



Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

Municipality of the District of Argyle

March 31, 2019

Contents

| | Page |
|---|-------------|
| Notice to Reader | 1 |
| General Section | |
| Non-Consolidated Operating Fund Statement of Operations | 2 |
| Non-Consolidated Operating Fund Balance Sheet | 3-4 |
| Non-Consolidated Tangible Capital Assets Fund Balance Sheet | 5 |
| Non-Consolidated Statement of Tangible Capital Assets | 6 |
| Non-Consolidated Statement of Investment in Tangible Capital Assets | 6 |
| Non-Consolidated Schedules to Statement of Operations | 7-11 |
| Reserve Funds | |
| Non-Consolidated Capital Reserve Fund Balance Sheet | 12 |
| Non-Consolidated Statement of Capital Reserve Fund | 13 |
| Non-Consolidated Operating Reserve Fund Balance Sheet | 14 |
| Non-Consolidated Statement of Operating Reserve Fund | 14 |
| Notes to Non-Consolidated Financial Statements | 15-16 |
| Other | |
| Tusket Sewer, Non-Consolidated Statement of Operations | 17 |
| West Pubnico Sewer, Non-Consolidated Statement of Operations | 18 |

Notice to Reader

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His Worship the Warden and Members of the Council
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 Argyle as at March 31, 2019 and the non-consolidated statements of operations for the year then ended from information provided by management.

We have not audited, reviewed, or otherwise attempted to verify the accuracy of completeness of such information.

Readers are cautioned that these statements may not be appropriate for their purposes.

Grant Thornton LLP

Chartered Professional Accountants
Licensed Public Accountants

Yarmouth, Canada
October 29, 2019

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|------------------|------------------|------------------|
| Revenues | | | |
| Taxes, net of mandatory expenditures | \$ 4,999,109 | \$ 5,017,055 | \$ 5,009,515 |
| Grants in lieu of taxes | 152,516 | 150,111 | 151,040 |
| Other revenue from own sources | 280,958 | 310,296 | 305,278 |
| Unconditional transfers from other governments | 181,030 | 184,042 | 185,028 |
| Conditional transfers from Federal or Provincial government or agencies | 68,681 | 78,210 | 63,710 |
| Services provided to other governments | 123,000 | 135,445 | 50,371 |
| Sales of services | 41,000 | 58,782 | 54,705 |
| | <u>5,846,294</u> | <u>5,933,941</u> | <u>5,819,647</u> |
| Expenses | | | |
| General government services | 1,660,794 | 1,635,710 | 1,604,886 |
| Protective services | 1,606,495 | 1,572,472 | 1,542,024 |
| Transportation services | 281,180 | 276,989 | 299,584 |
| Environmental health services | 1,025,929 | 951,109 | 936,922 |
| Public health services | 91,000 | 72,433 | 56,453 |
| Environmental development services | 437,830 | 436,080 | 390,428 |
| Recreation and cultural services | 644,616 | 624,434 | 612,026 |
| | <u>5,747,844</u> | <u>5,569,227</u> | <u>5,442,323</u> |
| Annual surplus before interfund transfers | 98,450 | 364,714 | 377,324 |
| Less transfers to own reserves | <u>(98,450)</u> | <u>(238,493)</u> | <u>(240,800)</u> |
| Annual surplus before transfer | - | 126,221 | 136,524 |
| Transfer of annual surplus to Operating Reserve | <u>-</u> | <u>(126,221)</u> | <u>(136,524)</u> |
| Annual surplus | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

March 31

2019

2018

Assets

Cash and cash equivalents

Unrestricted

\$ 1,868,395

\$ 2,142,921

Restricted

312,012

310,081

2,180,407

2,453,002

Receivables

Taxes and sewer (Note 1 and 6)

327,753

363,635

Long term taxes receivable (Note 1)

521,695

633,739

Due from Provincial government and its agencies (Note 2)

9,156

10,512

Due from Federal government and its agencies (Note 3)

29,845

23,077

Loans receivable and advances

674

-

Water supply upgrade lending program (Note 4)

