



Grant Thornton

Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

Municipality of the District of Argyle

March 31, 2014

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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, 2014 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.

Yarmouth, Canada
September 30, 2014

Grant Thornton LLP

Chartered Accountants

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Taxes	\$ 4,519,818	\$ 4,575,598	\$ 4,544,968
Grants in lieu of taxes	140,816	149,105	141,825
Other revenue from own sources	278,621	333,831	316,060
Unconditional transfers from other governments	153,306	153,306	154,631
Conditional transfers from Federal or Provincial government or agencies	84,800	94,905	195,574
Other transfers	<u>1,200</u>	<u>1,200</u>	<u>1,200</u>
	<u>5,178,561</u>	<u>5,307,945</u>	<u>5,354,258</u>
Expenditures			
General government services	1,375,249	1,281,618	1,297,048
Protective services	1,502,698	1,452,041	1,421,004
Transportation services	343,130	434,943	271,678
Environmental health services	871,422	804,519	802,370
Public health services	210,500	166,400	177,403
Environmental development services	512,575	365,312	615,281
Recreation and cultural services	<u>571,685</u>	<u>489,418</u>	<u>438,686</u>
	<u>5,387,259</u>	<u>4,994,251</u>	<u>5,023,470</u>
Annual (deficit) surplus, before interfund transfers	(208,698)	313,694	330,788
Less transfers from (to) own reserves	<u>208,698</u>	<u>(109,137)</u>	<u>(320,257)</u>
Annual surplus	<u>\$ -</u>	<u>\$ 204,557</u>	<u>\$ 10,531</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

2014

2013

Assets

Cash and cash equivalents

Unrestricted

\$ 1,765,479

\$ 1,873,839

Restricted

260,917

232,624

2,026,396

2,106,463

Receivables

Taxes (Note 1 and 5)

411,673

423,219

Special assessments (Note 1)

186,076

197,276

Due from Provincial government and its agencies (Note 2)

12,485

53,179

Due from Federal government and its agencies (Note 3)

96,956

195,204

Due from own agencies

28,777

29,687

Loans receivable and advances

1,866

2,170

Other receivables

105,754

82,841

843,587

983,576

Other assets

Land held for resale

133,300

182,300

Properties acquired at tax sale

3,276

3,276

Prepaid expenses

64,520

26,112

201,096

211,688

\$ 3,071,079

\$ 3,301,727

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

2014

2013

Liabilities

Payables and accruals

Trade accounts	\$ 498,750	\$ 625,524
Due to own agencies	-	323
Due to own funds (Note 4)	<u>414,624</u>	<u>675,906</u>
	<u>913,374</u>	<u>1,301,753</u>

Other liabilities

Municipal tax prepayments	69,162	69,155
Deferred revenue	265,232	272,200
Tax sale surplus	<u>279,777</u>	<u>319,643</u>
	<u>614,171</u>	<u>660,998</u>

Equity

Accumulated surplus (Note 6)	<u>1,543,534</u>	<u>1,338,976</u>
	<u>\$ 3,071,079</u>	<u>\$ 3,301,727</u>

On Behalf of the Municipality of the District of Argyle

_____ Warden

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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

2014

2013

Assets

Due from Operating Fund	\$ -	\$ 498,254
Tangible capital assets, at cost (Page 6)	13,207,261	12,914,982
Less: Accumulated amortization (Page 6)	<u>(3,841,791)</u>	<u>(3,501,768)</u>
	\$ 9,365,470	\$ 9,911,468

Liabilities

Due to Capital Reserve Fund	\$ -	\$ 5,245,995
Federation of Canadian Municipalities – Green Municipal Fund loan bearing interest of 1.75% payable in bi-annual installments and principal installments of \$127,261 annually, maturing in 2021	<u>1,013,092</u>	<u>1,140,364</u>
	1,013,092	6,386,359

Equity

Investment in tangible capital assets	<u>8,352,378</u>	<u>3,525,109</u>
	\$ 9,365,470	\$ 9,911,468

