

**TOWN OF THREE RIVERS**  
**Consolidated Financial Statements**  
**March 31, 2022**

**TOWN OF THREE RIVERS**  
**Index to Consolidated Financial Statements**  
**March 31, 2022**

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	Page
MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Changes in Net Financial Assets	6
Consolidated Statement of Cash Flows	7
Notes to Consolidated Financial Statements	8 - 19
Schedules to Consolidated Financial Statements	20 - 32

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## MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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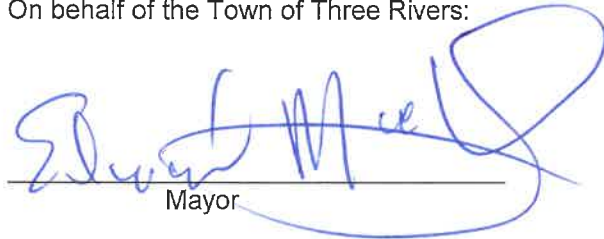
The accompanying consolidated financial statements of the Town of Three Rivers are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated financial 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:



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, 2022, 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, 2022, 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 8, 2022

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Financial Position**  
**March 31, 2022**

	2022	2021
<b>Financial assets</b>		
Cash		
Unrestricted cash	\$ 2,858,948	\$ 793,357
Internally restricted cash	301,022	309,578
Restricted cash - gas tax	2,117,812	1,621,684
Temporary investments (Note 3)	47,019	1,971,520
Accounts receivable (Note 4)	1,141,902	1,300,336
	<u>6,466,703</u>	<u>5,996,475</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	1,709,616	977,938
Deferred revenue (Note 5)	1,993,460	1,870,805
Long term debt (Note 6)	2,332,165	1,859,632
	<u>6,035,241</u>	<u>4,708,375</u>
<b>Contingent liability</b> (Note 7)		
<b>Commitments</b> (Note 8)		
<b>Net financial assets</b> (Statement 6)	<u>431,462</u>	<u>1,288,100</u>
<b>Non-financial assets</b>		
Inventory	5,514	4,502
Prepaid expense	195,192	177,378
Tangible capital assets (Schedules 1 and 2)	27,408,835	24,571,301
Intangible assets (Note 9)	195,372	113,471
	<u>27,804,913</u>	<u>24,866,652</u>
<b>Accumulated surplus</b> (Statement 5)	<u>\$ 28,236,376</u>	<u>\$ 26,154,751</u>

ON BEHALF OF THE COUNCIL

  
 Mayor

  
 Councillor

Notes 1 - 19 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Consolidated Statement of Operations**  
**Year Ended March 31, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
General Government (Schedule 5)	\$ 3,636,243	\$ 3,310,809	\$ 3,286,324
Montague Water & Sewer Utility (Schedule 6)	846,917	881,721	768,211
King's Playhouse (Schedule 7)	274,712	526,023	240,873
Waterfront Development Corporation (Schedule 8)	-	224,709	212,531
Cardigan Volunteer Fire Department (Schedule 9)	110,000	126,442	115,745
Georgetown Sewer Utility (Schedule 10)	116,857	119,001	113,043
Georgetown Volunteer Fire Department (Schedule 11)	78,703	66,531	-
Museum (Schedule 12)	-	45,583	39,136
	<u>5,063,432</u>	<u>5,300,819</u>	<u>4,775,863</u>
<b>Expenditures</b>			
General Government (Schedule 5)	4,887,131	3,980,505	3,819,997
Montague Water & Sewer Utility (Schedule 6)	611,055	752,477	673,706
King's Playhouse (Schedule 7)	272,958	456,202	260,032
Waterfront Development Corporation (Schedule 8)	-	227,408	192,559
Cardigan Volunteer Fire Department (Schedule 9)	40,450	90,441	70,458
Georgetown Sewer Utility (Schedule 10)	100,200	114,062	100,949
Georgetown Volunteer Fire Department (Schedule 11)	63,700	59,538	-
Museum (Schedule 12)	-	33,021	45,870
	<u>5,975,494</u>	<u>5,713,654</u>	<u>5,163,571</u>
<b>Operating deficit</b>	(912,062)	(412,835)	(387,708)
<b>Other revenues</b>			
Government transfers for capital (Note 13)	4,018,149	2,494,460	2,720,382
<b>Annual surplus</b>	3,106,087	2,081,625	2,332,674
<b>Accumulated surplus - beginning of year</b>	26,154,751	26,154,751	23,822,077
<b>Accumulated surplus - end of year (Note 10)</b>	<u>\$ 29,260,838</u>	<u>\$ 28,236,376</u>	<u>\$ 26,154,751</u>