93,705

29,386

Other receivables

78,950

116,523

1,061,778

1,176,872

Other assets

Land held for resale

70,446

76,634

Properties acquired at tax sale

3,279

3,279

Prepaid expenses

15,877

14,754

89,602

94,667

\$ 3,331,787

\$ 3,724,541

On Behalf of the Municipality of the District of Argyle

_____ Warden

_____ CAO

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

| March 31 | 2019 | 2018 |
|---------------------------|---------------------|---------------------|
| Liabilities | | |
| Payables and accruals | | |
| Trade accounts | \$ 326,374 | \$ 420,548 |
| Due to own funds (Note 5) | <u>2,263,421</u> | <u>2,549,623</u> |
| | <u>2,589,795</u> | <u>2,970,171</u> |
| Other liabilities | | |
| Municipal tax prepayments | 152,749 | 128,494 |
| Deferred revenue | 271,568 | 292,751 |
| Tax sale surplus | <u>317,675</u> | <u>333,125</u> |
| | <u>741,992</u> | <u>754,370</u> |
| Equity | | |
| Accumulated surplus | <u>-</u> | <u>-</u> |
| | <u>\$ 3,331,787</u> | <u>\$ 3,724,541</u> |

On Behalf of the Municipality of the District of Argyle

_____ Warden _____ CAO

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

| March 31 | 2019 | 2018 |
|--|-----------------------------|-----------------------------|
| Assets | | |
| Tangible capital assets, at cost (Page 6) | \$ 16,365,688 | \$ 15,649,246 |
| Less: Accumulated amortization (Page 6) | <u>(5,673,694)</u> | <u>(5,333,661)</u> |
| | <u>\$ 10,691,994</u> | <u>\$ 10,315,585</u> |
| Liabilities | | |
| Federation of Canadian Municipalities – Green Municipal Fund loan bearing interest of 1.75% payable in bi-annual interest payments and annual principal installments of \$127,273, maturing in November 2021 | \$ 376,729 | \$ 504,001 |
| Equity | | |
| Investment in tangible capital assets (Page 6) | <u>10,315,265</u> | <u>9,811,584</u> |
| | <u>\$ 10,691,994</u> | <u>\$ 10,315,585</u> |

On Behalf of the Municipality of the District of Argyle

_____ Warden _____ CAO

See accompanying notes to the non-consolidated financial statements.

Municipality of the District of Argyle

Non-Consolidated Statement of Tangible Capital Assets

(Unaudited – See Notice to Reader)

March 31

2019

2018

| | <u>Cost</u> | <u>Accumulated Amortization</u> | <u>Total</u> | <u>Total</u> |
|----------------------------|----------------------|-------------------------------------|----------------------|---------------------|
| Land | \$ 495,632 | \$ - | \$ 495,632 | \$ 480,984 |
| Administrative buildings | 689,612 | 76,698 | 612,914 | 344,183 |
| West Pubnico Sewer | 8,576,691 | 3,304,733 | 5,271,958 | 5,152,931 |
| Tusket Sewer | 2,794,405 | 965,480 | 1,828,925 | 1,898,785 |
| Tusket Business Park Sewer | 751,807 | 186,430 | 565,377 | 584,172 |
| Wedgeport Sewer | 960,639 | 51,252 | 909,387 | 811,901 |
| Municipal roads | 458,860 | 321,438 | 137,422 | 155,776 |
| Sidewalks and trails | 144,978 | 94,153 | 50,825 | 54,735 |
| Track and field | 420,750 | 117,610 | 303,140 | 319,970 |
| Tennis court | 185,930 | 49,580 | 136,350 | 148,745 |
| Organic compost bins | 237,970 | 237,970 | - | - |
| Wind turbines | 335,275 | 50,292 | 284,983 | 301,747 |
| Equipment and machinery | 139,958 | 130,345 | 9,613 | 20,302 |
| Vehicles | 173,181 | 87,713 | 85,468 | 41,354 |
| | <u>\$ 16,365,688</u> | <u>\$ 5,673,694</u> | <u>\$ 10,691,994</u> | <u>\$10,315,585</u> |

