



Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

Municipality of the District of Argyle

March 31, 2020

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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, 2020 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

Yarmouth, Canada
September 8, 2020

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

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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Taxes, net of mandatory expenditures	\$ 5,214,638	\$ 5,236,368	\$ 5,017,055
Grants in lieu of taxes	149,502	150,892	150,111
Other revenue from own sources	269,065	356,702	310,296
Unconditional transfers from other governments	187,862	190,175	184,042
Conditional transfers from Federal or Provincial government or agencies	58,773	70,653	78,210
Services provided to other governments	68,225	97,771	135,445
Sales of services	48,000	54,982	58,782
	<u>5,996,065</u>	<u>6,157,543</u>	<u>5,933,941</u>
Expenses			
General government services	1,755,910	1,730,199	1,635,710
Protective services	1,749,844	1,703,812	1,572,472
Transportation services	256,466	246,466	276,989
Environmental health services	1,154,413	1,040,537	951,109
Public health services	90,000	84,156	72,433
Environmental development services	379,202	352,945	436,080
Recreation and cultural services	672,624	632,238	624,434
	<u>6,058,459</u>	<u>5,790,353</u>	<u>5,569,227</u>
Annual (deficit) surplus before interfund transfers	(62,394)	367,190	364,714
Transfers from (to) own reserves	<u>62,394</u>	<u>(250,000)</u>	<u>(238,493)</u>
Annual surplus before transfer	-	117,190	126,221
Transfer of annual surplus to Operating Reserve	<u>-</u>	<u>(117,190)</u>	<u>(126,221)</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

2020

2019

Assets

Cash and cash equivalents

Unrestricted

\$ 1,655,752

\$ 1,868,395

Restricted

311,173

312,012

1,966,925

2,180,407

Receivables

Taxes and sewer (Note 1 and 6)

453,444

327,753

Long term taxes receivable (Note 1)

412,157

521,695

Due from Provincial government and its agencies (Note 2)

8,841

9,156

Due from Federal government and its agencies (Note 3)

36,262

29,845

Loans receivable and advances

2,883

674

Water supply upgrade lending program (Note 4)

129,852

93,705

Other receivables

185,207

78,950

1,228,646

1,061,778

Other assets

Land held for resale

41,212

70,446

Properties acquired at tax sale

3,279

3,279

Prepaid expenses

20,300

15,877

64,791

89,602

\$ 3,260,362

\$ 3,331,787

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

2020

2019

Liabilities

Payables and accruals

Trade accounts

\$ 318,027

\$ 326,374

Due to own funds (Note 5)

2,177,451

2,263,421

2,495,478

2,589,795

Other liabilities

Municipal tax prepayments

159,496

152,749

Deferred revenue

279,173

271,568

Tax sale surplus

326,215

317,675

764,884

741,992

Equity

Accumulated surplus

-

-

\$ 3,260,362

\$ 3,331,787

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 2020 2019

Assets

Tangible capital assets, at cost (Page 6)	\$ 17,061,781	\$ 16,365,688
Less: Accumulated amortization (Page 6)	<u>(6,087,546)</u>	<u>(5,673,694)</u>
	<u>\$ 10,974,235</u>	<u>\$ 10,691,994</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	\$ 249,456	\$ 376,729
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Equity

Investment in tangible capital assets (Page 6)	<u>10,724,779</u>	<u>10,315,265</u>
	<u>\$ 10,974,235</u>	<u>\$ 10,691,994</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			2020	2019
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Total</u>	<u>Total</u>
Land	\$ 495,632	\$ -	\$ 495,632	\$ 495,632
Administrative buildings	829,046	84,938	744,108	612,914
West Pubnico Sewer	8,576,691	3,500,513	5,076,178	5,271,958
Tusket Sewer	2,794,405	1,035,340	1,759,065	1,828,925
Tusket Business Park Sewer	751,807	205,225	546,582	565,377
Wedgeport Sewer	969,857	75,268	894,589	909,387
Municipal roads	696,737	339,792	356,945	137,422
Sidewalks and trails	144,978	98,063	46,915	50,825
Track and field	420,750	134,440	286,310	303,140
Tennis court	185,930	61,975	123,955	136,350
Organic compost bins	237,970	237,970	-	-
Wind turbines	335,275	67,056	268,219	284,983
Solar panels	272,839	13,642	259,197	-
Equipment and machinery	139,958	131,032	8,926	9,613
Vehicles	209,906	102,292	107,614	85,468
	<u>\$ 17,061,781</u>	<u>\$ 6,087,546</u>	<u>\$ 10,974,235</u>	<u>\$10,691,994</u>

