

R.M. OF KEY WEST NO. 70
Consolidated Financial Statements
Year Ended December 31, 2021

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R.M. OF KEY WEST NO. 70
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Year Ended December 31, 2021

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Management's Responsibility

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management are required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The Council is composed of elected officials who are not employees of the municipality. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the municipality's external auditors.

Grant Thornton LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.


Mr. Zane McKerricher, Reeve


Ms. Yvonne Johnston, Administrator

Ogema, SK

To the Council of the R.M. of Key West No. 70:

Qualified Opinion

We have audited the consolidated financial statements of the R.M. of Key West No. 70 (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of operations and accumulated surplus, change 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, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2021, 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 Qualified Opinion

As outlined in Note 8 to the consolidated financial statements, the Municipality obtained a property during the year for which an assessment of the obligation for remediation of contaminated sites has not been performed. This constitutes a departure from Canadian public sector accounting standards, which require that an obligation for remediation of contaminated sites be assessed and recorded when recognition criteria are met. This is the result of a cost-benefit decision taken by management not to perform the assessment or engage a third party to assist in determining the liability. The impact of this departure from Canadian public sector accounting standards has not been determined and therefore, we were not able to determine whether any adjustments might be necessary to the deficit of revenues over expenses and cash flows for the year ended December 31, 2021, contaminated site liability as at December 31, 2021 and net financial assets as at December 31, 2021.

We were not able to observe the counting of inventories at January 1, 2021 or satisfy ourselves by alternative means concerning inventory quantities as at those dates. Since opening inventories enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the surplus of revenues over expenses for the year reported in the statement of operations, inventory reported on the statement of financial position and the cash flows from operating activities reported in the statement of cash flows. As a result, our audit opinion on the financial statements for the year ended December 31, 2021 is modified because of the possible effects of this limitation in scope.

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 qualified audit opinion.

Emphasis of Matter - Restated Comparative Information

We draw attention to Note 14 to the consolidated financial statements, which explains that certain comparative information presented for the year ended December 31, 2020 has been restated. Our opinion is not modified in respect of this matter.

Other Matter - Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. Schedules 1, 2, 3, 7 and 10 are presented for purposes of additional information and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the financial statements taken as a whole.

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 public sector accounting standards, 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.

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.

Weyburn, Canada

Chartered Professional Accountants

R.M. OF KEY WEST NO. 70
Consolidated Statement of Financial Position
As at December 31, 2021

Statement 1

	2021	2020
	(Restated - see Note 1a)	
FINANCIAL ASSETS		
Cash and Temporary Investments	\$ 709,309	\$ 487,028
Taxes Receivable - Municipal (Note 3)	24,587	30,296
Other Accounts Receivable (Note 4)	32,357	22,595
Land for Resale (Note 5)	-	-
Long-Term Investments (Note 6)	515,600	726,617
Debt Charges Recoverable	-	-
Other	-	-
Total financial assets	1,281,853	1,266,536
LIABILITIES		
Bank indebtedness	-	-
Accounts Payable	173,303	18,920
Accrued Liabilities Payable	-	-
Deposits	1,813	2,100
Deferred Revenue (Note 7)	84,911	53,870
Accrued Landfill Costs	-	-
Liability for Contaminated Sites (Note 8)	-	-
Other Liabilities	-	-
Long-Term Debt (Note 9)	-	-
Total liabilities	260,027	74,890
NET FINANCIAL ASSETS	1,021,826	1,191,646
NON-FINANCIAL ASSETS		
Tangible Capital Assets(Schedule 6, 7)	1,512,253	1,324,279
Prepayments and Deferred Charges	-	-
Stock and supplies	213,189	102,408
Other	-	-
Total Non-Financial Assets	1,725,442	1,426,687
ACCUMULATED SURPLUS (Schedule 8)	\$ 2,747,268	\$ 2,618,333

Contractual Obligations and Commitments (Note 11)

R.M. OF KEY WEST NO. 70**Consolidated Statement of Operations and Accumulated Surplus****As at December 31, 2021****Statement 2**

