

**TOWN OF THREE RIVERS**  
**Consolidated Financial Statements**  
**March 31, 2023**

**TOWN OF THREE RIVERS**  
**Index to Consolidated Financial Statements**  
**March 31, 2023**

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## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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The accompanying consolidated financial statements of the Town of Three Rivers are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current period cannot be finalized with a certainty until future periods.

To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by MRSB Chartered Professional Accountants Inc., independent external auditors appointed by the Town of Three Rivers. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the consolidated financial statements.

On behalf of the Town of Three Rivers:



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Mayor

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## INDEPENDENT AUDITOR'S REPORT

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### To the Mayor and Members of Council of the Town of Three Rivers

#### Opinion

We have audited the consolidated financial statements of the Town of Three Rivers (the Town), which comprise the consolidated statement of financial position as at March 31, 2023, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at March 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Accounting Standards for the Public Sector, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

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## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*MRSB Chartered Professional Accountants Inc.*

MRSB CHARTERED PROFESSIONAL ACCOUNTANTS INC.



Charlottetown, PE

August 21, 2023

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Financial Position**  
**March 31, 2023**

	2023	2022
<b>Financial assets</b>		
Cash		
Unrestricted cash	\$ 2,417,010	\$ 2,858,948
Internally restricted cash	109,686	301,022
Restricted cash - gas tax	2,454,082	2,117,812
Temporary investments (Note 3)	-	47,019
Accounts receivable (Note 4)	790,358	1,141,902
	<u>5,771,136</u>	<u>6,466,703</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	688,399	1,709,616
Deferred revenue (Note 5)	2,678,167	1,993,460
Long term debt (Note 6)	2,249,696	2,332,165
	<u>5,616,262</u>	<u>6,035,241</u>
<b>Contingent liability</b> (Note 7)		
<b>Commitments</b> (Note 8)		
<b>Net financial assets</b> (Statement 6)	<u>154,874</u>	<u>431,462</u>
<b>Non-financial assets</b>		
Inventory	6,727	5,514
Prepaid expense	249,160	195,192
Tangible capital assets (Schedules 1 and 2)	28,963,993	27,408,835
Intangibles (Note 9)	215,998	195,372
	<u>29,435,878</u>	<u>27,804,913</u>
<b>Accumulated surplus</b> (Statement 5)	<u>\$ 29,590,751</u>	<u>\$ 28,236,375</u>

ON BEHALF OF THE COUNCIL

 Mayor  
 Councillor

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Operations**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
General Government (Schedule 5)	\$ 3,650,740	\$ 3,467,476	\$ 3,310,809
Montague Water & Sewer Utility (Schedule 6)	891,200	923,861	881,721
King's Playhouse (Schedule 7)	-	417,908	525,908
Waterfront Development Corporation (Schedule 8)	-	208,629	224,709
Cardigan Volunteer Fire Department (Schedule 9)	110,000	189,747	126,442
Georgetown Sewer Utility (Schedule 10)	121,500	123,709	119,001
Georgetown Volunteer Fire Department (Schedule 11)	84,684	96,370	66,531
Museum (Schedule 12)	-	53,744	45,583
	<u>4,858,124</u>	<u>5,481,444</u>	<u>5,300,704</u>
<b>Expenditures</b>			
General Government (Schedule 5)	4,431,184	4,450,944	3,980,505
Montague Water & Sewer Utility (Schedule 6)	664,520	807,398	752,477
King's Playhouse (Schedule 7)	-	465,836	456,087
Waterfront Development Corporation (Schedule 8)	-	235,556	227,408
Cardigan Volunteer Fire Department (Schedule 9)	40,450	111,508	90,441
Georgetown Sewer Utility (Schedule 10)	106,890	105,768	114,062
Georgetown Volunteer Fire Department (Schedule 11)	84,684	61,054	59,538
Museum (Schedule 12)	-	52,852	33,021
	<u>5,327,728</u>	<u>6,290,916</u>	<u>5,713,539</u>
<b>Operating deficit</b>	(469,604)	(809,472)	(412,835)
<b>Other revenues</b>			
Government transfers for capital (Note 13)	6,343,264	2,163,848	2,494,460
<b>Annual surplus</b>	5,873,660	1,354,376	2,081,625
<b>Accumulated surplus - beginning of year</b>	28,236,375	28,236,375	26,154,750
<b>Accumulated surplus - end of year (Note 10)</b>	<u>\$ 34,110,035</u>	<u>\$ 29,590,751</u>	<u>\$ 28,236,375</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Changes in Net Financial Assets**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Annual surplus</b>	\$ 5,873,660	\$ 1,354,376	\$ 2,081,625
Loss (gain) on sale of tangible capital assets	-	5,806	(990)
Increase in prepaid expenses	-	(53,964)	(17,818)
Decrease in inventory	-	(1,213)	(1,012)
Purchase of tangible capital assets	(8,573,168)	(3,136,744)	(4,204,652)
Amortization of tangible capital assets	1,000,000	1,533,157	1,352,102
Purchase of intangible assets	(11,224)	(38,244)	(81,901)
Amortization of intangible capital assets	-	17,618	-
Proceeds on sale of tangible capital assets	-	42,620	16,008
	<u>(7,584,392)</u>	<u>(1,630,964)</u>	<u>(2,938,263)</u>
<b>Decrease in net financial assets</b>	(1,710,732)	(276,588)	(856,638)
<b>Net financial assets - beginning of year</b>	<u>431,462</u>	<u>431,462</u>	<u>1,288,100</u>
<b>Net financial assets (debt) - end of year</b>	<u>\$ (1,279,270)</u>	<u>\$ 154,874</u>	<u>\$ 431,462</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Cash Flows**  
**Year Ended March 31, 2023**