Non-Consolidated Statement of Investment in Tangible Capital Assets

(Unaudited – See Notice to Reader)

Year Ended March 31	2020	2019
Balance, beginning of year	\$10,315,265	\$ 9,811,584
Transfer from Operating Fund	127,273	155,766
Transfer from Capital Reserve Fund	696,097	712,942
Loss on disposal of tangible capital assets	-	(10,000)
Amortization of tangible capital assets	<u>(413,856)</u>	<u>(355,027)</u>
Balance, end of year	<u>\$10,724,779</u>	<u>\$10,315,265</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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
1. Taxes			
Assessable property			
Residential	\$ 4,722,837	\$ 4,723,002	\$ 4,534,598
Commercial			
Commercial property	1,112,857	1,120,495	1,101,416
Seasonal property	12,816	12,459	12,337
Forest property tax (50,000 acres or more)	<u>120</u>	<u>121</u>	<u>260</u>
	<u>5,848,630</u>	<u>5,856,077</u>	<u>5,648,611</u>
Resource			
Taxable assessments	396,311	391,746	363,414
Forest property tax (less than 50,000 acres)	<u>10,734</u>	<u>10,829</u>	<u>10,735</u>
	<u>407,045</u>	<u>402,575</u>	<u>374,149</u>
Other assessable property taxes			
Recreation property tax	12,387	12,387	11,797
Farm property tax	7,100	7,183	7,060
Wind farm payment – Province of Nova Scotia	33,432	33,432	33,101
Conservation payment	<u>1,400</u>	<u>2,176</u>	<u>2,048</u>
	<u>54,319</u>	<u>55,178</u>	<u>54,006</u>
Special tax agreements			
Based on revenue (Bell Aliant)	36,000	36,310	40,693
Wind farm developer tax	<u>186,659</u>	<u>186,658</u>	<u>184,811</u>
	<u>222,659</u>	<u>222,968</u>	<u>225,504</u>
Other rates, charges and assessments			
Environmental services, sewer	215,734	215,574	216,354
East Pubnico industrial water system (Note 7)	43,500	37,742	42,794
Fire area rates, tax	397,447	396,351	262,400
Appropriation to regional fire departments	<u>(397,447)</u>	<u>(396,973)</u>	<u>(262,465)</u>
	<u>259,234</u>	<u>252,694</u>	<u>259,083</u>
Other taxes			
Deed transfer tax	123,000	153,069	125,951
Intermunicipal tax sharing agreement – Yarmouth Airport	<u>28,000</u>	<u>27,902</u>	<u>28,008</u>
	<u>151,000</u>	<u>180,971</u>	<u>153,959</u>
Expenses as a reduction of tax revenue			
Appropriation to regional school board	(1,598,416)	(1,598,416)	(1,572,832)
Transfer to correctional services	(104,833)	(104,833)	(105,425)
Deficit of Regional Housing Authority	<u>(25,000)</u>	<u>(30,846)</u>	<u>(20,000)</u>
	<u>(1,728,249)</u>	<u>(1,734,095)</u>	<u>(1,698,257)</u>
	<u>\$ 5,214,638</u>	<u>\$ 5,236,368</u>	<u>\$ 5,017,055</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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
2. Grants in lieu of taxes			
Federal government	\$ 10,500	\$ 10,735	\$ 10,604
Provincial government	<u>139,002</u>	<u>140,157</u>	<u>139,507</u>
	<u>\$ 149,502</u>	<u>\$ 150,892</u>	<u>\$ 150,111</u>
3. Other revenue from own sources			
Licenses and permits	\$ 13,150	\$ 11,132	\$ 19,152
Municipal fines	4,500	7,987	4,883
Rentals	6,000	6,000	8,333
Return on investments	95,695	98,530	107,199
Penalties and interest on taxes	67,400	88,621	65,618
Wage recovery and user fees	58,050	55,005	55,929
Miscellaneous	25,270	87,000	39,197
(Loss) gain on sale of land	<u>(1,000)</u>	<u>2,427</u>	<u>9,985</u>
	<u>\$ 269,065</u>	<u>\$ 356,702</u>	<u>\$ 310,296</u>
4. Unconditional transfers from other governments			
Provincial government			
Municipal Grants Act (Equalization)	\$ 154,923	\$ 154,923	\$ 154,923
Power Corporation	16,939	16,939	13,107
Power Corporation (HST rebate)	<u>16,000</u>	<u>18,313</u>	<u>16,012</u>