	2021 Budget	2021	2020
			(Restated - see Note 14)
REVENUES			
Taxes and Other Unconditional Revenue (Schedule 1)	\$ 678,787	\$ 675,277	\$ 671,043
Fees and Charges (Schedule 4, 5)	135,975	140,202	123,690
Conditional Grants (Schedule 4, 5)	22,600	22,660	22,660
Tangible Capital Assets Sales - Gain (Loss) (Schedule 4, 5)	-	106,975	-
Land Sales - Gain (Loss) (Schedule 4, 5)	-	-	-
Investment Income and Commissions (Schedule 4, 5)	21,900	21,949	21,623
Restructurings (Schedule 4, 5)	-	-	-
Other Revenues (Schedule 4, 5)	-	-	-
Total Revenues	859,262	967,063	839,016
EXPENSES			
General Government Services (Schedule 3)	213,491	199,364	209,790
Protective Services (Schedule 3)	13,603	13,533	12,884
Transportation Services (Schedule 3)	804,570	536,322	637,942
Environmental and Public Health Services (Schedule 3)	24,580	22,444	18,918
Planning and Development Services (Schedule 3)	2,000	505	-
Recreation and Cultural Services (Schedule 3)	17,267	30,422	16,522
Utility Services (Schedule 3)	17,544	39,282	15,317
Restructurings (Schedule 3)	-	-	-
Total Expenses	1,093,055	841,872	911,373
Surplus (Deficit) of Revenues over Expenses before Other Capital Contributions	(233,793)	125,191	(72,357)
Provincial/Federal Capital Grants and Contributions (Schedule 4, 5)	19,503	3,744	57,105
Surplus (Deficit) of Revenues over Expenses	(214,290)	128,935	(15,252)
Accumulated Surplus (Deficit), Beginning of Year (as previously reported)	2,618,333	2,672,172	2,686,066
Prior Period Adjustment	-	(53,839)	(52,481)
Accumulated Surplus (Deficit), Beginning of Year (as	2,618,333	2,618,333	2,633,585
ACCUMULATED SURPLUS - END OF YEAR	\$ 2,404,043	\$ 2,747,268	\$ 2,618,333

R.M. OF KEY WEST NO. 70

Consolidated Statement of Change in Net Financial Assets

As at December 31, 2021

Statement 3

	Budget	2021	2020
			(Restated - see Note 14)
Surplus (Deficit)	\$ (214,290)	\$ 128,935	\$ (15,252)
(Acquisition) of tangible capital assets	(47,700)	(335,447)	-
Amortization of tangible capital assets	199,479	135,450	199,479
Proceeds on disposal of tangible capital assets	-	118,998	-
Loss (gain) on the disposal of tangible capital assets	-	(106,975)	-
Transfer of assets/liabilities in restructuring transactions	-	-	-
Surplus (Deficit) of capital expenses over expenditures	151,779	(187,974)	199,479
(Acquisition) of supplies inventories	-	(110,781)	-
(Acquisition) of prepaid expense	-	-	-
Consumption of supplies inventory	-	-	17,599
Use of prepaid expense	-	-	-
Surplus (Deficit) of expenses of other non-financial over expenditures	-	(110,781)	17,599
Increase/Decrease in Net Financial Assets	(62,511)	(169,820)	201,826
Net Financial Assets (Debt) - Beginning of Year	1,191,646	1,191,646	989,820
Net Financial Assets (Debt) - End of Year	\$ 1,129,135	\$ 1,021,826	\$ 1,191,646

R.M. OF KEY WEST NO. 70
Consolidated Statement of Cash Flows
As at December 31, 2021

Statement 4

Cash provided by (used for) the following activities

	2021	2020 <small>(Restated - see Note 14)</small>
Operating:		
Surplus (Deficit)	\$ 128,935	\$ (15,252)
Amortization	135,450	199,479
Loss (gain) on disposal of tangible capital assets	(106,975)	-
	<u>157,410</u>	<u>184,227</u>
Change in assets/liabilities		
Taxes Receivable - Municipal	5,709	7,918
Other Receivables	(9,762)	1,757
Accounts Payable	154,383	7,270
Deposits	(287)	705
Deferred Revenue	31,041	1,356
Stock and supplies	(110,781)	17,599
	<u>70,303</u>	<u>36,605</u>
Cash provided by operating transactions	<u>227,713</u>	<u>220,832</u>
Capital:		
Acquisition of capital assets	(335,447)	-
Proceeds from the disposal of capital assets	118,998	-
Cash applied to capital transactions	<u>(216,449)</u>	<u>-</u>
Investing:		
Long-Term Investments	211,017	(170,523)
Other	-	-
Cash provided by (applied to) investing transactions	<u>211,017</u>	<u>(170,523)</u>
Financing:		
Debt charges recovered	-	-
Long-term debt issued	-	-
Long-term debt repaid	-	-
Other financing	-	-
Cash provided by (applied to) financing transactions	<u>-</u>	<u>-</u>
Change in Cash and Temporary Investments during the year	<u>222,281</u>	<u>50,309</u>
Cash and Temporary Investments - Beginning of Year	<u>487,028</u>	<u>436,719</u>
Cash and Temporary Investments - End of Year (Note 2)	<u>\$ 709,309</u>	<u>\$ 487,028</u>

1. **Significant accounting policies**

The consolidated financial statements of the Municipality have been prepared by management in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the Municipality are as follows:

Basis of accounting: The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable and expenses are recognized as they are incurred and measurable as a result of the receipt of goods and services and the creation of a legal obligation to pay.

