



Compiled Financial Information

Municipality of the District of Argyle

March 31, 2023

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Compilation Engagement Report

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To the Council of
Municipality of the District of Argyle

On the basis of information provided by Management, we have compiled the non-consolidated Operating Fund and Tangible Capital Assets Fund balance sheets of the General Fund and Reserve Funds of the Municipality of the District of Argyle as at March 31, 2023, the non-consolidated statement of operations for the year then ended, and Note 1, which described the basis of accounting applied in the preparation of the compiled financial information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Grant Thornton LLP

Yarmouth, Canada
February 29, 2024

Chartered Professional Accountants

Municipality of the District of Argyle
General Section
Non-Consolidated Operating Fund Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Taxes, net of mandatory expenditures	\$ 6,006,881	\$ 6,077,743	\$ 5,730,746
Grants in lieu of taxes	150,953	151,525	151,167
Other revenue from own sources	268,899	311,889	270,419
Unconditional transfers from other governments	199,713	219,914	344,976
Conditional transfers from Federal or Provincial government or agencies	147,690	140,054	213,155
Services provided to other governments	112,294	101,364	107,318
Sales of services	76,000	74,355	65,737
	<u>6,962,430</u>	<u>7,076,844</u>	<u>6,883,518</u>
Expenses			
General government services	2,208,544	2,143,806	1,884,285
Protective services	2,260,765	2,186,984	2,036,867
Transportation services	264,672	247,448	226,201
Environmental health services	1,161,387	1,097,576	1,016,551
Public health services	95,697	44,884	79,935
Environmental development services	369,631	349,867	427,369
Recreation and cultural services	686,534	645,425	645,524
	<u>7,047,230</u>	<u>6,715,990</u>	<u>6,316,732</u>
Annual (deficit) surplus before interfund transfers	(84,800)	360,854	566,786
Transfers from (to) own reserves	<u>84,800</u>	<u>(259,500)</u>	<u>(449,997)</u>
Annual surplus before transfer	-	101,354	116,789
Transfer of annual surplus to Operating Reserve	-	<u>(101,354)</u>	<u>(116,789)</u>
Annual surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Operating Fund Balance Sheet

March 31

2023

2022

Assets

Cash and cash equivalents

Unrestricted	\$ 1,511,072	\$ 2,098,760
Restricted	<u>549,485</u>	<u>350,996</u>
	<u>2,060,557</u>	<u>2,449,756</u>

Receivables

Taxes and sewer (Note 2 and 7)	385,523	346,008
Long term taxes receivable (Note 2)	96,238	200,300
Due from Provincial government and its agencies (Note 3)	8,572	8,358
Due from Federal government and its agencies (Note 4)	41,150	2,044
Loans receivable and advances	42,350	40,400
Water supply upgrade lending program (Note 5)	341,065	375,981
Other receivables	<u>181,932</u>	<u>197,053</u>
	<u>1,096,830</u>	<u>1,170,144</u>

Other assets

Land held for resale	41,212	41,212
Properties acquired at tax sale	3,794	3,279
Prepaid expenses	<u>30,139</u>	<u>18,643</u>
	<u>75,145</u>	<u>63,134</u>
	<u>\$ 3,232,532</u>	<u>\$ 3,683,034</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle**General Section****Non-Consolidated Operating Fund Balance Sheet**

March 31

2023

2022

Liabilities

Payables and accruals

Trade accounts	\$ 365,809	\$ 545,883
Due to own funds (Note 6)	<u>902,251</u>	<u>1,149,248</u>
	<u>1,268,060</u>	<u>1,695,131</u>

Other liabilities

Municipal tax prepayments	247,783	212,381
Deferred revenue	588,602	137,561
COVID-19 operating loan	546,666	1,093,333
Tax sale surplus	<u>581,421</u>	<u>544,628</u>
	<u>1,964,472</u>	<u>1,987,903</u>

Equity

Accumulated surplus	<u>-</u>	<u>-</u>
	<u>\$ 3,232,532</u>	<u>\$ 3,683,034</u>

On Behalf of the Municipality of the District of Argyle



Warden



CAO

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Tangible Capital Assets Fund Balance Sheet