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Annual surplus</b>	\$ 3,106,087	\$ 2,081,625	\$ 2,332,674
Gain on sale of tangible capital assets	-	(989)	-
Increase in prepaid expenses	-	(17,817)	(24,267)
Increase (decrease) in inventory	-	(1,012)	5,962
Purchase of tangible capital assets	(4,483,062)	(4,204,653)	(3,070,393)
Amortization of tangible capital assets	950,000	1,352,102	1,316,039
Purchase of intangible assets	(210,000)	(81,901)	(113,471)
Proceeds on sale of tangible capital assets	-	16,008	-
	(3,743,062)	(2,938,262)	(1,886,130)
<b>Increase (decrease) in net financial assets</b>	(636,975)	(856,637)	446,544
<b>Net financial assets - beginning of year</b>	1,288,100	1,288,100	841,556
<b>Net financial assets - end of year</b>	\$ 651,125	\$ 431,463	\$ 1,288,100

Notes 1 - 19 are an integral part of these consolidated financial statements



**TOWN OF THREE RIVERS**  
**Consolidated Statement of Cash Flows**  
**Year Ended March 31, 2022**

	Actual 2022	Actual 2021
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 2,081,625	\$ 2,332,674
Items not affecting cash:		
Amortization of tangible capital assets	1,352,102	1,316,038
Gain on sale of tangible capital assets	(989)	-
	<u>3,432,738</u>	<u>3,648,712</u>
Changes in non-cash working capital:		
Accounts receivable	158,434	152,184
Inventory	(1,012)	5,963
Prepaid expense	(17,814)	(24,270)
Accounts payable and accrued liabilities	731,674	558,445
Deferred revenue	122,655	153,987
	<u>993,937</u>	<u>846,309</u>
	<u>4,426,675</u>	<u>4,495,021</u>
<b>Cash flows from capital activities</b>		
Purchase of tangible capital assets	(4,204,653)	(3,070,393)
Purchase of intangible assets	(81,901)	(113,471)
Proceeds on sale of tangible capital assets	16,008	-
	<u>(4,270,546)</u>	<u>(3,183,864)</u>
<b>Cash flows from financing activities</b>		
Repayment of long term debt	(277,466)	(660,033)
Proceeds from long term debt	750,000	406,685
	<u>472,534</u>	<u>(253,348)</u>
<b>Increase in cash</b>	<u>628,663</u>	<u>1,057,809</u>
<b>Cash - beginning of year</b>	<u>4,696,139</u>	<u>3,638,330</u>
<b>Cash - end of year</b>	<u>\$ 5,324,802</u>	<u>\$ 4,696,139</u>
<b>Cash consists of:</b>		
Unrestricted cash	\$ 2,858,948	\$ 793,357
Internally restricted cash	301,022	309,578
Restricted cash - gas tax	2,117,812	1,621,684
Temporary investments	47,019	1,971,520
	<u>\$ 5,324,801</u>	<u>\$ 4,696,139</u>

Notes 1 - 19 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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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, 2022**

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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.

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.

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**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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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.

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.

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**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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

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.

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 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**

	2022	2021
SunLife - 0.75%, matured April 2022	\$ 47,019	\$ 1,249,685
BMO - 1%; matured August 2021	-	600,000
Scotiabank - 0.2%, matured March 2022	-	47,020
CIBC - 0.65%; matured November 2021	-	29,205
CIBC - 0.65%; matured August 2021	-	22,837
CIBC - 0.65%; matured November 2021	-	22,773
	<u>\$ 47,019</u>	<u>\$ 1,971,520</u>

**4. ACCOUNTS RECEIVABLE**

	2022	2021
Grants	\$ 518,580	\$ 674,111
HST	217,914	409,231
Other	149,709	82,447
Montague Sewerage and Water Utility	128,592	116,644
Georgetown Sewer Utility	127,107	17,903
	<u>\$ 1,141,902</u>	<u>\$ 1,300,336</u>

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**5. DEFERRED REVENUE**

	<u>2022</u>	<u>2021</u>
Canada Community Building Fund	\$ 1,869,982	\$ 1,119,758
Other deferred revenue	123,478	97,888
Provincial transitional funding	-	653,159
	<u>\$ 1,993,460</u>	<u>\$ 1,870,805</u>

Under the Canada Community Building Fund, the Town was allocated \$1,392,422 for fiscal 2021-22. 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 \$1,392,422, incurred eligible expenditures of \$650,867, and earned interest of \$8,669.

