
TOWN OF AMHERST

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2026



**Town of Amherst
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March 31, 2026**

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The consolidated financial statements of Town of Amherst have been prepared in accordance with Canadian public sector accounting standards (PSAS). When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Town of Amherst's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Mayor and Council are responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Mayor and Council carry out this responsibility principally through its Audit Committee. The Audit Committee is appointed by the Mayor and Council and meets periodically with management and the Mayor and Council auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Audit Committee reports to the Mayor and Council prior to its approval of the financial statements. The Committee also considers, for review by the Mayor and Council and approval by the Mayor and Council, the engagement or re-appointment of the external auditors.

The consolidated financial statements have been audited on behalf of the Mayor and Council by McIsaac Darragh Inc. Chartered Professional Accountants. The accompanying Auditor's report outlines their responsibilities, the scope of their examination and their opinion on the Town's consolidated financial statements.



Mr. Jason MacDonald, Chief
Administrative Officer



Ms. Sarah Wilson, Director of Finance

Amherst, NS
September 28, 2026

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors 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, 2026, and the consolidated statements of operations and accumulated surplus, remeasurement gains and losses, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (the "financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town as at March 31, 2026, and the consolidated results of its operations and consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAS).

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 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 these 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 PSAS, 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 related 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.

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:

(continues)

Independent Auditor's Report to the Mayor and Councillors of Town of Amherst (*continued*)

- 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.

A handwritten signature in blue ink that reads "McIsaac Damagh Inc." in a cursive script.

Amherst, Nova Scotia
September 28, 2026

CHARTERED PROFESSIONAL ACCOUNTANTS

Town of Amherst
Consolidated Statement of Financial Position
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Financial assets		
Cash and cash equivalents (Note 4)	\$ 12,485,890	\$ 10,123,725
Taxes receivable, net of valuation allowance (Note 5)	912,521	1,188,088
Other receivables (Note 6)	1,750,761	1,592,750
Pension asset (Note 11)	-	246,400
	<u>15,149,172</u>	<u>13,150,963</u>
Liabilities		
Accounts payable and accrued liabilities (Note 8)	3,338,789	2,452,731
Prepayment of taxes	559,021	557,171
Deferred revenue (Note 9)	2,654,122	833,014
Long term debt (Note 10)	4,570,186	5,127,763
	<u>11,122,118</u>	<u>8,970,679</u>
Net financial assets	<u>4,027,054</u>	<u>4,180,284</u>
Non-financial assets		
Prepaid expenses	118,908	128,764
Inventories of supplies	173,866	145,078
Tangible capital assets, net of accumulated amortization (Note 13)	72,372,921	70,057,468
	<u>72,665,695</u>	<u>70,331,310</u>
Accumulated surplus	<u>\$ 76,692,749</u>	<u>\$ 74,511,594</u>

Commitments (Note 14)
Contingencies (Note 15)

On Behalf of the Town of Amherst


Mayor


Chief Administrative Officer

Town of Amherst
Consolidated Statement of Operations and Accumulated Surplus
For the year ended March 31, 2026

	(Note 22) Budget 2026	Actual 2026	Actual 2025
Revenues			
Taxes	\$ 16,967,970	\$ 17,343,835	\$ 16,685,953
Grants in lieu of taxes	273,649	273,193	286,243
Service to other governments	279,272	294,557	258,330
Sale of services	3,176,951	3,320,884	3,158,917
Other revenue from own sources	845,188	1,098,612	1,291,430
Unconditional transfers from government	1,323,275	1,323,275	1,323,275
Conditional transfers from government	7,122,796	2,636,426	3,198,642
Other (Note 18)	-	462,683	845,114
Total revenues	<u>29,989,101</u>	<u>26,753,465</u>	<u>27,047,904</u>
Expenditures			
General government services	3,728,767	3,350,102	3,151,963
Protective services - Police	5,842,153	5,538,363	5,305,241
Protective services - Fire & Inspection	1,707,366	1,792,829	1,603,421
Transportation services	3,599,755	3,686,039	3,454,204
Environmental health services	2,720,388	2,687,444	2,594,835
Public health services	-	-	316,169
Environmental development services	515,852	541,876	551,218
Recreation and cultural services	2,803,435	2,832,454	2,666,449
Education	2,050,863	2,024,568	1,891,524
Water utility	2,123,739	2,118,635	2,068,616
Total expenditures	<u>25,092,318</u>	<u>24,572,310</u>	<u>23,603,640</u>
Annual surplus	4,896,783	2,181,155	3,444,264
Accumulated surplus at beginning of year	<u>74,511,594</u>	<u>74,511,594</u>	<u>71,067,330</u>
Accumulated surplus at end of year	<u>\$ 79,408,377</u>	<u>\$ 76,692,749</u>	<u>\$ 74,511,594</u>

Town of Amherst
Consolidated Statement of Remeasurement Gains and Losses

 For the year ended March 31, 2026

	<u>2026</u>	<u>2025</u>
Accumulated remeasurement gains and (losses) at beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Portfolio investments	-	-
Amounts reclassified to the statement of operations:		
Portfolio investments	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains and (losses) at end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Town of Amherst
Consolidated Statement of Change in Net Financial Assets
For the year ended March 31, 2026

	Budget 2026	2026	2025
Annual surplus	\$ 4,896,783	\$ 2,181,155	\$ 3,444,264
Acquisition of tangible capital assets (Note 13)	(12,355,664)	(5,918,624)	(5,425,642)
Amortization of tangible capital assets (Note 13)	3,349,849	3,349,849	3,162,615
(Gain) / loss on sale of tangible capital assets	-	(393,678)	(73,690)
Proceeds on sale of tangible capital assets	-	647,000	217,464
Write downs of tangible capital assets	-	-	-
	<u>(9,005,815)</u>	<u>(2,315,453)</u>	<u>(2,119,253)</u>
Consumption (acquisition) of supply inventory	-	(28,788)	(40,424)
Consumption (acquisition) of prepaid expenses	-	9,856	(18,962)
	<u>-</u>	<u>(18,932)</u>	<u>(59,386)</u>
Net remeasurement gains	-	-	-
Change in net financial assets	(4,109,032)	(153,230)	1,265,625
Net assets at beginning of year	<u>4,180,284</u>	<u>4,180,284</u>	<u>2,914,659</u>
Net financial assets at end of year	<u>\$ 71,252</u>	<u>\$ 4,027,054</u>	<u>\$ 4,180,284</u>

Town of Amherst
Consolidated Statement of Cash Flow
For the year ended March 31, 2026