March 31 2023 2022

Assets		
Tangible capital assets, at cost (Page 6)	\$ 21,743,511	\$ 21,116,155
Less: Accumulated amortization (Page 6)	<u>(7,334,362)</u>	<u>(6,904,272)</u>
	<u>\$ 14,409,149</u>	<u>\$ 14,211,883</u>

Liabilities		
Federation of Canadian Municipalities – Green Municipal Fund loan bearing interest of 3.65%, payable in one annual blended payment of \$332,246 and one semi-annual interest payment, due 2032	\$ 2,724,353	\$ 3,002,044
Asset retirement obligations	<u>152,955</u>	<u>-</u>
	<u>2,877,308</u>	<u>3,002,044</u>

Equity		
Investment in tangible capital assets (Page 6)	<u>11,531,841</u>	<u>11,209,839</u>
	<u>\$ 14,409,149</u>	<u>\$ 14,211,883</u>

On Behalf of the Municipality of the District of Argyle



Warden



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See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle

Non-Consolidated Statement of Tangible Capital Assets

March 31

2023

2022

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Total</u>	<u>Total</u>
Land	\$ 533,225	\$ 1,296	\$ 531,929	\$ 495,632
Administrative buildings	4,466,115	242,026	4,224,089	4,293,001
West Pubnico Sewer	8,222,029	3,819,878	4,402,151	4,453,050
East Pubnico Industrial Water	288,504	28,850	259,654	274,079
Tusket Sewer	2,803,137	1,245,574	1,557,563	1,627,641
Tusket Business Park Sewer	751,807	261,610	490,197	508,992
Wedgeport Sewer	1,069,074	147,316	921,758	897,370
Municipal roads	841,898	422,440	419,458	376,693
Sidewalks and trails	144,978	109,793	35,185	39,095
Track and field – Par-en-Bas	441,398	184,930	256,468	252,650
Tennis and volleyball courts	201,645	99,160	102,485	110,455
Organic compost bins	237,970	237,970	-	-
Wind turbines - Wellington	409,833	121,734	288,099	234,691
Solar panels	553,279	67,945	485,334	244,807
Comeau's Hill Wharf	73,661	4,280	69,381	42,249
West Pubnico Dewatering unit	286,150	28,616	257,534	271,842
Equipment and machinery	139,958	133,093	6,865	7,552
Vehicles	278,850	177,851	100,999	82,084
	<u>\$ 21,743,511</u>	<u>\$ 7,334,362</u>	<u>\$ 14,409,149</u>	<u>\$14,211,883</u>

Non-Consolidated Statement of Investment in Tangible Capital Assets

Year Ended March 31

2023

2022

Balance, beginning of year	\$11,209,839	\$13,238,704
Transfer from Operating Fund	277,691	127,273
Transfer from Capital Reserve Fund – Net capital additions	329,681	1,505,008
Transfer to Capital Reserve Fund – Debt proceeds	-	(3,002,044)
Gain (loss) on disposal of tangible capital assets	197,487	(120,175)
Loan financing fee	-	(5,090)
Accretion expense	(5,030)	-
Amortization of tangible capital assets	(471,236)	(533,837)
Amortization of asset retirement obligation	(6,591)	-
Balance, end of year	<u>\$11,531,841</u>	<u>\$11,209,839</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle

General Section

Non-Consolidated Schedules to Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
1. Taxes			
Assessable property			
Residential	\$ 5,344,000	\$ 5,352,774	\$ 5,008,210
Commercial			
Commercial property	1,210,000	1,210,746	1,144,172
Seasonal property	10,275	10,279	12,282
Forest property tax (50,000 acres or more)	<u>32</u>	<u>32</u>	<u>32</u>
	<u>6,564,307</u>	<u>6,573,831</u>	<u>6,164,696</u>
Resource			
Taxable assessments	401,477	400,271	386,605
Forest property tax (less than 50,000 acres)	<u>10,486</u>	<u>10,482</u>	<u>10,713</u>
	<u>411,963</u>	<u>410,753</u>	<u>397,318</u>
Other assessable property taxes			
Recreation property tax	13,650	14,339	13,656
Farm property tax	6,800	6,800	6,596
Wind farm payment – Province of Nova Scotia	34,445	34,445	34,104
Conservation payment	<u>2,300</u>	<u>11,216</u>	<u>4,398</u>
	<u>57,195</u>	<u>66,800</u>	<u>58,754</u>
Special tax agreements			
Based on revenue (Bell Aliant)	32,992	33,345	34,828
Wind farm developer tax	<u>192,314</u>	<u>192,314</u>	<u>190,410</u>
	<u>225,306</u>	<u>225,659</u>	<u>225,238</u>
Other rates, charges and assessments			
Environmental services, sewer	260,787	264,190	229,894
East Pubnico industrial water system (Page 20)	58,600	42,897	42,059
Fire area rates, tax	479,991	480,242	446,303
Appropriation to regional fire departments	<u>(479,991)</u>	<u>(480,126)</u>	<u>(446,335)</u>
	<u>319,387</u>	<u>307,203</u>	<u>271,921</u>
Other taxes			
Deed transfer tax	240,000	307,013	388,730
Intermunicipal tax sharing agreement – Yarmouth Airport	<u>26,000</u>	<u>26,597</u>	<u>26,874</u>
	<u>266,000</u>	<u>333,610</u>	<u>415,604</u>
Expenses as a reduction of tax revenue			
Appropriation to regional school board	(1,683,277)	(1,683,277)	(1,659,580)
Transfer to correctional services	(102,000)	(101,836)	(102,833)
Deficit of Regional Housing Authority	<u>(52,000)</u>	<u>(55,000)</u>	<u>(40,372)</u>
	<u>(1,837,277)</u>	<u>(1,840,113)</u>	<u>(1,802,785)</u>
	<u>\$ 6,006,881</u>	<u>\$ 6,077,743</u>	<u>\$ 5,730,746</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Schedules to Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
2. Grants in lieu of taxes			
Federal government	\$ 10,750	\$ 11,199	\$ 10,959
Provincial government	<u>140,203</u>	<u>140,326</u>	<u>140,208</u>
	<u>\$ 150,953</u>	<u>\$ 151,525</u>	<u>\$ 151,167</u>
3. Other revenue from own sources			
Licenses and permits	\$ 18,700	\$ 19,264	\$ 21,365
Municipal fines	2,500	3,273	4,041
Rentals	3,000	3,000	3,000
Return on investments	82,600	106,833	87,529
Penalties and interest on taxes	68,400	81,886	70,186
Wage recovery and user fees	51,500	52,415	40,364
Miscellaneous	<u>42,199</u>	<u>45,218</u>	<u>43,934</u>
	<u>\$ 268,899</u>	<u>\$ 311,889</u>	<u>\$ 270,419</u>
4. Unconditional transfers from other governments			
Provincial government			
Municipal financial capacity grant	\$ 154,923	\$ 154,923	\$ 309,846
Power Corporation	27,790	27,790	17,761
Power Corporation (HST rebate)	<u>17,000</u>	<u>37,201</u>	<u>17,369</u>
	<u>\$ 199,713</u>	<u>\$ 219,914</u>	<u>\$ 344,976</u>
5. Conditional transfers from Federal and Provincial governments or agencies			
Community and economic development	\$ 7,979	\$ 20,852	\$ 27,301
EMO 911 grant	2,850	2,817	2,802
Provincial contribution	-	-	60,000
Active living, senior safety and other	71,861	51,385	67,613
Safe restart funding	<u>65,000</u>	<u>65,000</u>	<u>55,439</u>
	<u>\$ 147,690</u>	<u>\$ 140,054</u>	<u>\$ 213,155</u>
6. Services provided to other governments			
Services provided to other local governments and agencies	<u>\$ 112,294</u>	<u>\$ 101,364</u>	<u>\$ 107,318</u>
7. Sales of services			
Wind power	\$ 53,000	\$ 43,102	\$ 46,105
Solar power	<u>23,000</u>	<u>31,253</u>	<u>19,632</u>
	<u>\$ 76,000</u>	<u>\$ 74,355</u>	<u>\$ 65,737</u>
Total revenues	<u>\$ 6,962,430</u>	<u>\$ 7,076,844</u>	<u>\$ 6,883,518</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Schedules to Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
8. General government services			
Legislative			
Warden			
Remuneration	\$ 37,584	\$ 37,521	\$ 35,757
Expenses	1,000	301	324
Council			
Remuneration	187,493	187,176	178,378
Expenses	<u>40,350</u>	<u>35,447</u>	<u>21,329</u>
	<u>266,427</u>	<u>260,445</u>	<u>235,788</u>
General administrative			