(a) **Reporting Entity:**

The consolidated financial statements consolidate the assets, liabilities and flow of resources of the Municipality. The entity is comprised of all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to the Council for the administration of their financial affairs and resources. Entities included in these consolidated financial statements are as follows:

Ogema Housing Authority - 50% consolidation

All inter-organizational transactions and balances have been eliminated.

(b) **Collection of funds for other authorities:**

Collection of funds by the municipality for school boards, Municipal Hail, and conservation and development authorities are collected and remitted in accordance with relevant legislation.

(c) **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 as revenue in the period that the events giving rise to the transfer occur, providing:

- a) the transfers are authorized
- b) any eligibility criteria and stipulations have been met; and
- c) reasonable estimates of the amounts can be made.

Unearned government transfer amounts received will be recorded as deferred revenue until criteria or stipulations are met.

Earned government transfer amounts not received will be recorded as an amount receivable.

Government transfers to individuals and other entities are recognized as an expense when the transfers are authorized and all eligibility criteria have been met.

(d) **Deferred Revenue - Fees and Charges:**

Certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred or services performed.

Resources restricted by agreement with an external party are recognized as revenue in the Municipality's financial statements in the period in which the resources are used for the purpose or purposes specified. An externally restricted inflow received before this criterion has been met is recorded as a liability until the resources are used for the purpose or purposes specified.

(e) **Local Improvement Charges:**

Local improvement projects financed by frontage taxes recognize any prepayment charges as revenue in the period assessed.

(f) **Net Financial Assets:**

Net Financial Assets at the end of an accounting period are the net amount of financial assets less liabilities outstanding. Financial assets represent items such as cash and those other assets on hand which could provide resources to discharge existing liabilities or finance future operations. These include realizable assets which are convertible to cash and not intended for consumption in the normal course of operations.

(g) **Non-financial assets:**

Tangible capital and other non-financial assets are accounted for as assets by the government because they can be used to provide government services in future periods. These assets do not normally provide resources to discharge the liabilities of the government unless they are sold.

(continues)

1. **Significant accounting policies** (continued)(h) **Appropriated Reserves:**

Reserves are established at the discretion of Council to designate surplus for future operating and capital transactions. Amounts so designated are described on Schedule 8.

(i) **Property Tax Revenue:**

Property tax revenue is based on assessments determined in accordance with Saskatchewan Legislation and the formulas, principles, and rules in the Saskatchewan Assessment Manual. Tax mill rates are established annually by Council following the guidance of the Government of Saskatchewan. Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred, provided the revenues are expected to be collected. Requisitions operate as a flow through and are excluded from municipal revenue.

(j) **Investments:**

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

The long term investments in the Saskatchewan Association of Rural Municipalities - Self insurance fund are accounted for on the equity basis. The balance represents the balances receivable should the Municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The Municipality has the ability to withdraw from the plan with notice. Beyond the return of the Municipality's fund balance, it has no further claim to the residual net assets of SARM. Radius Credit Union, member equity and term deposits are recorded at amortized cost.

(k) **Inventories:**

Inventories of materials and supplies expected to be used by the Municipality are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is determined by the first in first out method. Net realizable value is the estimated selling price in the ordinary course of business.

(l) **Tangible Capital Assets:**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed prior to 2009 were obtained via historical cost information or using current fair market values discounted by a relevant inflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution. The cost of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. Tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The Municipality's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	10 to 25 Years
Buildings	50 Years
Vehicles & Equipment	
Vehicles	10 Years
Machinery and Equipment	5 to 15 Years
Infrastructure Assets	
Water & Sewer	25 to 40 Years
Road Network Assets	15 to 40 Years

Government contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

Capitalization of Interest: The Municipality does not capitalize interest incurred while a tangible capital asset is under construction.

(continues)

1. **Significant accounting policies** (*continued*)

Leases: All leases are recorded on the consolidated financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the asset's fair market value. Assets under capital lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(m) **Landfill liability:**

The Municipality does not maintain a waste disposal site.

(n) **Trust Funds:**

Funds held in trust for others, under a trust agreement or statute, are not included in the consolidated financial statements as they are not controlled by the Municipality.

(o) **Employee benefit plans:**

Contributions to the Municipality's multi employer defined benefit plans are expensed when contributions are made. Under the defined benefit plan, the Municipality's obligations are limited to their contributions.

(p) **Liability for Contaminated Sites:**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) The Municipality:
 - i. is directly responsible; or
 - ii. accepts responsibility;
- d) it is expected that future economic benefits will be given up; and
- e) a reasonable estimate of the amount can be made.

Any revisions to the amount previously recognized are accounted for in the period in which the revisions are made.

(q) **Measurement Uncertainty:**

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of materials and supplies are based on estimates of volume and quality. The 'Opening Asset costs' of tangible capital assets have been estimated where actual costs were not available. Amortization is based on the estimated useful lives of tangible capital assets.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in earnings in the periods in which they become known.