	<u>2026</u>	<u>2025</u>
Operating transactions		
Annual surplus	\$ 2,181,155	\$ 3,444,264
Change in non-cash items:		
Amortization / depreciation (Note 13)	3,349,849	3,162,615
Decrease (increase) in receivables	117,556	(459,844)
Increase (decrease) in payables and accrued liabilities and prepayment of taxes	887,908	269,617
Increase (decrease) in deferred revenue	1,821,108	(524,221)
Increase (decrease) in pension asset	246,400	(665,700)
Decrease (increase) in prepaid expenses	9,856	(18,962)
Decrease (increase) in inventory of supplies	(28,788)	(40,424)
	<u>8,585,044</u>	<u>5,167,345</u>
Capital transactions		
Acquisition of tangible capital assets (Note 13)	(5,918,624)	(5,425,642)
Proceeds from sale of tangible capital assets	647,000	217,464
(Gain) / loss on sale of tangible capital assets	(393,678)	(73,690)
	<u>(5,665,302)</u>	<u>(5,281,868)</u>
Investing transactions		
Net remeasurement gains (losses)	<u>-</u>	<u>-</u>
Financing transactions		
Long term debt repayment	<u>(557,577)</u>	<u>(611,914)</u>
Increase (decrease) in cash and cash equivalents	2,362,165	(726,437)
Cash and cash equivalents beginning of year	<u>10,123,725</u>	<u>10,850,162</u>
Cash and cash equivalents end of year	<u><u>\$ 12,485,890</u></u>	<u><u>\$ 10,123,725</u></u>

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

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 of the Chartered Professional Accountants of 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) Basis of accounting

Revenues and expenses are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable and expenses as they are incurred and measurable as a result of the receipt of goods or services and the creation of a legal obligation to pay.

b) Reporting Entity

The 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 Funds
- Water Operating and Capital Funds
- Operating and Capital Reserve Funds
- 40.446% of Cumberland Joint Services Management Authority (2025)

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

c) Financial Instruments

The Town's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable, accruals and long term debt. All financial instruments are measured at cost or amortized cost. 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.

d) Cash and Cash Equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash on hand and balances with banks, net of bank indebtedness, including reserves and restricted cash.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

e) **Deferred revenue**

Certain amounts are received pursuant to legislation, regulation or agreement and may only be used in the conduct of certain programs or in the delivery of specific services and transactions. These amounts are recognized as revenue in the fiscal year the related expenses are incurred, services are performed or when stipulations are met.

f) **Employee future benefits**

The Town contributes to multiple pension plans for its employees.

- I. Employees hired before September 2007 are part of a defined benefit plan administered by Manulife Financial which is accounted for using the deferral and amortization approach. The present value of the cost of providing employees with future benefits programs is expensed as employees earn these entitlements through service. The cost of the benefits earned by employees is actuarially determined using the projected cost method pro-rated on service and management's best estimate of retirement ages of employees and expected health care and other costs.
- II. Employees hired after September 2007 are part of a defined contribution pension plan administered by Manulife Financial. Contributions are expensed when due.
- III. Employees in the Police Local 104 union are part of a multi-employer defined benefit plan, administered by the Atlantic Police Association, which provides a pension on retirement based on the member's age at retirement and length of service. Contributions are expensed when due.
- IV. Employees in the Police Local 104 union are provided with sick leave benefits. The cost of non-vesting sick leave benefits is calculated based on management's best estimate.

g) **Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

h) **Inventory**

Inventory is valued at the lower of cost and net realizable value. Cost is being determined on a first-in first-out basis.

i) **Tangible Capital Assets**

Tangible capital assets are recorded at cost. Amortization and depreciation have been recorded as an expense and 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.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

j) **Taxation and related revenue recognition**

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.

k) **Other revenue recognition**

- Other revenue from own sources, including sales of services, is recognized when services are performed and/or when earned as long as amounts can be reasonably estimated and collection is reasonably assured
- Investment income earned on operating funds, capital funds and reserve funds are reported as revenue in the period earned.

l) **Government Transfers**

Conditional and unconditional government transfers are recognized in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria and stipulations have been met, and reasonable estimates of the amounts can be made. Transfers are recognized as deferred revenue when amounts have been received but not all eligibility criteria have been met.

m) **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. The Town relies on estimates to calculate pension liability, sick leave liability, allowance for doubtful accounts, asset retirement obligations, and the amortization and depreciation expense.

n) **Budget**

The budget figures contained in the schedules to the Financial Statements were approved by Council on April 28, 2025. Note 22 outlines the original fiscal plan and the adjustments to come to the budget figures shown in these consolidated financial statements.

o) **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*.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

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.

Education

Mandatory education transfers to the Chignecto-Central Regional Centre for Education.

Water utility

Activities related to the operations of the Town of Amherst Water Utility, a 3,666 (2025 – 3,610) customer utility that operates a water treatment plant and related infrastructure.

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 2026 the Town's cash contribution was \$77,240 (2025 - \$75,504). Additionally, an in-kind contribution of \$20,000 for rent and bookkeeping services was provided. 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

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

in order to strengthen Cumberland County by removing barriers to business and connecting businesses with the resources they need to be successful.

Cobequid Regional Housing Authority

Up until March 31, 2025 municipalities in Nova Scotia were required to make a mandatory contribution to fund the operating deficit of the Cobequid Regional Housing Authority. The deficit financed for 2025 \$316,169.

Cumberland Public Libraries

During the year, the Town of Amherst paid \$87,299 (2025 - \$108,004) to the Cumberland Public Libraries. The Town of Amherst does not share in any surplus or deficits.

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 2026 the education contribution was \$2,024,568 (2025 - \$1,891,524).

Assessment Services Contribution

The Town of Amherst is required to contribute to Property Valuation Services Corporation based on a formula calculation. For 2026 the assessment services contribution was \$113,872 (2025 - \$111,569).