Administrative	874,525	846,688	790,066
Bank service charges	123,515	131,239	20,837
Financial audit	<u>26,000</u>	<u>30,699</u>	<u>30,083</u>
	<u>1,024,040</u>	<u>1,008,626</u>	<u>840,986</u>
Taxation			
Taxation, administration	116,427	110,193	109,562
Tax rebates or cancellations, by bylaw	161,300	161,729	158,254
Transfers for assessment services	193,900	193,885	197,187
Common services	<u>25,600</u>	<u>24,608</u>	<u>23,280</u>
	<u>497,227</u>	<u>490,415</u>	<u>488,283</u>
Valuation allowance			
Uncollectible taxes	<u>8,000</u>	<u>6,613</u>	<u>336</u>
Other general government services			
Conventions and delegations	23,850	16,339	10,785
General accident and damage claims and public liability insurance	48,000	46,251	42,070
Grants to other organizations and individuals	<u>341,000</u>	<u>315,117</u>	<u>266,037</u>
	<u>412,850</u>	<u>377,707</u>	<u>318,892</u>
	<u>\$ 2,208,544</u>	<u>\$ 2,143,806</u>	<u>\$ 1,884,285</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Schedules to Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
9. Protective services			
Police protection	<u>\$ 1,081,500</u>	<u>\$ 1,080,688</u>	<u>\$ 973,636</u>
Fire protection			
Operating grant	312,500	312,500	288,250
Training and gear	116,900	92,682	82,444
Administrative and insurance costs	<u>67,450</u>	<u>64,442</u>	<u>66,188</u>
	<u>496,850</u>	<u>469,624</u>	<u>436,882</u>
Other protective services			
Protective and property inspection	238,270	228,384	284,594
Animal, pest and other control	29,645	29,699	29,636
Facilities and water	331,956	310,107	243,690
Emergency measures and civic signage	<u>82,544</u>	<u>68,482</u>	<u>68,429</u>
	<u>682,415</u>	<u>636,672</u>	<u>626,349</u>
	<u>\$ 2,260,765</u>	<u>\$ 2,186,984</u>	<u>\$ 2,036,867</u>
10. Transportation services			
Roads and streets	\$ 68,672	\$ 51,698	\$ 49,301
Airport operations	<u>196,000</u>	<u>195,750</u>	<u>176,900</u>
	<u>\$ 264,672</u>	<u>\$ 247,448</u>	<u>\$ 226,201</u>
11. Environmental health services			
Sewage collection and disposal	\$ 334,887	\$ 309,240	\$ 239,729
East Pubnico industrial water system (Page 20)	55,500	47,080	31,444
Garbage and waste collection contract	407,500	411,690	413,409
Garbage and waste disposal and diversion	337,500	306,282	305,081
Other	<u>26,000</u>	<u>23,284</u>	<u>26,888</u>
	<u>\$ 1,161,387</u>	<u>\$ 1,097,576</u>	<u>\$ 1,016,551</u>
12. Public health services			
Medical Centre deficit funding and physician recruitment	<u>\$ 95,697</u>	<u>\$ 44,884</u>	<u>\$ 79,935</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
General Section
Non-Consolidated Schedules to Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
13. Environmental development services			
Environmental planning and zoning	\$ 98,538	\$ 98,389	\$ 92,891
Municipal innovation	5,000	2,529	60,000
Strategic planning initiatives	18,000	12,924	24,311
Regional communication	9,000	6,093	-
Community development			
Regional Enterprise Network	43,883	45,804	43,883
Other environmental services			
Tourism and aquaculture development	90,950	99,615	79,697
Community development office	36,450	18,593	64,006
Senior safety coordinator	63,560	64,297	61,083
Solar panels	1,000	1,000	1,000
Other	3,250	623	498
	<u>\$ 369,631</u>	<u>\$ 349,867</u>	<u>\$ 427,369</u>
14. Recreation and cultural services			
Administration	\$ 311,575	\$ 272,931	\$ 273,352
Cultural buildings and facilities:			
Historic sites	158,009	142,870	149,915
Mariners Centre	130,000	143,195	149,212
Pubnico Library	23,050	22,529	19,032
Regional Library	63,900	63,900	54,013
	<u>\$ 686,534</u>	<u>\$ 645,425</u>	<u>\$ 645,524</u>
Total expenses before transfers	<u>\$ 7,047,230</u>	<u>\$ 6,715,990</u>	<u>\$ 6,316,732</u>
15. Transfers to (from) own reserves, funds and agencies			
Tangible Capital Assets Fund	\$ 277,691	\$ 277,691	\$ 127,273
Operating Reserve Fund	(75,000)	-	-
Capital Reserve Fund	50,000	300,000	450,000
Capital Reserve Fund – loan principal repayment	(277,691)	(277,691)	(127,276)
East Pubnico Water Utility Reserve	(10,000)	(2,500)	-
Tusket Wastewater Reserve	(8,500)	-	-
Wedgeport Wastewater Reserve	(3,300)	-	-
West Pubnico Sewer Reserve	(38,000)	(38,000)	-
	<u>\$ (84,800)</u>	<u>\$ 259,500</u>	<u>\$ 449,997</u>
Total expenses	<u>\$ 6,962,430</u>	<u>\$ 6,975,490</u>	<u>\$ 6,766,729</u>

