amherst are not consolidated with the accounts of the Town. At March 31, 2021, the equity in the Trust Funds under its trusteeship amounted to \$5,149 (2020 - \$56,253).

	<u>R. H. Smith</u>	<u>W. A. Reid</u>	<u>Total</u>
Beginning balance April 1, 2020	\$ 5,143	\$ 51,110	\$ 56,253
Investment Income	6	49	55
Transfer to CCRCE (School Board) & fees	-	(50,909)	(50,909)
ARHS scholarship	-	(250)	(250)
	<u>5,149</u>	<u>-</u>	<u>5,149</u>
Ending balance March 31, 2021	<u>\$ 5,149</u>	<u>\$ -</u>	<u>\$ 5,149</u>

**5. CREDIT FACILITY**

The Town of Amherst has an operating line of credit with the Royal Bank of Canada for a maximum amount of \$7,700,000 at the bank's prime rate minus 0.25%. The relevant prime rate was 2.450% at March 31, 2021. No amounts were drawn as at March 31, 2021.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**6. TAX SALE SURPLUS**

The Municipal Government Act requires a twenty year holding period for maintaining these funds in trust. For 2021 the balance of the tax sale surplus is \$38,622 (2020 - \$38,887).

The earliest any of these would be brought into revenue is anticipated to be 2028.

**7. CASH AND CASH EQUIVALENTS**

	<u>2021</u>	<u>2020</u>
General Operating	\$ 1,371,578	\$ 512,044
General Capital	(553,569)	(579,702)
Water Operating	23,969	(39,332)
Water Capital - Depreciation	610,735	625,585
Cumberland Joint Services Mgmt Authority	2,831,313	2,635,839
Reserve Banks		
General Operating	3,869,630	3,316,864
General Capital	<u>1,818,369</u>	<u>2,013,919</u>
	<u>\$ 9,972,025</u>	<u>\$ 8,485,217</u>

**8. RECEIVABLES**

	<u>2021</u>	<u>2020</u>
Federal	\$ 112,979	\$ 195,984
Provincial	200,246	222,725
Other local government	5,138	6,980
Other:		
Taxes & rates - General Operating	531,378	1,002,134
Taxes & rates - Water Operating	310,320	344,158
Miscellaneous	192,126	210,685
Cumberland Joint Services Mgmt Authority	118,100	126,705
Valuation allowance	<u>(288,999)</u>	<u>(249,423)</u>
Total	<u>\$ 1,181,288</u>	<u>\$ 1,859,948</u>



**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**9. TANGIBLE CAPITAL ASSETS**

Category	Useful Life in Years	Tangible Capital Asset Cost March 31, 2020	Additions	Transfers	Disposals	Tangible Capital Asset Cost March 31, 2021	Accumulated Amortization March 31, 2020	Amortization Reduction from Disposal of Asset	Annual Amortization	Accumulated Amortization March 31, 2021	Net Book Value March 31, 2021
<b>General Capital</b>											
Land	-	\$ 1,127,203	\$ 62,484	\$ -	\$ -	\$ 1,189,687	\$ -	\$ -	\$ -	\$ -	\$ 1,189,687
Land Improvements	20-25	3,140,124	45,606	-	-	3,185,730	1,564,366	-	91,222	1,655,588	1,530,142
Municipal Buildings	40	13,712,800	15,720	1,974	-	13,730,494	4,390,841	-	313,555	4,704,396	9,026,098
Other Buildings	20-40	557,752	271,372	-	-	829,124	205,190	-	14,007	219,197	609,927
Wastewater Treatment Facility	50	13,992,599	-	-	-	13,992,599	2,039,900	-	298,374	2,338,274	11,654,325
Electronic Data Equipment	3-5	925,500	44,492	-	-	969,992	575,890	-	81,640	657,530	312,462
Machinery & Equipment	10-15	3,392,461	278,768	127,285	-	3,798,514	2,208,758	-	199,918	2,408,676	1,389,838
Vehicles	5-20	3,110,667	681,807	-	-	3,792,474	2,177,124	-	141,160	2,318,284	1,474,190
Streets	15-25	11,540,076	707,037	-	34,136	12,212,977	5,333,737	33,456	450,573	5,750,854	6,462,123
Sidewalks	25	4,461,005	129,743	-	45,705	4,545,043	2,116,090	43,830	146,468	2,218,728	2,326,315
Curbs	25	3,979,610	87,449	-	-	4,067,059	2,478,887	-	114,310	2,593,197	1,473,862
Traffic & Street Lights	30	2,052,992	-	-	-	2,052,992	912,171	-	64,341	976,512	1,076,480
Sanitary Sewer Mains	50	6,326,322	-	-	-	6,326,322	3,368,320	-	99,225	3,467,545	2,858,777
Sanitary Forcemains	50	1,232,434	-	-	-	1,232,434	498,723	-	24,649	523,372	709,062
Sanitary Lift Stations	25	3,241,154	-	-	-	3,241,154	2,417,206	-	102,248	2,519,454	721,700
Storm Sewers	50	6,924,583	27,233	-	6,380	6,945,436	3,048,943	6,380	115,472	3,158,035	3,787,401
Assets Under Construction	-	130,158	8,954	(129,259)	-	9,853	-	-	-	-	9,853
<b>Total</b>		<b>\$ 79,847,440</b>	<b>\$ 2,360,665</b>	<b>\$ -</b>	<b>\$ 86,221</b>	<b>\$ 82,121,884</b>	<b>\$ 33,336,146</b>	<b>\$ 83,666</b>	<b>\$ 2,257,162</b>	<b>\$ 35,509,642</b>	<b>\$ 46,612,242</b>