**6. LONG TERM DEBT**

	<u>2022</u>	<u>2021</u>
<u>Town of Three Rivers</u>		
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.	\$ 211,172	\$ 254,080
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.	198,089	214,517
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.	23,977	28,778
Bank of Montreal - 3.38% repayable in monthly blended installments of \$4,304. The loan matures on February 28, 2027. The loan is secured by general security agreement and a resolution authorizing the Town to borrow.	747,293	-
	<u>1,180,531</u>	<u>497,375</u>

*(continues)*

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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

	2022	2021
<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.	639,300	767,294
Provincial Credit Union Limited - 3.5%; repayable in blended monthly installments of \$1,447. The loan matures on March 15, 2023 and is secured by General Security agreement and a resolution authorizing the Town to borrow.	212,795	222,519
Federation of Canadian Municipalities - 3.41%; repayable in semi-annually principal installments of \$15,363 plus interest. The loan matures on May 16, 2027 and is secured by General security agreement and a resolution authorizing the Town to borrow.	168,999	199,726
Canadian Imperial Bank of Commerce - 2.405%, repayable in monthly blended installments of \$1,171. The loan matures on December 1, 2025 and is secured by resolution authorizing the Town to borrow.	109,647	120,911
Canadian Imperial Bank of Commerce - 2.022%, repayable in monthly blended installments of \$2,640. The loan matures on December 1, 2022 and is secured by resolution authorizing the Town to borrow.	20,893	51,807
	<u>1,151,634</u>	<u>1,362,257</u>
	<u>\$ 2,332,165</u>	<u>\$ 1,859,632</u>

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

2023	\$ 500,887
2024	274,581
2025	595,689
2026	280,500
2027	634,463

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**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:

2023	\$ 2,112
2024	2,112
2025	1,584

**9. INTANGIBLE ASSETS**

	<u>2022</u>	<u>2021</u>
Intangible assets	\$ 195,372	\$ 113,471
Accumulated amortization	-	-
	<u>\$ 195,372</u>	<u>\$ 113,471</u>

**10. ACCUMULATED SURPLUS**

	<u>2022</u>	<u>2021</u>
Unrestricted surplus	\$ 2,639,703	\$ 1,582,395
Reserve funds (Note 11)	520,003	1,860,685
Investment in tangible capital assets (Note 12)	<u>25,076,670</u>	<u>22,711,671</u>
	<u>\$ 28,236,376</u>	<u>\$ 26,154,751</u>



**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**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.

	2022	2021
Balance - beginning of year	\$ 1,860,685	\$ 2,154,788
Expenditures from reserves	(1,343,322)	(294,103)
Allocation to reserves	2,640	-
Balance - end of year	<u>\$ 520,003</u>	<u>\$ 1,860,685</u>

	2022	2021
<u>Reserved funds are comprised of:</u>		
Town of Montague	\$ 254,670	\$ 1,571,543
Town of Georgetown	113,371	113,371
Georgetown Fire Truck Reserve	68,953	53,950
Rural Municipality of Brudenell	60,539	60,539
Rural Municipality of Cardigan	19,830	33,559
Maintenance and upgrades of municipal recreation and public spaces	2,640	-
Rural Municipality of Valleyfield	-	11,594
Rural Municipality of Lower Montague	-	2,826
Rural Municipality of Lorne Valley	-	13,303
	<u>\$ 520,003</u>	<u>\$ 1,860,685</u>

Georgetown Fire Truck reserve allocation of \$15,000 for 2022 included in the Fire Protection expense budget.

**12. INVESTMENT IN TANGIBLE CAPITAL ASSETS**

	2022	2021
Tangible capital assets (Schedules 1 and 2)	\$ 46,052,250	\$ 41,960,115
Accumulated amortization (Schedules 1 and 2)	(18,643,415)	(17,388,812)
Long term debt (Note 6)	(2,332,165)	(1,859,632)
	<u>\$ 25,076,670</u>	<u>\$ 22,711,671</u>

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**13. GOVERNMENT TRANSFERS**