4. CASH AND CASH EQUIVALENTS

	<u>2026</u>	<u>2025</u>
Bank	\$ 7,613,053	\$ 7,317,805
Restricted Cash		
Water Capital	2,727,634	2,478,659
Tax sale surplus	211,929	211,929
Canada Community Building Fund	107,787	115,332
Capital Contribution Amherst Fire Fighters Association	1,825,487	-
	<u>\$ 12,485,890</u>	<u>\$ 10,123,725</u>

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

5. TAXES RECEIVABLE

	<u>2026</u>	<u>2025</u>
Beginning balance, taxes receivable	\$ 1,188,088	\$ 737,027
Tax levy - current year	17,083,073	16,580,673
Cash receipts and adjustments	(16,870,629)	(15,568,335)
Exemptions	(639,589)	(662,051)
Interest	184,450	167,107
Ending balance, taxes receivable	945,393	1,254,421
Valuation allowance	(32,872)	(66,333)
Total	<u>\$ 912,521</u>	<u>\$ 1,188,088</u>

6. OTHER RECEIVABLES

	<u>2026</u>	<u>2025</u>
Federal	\$ 374,557	\$ 338,645
Provincial	350,250	304,989
Other Local Government	115,313	45,247
Other:		
Sewer Operating	317,532	324,983
Water Operating	396,845	393,965
Miscellaneous	300,402	332,731
CJSMA	-	-
Valuation allowance	(104,138)	(147,810)
Total	<u>\$ 1,750,761</u>	<u>\$ 1,592,750</u>

7. 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 4.45% at March 31, 2026. No amounts were drawn as at March 31, 2026.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2026</u>	<u>2025</u>
Trade accounts payable	\$ 1,517,067	\$ 661,618
Federal government	23,329	865
Provincial government	-	11,738
Other local government	24,185	25,813
Accrued wages & benefits	1,304,616	1,217,709
Accrued debenture interest	57,663	63,858
Accrued liabilities	200,000	259,201
Tax sale surplus	211,929	211,929
Total	\$ 3,338,789	\$ 2,452,731

Sick leave liability - The Town's employees in the Police Local 104 union earn sick leave per year at the rate of 12 hours for every 173.3 hours worked or 144 hours per year. Maximum accumulation of sick leave is 1,560 hours. Upon termination, the balance is not paid out. The accrued sick leave liability has been estimated based on management's estimate of the future use of accumulated sick time at year end. The estimated balance of \$125,000 is included in accrued liabilities (2025 - \$125,000).

Tax sale surplus - The Municipal Government Act requires a twenty year holding period for maintaining these funds in trust. The earliest any of these would be brought into revenue is anticipated to be 2028.

9. DEFERRED REVENUE

	March 31, 2025	Receipts	Recognized as revenue	March 31, 2026
Grants - capital	\$ 590,088	\$ 692,572	\$ (665,503)	\$ 617,157
Grants - operating	27,322	66,347	(51,365)	42,304
Fundraising	146,437	-	-	146,437
Other	69,167	2,287,856	(508,799)	1,848,224
Total	\$ 833,014	\$ 3,046,775	\$ (1,225,667)	\$ 2,654,122

Capital grants are received from the Province of NS and are to be used by the Town for specific for capital projects.

Operating grants are received from the Province of NS and are to be used by the Town for specific operating projects.

Deferred fundraising consists of funds received by the Town of Amherst that are restricted by the donors to be used on capital projects.

Included in other are a number of individual restricted grants, contributions and programs.

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

10. LONG TERM DEBT – PRINCIPAL BALANCE OUTSTANDING

	Interest rate - %	Matures	Balance March 31/25	Issued	Redeemed	Balance March 31/26
General Capital						
Municipal Finance Corporation						
31A-1	1.630 - 4.597	2027	\$ 64,754	\$ -	\$ 32,378	\$ 32,376
33A-1	1.285 - 4.114	2029	2,174,095	-	195,900	1,978,195
36A-1	1.150 - 3.475	2032	1,020,600	-	145,800	874,800
38A-1	2.490 - 3.551	2034	463,007	-	51,445	411,562
40A-1	0.4 - 2.809	2037	370,957	-	30,913	340,044
			4,093,413	-	456,436	3,636,977
Water Capital						
Municipal Finance Corporation						
36A-1	1.150 - 3.475	2032	89,924	-	12,847	77,077
38A-1	2.490 - 3.551	2034	86,998	-	9,667	77,331
39A-1	2.015 - 2.829	2035	94,550	-	9,455	85,095
40A-1	0.4 - 2.809	2037	450,878	-	43,172	407,706
41A-1	0.5 - 2.677	2037	312,000	-	26,000	286,000
			1,034,350	-	101,141	933,209
TOTAL			\$ 5,127,763	\$ -	\$ 557,577	\$ 4,570,186

Principal repayments during the next five fiscal years are as follows:

	<u>General Capital</u>	<u>Water Capital</u>	<u>Total</u>
2027	\$ 462,734	\$ 101,141	\$ 563,875
2028	\$ 436,758	\$ 101,141	\$ 537,899
2029	\$ 1,795,553	\$ 101,141	\$ 1,896,694
2030	\$ 228,158	\$ 101,141	\$ 329,299
2031	\$ 228,158	\$ 101,141	\$ 329,299

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

11. PENSION ASSET

Defined benefit pension plan

The Town maintains a defined benefit pension plan, which provides benefits to employees upon retirement who were hired prior to September 11, 2007. The accrued benefit obligation as at March 31, 2026 is based on an actuarial valuation for accounting purposes as at December 31, 2022. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2025. The accrued benefit obligation has changed due to, among other assumption changes, an increase in the expected long-term rate of return on plan assets, partially offset by an increase in the discount rate. All assets are held in various Manulife Funds.

	Estimated March 31, 2026	Estimated March 31, 2025
Accrued benefit obligation	\$ 16,651,500	\$ 15,810,500
Fair value plan assets	18,002,800	17,136,400
Funded status (plan deficit)	\$ 1,351,300	\$ 1,325,900

The significant actuarial assumptions adopted in measuring the Town's accrued benefit obligation as at March 31, 2026 were as follows:

	March 31, 2026	March 31, 2025
Expected long-term rate of return on plan assets	5.00%	5.35%
Rate of compensation increase	2.75%	2.75%
Discount used to determine benefit obligation	5.00%	5.35%

The Post-retirement mortality assumption was based on CPM Mortality Table with generational projection using improvement scale CPM-B.

An actuarial valuation of the pension was performed for accounting purposes using the projected benefit method prorated on service. The unamortized actuarial loss is amortized over the expected average remaining service life ("EARSL") of the employee group; EARSL in 2026 was 1 year (2025 – 2 years).

	March 31, 2026	March 31, 2025
Accrued benefit obligation, net of plan assets	\$1,351,300	\$ 1,325,900
Unamortized actuarial loss	(395,900)	(1,079,500)
Change in valuation allowance	(955,400)	--
Benefit asset (liability) recorded in the Statement of Financial Position	\$ 0	\$ 246,400

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

Fiscal year	Annual amortization payment
2026	\$ 118,900
2027 -2033	\$ 118,900

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

During the year, the Town contributed \$141,248 (2025 - \$145,826) and employees contributed \$71,638 (2025 - \$74,057) to the plan. Benefit payments for the year totals \$880,700 (2025 - \$831,400).