	<u>\$ 187,862</u>	<u>\$ 190,175</u>	<u>\$ 184,042</u>
5. Conditional transfers from Federal and Provincial governments or agencies			
Community and economic development	\$ 11,648	\$ 14,374	\$ 11,511
EMO 911 grant	2,825	2,859	2,877
Active living and senior safety	<u>44,300</u>	<u>53,420</u>	<u>63,822</u>
	<u>\$ 58,773</u>	<u>\$ 70,653</u>	<u>\$ 78,210</u>
6. Services provided to other governments			
Services provided to other local governments and agencies	<u>\$ 68,225</u>	<u>\$ 97,771</u>	<u>\$ 135,445</u>
7. Sales of services			
Wind power	<u>\$ 48,000</u>	<u>\$ 54,982</u>	<u>\$ 58,782</u>
Total revenues	<u>\$ 5,996,065</u>	<u>\$ 6,157,543</u>	<u>\$ 5,933,941</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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
8. General government services			
Legislative			
Warden			
Remuneration	\$ 35,300	\$ 33,943	\$ 32,716
Expenses	3,600	2,230	2,480
Council			
Remuneration	176,100	176,735	163,203
Expenses	<u>45,150</u>	<u>34,616</u>	<u>58,341</u>
	<u>260,150</u>	<u>247,524</u>	<u>256,740</u>
General administrative			
Administrative	711,440	707,578	649,178
Bank service charges	6,000	5,268	6,437
Financial audit	<u>24,000</u>	<u>30,734</u>	<u>23,597</u>
	<u>741,440</u>	<u>743,580</u>	<u>679,212</u>
Taxation			
Taxation, administration	107,250	105,703	102,042
Tax rebates or cancellations, by bylaw	140,000	138,784	124,443
Transfers for assessment services	198,522	198,522	195,381
Common services	<u>25,700</u>	<u>23,568</u>	<u>24,640</u>
	<u>471,472</u>	<u>466,577</u>	<u>446,506</u>
Valuation allowance			
Uncollectible taxes	<u>8,000</u>	<u>13,987</u>	<u>8,049</u>
Other general government services			
Conventions and delegations	21,250	17,910	13,000
General accident and damage claims and public liability insurance	28,000	25,291	27,483
Grants to other organizations and individuals	<u>225,598</u>	<u>215,330</u>	<u>204,720</u>
	<u>274,848</u>	<u>258,531</u>	<u>245,203</u>
	<u>\$ 1,755,910</u>	<u>\$ 1,730,199</u>	<u>\$ 1,635,710</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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
9. Protective services			
Police protection	\$ <u>900,750</u>	\$ <u>898,162</u>	\$ <u>890,599</u>
Fire protection			
Operating grant	269,232	269,232	269,232
Training and gear	129,400	101,821	50,185
Administrative and insurance costs	<u>38,962</u>	<u>35,932</u>	<u>28,705</u>
	<u>437,594</u>	<u>406,985</u>	<u>348,122</u>
Other protective services			
Protective and property inspection	349,300	341,576	274,144
Animal, pest and other control	29,700	29,669	29,637
Emergency measures and civic signage	<u>32,500</u>	<u>27,420</u>	<u>29,970</u>
	<u>411,500</u>	<u>398,665</u>	<u>333,751</u>
	<u>\$ 1,749,844</u>	<u>\$ 1,703,812</u>	<u>\$ 1,572,472</u>
10. Transportation services			
Roads and streets	\$ 47,816	\$ 47,816	\$ 46,880
Airport operations	<u>208,650</u>	<u>198,650</u>	<u>230,109</u>
	<u>\$ 256,466</u>	<u>\$ 246,466</u>	<u>\$ 276,989</u>
11. Environmental health services			
Sewage collection and disposal	\$ 350,141	\$ 240,431	\$ 210,825
East Pubnico industrial water system (Note 7)	48,500	78,860	21,392
Garbage and waste collection contract	381,572	378,786	370,667
Garbage and waste disposal and diversion	327,200	313,912	304,113
Other	<u>47,000</u>	<u>28,548</u>	<u>44,112</u>
	<u>\$ 1,154,413</u>	<u>\$ 1,040,537</u>	<u>\$ 951,109</u>
12. Public health services			
Medical Centre deficit funding and physician recruitment	\$ 90,000	\$ 84,156	\$ 72,433