	Actual 2023	Actual 2022
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 1,354,376	\$ 2,081,625
Items not affecting cash:		
Amortization of tangible capital assets	1,533,157	1,352,102
Amortization of intangible assets	17,618	-
Loss (gain) on sale of tangible capital assets	5,806	(989)
	<u>2,910,957</u>	<u>3,432,738</u>
Changes in non-cash working capital:		
Accounts receivable	351,544	158,434
Inventory	(1,213)	(1,012)
Prepaid expense	(53,968)	(17,814)
Accounts payable and accrued liabilities	(1,021,214)	731,674
Deferred revenue	684,707	122,655
	<u>(40,144)</u>	<u>993,937</u>
	<u>2,870,813</u>	<u>4,426,675</u>
<b>Cash flows from capital activities</b>		
Purchase of tangible capital assets	(3,136,744)	(4,204,652)
Purchase of intangible assets	(38,244)	(81,901)
Proceeds on sale of tangible capital assets	42,620	16,008
	<u>(3,132,368)</u>	<u>(4,270,545)</u>
<b>Cash flows from financing activities</b>		
Repayment of long term debt	(285,197)	(277,466)
Proceeds from long term debt	202,727	750,000
	<u>(82,470)</u>	<u>472,534</u>
<b>Increase (decrease) in cash</b>	<u>(344,025)</u>	<u>628,664</u>
<b>Cash - beginning of year</b>	<u>5,324,801</u>	<u>4,696,139</u>
<b>Cash - end of year</b>	<u>\$ 4,980,776</u>	<u>\$ 5,324,803</u>
<b>Cash consists of:</b>		
Unrestricted cash	\$ 2,417,010	\$ 2,858,948
Internally restricted cash	109,686	301,022
Restricted cash - gas tax	2,454,082	2,117,812
Temporary investments	-	47,019
	<u>\$ 4,980,778</u>	<u>\$ 5,324,801</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**1. DESCRIPTION OF BUSINESS**

Town of Three Rivers ("the "Town") was incorporated under the Municipalities Act of Prince Edward Island. Its principal activities include the provision of local government services to residents of the incorporated area. The Town is a non-profit organization under the Income Tax Act and accordingly is exempt from income taxes, provided certain requirements of the Income Tax Act are met.

**2. SIGNIFICANT ACCOUNTING POLICIES**

Basis of preparation

The consolidated financial statements of the Town of Three Rivers are the representations of management prepared in accordance with Canadian Accounting Standards for the Public Sector.

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs and in the completion of specific work. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the year when the related expenditures are incurred, services are performed or the tangible capital assets are acquired.

Basis of consolidation

The consolidated financial statements for the Town of Three Rivers reflect the assets, liabilities, revenues, expenditures and annual surplus of all funds of the Town. The Town is comprised of all organizations and committees accountable to the Town for the administration of their financial affairs and resources. Included in the Town are the following:

- Town of Three Rivers
- Montague Sewerage and Water Collection and Treatment Corporation
- Montague Waterfront Development Corporation
- Garden of the Gulf Museum
- Georgetown Volunteer Fire Department
- Georgetown Sewer Corporation
- King's Playhouse
- Cardigan Volunteer Fire Department

The financial activities of the Montague Volunteer Fire Department are associated with but not controlled by the Town of Three Rivers. Therefore the operations of the fire department are not included in the consolidated financial statements of the Town. The Town's transactions with this entity are recorded as expenditures in the consolidated statement of operations.

The inter-entity transactions and balances have been eliminated.

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**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Cash

Cash is comprised of unrestricted, internally restricted and restricted balances on deposits with banks and temporary investments.

Accounts receivable

Accounts receivable arise from trade sales, government grants, accrued interest, Harmonized Sales Tax, sewer and water dues and other miscellaneous receivables. An allowance for bad debts has been calculated through assessment of the other circumstances influencing the collectibility of amounts and using historical loss experience. Amounts deemed uncollectible are written off and deducted from the carrying value of the receivable. Amounts subsequently recovered from accounts previously written off are credited to the allowance account in the period of recovery.

Inventory

Inventories are stated at the lower of cost and net realizable value. Cost includes the costs to purchase and other costs directly attributable to the inventories. Cost is determined using the first in, first out method. Net realizable value represents the amount that may be realized from the sale of an inventory item under normal business conditions. When inventories are sold, the carrying amount of those inventories are recognized as an expense in the period in which the related revenue is recognized. The amount of any write-down of inventories to net realizable value and all losses of inventories shall be recognized as an expense in the period the loss or write-down occurs. The amount of reversal of any write-downs, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

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**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Tangible capital assets

Tangible capital assets are stated at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the estimated useful life on a straight-line basis as follows:

Land improvements	25 years
Municipal buildings	40 years
Small equipment	5 years
Equipment	10 years
Motor vehicles	10 years
Computer	5 years
Streets	50 years
Sidewalks	25 years
Waterfront equipment and structures	15 years
Water and sewer systems	1.2% and 2%
Pumping equipment	5%

Amortization rates for the Utilities were established using the estimated useful life of the asset in accordance with the Island Regulatory and Appeals Commission guidelines.

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

One-half of the annual rate is recorded in the year of acquisition; no amortization is recorded in the year of disposal.

Intangible assets

The intangible assets consist of official plan, capital asset management plan and master plan for services. The intangible assets are stated at cost are being amortized on a straight-line basis over their estimated useful lives of ten years.

Impairment of long lived assets

The Town tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Recoverability is assessed by comparing the carrying amount to the projected future net cash flows the long-lived assets are expected to generate through their direct use and eventual disposition. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent the carrying value exceeds its fair value.

Asset retirement obligation

Liabilities are recognized for statutory, contractual or legal obligations associated with the retirement of tangible capital assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The obligations are measured initially at fair value, determined using present value methodology, and the resulting costs capitalized into the carrying amount of the related tangible capital asset. In subsequent periods, the liability is adjusted for accretion and any changes in the amount or timing of the underlying future cash flows. The capitalized asset retirement cost is amortized on the same basis as the related asset and accretion expense is included in the Consolidated Statement of Operations. As at March 31, 2023, no asset retirement obligations have been identified by management.