Defined Contribution Pension Plan

The Town and employees each contribute 6% of eligible income to the pension plan. The Town's expense for defined contribution plans for 2026 was \$233,254 (2025 - \$198,041).

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

The Town and employees each contribute 9% of eligible income to a multi-employer defined benefit pension plan. 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, 2019 and indicated the plan had a going concern surplus of \$12,938,000 and a solvency liability of \$7,061,000. There are no special payments required for the Atlantic Police Association pension plan. The Town's expense for multi-employer plans for 2026 was \$268,711 (2025 - \$264,108).

Across all plans, the Town contributed \$762,972 (2025 - \$734,952) to employee pension plans.

12. 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

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

13. TANGIBLE CAPITAL ASSETS

Category	Useful Life in Years	Tangible Capital Asset Cost March 31, 2025	Additions and transfers	Disposals	Tangible Capital Asset Cost March 31, 2026	Accumulated Amortization March 31, 2025	Amortization Reduction from Disposal of Asset	Annual Amortization	Accumulated Amortization March 31, 2026	Net Book Value March 31, 2026	Net Book Value March 31, 2025
General Capital											
Land	-	\$ 1,941,029	\$ 1,681,611	\$ 192,378	\$ 3,430,262	\$ -	\$ -	\$ -	\$ -	\$ 3,430,262	\$ 1,941,029
Land Improvements	20-25	3,931,532	47,488	8,029	3,970,991	2,068,087	3,827	125,178	2,189,438	1,781,553	1,863,445
Municipal Buildings	40	14,285,522	64,899	-	14,350,421	5,965,536	-	327,873	6,293,409	8,057,012	8,319,986
Other Buildings	20-40	1,262,565	-	-	1,262,565	365,759	-	48,247	414,006	848,559	896,806
Wastewater Treatment Facility	50	13,992,599	-	-	13,992,599	3,531,769	-	298,373	3,830,142	10,162,457	10,460,830
Electronic Data Equipment	3-5	1,305,316	253,558	52,429	1,506,445	848,748	52,430	105,301	901,619	604,826	456,568
Machinery & Equipment	5-15	5,807,740	320,542	-	6,128,282	2,848,198	-	394,559	3,242,757	2,885,525	2,959,542
Vehicles	5-20	5,613,965	399,348	-	6,013,313	2,088,399	-	292,910	2,381,309	3,632,004	3,525,566
Streets	15-25	15,880,251	1,187,541	180,043	16,887,749	7,587,714	124,935	648,083	8,110,862	8,776,887	8,292,537
Sidewalks	25	4,842,548	177,027	68,387	4,951,188	2,666,768	66,753	159,820	2,759,835	2,191,353	2,175,780
Curbs	25	4,368,428	136,490	-	4,504,918	3,043,568	-	121,038	3,164,606	1,340,312	1,324,860
Traffic & Street Lights	30	2,069,706	37,928	-	2,107,634	1,232,796	-	57,767	1,290,563	817,071	836,910
Sanitary Sewer Mains	50	6,891,281	133,321	-	7,024,602	3,863,260	-	110,821	3,974,081	3,050,521	3,028,021
Sanitary Forcemains	50	1,232,434	-	-	1,232,434	621,968	-	24,649	646,617	585,817	610,466
Sanitary Lift Stations	25	3,336,321	66,493	-	3,402,814	2,908,730	-	84,717	2,993,447	409,367	427,591
Storm Sewers	50	7,539,001	43,037	-	7,582,038	3,605,015	-	128,439	3,733,454	3,848,584	3,933,986
Assets Under Construction	-	354,443	321,410	-	675,853	-	-	-	-	675,853	354,443
Total		\$94,654,681	\$ 4,870,693	\$ 501,266	\$ 99,024,108	\$43,246,315	\$ 247,945	\$ 2,927,775	\$ 45,926,145	\$ 53,097,963	\$ 51,408,366

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

13. TANGIBLE CAPITAL ASSETS (cont'd)

Category	Useful Life in Years	Tangible Capital Asset Cost March 31, 2025	Additions and transfers	Disposals	Tangible Capital Asset Cost March 31, 2026	Accumulated Depreciation March 31, 2025	Depreciation Reduction from Disposal of Asset	Annual Depreciation	Accumulated Depreciation March 31, 2026	Net Book Value March 31, 2026	Net Book Value March 31, 2025
<u>Water Capital</u>											
Land	-	\$ 1,224,790	\$ 106,271	\$ -	\$ 1,331,061	\$ -	\$ -	\$ -	\$ -	\$ 1,331,061	\$ 1,224,790
Bldgs, Reservoirs, Wells	40-75	8,300,867	-	-	8,300,867	1,969,975	-	128,118	2,098,093	6,202,774	6,330,892
Electronic Data Equip	5	295,739	101,369	205,211	191,897	281,072	205,211	4,889	80,750	111,147	14,667
Machinery & Equip	5-20	1,294,671	287,538	-	1,582,209	477,773	-	77,713	555,487	1,026,722	816,898
Vehicles	5	426,796	425,105	-	851,901	380,265	-	20,510	400,775	451,126	46,531
Water Mains -Town	75	7,634,576	79,689	-	7,714,265	1,760,674	-	97,821	1,858,495	5,855,770	5,873,903
Water Mains -County	75	5,319,279	-	-	5,319,279	1,771,511	-	69,287	1,840,798	3,478,481	3,547,768
Meters	20-25	470,199	14,939	2,522	482,616	363,685	2,522	8,365	369,528	113,088	106,514
Hydrants	75	631,368	19,240	-	650,608	206,614	-	8,363	214,977	435,631	424,753
Services	50	799,792	-	-	799,792	577,159	-	7,008	584,167	215,625	222,633
Assets Under Construction	-	39,753	13,780	-	53,533	-	-	-	-	53,533	39,753
Total		\$ 26,437,830	\$ 1,047,931	\$ 207,733	\$ 27,278,028	\$ 7,788,728	\$ 207,733	\$ 422,074	\$ 8,003,070	\$ 19,274,958	\$ 18,649,102

Summary

General Capital	\$ 94,654,681	\$ 4,870,693	\$ 501,266	\$ 99,024,108	\$ 43,246,315	\$ 247,945	\$ 2,927,775	\$ 45,926,145	\$ 53,097,963	\$ 51,408,366
Water Capital	26,437,830	1,047,931	207,733	27,278,028	7,788,728	207,733	422,074	8,003,070	19,274,958	18,649,102
Total	\$ 121,092,511	\$ 5,918,624	\$ 708,999	\$ 126,302,136	\$ 51,035,043	\$ 455,678	\$ 3,349,849	\$ 53,929,215	\$ 72,372,921	\$ 70,057,468

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

13. TANGIBLE CAPITAL ASSETS (cont'd)

Contributed tangible capital assets transferred to the Town in 2026 amounted to \$0 (2025 - \$571,494). Tangible capital assets transferred in 2025 included a fire tanker truck from the Municipality of the County of Cumberland and water service laterals and sanitary sewer lines from a developer.