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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
13. Environmental development services			
Environmental planning and zoning	\$ 106,850	\$ 117,553	\$ 134,388
Community development			
Regional Enterprise Network and			
Industrial Commission	53,752	49,092	63,748
Other environmental services			
Tourism and aquaculture development	90,750	82,282	107,130
Community development office	65,400	56,539	60,446
Senior safety coordinator	56,150	56,332	54,333
Solar panels	-	3,030	-
Other	6,300	(11,883)	16,035
	<u>\$ 379,202</u>	<u>\$ 352,945</u>	<u>\$ 436,080</u>
14. Recreation and cultural services			
Administration	\$ 355,011	\$ 334,088	\$ 310,842
Cultural buildings and facilities:			
Historic sites	166,900	140,225	153,136
Mariners Centre	75,000	84,071	86,698
Pubnico Library	21,700	19,841	19,745
Regional Library	54,013	54,013	54,013
	<u>\$ 672,624</u>	<u>\$ 632,238</u>	<u>\$ 624,434</u>
Total expenses before transfers	<u>\$ 6,058,459</u>	<u>\$ 5,790,353</u>	<u>\$ 5,569,227</u>
15. Transfers to (from) own reserves, funds and agencies			
Tangible Capital Assets Fund	\$ 27,776	\$ 127,273	\$ 155,766
Operating Reserve Fund	(97,898)	-	-
Capital Reserve Fund	135,000	250,000	210,000
Capital Reserve Fund – loan principal repayment	(127,272)	(127,273)	(127,273)
	<u>\$ (62,394)</u>	<u>\$ 250,000</u>	<u>\$ 238,493</u>
Total expenses	<u>\$ 5,996,065</u>	<u>\$ 6,040,353</u>	<u>\$ 5,807,720</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

2020

2019

Assets

Cash and cash equivalents	\$ 4,656,323	\$ 4,171,883
Due from Operating Fund	264,167	467,327
HST rebate receivable	-	4,578
Due from Province of Nova Scotia	-	64,351
Accounts receivable – Wedgeport Sewer	9,221	-
	<u>\$ 4,929,711</u>	<u>\$ 4,708,139</u>

Liabilities

Payables and accruals	\$ 2,620	\$ 50,668
Deferred revenues – gas tax	1,434,329	1,272,651
	<u>1,436,949</u>	<u>1,323,319</u>

Equity

Capital reserve (Page 13)	<u>3,492,762</u>	<u>3,384,820</u>
	<u>\$ 4,929,711</u>	<u>\$ 4,708,139</u>

See accompanying notes to the non-consolidated financial statements.

Municipality of the District of Argyle

Non-Consolidated Statement of Capital Reserve Fund

(Unaudited – See Notice to Reader)

March 31

2020

2019

	Admin Building	Post Closure Liability	Gas Tax	General	Total	Total
Balance, beginning of year	\$ 1,417,460	\$ 30,000	\$ -	\$ 1,937,360	\$ 3,384,820	\$ 3,472,329
Revenues						
Transfer from Operating Fund	-	-	-	250,000	250,000	210,000
Federal gas tax revenue	-	-	537,715	-	537,715	394,456
Federal and provincial capital funding	97,550	-	-	10,257	107,807	89,037
Wedgeport sewer project – user capital fee	-	-	-	2,461	2,461	14,100
Tax sale surplus	-	-	-	8,935	8,935	-
Interest on investments and savings	27,750	-	34,190	37,929	99,869	90,668
	<u>125,300</u>	<u>-</u>	<u>571,905</u>	<u>309,582</u>	<u>1,006,787</u>	<u>798,261</u>
Expenses						
Transfer to Tangible Capital Assets Fund	-	-	541,777	154,320	696,097	712,942
Transfer to Operating Fund	-	-	-	127,273	127,273	127,273
East Pubnico industrial water system	-	-	-	-	-	8,039
Tusket wastewater system	-	-	-	18,017	18,017	-
Mariners Centre capital upgrades	-	-	30,128	-	30,128	33,000
New administration building road extension	-	-	-	-	-	1,387
New administration building project manager	7,871	-	-	-	7,871	-
Server costs	-	-	-	6,456	6,456	-
Public works software	-	-	-	9,702	9,702	-
Fire pond safety	-	-	-	3,301	3,301	-
Miscellaneous	-	-	-	-	-	3,129
	<u>7,871</u>	<u>-</u>	<u>571,905</u>	<u>319,069</u>	<u>898,845</u>	<u>885,770</u>
Balance, end of year	\$ 1,534,889	\$ 30,000	\$ -	\$ 1,927,873	\$ 3,492,762	\$ 3,384,820