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**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for the use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the consolidated change in net financial assets for the year.

Government transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the consolidated financial statements as revenue in the year in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates on the amounts can be determined.

Revenue recognition

Property tax billings are based on the assessed value of real property in the Municipality and is payable in each calendar year. Tax rates are reviewed, established, and approved annually by the Municipality. These revenues are recognized when payments are received from the Province.

Water and Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed quarterly for Montague Water and Sewer Utility and triennially for Georgetown Sewer Corporation and are recognized when billings come due.

Fire dues are reviewed, established, and approved annually by the Council upon recommendation of Fire Departments. These revenues are recognized when monthly billings come due.

The Town follows the deferral method of accounting for grants and contributions. Restricted contributions are recognized as revenue in the year in which the related expenditures are incurred, with recognition of excess amounts being deferred until the related expenditures are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial assets with actively traded markets are reported at fair value, with any unrealized gains and losses reported in surplus. All other financial instruments are reported at amortized cost, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issuance of financial instruments that are subsequently measured at amortized cost are shown as an adjustment to the carrying value of the related financial instrument.

*(continues)*

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**2. SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

Management estimates

The presentation of the consolidated financial statements in conformity with Canadian Accounting Standards for the Public Sector requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. The following are areas in which management makes significant accounting estimates:

- The amounts recorded for amortization of tangible capital assets on the consolidated statement of operations and schedules is subject to management's assessment of the estimated useful life of the Town's tangible capital assets;
- The recognized amounts of potential claims and liabilities depend on management's assessment of future costs and the probability these events will occur.

**3. TEMPORARY INVESTMENTS**

	<u>2023</u>	<u>2022</u>
SunLife - 0.75%, matured April 2022	\$ -	\$ 47,019

**4. ACCOUNTS RECEIVABLE**

	<u>2023</u>	<u>2022</u>
HST receivable	\$ 342,801	\$ 217,914
Grants	223,826	531,479
Montague Sewerage and Water Utility	125,047	128,592
Other	90,685	136,810
Georgetown Sewer Utility	7,999	127,107
	<u>\$ 790,358</u>	<u>\$ 1,141,902</u>

**5. DEFERRED REVENUE**

	<u>2023</u>	<u>2022</u>
Canada Community Building Fund	\$ 2,310,670	\$ 1,869,982
Other deferred revenue	367,497	123,478
	<u>\$ 2,678,167</u>	<u>\$ 1,993,460</u>

Under the Canada Community Building Fund, the Town was allocated \$694,311 for fiscal 2022-23. These funds, along with interest earned, must be used for eligible infrastructure and capacity building projects. Any funds received under this program, including interest earned but not yet spent, are recognized as deferred revenue at the end of the year.

During the year, the Town received Canada Community Building funding of \$694,311, incurred eligible expenditures of \$315,250 and earned interest of \$61,626.

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**6. LONG TERM DEBT**

	<u>2023</u>	<u>2022</u>
<u>Town of Three Rivers</u>		
Bank of Montreal - 3.38%; repayable in monthly blended installments of \$4,304. The loan matures on February 28, 2027 and is secured by general security agreement and a resolution authorizing the Town to borrow.	\$ 720,492	\$ 747,293
Provincial Credit Union Limited - 3.19%; repayable in monthly blended installments of \$4,200. The loan matures on September 30, 2024 and is secured by promissory note and a certified copy of the borrower's resolution.	166,877	211,172
Canadian Imperial Bank of Commerce - 2.83%; repayable in monthly blended installments of \$1,857. The loan matures on June 1, 2025 and is secured by resolution authorizing the Town to borrow.	181,190	198,089
Bank of Montreal - 3.07%; repayable in monthly blended installments of \$468. The loan matures on December 31, 2024 and is secured by general security agreement and a resolution authorizing the Town to borrow.	19,496	23,977
	<u>1,088,055</u>	<u>1,180,531</u>

*(continues)*

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**6. LONG TERM DEBT (continued)**

	2023	2022
<u>Water and Sewer Utility</u>		
Bank of Montreal - 3.07%; repayable in monthly blended installments of \$12,480. The loan matures on December 31, 2024 and is secured by General security agreement and a resolution authorizing the Town to borrow.	519,808	639,300
Provincial Credit Union Limited - 9.25%; repayable in semi-annual principal installments of \$15,363 plus interest. The loan was repaid April 2023 and is secured by General security agreement and a resolution authorizing the Town to borrow.	202,725	212,795
Federation of Canadian Municipalities - 3.41%; repayable in semi-annual principal installments of \$15,364 plus interest. The loan matures on May 16, 2027 and is secured by general security agreement and a resolution authorizing the Town to borrow.	138,272	168,999
Canadian Imperial Bank of Commerce - 2.405%, repayable in monthly blended installments of \$1,171. The loan matures on November 1, 2025 and is secured by resolution authorizing the Town to borrow.	98,109	109,647
Scotiabank - 5.368%; repayable in blended monthly installments of \$1,642. The loan matures on March 15, 2028 and is secured by General Security agreement and a resolution authorizing the Town to borrow.	202,727	-
Canadian Imperial Bank of Commerce - 2.022%; repayable in monthly blended installments of \$2,640. The loan matured on December 1, 2022 and was secured by resolution authorizing the Town to borrow.	-	20,893
	<b>1,161,641</b>	<b>1,151,634</b>
	<b>\$ 2,249,696</b>	<b>\$ 2,332,165</b>

Principal repayments of long term debt are expected to be repaid over the next five years as follows:

2024	\$ 486,352
2025	618,192
2026	290,568
2027	72,031
2028	782,553

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**7. CONTINGENT LIABILITY**

The Town has an outstanding legal claim from a resident relating to an IRAC appeal of development permit issuance. The Town has filed a Small Claim against a resident for outstanding water and sewage utility charges and expenses. The amount of any liability is undeterminable as of audit report date and no amount has been accrued in the consolidated financial statements.