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

2014

2013

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Total</u>	<u>Total</u>
Land	\$ 351,829	\$ -	\$ 351,829	\$ 351,829
Administrative buildings	128,702	39,471	89,231	70,055
West Pubnico Sewer	7,778,766	2,341,758	5,437,008	5,410,289
Tusket Sewer	2,779,693	616,916	2,162,777	2,189,698
Tusket Business Park Sewer	694,157	96,778	597,379	614,733
Wedgeport Sewer	65,650	19,694	45,956	47,597
Municipal roads	458,860	229,668	229,192	247,546
Sidewalks	86,333	75,971	10,362	13,815
Track and field	420,750	33,460	387,290	403,920
Organic compost bins	237,970	237,970	-	-
Equipment and machinery	154,651	127,093	27,558	29,715
Vehicles	49,900	23,012	26,888	34,017
	<u>\$ 13,207,261</u>	<u>\$ 3,841,791</u>	<u>\$ 9,365,470</u>	<u>\$ 9,413,214</u>

Non-Consolidated Statement of Investment in Tangible Capital Assets

(Unaudited – See Notice to Reader)

Year Ended March 31

2014

2013

Balance, beginning of year	\$ 3,525,109	\$ 3,864,682
Transfer to Operating Fund	(475,919)	-
Transfer from Capital Reserve Fund	5,643,211	-
Amortization of tangible capital assets	<u>(340,023)</u>	<u>(339,573)</u>
Balance, end of year	<u>\$ 8,352,378</u>	<u>\$ 3,525,109</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
1. Taxes			
Assessable property			
Residential	\$ 4,177,739	\$ 4,176,142	\$ 4,091,401
Commercial property	<u>1,025,739</u>	<u>1,026,879</u>	<u>1,016,876</u>
	<u>5,203,478</u>	<u>5,203,021</u>	<u>5,108,277</u>
Resource			
Taxable assessments	344,403	345,294	343,401
Recreation property tax	8,801	9,241	8,801
Forest property tax (less than 50,000 acres)	10,550	10,504	10,540
Forest property tax (50,000 acres or more)	<u>1,381</u>	<u>1,381</u>	<u>1,381</u>
	<u>365,135</u>	<u>366,420</u>	<u>364,123</u>
Area rates			
Protective services, tax	192,794	193,003	189,859
Environmental services, sewer	<u>164,227</u>	<u>166,060</u>	<u>164,202</u>
	<u>357,021</u>	<u>359,063</u>	<u>354,061</u>
User rates			
East Pubnico industrial water system (Note 7)	<u>40,500</u>	<u>41,735</u>	<u>38,798</u>
Business property			
Business occupancy	-	-	24,676
Based on revenue (Aliant)	45,000	49,165	46,655
Power Corporation	10,220	10,220	11,344
Power Corporation (HST rebate)	<u>12,000</u>	<u>16,472</u>	<u>26,179</u>
	<u>67,220</u>	<u>75,857</u>	<u>108,854</u>
Other taxes			
Wind farm developer tax	173,225	173,225	171,511
Deed transfer tax	<u>75,000</u>	<u>114,525</u>	<u>95,542</u>
	<u>248,225</u>	<u>287,750</u>	<u>267,053</u>
Education expenses as a reduction of tax revenue			
Appropriation to regional school board	<u>(1,453,467)</u>	<u>(1,453,464)</u>	<u>(1,397,702)</u>
Transmission of area fire rate taxes as a reduction of tax revenue			
Appropriation to regional fire departments	<u>(192,794)</u>	<u>(193,119)</u>	<u>(189,924)</u>
Tax rebates or cancellations, by bylaw	<u>(115,500)</u>	<u>(111,665)</u>	<u>(108,572)</u>
	<u>\$ 4,519,818</u>	<u>\$ 4,575,598</u>	<u>\$ 4,544,968</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
2. Grants in lieu of taxes			
Federal government	\$ 5,100	\$ 5,182	\$ 5,185
Provincial government	<u>135,716</u>	<u>143,923</u>	<u>136,640</u>
	<u>\$ 140,816</u>	<u>\$ 149,105</u>	<u>\$ 141,825</u>
3. Other revenue from own sources			
Licenses and permits	\$ 9,900	\$ 12,014	\$ 10,637
Municipal fines	1,300	975	4,986
Rentals	5,000	5,000	5,000
Return on investments	107,488	118,479	120,634
Penalties and interest on taxes	81,000	93,407	88,984
Wage recovery and user fees	42,000	64,630	39,571
Miscellaneous	31,933	42,837	46,248
Loss on sale of land – Tusket Business Park	-	(3,511)	-
	<u>\$ 278,621</u>	<u>\$ 333,831</u>	<u>\$ 316,060</u>
4. Unconditional transfers from other governments			
Provincial government			
Municipal Grants Act (Equalization)	\$ 147,426	\$ 147,426	\$ 148,977
Housing and Municipal Affairs	<u>5,880</u>	<u>5,880</u>	<u>5,654</u>
	<u>\$ 153,306</u>	<u>\$ 153,306</u>	<u>\$ 154,631</u>
5. Conditional transfers from Federal and Provincial governments or agencies			
Federal government			
Community and economic development	\$ 33,000	\$ 29,540	\$ 132,459
EMO 911 grant	2,700	2,851	3,599
Other grants	<u>49,100</u>	<u>62,514</u>	<u>59,516</u>
	<u>\$ 84,800</u>	<u>\$ 94,905</u>	<u>\$ 195,574</u>
6. Other transfers			
Services provided to other local governments and agencies	<u>\$ 1,200</u>	<u>\$ 1,200</u>	<u>\$ 1,200</u>
Total revenues	<u>\$ 5,178,561</u>	<u>\$ 5,307,945</u>	<u>\$ 5,354,258</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
