



Municipality of the District of Argyle

Item: Transfer to capital reserve

Date: March 31, 2020

VISION

We see Argyle as home to a healthy and thriving rural population. Our municipality promotes and supports economic and social opportunities for the region and engages in the active expression of our unique Acadian heritage. We are a place of choice for rural living and are widely recognized for our warm hospitality and joie de vivre. Surrounded by fresh air and cool ocean breezes, we work and play in the great outdoors. People choose to live in Argyle because of our commitment to each other, to our community and to our neighbors. Argyle is a place we are proud to call home.

Background:

The Director of Finance and the CAO examined the financial position to March 30, 2020, and projected remaining activity for the year. In short, we are projecting a surplus, and would request a transfer of a portion of that surplus to our Capital Reserve for future capital investments.

Our projected net surplus for all operational activity, including water and wastewater surpluses (that belong to the respective committees) is \$215,000. A thorough breakdown of this figure would be presented in April. According to the accounting rules set by the Province, we must transfer annual surpluses to the Operating Reserve. Capital reserve transfers shall be done via motion. Please note this to be a projection based on known revenues and expenditures to come. This figure is a strong estimate of the surplus, but is a projection.

MGA considerations:

See above

CAO's Recommendation:

Recommend That \$115,000 of the estimated \$215,000 surplus be transferred to the Capital Reserve. \$135,000 was already transferred as initially budgeted. This additional transfer will result in a total transfer of \$250,000.

Suggested motion:

Move that \$115,000 of the 2019-20 operating surplus be transferred to the Capital Reserve, for a total transfer to the Capital Reserve of \$250,000 for the 19-20 fiscal year.