**8. COMMITMENTS**

Both councils of the Town of Montague and the Town of Three Rivers approved a motion to transfer ownership of all streets within the Town to the Province of Prince Edward Island for \$1. When this is finalized it will result in the reduction of the tangible capital assets and accumulated surplus by approximately \$5,400,000. At the current time, it is uncertain when the transfer will actually occur.

The Town has entered into lease agreements for lease of a photocopier. The minimum lease payments due over the next three years are as follows:

2024	\$	2,112
2025		1,584

**9. INTANGIBLE ASSETS**

	<u>2023</u>	<u>2022</u>
Intangible assets	\$ 233,616	\$ 195,372
Accumulated amortization	<u>(17,618)</u>	<u>-</u>
	<u>\$ 215,998</u>	<u>\$ 195,372</u>

**10. ACCUMULATED SURPLUS**

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ 2,463,463	\$ 2,639,702
Reserve funds (Note 11)	412,988	520,003
Investment in tangible capital assets (Note 12)	<u>26,714,300</u>	<u>25,076,670</u>
	<u>\$ 29,590,751</u>	<u>\$ 28,236,375</u>

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**11. RESERVE FUNDS**

The net financial assets or debt excluding long term debt from each former Municipality has been transferred in to Three Rivers as reserve funds on September 28, 2018. All long term debt was assumed by the Town of Three Rivers.

	<u>2023</u>	<u>2022</u>
Balance - beginning of year	\$ 520,003	\$ 1,860,685
Expenditures from reserves	(116,934)	(1,343,322)
Allocation to reserves	9,919	2,640
Balance - end of year	<u>\$ 412,988</u>	<u>\$ 520,003</u>

	<u>2023</u>	<u>2022</u>
<u>Reserved funds are comprised of:</u>		
Town of Montague	\$ 201,960	\$ 254,670
Town of Georgetown	109,686	113,371
Georgetown Fire Truck Reserve	68,953	68,953
Rural Municipality of Cardigan	19,830	19,830
Wellness Centre Capital Reserve	9,919	-
Maintenance and upgrades of municipal recreation and public spaces	2,640	2,640
Rural Municipality of Brudenell	-	60,539
	<u>\$ 412,988</u>	<u>\$ 520,003</u>

**12. INVESTMENT IN TANGIBLE CAPITAL ASSETS**

	<u>2023</u>	<u>2022</u>
Tangible capital assets (Schedules 1 and 2)	\$ 49,138,844	\$ 46,052,250
Accumulated amortization (Schedules 1 and 2)	(20,174,848)	(18,643,415)
Long term debt (Note 6)	(2,249,696)	(2,332,165)
	<u>\$ 26,714,300</u>	<u>\$ 25,076,670</u>

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**13. GOVERNMENT TRANSFERS**

Government transfers for capital

	2023	2022
<u>General Government</u>		
ICIP - Waterfront Development	\$ 701,284	\$ 33,959
Canada Community Building Fund	315,250	119,390
Municipal Capital Expenditure Grant	256,066	298,010
ACOA - Waterfront Development	226,260	26,602
ICIP - Canada Games	209,915	-
Government of Canada - Climate Challenge Fund	89,909	-
Province of PEI - Accessible Playgrounds	69,832	-
Province of PEI - Strategic infrastructure	69,584	484,919
Trans Canada Trail	49,700	-
Province of PEI - Boardwalk and Amphitheatre	40,000	-
Province of PEI - Active Transportation	32,000	67,495
ICIP - Cardigan Ballfield Lights	15,743	22,011
Province of PEI - Sportsplex Accessibility	7,268	-
Province of PEI - Other projects	-	66,192
Province of PEI - Waterfront Development	-	10,000
Community Revitalization - Signs	-	16,416
Province of PEI - Transitional funding	-	403,270
ACOA - Lorne Valley	-	80,404
	<u>2,082,811</u>	<u>1,628,668</u>
<u>Georgetown Sewer Utility</u>		
Municipal Capital Expenditure Grant	4,011	12,038
Canada Community Building Fund	-	83,198
	<u>4,011</u>	<u>95,236</u>
<u>Montague Water &amp; Sewer Utility</u>		
ICIP - Brudenell Extension	23,997	-
Municipal Capital Expenditure Grant	23,369	64,720
Province of PEI - Gas tax top up	-	224,560
Canada Community Building Fund	-	448,280
	<u>47,366</u>	<u>737,560</u>
<u>King's Playhouse</u>		
Municipal Capital Expenditure Grant	-	2,279
<u>Georgetown Volunteer Fire Department</u>		
Municipal Capital Expenditure Grant	<u>1,104</u>	<u>-</u>

(continues)

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

**13. GOVERNMENT TRANSFERS (continued)**

	<u>2023</u>	<u>2022</u>
<u>Cardigan Volunteer Fire Department</u>		
Province of PEI - Community Revitalization	24,847	26,005
Municipal Capital Expenditure Grant	3,709	4,712
	<u>28,556</u>	<u>30,717</u>
	<u>\$ 2,163,848</u>	<u>\$ 2,494,460</u>
 Government transfers for operations		
	<u>2023</u>	<u>2022</u>
<u>General Government</u>		
Property tax credit	\$ 417,489	\$ 373,283
Equalization	400,000	704,622
Property tax offset	216,096	216,096
Wage subsidies	126,920	82,848
Fiona relief	56,815	-
Grant in lieu hospital	20,000	20,000
Other	18,500	20,243
Transitional funding	-	20,080
COVID 19 funding	-	116,618
	<u>1,255,820</u>	<u>1,553,790</u>
 <u>Montague Water &amp; Sewer Utility</u>		
COVID 19 testing	<u>17,947</u>	<u>-</u>
 <u>King's Playhouse</u>		
Other	180,896	149,543
Wage subsidies	75,226	189,910
	<u>256,122</u>	<u>339,453</u>
 <u>Montague Waterfront Development Corporation</u>		
Wage subsidies	<u>60,710</u>	<u>64,123</u>
 <u>Garden of the Gulf Museum</u>		
Wage subsidies	31,047	10,806
Other	-	9,840
	<u>31,047</u>	<u>20,646</u>
	<u>\$ 1,621,646</u>	<u>\$ 1,978,012</u>



**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**14. LINE OF CREDIT AVAILABILITY**

The Town of Three Rivers has combined operating lines of credit of \$500,000 of which \$Nil (2022 - \$Nil) was utilized at March 31, 2023. Interest is charged at prime less 0.25%. Prime rate at March 31, 2023 was 6.70%.

