

**Rural Municipality of Kinkora
Regular Meeting of Council
October 3, 2022
Minutes**

Present: Mayor Robert Duffy, Harrison Duffy, Andrew McCarville, Marisa McNeill, and Roger Shea

Absent: Councilor Amanda Dwyer

Meeting Chair: Mayor Robert Duffy

Meeting Recorder: CAO Tina Harvey

1. **Call to Order:** 7:01 pm
2. **Reminder of the Code of Conduct and Conflict of Interest bylaws and that the meeting is recorded.**
3. **Review/Additions to the Agenda**
4. **Approval of Agenda**

MOTION: Moved by Marisa McNeill and seconded by Harrison Duffy *"to approve the agenda."*
All in favour. Motion carried.

5. **Public Presentations** – Michelle Burge, MRSB to present 2021-22 Financial Statements (as attached)
 - This is MRSB's first year doing the audit for the municipality
 - The Financial Statements are as of March 31, 2022 and are consolidated with the municipality, the sewer utility and KABC
 - The Auditor's Report on page 2 provides the auditor's opinion and indicates this is a clean audit as in previous years

6. **Review/Approval of Minutes**

Regular Meeting – August 29, 2022

MOTION: Moved by Andrew McCarville and seconded by Marisa McNeill *"to approve the minutes from the August 29th, 2022 meeting."* All in favour. Motion carried.

7. **Business Arising from the Minutes**

- a) **Overgrown Grass** - CAO to contact Colton Dawson and ask him to cut the grass that is extending over the sidewalk – done

- b) **Batting Cage** - CAO to contact Trent Williams to get specs on a batting cage and an estimate so council will know what the cost would be – Trent used batting cage specs based on one the City of Summerside recently installed and the municipality would be looking at a cost of \$20,000-\$25,000 plus taxes. A pitching machine would be an additional \$5,000. CAO will officially inform the interested parties that council will not be moving forward at this time.
- c) **Heritage Park Flagpole** – Harrison Duffy to get a quote on a new flagpole for Heritage Park. A quote was obtained from Linkletter Welding for a hinged pole at a cost of \$650 plus HST, not installed.

MOTION: Moved by Roger Shea and seconded by Harrison Duffy *“to move ahead with the additional flagpole for Heritage Park.”* All in favour. Motion carried.

- d) **Lagoon Bullrushes** – CAO to contact Ed Van Der Velden to take care of cutting the bullrushes at the lagoon – done. Ed contacted Duffy Construction to take care of this.
- e) **Structure for Zamboni** – CAO to get a quote on a 15' x 15' structure with a frost wall and asphalt bottom as an addition to the back room. This has not been done yet. With a plan in place to moved the daycare's school-age program to Somerset Consolidated, something different may be needed. **CARRY FORWARD**

8. Correspondence

- a) **Kinkora Regional High School** – Request from Kinkora Regional High School to match last year's donation of \$100 toward the annual Blazer Beef Supper Fundraiser. Council agreed to donate the \$100.
- b) **Community Fridge** – Letter from a resident wondering if council would consider installing a community fridge in the community. CAO to respond that council decided this is not feasible at this time and that the community does support South Shore Food Share in Crapaud.

9. Reports

- a) **Fire Department** – no report
- b) **KABC** – Councilor Roger Shea
 - KABC had a meeting with all but the chair in attendance
 - Directors gave the approval to go forward with purchase of land from Leonard McCardle. More details will be discussed at a future meeting.
 - Discussion was had on development of KABC's R4 lot
 - The finances are in good standing

c) **CAO** – written report attached

- CAO, in capacity as Municipal Electoral Officer, will send out a notice about the November election to all Kinkora residents
- Report from Bylaw Officer Donna Johnson was added. She is patrolling every street each Thursday and has issued several Notices of Violation. All NOV's issued in August have been complied with. Council once again discussed the issue with garbage from the townhouse complex at 61 Anderson Road blowing through the village, as well as creating an unsightly premises.

MOTION: Moved by Roger Shea and seconded by Marisa McNeill *“that the property owners of 61/63 Anderson Road address the garbage situation with two options: an ample commercial bin and/or a full enclosure around the existing bins.”* All in favour. Motion carried.

ACTION: CAO to write a letter to the property owner giving council's two options, and include that council would appreciate this being done by December 1, 2022.

d) **Finance** – Councilor Roger Shea (financials attached)

- Everything looks good, there is nothing excessive to date
- Regarding possibly changing banks, CAO and Councilor Shea have a banking proposal from one bank and will set up a meeting with another. This will be deferred to the next council meeting.

e) **Facility** – Councilor Harrison Duffy

- The generator had frequent use in the aftermath of Hurricane Fiona and the fuel should be topped back up. CAO will call Noonan Petroleum.
- All electrical work listed in the Fire Marshal's report has been completed

f) **Sewer and Utility** – Councilor Andrew McCarville

- This year's sewer flushing will get underway shortly. A representative from the company will be meeting with the CAO to determine the distance for this year's flushing.

g) **Parks, Recreation and Youth** – Councilor Harrison Duffy

- The angle brackets that support the boards on the north side of the rink pulled out with the winds from Hurricane Fiona. They need to be repaired and have sealant put underneath. CAO will contact Trent Williams about this.