7. General government services			
Legislative			
Warden			
Remuneration	\$ 27,132	\$ 27,132	\$ 27,132
Expenses	5,000	4,322	3,663
Council			
Remuneration	158,452	155,371	155,822
Expenses	<u>18,100</u>	<u>9,589</u>	<u>20,639</u>
	<u>208,684</u>	<u>196,414</u>	<u>207,256</u>
General administrative			
Administrative	593,075	535,825	521,216
Bank service charges	2,900	2,800	2,881
Financial audit	<u>22,000</u>	<u>24,728</u>	<u>21,928</u>
	<u>617,975</u>	<u>563,353</u>	<u>546,025</u>
Taxation			
Taxation, administration	87,785	84,461	80,367
Transfers for assessment services	200,055	200,055	202,414
Common services	<u>33,250</u>	<u>14,068</u>	<u>31,245</u>
	<u>321,090</u>	<u>298,584</u>	<u>314,026</u>
Valuation allowance			
Uncollectible taxes	<u>14,300</u>	<u>14,500</u>	<u>15,142</u>
Other general government services			
Conventions and delegations	59,700	44,698	82,890
General accident and damage claims and public liability insurance	24,500	23,989	23,926
Grants to other organizations and individuals	<u>129,000</u>	<u>140,080</u>	<u>107,783</u>
	<u>213,200</u>	<u>208,767</u>	<u>214,599</u>
	<u>\$ 1,375,249</u>	<u>\$ 1,281,618</u>	<u>\$ 1,297,048</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
8. Protective services			
Police protection	\$ 775,000	\$ 773,415	\$ 758,499
Law enforcement			
Transfer to correctional services	<u>110,532</u>	<u>110,532</u>	<u>111,979</u>
Fire protection			
Operating grant	239,710	239,710	234,635
Training and gear	42,050	36,102	29,504
Administrative and insurance costs	<u>27,200</u>	<u>27,137</u>	<u>26,376</u>
	<u>308,960</u>	<u>302,949</u>	<u>290,515</u>
Other protective services			
Protective and property inspection	243,056	214,973	198,261
Animal, pest and other control	32,950	32,583	30,504
Emergency measures and civic signage	<u>32,200</u>	<u>17,589</u>	<u>31,246</u>
	<u>308,206</u>	<u>265,145</u>	<u>260,011</u>
	<u>\$ 1,502,698</u>	<u>\$ 1,452,041</u>	<u>\$ 1,421,004</u>
9. Transportation services			
Roads and streets	\$ 46,933	\$ 45,338	\$ 47,891
Public transit study	-	-	13,510
Ferry service – consulting and support	30,000	27,790	10,728
Airport operations	215,000	327,156	199,549
Argyle trail improvement	<u>51,197</u>	<u>34,659</u>	<u>-</u>
	<u>\$ 343,130</u>	<u>\$ 434,943</u>	<u>\$ 271,678</u>
10. Environmental health services			
Sewage collection and disposal	\$ 229,677	\$ 200,102	\$ 207,622
East Pubnico industrial water system (Note 7)	40,500	21,648	18,034
Garbage and waste collection and disposal			
Municipal collection and disposal	579,834	568,368	540,713
Other	<u>21,411</u>	<u>14,401</u>	<u>36,001</u>
	<u>\$ 871,422</u>	<u>\$ 804,519</u>	<u>\$ 802,370</u>
11. Public health services			
Deficit of regional housing authority	\$ 26,000	\$ 17,696	\$ 24,325
Medical Centre deficit funding and physician incentives	<u>184,500</u>	<u>148,704</u>	<u>153,078</u>
	<u>\$ 210,500</u>	<u>\$ 166,400</u>	<u>\$ 177,403</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
12. Environmental development services			
Environmental planning and zoning			
Transfer to regional planning	\$ 101,080	\$ 94,403	\$ 68,546
Community development			
Regional Development Authority and Industrial Commission	209,500	86,123	251,748
Economic development study – Argyle	-	-	60,486
Other environmental services			
Tourism	65,500	75,201	81,270
Community development office	79,644	61,037	105,474
Senior safety	53,151	48,145	47,381
Other	3,700	403	376
	<u>\$ 512,575</u>	<u>\$ 365,312</u>	<u>\$ 615,281</u>
13. Recreation and cultural services			
Administration	\$ 333,168	\$ 252,907	\$ 230,698
Cultural buildings and facilities:			
Historic sites	143,686	144,176	124,530
Mariners Centre	7,500	7,500	-
Pubnico Library	30,100	28,948	27,484
Transfers to Regional Library	54,031	54,031	54,031
Volunteer banquet	3,200	1,856	1,943
	<u>\$ 571,685</u>	<u>\$ 489,418</u>	<u>\$ 438,686</u>
Total expenditures before transfers	<u>\$ 5,387,259</u>	<u>\$ 4,994,251</u>	<u>\$ 5,023,470</u>
14. Transfers to (from) own reserves, funds and agencies			
Prior year surplus	\$ (119,000)	\$ -	\$ -
Tangible Capital Assets Fund	-	(475,919)	-
Operating Reserve Fund	(193,486)	50,000	190,000
Capital Reserve Fund – West			
Pubnico Sewer (Note 8)	-	275,268	-
Capital Reserve Fund - other	103,788	259,788	130,257
	<u>\$ (208,698)</u>	<u>\$ 109,137</u>	<u>\$ 320,257</u>
Total expenditures	<u>\$ 5,178,561</u>	<u>\$ 5,103,388</u>	<u>\$ 5,343,727</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