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 2020 2019

Assets

Cash and cash equivalents	\$ 1,444,914	\$ 1,402,529
Due from Operating Fund	1,913,284	1,796,094
Due from Municipality of the District of Yarmouth	<u>3,912</u>	<u>13,908</u>
	<u>\$ 3,362,110</u>	<u>\$ 3,212,531</u>

Equity

Operating reserve	<u>\$ 3,362,110</u>	<u>\$ 3,212,531</u>
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Non-Consolidated Statement of Operating Reserve Fund

(Unaudited – See Notice to Reader)

March 31 2020 2019

Balance, beginning of year	\$ 3,212,530	\$ 3,054,951
Revenues		
Interest earned	32,390	31,359
Transfer of accumulated surplus from Operating Fund	<u>117,190</u>	<u>126,221</u>
	<u>149,580</u>	<u>157,580</u>
Balance, end of year	<u>\$ 3,362,110</u>	<u>\$ 3,212,531</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, 2020

	1. Taxes receivable and long term taxes receivable		2020	2019
	Current	Prior	Total	Total
Taxes receivable, beginning of year	\$ -	\$ 327,753	\$ 327,753	\$ 363,635
Assessable property taxes				
Residential	4,723,002	-	4,723,002	4,534,598
Commercial	1,133,075	-	1,133,075	1,114,013
Resource	402,575	-	402,575	374,149
Other – recreation property tax	12,387	-	12,387	11,797
Wind farm taxes from developers	186,658	-	186,658	184,811
Area rates, uniform charges and special assessments	37,742	-	37,742	42,794
Sewer rates and charges	215,574	-	215,574	216,354
Taxes and rates collected for other governments and agencies	396,351	-	396,351	262,400
	<u>7,107,364</u>	<u>327,753</u>	<u>7,435,117</u>	<u>7,104,551</u>
Collections	6,583,099	262,657	6,845,756	6,653,053
Write-offs	-	13,987	13,987	8,049
Reduced taxes	138,784	-	138,784	124,443
	<u>6,721,883</u>	<u>276,644</u>	<u>6,998,527</u>	<u>6,785,545</u>
	385,481	51,109	436,590	319,006
Interest on taxes	28,563	2,637	31,200	20,732
Less valuation allowance (Note 6)	-	(14,346)	(14,346)	(11,985)
Taxes receivable, end of year	<u>\$ 414,044</u>	<u>\$ 39,400</u>	<u>\$ 453,444</u>	<u>\$ 327,753</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, 2020, the principal balance owed from the Tusket residents is \$107,296 (2019 - \$124,978). 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, 2020, the principal balance owed from the West Pubnico residents is \$219,088 (2019 - \$291,855). 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, 2020, the principal balance owed from the Wedgeport residents is \$85,773 (2019 - \$104,862). 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 \$412,157 (2019 - \$521,695).

Municipality of the District of Argyle

Notes to Non-Consolidated Financial Statements

(Unaudited – See Notice to Reader)

March 31, 2020

2. Due from Provincial government and its agencies	<u>2020</u>	<u>2019</u>
Aliant Telecom	<u>\$ 8,841</u>	<u>\$ 9,156</u>

3. Due from Federal government and its agencies	<u>2020</u>	<u>2019</u>
HST receivable	<u>\$ 36,262</u>	<u>\$ 29,845</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>2020</u>	<u>2019</u>
Capital Reserve Fund	<u>\$ 264,167</u>	<u>\$ 467,327</u>
Operating Reserve Fund	<u>1,913,284</u>	<u>1,796,094</u>
	<u>\$ 2,177,451</u>	<u>\$ 2,263,421</u>