(continues)

1. **Significant accounting policies** (*continued*)

(r) **Basis of segmentation/Segment report:**

The Municipality follows the Public Sector Accounting Board's recommendations requiring financial information to be provided on a segmented basis. Municipal services have been segmented by grouping activities that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment. Interest is allocated to functions based on the purpose of specific borrowings.

The segments (functions) are as follows:

General Government: Provides for the administration of the Municipality.

Protective Services: Comprised of expenses for Police and Fire protection.

Transportation Services: Responsible for the delivery of public works services related to the development and maintenance of roadway systems and street lighting.

Environmental and Public Health: The environmental segment provides waste disposal and other environmental services. The public health segment provides for expenses related to public health services in the municipality.

Planning and Development: Provides for neighbourhood development and sustainability.

Recreation and Culture: Provides for community services through the provision of recreation and leisure services.

Utility Services: Provides for delivery of water, collecting and treating of wastewater and providing collection and disposal of solid waste.

(s) **Budget Information:**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 16, 2021.

(t) **New Accounting Standards and Amendments to Standards:**

Future Accounting Standards, Effective for fiscal years beginning on or after April 1, 2022:

PS 1201 Financial Statement Presentation, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. Requires a new statement of re-measurement gains and losses separate from the statement of operations arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. Effective in the period PS 3450 and PS 2601 are adopted. Effective in the period PS 3450 and PS 2601 are adopted.

PS 2601 Foreign Currency Translation, replaces PS 2600 with revised guidance on the recognition, presentation and disclosure of transactions that are denominated in a foreign currency. Requires that monetary assets and liabilities denominated in a foreign currency and non-monetary items included in the fair value category, denominated in a foreign currency, be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses are to be presented in the statement of re-measurement gains and losses.

PS 3041 Portfolio Investments, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. Removes the distinction between temporary and portfolio investments. Upon adoption of PS 3450 and PS 3041, PS 3030, Temporary Investments, will no longer apply. Effective in the period PS 3450, PS 2601 and PS 1201 are adopted.

PS 3450 Financial Instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument that are quoted in an active market; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

(continues)

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021****1. Significant accounting policies (continued)**

PS 3280 Asset Retirement Obligations, a new standard establishing guidance on the accounting and reporting of legal obligations associated with the retirement of tangible capital assets controlled by a government or government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations, upon adoption of this new standard, existing Solid Waste Landfill Closure and Post-Closure Liability section PS 3270 will be withdrawn.

Effective for fiscal years beginning on or After April 1, 2023:

PS 3400, Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include performance obligations and transactions that do not have performance obligations. Performance obligations are enforceable promises to provide specific goods or services to a specific payer.

The extent of the impact on adoption of these future standards is not known at this time.

2. Cash and Temporary Investments

	2021	2020
Cash	\$ 69,380	\$ 222,484
Temporary Investments	622,998	252,112
Restricted Cash	16,931	12,432
Total Cash and Temporary Investments	\$ 709,309	\$ 487,028

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of one year or less.

Temporary investments include Guaranteed Investment Certificates bearing interest at an average rate of 1.88% (2020 - 1.33%), maturing between October 2022 and November 2022.

Restricted cash consists of funds used by the Ogema Housing Authority in their daily operations.

3. Taxes Receivable - Municipal

	2021	2020
<u>Municipal</u>		
- current	\$ 20,025	\$ 14,683
- arrears	8,038	19,089
	28,062	33,771
Less - allowance for uncollectibles	(3,476)	(3,476)
Total municipal taxes receivable	24,587	30,296
<u>School</u>		
- current	8,680	5,856
- arrears	5,114	9,169
Total school taxes receivable	13,794	15,025
Municipal - other	8,250	24,545
Total taxes and grants in lieu receivable	46,631	69,866
Deduct taxes receivable to be collected on behalf of other organizations	(22,044)	(39,570)
Total Taxes Receivable - Municipal	\$ 24,587	\$ 30,296

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021**

4. Other Accounts Receivable		2021	2020
Federal Government	\$	25,414	\$ 557
Provincial government		-	-
Local government		-	22,038
Utility		6,056	-
Trade		887	-
Other		-	-
Total Other Accounts Receivable		32,357	22,595
Less: allowance for uncollectibles		-	-
Net Other Accounts Receivable	\$	32,357	\$ 22,595

5. Land for Resale		2021	2020
Tax Title Property	\$	9,885	\$ 2,839
Allowance for market value adjustment		(9,885)	(2,839)
Net Tax Title Property		-	-
Other Land		-	-
Allowance for market value adjustment		-	-
Total Land for Resale	\$	-	\$ -

6. Investments		2021	2020
Long-term Investments			
Sask. Assoc. of Rural Municipalities - Self Insurance Fund	\$	56,703	\$ 53,320
Radius Credit Union term deposits		442,863	657,263
Radius Credit Union member equity		3,534	3,534
Ogema Housing Authority term deposit		12,500	12,500
Total Investments	\$	515,600	\$ 726,617

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the equity basis. The balance represents the balances receivable should the Municipality decide to leave the self-insurance program and includes upfront contributions to the plan, additional premium payments, allocations of investment income on the funds on deposit, self-insurance claims paid and other claims administration costs. The Municipality has the ability to withdraw from the plan with notice. Beyond the return of the Municipality's fund balance, it has no further claim to the residual net assets of SARM.

