

November 24, 2023

Margaret Quirk  
Mayor  
Town of Georgina  
26557 Civic Centre Rd., R.R. 2  
Keswick, ON L4P 3G1

Dear Mayor Quirk:

**RE: LAS Natural Gas Program – 2021-22 Period Reserve Fund Rebate and HST reporting**

LAS is pleased to announce a rebate to all LAS Natural Gas Program members. The amount being rebated back to your municipality is **\$2,403.10**.

This amount represents your municipality's share of the \$750,000 reserve fund surplus being returned to participants enrolled in the LAS Natural Gas Program during the November 1, 2021 - October 31, 2022 program year. The rebate is based on actual consumption data and is being shared proportionately amongst all program participants.

The LAS Natural Gas program is structured in a way to provide price stability for participants, as well as protection in uncertain markets. In years when the market is relatively stable, rebates to municipalities are possible. It is important to note though that as the natural gas market experiences volatility, as it is currently, combined with the impact of prolonged periods of extreme cold in the winter it may not always be possible to provide a rebate. Nonetheless, LAS' goal remains price stability for participants.

*In addition to the rebate, a reconciliation of accounts will be emailed to the program contact separately from LAS.* This reconciliation is intended for the recording and reporting of HST in relation to the supply and consumption of Natural Gas for the contract year. The supporting instructions and explanation are attached as **Appendix A** to this communication.

We look forward to your continued involvement in this valuable program. Should you have any questions please contact Jason Hagan, LAS Program Manager at ext. 320 or at [jhagan@amo.on.ca](mailto:jhagan@amo.on.ca).

Sincerely,



Judy Dezell Director

CC: Tim McClatchie, Facility Supervisor - Maintenance

## **Appendix A: Reconciliation of Accounts**

For a particular contract year, a Municipality could either have claimed it paid too little or claimed it paid too much tax. Therefore, the municipality may have under claimed or over claimed their rebate/ITC.

The Municipality would be responsible for making the adjustment on its GST/HST rebate application or return.

The Municipality:

- Would claim an additional rebate/credit; or
- Would report an over claimed rebate/credit and have a liability.

The following sample outlines the details that support the refund including consumption, refund, GST, HST and Net Refund amounts.

| GROUP ID | OLD FACILITY ID | UTILITY ACCOUNT NAME | UTILITY SERVICE ADDRESS | ACCOUNT NUMBER | ACCOUNT CONSUMPTION | REFUND              | GST                   | HST                 | NET REFUND          |
|----------|-----------------|----------------------|-------------------------|----------------|---------------------|---------------------|-----------------------|---------------------|---------------------|
| M18      | 3018            | MUNICIPALITY         | Municipal Address       | XXXXXXXXXX     | 780,498             | \$ 2,088.23         | \$ (39.39)            | \$ 122.97           | \$ 2,171.81         |
| M18      | 3018            | MUNICIPALITY         | Municipal Address       | XXXXXXXXXX     | 3,211               | \$ 8.59             | \$ (38.59)            | \$ 120.30           | \$ 90.30            |
| M18      | 3018            | MUNICIPALITY         | Municipal Address       | XXXXXXXXXX     | 4,408               | \$ 11.79            | \$ (33.32)            | \$ 103.89           | \$ 82.36            |
| M18      | 3018            | MUNICIPALITY         | Municipal Address       | XXXXXXXXXX     | 3,970               | \$ 10.61            | \$ (0.98)             | \$ 3.00             | \$ 12.63            |
|          |                 |                      |                         | <b>Total</b>   | <b>5,632,556</b>    | <b>\$ 15,069.94</b> | <b>\$ (16,474.17)</b> | <b>\$ 51,404.23</b> | <b>\$ 50,000.00</b> |

Recommended accounting entries as follow for the above example:

|                |                       |
|----------------|-----------------------|
| Cash           | \$ 50,000.00 (debit)  |
| HST Payable    | \$ 51,404.23 (credit) |
| GST Payable    | \$ 16,474.17 (debit)  |
| Rebate Revenue | \$ 15,069.94 (credit) |