14. COMMITMENTS

- a) The Town entered into an agreement with Cumberland Business Connector to provide three year of operational funding up to \$85,000 per year plus an additional \$20,000 in-kind contribution by providing office space and accounting support. This agreement ended March 31, 2026.
- b) The Town entered into an agreement with Miller Waste Systems Inc. for solid waste collection until March 31, 2029. The Town committed to paying \$2,525,979 over the 5 year term.
- c) On June 26, 2023, the Town has committed a community support grant to the Lillian Albon Animal Shelter capital campaign in the amount of \$50,000 per year, the final payment was in fiscal 2026.
- d) Cumberland YMCA operational funding of \$123,998 per year until fiscal 2029. Adjusted annually for CPI.
- e) The Town signed a Memorandum of Understanding with the Lillian Albon Animal Shelter on April 28, 2026 for pound services committing \$25,000 annually until canceled by either party.

15. 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, 2026 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.

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.

17. ASSET RETIREMENT OBLIGATION

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. As at March 31, 2026 there are no known asset retirement obligations.

18. OTHER REVENUE

	<u>2026</u>	<u>2025</u>
Contributions for capital projects	\$ 462,683	\$ 71,494
Insurance Proceeds	-	107,920
Pension liability adjustment	-	665,700
Total	<u>\$ 462,683</u>	<u>\$ 845,114</u>

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

19. TRUST FUNDS

The Trust Fund being administered by the Town of Amherst is not consolidated with the accounts of the Town. At March 31, 2026, the equity in the Trust Fund under its trusteeship amounted to \$5,893 (2025 - \$5,756).

R.H. Smith

Beginning balance April 1, 2025	\$	5,756
Investment Income		<u>137</u>
Ending balance March 31, 2026	\$	<u><u>5,893</u></u>

20. 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 actively operated through February 1, 2022 a landfill site in Little Forks. The Town of Amherst's 2025 pro rata share of 40.446% of CJSMA is included in these financial statements. CJSMA was wound-up in 2025. No transactions occurred in the current year that require any inclusion in these financial statements.

21. 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	
Robert Small	Mayor	\$ 41,178	\$ 6,826	\$ 335	\$ 2,729	\$ 51,068
Charlie Chambers	Councillor / Deputy Mayor	\$ 26,078	\$ 3,132	\$ 265	\$ 1,359	\$ 30,834
Hal Davidson	Deputy Mayor / Councillor	\$ 26,695	\$ 2,056	\$ -	\$ -	\$ 28,751
Nicholas Furlong	Councillor	\$ 25,050	\$ 2,665	\$ -	\$ 755	\$ 28,470
Terry McManaman	Councillor	\$ 25,050	\$ 1,800	\$ -	\$ 604	\$ 27,454
Dwayne Ripley	Councillor	\$ 25,050	\$ 2,188	\$ -	\$ -	\$ 27,238
Kathy Wells	Councillor	\$ 25,050	\$ 2,950	\$ 60	\$ 755	\$ 28,815
Jason MacDonald	Chief Administrative Officer	\$ 168,100	\$ 10,659	\$ 840	\$ 1,804	\$ 181,403
Total Remuneration and Reportable Expenses		\$ 362,251	\$ 32,276	\$ 1,500	\$ 8,006	\$ 404,033

Town of Amherst
Notes to the Consolidated Financial Statements
For the Year Ended March 31, 2026

22. BUDGET

The Town budgets for rate setting purposes in the general operating fund. Council approved a balanced budget in the general operating fund for Town-wide operations. Council approves separate area rates which may budget for surplus funds, and water utility budgets which have regulated rates. Council also approves separate capital budgets.

The following adjustments reconcile the approved budgets to the financial reporting presentation under Canadian Public Sector Accounting Standards.

Revenue	2026
Town approved general operating	\$ 23,502,455
Town approved general capital	10,762,664
Town approved water operating	2,634,380
Town approved water capital	1,593,000
	38,492,499
Remove inter-fund transactions	(1,135,176)
Remove transfers from reserves for operating	(511,105)
Remove transfers from reserves for capital funding	(4,870,129)
Remove transfers from revenue for capital funding	(1,071,900)
Remove debt for capital funding	(318,121)
Remove tax exemptions	(596,967)
Revenue budget per consolidated financial statements	\$ 29,989,101
Expenses	
Town approved general operating	\$ 23,502,455
Town approved water operating	2,634,380
	26,136,835
Add amortization for Town operating	2,927,775
Remove inter-fund transactions	(1,135,176)
Remove loan principal repayments	(557,577)
Remove reserve appropriations	(610,672)
Remove capital appropriations	(1,071,900)
Remove tax exemptions	(596,967)
Expense budget per consolidated financial statements	\$ 25,092,318

Budgeted figures are unaudited and have been provided by management for comparison purposes.

