



# ***Qualitative Summary of August Financial Reporting***

Municipality of the District of Argyle  
September 26, 2024

Enclosed in the agenda package are the Statement of Operations (income statement) and Statement of Financial Position (Balance Sheet) for the operating fund activity for Argyle, to August 31, 2024.

Management is attaching a summary of operations, non-numerical, to further explain variances and improve understandability of the document, which is detailed.

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## STATEMENT OF OPERATIONS (INCOME STATEMENT)

At a glance, if you look at page three of the report, the current operating fund surplus is \$207,815. This surplus does not include wastewater and water operations.

The surplus is developed through the presentation of actual or prorated revenues and expenses. Taxation revenues are billed and collectable in early June of each year. For management, in order to present accurate revenues, we prorate the revenues for each month of the year. The same is true with predictable expenses that are incurred either slower or faster than we expect. For Council, please note that revenues and expenses are noted as either A (actual) or P (prorated). We are presenting the financial statements using an excel spreadsheet, actual financial statements are available for your review at request.

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## REVENUES

Taxation revenue represents about 80% of the total revenues generated, and within that amount, about 80% of that revenue is residential taxation.

Taxation rates are as follows: Residential and resource rate, \$1.11/\$100 of assessment, commercial rate \$2.29/\$100 of assessment, deed transfer taxes are 1% of the deed transfer value.

Other types of revenues include area rates, that are specialized for wastewater and water services, provincial and federal operating grants, and self-generated revenues. Self-generated revenues include the sale of wind and solar energy, interest and penalties on investments, regional sale of service, day camp charges and other user fees.

Many of our revenues are predictable and do not vary significantly with the budget. Less predictable revenues include conditional grants, deed transfer tax and self-generated revenues.

Overall, revenues are tracking \$48,594 better than expected, as per page 1 of the financial income statement, almost entirely due to better than expected deed transfer taxes.

# EXPENDITURES (OR EXPENSES)

The expense portion of the report is broken down by type of service delivered. The groupings are as follows:

**Legislative:** Includes all expenses related to council, including council stipends and professional development. Estimated proportion of total budget – 3%

**General Government Services:** Includes the Office of the CAO, IT, Finance, Taxation, low-income grants and grants to non-profit organizations, employee benefits, financial audit, interest on debt and other building expenses. Estimated proportion of total budget – 21%

**Protective Services:** Includes investments in policing, fire protection, building and fire inspection, Regional Emergency Management Services, animal control, mapping and informational services and senior safety. Estimated proportion of total budget – 30%

**Transportation Services:** Includes investments in airport operations, provincial road cost sharing and active transportation. Estimated proportion of total budget – 2.5%

**Environmental Health Services:** Includes investments in Sewage collection and disposal, water collection, garbage collection and disposal and dangerous or unsightly premises. Estimated proportion of total budget – 11%.

**Public Health Services:** Includes medical clinic operations and doctor recruitment. Estimated proportion of total budget - .3%

**Environmental Development Services:** Includes investments in planning and zoning, housing initiatives, economic development, business parks and regional tourism. Estimated proportion of total budget – 2.6%.

**Recreation and Cultural Services:** Includes investments in recreational services, Argyle courthouse, regional and local library services. Estimated proportion of total budget – 5.3%.

**Education:** Includes a transfer of education costs to the province of NS. Estimated proportion of total budget – 17.6%.

**Transfer to capital and other funds:** this represents funding capital, debt repayment and transfers for future investments. Estimated proportion of total budget – 6.5%

# EXAMINATION OF MAJOR VARIANCES – TO AUGUST 31, 2024

Savings are expected in **employee benefits**, which predicted changes in the pension plan structure that will not occur at the planned implementation date. Savings \$9,000.

**NS Power, building:** The power consumption of the building will exceed budget at the end of the year, current expenses are \$5,500 higher than expected for this time.

**Training – Fire fighters:** This line item will exceed budget, current trend is \$19,900 over budget, actual variance at the year-end will not be as large, as training was heavy in the spring and summer months.

**Fire Service improvements:** Seahawk presentation was received this week, therefore improvements have not yet been implemented. Savings of \$12,000 thus far.

**REMO department:** Showing \$12,000 in total savings for the department, hurricane season is approaching, so final savings are to be determined.

**Public transportation:** No expenditure incurred here as of yet. This line item was to support HOPE dial-a-ride services for Argyle. Current savings of \$12,700.

**West Pubnico Wastewater:** Overall savings of \$12,000 for the entire budget.

**Tusket Wastewater:** Overall savings of \$8,000 for the entire budget.

**Garbage collection and disposal:** Overall savings of \$26,000 for the entire budget.

**Housing initiatives:** No investment in this department yet, were unsuccessful in funding costs in this area. Total savings \$22,700.

**Housing and strategy:** Iris communications required to support ADA concerns and complaints, overspend of \$20,642 at this time.

**Recreation department:** Overall cost savings of \$18,100 as of August 2024.

**Courthouse operations:** Programming and other capital costs currently showing a cost overage of \$11,600. The amount shall be reduced as the year continues, as summer was the heavier months of operation.

Overall expenditures savings compared to budget as of August 31, 2024, = \$138,600.