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**9. TANGIBLE CAPITAL ASSETS (cont'd)**

Category	Useful Life in Years	Tangible Capital Asset Cost March 31, 2020	Additions	Transfers	Disposals	Tangible Capital Asset Cost March 31, 2021	Accumulated Depreciation March 31, 2020	Depreciation Reduction from Disposal of Asset	Annual Depreciation	Accumulated Depreciation March 31, 2021	Net Book Value March 31, 2021
<b>Water Capital</b>											
Land	-	\$ 609,525	\$ -	\$ -	\$ -	\$ 609,525	\$ -	\$ -	\$ -	\$ -	\$ 609,525
Land Improvements	-	-	-	-	-	-	-	-	-	-	-
Bldgs, Reservoirs, Wells	40-75	8,141,946	-	-	-	8,141,946	1,344,020	-	125,778	1,469,798	6,672,148
Electronic Data Equip	5	271,294	-	-	-	271,294	267,854	-	1,720	269,574	1,720
Machinery & Equip	20	688,007	33,054	-	27,420	693,641	329,889	27,420	39,547	342,016	351,625
Vehicles	5	384,710	37,495	-	-	422,205	329,157	-	15,947	345,104	77,101
Water Mains -Town	75	6,848,909	416,379	17,569	1,628	7,281,229	1,283,791	1,628	90,265	1,372,428	5,908,801
Water Mains -County	75	5,319,279	-	-	-	5,319,279	1,421,400	-	8,287	1,429,687	3,889,592
Meters	20-25	442,827	-	-	-	442,827	346,338	-	7,574	353,912	88,915
Hydrants	75	572,161	-	-	-	572,161	167,850	-	70,206	238,056	334,105
Services	50	784,085	-	-	-	784,085	543,691	-	6,694	550,385	233,700
Assets Under Construction	-	31,071	11,540	(17,569)	-	25,042	-	-	-	-	25,042
<b>Total</b>		<b>\$24,093,814</b>	<b>\$ 498,468</b>	<b>\$ -</b>	<b>\$ 29,048</b>	<b>\$24,563,234</b>	<b>\$ 6,033,990</b>	<b>\$ 29,048</b>	<b>\$ 366,018</b>	<b>\$ 6,370,960</b>	<b>\$18,192,274</b>

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**9. TANGIBLE CAPITAL ASSETS (cont'd)**

Category	Useful Life in Years	Tangible Capital Asset Cost March 31, 2020	Additions	Disposals	Tangible Capital Asset Cost March 31, 2021	Accumulated Amortization March 31, 2020	Amortization Reduction from Disposal of Asset	Annual Amortization	Accumulated Amortization March 31, 2021	Net Book Value March 31, 2021
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Cumberland Joint Services Management Authority

	% of									
Landfill Cell	usage	\$ 1,295,296	\$ 6,581	\$ -	\$ 1,301,877	\$ 11,413	\$ -	\$ 105,833	\$ 117,246	\$ 1,184,631
Buildings	40	1,140,190	-	-	1,140,190	462,824	-	34,072	496,896	643,294
Equipment	5-15	83,755	9,439	-	93,194	74,679	-	3,652	78,331	14,863
Vehicles	5-15	465,992	-	-	465,992	363,366	-	34,479	397,845	68,147
<b>Total</b>		<b>\$ 2,985,233</b>	<b>\$ 16,020</b>	<b>\$ -</b>	<b>\$ 3,001,253</b>	<b>\$ 912,282</b>	<b>\$ -</b>	<b>\$ 178,036</b>	<b>\$ 1,090,318</b>	<b>\$ 1,910,935</b>

Summary

General Capital	\$ 79,847,440	\$ 2,360,665	\$ 86,221	\$ 82,121,884	\$ 33,336,146	\$ 83,666	\$ 2,257,162	\$ 35,509,642	\$ 46,612,242
Water Capital	24,093,814	498,468	29,048	24,563,234	6,033,990	29,048	366,018	6,370,960	18,192,274
CJSMA	2,985,233	16,020	-	3,001,253	912,282	-	178,036	1,090,318	1,910,935
<b>Total</b>	<b>\$ 106,926,487</b>	<b>\$ 2,875,153</b>	<b>\$ 115,269</b>	<b>\$ 109,686,371</b>	<b>\$ 40,282,418</b>	<b>\$ 112,714</b>	<b>\$ 2,801,216</b>	<b>\$ 42,970,920</b>	<b>\$ 66,715,451</b>

