



SEMI ANNUAL REVIEW

STATEMENT OF OPERATIONS

April 1 to September 30, 2022



SUMMARY

The Municipality of Argyle has completed 6 months of operations as at September 30, 2022. Overall, we are projecting a surplus of \$236,612, of which \$215,183 belongs to the operating fund, and the rest to the individual water and wastewater funds we manage on behalf of East and West Pubnico, Tusket and Wedgeport. As we are still at the halfway point of the year, there are many variables that can speed up/slow down expenditures or fee generated revenues. The following report goes into more detail on each important service sector we provide.

REVENUES

OVERALL

Overall, revenues are projecting \$107,326 above our operating budget which is prorated to the half year point. About 75% of this increase is due to Deed Transfer Tax Revenues that continue to soar above expectations. The remaining areas that are trending stronger include our HST rebate, and interest and penalties on taxes

DEED TRANSFER

Last year was the largest income derived from deed transfers ever at \$389,000. We expected the number not to repeat, and are always conservative in our estimates, so we set the budget at \$240,000 for this fiscal year, prorated at the halfway point, that would be \$120,000. Actual revenues are \$200,000. At this rate, we could approach or even surpass last year's revenues, which of course benefits current and future initiatives.

HST REBATE AND INTEREST

Our HST rebate was significantly higher this year, as we spent a much larger portion of HST on our new building. Not knowing the impact on our rebate, we budgeted lightly. We show a \$10,000 variance at the halfway point, and this would double by year end. Our cash reserves are always higher in the first 6 months of the year, which accounts for the positivity, which is likely to fade in the second half. Penalties and interest on unpaid taxes are expected to show about a \$10,000 positive variance by March 2023