h) **Daycare** – Councilor Marisa McNeill

- Another Early Childhood Educator has been hired and started today
- Waiting on word from the Department on moving the school-age program to Somerset Consolidated
- Staff inquired about the playground at the facility. This will be deferred until the hall addition is completed.
- \$20/day daycare rates took effect on October 1st

i) **Planning Board** – Councilor Amanda Dwyer – no report

10. New Business

- a. **Heat Pump Replacement/Repair** – Heat pumps in the library, the main lobby and the Pre-K Room (Seniors Room) have all needed repairs recently. Thompson’s have mentioned that replacement parts are not readily available and are costly. They gave a quote on removing the existing wall unit and replacing it with a new unit and that came in at \$2375 plus HST per unit.
MOTION: Moved by Harrison Duffy and seconded by Andrew McCarville “to replace the first three heat pump units mentioned and make room in next year’s budget to replace more as needed.” All in favour. Motion carried.
- b. **Shared CAO with Bedeque** – Mayor Duffy, Councilor McCarville and CAO met with Bedeque’s Acting Mayor Matthew Bowness to discuss sharing CAO services as they have lost their CAO.
- Council is currently in the process of developing a job description for an administrative assistant for the CAO to take over some duties
 - Concern expressed about how much this would add to the CAO’s workload
- MOTION:** Moved by Marisa McNeill and seconded by Roger Shea “to not move ahead with the shared CAO with Bedeque at this time.” All in favour. Motion carried.
- c. **Electric Vehicle Charging Station** – A teacher from Somerset Consolidated reached out asking if the municipality has considered installing an EV charging station. The provincial government has an EV Charging Funding Program where they cover up to 75% of total project costs. For a level 2 charger, the cost would be approximately \$10,000, so they would cover \$7,500. Council decided to defer until a future budget.

11. Old Business/Carry Forward Items

- a. **Heritage Park Flagpole** – Discussed earlier in meeting
- b. **St. Malachy’s Lot Purchase** – The Municipality’s lawyer, Andrew Campbell, is in the process of drawing up the purchase agreement with the conditions requested by the St. Malachy’s Parish Council. A survey was to be completed. CAO will contact the lawyer to see how the process is progressing as it does require IRAC approval.
- c. **Fire Pump**
- Mayor Duffy and Councilor Shea met with John Manderson of Manderson Well Drilling and determined there is not enough water pressure at Kinkora Place to generate 300-400 gallons/minute.

- CAO to inform the Fire Chief and give the option of another site in the municipality.
- Minister of Fisheries and Communities Jamie Fox has committed to \$100,000 in funding for the pump.
- If the Fire Chief and members of the department want to proceed, a tender package can be put together.

12. Date of Next Meeting – October 24, 2022 at 7 pm

13. Adjournment

MOTION: Moved by Marisa McNeill and seconded by Harrison Duffy *“to adjourn the meeting at 8:51 pm.”* All in favour. Motion carried.



Mayor

Oct 24/2022

Date



Chief Administrative Officer

Oct 24/22.

Date

CAO's Report – October 3, 2022

- 1) **Hurricane Fiona Update** – Damage to municipal-owned infrastructure as a result of Hurricane Fiona was minimal. There were numerous trees down at Kinkora Place, which have now been cleaned up. In addition, the cooling unit on the Kinkora Place roof was blown over, leaving a small hole in the roof of the firehall around the ductwork. The fire department covered this area until repairs could be made. The unit is now back in place. The most significant damage is to the cenotaph monument. One portion of the monument blew over and has cracked. Repairs are still being discussed and figured out, but will hopefully be completed by Remembrance Day. Sewer utility operator Ed Van Der Velden inspected the lagoon and UV system and everything weathered the storm well. There were a lot of broken branches but Ed removed those. The municipality opened a reception center on Sunday, Monday and Tuesday following the storm, serving a hot meal and coffee, while also providing space for people to charge devices and fill water containers. Approximately 100 people took advantage of the center. Thank you to the fire department for their assistance, and to the volunteers who manned the center. I am hoping to coordinate with librarian Stacey Meenink to be able to help residents of Kinkora and the surrounding area access online government supports that may be available to those who qualify for them.
- 2) **Bingo License Renewal** – The municipality's bingo license is once again up for renewal in November. Currently councilor Amanda Dwyer and former councilor Lesley Cousins are on the license as bingo officers. With the election coming up in November, this will be deferred until after that date.
- 3) **2022 Municipal Election** – The 2022 Municipal Election is scheduled for Monday, November 7, with advance polls to be held on Saturday, November 5. The Notice of Nominations ad will be published this Thursday, October 7 and the election office will officially open at Kinkora Place on October 11, with the nomination period starting on October 12. Nomination forms are available for any Kinkora resident who would like to put their name forward to run for council. The close of nominations is on Friday, October 21. Polls for Bedeque and Breadalbane will also be held at Kinkora Place if elections are required in those municipalities.



Tina Harvey

RURAL MUNICIPALITY OF KINKORA

SUMMARY OF OPERATING REVENUE AND EXPENSES

Figures up to September 23, 2022

MUNICIPALITY OPERATING REVENUE	2022-23 Budget	To Date	%
Assessable municipal property taxes	\$ 123,323.00	\$ 65,058.00	53
Equalization Grant	\$ 61,203.52	\$ 30,601.74	50
Municipal Capital Expenditure Grant (MCEG)	\$ 11,800.00	\$ -	0
Events - Regular and Special	\$ 104,870.00	\$ 37,716.37	36
Multiplex Board Signage	\$ 9,600.00	\$ -	0
Early Learning Center Revenue	\$ 539,000.00	\$ 203,407.13	38
Other Income (Donations, permits, etc.)	\$ 5,000.00	\$ 697.50	14
Total	\$ 854,796.52	\$ 337,480.74	39

MUNICIPALITY OPERATING EXPENSES	2022-23 Budget	To Date	%
Administration	\$ 149,566.00	\$ 66,042.47	44
Facility	\$ 75,900.00	\$ 20,780.68	27
Events	\$ 65,500.00	\$ 24,151.61	37
Parks and Recreation	\$ 11,000.00	\$ 57.54	1
Early Learning Center	\$ 498,300.00	\$ 188,129.71	38
Reserve Funds	\$ 3,500.00	\$ -	0
Total	\$ 803,766.00	\$ 299,162.01	37

Operating Surplus	\$ 51,030.52	\$ 38,318.73	75
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SEWER UTILITY OPERATING REVENUE	2022-23 Budget	To Date	%
Flat Rate Sewer Fees	\$ 82,000.00	\$ 41,560.19	51
Total	\$ 82,000.00	\$ 41,560.19	51

SEWER UTILITY OPERATING EXPENSES	2022-23 Budget	To Date	%
Total Operating Expenses	\$ 82,000.00	\$ 32,735.70	40