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**10. CAPITAL PROJECT ACQUISITIONS & FUNDING**

Category	2021 Capital Acquisitions	Sources of Financing						2020 Capital Acquisitions
		General Operating (Capital from Revenue)	Reserves	Reserves - Capital Carryovers	Gas Tax Funding	Bridge Financing	Long Term Debt	
<b>General Capital</b>								
Land	\$ 62,484	\$ 39,786	\$ 22,698	\$ -	\$ -	\$ -	\$ -	\$ 4,513
Land Improvements	45,606	27,878	-	-	17,728	-	-	19,411
Municipal Buildings	15,720	-	-	15,720	-	-	-	122,563
Other Buildings	271,372	-	271,372	-	-	-	-	7,000
Wastewater Treatment Facility	-	-	-	-	-	-	-	-
Electronic Data Equipment	44,492	44,492	-	-	-	-	-	178,798
Machinery & Equipment	278,768	185,555	-	93,213	-	-	-	129,586
Vehicles	681,807	90,807	591,000	-	-	-	-	322,636
Streets	707,037	-	-	-	707,037	-	-	706,189
Sidewalks	129,743	-	-	-	129,743	-	-	354,378
Curbs	87,449	-	-	-	87,449	-	-	23,725
Traffic & Street Lights	-	-	-	-	-	-	-	6,649
Sanitary Sewer Mains	-	-	-	-	-	-	-	47,850
Sanitary Force Mains	-	-	-	-	-	-	-	-
Sanitary Lift Stations	-	-	-	-	-	-	-	-
Storm Sewers	27,233	-	-	-	27,233	-	-	40,359
Assets Under Construction	8,954	-	-	-	-	8,954	-	130,158
Capital Project Carry Over to 2021/22	-	232,500	-	(232,500)	-	-	-	-
<b>Total</b>	<b>\$ 2,360,665</b>	<b>\$ 621,018</b>	<b>\$ 885,070</b>	<b>\$ (123,567)</b>	<b>\$ 969,190</b>	<b>\$ 8,954</b>	<b>\$ -</b>	<b>\$ 2,093,815</b>

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**10. CAPITAL PROJECT ACQUISITIONS & FUNDING (cont'd)**

Category	2021 Capital Acquisitions	Sources of Financing						2020 Capital Acquisitions
		Grants - Federal	Grants - Provincial	Bridge Financing	Long Term Debt	Water Capital (Depreciation)	Water Operating	
<u>Water Capital</u>								
Land	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bldgs, Reservoirs & Wells	-	-	-	-	-	-	-	-
Electronic Data Equipment	-	-	-	-	-	-	-	-
Machinery & Equipment	33,054	-	-	-	-	-	33,054	150,168
Vehicles	37,495	-	-	-	-	-	37,495	49,506
Water Mains - Town	416,379	-	-	-	390,000	-	26,379	1,045,363
Water Mains - County	-	-	-	-	-	-	-	-
Meters	-	-	-	-	-	-	-	14,000
Hydrants	-	-	-	-	-	-	-	10,429
Services	-	-	-	-	-	-	-	-
Assets Under Construction	11,540	-	-	11,540	-	-	-	31,071
<b>Total</b>	<b>\$ 498,468</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 11,540</b>	<b>\$ 390,000</b>	<b>\$ -</b>	<b>\$ 96,928</b>	<b>\$ 1,300,537</b>

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**10. CAPITAL PROJECT ACQUISITIONS & FUNDING (cont'd)**

Category	2021 Capital Acquisitions	Sources of Financing									2020 Capital Acquisitions
		General Operating	Reserves	Gas Tax Funding	Grants - Federal	Grants - Provincial	Bridge Financing	Long Term Debt	Water Operating	CJSMA Operating / Reserves	
<u>Cumberland Joint Services Mgmt Authority</u>											
Landfill Cell	\$ 6,581	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,581	\$ 9,157
Buildings	-	-	-	-	-	-	-	-	-	-	-
Equipment	9,439	-	-	-	-	-	-	-	-	9,439	-
Vehicles	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>\$ 16,020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 16,020</b>	<b>\$ 9,157</b>
<u>Summary</u>											
General Capital	\$ 2,360,665	\$ 621,018	\$ 761,503	\$ 969,190	\$ -	\$ -	\$ 8,954	\$ -	\$ -	\$ -	\$ 2,093,815
Water Capital	498,468	-	-	-	-	-	11,540	390,000	96,928	-	1,300,537
CJSMA	16,020	-	-	-	-	-	-	-	-	16,020	9,157
<b>Total</b>	<b>\$ 2,875,153</b>	<b>\$ 621,018</b>	<b>\$ 761,503</b>	<b>\$ 969,190</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 20,494</b>	<b>\$ 390,000</b>	<b>\$ 96,928</b>	<b>\$ 16,020</b>	<b>\$ 3,403,509</b>