6. Valuation allowance - uncollectible taxes	<u>2020</u>	<u>2019</u>
Balance, beginning of year	<u>\$ 11,985</u>	<u>\$ 24,200</u>
Add		
Provision for the year	<u>13,987</u>	<u>8,049</u>
	<u>25,972</u>	<u>32,249</u>
Deduct		
Taxes and interest written off	<u>11,626</u>	<u>20,264</u>
Balance, end of year – see Note 1	<u>\$ 14,346</u>	<u>\$ 11,985</u>

7. East Pubnico industrial water system	<u>2020</u>	<u>2019</u>
Revenues	<u>\$ 37,742</u>	<u>\$ 42,794</u>
Expenses	<u>78,860</u>	<u>21,392</u>
Annual (deficit) surplus	<u>(41,118)</u>	<u>21,402</u>
Accumulated surplus, beginning of year	<u>87,567</u>	<u>66,165</u>
Accumulated surplus, end of year	<u>\$ 46,449</u>	<u>\$ 87,567</u>

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

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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Levy	\$ 36,241	\$ 36,341	\$ 34,571
Hookup fee	1,000	1,000	-
Interest revenue	<u>1,200</u>	<u>1,375</u>	<u>1,470</u>
	<u>38,441</u>	<u>38,716</u>	<u>36,041</u>
Expenses			
Administration			
Administration, contract	3,000	3,000	3,000
Professional fees	<u>200</u>	<u>200</u>	<u>200</u>
	<u>3,200</u>	<u>3,200</u>	<u>3,200</u>
Operating			
Chlorine/Lab testing	2,300	2,642	2,123
Communications	2,000	681	687
General repairs - sewer	9,300	7,467	10,734
Liability insurance	1,000	974	961
Other	141	14	10
Power	8,800	8,628	8,272
Repairs and maintenance - grounds	200	-	-
Repairs and maintenance - plant	7,000	1,297	7,115
Septic tank services	<u>4,500</u>	<u>5,053</u>	<u>3,983</u>
	<u>35,241</u>	<u>26,756</u>	<u>33,885</u>
Total expenses	<u>38,441</u>	<u>29,956</u>	<u>37,085</u>
Annual surplus (deficit)	<u>\$ -</u>	8,760	(1,044)
Accumulated surplus, at beginning of year		<u>38,285</u>	<u>39,329</u>
Accumulated surplus, at end of year		<u>\$ 47,045</u>	<u>\$ 38,285</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

2020

2019

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Levy	\$ 172,143	\$ 171,883	\$ 172,033
Hook-up charges	1,000	4,500	4,500
Sale of services	11,000	11,000	11,000
Dewatering truck rental	-	-	3,000
Insurance proceeds	-	26,417	-
Interest on collections	2,500	2,026	2,519
Interest on capital levy	16,011	15,353	19,126
Interest on investments	2,000	3,126	2,485
	<u>204,654</u>	<u>234,305</u>	<u>214,663</u>
Expenses			
Administration			
Professional fees	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>
Operating			
Capital repairs and loan	145,000	14,907	24,892
Geotube solution	3,500	3,680	2,395
General maintenance and repairs	16,200	44,589	15,740
Interest	5,900	5,858	8,079
Lab testing	2,500	2,236	2,121
Liability insurance	4,000	4,429	3,769
Office supplies	750	225	172
Other	1,500	1,332	1,098
Treatment plant studies	1,000	-	-
Power	34,000	38,311	34,621
Professional development	2,500	544	1,314
Salaries and benefits	54,800	54,561	50,509
Scada system	1,500	2,984	8,911
Septic tank services	1,500	1,464	2,046
Sludge removal	10,000	18,778	3,625
Travel	11,000	5,371	6,426
Truck lease	3,000	3,000	3,000
Vehicle insurance	3,500	3,994	2,646
	<u>302,150</u>	<u>206,263</u>	<u>171,364</u>
Total expenses	<u>304,150</u>	<u>208,263</u>	<u>173,364</u>
Annual (deficit) surplus before transfer	(99,496)	26,042	41,299
Transfer from West Pubnico Sewer Reserve Fund	<u>99,496</u>	-	-
Annual surplus	<u>\$ -</u>	26,042	41,299
Accumulated surplus, at beginning of year		<u>199,733</u>	<u>158,434</u>
Accumulated surplus, at end of year		<u>\$ 225,775</u>	<u>\$ 199,733</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.