Sewer Operating Surplus	\$ -	\$ 8,824.49	
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MUNICIPALITY OPERATING EXPENSES	2022-23 Budget	To Date	%
Administration			
Advertising	\$ 5,000.00	\$ 523.54	10
Donations	\$ 2,000.00	\$ 973.45	49
Dues/Grants	\$ 1,000.00	\$ 688.57	69
Accounting Fees	\$ 10,000.00	\$ -	0
Insurance	\$ 7,000.00	\$ 5,685.18	81
Interest on Loans	\$ 18,900.00	\$ 7,045.96	37
Office Supplies	\$ 2,500.00	\$ 704.72	28
POS Fees	\$ 500.00	\$ 178.76	36
Professional Fees	\$ 4,000.00	\$ 7,578.72	189
Library	\$ 300.00	\$ 300.00	100
Travel	\$ 1,000.00	\$ -	0
Wages and Benefits	\$ 28,000.00	\$ 12,352.28	44
Community Programs (Black Fly)	\$ 6,000.00	\$ 5,722.23	95
Bank Charges	\$ 600.00	\$ 199.50	33
Honorariums	\$ 3,300.00	\$ -	0
Training	\$ 2,000.00	\$ -	0
Internet and Phone	\$ 2,500.00	\$ 798.30	32
Website	\$ 1,000.00	\$ -	0
Fire Dues	\$ 26,866.00	\$ 13,433.00	50
Accounting Software	\$ 1,100.00	\$ 336.22	31
Loan Repayment	\$ 26,000.00	\$ 9,522.04	37
Total	\$ 149,566.00	\$ 66,042.47	44
Facility and Public Property			
Property Tax	\$ 2,300.00	\$ 1,244.32	54
Snow Removal	\$ 5,000.00	\$ -	0
Repairs and Maintenance	\$ 22,000.00	\$ 4,574.58	21
Utilities	\$ 21,000.00	\$ 5,634.55	27
Landscaping	\$ 5,600.00	\$ 1,320.58	24
Cleaning and Supplies	\$ 10,000.00	\$ 3,143.07	31
Wages	\$ 10,000.00	\$ 4,863.58	49
Total	\$ 75,900.00	\$ 20,780.68	27
Events			
Bar	\$ 3,000.00	\$ 4,546.48	152
Bingo	\$ -	\$ -	0
Kitchen/Canteen	\$ 1,000.00	\$ 1,783.22	178
Special Events	\$ 5,500.00	\$ 2,395.93	44
Bartenders	\$ 2,000.00	\$ 1,294.65	65
Security	\$ 2,000.00	\$ 932.50	47
Raffle Fundraiser	\$ 52,000.00	\$ 13,198.83	25
Total	\$ 65,500.00	\$ 24,151.61	37

MUNICIPALITY OPERATING EXPENSES

	2022-23 Budget	To Date	%
Parks and Recreation			
Supplies	\$ 2,000.00	\$ 57.54	3
Rink	\$ 9,000.00	\$ -	0
Total	\$ 11,000.00	\$ 57.54	1

Early Learning Center

Administration	\$ 443,800.00	\$ 162,977.78	37
Facility Costs	\$ 35,000.00	\$ 16,956.45	48
Food	\$ 15,000.00	\$ 6,946.53	46
Supplies	\$ 4,500.00	\$ 1,248.95	28
Total	\$ 498,300.00	\$ 188,129.71	38

SEWER UTILITY OPERATING EXPENSES

	2022-23 Budget	To Date	%
Administration	\$ 16,000.00	\$ 7,903.07	49
Bank Fees	\$ 300.00	\$ 114.00	38
Accounting Fees	\$ 5,000.00	\$ -	0
Interest on Debt	\$ 5,000.00	\$ 4,215.85	84
Debit Machine	\$ 800.00	\$ 115.95	14
Repairs and Maintenance	\$ 18,100.00	\$ 4,126.40	23
Supplies	\$ 4,000.00	\$ -	0
Internet and Phone	\$ 800.00	\$ 407.60	51
Electricity	\$ 2,000.00	\$ 535.81	27
Loan Repayment	\$ 30,000.00	\$ 15,317.02	51
Total	\$ 82,000.00	\$ 32,735.70	40

Community/Fire/Sewer Loan Payments September 2022

Date	Purpose	Principal	Interest	Total	Balance
01-Sep-22	Firehall Renov	\$ 712.11	\$ 37.16	\$ 749.27	\$ 21,956.06
06-Sep-22	Complex Improvement	\$ 321.63	\$ 194.93	\$ 516.56	\$ 70,298.76
06-Sep-22	Firetruck Loan	\$ 2,735.15	\$ 202.40	\$ 2,937.55	\$ 96,562.61
12-Sep-22	Upgrade to Kinkora Place	\$ 810.35	\$ 406.74	\$ 1,217.09	\$ 123,581.36
15-Sep-22	Sidewalk/Sewer	\$ 1,026.11	\$ 943.33	\$ 1,969.44	\$ 276,649.10
	Community - September	\$ 2,158.09	\$ 1,545.00	\$ 3,703.09	\$ 470,529.22
	Fire Department - Sept.	\$ 3,447.26	\$ 239.56	\$ 3,686.82	\$ 118,518.67

Date	Purpose	Principal	Interest	Total	Balance
07-Apr-22	Sewer/Lagoon	\$ 9,641.45	\$ 559.68	\$ 10,201.13	\$ 19,818.85
02-May-22	Upgrade sewer	\$ 2,253.63	\$ 519.88	\$ 2,773.51	\$ 27,535.61
	Sewer	\$ 11,895.08	\$ 1,079.56	\$ 12,974.64	\$ 47,354.46
Sewer loans are paid twice per year, the next payments will be October 2022					

RURAL MUNICIPALITY OF KINKORA
Consolidated Financial Statements
March 31, 2022

RURAL MUNICIPALITY OF KINKORA
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March 31, 2022

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MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

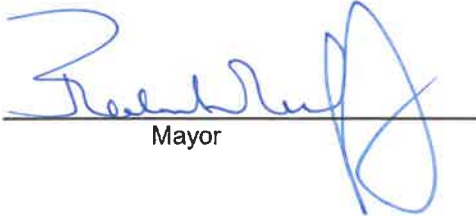
The accompanying consolidated financial statements of the Rural Municipality of Kinkora are the responsibility of management and have been prepared in accordance with Canadian Accounting Standards for the Public Sector. A summary of the significant accounting policies are described in the consolidated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



Mayor

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of the Rural Municipality of Kinkora

Opinion

We have audited the consolidated financial statements of the Rural Municipality of Kinkora (the Municipality), which comprise the consolidated statement of financial position as at March 31, 2022, and the consolidated statements of operations, changes in net debt 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 Municipality as at March 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian Accounting Standards for the Public Sector.