Non-Consolidated Statement of Investment in Tangible Capital Assets

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | | |
|---|---------------------|---------------------|
| Balance, beginning of year | \$ 9,811,584 | \$ 8,709,408 |
| Transfer from Operating Fund | 155,766 | 133,072 |
| Transfer from Capital Reserve Fund | 712,942 | 1,357,272 |
| Loss on disposal of tangible capital assets | (10,000) | - |
| Amortization of tangible capital assets | <u>(355,027)</u> | <u>(388,168)</u> |
| Balance, end of year | <u>\$10,315,265</u> | <u>\$ 9,811,584</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|--|---------------------|---------------------|---------------------|
| 1. Taxes | | | |
| Assessable property | | | |
| Residential | \$ 4,533,774 | \$ 4,534,598 | \$ 4,463,436 |
| Commercial | | | |
| Commercial property | 1,096,623 | 1,101,416 | 1,105,887 |
| Seasonal property | 12,319 | 12,337 | 1,129 |
| Forest property tax (50,000 acres or more) | <u>260</u> | <u>260</u> | <u>274</u> |
| | <u>5,642,976</u> | <u>5,648,611</u> | <u>5,570,726</u> |
| Resource | | | |
| Taxable assessments | 365,141 | 363,414 | 358,473 |
| Forest property tax (less than 50,000 acres) | <u>10,679</u> | <u>10,735</u> | <u>10,863</u> |
| | <u>375,820</u> | <u>374,149</u> | <u>369,336</u> |
| Other assessable property taxes | | | |
| Recreation property tax | 11,234 | 11,797 | 11,235 |
| Farm property tax | 7,060 | 7,060 | 7,016 |
| Wind farm payment – Province of Nova Scotia | 33,101 | 33,101 | 32,774 |
| Conservation payment | <u>1,400</u> | <u>2,048</u> | <u>1,432</u> |
| | <u>52,795</u> | <u>54,006</u> | <u>52,457</u> |
| Special tax agreements | | | |
| Based on revenue (Bell Aliant) | 40,000 | 40,693 | 42,985 |
| Wind farm developer tax | <u>184,811</u> | <u>184,811</u> | <u>182,981</u> |
| | <u>224,811</u> | <u>225,504</u> | <u>225,966</u> |
| Other rates, charges and assessments | | | |
| Environmental services, sewer | 206,964 | 216,354 | 199,483 |
| East Pubnico industrial water system (Note 7) | 36,000 | 42,794 | 35,964 |
| Fire area rates, tax | 263,129 | 262,400 | 228,900 |
| Appropriation to regional fire departments | <u>(263,129)</u> | <u>(262,465)</u> | <u>(228,657)</u> |
| | <u>242,964</u> | <u>259,083</u> | <u>235,690</u> |
| Other taxes | | | |
| Deed transfer tax | 133,000 | 125,951 | 173,100 |
| Intermunicipal tax sharing agreement – Yarmouth Airport | <u>30,000</u> | <u>28,008</u> | <u>29,869</u> |
| | <u>163,000</u> | <u>153,959</u> | <u>202,969</u> |
| Expenses as a reduction of tax revenue | | | |
| Appropriation to regional school board | (1,572,832) | (1,572,832) | (1,535,299) |
| Transfer to correctional services | (105,425) | (105,425) | (105,368) |
| Deficit of Regional Housing Authority | <u>(25,000)</u> | <u>(20,000)</u> | <u>(6,962)</u> |
| | <u>(1,703,257)</u> | <u>(1,698,257)</u> | <u>(1,647,629)</u> |
| | <u>\$ 4,999,109</u> | <u>\$ 5,017,055</u> | <u>\$ 5,009,515</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|--|---------------------|---------------------|---------------------|
| 2. Grants in lieu of taxes | | | |
| Federal government | \$ 10,400 | \$ 10,604 | \$ 10,512 |
| Provincial government | <u>142,116</u> | <u>139,507</u> | <u>140,528</u> |
| | <u>\$ 152,516</u> | <u>\$ 150,111</u> | <u>\$ 151,040</u> |
| 3. Other revenue from own sources | | | |
| Licenses and permits | \$ 16,000 | \$ 19,152 | \$ 16,264 |
| Municipal fines | 5,000 | 4,883 | 7,803 |
| Rentals | 6,333 | 8,333 | 5,000 |
| Return on investments | 95,552 | 107,199 | 108,463 |
| Penalties and interest on taxes | 63,000 | 65,618 | 68,746 |
| Wage recovery and user fees | 62,280 | 55,929 | 62,288 |
| Miscellaneous | 33,793 | 39,197 | 38,771 |
| (Loss) gain on sale of land | <u>(1,000)</u> | <u>9,985</u> | <u>(2,057)</u> |
| | <u>\$ 280,958</u> | <u>\$ 310,296</u> | <u>\$ 305,278</u> |
| 4. Unconditional transfers from other governments | | | |
| Provincial government | | | |
| Municipal Grants Act (Equalization) | \$ 154,923 | \$ 154,923 | \$ 154,923 |
| Power Corporation | 13,107 | 13,107 | 13,478 |
| Power Corporation (HST rebate) | <u>13,000</u> | <u>16,012</u> | <u>16,627</u> |