Town of Amherst
Consolidated Schedule of Segmented Disclosure

For the year ended March 31, 2026

	General Government	Protective Services - Police	Protective Services - Fire	Transportation Services	Environmental Health Services	Environmental Development Services	Recreation and Culture Services	Education	Water Utility	Reserves	2026 Total	2025 Total
Revenues												
Property taxes	\$ 5,078,615	\$ 4,473,911	\$ 1,613,773	\$ 1,897,009	\$ 931,807	\$ 599,490	\$ 2,749,230	\$ -	\$ -	\$ -	\$ 17,343,835	\$ 16,685,953
Grants in lieu of taxes	273,193	-	-	-	-	-	-	-	-	-	273,193	286,243
Services to other governments	37,239	-	214,775	-	27,543	15,000	-	-	-	-	294,557	258,330
Sale of services	208,100	47,675	-	15,267	1,209,651	49,223	19,767	-	-	-	1,549,683	1,449,592
Other revenue from own sources	507,623	36,731	27,843	99,261	54,292	11,631	313,703	-	72,234	9,894	1,133,212	1,326,030
Unconditional transfer from government	-	660,768	243,388	419,119	-	-	-	-	-	-	1,323,275	1,323,275
Conditional transfers from government	421,411	325,240	-	719,334	190,867	5,000	40,799	-	206,423	727,352	2,636,426	3,198,642
Other	-	-	462,683	-	-	-	-	-	-	-	462,683	845,114
Water utility	-	-	-	-	-	-	-	-	2,743,451	-	2,743,451	2,674,301
Elimination entries	(208,100)	(4,000)	-	(34,600)	-	-	-	-	(760,150)	-	(1,006,850)	(999,576)
Total revenues	<u>6,318,081</u>	<u>5,540,325</u>	<u>2,562,462</u>	<u>3,115,390</u>	<u>2,414,160</u>	<u>680,344</u>	<u>3,123,499</u>	<u>-</u>	<u>2,261,958</u>	<u>737,246</u>	<u>26,753,465</u>	<u>27,047,904</u>
Expenditures												
Salaries, wages and benefits	1,733,354	4,755,867	1,136,072	1,046,304	570,381	351,834	1,398,458	-	877,678	-	11,869,948	11,498,188
Operating costs	1,919,256	546,249	1,120,700	1,246,054	1,486,359	181,313	1,030,703	2,024,568	1,035,768	-	10,590,970	9,836,484
Elimination entries	-	-	(760,150)	-	(6,600)	-	-	-	(240,100)	-	(1,006,850)	(999,576)
Amortization	152,114	207,474	296,207	1,316,425	547,735	4,527	403,293	-	422,074	-	3,349,849	3,162,615
Interest on long term debt	-	28,773	-	20,514	89,569	-	-	-	23,215	-	162,071	179,619
Total expenditures	<u>3,804,724</u>	<u>5,538,363</u>	<u>1,792,829</u>	<u>3,629,297</u>	<u>2,687,444</u>	<u>537,674</u>	<u>2,832,454</u>	<u>2,024,568</u>	<u>2,118,635</u>	<u>-</u>	<u>24,965,988</u>	<u>23,677,330</u>
Net (gain) / loss on sale of TCA	(454,622)	-	-	56,742	-	4,202	-	-	-	-	(393,678)	(73,690)
Surplus (deficit)	<u>\$ 2,967,979</u>	<u>\$ 1,962</u>	<u>\$ 769,633</u>	<u>\$ (570,649)</u>	<u>\$ (273,284)</u>	<u>\$ 138,468</u>	<u>\$ 291,045</u>	<u>\$ (2,024,568)</u>	<u>\$ 143,323</u>	<u>\$ 737,246</u>	<u>\$ 2,181,155</u>	<u>\$ 3,444,264</u>

SUPPLEMENTARY SCHEDULES

Town of Amherst
Schedule of Financial Position - General Operating Fund
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Financial assets		
Cash and cash equivalents	\$ 1,971,897	\$ 3,008,806
Taxes receivable	912,521	1,188,088
Other receivables	1,074,127	1,096,810
Pension asset	-	246,400
	<u>3,958,545</u>	<u>5,540,104</u>
Liabilities		
Accounts payable and accrued liabilities	2,503,801	2,109,258
Due to own funds	970,647	2,690,922
Prepayment of taxes	559,021	557,171
Deferred revenue	214,794	242,926
	<u>4,248,263</u>	<u>5,600,277</u>
Net debt	<u>(289,718)</u>	<u>(60,173)</u>
Non-financial assets		
Prepaid expenses	110,248	119,532
Inventories of supplies	54,470	62,041
	<u>164,718</u>	<u>181,573</u>
Accumulated surplus (deficit)	<u>\$ (125,000)</u>	<u>\$ 121,400</u>

Town of Amherst
Schedule of Operations - General Operating Fund
For the year ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Taxes	\$ 16,968,010	\$ 17,343,835	\$ 16,685,953
Grants in lieu of taxes	273,649	273,193	286,243
Service to other governments	279,272	294,557	258,330
Sale of services	1,508,147	1,549,683	1,446,999
Other revenue from own sources	879,788	1,051,084	1,184,211
Unconditional transfers from government	1,323,275	1,323,275	1,323,275
Conditional transfers from government	1,027,282	947,503	575,307
Total revenues	<u>22,259,423</u>	<u>22,783,130</u>	<u>21,760,318</u>
Expenditures			
General government services	3,576,693	3,406,210	3,003,624
Protective services - Police	5,634,679	5,330,889	5,090,035
Protective services - Fire & Inspection	2,170,235	2,256,772	2,177,584
Transportation services	2,283,330	2,312,872	2,283,007
Environmental health services	2,179,253	2,146,309	2,065,735
Public health services	-	-	316,169
Environmental development services	511,325	533,148	546,690
Recreation and cultural services	2,400,142	2,429,161	2,269,371
Education	2,050,863	2,024,568	1,891,524
Total expenditures	<u>20,806,520</u>	<u>20,439,929</u>	<u>19,643,739</u>
Annual surplus	<u>1,452,903</u>	<u>2,343,201</u>	<u>2,116,579</u>
Financing and transfers			
Debt principal repayment	(456,436)	(456,436)	(492,883)
Dividend from Water Utility	135,000	135,000	135,000
Transfers from Reserves	511,105	137,866	98,435
Transfers to Reserves	(610,672)	(599,702)	(185,993)
Transfer to Operating Reserve - surplus	-	(528,029)	(597,038)
Transfers to General Capital	(1,031,900)	(1,031,900)	(1,074,100)
Total financing and transfers	<u>(1,452,903)</u>	<u>(2,343,201)</u>	<u>(2,116,579)</u>
Change in fund balance	<u>-</u>	-	-
Opening fund balance		121,400	(544,300)
Change in Employee Future Benefits		-	-
Change in Unfunded Pension Liability		(246,400)	665,700
Closing fund balance		<u>\$ (125,000)</u>	<u>\$ 121,400</u>

Town of Amherst
Schedule of Financial Position - General Capital Fund
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Financial assets		
Cash	\$ (2,436,396)	\$ (3,445,971)
Due from own funds	2,751,005	3,735,750
Receivables	213,107	158,147
	<u>527,716</u>	<u>447,926</u>
Liabilities		
Accounts payable	679,560	225,496
Deferred revenue	617,157	590,088
Long term debt	3,636,977	4,093,413
	<u>4,933,694</u>	<u>4,908,997</u>
Net debt	<u>(4,405,978)</u>	<u>(4,461,071)</u>
Non-financial assets		
Tangible capital assets (Note 13)	99,024,108	94,654,681
Accumulated amortization (Note 13)	(45,926,145)	(43,246,315)
	<u>53,097,963</u>	<u>51,408,366</u>
Accumulated surplus	<u>\$ 48,691,985</u>	<u>\$ 46,947,295</u>