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 Municipality 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.

Other Matter

The consolidated financial statements for the year ended March 31, 2021 were audited by another auditor who expressed an unmodified opinion on those financial statements on August 23, 2021.

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 Municipality'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 Municipality or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 Municipality'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 Municipality'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 Municipality 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

October 3, 2022

RURAL MUNICIPALITY OF KINKORA
Consolidated Statement of Financial Position
March 31, 2022

	2022	2021
Financial assets		
Cash		
Unrestricted cash	\$ 693,560	\$ 349,948
Restricted cash	165,457	34,399
Accounts receivable (Note 3)	67,625	83,836
	926,642	468,183
Liabilities		
Accounts payable and accrued liabilities	62,557	47,255
Demand loan (Note 4)	68,893	168,893
Deferred revenue (Note 5)	220,840	(15,068)
Long term debt (Note 6)	681,841	770,880
	1,034,131	971,960
Lease commitments (Note 7)		
Net debt (Statement 6)	(107,489)	(503,777)
Non-financial assets		
Inventory	111,887	277,638
Prepaid expense	7,694	1,907
Tangible capital assets (Schedules 1 - 2)	4,471,590	4,597,789
	4,591,171	4,877,334
Accumulated surplus (Statement 5)	\$ 4,483,682	\$ 4,373,557

On behalf of Council

 Mayor

 Councillor

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

RURAL MUNICIPALITY OF KINKORA
Consolidated Statement of Operations
Year Ended March 31, 2022

	Budget 2022	Actual 2022	Actual 2021
Revenues			
Kinkora Early Learning Centre (Schedule 7)	\$ 292,070	\$ 375,408	\$ 12,266
Fire Department (Schedule 6)	163,632	193,047	187,790
Complex (Schedule 4)	235,100	138,220	75,809
Municipal property taxes	113,927	119,483	112,076
Kinkora Sewage Collections and Treatment Corporation (Schedule 5)	82,000	83,246	81,307
Government transfers for operations (Note 8)	53,802	65,622	76,948
Kinkora and Area Business Commission Inc.	-	38,842	4,050
Donations and permits	5,000	14,285	5,412
Recreation fees and signs	10,400	6,800	13,310
Black fly program	-	60	850
	955,931	1,035,013	569,818
Expenditures			
General (Schedule 3)	118,001	163,644	190,309
Complex (Schedule 4)	282,876	198,409	141,760
Kinkora Sewer Collections and Treatment Corporation (Schedule 5)	52,000	98,363	78,996
Fire Department (Schedule 6)	97,168	159,565	144,682
Kinkora Early Learning Centre (Schedule 7)	292,070	331,105	22,285
	842,115	951,086	578,032
Operating surplus (deficit)	113,816	83,927	(8,214)
Government transfers for capital			
Government transfers for capital - general (Note 8)	16,000	18,535	146,562
Government transfers for capital - sewer (Note 8)	-	7,663	-
	16,000	26,198	146,562
Annual surplus	129,816	110,125	138,348
Accumulated surplus - beginning of year	4,373,557	4,373,557	4,235,209
Accumulated surplus - end of year (Note 9)	\$ 4,503,373	\$ 4,483,682	\$ 4,373,557

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

RURAL MUNICIPALITY OF KINKORA
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2022

	Budget 2022	Actual 2022	Actual 2021
Annual surplus	\$ 129,816	\$ 110,125	\$ 138,348
Amortization of tangible capital assets	-	187,186	189,384
Purchase of tangible capital assets	239,270	(60,987)	(415,375)
Increase in prepaid expense	-	(5,787)	(1,907)
Decrease in inventory	-	165,751	138,931
Prior period adjustment (Note 9)	-	-	105,175
	239,270	286,163	16,208
Decrease in net debt	369,086	396,288	154,556
Net debt - beginning of year	(503,777)	(503,777)	(658,333)
Net debt - end of year	\$ (134,691)	\$ (107,489)	\$ (503,777)

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

RURAL MUNICIPALITY OF KINKORA
Consolidated Statement of Cash Flows
Year Ended March 31, 2022

	2022	2021
Cash flows from operating activities		
Annual surplus	\$ 110,125	\$ 138,348
Item not affecting cash:		
Amortization of tangible capital assets	187,186	189,384
	<u>297,311</u>	<u>327,732</u>
Changes in non-cash working capital:		
Accounts receivable	16,202	(18,398)
Inventory	165,761	138,930
Prepaid expense	(5,787)	(1,907)
Accounts payable and accrued liabilities	15,302	21,808
Deferred revenue	235,908	13,555
	<u>427,386</u>	<u>153,988</u>
	<u>724,697</u>	<u>481,720</u>
Cash flows from capital activities		
Purchase of tangible capital assets	<u>(60,987)</u>	<u>(415,375)</u>
Cash flows from financing activities		
Repayment of long term debt	(89,040)	(85,851)
Repayment of demand loan	(100,000)	(76,784)
Proceeds from demand loan	-	168,893
	<u>(189,040)</u>	<u>6,258</u>
Increase in cash	474,670	72,603
Cash - beginning of year	384,347	311,744
Cash - end of year	\$ 859,017	\$ 384,347
Cash consists of:		
Unrestricted cash	\$ 693,560	\$ 349,948
Restricted cash	165,457	34,399
	<u>\$ 859,017</u>	<u>\$ 384,347</u>

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

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

1. DESCRIPTION OF BUSINESS

The Rural Municipality of Kinkora (the "Municipality") 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 Municipality 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 Rural Municipality of Kinkora 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 Rural Municipality of Kinkora reflect the assets, liabilities, revenues, expenditures, annual surplus of all funds of the Municipality. The Municipality is comprised of all organizations and committees accountable to the Municipality for the administration of their financial affairs and resources. Included in the Municipality are the following:

Rural Municipality of Kinkora
Kinkora Sewage Collections and Treatment Corporation
Kinkora and Area Business Commission Inc. (KABC)

Cash

Cash is comprised of unrestricted and restricted balances on deposits with banks and short term investments.