| | <u>\$ 181,030</u> | <u>\$ 184,042</u> | <u>\$ 185,028</u> |
| 5. Conditional transfers from Federal and Provincial governments or agencies | | | |
| Community and economic development | \$ 5,000 | \$ 11,511 | \$ 10,029 |
| EMO 911 grant | 2,800 | 2,877 | 2,859 |
| Active living and senior safety | <u>60,881</u> | <u>63,822</u> | <u>50,822</u> |
| | <u>\$ 68,681</u> | <u>\$ 78,210</u> | <u>\$ 63,710</u> |
| 6. Services provided to other governments | | | |
| Services provided to other local governments and agencies | <u>\$ 123,000</u> | <u>\$ 135,445</u> | <u>\$ 50,371</u> |
| 7. Sales of services | | | |
| Wind power | <u>\$ 41,000</u> | <u>\$ 58,782</u> | <u>\$ 54,705</u> |
| Total revenues | <u>\$ 5,846,294</u> | <u>\$ 5,933,941</u> | <u>\$ 5,819,647</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|--|---------------------|---------------------|---------------------|
| 8. General government services | | | |
| Legislative | | | |
| Warden | | | |
| Remuneration | \$ 32,304 | \$ 32,716 | \$ 31,764 |
| Expenses | 3,600 | 2,480 | 3,139 |
| Council | | | |
| Remuneration | 161,146 | 163,203 | 158,452 |
| Expenses | <u>54,600</u> | <u>58,341</u> | <u>38,005</u> |
| | <u>251,650</u> | <u>256,740</u> | <u>231,360</u> |
| General administrative | | | |
| Administrative | 665,400 | 649,178 | 596,617 |
| Bank service charges | 6,000 | 6,437 | 6,467 |
| Financial audit | <u>24,000</u> | <u>23,597</u> | <u>25,418</u> |
| | <u>695,400</u> | <u>679,212</u> | <u>628,502</u> |
| Taxation | | | |
| Taxation, administration | 101,463 | 102,042 | 97,564 |
| Tax rebates or cancellations, by bylaw | 125,550 | 124,443 | 127,133 |
| Transfers for assessment services | 195,381 | 195,381 | 193,435 |
| Common services | <u>24,200</u> | <u>24,640</u> | <u>24,686</u> |
| | <u>446,594</u> | <u>446,506</u> | <u>442,818</u> |
| Valuation allowance | | | |
| Uncollectible taxes | <u>7,500</u> | <u>8,049</u> | <u>12,110</u> |
| Other general government services | | | |
| Conventions and delegations | 24,350 | 13,000 | 12,553 |
| General accident and damage claims and public liability insurance | 27,000 | 27,483 | 26,715 |
| Grants to other organizations and individuals | <u>208,300</u> | <u>204,720</u> | <u>250,828</u> |
| | <u>259,650</u> | <u>245,203</u> | <u>290,096</u> |
| | <u>\$ 1,660,794</u> | <u>\$ 1,635,710</u> | <u>\$ 1,604,886</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|---------------------|---------------------|---------------------|
| 9. Protective services | | | |
| Police protection | \$ 908,666 | \$ 890,599 | \$ 881,080 |
| Fire protection | | | |
| Operating grant | 269,232 | 269,232 | 264,731 |
| Training and gear | 59,200 | 50,185 | 60,320 |
| Administrative and insurance costs | <u>29,462</u> | <u>28,705</u> | <u>28,708</u> |
| | <u>357,894</u> | <u>348,122</u> | <u>353,759</u> |
| Other protective services | | | |
| Protective and property inspection | 292,543 | 274,144 | 261,785 |
| Animal, pest and other control | 29,742 | 29,637 | 29,619 |
| Emergency measures and civic signage | <u>17,650</u> | <u>29,970</u> | <u>15,781</u> |
| | <u>339,935</u> | <u>333,751</u> | <u>307,185</u> |
| | <u>\$ 1,606,495</u> | <u>\$ 1,572,472</u> | <u>\$ 1,542,024</u> |
| 10. Transportation services | | | |
| Roads and streets | \$ 46,880 | \$ 46,880 | \$ 46,007 |
| Public transportation | 1,000 | - | - |
| Airport operations | <u>233,300</u> | <u>230,109</u> | <u>253,577</u> |
| | <u>\$ 281,180</u> | <u>\$ 276,989</u> | <u>\$ 299,584</u> |
| 11. Environmental health services | | | |
| Sewage collection and disposal | \$ 247,029 | \$ 210,825 | \$ 205,797 |
| East Pubnico industrial water system (Note 7) | 36,000 | 21,392 | 33,981 |
| Garbage and waste collection contract | 373,900 | 370,667 | 359,870 |
| Garbage and waste disposal and diversion | 312,000 | 304,113 | 298,508 |
| Other | <u>57,000</u> | <u>44,112</u> | <u>38,766</u> |
| | <u>\$ 1,025,929</u> | <u>\$ 951,109</u> | <u>\$ 936,922</u> |
| 12. Public health services | | | |
| Medical Centre deficit funding and physician recruitment | <u>\$ 91,000</u> | <u>\$ 72,433</u> | <u>\$ 56,453</u> |