2014

2013

Assets

Cash and cash equivalents	\$ 3,430,921	\$ 2,901,004
Due from Operating Fund	364,624	27,652
Due from Tangible Capital Asset Fund	-	5,245,995
HST rebate receivable	29,448	-
Due from Yarmouth County Solid Waste Management Authority	-	30,868
Due from Province of Nova Scotia	50,906	162,754
Receivable from West Pubnico residents – capital fee	<u>654,427</u>	<u>714,009</u>
	<u>\$ 4,530,326</u>	<u>\$ 9,082,282</u>

Liabilities

Trade payables	\$ 18,554	\$ 45,655
Deferred revenues	<u>589,003</u>	<u>183,075</u>
	<u>607,557</u>	<u>228,730</u>

Equity

Capital reserve	<u>3,922,769</u>	<u>8,853,552</u>
	<u>\$ 4,530,326</u>	<u>\$ 9,082,282</u>

Non-Consolidated Statement of Capital Reserve Fund

(Unaudited – See Notice to Reader)

March 31

2014

2013

Balance, beginning of year	\$ 8,853,552	\$ 8,542,069
Revenues		
Transfer from Operating Fund	535,056	130,257
Federal gas tax revenue	67,011	179,806
Adjustment to gas tax revenue	(148,241)	-
Federal and provincial capital funding	185,906	24,878
Wedgeport sewer study funding	5,731	8,377
Interest on investments and savings	<u>87,699</u>	<u>50,295</u>
	<u>733,162</u>	<u>393,613</u>
Expenses		
Transfer to Tangible Capital Assets Fund	5,643,211	-
Yarmouth County Solid Waste Management Authority	(115)	63,336
Wedgeport sewer study	10,420	16,754
Miscellaneous	<u>10,429</u>	<u>2,040</u>
	<u>5,663,945</u>	<u>82,130</u>
Balance, end of year	<u>\$ 3,922,769</u>	<u>\$ 8,853,552</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 Operating Reserve Fund Balance Sheet

(Unaudited – See Notice to Reader)

March 31 2014 2013

Assets

Cash and cash equivalents	\$ 1,780,162	\$ 1,546,596
Due from Operating Fund	50,000	150,000
Due from Municipality of the District of Yarmouth	55,374	55,374
Due from Yarmouth Area Industrial Commission	<u>28,208</u>	<u>28,208</u>
	<u>\$ 1,913,744</u>	<u>\$ 1,780,178</u>