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle
Non-Consolidated Capital Reserve Fund Balance Sheet

March 31

2023

2022

Assets

Cash and cash equivalents	\$ 6,626,759	\$ 5,119,372
Due from Operating Fund (Note 6)	250,000	292,155
HST rebate receivable	291,593	4,093
Due from Province of Nova Scotia	35,493	36,143
Accounts receivable – Wedgeport Sewer	26,054	9,218
	<u>\$ 7,229,899</u>	<u>\$ 5,460,981</u>

Liabilities

Payables and accruals	\$ 16,320	\$ 7,010
Deferred revenues	2,628,511	1,548,667
	<u>2,644,831</u>	<u>1,555,677</u>

Equity

Capital reserve (Page 13)	<u>4,585,068</u>	<u>3,905,304</u>
	<u>\$ 7,229,899</u>	<u>\$ 5,460,981</u>

On Behalf of the Municipality of the District of Argyle



Warden



CAO

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle

Non-Consolidated Statement of Capital Reserve Fund

March 31

2023

2022

	Post Closure Liability	Gas Tax	General	Total	Total
Balance, beginning of year	\$ 30,000	\$ -	\$ 3,875,304	\$ 3,905,304	\$ 1,304,702
Revenues					
Transfer from Tangible Capital Assets Fund	-	-	-	-	3,002,044
Transfer from Operating Fund	-	-	300,000	300,000	450,000
Canada Community – Building Fund revenue	-	1,290,732	-	1,290,732	392,262
Federal and provincial capital funding	-	-	519,261	519,261	482,525
Wedgeport sewer project – user capital fee	-	-	-	-	5,500
Tax sale surplus	-	-	-	-	8,886
Sale of property	-	-	-	-	28,190
Interest on investments and savings	-	38,684	133,887	172,571	49,640
	-	1,329,416	953,148	2,282,564	4,419,047
Expenses					
Transfer to Tangible Capital Assets Fund	-	1,326,287	(996,606)	329,681	1,505,008
Transfer to Operating Fund	-	-	277,691	277,691	127,276
New administration building	-	-	-	-	7,854
Tusket wastewater system	-	3,129	-	3,129	6,357
Mariners Centre expansion	-	-	34,720	34,720	-
Trail repairs and maintenance	-	-	203,358	203,358	-
Rural internet	-	-	602,375	602,375	-
Veterans banner	-	-	7,282	7,282	-
Splash park	-	-	25,000	25,000	-
Asset management	-	-	58,230	58,230	-
Mariners Centre contributions	-	-	61,334	61,334	10,963
Mariners on Main contributions	-	-	-	-	99,668
Yarmouth Ground Search & Rescue contributions	-	-	-	-	25,000
Public works software	-	-	-	-	4,000
Tusket generator repurpose	-	-	-	-	10,809
Solar speed radar	-	-	-	-	3,543
Interest on short-term loan	-	-	-	-	17,967
	-	1,329,416	273,384	1,602,800	1,818,445
Balance, end of year	\$ 30,000	\$ -	\$ 4,555,068	\$ 4,585,068	\$ 3,905,304