**15. RATE REGULATION**

Water and Sewer Utility

The Town is subject to rate regulation on wastewater utility rates in Prince Edward Island in accordance with the Water and Sewerage Act. The purpose of this Act, which is administered by the Island Regulatory and Appeals Commission (IRAC), is to regulate the utility rates within the Province of Prince Edward Island.

Utility rates and charges are fixed and determined in accordance with the generally accepted public utility practices after taking into consideration local conditions and circumstances. Municipalities may apply for changes to utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

**16. BUDGET FIGURES**

Town of Three Rivers budget surplus	\$ 1,519,538
Montague Sewer and Water Corporation budget surplus	4,212,947
Georgetown Sewer Utility budget surplus	71,625
King's Playhouse budget surplus	-
Waterfront Development Corporation budget surplus	-
Garden of the Gulf Museum budget surplus	-
Cardigan Volunteer Fire Department budget surplus	69,550
Georgetown Volunteer Fire Department budget surplus	-
	<u>\$ 5,873,660</u>

The budget figures provided on Statements 5 and 6 and Schedules 5 to 12 have not been audited or reviewed by the external auditor and are presented for information purposes only.

**17. FINANCIAL INSTRUMENTS**

The Town's financial instruments consist of cash, restricted cash, internally restricted cash, temporary investments, restricted cash, accounts receivable, accounts payable and accrued liabilities, and long term debt.

The Town is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Town's risk exposure and concentration as of March 31, 2023.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Town is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Town has a significant number of customers which minimizes concentration of credit risk.

(continues)

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2023**

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**17. FINANCIAL INSTRUMENTS (continued)**

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Town is exposed to this risk mainly in respect of its receipt of government funding, long term debt and accounts payable and accrued liabilities.

**18. SEGMENT DISCLOSURE**

The Town is a diversified municipal unit that provides a wide range of services to its citizens. For management reporting purposes the Town's operations and activities are organized and reported by segment. The major segments are as follows:

General government services

This segment is responsible for the overall financial and local government administration. Its tasks include, but are not limited to, daily accounting functions, preparation and coordination of annual audited consolidated financial statements, development of the annual budget, human resource functions for the entire Town, maintenance of bylaws and policies, oversight of public works, maintenance of municipal facilities, and administration of municipal services.

Museum

This segment is responsible for presentation and appreciation of culture and history of Three Rivers.

Water and Sewer Utility

This segment is responsible for the maintenance and operations of water and sewer services provided to residents and other customers.

Waterfront Development

This segment is responsible for the maintenance and operations of the Montague Waterfront.

King's Playhouse

This segment is responsible for promoting and offering live productions and creative performances to the Town's residents.

Fire Protection

This Segment is responsible for providing fire protection services to residents.

**TOWN OF THREE RIVERS**  
**Schedules to Consolidated Financial Statements**  
**Tangible Capital Assets**  
**Year Ended March 31, 2023**

(Schedule 1)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Land and improvements	\$ 1,564,949	\$ 183,262	\$ -	\$ 1,748,211	\$ 512,526	\$ 55,392	\$ -	\$ 567,918	\$ 1,180,293
Buildings and leasehold improvements	15,035,729	613,725	(50,150)	15,599,304	5,531,842	399,918	(1,724)	5,930,036	9,669,268
Streets and sidewalks	9,589,807	73,728	-	9,663,535	5,060,015	227,201	-	5,287,216	4,376,319
Machinery and equipment	6,584,056	1,964,308	-	8,548,364	3,875,639	594,872	-	4,470,511	4,077,853
Water system	5,168,102	100,784	-	5,268,886	1,667,197	67,736	-	1,734,933	3,533,953
Sewer system	8,109,607	200,937	-	8,310,544	1,996,198	188,038	-	2,184,236	6,126,308
<b>Total tangible capital assets</b>	<b>\$ 46,052,250</b>	<b>\$ 3,136,744</b>	<b>\$ (50,150)</b>	<b>\$ 49,138,844</b>	<b>\$ 18,643,417</b>	<b>\$ 1,533,157</b>	<b>\$ (1,724)</b>	<b>\$ 20,174,848</b>	<b>\$ 28,963,993</b>

Notes 1 to 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**

**Schedules to Consolidated Financial Statements**

**Tangible Capital Assets**

**Year Ended March 31, 2022**

(Schedule 2)