Radius Credit Union term deposits consist of Guaranteed Investment Certificates with maturity dates ranging from October 2023 to July 2025 and have an average interest rate of 1.70% (2020 - 2.10%).

Radius Credit Union member equity is recorded at cost.

Ogema Housing Authority term deposit includes the Municipality's share of the Radius Credit Union term deposit consisting of a guaranteed investment certificate with a maturity date of June 2025 and has an interest rate of 1.5%.

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021****7. Deferred Revenue**

	2021	2020
	<i>(Reclassified - see Note 14)</i>	
Prepaid Taxes		
Balance, beginning of year	\$ 31	\$ 31
Add: Amount received during the year	-	-
Less: Amount recognized as revenue during the year	(31)	-
Balance, end of year	-	31
Canada Community Building Fund (formerly Gas Tax)		
Balance, beginning of year	53,839	52,482
Add: Amount received during the year	31,072	22,568
Less: Amount recognized as revenue during the year	-	(21,211)
Balance, end of year	84,911	53,839
Total Deferred Revenue	\$ 84,911	\$ 53,870

8. Liability for Contaminated Sites

The Municipality owns, through its tax title property, a property on which a former gas station operated. The Municipality has not performed an assessment of the obligation for remediation of contaminated site as related to this property including determining the extent of contamination, whether it exceeds environment standards, the extent to which the Municipality is responsible and estimating any remediation liability. This constitutes a departure from Canadian public sector accounting standards which require that an obligation for remediation of contaminated sites be assessed and recorded when recognition criteria are met.

9. Long-term Debt

The debt limit of the Municipality is \$495,096 (2020 - \$482,312). The debt limit for a municipality is the total amount of the Municipality's own source revenues for the preceding year (The Municipalities Act Section 161(1)).

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021****10. Pension Plan**

The Municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multi-employer defined benefit pension plan. The Commission of MEPP, representing plan member employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of benefits. The Municipality's pension expense in 2021 was \$8,075 (2020 - \$8,551). The benefits accrued to the Municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these consolidated financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

	2021	2020
Details of MEPP		
Number of active members	2	2
Member contribution rates (percentage of salary):		
Employee contribution - general members	9.00%	9.00%
Employer contribution - general members	9.00%	9.00%
Member contributions for the year	8,074	8,551
Employer contributions for the year	8,074	8,551
Financial position of the plan:		
Plan assets	***	3,221,426,000
Plan liabilities	***	2,382,526,000
Plan surplus	\$ -	\$ 838,900,000

***2021 MEPP financial information is not yet available.
2021 year's maximum pensionable amount (YMPE) \$61,600.

11. Commitments

On July 4, 2019, Council passed a resolution to commit \$5,000 per year for five years to the Ogema Pool Fundraising campaign. The first payment will commence at the time of construction.

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021****12. Government Partnerships**

The RM of Key West and the Town of Ogema (the "partners") jointly operate the Ogema Housing authority (the "partnership") to ensure citizens have access to affordable rental properties.

The partners have agreed to proportionately provide any sums of money required by the Ogema Housing Authority to carry out its powers and duties, on an equally shared basis. The following is 100% of the financial position and results of operations of the partnership, of which 50% has been proportionately consolidated into the financial statements of the RM.

	2021	2020
Financial Position		
Assets	\$ 59,932	\$ 50,977
Liabilities	(3,625)	(4,200)
Net Assets	56,307	46,777
Operations		
Revenue	58,100	57,260
Expenses	(48,570)	(47,545)
Deficiency or revenue over expenses	9,530	9,715
Net Assets, opening	46,777	37,062
Net Assets, closing	56,307	46,777

13. Budget Data

The reconciliation of the approved budget for the current year to the budget figures reported in these financial statements is as follows:

	2021
Budget deficit per Statement of Operations	(214,290)
Add: Internal transfers	345,000
Add: Amortization expense	199,480
Less: Capital expenditures	(311,000)
Approved Budget	\$ 19,190

R.M. OF KEY WEST NO. 70**Notes to Consolidated Financial Statements****As at December 31, 2021****14. Prior Period Adjustments**

The Municipality has restated the December 31, 2020 year end figures presented for comparative purposes to correct the following for errors:

During 2021, the Municipality determined that government transfers received in prior years through the Saskatchewan Canada Community Building Fund (CCBF) (formerly the Gas Tax Program) had been recorded as revenue of the Municipality when received. Those funds are required to be recorded as deferred revenue until such time as they are spent on eligible expenditures or projects or funds are returned. An adjustment was required to correct these amounts in accordance with Canadian public sector accounting standards.