Government transfers for capital

	2022	2021
<u>General Government</u>		
Province of PEI - Strategic infrastructure	\$ 484,919	\$ 163,424
Province of PEI - Transitional funding	403,270	158,604
Municipal Capital Expenditure Grant	298,010	168,710
Canada Community Building Fund	119,390	91,147
ACOA - Lorne Valley	80,404	-
Province of PEI - Other projects	66,192	44,326
Province of PEI - Active Transportation	67,495	-
ICIP - Waterfront Development	33,959	-
ACOA - Waterfront Development	26,602	37,126
ICIP - Cardigan Ballfield Lights	22,011	135,975
Community Revitalization - Signs	16,416	5,000
Province of PEI - Waterfront Development	10,000	19,357
Province of PEI - Great trails	-	66,132
Government of Canada - Great trails	-	35,000
Province of PEI - Cardigan Ballfield	-	10,000
Province of PEI - Zamboni	-	5,986
	<u>1,628,668</u>	<u>940,787</u>
<u>Georgetown Sewer Utility</u>		
Canada Community Building Fund	83,198	318,317
Municipal Capital Expenditure Grant	12,038	29,381
	<u>95,236</u>	<u>347,698</u>
<u>Montague Water &amp; Sewer Utility</u>		
Canada Community Building Fund	448,280	990,792
Province of PEI - Gas tax top up	224,560	264,450
Municipal Capital Expenditure Grant	64,720	116,347
	<u>737,560</u>	<u>1,371,589</u>
<u>King's Playhouse</u>		
Municipal Capital Expenditure Grant	2,279	-
Government of Canada	-	16,250
Province of PEI	-	12,461
	<u>2,279</u>	<u>28,711</u>
<u>Cardigan Volunteer Fire Department</u>		
Province of PEI - Community Revitalization	26,005	25,000
Municipal Capital Expenditure Grant	4,712	6,597
	<u>30,717</u>	<u>31,597</u>
	<u>\$ 2,494,460</u>	<u>\$ 2,720,382</u>

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

**13. GOVERNMENT TRANSFERS (continued)**

Government transfers for operations

	2022	2021
<u>General Government</u>		
Equalization	\$ 704,622	\$ 704,622
Property tax credit	373,283	330,378
Property tax offset	216,096	216,096
COVID 19 funding	116,618	172,393
Wage subsidies	82,848	99,796
Other	20,243	21,889
Transitional funding	20,080	98,030
Grant in lieu hospital	20,000	20,000
Strategic infrastructure	-	32,665
	<u>1,553,790</u>	<u>1,695,869</u>
 <u>King's Playhouse</u>		
Wage subsidies	189,910	96,642
Other	149,543	80,020
	<u>339,453</u>	<u>176,662</u>
 <u>Montague Waterfront Development Corporation</u>		
Wage subsidies	64,123	73,900
Other	-	1,794
	<u>64,123</u>	<u>75,694</u>
 <u>Garden of the Gulf Museum</u>		
Wage subsidies	10,806	11,710
Other	9,840	12,150
	<u>20,646</u>	<u>23,860</u>
	<u>\$ 1,978,012</u>	<u>\$ 1,972,085</u>

**14. LINE OF CREDIT AVAILABILITY**

The Town of Three Rivers has combined operating lines of credit of \$500,000 of which \$Nil (2021 - \$Nil) was utilized at March 31, 2022. Interest is charged at prime less 0.25%. Prime rate at March 31, 2022 was 2.70%.

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**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	\$ 1,576,834
Montague Sewer and Water Corporation budget surplus	1,330,840
Georgetown Sewer Utility budget surplus	112,106
King's Playhouse budget surplus	1,754
Waterfront Development Corporation budget surplus	-
Garden of the Gulf Museum budget surplus	-
Cardigan Volunteer Fire Department budget surplus	69,550
Principal debt payments	-
Georgetown Volunteer Fire Department budget surplus	15,003
	<u>\$ 3,106,087</u>

The budget figures provided on Statements 5 and and Schedule 3 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, 2022.

(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.

(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.

**TOWN OF THREE RIVERS**  
**Notes to Consolidated Financial Statements**  
**Year Ended March 31, 2022**

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**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.

**19. SUBSEQUENT EVENTS**

In March 2020, the World Health Organization declared a global pandemic due to the novel coronavirus (COVID-19). The situation is constantly evolving, and the measures put in place are having multiple impacts on local, provincial, national and global economies.

The overall effect of these events on the Town and its operations is too uncertain to be estimated at this time. The impacts will be accounted for when they are known and may be assessed.