Accounts receivable

Accounts receivable arise from sewer dues, Harmonized Sales Tax, government funding, and miscellaneous accounts receivable. An allowance for bad debts has been calculated through discussions with management, 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.

(continues)

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

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 are amortized on a straight-line basis over the estimated useful life using the following rates:

Municipality	
Buildings	40 years
Sidewalks	25 years
Fire trucks	15 years
Fire equipment	10 years
Recreation equipment	15 years
Furniture and equipment	5 years
Storm water system	25 years
Sewer Utility	
Sewer mains	83 1/3 years
Lagoon fence	83 1/3 years

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

Impairment of long lived assets

The Municipality 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.

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 debt for the year.

Land held for resale

Land held for resale is recorded at the lower of cost or net realizable value. Costs include costs for land acquisition and improvements required to prepare land for servicing. Related development costs incurred to provide infrastructure are recorded as physical assets under the respective function.

(continues)

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 period 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 monthly billings come due.

Sewer dues are charged based on rates approved by the Island Regulatory and Appeals Commission (IRAC). These charges are assessed semi annually and are recognized when billings come due.

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

The Municipality 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)

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

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 statement of operations is subject to management's assessment of the estimated useful life of the Municipality'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. ACCOUNTS RECEIVABLE

	2022	2021
HST receivable	\$ 33,485	\$ 19,300
Government transfers	12,893	52,440
Community trade	12,379	8,622
Utility receivables	8,513	3,474
KABC receivable	355	-
	\$ 67,625	\$ 83,836

4. DEMAND LOAN

	2022	2021
National Bank of Canada - prime + 0.5%; interest paid monthly; maximum limit of \$270,000; secured by General Security Agreement; renewable March 11, 2023.	\$ 68,893	\$ 168,893

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

5. DEFERRED REVENUE

	2022	2021
Canada Community Building Fund	\$ 81,125	\$ (105,175)
KABC deposit on lot	75,000	75,000
EYC Funding	61,838	11,845
Security deposits	2,877	1,550
New Horizons Seniors Grant	-	1,712
	\$ 220,840	\$ (15,068)

Under the Canada Community Building Fund, the Municipality was allocated \$100,000 per year for the fiscal years ending March 31, 2020 to 2024. 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 Municipality received Canada Community Building funding of \$200,000, incurred eligible expenditures of \$13,700, and earned interest of \$nil.

6. LONG TERM DEBT

	2022	2021
<u>Municipality</u>		
National Bank of Canada - 3.85%, repayable in monthly blended installments of \$1,217. The loan matures on March 31, 2027.	\$ 128,431	\$ 137,891
National Bank of Canada - 2.4%; repayable in quarterly blended installments of \$2,938. The loan matures on July 6, 2025.	112,904	145,033
National Bank of Canada - 3.25%, repayable in monthly blended installments of \$517. The loan matures on November 5, 2026.	72,228	76,120
National Bank of Canada - 1.93%, repayable in monthly blended installments of \$749. The loan matures on March 1, 2025.	26,214	34,585
<u>Sewer Utility</u>		
National Bank of Canada - 4%; repayable in monthly blended installments of \$1,969. The loan matures on June 15, 2023.	282,815	294,870
National Bank of Canada - 3.5%, repayable in semi-annual blended installments of \$2,774. The loan matures on April 1, 2027.	29,789	34,178
National Bank of Canada - 3.81%, repayable in semi-annual blended installments of \$10,201. The loan matures on March 31, 2023.	29,460	48,203
	\$ 681,841	\$ 770,880

(continues)

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

6. LONG TERM DEBT (continued)

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

2023	\$	92,288
2024		341,669
2025		63,123
2026		32,192
2027		147,768

7. LEASE COMMITMENTS

The Municipality has entered into a lease agreement with Konica Minolta for the lease of a photocopier. The minimum lease payments due over the next four years are as follows:

2023	\$	1,440
2024		1,440
2025		1,440
2026		1,440

8. GOVERNMENT TRANSFERS

	<u>2022</u>	<u>2021</u>
<u>Government transfers for operations</u>		
Provincial equalization grant	\$ 53,802	\$ 51,362
New Horizons Seniors Grant	5,310	6,790
Property tax in lieu	4,010	3,996
Safe Restart	2,500	8,510
Summer student funding	-	6,290
	<u>65,622</u>	<u>76,948</u>
 <u>Government transfers for capital</u>		
<u>General</u>		
Canada Community Building Fund	13,700	100,000
Municipal Capital Expenditure Grant	4,534	46,562
Rural Development Fund	301	-
	<u>18,535</u>	<u>146,562</u>
 <u>Kinkora Sewage Collections and Treatment Corporation</u>		
Investing in Canada Infrastructure Program	6,826	-
Municipal Capital Expenditure Grant	837	-
	<u>7,663</u>	<u>-</u>
	<u>\$ 91,820</u>	<u>\$ 223,510</u>

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

9. ACCUMULATED SURPLUS

	2022	2021
Unrestricted surplus	\$ 681,826	\$ 712,041
Reserves (Note 10)	81,000	3,500
Investment in tangible capital assets (Note 11)	3,720,856	3,658,016
	\$ 4,483,682	\$ 4,373,557

A prior period adjustment has been recorded to allocate \$105,175 of deferred revenue to the accumulated surplus.