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**11. AMORTIZATION OF TANGIBLE CAPITAL ASSETS**

	<u>General Capital</u>	<u>Water Capital</u>	<u>Cumb Joint Services Mgmt Auth</u>	<u>Total 2021</u>	<u>2020</u>
General government	\$ 89,936	\$ -	\$ -	\$ 89,936	\$ 93,652
Protective services - Police	193,957	-	-	193,957	153,385
Protective services - Fire	94,434	-	-	94,434	84,868
Transportation services	996,491	-	-	996,491	974,779
Environmental health services	536,905	-	-	536,905	535,977
Environmental dev services	3,243	-	-	3,243	3,243
Recreation & cultural services	342,196	-	-	342,196	309,073
Water capital	-	366,018	-	366,018	336,074
Cumb Joint Services Mgmt Auth	-	-	178,036	178,036	82,613
<b>Total</b>	<b>\$ 2,257,162</b>	<b>\$ 366,018</b>	<b>\$ 178,036</b>	<b>\$ 2,801,216</b>	<b>\$ 2,573,664</b>

**12. (GAIN) / LOSS ON SALE OF TANGIBLE CAPITAL ASSETS**

	<u>General Capital</u>	<u>Water Capital</u>	<u>Cumb Joint Services Mgmt Auth</u>	<u>Total 2021</u>	<u>2020</u>
General government	\$ -	\$ -	\$ -	\$ -	\$ 7,000
Protective services - Police	-	-	-	-	(3,051)
Protective Services - Fire	-	-	-	-	(5,264)
Transportation services	2,555	-	-	2,555	11,060
Environmental health	-	-	-	-	-
Recreation & Cultural Services	-	-	-	-	(4,961)
Water capital	-	-	-	-	5,385
Cumb Joint Services Mgmt Auth	-	-	-	-	-
<b>Total</b>	<b>\$ 2,555</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,555</b>	<b>\$ 10,169</b>

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**13. PROCEEDS ON SALE OF TANGIBLE CAPITAL ASSETS**

	<u>General Capital</u>	<u>Water Capital</u>	<u>Cumb Joint Services Mgmt Auth</u>	<u>Total 2021</u>	<u>2020</u>
General government	\$ -	\$ -	\$ -	\$ -	\$ -
Protective services - Fire	-	-	-	-	5,264
Protective services - Police	-	-	-	-	3,638
Transportation services	-	-	-	-	3,141
Recreation & cultural	-	-	-	-	4,961
Water capital	-	-	-	-	2,160
Cumb Joint Services Mgmt Auth	-	-	-	-	-
<b>Total</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,164</u>

**14. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2021</u>	<u>2020</u>
Trade accounts payable	\$ 793,364	\$ 478,500
Federal government	8,370	65,927
Provincial government	67,022	28,103
Other local government	26,500	31,219
Accrued wages & benefits	1,189,671	1,099,447
Accrued debenture interest	109,990	122,773
Accrued liabilities	38,299	118,933
Tax sale surplus	38,622	38,887
<b>Total</b>	<u>\$ 2,271,838</u>	<u>\$ 1,983,789</u>

**15. DEFERRED REVENUE**

	<u>2021</u>	<u>2020</u>
Grants - capital	\$ -	\$ 87,895
Grants - operating	8,575	73,270
Fundraising	146,437	146,437
Other	15,204	17,398
Cumberland Joint Services Mgmt Authority	38,876	34,909
<b>Total</b>	<u>\$ 209,092</u>	<u>\$ 359,909</u>

**16. LIABILITY FOR CONTAMINATED SITES**

The Town has a garbage disposal site which was abandoned in 1978. There is no indication of ongoing contamination and no provision has been made for possible remediation.



**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**17. LONG TERM DEBT – PRINCIPAL BALANCE OUTSTANDING**

	2021	2020
Municipal Finance Corporation 26B-1 maturing October 24, 2021 - principal payments of \$204,180 yearly plus interest - rates variable 4.265% to 4.590%	\$ 204,180	\$ 290,860
Municipal Finance Corporation 27A-1 maturing October 17, 2022 - principal payments of \$35,500 yearly plus interest - rates variable 4.650% to 5.210%	70,999	106,499
Municipal Finance Corporation 28A-1 maturing October 24, 2023 - principal payments of \$146,045 yearly plus interest - rates variable 3.100% to 5.480%	980,700	1,126,745
Municipal Finance Corporation 29A-1 maturing October 27, 2024 - principal payments of \$60,322 yearly plus interest - rates variable 0.900% to 4.939%	241,303	301,625
Municipal Finance Corporation 31A-1 maturing May 30, 2026 - principal payments of \$90,318 yearly plus interest - rates variable 1.630% to 4.597%	252,206	342,522
Municipal Finance Corporation 33A-1 maturing November 15, 2028 - principal payments of \$175,100 yearly plus interest - rates variable 1.285% to 4.114%	2,903,195	3,073,595
Municipal Finance Corporation 36A-1 maturing May 16, 2031 - principal payments of \$158,647 yearly plus interest - rates variable 1.150% to 3.475%	1,745,112	1,903,759
Municipal Finance Corporation 38A-1 maturing November 9, 2033 - principal payments of \$61,112 yearly plus interest - rates variable 2.490% to 3.551%	794,453	855,565
Municipal Finance Corporation 39A-1 maturing November 15, 2034 - future principal payments of \$9,455 yearly plus interest - rates variable 2.015% to 2.829%	132,370	141,825
	<u>\$ 7,324,518</u>	<u>\$ 8,142,995</u>