Municipality of the District of Argyle
Non-Consolidated Operating Reserve Fund Balance Sheet

March 31, 2023 2022

Assets		
Cash and cash equivalents	\$ 3,392,332	\$ 3,053,338
Due from Operating Fund (Note 6)	<u>652,251</u>	<u>857,093</u>
	<u>\$ 4,044,583</u>	<u>\$ 3,910,431</u>
Liabilities		
Deferred revenue	\$ -	\$ 65,000
Equity		
Operating reserve	<u>4,044,583</u>	<u>3,845,431</u>
	<u>\$ 4,044,583</u>	<u>\$ 3,910,431</u>

Non-Consolidated Statement of Operating Reserve Fund

March 31, 2023 2022

Balance, beginning of year	\$ 3,845,431	\$ 3,668,237
Revenues		
Interest earned	138,298	60,405
Transfer of accumulated surplus from Operating Fund	<u>101,354</u>	<u>116,789</u>
	<u>239,652</u>	<u>177,194</u>
Expenses		
Transfer of West Pubnico Water Reserve to Operating Fund	38,000	-
Transfer of East Pubnico Water Utility Reserve to Operating Fund	<u>2,500</u>	<u>-</u>
	<u>40,500</u>	<u>-</u>
Balance, end of year	<u>\$ 4,044,583</u>	<u>\$ 3,845,431</u>

On Behalf of the Municipality of the District of Argyle

 _____ Warden

 _____ CAO

See accompanying notes to the non-consolidated compiled financial information.

Municipality of the District of Argyle

Notes to Non-Consolidated Compiled Financial Information

March 31, 2023

1. Basis of accounting

The preparation of the non-consolidated Operating Fund and Tangible Capital Assets Fund balance sheets of the General Fund and Reserve Funds of the Municipality of the District of Argyle as at March 31, 2023, and the statement of operations for the year then ended, is on the cash basis of accounting with the addition of the following:

- Receivables are accrued at the reporting date, less any allowance for doubtful accounts.
- Prepaid expenses are recorded based on the terms of the invoice.
- Tangible capital assets are recorded at historical cost and are amortized over their useful lives.
- Payables and accruals are accrued as at the reporting date.
- Tax sale surplus is equal to cash proceeds from tax sales in excess of the arrears taxes receivable. The excess funds are deposited in a separate bank account and are restricted for a period of 20 years.
- Other post-employment benefits are recognized in the period in which the employees rendered their services to the Municipality. The determination of the accrued benefit obligations for post-employment future benefits earned by employees incorporates management's best estimate of future salary levels, other cost escalation, retirement ages of employees and other factors.
- Tax revenues are recognized over a 12-month period. Any advance payments received at the end of the year are classified as deferred revenue.
- Other revenues are recognized as services are rendered and collection is reasonably assured.
- Rental revenue is recorded in accordance with the contractual lease terms.
- Interest revenue is recognized when earned.
- Unconditional grants are recognized as revenue when received. Conditional grants, in which a third party has placed a stipulation on how the funds are to be spent, are recognized as revenue in the year in which the related expenses are incurred or tangible capital asset is purchased.