See accompanying notes to the non-consolidated financial statements.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|---------------------|---------------------|---------------------|
| 13. Environmental development services | | | |
| Environmental planning and zoning | \$ 140,008 | \$ 134,388 | \$ 81,700 |
| Community development | | | |
| Regional Enterprise Network and | | | |
| Industrial Commission | 83,252 | 63,748 | 109,376 |
| Other environmental services | | | |
| Tourism and aquaculture development | 89,750 | 107,130 | 88,233 |
| Community development office | 63,725 | 60,446 | 56,415 |
| Senior safety coordinator | 54,595 | 54,333 | 53,804 |
| Other | 6,500 | 16,035 | 900 |
| | <u>\$ 437,830</u> | <u>\$ 436,080</u> | <u>\$ 390,428</u> |
| 14. Recreation and cultural services | | | |
| Administration | \$ 333,649 | \$ 310,842 | \$ 299,814 |
| Cultural buildings and facilities: | | | |
| Historic sites | 160,104 | 153,136 | 149,968 |
| Mariners Centre | 75,000 | 86,698 | 86,678 |
| Pubnico Library | 21,850 | 19,745 | 21,553 |
| Regional Library | 54,013 | 54,013 | 54,013 |
| | <u>\$ 644,616</u> | <u>\$ 624,434</u> | <u>\$ 612,026</u> |
| Total expenses before transfers | <u>\$ 5,747,844</u> | <u>\$ 5,569,227</u> | <u>\$ 5,442,323</u> |
| 15. Transfers to (from) own reserves, funds and agencies | | | |
| Tangible Capital Assets Fund | \$ 127,272 | \$ 155,766 | \$ 133,072 |
| Operating Reserve Fund | (76,550) | - | (1,219,416) |
| Capital Reserve Fund | 175,000 | 210,000 | 235,000 |
| Capital Reserve Fund – loan principal repayment | (127,272) | (127,273) | (127,272) |
| Yarmouth Area Industrial Commission | - | - | 1,219,416 |
| | <u>\$ 98,450</u> | <u>\$ 238,493</u> | <u>\$ 240,800</u> |
| Total expenses | <u>\$ 5,846,294</u> | <u>\$ 5,807,720</u> | <u>\$ 5,683,123</u> |

See accompanying notes to the non-consolidated financial statements.