	Cost beginning of year	Additions	Disposals and write downs	Cost end of year	Accum amort beginning of year	Amort in the year	Disposals and write downs	Accum amort end of year	Net book value
Land and improvements	\$ 1,548,668	\$ 26,172	\$ (9,891)	\$ 1,564,949	\$ 458,919	\$ 53,607	\$ -	\$ 512,526	\$ 1,052,423
Buildings and leasehold improvements	12,628,836	2,412,350	(5,457)	15,035,729	5,167,274	364,895	(327)	5,531,842	9,503,887
Streets and sidewalks	9,268,877	320,930	-	9,589,807	4,839,119	220,896	-	5,060,015	4,529,792
Machinery and equipment	6,085,864	595,362	(97,170)	6,584,056	3,500,486	472,323	(97,170)	3,875,639	2,708,417
Water system	5,147,752	20,350	-	5,168,102	1,600,976	66,221	-	1,667,197	3,500,905
Sewer system	7,280,118	829,489	-	8,109,607	1,822,038	174,160	-	1,996,198	6,113,409
<b>Total tangible capital assets</b>	<b>\$ 41,960,115</b>	<b>\$ 4,204,652</b>	<b>\$ (112,518)</b>	<b>\$ 46,052,249</b>	<b>\$ 17,388,812</b>	<b>\$ 1,352,102</b>	<b>\$ (97,497)</b>	<b>\$ 18,643,415</b>	<b>\$ 27,408,835</b>

Notes 1 to 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**

**Schedules to Consolidated Financial Statements  
Segment Disclosures  
Year Ended March 31, 2023**

(Schedule 3)

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	King's Playhouse	Waterfront Development Corporation	Museum	Cardigan & Georgetown Volunteer Fire Department	Elimination	Consolidated 2023
<b>Revenues</b>									
Government transfers	\$ 1,255,820	\$ 17,947	\$ -	\$ 274,572	\$ 60,710	\$ 31,047	\$ -	\$ -	\$ 1,640,096
for operations									
Property taxes	1,372,596	-	-	-	-	-	-	-	1,372,596
Fire dues	564,240	-	-	-	-	-	221,561	(216,025)	569,776
Third party									
revenue	146,738	-	-	-	-	-	-	-	146,738
Other	99,649	22,176	4,843	143,336	147,919	22,697	64,556	(81,549)	423,627
Interest	28,433	10,589	3,289	-	-	-	-	-	42,311
Water and sewer	-	873,149	115,577	-	-	-	-	(92,354)	896,372
	<b>3,467,476</b>	<b>923,861</b>	<b>123,709</b>	<b>417,908</b>	<b>208,629</b>	<b>53,744</b>	<b>286,117</b>	<b>(389,928)</b>	<b>5,091,516</b>
<b>Expenditures</b>									
Salaries and benefits	1,189,386	244,572	-	226,585	113,984	37,929	16,820	(12,000)	1,817,276
Goods and services	1,978,614	300,415	77,014	213,507	118,032	14,616	124,068	(377,928)	2,448,338
Amortization	1,246,488	227,683	28,092	22,973	-	205	25,334	-	1,550,775
Interest	36,456	34,728	662	2,771	3,540	102	6,340	-	84,599
	<b>4,450,944</b>	<b>807,398</b>	<b>105,768</b>	<b>465,836</b>	<b>235,556</b>	<b>52,852</b>	<b>172,562</b>	<b>(389,928)</b>	<b>5,900,988</b>
<b>Operating surplus (deficit)</b>	<b>(983,468)</b>	<b>116,463</b>	<b>17,941</b>	<b>(47,928)</b>	<b>(26,927)</b>	<b>892</b>	<b>113,555</b>	<b>-</b>	<b>(809,472)</b>
Government transfers for capital	2,082,811	47,366	4,011	-	-	-	29,660	-	2,163,848
<b>Annual surplus (deficit)</b>	<b>\$ 1,099,343</b>	<b>\$ 163,829</b>	<b>\$ 21,952</b>	<b>\$ (47,928)</b>	<b>\$ (26,927)</b>	<b>\$ 892</b>	<b>\$ 143,215</b>	<b>\$ -</b>	<b>\$ 1,354,376</b>

Notes 1 to 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**

**Schedules to Consolidated Financial Statements**

**Segment Disclosures**

Year Ended March 31, 2022

(Schedule 4)

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	King's Playhouse	Waterfront Development Corporation	Museum Departments	Cardigan & Georgetown Volunteer Fire	Elimination	Consolidated 2022
<b>Revenues</b>									
Government transfers	\$ 1,553,790	\$ -	\$ -	\$ 375,814	\$ 64,123	\$ 20,646	\$ -	\$ -	\$ 2,014,373
Operations	975,171	-	-	-	-	-	-	-	975,171
Property taxes	544,342	-	-	-	-	-	182,973	(166,811)	560,504
Fire dues	139,380	-	-	-	-	-	-	-	139,380
Third party revenue	84,165	22,027	4,663	150,094	160,586	24,937	10,000	(108,061)	348,411
Other	13,961	9,021	3,160	-	-	-	-	-	26,142
Interest	-	850,673	111,178	-	-	-	-	(56,248)	905,603
Water and sewer									
	3,310,809	881,721	119,001	525,908	224,709	45,583	192,973	(331,120)	4,969,584
<b>Expenditures</b>									
Salaries and benefits	1,045,840	220,315	-	272,228	99,735	19,997	16,873	-	1,674,988
Goods and services	1,851,857	281,963	85,454	156,610	124,235	12,746	105,168	(331,120)	2,286,913
Amortization	1,068,448	212,262	28,118	22,973	-	205	20,095	-	1,352,101
Interest	14,360	37,937	490	4,276	3,438	73	7,843	-	68,417
	3,980,505	752,477	114,062	456,087	227,408	33,021	149,979	(331,120)	5,382,419
<b>Operating surplus (deficit)</b>	(669,696)	129,244	4,939	69,821	(2,699)	12,562	42,994	-	(412,835)
Government transfers for capital	1,628,668	737,560	95,236	2,279	-	-	30,717	-	2,494,460
<b>Annual surplus (deficit)</b>	\$ 958,972	\$ 866,804	\$ 100,175	\$ 72,100	\$ (2,699)	\$ 12,562	\$ 73,711	\$ -	\$ 2,081,625

Notes 1 to 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - General Government**  
**Year Ended March 31, 2023**

(Schedule 5)