Equity

Operating reserve	\$ 1,913,744	\$ 1,780,178
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Non-Consolidated Statement of Operating Reserve Fund

(Unaudited – See Notice to Reader)

March 31 2014 2013

Balance, beginning of year	\$ 1,780,178	\$ 1,553,619
Revenues		
Interest earned	42,078	36,559
Excess funds remaining – Jeux de l'Acadie (Note 9)	41,488	-
Transfers from Operating Fund	<u>50,000</u>	<u>190,000</u>
	<u>133,566</u>	<u>226,559</u>
Balance, end of year	<u>\$ 1,913,744</u>	<u>\$ 1,780,178</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, 2014

1. Taxes receivable and special assessments receivable			<u>2014</u>	<u>2013</u>
	<u>Current</u>	<u>Prior</u>	<u>Total</u>	<u>Total</u>
Taxes receivable, beginning of year	\$ -	\$ 423,219	\$ 423,219	\$ 454,010
Levy	<u>6,101,729</u>	<u>-</u>	<u>6,101,729</u>	<u>6,022,648</u>
	<u>6,101,729</u>	<u>423,219</u>	<u>6,524,948</u>	<u>6,476,658</u>
Collections	5,733,167	257,480	5,990,647	5,940,567
Write-offs	-	14,500	14,500	15,142
Reduced taxes	<u>111,665</u>	<u>-</u>	<u>111,665</u>	<u>108,572</u>
	<u>5,844,832</u>	<u>271,980</u>	<u>6,116,812</u>	<u>6,064,281</u>
	256,897	151,239	408,136	412,377
Interest on taxes	32,590	27,589	60,179	58,673
Less valuation allowance (Note 5)	<u>(5,811)</u>	<u>(50,831)</u>	<u>(56,642)</u>	<u>(47,831)</u>
Taxes receivable, end of year	<u>\$ 283,676</u>	<u>\$ 127,997</u>	<u>\$ 411,673</u>	<u>\$ 423,219</u>

Special assessment – 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, 2014, the principal balance owed from the Tusket residents is \$186,076 (2013 - \$197,276). 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.

Special assessment – 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, 2014, the principal balance owed from the West Pubnico residents is \$654,427 (2013 - \$714,009). Interest is included as revenue in the year that it is received, and not included in the Special assessment receivable. This receivable is recorded in the Capital Reserve Fund.

Total amounts receivable for special assessments for both Tusket and West Pubnico is \$840,503 (2013 - \$911,285).

2. Due from Provincial government and its agencies	<u>2014</u>	<u>2013</u>
Aliant Telecom	\$ 12,485	\$ 12,227
Province of Nova Scotia	-	40,204
Other	<u>-</u>	<u>748</u>
	<u>\$ 12,485</u>	<u>\$ 53,179</u>

Municipality of the District of Argyle

Notes to Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

March 31, 2014

3. Due from Federal government and its agencies	<u>2014</u>	<u>2013</u>
Atlantic Canada Opportunities Agency	\$ -	\$ 45,364
HST receivable	<u>96,956</u>	<u>149,840</u>
	<u>\$ 96,956</u>	<u>\$ 195,204</u>

4. Due to own funds	<u>2014</u>	<u>2013</u>
Capital Reserve Fund	\$ 364,624	\$ 27,652
Operating Reserve Fund	50,000	150,000
Tangible Capital Assets Fund	<u>-</u>	<u>498,254</u>
	<u>\$ 414,624</u>	<u>\$ 675,906</u>

5. Valuation allowance - uncollectible taxes	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 47,831	\$ 33,000
Add		
Provision for the year	<u>23,311</u>	<u>29,973</u>
	<u>71,142</u>	<u>62,973</u>
Deduct		
Taxes and interest written off	<u>14,500</u>	<u>15,142</u>
Balance, end of year – see Note 1	<u>\$ 56,642</u>	<u>\$ 47,831</u>

6. Accumulated surplus	<u>2014</u>	<u>2013</u>
Balance, beginning of year	\$ 1,338,976	\$ 1,328,445
Annual surplus	<u>204,557</u>	<u>10,531</u>
Balance, end of year	<u>\$ 1,543,534</u>	<u>\$ 1,338,976</u>

7. East Pubnico industrial water system	<u>2014</u>	<u>2013</u>
Revenues	\$ 41,735	\$ 38,798
Expenditures	<u>21,648</u>	<u>18,034</u>
Annual surplus	20,087	20,764
Accumulated surplus, beginning of year	<u>20,764</u>	<u>-</u>
Accumulated surplus, end of year	<u>\$ 40,851</u>	<u>\$ 20,764</u>

Municipality of the District of Argyle

Notes to Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)
March 31, 2014

8. Transfer to Capital Reserve – West Pubnic Sewer

During fiscal 2014, the Municipality recorded a transfer of \$275,268 from the West Pubnico Sewer surplus to the Capital Reserve. This represents the West Pubnico Sewer's portion of cost for the dewatering capital project.