Principal repayments are:

2022	\$ 940,679
2023	\$ 683,459
2024	\$ 1,194,624
2025	\$ 511,829
2026	\$ 457,492

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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**18. PROVISION FOR LANDFILL CLOSURE & POST CLOSURE COSTS**

The Town of Amherst along with the Municipality of the County of Cumberland and the Town of Oxford own and operate through Cumberland Joint Services Management Authority (CJSMA), one open and one closed landfill site. The Town has an obligation under the Nova Scotia Environmental Protection Act for costs related to the closure and post closure care of the sites once capacity is reached. These costs are shared pro rata on use with the other municipalities party to CJSMA, where a reserve has been established to provide for the future costs. The Town's 2021 pro rata share is 40.41% (2020 – 42.41%).

Closure and post closure activities for this site includes final covering and landscaping, pumping of ground water and leachates from the site and ongoing environmental monitoring, site inspections and maintenance.

The estimated liability for the care of the landfill site is the present value of future cash flows associated with closure and post closure costs discounted using a long-term borrowing rate of 3.05% and a forecasted inflation rate of 3%. The liability was adjusted for capacity used of 100% (2020 – 99.26%) for Cell 2 and 7.81% (2020 – 0%) for Cell 3.

The estimated present value of future expenses for closure and post closure care as at March 31, 2021 is \$5,939,778 (2020 - \$3,669,636) of which total expenses of \$2,141,189 (2020 - \$27,057) are yet to be incurred, resulting in a liability of \$3,798,589 (2020 - \$3,642,579).

The Town of Amherst's 2021 share of the liability is estimated at \$1,535,010 (2020 - \$1,471,966) for closure and post closure costs. These costs have been reported on the consolidated statement of financial position. The Town's share of the cash reserve in CJSMA to fund the liability is \$1,559,311 (2020 - \$1,428,180).

**19. OTHER REVENUE**

	<u>2021</u>	<u>2020</u>
Land dedication	\$ -	\$ 9,031
Pension liability adjustment	-	79,400
	<u>\$ -</u>	<u>\$ 88,431</u>

**20. LAND LEASE NSPI - SOLAR FARM**

The Town of Amherst entered into an "in kind" lease arrangement with Nova Scotia Power Incorporated (NSPI) effective December 17, 2020. This lease allows NSPI to operate a 2-megawatt Solar Garden on 15 acres of Town-owned land along Tupper Boulevard, for a term of 30 years. This arrangement has been accounted for using a NPV approach with annual lease revenue and grant expense recognition.

In kind lease revenue and grant expense in the amount of \$2,133 has been reflected in the current year results.

**Town of Amherst**  
**Notes to the Consolidated Financial Statements**  
**For the Year Ended March 31, 2021**

**21. PENSION PLANS**

**Defined Benefit Pension Plan for Employees of the Town of Amherst**

The Town maintains a defined benefit pension plan, which provides benefits to employees upon retirement. The most recent completed actuarial valuation was at December 31, 2019.

The following chart outlines the required going-concern unfunded liability payments for the upcoming fiscal years:

<b>Nature of liability or deficiency</b>	<b>Fiscal Year</b>	<b>Annual amortization payment</b>
Going-concern unfunded liability	2022	\$53,625
Going-concern unfunded liability	2023	\$72,925
Going-concern unfunded liability	2024	\$92,225
Going-concern unfunded liability	2025	\$111,525

An actuarial certification for PSAB accounting purposes was performed as of March 31, 2021 and the calculated liability was \$794,300 (2020 - \$550,400).

	<u>2021</u>	<u>2020</u>
<b>Plan assets, at market value</b>		
Balance, beginning of year	\$ 13,383,300	\$ 14,411,800
Contributions during year	361,500	450,100
Benefit payments during year	(722,200)	(829,300)
Expected return on assets	680,000	739,600
Actual gains / (losses)	1,960,900	(1,388,900)
Balance, end of year	<u>\$ 15,663,500</u>	<u>\$ 13,383,300</u>
<b>Accrued benefit obligation</b>		
Balance, beginning of year	\$ 15,290,800	\$ 14,998,300
Benefit cost	301,500	335,000
Benefit payments during year	(722,200)	(829,300)
Interest on ABO	784,400	775,800
Actual (gains) / losses	571,100	11,000
Balance, end of year	<u>\$ 16,225,600</u>	<u>\$ 15,290,800</u>

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**21. PENSION PLANS (cont'd)**