**TOWN OF THREE RIVERS**

**Schedules to Consolidated Financial Statements  
Tangible Capital Assets  
Year Ended March 31, 2022**

(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	\$ 1,555,551	\$ 72,482	\$ (9,891)	\$ 1,618,142	\$ 458,919	\$ 53,607	\$ -	\$ 512,526	\$ 1,105,616
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	6,078,981	549,052	(97,170)	6,530,863	3,500,486	472,323	(97,170)	3,875,639	2,655,224
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>\$ 4,204,653</b>	<b>\$ (112,518)</b>	<b>\$ 46,052,250</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 19 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, 2021**

(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	\$ 1,333,550	\$ 222,001	-	\$ 1,555,551	\$ 410,529	\$ 48,391	-	\$ 458,920	\$ 1,096,631
Buildings and leasehold improvements	12,099,240	529,596	-	12,628,836	4,840,749	326,524	-	5,167,273	7,461,563
Streets and sidewalks	9,257,059	11,818	-	9,268,877	4,623,678	215,441	-	4,839,119	4,429,758
Machinery and equipment	5,371,134	707,847	-	6,078,981	2,978,589	521,897	-	3,500,486	2,578,495
Water system	5,132,610	15,142	-	5,147,752	1,535,595	65,381	-	1,600,976	3,546,776
Sewer system	5,696,129	1,583,989	-	7,280,118	1,683,633	138,405	-	1,822,038	5,458,080
<b>Total tangible capital assets</b>	<b>\$ 38,889,722</b>	<b>\$ 3,070,393</b>	<b>-</b>	<b>\$ 41,960,115</b>	<b>\$ 16,072,773</b>	<b>\$ 1,316,039</b>	<b>-</b>	<b>\$ 17,388,812</b>	<b>\$ 24,571,301</b>

Notes 1 to 19 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 3)**

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	King's Playhouse	Waterfront Development Corporation	Museum Volunteer Department	Cardigan & Georgetown Fire	Consolidated 2022
<b>Revenues</b>								
Government transfers for operations	\$ 1,553,790	\$ -	\$ -	\$ 375,814	\$ 64,123	\$ 20,646	\$ -	\$ 2,014,373
Property taxes	975,171	-	-	-	-	-	-	975,171
Fire dues	544,342	-	-	-	-	-	182,973	560,504
Third party revenue	139,380	-	-	-	-	-	-	139,380
Other	84,165	22,027	4,663	150,209	160,586	24,937	10,000	348,526
Interest	13,961	9,021	3,160	-	-	-	-	26,142
Water and sewer	-	850,673	111,178	-	-	-	-	905,603
	<b>3,310,809</b>	<b>881,721</b>	<b>119,001</b>	<b>526,023</b>	<b>224,709</b>	<b>45,583</b>	<b>192,973</b>	<b>4,969,699</b>
<b>Expenditures</b>								
Salaries and benefits	1,045,840	226,415	-	272,228	99,735	19,997	16,873	1,681,088
Goods and services	1,851,858	275,863	85,454	156,725	124,235	12,746	105,168	2,280,929
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
	<b>3,980,506</b>	<b>752,477</b>	<b>114,062</b>	<b>456,202</b>	<b>227,408</b>	<b>33,021</b>	<b>149,979</b>	<b>5,382,535</b>
<b>Operating surplus (deficit)</b>	<b>\$ (669,697)</b>	<b>\$ 129,244</b>	<b>\$ 4,939</b>	<b>\$ 69,821</b>	<b>\$ (2,699)</b>	<b>\$ 12,562</b>	<b>\$ 42,994</b>	<b>\$ (412,836)</b>
Government transfers for capital	1,628,668	737,560	95,236	2,279	-	-	30,717	2,494,460
<b>Annual surplus (deficit)</b>	<b>\$ 958,971</b>	<b>\$ 866,804</b>	<b>\$ 100,175</b>	<b>\$ 72,100</b>	<b>\$ (2,699)</b>	<b>\$ 12,562</b>	<b>\$ 73,711</b>	<b>\$ 2,081,624</b>

Notes 1 to 19 are an integral part of these consolidated financial statements



# TOWN OF THREE RIVERS

## Schedules to Consolidated Financial Statements Segment Disclosures

(Schedule 4)