Town of Amherst
Schedule of Operations - General Capital Fund
For the year ended March 31, 2026

	<u>2026</u>	<u>2025</u>
Revenues		
Grants for capital projects - Province of Nova Scotia	\$ 174,334	\$ 639,351
Grants for capital projects - Government of Canada	580,814	14,219
Contributed assets	462,683	555,787
Total revenues	<u>1,217,831</u>	<u>1,209,357</u>
Expenditures		
Amortization (Note 13)	2,927,775	2,749,945
Loss (gain) on disposal of tangible capital assets	(393,679)	(93,885)
Total expenditures	<u>2,534,096</u>	<u>2,656,060</u>
Annual deficit	<u>(1,316,265)</u>	<u>(1,446,703)</u>
Financing and transfers		
Debt principal payments	456,436	492,883
Transfer from General Operating	1,031,900	1,074,100
Transfers from Reserves	2,929,419	2,939,812
Transfers to Reserves	(1,356,800)	(584,343)
Total financing and transfers	<u>3,060,955</u>	<u>3,922,452</u>
Change in fund balance	1,744,690	2,475,749
Opening fund balance	<u>46,947,295</u>	<u>44,471,546</u>
Closing fund balance	<u><u>\$ 48,691,985</u></u>	<u><u>\$ 46,947,295</u></u>

Town of Amherst
Schedule of Financial Position - Water Utility Operating Fund
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Assets		
Cash	\$ (617,726)	\$ (270,706)
Due from own funds	529,872	183,219
Receivables		
Rates (less allowance for doubtful accounts - \$77,157; 2025 - \$78,822)	320,738	314,132
Inventories of supplies	119,396	83,037
Prepaid expenses	8,660	9,232
	<u>360,940</u>	<u>318,914</u>
Liabilities		
Accounts payable and accrued liabilities	<u>155,428</u>	<u>117,977</u>
Surplus	<u>\$ 205,512</u>	<u>\$ 200,937</u>

Town of Amherst
Statement of Financial Activities - Water Utility Operating Fund

 For the year ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Revenues			
Metered	\$ 1,512,078	\$ 1,606,817	\$ 1,531,961
Flat	195,836	196,698	195,969
Public fire protection	867,516	867,516	867,516
Private hydrants	15,000	15,000	15,000
Sprinkler service	17,250	16,550	17,250
Bulk water	6,500	12,000	11,925
Sale of services	12,000	18,777	24,906
Sundry	1,200	375	1,300
Interest	7,000	7,520	8,474
Federal employment grant	-	2,198	-
Total revenues	<u>2,634,380</u>	<u>2,743,451</u>	<u>2,674,301</u>
Expenditures			
Source of supply	34,000	47,804	35,638
Power and pumping	166,300	175,435	135,704
Water treatment	29,800	34,004	29,834
Transmission and distribution	927,354	950,082	944,255
Administration and general	708,570	674,139	667,357
Depreciation	436,349	422,074	412,670
Taxes	32,000	31,982	31,558
Debt interest	23,866	23,215	25,305
Total expenditures	<u>2,358,239</u>	<u>2,358,735</u>	<u>2,282,321</u>
Annual surplus	<u>276,141</u>	<u>384,716</u>	<u>391,980</u>
Financing and transfers			
Debt principal repayment	(101,141)	(101,141)	(119,031)
Dividend to owner	(135,000)	(135,000)	(135,000)
Transfer to Water Capital	(40,000)	(144,000)	(134,000)
Total financing and transfers	<u>(276,141)</u>	<u>(380,141)</u>	<u>(388,031)</u>
Change in fund balance	<u>\$ -</u>	<u>4,575</u>	<u>3,949</u>
Opening fund balance		<u>200,937</u>	<u>196,988</u>
Closing fund balance		<u>\$ 205,512</u>	<u>\$ 200,937</u>

Town of Amherst
Schedule of Financial Position - Water Utility Capital Fund
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Assets		
Cash	\$ 2,727,634	\$ 2,478,659
Due from own funds	-	136,740
Receivables	126,734	-
Utility Plant and Equipment (Note 13)	27,278,028	26,437,830
	<u>30,132,396</u>	<u>29,053,229</u>
Liabilities		
Due to own funds	442,168	-
Long term debt - Nova Scotia Municipal Finance	933,209	1,034,350
Accumulated depreciation (Note 13)	8,003,070	7,788,728
	<u>9,378,447</u>	<u>8,823,078</u>
 Investment in Capital Assets	 <u><u>\$ 20,753,949</u></u>	 <u><u>\$ 20,230,151</u></u>

Town of Amherst
Statement of Financial Activities - Water Utility Capital Fund

For the year ended March 31, 2026

	2026	2025
Revenues		
Interest income	\$ 72,234	\$ 96,107
Contributed assets	-	15,707
Insurance proceeds from town assets	-	25,000
Grants for capital projects - Government of Canada	79,689	
Grants for capital projects - Province of Nova Scotia	126,734	-
Total revenues	<u>278,657</u>	<u>136,814</u>
Expenditures		
Loss (gain) on disposal of tangible capital assets	-	20,195
Annual surplus	<u>278,657</u>	<u>116,619</u>
Financing and transfers		
Debt principal payments	101,141	119,031
Transfer from Water Operating	144,000	134,000
Transfer from Capital Reserve	-	75,086
Total financing and transfers	<u>245,141</u>	<u>328,117</u>
Change in fund balance	523,798	444,736
Opening fund balance	<u>20,230,151</u>	<u>19,785,415</u>
Closing fund balance	<u><u>\$ 20,753,949</u></u>	<u><u>\$ 20,230,151</u></u>

Town of Amherst
Water Capital Fund
Schedule of Investment in Water Utility Plant and Equipment
For the Year Ended March 31, 2026