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
Property taxes	\$ 1,229,233	\$ 1,372,596	\$ 975,171
Government transfers for operations (Note 13)	1,089,266	1,255,820	1,553,790
Fire dues	534,711	564,240	544,342
Other third party revenue	790,030	146,738	139,380
Office services	-	65,126	46,623
Development permits	-	40,329	36,553
Interest	7,500	28,433	13,961
Loss (gain) on sale of tangible capital assets	-	(5,806)	989
	<b>3,650,740</b>	<b>3,467,476</b>	<b>3,310,809</b>
<b>Expenditures</b>			
<b>Protective Services</b>			
Bylaw enforcement	30,000	12,163	13,009
EMO joint partnership	-	52,236	-
Fire protection services	534,711	591,745	523,331
Policing services	100,000	105,303	98,287
Water supply and hydrants	54,100	64,491	54,666
	<b>718,811</b>	<b>825,938</b>	<b>689,293</b>
<b>Maintenance and Infrastructure Services</b>			
Beautification	45,000	52,882	10,025
Maintenance buildings	48,500	57,848	47,536
Maintenance wages	385,000	366,848	352,600
Sidewalks	30,000	10,670	10,343
Street lights	95,790	86,484	85,445
Vehicles, equipment and tools	77,000	86,865	73,793
	<b>681,290</b>	<b>661,597</b>	<b>579,742</b>
<b>Community Services</b>			
A.A. MacDonald Memorial Gardens	20,000	13,011	17,122
Black Fly program	31,000	29,838	30,260
Cavendish Farms Wellness Centre	57,000	58,451	61,478
Community Parks	43,000	36,110	31,726
Economic development	55,000	1,060	8,265
Electric charging station	-	2,409	3,023
Garden of the Gulf Museum	50,000	49,880	30,201
Grants and sponsorships	33,833	34,807	34,291
King's Playhouse	70,000	51,474	80,000
Libraries	8,500	8,354	10,057
Outdoor rink	20,000	-	1,223
Public receptions and festivals	30,000	44,020	40,566
Recreational programming	15,000	27,565	27,219
Small Halls	55,000	47,768	92,945
Splashpad	7,000	13,137	7,851
Three Rivers Sportsplex	57,000	34,205	57,962
Waterfront developments	22,750	12,040	19,875
	<b>575,083</b>	<b>464,129</b>	<b>554,064</b>

(continues)

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - General Government** *(continued)* **(Schedule 5)**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Financial and Corporate Services</b>			
Amortization of intangible assets	-	17,618	-
Amortization of tangible capital assets	1,000,000	1,228,870	1,068,448
Interest and bank charges	3,500	2,782	3,609
Interest on long term debt	27,000	33,674	10,751
Transitional costs	200,000	-	21,208
	<u>1,230,500</u>	<u>1,282,944</u>	<u>1,104,016</u>
<b>Administrative Services</b>			
Bad debt (recovery)	-	-	(22,450)
Elections	60,000	62,594	8,353
Employee travel	15,000	14,510	12,746
Insurance	30,000	23,028	21,223
Mayor and council	7,000	11,221	25,030
Mayor and council honorarium	92,000	87,049	80,694
Memberships and other professional services	55,000	30,422	29,657
Municipal offices	136,000	99,551	122,614
Office	40,000	44,473	46,541
Planning	7,500	594	26,942
Professional fees	70,000	88,084	61,708
Public relations	20,000	19,323	27,792
Staff training and development	8,000	8,496	9,993
Wages and wage levies	685,000	726,991	602,547
	<u>1,225,500</u>	<u>1,216,336</u>	<u>1,053,390</u>
	<u>4,431,184</u>	<u>4,450,944</u>	<u>3,980,505</u>
<b>Operating Deficit</b>	<u>\$ (780,444)</u>	<u>\$ (983,468)</u>	<u>\$ (669,696)</u>

Notes 1 - 18 are an integral part of these consolidated financial statements



**TOWN OF THREE RIVERS**  
**Statement of Operations - Montague Water & Sewer Utility (Schedule 6)**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
Sewer charges	\$ 535,200	\$ 530,766	\$ 516,598
Water charges	277,000	278,992	280,509
Fire protection	53,000	63,391	53,566
Other	19,000	22,176	22,027
Government transfers for operations (Note 13)	-	17,947	-
Interest	7,000	10,589	9,021
	<u>891,200</u>	<u>923,861</u>	<u>881,721</u>
<b>Expenditures</b>			
Administration	25,600	23,100	23,100
Amortization of tangible capital assets	-	227,683	212,262
Dues and fees	12,280	11,031	9,209
Insurance	13,000	13,166	10,656
Interest and bank charges	1,000	1,643	813
Interest on long term debt	34,000	33,085	37,124
Miscellaneous	8,000	5,881	4,973
Office	9,500	2,806	6,314
Professional fees	13,500	6,401	8,179
Repairs and maintenance	158,000	67,493	93,930
Supplies	37,400	63,523	29,117
Training and development	7,000	4,736	290
Utilities	96,440	95,829	90,877
Vehicle	6,400	6,449	5,318
Wages and wage levies	242,400	244,572	220,315
	<u>664,520</u>	<u>807,398</u>	<u>752,477</u>
<b>Operating surplus</b>	<u>\$ 226,680</u>	<u>\$ 116,463</u>	<u>\$ 129,244</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - King's Playhouse**  
**Year Ended March 31, 2023**

(Schedule 7)