Year Ended March 31, 2021

	General Government	Montague Water & Sewer Utility	Georgetown Sewer Utility	King's Playhouse	Waterfront Development Corporation	Museum	Cardigan Volunteer Fire Department	Consolidated Elimination	2021
<b>Revenues</b>									
Government transfers	\$ 1,695,869	\$ -	\$ -	\$ 188,662	\$ 75,694	\$ 37,854	\$ -	\$ (22,000)	\$ 1,976,079
Operations	904,714	-	-	-	-	-	-	-	904,714
Property taxes	470,061	-	-	-	-	-	110,126	(110,126)	470,061
Fire dues	126,592	-	-	-	-	-	-	-	126,592
Third party revenue	64,904	14,607	11,763	52,211	136,837	1,282	5,619	(41,100)	246,123
Other	24,184	11,063	3,546	-	-	-	-	-	38,793
Interest	-	742,541	97,734	-	-	-	-	(71,682)	768,593
Water and sewer									
	3,286,324	768,211	113,043	240,873	212,531	39,136	115,745	(244,908)	4,530,955
<b>Expenditures</b>									
Salaries and benefits	966,043	221,149	-	171,425	109,966	30,167	10,233	-	1,508,983
Goods and services	1,765,655	229,400	72,760	64,817	79,680	14,987	37,274	(244,908)	2,019,665
Amortization	1,077,207	175,755	28,032	20,965	-	205	13,875	-	1,316,039
Interest	11,092	47,402	157	2,825	2,913	511	9,076	-	73,976
	3,819,997	673,706	100,949	260,032	192,559	45,870	70,458	-	4,918,663
<b>Operating surplus (deficit)</b>	\$ (533,673)	\$ 94,505	\$ 12,094	\$ (19,159)	\$ 19,972	\$ (6,734)	\$ 45,287	\$ -	\$ (387,708)
Government transfers for capital	940,787	1,371,589	347,698	28,711	-	-	31,597	-	2,720,382
<b>Annual surplus (deficit)</b>	\$ 407,114	\$ 1,466,094	\$ 359,792	\$ 9,552	\$ 19,972	\$ (6,734)	\$ 76,884	\$ -	\$ 2,332,674

Notes 1 to 19 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - General Government**  
**Year Ended March 31, 2022**

(Schedule 5)

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Government transfers for operations (Note 13)	\$ 1,873,157	\$ 1,553,790	\$ 1,695,869
Property taxes	922,169	975,171	904,714
Fire dues	527,315	544,342	470,061
Other third party revenue	288,602	139,380	126,592
Office services	-	46,623	44,335
Development permits	17,500	36,553	20,569
Interest	7,500	13,961	24,184
Gain on sale of tangible capital assets	-	989	-
	<b>3,636,243</b>	<b>3,310,809</b>	<b>3,286,324</b>
<b>Expenditures</b>			
<b>Protective Services</b>			
Bylaw enforcement	15,000	13,009	12,580
Fire protection services (Note 11)	527,315	523,331	467,713
Policing services	149,000	98,287	141,508
Water supply and hydrants	59,200	54,666	58,221
	<b>750,515</b>	<b>689,293</b>	<b>680,022</b>
<b>Maintenance and Infrastructure Services</b>			
Beautification	35,000	10,025	33,552
Maintenance buildings	48,500	47,536	74,833
Maintenance wages	359,146	352,606	284,205
Sidewalks	25,000	10,337	10,290
Street lights	93,000	85,445	84,049
Vehicles, equipment and tools	77,000	73,793	69,526
	<b>637,646</b>	<b>579,742</b>	<b>556,455</b>
<b>Community Services</b>			
A.A. MacDonald Memorial Gardens	25,000	17,122	18,850
Black Fly program	30,000	30,260	30,260
Cavendish Farms Wellness Centre	57,000	61,478	28,706
Community Parks	43,000	31,726	13,087
Economic development	45,000	8,265	6,040
Electric charging station	-	3,023	-
Garden of the Gulf Museum	37,460	30,201	20,515
Grants and sponsorships	32,500	34,291	32,858
King's Playhouse	80,000	80,000	49,730
Libraries	10,000	10,057	7,700
Outdoor rink	10,000	1,223	-
Public receptions and festivals	44,350	40,566	7,127
Recreational programming	29,870	27,219	13,609
Small Halls	122,500	92,945	36,799
Splashpad	7,000	7,851	4,885
Three Rivers Sportsplex	60,250	57,962	48,341
Waterfront developments	14,350	19,875	12,969
	<b>648,280</b>	<b>554,064</b>	<b>331,476</b>

(continues)