	<u>2021</u>	<u>2020</u>
<b>Retirement benefit liability</b>		
Balance, beginning of year	\$ 550,400	\$ 629,800
Retirement benefit expenses	501,000	254,300
Town contributions	<u>(257,100)</u>	<u>(333,700)</u>
Retirement benefit liability	<u>\$ 794,300</u>	<u>\$ 550,400</u>
<b>Accrued benefit obligation to retirement benefit liability</b>		
Market value	\$ 15,663,500	\$ 13,383,300
Accrued benefit obligation	<u>16,225,600</u>	<u>15,290,800</u>
Deficit	<b>(562,100)</b>	(1,907,500)
Unamortized actuarial (gain) / loss	<u>232,200</u>	<u>(1,357,100)</u>
Retirement benefit liability	<u>\$ (794,300)</u>	<u>\$ (550,400)</u>
<b>Actuarial assumptions</b>		
Liability discount rate	4.85%	
Inflation rate	2.10%	
Salary growth rates	2.75%	
Assumed retirement age	62	

**Defined Contribution Pension Plan for Employees of the Town of Amherst**

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

**Pension Plan for the Town of Amherst Members of the Atlantic Police Association**

The Town contributes to a multi-employer defined benefit plan administered by the Atlantic Police Association (APA) which covers Police Local 104 who are employees of the Town. The plan assets are administered by APA and the Town is responsible for contributing its portion of any going concern deficiency.

The most recent actuarial valuation for the plan was completed for December 31, 2016 and indicated the plan had a going concern surplus of \$9,004,700 and a solvency deficit of \$3,812,400.

There are no special payments required for the Atlantic Police Association pension plan.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

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**22. 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 (CJSMA) which operates a landfill site in Little Forks. The Town of Amherst's 2021 pro rata share of 40.41% of Cumberland Joint Services Management Authority is included in these financial statements. The 2020 comparative figures for CJSMA have been changed to 40.41% (from 42.41%) for more accurate comparison of figures.

**23. COMPARATIVE FIGURES**

In some cases, comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

**24. IMPACT OF COVID-19**

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. The Town continues to assess the overall impact. The spread of COVID-19 had minimal impact on the operations of the Town from a cash flow perspective. Council did opt to provide property tax relief options for residents, including an extension on some payment deadlines and temporary elimination of interest. The Town has received funding under the safe restart fund and has sufficient assets and reserves to fund operations for fiscal 2022, sufficiently mitigating the financial risk caused by the pandemic.

The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government and central bank responses, remains unclear at the time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Town for future periods.

**25. SUBSEQUENT EVENTS**

Effective June 29, 2021, the Town of Amherst, The Town of Oxford and the Municipality of the County of Cumberland entered into a sales agreement with a third party, for the disposal of assets of Cumberland Joint Services Management Authority (CJSMA), for an amount of \$3,000,000. The sale is expected to be completed by October 1, 2021.

**Town of Amherst  
Notes to the Consolidated Financial Statements  
For the Year Ended March 31, 2021**

**26. CONTINGENCIES**

In the normal course of operations, the Town becomes involved in various claims and legal proceedings. While the final outcome with respect to claims and legal proceedings pending at March 31, 2021 cannot be predicted with certainty, it is the opinion of management and council that resolution of these matters will not have a material adverse effect as the Town maintains insurance coverage in amounts considered appropriate.

**27. SUMMARY OF REMUNERATION & EXPENSES PAID TO ELECTED OFFICIALS AND CAO**

Name	Office	Remuneration	Expenses			Total Remuneration & Expenses Reimbursed
			Travel & Travel Related	Meals	Professional Development / Conference Registration	
David Kogon	Mayor	\$ 41,178	\$ 1,919	\$ -	\$ -	\$ 43,097
George Baker	Councillor	\$ 9,057	\$ 858	\$ -	\$ -	\$ 9,915
Vince Byrne	Councillor	\$ 15,993	\$ 1,050	\$ -	\$ -	\$ 17,043
Sheila Christie	Deputy Mayor / Councillor	\$ 26,757	\$ 1,800	\$ -	\$ -	\$ 28,557
Hal Davidson	Deputy Mayor	\$ 10,023	\$ 750	\$ -	\$ -	\$ 10,773
Lisa Emery	Councillor	\$ 9,057	\$ 750	\$ -	\$ -	\$ 9,807
Dale Fawthrop	Councillor	\$ 9,057	\$ 750	\$ -	\$ -	\$ 9,807
Darrell Jones	Councillor	\$ 15,993	\$ 1,050	\$ -	\$ -	\$ 17,043
Leon Landry	Councillor	\$ 9,057	\$ 750	\$ -	\$ -	\$ 9,807
Wayne MacKenzie	Councillor	\$ 15,993	\$ 1,050	\$ -	\$ -	\$ 17,043
Terry Rhindress	Councillor	\$ 15,993	\$ 1,350	\$ -	\$ -	\$ 17,343
Gregory Herrett	Chief Administrative Officer	\$ 138,368	\$ 3,802	\$ -	\$ -	\$ 142,170
<b>Total Remuneration and Reportable Expenses</b>		<b>\$ 316,526</b>	<b>\$ 15,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 332,405</b>

**28. APPROVAL OF FINANCIAL STATEMENTS**

Council and management have approved these financial statements.