10. RESERVE FUNDS

	2022	2021
<u>Reserve funds</u>		
Balance, beginning of year	\$ 3,500	\$ -
Allocation to Emergency reserve	750	750
Allocation to Election reserve	1,000	1,000
Allocation to Contingency reserve	750	750
Allocation to Legal reserve	500	500
Allocation to Capital reserve	500	500
Allocation to Fire reserve	70,000	-
Allocation to Sewer reserve	4,000	-
Balance, end of year	\$ 81,000	\$ 3,500

Comprised of:

Emergency reserve	\$ 1,500	\$ 750
Election reserve	2,000	1,000
Contingency reserve	1,500	750
Legal reserve	1,000	500
Capital reserve	1,000	500
Fire reserve	70,000	-
Sewer reserve	4,000	-
	\$ 81,000	\$ 3,500

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

11. INVESTMENT IN TANGIBLE CAPITAL ASSETS

	2022	2021
Tangible capital assets (Schedules 1 and 2)	\$ 6,579,998	\$ 6,519,011
Accumulated amortization (Schedules 1 and 2)	(2,108,408)	(1,921,222)
Long term debt (Note 6)	(681,841)	(770,880)
Demand loan (Note 4)	(68,893)	(168,893)
	\$ 3,720,856	\$ 3,658,016

12. LINE OF CREDIT AVAILABILITY

The Rural Municipality of Kinkora has an approved line of credit with National Bank of \$170,000 which was not utilized at the end of the year. The line of credit is renewable March 11, 2023.

13. RATE REGULATION

The Municipality 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 sewer 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 sewer utility rates with IRAC. The commission will review these requests and adjust the price accordingly.

14. BUDGET FIGURES

A reconciliation of the 2022 fiscal operating budget prepared by Council to the budget figures disclosed in the consolidated financial statements is as follows:

Rural Municipality of Kinkora budgeted annual surplus	\$ 3,853
Add: debt principal repayment in operating budget	26,000
Add: debt principal repayment in fire department budget	40,555
Add: debt principal repayment in sewer utility budget	26,000
Add: reserve allocation in fire department budget	25,908
Add: reserve allocation in sewer utility budget	4,000
Add : reserve allocation in general budget	3,500
	\$ 129,816

The budget figures provided on Statements 5 and 6 and Schedules 5 to 8 have not been audited or reviewed by the external auditor.

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

15. FINANCIAL INSTRUMENTS

The Municipality's consolidated financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities and long term debt.

The Municipality 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 Municipality'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 Municipality is exposed to credit risk from residents. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Municipality has a significant number of residents 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 Municipality is exposed to this risk mainly in respect of its receipt of government funding, long term debt, and accounts payable and accrued liabilities.

16. SEGMENT DISCLOSURE

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

General Government

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 municipality, maintenance of bylaws and policies, oversight of public works, maintenance of municipal facilities, and administration of municipal services.

Kinkora Sewage Collections and Treatment Corporation

The Sewer Utility, operating under a separate legal entity, is responsible for processing and cleaning sewage in accordance with provincial standards.

Fire Department

This segment is responsible for the operations of the Kinkora Fire Department.

Complex

This segment is responsible for the operations of the municipal complex.

Kinkora and Area Business Commission Inc.

The Business Commission, operating under a separate legal entity, is responsible for the planning and economic development of the Municipality.

Kinkora Early Learning Center

This segment is responsible for the operations of the child care services of the Municipality.

RURAL MUNICIPALITY OF KINKORA
Notes to Consolidated Financial Statements
Year Ended March 31, 2022

17. 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 Municipality 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.

18. COMPARATIVE FIGURES

The prior year comparative figures were audited by another firm of public accountants.

RURAL MUNICIPALITY OF KINKORA
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
Municipality									
Land	\$ 54,706	\$ 186	\$ -	\$ 54,892	\$ -	\$ -	\$ -	\$ -	\$ 54,892
Buildings	1,167,873	-	-	1,167,873	518,698	21,540	-	540,238	627,635
Sidewalks	975,148	23,715	-	998,863	226,760	39,954	-	266,714	732,149
Fire trucks	667,966	-	-	667,966	378,205	34,246	-	412,451	255,515
Recreation equipment	111,185	13,496	-	124,681	16,396	8,312	-	24,708	99,973
Fire equipment	196,920	1,054	-	197,974	158,740	11,228	-	169,968	28,006
Furniture and equipment	184,159	13,085	-	197,244	134,976	21,775	-	156,751	40,493
Storm water system	442,887	-	-	442,887	75,289	17,715	-	93,004	349,883
	\$ 3,800,844	\$ 51,536	\$ -	\$ 3,852,380	\$ 1,509,064	\$ 154,770	\$ -	\$ 1,663,834	\$ 2,188,546
Sewer Utility									
Land	\$ 26,200	\$ -	\$ -	\$ 26,200	\$ -	\$ -	\$ -	\$ -	\$ 26,200
Sewer mains	2,675,551	9,451	-	2,685,002	405,019	32,219	-	437,238	2,247,764
Lagoon fence	16,416	-	-	16,416	7,139	197	-	7,336	9,080
	\$ 2,718,167	\$ 9,451	\$ -	\$ 2,727,618	\$ 412,158	\$ 32,416	\$ -	\$ 444,574	\$ 2,283,044
Total	\$ 6,519,011	\$ 60,987	\$ -	\$ 6,579,998	\$ 1,921,222	\$ 187,186	\$ -	\$ 2,108,408	\$ 4,471,590