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Financial and Corporate Services</b>			
Amortization of tangible capital assets	950,000	1,068,448	1,077,207
Interest and bank charges	3,500	3,609	2,315
Interest on long term debt	6,900	10,751	8,777
Long term sustainability	200,000	-	-
Transitional costs	435,000	21,208	97,481
	<u>1,595,400</u>	<u>1,104,016</u>	<u>1,185,780</u>
<b>Administrative Services</b>			
Bad debt (recovery)	-	(22,450)	-
Elections	6,000	8,353	14,198
Employee travel	15,000	12,746	10,476
Insurance	18,000	21,223	13,546
Mayor and council	25,000	25,030	20,805
Mayor and council honorarium	80,252	80,694	82,139
Memberships and other professional services	65,400	29,657	18,633
Municipal offices	133,663	122,614	134,463
Office	40,000	46,541	48,316
Planning	7,500	26,942	13,204
Professional fees	70,000	61,708	88,990
Public relations	20,000	27,792	21,795
Staff training and development	16,000	9,993	9,477
Wages and wage levies	758,475	602,547	590,222
	<u>1,255,290</u>	<u>1,053,390</u>	<u>1,066,264</u>
	<u>4,887,131</u>	<u>3,980,505</u>	<u>3,819,997</u>
<b>Operating surplus (deficit)</b>	<u>\$ (1,250,888)</u>	<u>\$ (669,696)</u>	<u>\$ (533,673)</u>

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Sewer charges	\$ 475,866	\$ 516,598	\$ 414,882
Water charges	273,718	280,509	270,538
Fire protection	58,000	53,566	57,121
Other	32,333	22,027	14,607
Interest	7,000	9,021	11,063
	<b>846,917</b>	<b>881,721</b>	768,211
<b>Expenditures</b>			
Administration	5,000	5,000	5,000
Amortization of tangible capital assets	-	212,262	175,755
Dues and fees	11,780	9,209	8,878
Insurance	14,600	10,656	8,532
Interest and bank charges	1,500	813	420
Interest on long term debt	40,300	37,124	46,982
Miscellaneous	8,000	4,973	5,234
Office	8,500	6,314	5,374
Professional fees	14,900	8,179	5,000
Rental	14,500	12,000	12,024
Repairs and maintenance	119,500	93,930	62,075
Supplies	24,900	29,117	17,796
Training and development	4,000	290	1,245
Travel	1,000	-	263
Utilities	102,800	90,877	93,505
Vehicle	6,400	5,318	4,474
Wages and wage levies	233,375	226,415	221,149
	<b>611,055</b>	<b>752,477</b>	673,706
<b>Operating surplus</b>	<b>\$ 235,862</b>	<b>\$ 129,244</b>	<b>\$ 94,505</b>

Notes 1 - 19 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - King's Playhouse**  
**Year Ended March 31, 2022**

(Schedule 7)

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Government transfers for operations (Note 13)	\$ 204,662	\$ 339,453	\$ 176,662
Grants and subsidies	-	59,818	-
Admissions	8,000	43,097	13,094
Town of Three Rivers grant	29,650	36,361	12,000
Other	17,100	24,424	21,529
Fundraising, donations and sponsorships	10,500	15,501	14,453
Canteen and catering	4,800	7,369	3,135
	<u>274,712</u>	<u>526,023</u>	<u>240,873</u>
<b>Expenditures</b>			
Advertising and promotions	7,550	7,779	6,482
Amortization of tangible capital assets	-	22,973	20,965
Canteen and catering purchases	4,250	9,279	8,721
Dues and fees	2,500	1,591	3,245
Equipment	10,850	512	1,014
Interest and bank charges	5,420	4,276	2,825
Miscellaneous	1,000	8,789	-
Office	7,125	5,094	5,776
Program	60,250	97,839	20,038
Repairs and maintenance	10,050	4,539	4,712
Utilities	17,769	21,303	14,829
Wages and wage levies	146,194	272,228	171,425
	<u>272,958</u>	<u>456,202</u>	<u>260,032</u>
<b>Operating surplus (deficit)</b>	<u>\$ 1,754</u>	<u>\$ 69,821</u>	<u>\$ (19,159)</u>

Notes 1 - 19 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, 2022**

	Actual 2022	Actual 2021
<b>Revenues</b>		
Fees	\$ 84,717	\$ 79,201
Government transfers for operations (Note 13)	64,123	75,694
Product sales	60,920	43,520
Rental	14,739	13,663
Miscellaneous	210	453
	<u>224,709</u>	<u>212,531</u>
<b>Expenditures</b>		
Advertising and promotions	264	607
Dues and fees	110	532
Interest and bank charges	3,438	2,913
Office	2,356	5,990
Professional fees	1,200	-
Property taxes	3,222	4,031
Purchases	52,941	32,558
Repairs and maintenance	43,411	20,643
Tools and equipment	5,537	4,278
Travel and entertainment	32	-
Utilities	15,162	11,041
Wages and wage levies	99,735	109,966
	<u>227,408</u>	<u>192,559</u>
<b>Operating surplus (deficit)</b>	<u>\$ (2,699)</u>	<u>\$ 19,972</u>