## **Supplementary Schedules**

**Town of Amherst**  
**Schedule of Operations - General Operating Fund**  
For the year ended March 31, 2021

	Budget 2021	Actual 2021	Actual 2020
<b>Revenues</b>			
Taxes	\$ 13,523,419	<b>\$ 13,674,157</b>	\$ 13,170,224
Grants in lieu of taxes	274,059	<b>298,776</b>	301,339
Service to other governments	194,851	<b>198,300</b>	192,194
Sale of services	1,455,787	<b>1,396,010</b>	1,380,790
Other revenue from own sources	637,072	<b>512,556</b>	671,998
Unconditional transfers from government	1,260,382	<b>1,260,382</b>	1,260,382
Conditional transfers from government	405,000	<b>532,842</b>	355,144
Total revenues	<u>17,750,570</u>	<u><b>17,873,023</b></u>	<u>17,332,071</u>
<b>Expenditures</b>			
General government services	2,838,097	<b>2,464,419</b>	2,287,822
Protective services - Police	4,302,618	<b>4,113,292</b>	4,238,017
Protective services - Fire & Inspection	1,884,011	<b>1,812,698</b>	1,816,346
Transportation services	2,034,974	<b>1,856,245</b>	2,090,741
Environmental health services	1,484,814	<b>1,361,492</b>	1,396,929
Public health services	230,000	<b>195,599</b>	248,767
Environmental development services	643,690	<b>353,269</b>	443,605
Recreation and cultural services	1,931,814	<b>1,447,210</b>	1,716,477
Education	1,596,850	<b>1,596,852</b>	1,599,384
Total expenditures	<u>16,946,868</u>	<u><b>15,201,076</b></u>	<u>15,838,088</u>
<b>Annual surplus</b>	<u>803,702</u>	<u><b>2,671,947</b></u>	<u>1,493,983</u>
<b>Financing and transfers</b>			
Debt principal repayment	(735,092)	<b>(735,092)</b>	(771,608)
Dividend from Water Utility	135,000	<b>135,000</b>	135,000
Transfers from Reserves	473,142	<b>72,371</b>	73,138
Transfers to Reserves	(86,752)	<b>(105,328)</b>	(231,694)
Transfer to Operating Reserve - surplus	-	<b>(1,417,880)</b>	(187,788)
Transfers to General Capital	(590,000)	<b>(621,018)</b>	(511,031)
Total financing and transfers	<u>(803,702)</u>	<u><b>(2,671,947)</b></u>	<u>(1,493,983)</u>
<b>Change in surplus</b>	<u>\$ -</u>	-	-
<b>Accumulated surplus at beginning of year</b>		-	-
<b>Accumulated surplus at end of year</b>		<u>\$ -</u>	<u>\$ -</u>



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**Town of Amherst**  
**Schedule of Operations - Water Operating Fund**  
For the year ended March 31, 2021

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	Budget 2021	Actual 2021	Actual 2020
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>Revenues</b>			
Metered	\$ 1,221,615	\$ 1,231,239	\$ 1,195,042
Flat	166,320	166,869	166,237
Public fire protection	807,481	807,481	807,481
Private hydrants	14,750	14,750	14,500
Sprinkler service	15,350	15,050	15,050
Bulk water	7,500	9,300	7,950
Sale of services	3,000	15,118	14,367
Sundry	1,200	1,175	1,879
Interest	5,000	5,226	4,808
Total revenues	<u>2,242,216</u>	<u>2,266,208</u>	<u>2,227,314</u>
<b>Expenditures</b>			
Source of supply	34,000	28,991	32,159
Power and pumping	175,500	159,210	153,013
Water treatment	17,600	16,700	14,808
Transmission and distribution	724,681	775,054	759,433
Administrative	666,610	582,552	603,538
Depreciation	365,440	366,018	336,074
Total expenditures	<u>1,983,831</u>	<u>1,928,525</u>	<u>1,899,025</u>
<b>Annual surplus</b>	<u>258,385</u>	<u>337,683</u>	<u>328,289</u>
<b>Financing and transfers</b>			
Debt principal repayment	(83,385)	(83,385)	(73,930)
Dividend to owner	(135,000)	(135,000)	(135,000)
Transfer to Water Capital	(40,000)	(114,497)	(114,674)
Total financing and transfers	<u>(258,385)</u>	<u>(332,882)</u>	<u>(323,604)</u>
<b>Change in surplus</b>	<u>\$ -</u>	<u>4,801</u>	<u>4,685</u>
<b>Accumulated surplus at beginning of year</b>		<u>178,907</u>	<u>174,222</u>
<b>Accumulated surplus at end of year</b>		<u>\$ 183,708</u>	<u>\$ 178,907</u>