In the current year, \$40,000 was paid to the Capital Reserve with \$235,268 remaining as payable to the reserve. The Municipality of the District of Argyle and the West Pubnico Sewer Committee agreed to a 7 year repayment plan.

9. Operating Reserve – Jeux l'Acadie

During fiscal 2014, surplus funds from the Jeux de l'Acadie were transferred to the Municipality. These funds are earmarked for investment in sports infrastructure, in accordance with the organizing committee of les Jeux.

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

(Unaudited – See Notice to Reader)

Year Ended March 31

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Levy	\$ 25,890	\$ 27,213	\$ 25,306
Hookup fee	1,000	-	1,000
Interest revenue	<u>800</u>	<u>1,243</u>	<u>1,117</u>
	<u>27,690</u>	<u>28,456</u>	<u>27,423</u>
Expenditures			
Administration			
Administration, contract	2,000	2,000	2,000
Professional fees	200	200	181
Tax relief and adjustments	<u>400</u>	<u>-</u>	<u>-</u>
	<u>2,600</u>	<u>2,200</u>	<u>2,181</u>
Operating			
Chlorine/Lab testing	1,600	1,611	1,464
Equipment reserve	-	-	845
General repairs - sewer	3,400	1,000	3,395
Liability insurance	700	700	700
Other	405	72	81
Power	9,955	10,957	9,714
Repairs and maintenance - grounds	730	1,418	730
Repairs and maintenance - plant	4,500	5,420	4,695
Septic tank services	<u>3,800</u>	<u>8,710</u>	<u>435</u>
	<u>25,090</u>	<u>29,888</u>	<u>22,059</u>
Total expenditures	<u>27,690</u>	<u>32,088</u>	<u>24,240</u>
Annual (deficit) surplus	<u>\$ -</u>	<u>(3,632)</u>	<u>3,183</u>
Accumulated surplus, at beginning of year		<u>24,860</u>	<u>21,677</u>
Accumulated surplus, at end of year		<u>\$ 21,228</u>	<u>\$ 24,860</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

2014

2013

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenue			
Levy	\$ 138,337	\$ 138,847	\$ 138,896
Hook-up charges	2,000	-	2,000
Sale of services	8,000	6,000	-
Interest on collections	2,200	2,729	2,798
Interest on capital levy	<u>35,000</u>	<u>36,277</u>	<u>39,490</u>
	<u>185,537</u>	<u>183,853</u>	<u>183,184</u>
Expenditures			
Administration			
Professional fees	1,800	1,800	1,632
Tax relief and adjustments	<u>400</u>	<u>-</u>	<u>-</u>
	<u>2,200</u>	<u>1,800</u>	<u>1,632</u>
Operating			
Capital repairs	12,000	5,835	8,380
General maintenance and repairs	11,200	9,967	13,682
Interest	19,500	19,214	20,455
Lab testing	2,000	2,331	2,111
Liability insurance	5,500	5,500	4,000
Office supplies	1,100	219	483
Other	-	448	2,613
Power	33,500	35,563	31,401
Professional development	2,000	1,376	1,339
Salaries and benefits	45,558	42,535	34,254
Scada system	4,000	1,869	2,923
Septic tank services	2,000	2,754	621
Sludge removal	18,000	36,156	56,627
Travel	<u>3,000</u>	<u>2,447</u>	<u>2,861</u>
	<u>159,358</u>	<u>166,214</u>	<u>181,750</u>
Total expenditures	<u>161,558</u>	<u>168,014</u>	<u>183,382</u>
Annual surplus (deficit), before transfer to reserve	23,979	15,839	(198)
Transfer to Capital Reserve Fund	<u>41,229</u>	<u>275,268</u>	<u>-</u>
Annual (deficit) surplus	<u>\$ (17,250)</u>	<u>(259,429)</u>	<u>(198)</u>
Accumulated surplus, at beginning of year		<u>285,751</u>	<u>285,949</u>
Accumulated surplus, at end of year		<u>\$ 26,322</u>	<u>\$ 285,751</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.