Municipality of the District of Argyle

Non-Consolidated Capital Reserve Fund Balance Sheet

(Unaudited – See Notice to Reader)

March 31

2019

2018

Assets

| | | |
|----------------------------------|---------------------|---------------------|
| Cash and cash equivalents | \$ 4,171,883 | \$ 4,102,945 |
| Due from Operating Fund | 467,327 | 609,573 |
| HST rebate receivable | 4,578 | 54,744 |
| Due from Province of Nova Scotia | 64,351 | - |
| Prepaid expenses | - | 15,432 |
| | <u>\$ 4,708,139</u> | <u>\$ 4,782,694</u> |

Liabilities

| | | |
|-----------------------------|------------------|------------------|
| Payables and accruals | \$ 50,668 | \$ - |
| Deferred revenues – grants | - | 1,645 |
| Deferred revenues – gas tax | <u>1,272,651</u> | <u>1,308,720</u> |
| | <u>1,323,319</u> | <u>1,310,365</u> |

Equity

| | | |
|---------------------------|---------------------|---------------------|
| Capital reserve (Page 13) | <u>3,384,820</u> | <u>3,472,329</u> |
| | <u>\$ 4,708,139</u> | <u>\$ 4,782,694</u> |

See accompanying notes to the non-consolidated financial statements.

Municipality of the District of Argyle

Non-Consolidated Operating Reserve Fund Balance Sheet

(Unaudited – See Notice to Reader)

March 31 2019 2018

Assets

| | | |
|---|---------------------|---------------------|
| Cash and cash equivalents | \$ 1,402,529 | \$ 1,091,830 |
| Due from Operating Fund | 1,796,094 | 1,940,050 |
| Due from Municipality of the District of Yarmouth | <u>13,908</u> | <u>23,071</u> |
| | <u>\$ 3,212,531</u> | <u>\$ 3,054,951</u> |

Equity

| | | |
|-------------------|---------------------|---------------------|
| Operating reserve | \$ <u>3,212,531</u> | \$ <u>3,054,951</u> |
|-------------------|---------------------|---------------------|

Non-Consolidated Statement of Operating Reserve Fund

(Unaudited – See Notice to Reader)

March 31 2019 2018

| | | |
|---|---------------------|---------------------|
| Balance, beginning of year | \$ 3,054,951 | \$ 4,095,940 |
| Revenues | | |
| Interest earned | 31,359 | 41,903 |
| Transfer of accumulated surplus from Operating Fund | <u>126,221</u> | <u>136,524</u> |
| | <u>157,580</u> | <u>178,427</u> |
| Expenses | | |
| Transfer to Operating Fund | <u>-</u> | <u>1,219,416</u> |
| Balance, end of year | <u>\$ 3,212,531</u> | <u>\$ 3,054,951</u> |

On Behalf of the Municipality of the District of Argyle

_____ Warden

_____ CAO

See accompanying notes to the non-consolidated financial statements.