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Fire dues	\$ 110,000	\$ 116,442	\$ 110,126
Grants and subsidies	-	10,000	5,619
	<u>110,000</u>	<u>126,442</u>	<u>115,745</u>
<b>Expenditures</b>			
Advertising and promotions	-	4,924	1,314
Amortization of tangible capital assets	-	20,095	13,875
Dues and fees	-	1,424	366
Fireman's training	-	7,246	-
Gas and oil	-	2,091	992
Honorariums	7,000	9,910	10,233
Insurance	2,900	3,500	2,908
Interest and bank charges	300	258	243
Interest on long term debt	-	7,487	8,833
Supplies	1,200	14,117	4,086
Repairs and maintenance	23,800	12,911	20,810
Telephone	5,250	6,478	6,798
	<u>40,450</u>	<u>90,441</u>	<u>70,458</u>
<b>Operating surplus</b>	<u>\$ 69,550</u>	<u>\$ 36,001</u>	<u>\$ 45,287</u>

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Sewer charges	\$ 112,357	\$ 111,178	\$ 97,734
Other	2,000	4,663	11,763
Interest	2,500	3,160	3,546
	<u>116,857</u>	<u>119,001</u>	<u>113,043</u>
<b>Expenditures</b>			
Amortization of tangible capital assets	-	28,118	28,032
Bad debts	-	-	1,123
Dues and fees	1,700	1,396	1,607
Insurance	1,700	2,234	1,580
Interest and bank charges	500	490	157
Miscellaneous	2,000	642	-
Office	21,200	22,784	23,140
Professional fees	4,500	2,500	7,558
Repairs and maintenance	58,000	47,411	26,813
Utilities	10,600	8,487	10,939
	<u>100,200</u>	<u>114,062</u>	<u>100,949</u>
<b>Operating surplus</b>	<u>\$ 16,657</u>	<u>\$ 4,939</u>	<u>\$ 12,094</u>

Notes 1 - 19 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, 2022**

	Budget 2022	Actual 2022	Actual 2021
<b>Revenues</b>			
Fire dues	\$ 78,703	\$ 66,531	\$ -
<b>Expenditures</b>			
Advertising	3,400	592	-
Bookkeeping	1,200	1,200	-
Communications	5,000	4,861	-
Equipment maintenance	3,000	2,435	-
Honorariums	10,800	6,963	-
Insurance	9,300	10,500	-
Interest and bank charges	-	98	-
Janitorial services	1,200	1,200	-
Medical training	1,400	5,005	-
Miscellaneous	-	2,360	-
Snow removal	-	2,641	-
Social functions	3,000	565	-
Supplies and equipment	11,100	10,295	-
Training	2,000	1,056	-
Travel	800	610	-
Turnout gear	5,000	-	-
Utilities	3,500	8,870	-
Vehicle maintenance	3,000	287	-
	<b>63,700</b>	<b>59,538</b>	<b>-</b>
<b>Operating surplus</b>	<b>\$ 15,003</b>	<b>\$ 6,993</b>	<b>\$ -</b>

Notes 1 - 19 are an integral part of these consolidated financial statements

**TOWN OF THREE RIVERS**  
**Statement of Operations - Museum**  
**Year Ended March 31, 2022**

(Schedule 12)

	Actual 2022	Actual 2021
<b>Revenues</b>		
Government transfers for operations (Note 13)	\$ 20,646	\$ 23,860
Grants and subsidies	16,699	13,994
Museum	8,238	1,282
	<u>45,583</u>	<u>39,136</u>
<b>Expenditures</b>		
Advertising and promotions	373	2,981
Amortization of tangible capital assets	205	205
Dues and fees	-	155
Interest and bank charges	73	511
Office	1,866	904
Repairs and maintenance	484	481
Supplies	23	-
Utilities	10,000	10,466
Wages and wage levies	19,997	30,167
	<u>33,021</u>	<u>45,870</u>
<b>Operating surplus (deficit)</b>	<u>\$ 12,562</u>	<u>\$ (6,734)</u>

Notes 1 - 19 are an integral part of these consolidated financial statements