The impact on the 2020 financial statements is as follows:

	Previously Reported	Adjustments	Restated
Statement of Financial Position			
Deferred Revenue	\$ 31	\$ 53,839	\$ 53,870
Accumulated Surplus	2,672,172	(53,839)	2,618,333
Statement of Operations			
Provincial/Federal Capital Grants	58,462	(1,358)	57,105
Surplus of Revenues over Expenses	(13,894)	(1,358)	(15,252)
Accumulated Surplus - Beginning of Year	2,686,066	(52,481)	2,633,585
Accumulated Surplus - End of Year	2,672,172	(53,839)	2,618,333
Statement of Changes in Net Financial Assets			
Surplus	(13,894)	(1,358)	(15,252)
Net Financial Assets - Beginning of Year	1,042,301	(52,481)	989,820
Net Financial Assets - End of Year	1,245,485	(53,839)	1,191,646
Statement of Cash Flows			
Surplus	(13,894)	(1,358)	(15,252)
Deferred Revenue	(158)	1,514	1,356

15. Impacts of COVID-19

The outbreak of a novel strain of coronavirus ("COVID-19") was declared a global pandemic by the World Health Organization in March 2020. COVID-19 has severely impacted many economies around the globe. In many countries, including Canada, businesses were forced to cease or limit operations for long periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

R.M. OF KEY WEST NO. 70
Schedule of Taxes and Other Unconditional Revenue
As at December 31, 2021
Schedule 1

	2021 Budget	2021	2020 (Restated - see Note 4)
TAXES			
General municipal tax levy	\$ 393,953	\$ 391,437	\$ 368,255
Abatements and adjustments	-	-	(1,359)
Discount on current year taxes	(17,200)	(18,325)	(17,114)
Net Municipal Taxes	376,753	373,112	349,782
Potash tax share	-	-	-
Trailer license fees	-	-	-
Penalties on tax arrears	2,700	1,426	2,644
Special tax levy	-	-	-
Other	-	-	-
Total Taxes	379,453	374,538	352,426
UNCONDITIONAL GRANTS			
Revenue Sharing	291,487	291,487	294,825
Organized Hamlet	-	-	-
Safe Restart	-	-	15,212
Other	-	-	-
Total Unconditional Grants	291,487	291,487	310,037
GRANTS IN LIEU OF TAXES			
Federal	-	-	597
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
Transgas	-	-	136
Central Services	-	-	-
SaskTel	-	86	45
Other	830	2,031	785
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty land Entitlement	7,017	7,135	7,017
Other	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other	-	-	-
Total Grants in Lieu of Taxes	7,847	9,252	8,580
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 678,787	\$ 675,277	\$ 671,043

R.M. OF KEY WEST NO. 70

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 1

	2021 Budget	2021	2020 (Restated - see Note 14)
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	\$ 1,825	\$ 1,830	\$ 4,681
- Custom work	-	-	-
- Sales of supplies	400	290	378
- Other	20,150	29,170	28,750
Total Fees and Charges	22,375	31,290	33,809
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain (loss)	-	-	-
- Investment income and commissions	21,900	21,949	21,623
- Other	-	-	-
Total Other Segmented Revenue	44,275	53,239	55,432
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	44,275	53,239	55,432
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total General Government Services	44,275	53,239	55,432
PROTECTIVE SERVICES			
Operating			
Other Segmented Revenue			
Fees and charges	-	-	-
- Other (Specify)	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Protective Services	\$ -	\$ -	\$ -

R.M. OF KEY WEST NO. 70
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021
Schedule 2 - 2

	2021 Budget	2021	2020
			(Restated - see Note 14)
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ 500	\$ 500	\$ 900
- Custom work	11,400	11,910	4,970
- Sales of supplies	7,400	4,840	9,443
- Road Maintenance Agreements	66,900	68,972	66,213
- Frontage	-	-	-
- Other	-	-	-
Total Fees and Charges	86,200	86,222	81,526
- Tangible capital asset sales - gain (loss)	-	65,000	-
- Other	-	-	-
Total Other Segmented Revenue	86,200	151,222	81,526
Conditional Grants			
- RIRG (CTP)	22,600	22,660	22,660
- Student Employment	-	-	-
- MEEP	-	-	-
- Other (specify)	-	-	-
Total Conditional Grants	22,600	22,660	22,660
Total Operating	108,800	173,882	104,186
Capital			
Conditional Grants			
- Federal Gas Tax	15,759	-	21,211
- ICIP	-	-	-
- RIRG (CTP, Bridge and Large Culvert, Road Const)	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	36,651
- Other	-	-	-
Total Capital	15,759	-	57,862
Restructuring revenue	-	-	-
Total Transportation Services	124,559	173,882	162,048
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	2,000	7,595	3,326
- Waste and Disposal Fees	-	-	-
- Other	-	-	-
Total Fees and Charges	2,000	7,595	3,326
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	2,000	7,595	3,326
Conditional Grants			
- Student Employment	-	-	-
- Local government	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	2,000	7,595	3,326
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	3,744	3,744	(757)
Total Capital	3,744	3,744	(757)
Restructuring revenue	-	-	-
Total Environmental and Public Health Services	\$ 5,744	\$ 11,339	\$ 2,569