Municipality of the District of Argyle

Notes to Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)
March 31, 2018

| 1. Taxes receivable and long term taxes receivable | | | 2019 | 2018 |
|--|-------------------|------------------|-------------------|-------------------|
| | Current | Prior | Total | Total |
| Taxes receivable, beginning of year | \$ - | \$ 363,635 | \$ 363,635 | \$ 315,068 |
| Assessable property taxes | | | | |
| Residential | 4,534,598 | - | 4,534,598 | 4,463,436 |
| Commercial | 1,114,013 | - | 1,114,013 | 1,107,290 |
| Resource | 374,149 | - | 374,149 | 369,336 |
| Other – recreation property tax | 11,797 | - | 11,797 | 11,235 |
| Wind farm taxes from developers | 184,811 | - | 184,811 | 182,981 |
| Area rates, uniform charges and special assessments | 42,794 | - | 42,794 | 35,964 |
| Sewer rates and charges | 216,354 | - | 216,354 | 199,483 |
| Taxes and rates collected for other governments and agencies | 262,400 | - | 262,400 | 228,900 |
| | <u>6,740,916</u> | <u>363,635</u> | <u>7,104,551</u> | <u>6,913,693</u> |
| Collections | 6,389,921 | 263,132 | 6,653,053 | 6,409,861 |
| Write-offs | - | 8,049 | 8,049 | 12,110 |
| Reduced taxes | 124,443 | - | 124,443 | 127,133 |
| | <u>6,514,364</u> | <u>271,181</u> | <u>6,785,545</u> | <u>6,549,104</u> |
| | 226,552 | 92,454 | 319,006 | 364,589 |
| Interest on taxes | 17,908 | 2,824 | 20,732 | 23,246 |
| Less valuation allowance (Note 6) | - | (11,985) | (11,985) | (24,200) |
| Taxes receivable, end of year | <u>\$ 244,460</u> | <u>\$ 83,293</u> | <u>\$ 327,753</u> | <u>\$ 363,635</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, 2019, the principal balance owed from the Tusket residents is \$124,978 (2018 - \$147,599). 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, 2019, the principal balance owed from the West Pubnico residents is \$291,855 (2018 - \$363,964). 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, 2019, the principal balance owed from the Wedgeport residents is \$104,862 (2018 - \$122,176). 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 \$521,695 (2018 - \$633,739).

Municipality of the District of Argyle

Notes to Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

March 31, 2018

| 2. Due from Provincial government and its agencies | <u>2019</u> | <u>2018</u> |
|---|------------------------|-------------------------|
| Aliant Telecom | <u>\$ 9,156</u> | <u>\$ 10,512</u> |

| 3. Due from Federal government and its agencies | <u>2019</u> | <u>2018</u> |
|--|-------------------------|-------------------------|
| HST receivable | <u>\$ 29,845</u> | <u>\$ 23,077</u> |

4. 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.

| 5. Due to own funds | <u>2019</u> | <u>2018</u> |
|----------------------------|----------------------------|----------------------------|
| Capital Reserve Fund | <u>\$ 467,327</u> | <u>\$ 609,573</u> |
| Operating Reserve Fund | <u>1,796,094</u> | <u>1,940,050</u> |
| | <u>\$ 2,263,421</u> | <u>\$ 2,549,623</u> |

| 6. Valuation allowance - uncollectible taxes | <u>2019</u> | <u>2018</u> |
|---|-------------------------|-------------------------|
| Balance, beginning of year | <u>\$ 24,200</u> | <u>\$ 27,510</u> |
| Add | | |
| Provision for the year | <u>8,049</u> | <u>12,110</u> |
| | <u>32,249</u> | <u>39,620</u> |
| Deduct | | |
| Taxes and interest written off | <u>20,264</u> | <u>15,420</u> |
| Balance, end of year – see Note 1 | <u>\$ 11,985</u> | <u>\$ 24,200</u> |

| 7. East Pubnico industrial water system | <u>2019</u> | <u>2018</u> |
|--|-------------------------|-------------------------|
| Revenues | <u>\$ 42,794</u> | <u>\$ 35,964</u> |
| Expenses | <u>21,392</u> | <u>33,981</u> |
| Annual surplus | <u>21,402</u> | <u>1,983</u> |
| Accumulated surplus, beginning of year | <u>66,165</u> | <u>64,182</u> |
| Accumulated surplus, end of year | <u>\$ 87,567</u> | <u>\$ 66,165</u> |