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**Town of Amherst**  
**Schedule of Operations - General Capital Fund**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Grants for capital projects - Province of Nova Scotia	\$ 39,950	\$ -
Grants for capital projects - Government of Canada	47,945	-
Total revenues	<u>87,895</u>	<u>-</u>
<b>Expenditures</b>		
Amortization (Note 11)	2,257,162	2,154,977
Loss (gain) on disposal of tangible capital assets (Note 12)	2,555	4,784
Total expenditures	<u>2,259,717</u>	<u>2,159,761</u>
<b>Annual (deficit)</b>	<u>(2,171,822)</u>	<u>(2,159,761)</u>
<b>Financing and transfers</b>		
Debt principal payments	735,092	771,608
Transfer from General Operating	621,018	511,031
Transfers from Reserves	2,004,558	1,373,892
Transfers to Reserves	(232,500)	(146,505)
Total financing and transfers	<u>3,128,168</u>	<u>2,510,026</u>
<b>Change in surplus</b>	956,346	350,265
<b>Accumulated surplus at beginning of year</b>	<u>38,381,303</u>	<u>38,031,038</u>
<b>Accumulated surplus at end of year</b>	<u>\$ 39,337,649</u>	<u>\$ 38,381,303</u>

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**Town of Amherst**  
**Schedule of Operations - Water Capital Fund**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Interest income	\$ 3,103	\$ 12,227
Grants for Capital Projects - Federal	-	892,215
Grants for Capital Projects - Provincial	-	446,108
Total revenues	<u>3,103</u>	<u>1,350,550</u>
<b>Expenditures</b>		
Loss on disposal of tangible capital assets (Note 12)	-	5,385
<b>Annual surplus</b>	<u>3,103</u>	<u>1,345,165</u>
<b>Financing and transfers</b>		
Debt principal payments	83,385	73,930
Transfer from Water Operating	114,497	114,674
Total financing and transfers	<u>197,882</u>	<u>188,604</u>
<b>Change in surplus</b>	<b>200,985</b>	1,533,769
<b>Accumulated surplus at beginning of year</b>	<u>18,078,549</u>	<u>16,544,780</u>
<b>Accumulated surplus at end of year</b>	<u>\$ 18,279,534</u>	<u>\$ 18,078,549</u>

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**Town of Amherst**  
**Schedule of Operations - Reserve Funds**

 For the year ended March 31, 2021
 

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	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Federal gas tax funds	\$ 672,374	\$ 1,386,805
Interest on federal gas tax funds	6,063	17,437
Land dedication / open space fees	-	9,031
Total revenues	<u>678,437</u>	<u>1,413,273</u>
<b>Expenditures</b>		
General government	-	-
Total expenditures	<u>-</u>	<u>-</u>
<b>Annual surplus</b>	<u>678,437</u>	<u>1,413,273</u>
<b>Financing and transfers</b>		
Transfer from General Operating	105,328	231,694
Transfer from General Operating - surplus	1,417,880	187,788
Transfer from General Capital	232,500	146,505
Transfer to General Operating	(72,371)	(73,138)
Transfer to General Capital	(2,004,558)	(1,373,892)
Total financing and transfers	<u>(321,221)</u>	<u>(881,043)</u>
<b>Change in surplus</b>	357,216	532,230
<b>Accumulated surplus at beginning of year</b>	<u>5,330,783</u>	<u>4,798,553</u>
<b>Accumulated surplus at end of year*</b>	<u>\$ 5,687,999</u>	<u>\$ 5,330,783</u>

\* The Reserve funds accumulated surplus at end of year is broken down as follows:

General Capital Reserve	\$ 1,818,369	\$ 2,013,919
General Operating Reserve	3,869,630	3,316,864
	<u>\$ 5,687,999</u>	<u>\$ 5,330,783</u>

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**Town of Amherst**  
**Schedule of Operations - Cumberland Joint Services Mgmt Authority Fund**  
For the year ended March 31, 2021

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	<u>2021</u>	<u>2020</u>
<b>Revenues</b>		
Solid waste operations	\$ 841,012	\$ 902,394
Compost operations	171,225	185,839
Recycling operations	26,051	48,906
Interest	44,413	52,679
Gain on disposal of tangible capital assets (Note 12)	-	-
Total revenues	<u>1,082,701</u>	<u>1,189,818</u>
<b>Expenditures</b>		
Administration	346,250	188,726
Solid waste operations	363,915	322,460
Compost operations	55,175	58,317
Recycling operations	142,617	380,638
Amortization of tangible capital assets (Note 11)	178,036	82,613
Total expenditures	<u>1,085,993</u>	<u>1,032,754</u>
<b>Annual surplus</b>	<b>(3,292)</b>	157,064
<b>Accumulated surplus at beginning of year</b>	<u>3,245,418</u>	<u>3,088,354</u>
<b>Accumulated surplus at end of year</b>	<u><u>\$ 3,242,126</u></u>	<u><u>\$ 3,245,418</u></u>

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