See notes to the consolidated financial statements

R.M. OF KEY WEST NO. 70

Schedule of Operating and Capital Revenue by Function

As at December 31, 2021

Schedule 2 - 3

	2021 Budget	2021	2020
			(Revised - see Note 14)
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ 200	\$ 120	\$ -
- Maintenance and Development Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	200	120	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	200	120	-
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	200	120	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Planning and Development Services	200	120	-
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenues			
Fees and Charges	-	-	-
- Other	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- Local government	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

R.M. OF KEY WEST NO. 70
Schedule of Operating and Capital Revenue by Function
As at December 31, 2021
Schedule 2 - 4

	2021 Budget	2021	2020 (Restated - see Note 14)
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges	\$ -	\$ -	\$ -
- Water	25,200	12,300	5,029
- Sewer	-	2,675	-
- Other	-	-	-
Total Fees and Charges	25,200	14,975	5,029
- Tangible capital asset sales - gain (loss)	-	41,975	-
- Other	-	-	-
Total Other Segmented Revenue	25,200	56,950	5,029
Conditional Grants			
- Student Employment	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Conditional Grants	-	-	-
Total Operating	25,200	56,950	5,029
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- ICIP	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- MEEP	-	-	-
- Other	-	-	-
Total Capital	-	-	-
Restructuring revenue	-	-	-
Total Utility Services	25,200	56,950	5,029
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 199,978	\$ 295,530	\$ 225,078

SUMMARY

Total Other Segmented Revenue	\$ 157,875	\$ 269,126	\$ 145,313
Total Conditional Grants	22,600	22,660	22,660
Total Capital Grants and Contributions	19,503	3,744	57,105
Restructuring Revenue	-	-	-
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 199,978	\$ 295,530	\$ 225,078

R.M. OF KEY WEST NO. 70
Total Expenses by Function
As at December 31, 2021
Schedule 3 - 1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 22,000	\$ 23,008	\$ 20,997
Wages and benefits	95,625	95,344	93,798
Professional/Contractual services	31,264	26,737	27,909
Utilities	4,122	5,563	4,158
Maintenance, materials and supplies	13,700	11,795	14,578
Grants and contributions			
- operating	20,000	1,614	15,471
- capital	-	-	-
Amortization	1,780	1,780	1,780
Interest	-	46	-
Allowance for uncollectibles	-	7,134	728
Other	25,000	26,343	30,371
General Government Services	213,491	199,364	209,790
Restructuring	-	-	-
Total General Government Services	213,491	199,364	209,790
PROTECTIVE SERVICES			
Police Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	13,000	12,612	12,282
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions	-	-	-
- Operating	-	-	-
- Capital	-	-	-
Other	-	-	-
Fire Protection			
Wages and benefits	-	-	-
Professional/Contractual Services	-	319	-
Utilities	-	-	-
Maintenance, materials and supplies	-	-	-
Grants and contributions	-	-	-
- Operating	-	-	-
- Capital	-	-	-
Amortization	603	602	602
Interest	-	-	-
Other	-	-	-
Protective Services	13,603	13,533	12,884
Restructuring	-	-	-
Total Protective Services	13,603	13,533	12,884
TRANSPORTATION SERVICES			
Wages and Benefits	153,600	153,551	145,723
Professional/Contractual Services	66,770	24,297	43,042
Utilities	5,272	5,034	5,966
Maintenance, materials and supplies	124,000	113,565	94,896
Gravel	261,250	110,226	154,637
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	193,678	129,649	193,678
Interest	-	-	-
Other	-	-	-
Transportation Services	804,570	536,322	637,942
Restructuring	-	-	-
Total Transportation Services	\$ 804,570	\$ 536,322	\$ 637,942