Municipality of the District of Argyle

Notes to Non-Consolidated Compiled Financial Information

March 31, 2023

	2023		2022	
	Current	Prior	Total	Total
Taxes receivable, beginning of year	\$ -	\$ 346,008	\$ 346,008	\$ 304,400
Assessable property taxes				
Residential	5,352,774	-	5,352,774	5,008,210
Commercial	1,221,057	-	1,221,057	1,156,486
Resource	410,753	-	410,753	397,318
Other – recreation property tax	14,339	-	14,339	13,656
Wind farm taxes from developers	192,314	-	192,314	190,410
Area rates, uniform charges and special assessments	42,897	-	42,897	42,059
Sewer rates and charges	264,190	-	264,190	229,894
Taxes and rates collected for other governments and agencies	480,242	-	480,242	446,303
	<u>7,978,566</u>	<u>346,008</u>	<u>8,324,574</u>	<u>7,788,736</u>
Collections	7,493,233	297,661	7,790,895	7,302,635
Write-offs	-	6,613	6,613	336
Reduced taxes	161,729	-	161,729	158,254
	<u>7,654,962</u>	<u>304,274</u>	<u>7,959,237</u>	<u>7,461,225</u>
	323,604	41,734	365,338	327,511
Interest on taxes	23,049	1,336	24,385	22,278
Less valuation allowance (Note 7)	-	(4,200)	(4,200)	(3,781)
Taxes receivable, end of year	<u>\$ 346,653</u>	<u>\$ 38,870</u>	<u>\$ 385,523</u>	<u>\$ 346,008</u>

Long term taxes receivable – Tusket sewer

Upon completion of the Tusket sewer capital project, residents in the Tusket Wastewater District were assessed a capital fee for a portion of the project cost. These residents were given the option to pay immediately or over a 20 year period. As at March 31, 2023, the principal balance owed from the Tusket residents is \$45,157 (2022 - \$68,802). Interest is recorded as revenue in the year that it is received, and not included in the Special assessment – Tusket sewer receivable. This receivable is recorded in the Operating Fund.

Long term taxes receivable – West Pubnico sewer

Upon completion of the West Pubnico sewer capital project, residents in the West Pubnico Wastewater District were assessed a capital fee for a portion of the project cost. These residents were given the option to pay immediately or over a 10 year period. As at March 31, 2023, the principal balance owed from the West Pubnico residents is \$- (2022 - \$71,165). Interest is included as revenue in the year that it is received, and not included in the special assessment receivable.

Long term taxes receivable – Wedgeport sewer

Upon completion of the Wedgeport sewer capital project, residents in the Wedgeport Wastewater District were assessed a capital fee for a portion of the project cost. These residents were given the option to pay immediately or over a 10 year period. As at March 31, 2023, the principal balance owed from the Wedgeport residents is \$51,081 (2022 - \$60,333). Interest is included as revenue in the year that it is received, and not included in the special assessment receivable.

Total long term taxes receivable for Tusket, West Pubnico and Wedgeport is \$96,238 (2022 - \$200,300).

Municipality of the District of Argyle

Notes to Non-Consolidated Compiled Financial Information

March 31, 2023

3. Due from Provincial government and its agencies	<u>2023</u>	<u>2022</u>
Aliant Telecom	<u>\$ 8,572</u>	<u>\$ 8,358</u>

4. Due from Federal government and its agencies	<u>2023</u>	<u>2022</u>
HST receivable	<u>\$ 41,150</u>	<u>\$ 2,044</u>

5. Water supply upgrade lending program

On January 16, 2017, Council adopted a bylaw which allowed for lending to qualified residents to dig or drill a new well on their property. This bylaw is enabled under legislation through the Municipal Government Act. All loans are considered first liens on the residential property, identical to municipal taxes. The loans are repayable monthly over a period of 10 years, and each individual loan is capped at \$15,000.

6. Due to own funds	<u>2023</u>	<u>2022</u>
Capital Reserve Fund	<u>\$ 250,000</u>	<u>\$ 292,155</u>
Operating Reserve Fund	<u>652,251</u>	<u>857,093</u>
	<u>\$ 902,251</u>	<u>\$ 1,149,248</u>

7. Valuation allowance - uncollectible taxes	<u>2023</u>	<u>2022</u>
Balance, beginning of year	<u>\$ 3,781</u>	<u>\$ 8,301</u>
Add		
Provision for the year	<u>6,613</u>	<u>336</u>
	<u>10,394</u>	<u>8,637</u>
Deduct		
Taxes and interest written off	<u>6,194</u>	<u>4,856</u>
Balance, end of year – see Note 2	<u>\$ 4,200</u>	<u>\$ 3,781</u>