	Actual 2023	Actual 2022
<b>Revenues</b>		
Government transfers for operations (Note 13)	\$ 256,122	\$ 339,453
Admissions	62,712	42,982
Other	27,297	24,424
Grants and subsidies	27,025	59,818
Town of Three Rivers grant	18,450	36,361
Fundraising, donations and sponsorships	15,213	15,501
Canteen and catering	11,089	7,369
	<u>417,908</u>	<u>525,908</u>
<b>Expenditures</b>		
Advertising and promotions	27,733	7,779
Amortization of tangible capital assets	22,973	22,973
Canteen and catering purchases	15,227	9,279
Dues and fees	1,813	1,591
Equipment	1,158	512
Interest and bank charges	2,771	4,276
Miscellaneous	34	8,789
Office	7,288	5,094
Program	126,527	97,724
Repairs and maintenance	8,105	4,539
Utilities	25,622	21,303
Wages and wage levies	226,585	272,228
	<u>465,836</u>	<u>456,087</u>
<b>Operating surplus (deficit)</b>	<u>\$ (47,928)</u>	<u>\$ 69,821</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Waterfront Development Corporation (Schedule 8)**  
**Year Ended March 31, 2023**

	Actual 2023	Actual 2022
<b>Revenues</b>		
Fees	\$ 81,630	\$ 84,717
Government transfers for operations (Note 13)	60,710	64,123
Product sales	50,851	60,920
Rental	13,545	14,739
Miscellaneous	1,893	210
	<u>208,629</u>	<u>224,709</u>
<b>Expenditures</b>		
Advertising and promotions	784	264
Dues and fees	572	110
Interest and bank charges	3,540	3,438
Office	3,579	2,356
Professional fees	350	1,200
Property taxes	3,923	3,222
Purchases	52,162	52,941
Repairs and maintenance	28,988	43,411
Tools and equipment	4,479	5,537
Training	2,322	-
Travel and entertainment	3,450	32
Utilities	17,423	15,162
Wages and wage levies	113,984	99,735
	<u>235,556</u>	<u>227,408</u>
<b>Operating Deficit</b>	<u>\$ (26,927)</u>	<u>\$ (2,699)</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Cardigan Volunteer Fire Department (Schedule 9)**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
Fire dues	\$ 110,000	\$ 135,191	\$ 116,442
Grants and subsidies	-	54,556	10,000
	<u>110,000</u>	<u>189,747</u>	<u>126,442</u>
<b>Expenditures</b>			
Advertising and promotions	-	5,600	4,924
Amortization of tangible capital assets	-	24,727	20,095
Dues and fees	-	2,528	1,424
Fireman's training	-	216	7,246
Gas and oil	-	4,631	2,091
Honorariums	7,000	11,470	9,910
Insurance	2,900	11,250	3,500
Interest and bank charges	300	195	258
Interest on long term debt	-	6,099	7,487
Repairs and maintenance	25,000	28,844	12,911
Supplies	-	7,646	14,117
Telephone	5,250	5,664	6,478
Utilities	-	2,638	-
	<u>40,450</u>	<u>111,508</u>	<u>90,441</u>
<b>Operating surplus</b>	<u>\$ 69,550</u>	<u>\$ 78,239</u>	<u>\$ 36,001</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Georgetown Sewer Utility**      **(Schedule 10)**  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
Sewer charges	\$ 114,500	\$ 115,577	\$ 111,178
Other	4,500	4,843	4,663
Interest	2,500	3,289	3,160
	<u>121,500</u>	<u>123,709</u>	<u>119,001</u>
<b>Expenditures</b>			
Amortization of tangible capital assets	-	28,092	28,118
Bad debts	-	1,378	-
Dues and fees	1,750	1,469	1,396
Insurance	2,640	4,193	2,234
Interest and bank charges	400	662	490
Miscellaneous	2,000	544	642
Office	21,200	20,077	22,784
Professional fees	4,500	2,500	2,500
Repairs and maintenance	63,500	39,347	47,411
Utilities	10,900	7,506	8,487
	<u>106,890</u>	<u>105,768</u>	<u>114,062</u>
<b>Operating surplus</b>	<u>\$ 14,610</u>	<u>\$ 17,941</u>	<u>\$ 4,939</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Georgetown Volunteer Fire Department** (Schedule 11)  
**Year Ended March 31, 2023**

	Budget 2023	Actual 2023	Actual 2022
<b>Revenues</b>			
Fire dues	\$ 84,684	\$ 86,370	\$ 66,531
Other	-	10,000	-
	<u>84,684</u>	<u>96,370</u>	<u>66,531</u>
<b>Expenditures</b>			
Advertising	3,400	2,485	592
Amortization of tangible capital assets	-	607	-
Bookkeeping	1,200	1,200	1,200
Communications	6,000	6,033	4,861
Equipment maintenance	4,000	6,328	2,435
Honorariums	10,800	5,350	6,963
Insurance	12,000	7,776	10,500
Interest and bank charges	-	46	98
Janitorial services	1,200	1,200	1,200
Miscellaneous	6,000	3,820	2,360
Snow removal	3,000	4,112	2,641
Social functions	3,000	4,613	565
Supplies and equipment	18,000	5,744	10,295
Training	4,000	608	6,061
Travel	800	1,766	610
Utilities	8,284	7,470	8,870
Vehicle maintenance	3,000	1,896	287
	<u>84,684</u>	<u>61,054</u>	<u>59,538</u>
<b>Operating surplus</b>	<u>\$ -</u>	<u>\$ 35,316</u>	<u>\$ 6,993</u>

Notes 1 - 18 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Museum**  
**Year Ended March 31, 2023**

(Schedule 12)

	Actual 2023	Actual 2022
<b>Revenues</b>		
Government transfers for operations (Note 13)	\$ 31,047	\$ 20,646
Museum	12,162	8,238
Grants and subsidies	10,535	16,699
	<u>53,744</u>	<u>45,583</u>
<b>Expenditures</b>		
Advertising and promotions	278	373
Amortization of tangible capital assets	205	205
Interest and bank charges	102	73
Office	2,677	1,866
Repairs and maintenance	395	484
Supplies	150	23
Utilities	11,116	10,000
Wages and wage levies	37,929	19,997
	<u>52,852</u>	<u>33,021</u>
<b>Operating surplus</b>	<u>\$ 892</u>	<u>\$ 12,562</u>

Notes 1 - 18 are an integral part of these consolidated financial statements