RURAL MUNICIPALITY OF KINKORA
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
Municipality									
Land	\$ 54,706	\$ -	\$ -	\$ 54,706	\$ -	\$ -	\$ -	\$ -	\$ 54,706
Buildings	1,162,703	5,170	-	1,167,873	497,157	21,541	-	518,698	649,175
Sidewalks	582,461	392,687	-	975,148	187,754	39,006	-	226,760	748,388
Fire trucks	667,966	-	-	667,966	343,959	34,246	-	378,205	289,761
Recreation equipment	109,385	1,800	-	111,185	8,984	7,412	-	16,396	94,789
Fire equipment	196,920	-	-	196,920	146,385	12,355	-	158,740	38,180
Furniture and equipment	168,441	15,718	-	184,159	110,171	24,805	-	134,976	49,183
Storm water system	442,887	-	-	442,887	57,574	17,715	-	75,289	367,598
	\$ 3,385,469	\$ 415,375	\$ -	\$ 3,800,844	\$ 1,351,984	\$ 157,080	\$ -	\$ 1,509,064	\$ 2,291,780
Sewer Utility									
Land	\$ 26,200	\$ -	\$ -	\$ 26,200	\$ -	\$ -	\$ -	\$ -	\$ 26,200
Sewer mains	2,675,551	-	-	2,675,551	372,912	32,107	-	405,019	2,270,532
Lagoon fence	16,416	-	-	16,416	6,942	197	-	7,139	9,277
	\$ 2,718,167	\$ -	\$ -	\$ 2,718,167	\$ 379,854	\$ 32,304	\$ -	\$ 412,158	\$ 2,306,009
Total	\$ 6,103,636	\$ 415,375	\$ -	\$ 6,519,011	\$ 1,731,838	\$ 189,384	\$ -	\$ 1,921,222	\$ 4,597,789



RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Statement of Operations - General
Year Ended March 31, 2022

(Schedule 3)

	Budget 2022	Actual 2022	Actual 2021
Expenditures			
Administrative:			
Advertising	\$ 5,000	\$ 2,770	\$ 2,739
Amortization of tangible capital assets	-	57,670	56,720
Black fly program	7,200	5,722	7,150
Donations	1,500	1,950	600
Dues and fees	1,000	964	686
Election	-	1,822	(1,945)
Fire protection	24,000	23,778	21,067
Honorariums	3,300	3,044	2,944
Interest and bank charges	1,701	996	1,318
Library	300	300	-
Office	7,100	6,116	8,335
Professional fees	14,000	12,208	13,469
Senior's events	-	5,218	3,679
Speed bump	-	-	810
Travel	1,400	-	317
Utilities	-	8,207	9,113
Wages and wage levies	42,500	24,154	44,410
	<u>109,001</u>	<u>154,919</u>	<u>171,412</u>
Recreation:			
Amortization of tangible capital assets	-	8,312	7,413
Supplies and equipment	9,000	413	11,484
	<u>9,000</u>	<u>8,725</u>	<u>18,897</u>
	<u>\$ 118,001</u>	<u>\$ 163,644</u>	<u>\$ 190,309</u>

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

RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Statement of Operations - Complex
Year Ended March 31, 2022

(Schedule 4)

	Budget 2022	Actual 2022	Actual 2021
Revenues			
Raffle fundraiser	\$ 235,100	\$ 127,393	\$ 49,693
Events	-	10,827	26,116
	<u>235,100</u>	<u>138,220</u>	<u>75,809</u>
Expenditures			
Amortization of tangible capital assets	-	43,316	46,346
Electricity	26,000	9,357	15,484
Insurance	7,000	5,561	6,891
Interest on long term debt	18,000	10,350	8,937
Property tax	2,000	6,983	4,168
Purchases - bingo	3,000	-	5,435
Purchases - events	14,000	8,219	5,274
Purchases - raffle fundraiser	151,776	85,678	32,694
Repair and maintenance	59,100	28,496	15,467
Security	2,000	449	-
Sewer	-	-	1,064
	<u>282,876</u>	<u>198,409</u>	<u>141,760</u>
Operating deficit	<u>\$ (47,776)</u>	<u>\$ (60,189)</u>	<u>\$ (65,951)</u>

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

RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Statement of Operations - Kinkora Sewage Collections and Treatment Corporation
Year Ended March 31, 2022 **(Schedule 5)**

	Budget 2022	Actual 2022	Actual 2021
Revenues			
Sewer fees	\$ 82,000	\$ 82,435	\$ 81,307
Interest	-	811	-
	<u>82,000</u>	<u>83,246</u>	<u>81,307</u>
Expenditures			
Operating:			
Electricity	4,000	1,888	2,538
Repair and maintenance	22,100	31,524	8,696
General:			
Administration	14,800	12,840	13,791
Bad debt	-	-	7
Dues	-	1,022	1,276
Interest and bank charges	1,100	981	963
Professional fees	5,000	3,288	3,545
Property tax	-	449	545
Other:			
Amortization of tangible capital assets	-	32,417	32,304
Interest on long term debt	5,000	13,954	15,331
	<u>52,000</u>	<u>98,363</u>	<u>78,996</u>
Operating surplus (deficit)	<u>\$ 30,000</u>	<u>\$ (15,117)</u>	<u>\$ 2,311</u>

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

RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Statement of Operations - Fire Department
Year Ended March 31, 2022

(Schedule 6)

	Budget 2022	Actual 2022	Actual 2021
Revenues			
Fire dues - Kinkora and area fire district	\$ 163,632	\$ 151,762	\$ 148,060
Fire dues - Kinkora	-	23,778	21,067
Fire dues - other communities	-	17,507	16,936
Donations and other revenue	-	-	1,727
	163,632	193,047	187,790
Expenditures			
Administration	7,033	7,669	7,043
Advertising	142	3,967	1,591
Amortization of tangible capital assets	-	45,472	46,601
Dues	1,111	330	1,025
Fuel	884	2,728	1,612
Honorariums	19,625	21,125	21,790
Insurance	7,278	2,123	7,353
Interest on long term debt	-	3,751	5,546
Radio and cell phones	3,791	3,901	3,846
Repairs and maintenance	24,820	31,198	20,604
Share of complex	20,867	23,603	16,642
Telephone and message center	5,334	6,121	5,904
Training and travel	6,283	7,577	5,125
	97,168	159,565	144,682
Operating surplus	\$ 66,464	\$ 33,482	\$ 43,108