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

(Unaudited – See Notice to Reader)
Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|----------------|------------------|------------------|
| Revenues | | | |
| Levy | \$ 35,901 | \$ 34,571 | \$ 34,571 |
| Hookup fee | 2,000 | - | 1,000 |
| Interest revenue | <u>1,200</u> | <u>1,470</u> | <u>1,448</u> |
| | <u>39,101</u> | <u>36,041</u> | <u>37,019</u> |
| Expenses | | | |
| Administration | | | |
| Administration, contract | 3,000 | 3,000 | 3,032 |
| Professional fees | <u>200</u> | <u>200</u> | <u>200</u> |
| | <u>3,200</u> | <u>3,200</u> | <u>3,232</u> |
| Operating | | | |
| Chlorine/Lab testing | 2,300 | 2,123 | 2,501 |
| Communications | 1,500 | 687 | 873 |
| General repairs - sewer | 8,000 | 10,734 | 4,456 |
| Liability insurance | 950 | 961 | 936 |
| Other | 200 | 10 | 27 |
| Power | 9,000 | 8,272 | 8,169 |
| Repairs and maintenance - grounds | 200 | - | 19 |
| Repairs and maintenance - plant | 6,000 | 7,115 | 4,757 |
| Septic tank services | <u>5,000</u> | <u>3,983</u> | <u>3,911</u> |
| | <u>33,150</u> | <u>33,885</u> | <u>25,649</u> |
| Total expenses | <u>36,350</u> | <u>37,085</u> | <u>28,881</u> |
| Annual surplus before transfer | 2,751 | (1,044) | 8,138 |
| Transfer to Tusket Sewer Reserve Fund | <u>(2,751)</u> | - | - |
| Annual (deficit) surplus | <u>\$ -</u> | <u>(1,044)</u> | <u>8,138</u> |
| Accumulated surplus, at beginning of year | | <u>39,329</u> | <u>31,191</u> |
| Accumulated surplus, at end of year | | <u>\$ 38,285</u> | <u>\$ 39,329</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

(Unaudited – See Notice to Reader)

Year Ended March 31

2019

2018

| | <u>Budget</u> | <u>Actual</u> | <u>Actual</u> |
|---|-----------------|-------------------|-------------------|
| Revenues | | | |
| Levy | \$ 171,063 | \$ 172,033 | \$ 164,912 |
| Hook-up charges | - | 4,500 | 4,000 |
| Sale of services | 11,000 | 11,000 | 10,000 |
| Dewatering truck rental | 1,000 | 3,000 | - |
| Interest on collections | 2,500 | 2,519 | 3,035 |
| Interest on capital levy | 19,365 | 19,126 | 23,027 |
| Interest on investments | 3,000 | 2,485 | 5,080 |
| | <u>207,928</u> | <u>214,663</u> | <u>210,054</u> |
| Expenses | | | |
| Administration | | | |
| Professional fees | <u>2,000</u> | <u>2,000</u> | <u>2,000</u> |
| Operating | | | |
| Capital repairs and loan | 14,000 | 24,892 | 13,501 |
| Geotube solution | 3,000 | 2,395 | 6,001 |
| General maintenance and repairs | 16,200 | 15,740 | 23,544 |
| Interest | 8,100 | 8,079 | 10,306 |
| Lab testing | 2,200 | 2,121 | 2,587 |
| Liability insurance | 4,000 | 3,769 | 3,662 |
| Office supplies | 750 | 172 | 94 |
| Other | 2,500 | 1,098 | 1,495 |
| Treatment plant studies | 1,000 | - | 2,378 |
| Power | 33,000 | 34,621 | 36,302 |
| Professional development | 3,000 | 1,314 | 1,818 |
| Salaries and benefits | 51,948 | 50,509 | 49,589 |
| Scada system | 3,500 | 8,911 | 2,780 |
| Septic tank services | 1,000 | 2,046 | - |
| Sludge removal | 14,000 | 3,625 | 17,915 |
| Travel | 13,000 | 6,426 | 2,944 |
| Truck lease | 3,000 | 3,000 | - |
| Vehicle insurance | 2,500 | 2,646 | - |
| | <u>176,698</u> | <u>171,364</u> | <u>174,916</u> |
| Total expenses | <u>178,698</u> | <u>173,364</u> | <u>176,916</u> |
| Annual surplus before transfer | 29,230 | 41,299 | 33,138 |
| Transfer to West Pubnico Sewer Reserve Fund | <u>(29,230)</u> | - | - |
| Annual surplus | <u>\$ -</u> | 41,299 | 33,138 |
| Accumulated surplus, at beginning of year | | <u>158,434</u> | <u>125,296</u> |
| Accumulated surplus, at end of year | | <u>\$ 199,733</u> | <u>\$ 158,434</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.