Municipality of the District of Argyle
Tusket Sewer
Non-Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Levy	\$ 43,566	\$ 43,968	\$ 39,362
Hookup fee	1,000	1,000	3,000
Interest revenue	<u>1,100</u>	<u>1,181</u>	<u>903</u>
	<u>45,666</u>	<u>46,149</u>	<u>43,265</u>
Expenses			
Administration			
Administration, contract	7,000	7,000	3,000
Professional fees	<u>500</u>	<u>500</u>	<u>200</u>
	<u>7,500</u>	<u>7,500</u>	<u>3,200</u>
Operating			
Chlorine/Lab testing	3,500	3,394	3,605
Communications	3,000	2,619	2,585
General repairs - sewer	11,500	5,783	3,181
Liability insurance	1,200	1,837	1,100
Other	1,550	1,754	196
Power	9,000	8,174	7,495
Repairs and maintenance - plant	6,000	5,046	2,568
Septic tank services	<u>10,916</u>	<u>9,911</u>	<u>5,725</u>
	<u>46,666</u>	<u>38,518</u>	<u>26,455</u>
Total expenses	<u>54,166</u>	<u>46,018</u>	<u>29,655</u>
Annual (deficit) surplus	<u>\$ (8,500)</u>	131	13,610
Accumulated surplus, at beginning of year		<u>68,235</u>	<u>54,625</u>
Accumulated surplus, at end of year		<u>\$ 68,366</u>	<u>\$ 68,235</u>

Note:

The above information is included in the general operating fund as it relates to the operation of the sewer system and is provided here for additional information.

Municipality of the District of Argyle
West Pubnico Sewer
Non-Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Levy	\$ 209,031	\$ 212,032	\$ 184,442
Hook-up charges	1,000	-	3,000
Sale of services	15,000	15,000	11,000
Interest on collections	500	2,144	1,438
Interest on capital levy	4,000	3,212	8,174
Interest on investments	1,500	327	887
	<u>231,031</u>	<u>232,715</u>	<u>208,941</u>
Expenses			
Administration			
Professional fees	2,000	2,084	2,000
Operating			
Capital repairs and loan	56,093	46,217	26,624
Geotube solution	7,500	8,461	7,267
General maintenance and repairs	32,000	30,303	19,607
Interest	-	-	1,297
Lab testing	3,500	3,200	3,121
Liability insurance	5,500	9,899	5,500
Other	2,500	1,795	781
Power	35,000	34,596	32,942
Professional development	1,500	755	572
Salaries and benefits	70,140	70,754	60,437
Scada system	3,750	2,753	2,339
Sludge removal	11,000	5,491	9,658
Travel	3,000	3,263	2,145
Vehicle insurance	2,500	2,725	2,448
	<u>233,983</u>	<u>220,212</u>	<u>175,366</u>
Total expenses	<u>235,983</u>	<u>222,296</u>	<u>177,366</u>
Annual (deficit) surplus before transfers	\$ (4,952)	10,419	31,575
Transfer		<u>38,000</u>	-
Annual surplus		48,419	31,575
Accumulated surplus, at beginning of year		<u>286,782</u>	<u>255,207</u>
Accumulated surplus, at end of year		<u>\$ 335,201</u>	<u>\$ 286,782</u>

Note:

The above information is included in the general operating fund as it relates to the operation of the sewer system and is provided here for additional information.

Municipality of the District of Argyle
East Pubnico Water Utility
Non-Consolidated Statement of Operations

Year Ended March 31

2023

2022

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Levy	\$ 58,600	\$ 42,897	\$ 42,059
Interest on collections	<u>3,000</u>	<u>4,963</u>	<u>5,955</u>
	<u>61,600</u>	<u>47,860</u>	<u>48,014</u>
Expenses			
Operating			
Liability insurance	700	1,175	563
Other	2,140	2,829	761
Power	8,000	6,137	6,551
Repairs and maintenance	28,000	21,564	12,053
Salaries and benefits	<u>15,000</u>	<u>15,375</u>	<u>11,516</u>
	<u>55,500</u>	<u>47,080</u>	<u>31,444</u>
Annual surplus before transfers	<u>\$ 6,100</u>	780	16,570
Transfer		<u>2,500</u>	-
Annual surplus		3,280	16,570
Accumulated surplus, at beginning of year		<u>100,542</u>	<u>83,972</u>
Accumulated surplus, at end of year		<u>\$ 103,822</u>	<u>\$ 100,542</u>

Note:

The above information is included in the general operating fund as it relates to the operation of the water utility system and is provided here for additional information.