	<u>2026</u>	<u>2025</u>
Land and land rights		
Source of supply	<u>\$ 1,331,061</u>	<u>\$ 1,224,790</u>
Structures and improvements		
Source of supply	1,029,795	1,029,795
Power and pumping structures	491,661	491,661
Water treatment	436,056	436,056
Distribution reservoirs and standpipes	<u>6,343,355</u>	<u>6,343,355</u>
	<u>8,300,867</u>	<u>8,300,867</u>
Equipment		
Electrical pumping	661,728	636,430
Water treatment	235,122	338,965
Transportation	1,605,517	918,170
Tools and work equipment	<u>123,641</u>	<u>123,641</u>
	<u>2,626,008</u>	<u>2,017,206</u>
Mains		
Transmission	1,834,359	1,834,359
Distribution	<u>11,199,183</u>	<u>11,119,496</u>
	<u>13,033,542</u>	<u>12,953,855</u>
Services	<u>799,792</u>	<u>799,792</u>
Meters	<u>482,616</u>	<u>470,199</u>
Hydrants	<u>650,608</u>	<u>631,368</u>
Assets under construction	<u>53,534</u>	<u>39,753</u>
	<u><u>\$ 27,278,028</u></u>	<u><u>\$ 26,437,830</u></u>

Town of Amherst
Water Operating Fund
Schedule to Statement of Financial Activities
For the Year Ended March 31, 2026

	Budget 2026	Actual 2026	Actual 2025
Source of supply			
Supplies and expenses	\$ 1,000	\$ -	\$ -
Maintenance of plant	33,000	47,804	35,638
	<u>\$ 34,000</u>	<u>\$ 47,804</u>	<u>\$ 35,638</u>
Power and pumping			
Power	\$ 137,000	\$ 135,391	\$ 121,999
Maintenance	29,300	40,044	13,705
	<u>\$ 166,300</u>	<u>\$ 175,435</u>	<u>\$ 135,704</u>
Water treatment			
Supplies and expenses	\$ 29,800	\$ 32,370	\$ 27,912
Maintenance of equipment	-	1,634	1,922
	<u>\$ 29,800</u>	<u>\$ 34,004</u>	<u>\$ 29,834</u>
Transmission and distribution			
Maintenance of mains	\$ 513,554	\$ 538,406	\$ 524,806
Rents	29,000	28,112	30,446
Transportation expenses	74,000	103,478	82,601
Materials / supplies	228,000	201,991	237,835
Other transmission and distribution expenses	82,800	78,095	68,567
	<u>\$ 927,354</u>	<u>\$ 950,082</u>	<u>\$ 944,255</u>
Administration and general			
Supervision	\$ 262,300	\$ 263,428	\$ 260,161
Employee benefits	77,015	75,844	72,469
Uncollectible accounts	10,000	1,527	5,246
General office expenses	119,955	100,614	103,040
Regulatory expenses	3,500	6,242	5,091
Miscellaneous general expenses	235,800	226,484	221,350
	<u>\$ 708,570</u>	<u>\$ 674,139</u>	<u>\$ 667,357</u>

Town of Amherst
Schedule of Financial Position - Reserve Funds
As at March 31, 2026

	<u>2026</u>	<u>2025</u>
Financial assets		
Cash	\$ 10,840,481	\$ 8,352,937
Receivables	16,055	23,661
	<u>10,856,536</u>	<u>8,376,598</u>
Liabilities		
Due to own funds	1,868,062	1,364,787
Deferred revenue - Amherst Firefighters Assoc contribution	1,822,171	-
	<u>3,690,233</u>	<u>1,364,787</u>
Accumulated surplus	<u>\$ 7,166,303</u>	<u>\$ 7,011,811</u>

Town of Amherst

Schedule of Operations - Reserve Funds

For the year ended March 31, 2026

	2026	2025
Revenues		
Canada Community Building Fund grant	\$ 727,352	\$ 703,475
Sustainable Services Growth Fund grant	-	766,290
Interest on Canada Community Building Fund grant	6,579	10,533
Interest on Sustainable Services Growth Fund grant	-	35,179
Interest on AFFA contribution	3,315	-
Insurance proceeds from town assets	-	82,920
Total revenues	<u>737,246</u>	<u>1,598,397</u>
Expenditures		
General government	-	-
Total expenditures	<u>-</u>	<u>-</u>
Annual surplus	<u>737,246</u>	<u>1,598,397</u>
Financing and transfers		
Transfer from General Operating	599,702	185,993
Transfer from General Operating - surplus	528,029	597,038
Transfer from General Capital	1,356,800	584,343
Transfer from CJSMA - proceeds on sale of CJSMA	-	48,996
Transfer to General Operating	(137,866)	(98,435)
Transfer to Water Capital	-	(75,086)
Transfer to General Capital	(2,929,419)	(2,939,812)
Total financing and transfers	<u>(582,754)</u>	<u>(1,696,963)</u>
Change in fund balance	154,492	(98,566)
Opening fund balance	<u>7,011,811</u>	<u>7,110,377</u>
Closing fund balance	<u>\$ 7,166,303</u>	<u>\$ 7,011,811</u>

* The Reserve funds closing fund balance at end of year is broken down as follows:

General Capital Reserve	\$ 2,534,901	\$ 2,145,520
General Operating Reserve	4,631,402	4,866,291
	<u>\$ 7,166,303</u>	<u>\$ 7,011,811</u>

Town of Amherst
Schedule of Financial Position - Cumberland Joint Services Mgmt Authority Fund
As at March 31, 2026

	2026	2025
Financial assets		
Cash	\$ -	\$ -
Investments	-	-
Receivables	-	-
Liabilities		
Accounts payable and accrued liabilities	-	-
Provision for landfill closure & post closure costs	-	-
Net financial assets		
Non-financial assets		
Prepaid expenses	-	-
Tangible capital assets, net of accumulated amortization (Note 13)	-	-
Accumulated surplus		
Accumulated surplus is comprised of:		
Accumulated operating surplus	\$ -	\$ -
Accumulated remeasurement gains	-	-

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

 For the year ended March 31, 2026

	<u>2026</u>	<u>2025</u>
Revenues		
Solid waste operations	\$ -	\$ -
Compost operations	-	-
Recycling operations	-	-
Interest	-	2,593
Proceeds on sale of intangible assets	-	-
Total revenues	<u>-</u>	<u>2,593</u>
Expenditures		
Administration	-	901
Solid waste operations (recovery)	-	-
Compost operations	-	-
Recycling operations (recovery)	-	-
Amortization of tangible capital assets (Note 13)	-	-
Loss on disposal of tangible capital assets	-	-
Total expenditures	<u>-</u>	<u>901</u>
Annual surplus / (deficit)	<u>-</u>	<u>1,692</u>
Financing and transfers		
Transfer to Municipal Units re sale proceeds	-	(48,996)
Total financing and transfers	<u>-</u>	<u>(48,996)</u>
Change in fund balance	-	(47,304)
Opening fund balance	<u>-</u>	<u>47,304</u>
Closing fund balance	<u>\$ -</u>	<u>\$ -</u>