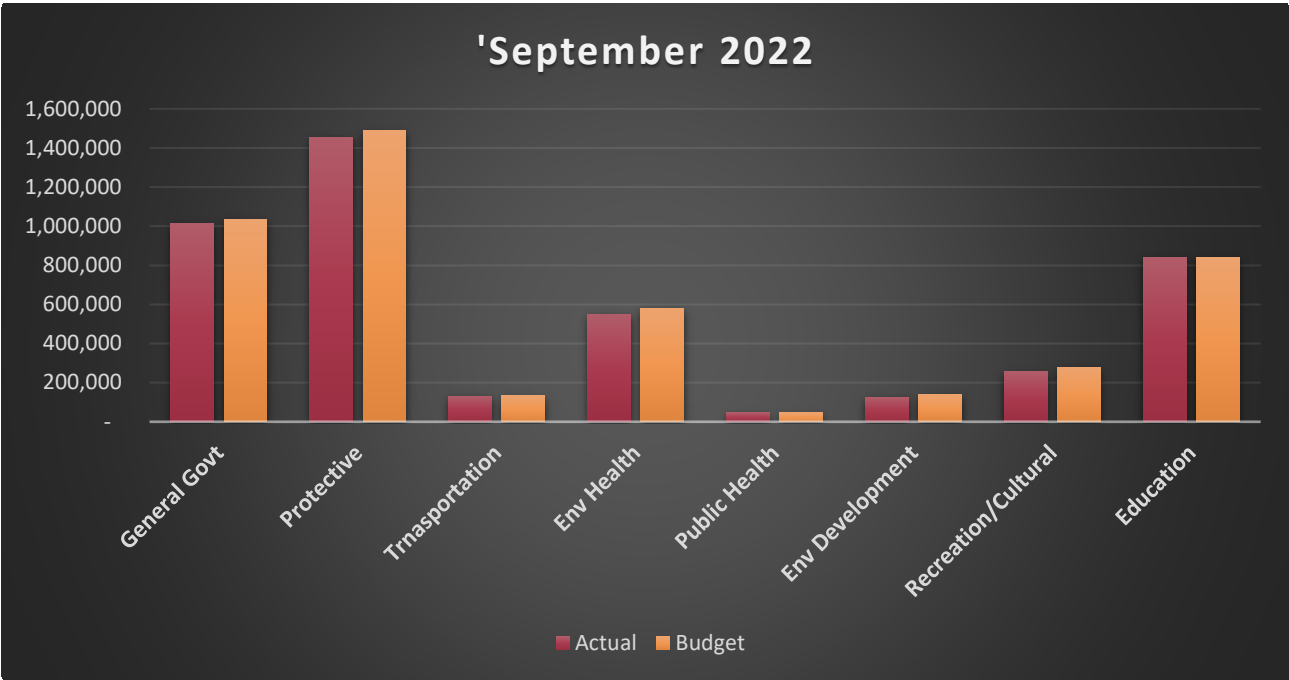


EXPENDITURES

Overall, Expenditures are lower than expected, down \$129,286 from our budgeted activity. Actual expenses are shown at \$4,716,809, with many of the items prorated to reflect what we expect, when the actual invoice has not yet been entered. This proration is done with lots of knowledge of the business and internal operations, and led by the Director of Finance, and approved for Council’s report by the CAO.

Expenditures are classified by type, with the major expenditures in the following sectors: General Government Services, Protective Services, Transportation Services, Environmental Health Services, Public Health Services, Environmental Development Services, Recreation/Cultural Services and Education.

Chart one – Comparison of actual expenditures to budget



GENERAL GOVERNMENT

Representing 21% of current expenditures, this grouping includes the office of the CAO, Finance, IT, Taxation, Audit, Grants to Organizations, Long term debt costs, Assessment recovery, legal and general operations. When compared to budget, expenditures are \$21,373 lower than anticipated, with most of the savings in employee benefits and training. Both expenditures could speed up as we enter the second half. Overall, a very solid and accurate result thus far.

PROTECTIVE SERVICES

Representing 31% of current expenditures, this grouping includes Policing and Fire Services, Correctional Services costs, Regional Emergency Management Organization (REMO), The Operations and Protective Services department costs, Animal control, Senior Safety and our shared Geographic Information Specialist. When compared to budget, expenditures are down \$36,960. Most of the current savings are due to lower training costs in both Fire Protection and Protective Services. REMO is currently lower than expected, as has been the case most years since its creation, as the budget must predict weather activity that may or may not occur. Overall, we anticipate training costs to speed up by years end, and overall, a solid and accurate result.

TRANSPORTATION SERVICES

Representing just shy of 3% of current expenditures, this group includes our annual operating cost of roads (paid mostly to the province) and airport operations. The total budget at half way point is \$131,656 and the actual costs are essentially identical, as expected.





EXPENDITURES

ENVIRONMENTAL HEALTH

Representing 11.5% of current expenditures, this group includes Wastewater collection for all three communities, solid waste collection (landfill, recycling, organic) and disposal, Industrial water utility and costs related to dangerous or unsightly premises. When compared to budget, Argyle shows a savings of \$30,424, with the budgeted amount at \$580,694. Wastewater collection costs in Tusket and West Pubnico lead the way in savings. Most of the budgeted expenditures are required, thus the second half of the year should come closer to our expectations. Overall, we are operating within budget, and reasonably accurate to expectations.

PUBLIC HEALTH

Representing 1% of total expenditures, this group includes our portion of medical clinic subsidy and our portion of hiring a doctor recruitment navigator. Total budget at the halfway point is \$47,849 and our actuals match exactly. Actual differences won't be reflected until the year end.

ENVIRONMENTAL DEVELOPMENT

Representing 2.7% of total expenditures, this group includes Planning and zoning, Community and Economic Development, Housing costs paid to the province, Business and residential park costs, and Tourism. Actuals are \$15,115 shy of the total budget (at halfway point) of \$125,151. Virtually all the variance is due to our decision to discontinue the Community Development Officer position, in favor of a second Development Officer/Building Official. Since the second position hasn't been filled, the variance of \$15,874 in the Community Development Department is a real savings.



EXPENDITURES

RECREATION/CULTURAL

Representing 5.5% of total expenditures, this group includes Recreation, Active Living, Regional and Local Library, and Courthouse/Archives operations. Total budget for the halfway point is \$255,200, with expenses at a savings of \$23,067. While there are minor savings in the courthouse, \$11,063 of these savings rest within recreation, mostly due to reduced program expenses, Recreation also saw an improved revenues in fees and recoveries. We are expecting a surplus in this group by the end of the year.

EDUCATION

Representing 18% of total expenditures to date, education is a transfer to the Province of NS to offset their costs of delivering this service. We have no control on the amount, and the total budget, and actual, amounts equal \$841,639. This amount is known at the beginning of the year, and expenditures always match the budget.

The remaining expenditures are not listed here, and represent transfers to other funds, such as the capital reserve.