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

RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Statement of Operations - Kinkora Early Learning Center (Schedule 7)
Year Ended March 31, 2022

	Budget 2022	Actual 2022	Actual 2021
Revenues			
EYC funding	\$ 10,000	\$ 163,198	\$ 7,140
Parent fees	235,070	134,029	4,902
Government funding	39,000	78,181	224
Fundraising	4,000	-	-
Donations from events committee	4,000	-	-
	<u>292,070</u>	<u>375,408</u>	<u>12,266</u>
Expenditures			
Accounting fees	6,000	3,288	-
Accounting software	500	333	-
Advertising	500	-	-
Cleaning and supplies	5,000	1,412	-
Craft supplies	1,240	3,544	885
Daily lunch and snacks	18,900	13,435	140
Insurance	5,400	4,023	509
Interest and bank charges	880	228	-
Internet and phone	1,600	718	-
Office supplies	2,100	400	565
Property tax	1,000	1,457	-
Repairs and maintenance	4,000	10,224	-
Snow removal	1,000	374	-
Training	1,000	1,148	-
Travel	1,000	-	-
Utilities	16,000	7,556	-
Wages and wage levies	225,550	282,965	20,186
Website	400	-	-
	<u>292,070</u>	<u>331,105</u>	<u>22,285</u>
Operating surplus (deficit)	\$ -	\$ 44,303	\$ (10,019)

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

RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Segment Disclosures
Year Ended March 31, 2022

(Schedule 8)

	General Government	Kinkora Utility Corporation	Fire Department	Complex	Kinkora and Area Business Commission Inc.	Early Learning Center	Kinkora Learning Center	Elimination	Consolidated 2022
Revenue									
Property taxes	\$ 119,483	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 119,483
Recreation	6,800	-	-	-	-	-	-	-	6,800
Black fly program	60	-	-	-	-	-	-	-	60
Donations	14,285	-	-	-	-	-	-	-	14,285
Government transfers for operations	65,622	-	-	-	-	-	-	-	65,622
Third party revenue	-	-	-	-	38,842	-	-	-	38,842
Raffle and Events	-	-	-	138,220	-	-	-	-	138,220
Water and sewer	-	83,246	-	-	-	-	-	(912)	82,334
Daycare funding and fees	-	-	-	-	-	-	375,408	-	375,408
Fire dues	-	-	193,047	-	-	-	-	(23,778)	169,269
	\$ 206,250	\$ 83,246	\$ 193,047	\$ 138,220	\$ 38,842	\$ 375,408	\$ (24,690)	\$ (24,690)	\$ 1,010,323
Expenditures									
Salaries and benefits	\$ 24,154	\$ 12,840	\$ 7,669	\$ -	\$ -	\$ 282,965	\$ -	\$ -	\$ 327,628
Goods and services	73,508	39,152	102,673	144,743	-	48,140	(24,690)	-	383,526
Amortization of tangible capital assets	65,982	32,417	45,472	43,316	-	-	-	-	187,186
Interest	-	13,954	3,751	10,350	-	-	-	-	28,055
	\$ 163,644	\$ 98,363	\$ 159,565	\$ 198,409	\$ -	\$ 331,105	\$ (24,690)	\$ (24,690)	\$ 926,395
Operating surplus (deficit)	\$ 42,606	\$ (15,117)	\$ 33,482	\$ (60,189)	\$ 38,842	\$ 44,303	\$ -	\$ -	\$ 83,928
Government transfers	18,534	7,663	-	-	-	-	-	-	26,197
Annual surplus (deficit)	\$ 61,140	\$ (7,454)	\$ 33,482	\$ (60,189)	\$ 38,842	\$ 44,303	\$ -	\$ -	\$ 110,125

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



RURAL MUNICIPALITY OF KINKORA
Schedules to Consolidated Financial Statements
Segment Disclosures
Year Ended March 31, 2021

(Schedule 9)

	General Government	Kinkora Utility Corporation	Fire Department	Complex	Kinkora and Area Business Commission Inc.	Early Learning Center	Elimination	Consolidated 2021
Revenues								
Property taxes	\$ 112,076	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 112,076
Recreation	13,310	-	-	-	-	-	-	13,310
Black fly program	850	-	-	-	-	-	-	850
Donations	5,412	-	-	-	-	-	-	5,412
Government transfers for operations	76,948	-	-	-	-	-	-	76,948
Third party revenue	-	-	-	-	4,050	-	-	4,050
Other revenue	-	-	1,727	-	-	-	-	1,727
Raffle and events	-	-	-	75,809	-	-	-	75,809
Water and sewer	-	81,307	-	-	-	-	(912)	80,395
Fire dues	-	-	186,063	-	-	-	(21,067)	164,996
Daycare funding and fees	-	-	-	-	-	12,266	-	12,266
	\$ 207,746	\$ 81,307	\$ 187,790	\$ 75,809	\$ 4,050	\$ 12,266	\$ (21,979)	\$ 547,839
Expenditures								
Salaries and benefits	\$ 44,410	\$ 13,791	\$ 7,043	\$ -	\$ -	\$ 20,186	\$ -	\$ 85,430
Goods and services	81,766	17,570	85,492	86,477	-	2,099	(21,979)	251,425
Amortization of tangible capital assets	64,133	32,304	46,601	46,346	-	-	-	189,384
Interest	-	15,331	5,546	8,937	-	-	-	29,814
	\$ 190,309	\$ 78,996	\$ 144,682	\$ 141,760	\$ -	\$ 22,285	\$ (21,979)	\$ 556,053
Operating surplus (deficit)	\$ 17,437	\$ 2,311	\$ 43,108	\$ (65,951)	\$ 4,050	\$ (10,019)	\$ -	\$ (8,214)
Government transfers	146,562	-	-	-	-	-	-	146,562
Annual surplus (deficit)	\$ 163,998	\$ 2,311	\$ 43,108	\$ (65,951)	\$ 4,050	\$ (10,019)	\$ -	\$ 138,348

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