R.M. OF KEY WEST NO. 70
Total Expenses by Function
As at December 31, 2021
Schedule 3 - 2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and Benefits	\$ -	\$ -	\$ -
Professional/Contractual Services	13,535	13,092	12,771
Utilities	-	-	-
Maintenance, materials and supplies	10,000	8,307	5,102
Grants and contributions	-	-	-
- Operating	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
- Capital	-	-	-
Waste disposal	-	-	-
Public Health	-	-	-
Amortization	1,045	1,045	1,045
Interest	-	-	-
Other	-	-	-
Environmental and Public Health Services	24,580	22,444	18,918
Restructuring	-	-	-
Total Environmental and Public Health Services	24,580	22,444	18,918
PLANNING AND DEVELOPMENT SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	2,000	-	-
Grants and contributions	-	-	-
- Operating	-	494	-
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other	-	11	-
Planning and Development Services	2,000	505	-
Restructuring	-	-	-
Total Planning and Development Services	2,000	505	-
RECREATION AND CULTURAL SERVICES			
Wages and Benefits	-	-	-
Professional/Contractual Services	6,500	22,822	8,922
Utilities	-	-	-
Maintenance, materials, and supplies	500	-	-
Grants and contributions	-	-	-
- Operating	10,167	7,500	7,500
- Capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Allowance for uncollectibles	-	-	-
Other	100	100	100
Recreation and Cultural Services	17,267	30,422	16,522
Restructuring	-	-	-
Total Recreation and Cultural Services	\$ 17,267	\$ 30,422	\$ 16,522

R.M. OF KEY WEST NO. 70**Total Expenses by Function****As at December 31, 2021****Schedule 3 - 3**

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and Benefits	\$ -	\$ 6,028	\$ 1,800
Professional/Contractual Services	13,070	22,499	519
Utilities	1,600	4,619	4,175
Maintenance, materials and supplies	500	3,762	6,449
Grants and contributions			
- Operating	-	-	-
- Capital	-	-	-
Amortization	2,374	2,374	2,374
Interest	-	-	-
Allowance For Uncollectibles	-	-	-
Other	-	-	-
Utility Services	17,544	39,282	15,317
Restructuring	-	-	-
Total Utility Services	17,544	39,282	15,317
TOTAL EXPENSES BY FUNCTION	\$ 1,093,055	\$ 841,872	\$ 911,373

R.M. OF KEY WEST NO. 70

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 31,290	\$ -	\$ 86,222	\$ 7,595	\$ 120	\$ -	\$ 14,975	\$ 140,202
Tangible Capital Asset Sales - Gain (Loss)	-	-	65,000	-	-	-	41,975	106,975
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	21,949	-	-	-	-	-	-	21,949
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	22,660	-	-	-	-	22,660
- Capital	-	-	-	3,744	-	-	-	3,744
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	53,239	-	173,882	11,339	120	-	56,950	295,530
Expenses (Schedule 3)								
Wages and Benefits	118,352	-	153,551	-	-	-	6,028	277,931
Professional/Contractual Services	26,737	12,931	24,297	13,092	-	22,822	22,499	122,378
Utilities	5,563	-	5,034	-	-	-	4,619	15,216
Maintenance Material and Supplies	11,795	-	223,791	8,307	-	-	3,762	247,655
Grants and Contributions	1,614	-	-	-	494	7,500	-	9,608
Amortization	1,780	602	129,649	1,045	-	-	2,374	135,450
Interest	46	-	-	-	-	-	-	46
Allowance for Uncollectibles	7,134	-	-	-	-	-	-	7,134
Restructurings	-	-	-	-	-	-	-	-
Other	26,343	-	-	-	11	100	-	26,454
Total Expenses	199,364	13,533	536,322	22,444	505	30,422	39,282	841,872
Surplus (Deficit) by Function	(146,125)	(13,533)	(362,440)	(11,105)	(385)	(30,422)	17,668	(546,342)
Taxes and other unconditional revenue (Schedule 1)								675,277
Net Surplus (Deficit)								\$ 128,935

See notes to the consolidated financial statements

R.M. OF KEY WEST NO. 70

Consolidated Schedule of Segment Disclosure by Function

As at December 31, 2020

Schedule 5

	General Government	Protective Services	Transportation Services	Environmental & Public	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 33,809	\$ -	\$ 81,526	\$ 3,326	\$ -	\$ -	\$ 5,029	\$ 123,690
Tangible Capital Asset Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Land Sales - Gain (Loss)	-	-	-	-	-	-	-	-
Investment Income and Commissions	21,623	-	-	-	-	-	-	21,623
Other Revenues	-	-	-	-	-	-	-	-
Grants - Conditional	-	-	22,660	-	-	-	-	22,660
- Capital	-	-	57,862	(757)	-	-	-	57,105
Restructurings	-	-	-	-	-	-	-	-
Total Revenues	55,432	-	162,048	2,569	-	-	5,029	225,078
Expenses (Schedule 3)								
Wages and Benefits	114,795	-	145,723	-	-	-	1,800	262,318
Professional/Contractual Services	27,909	12,282	43,042	12,771	-	8,922	519	105,445
Utilities	4,158	-	5,966	-	-	-	4,175	14,299
Maintenance Material and Supplies	14,578	-	249,533	5,102	-	-	6,449	275,662
Grants and Contributions	15,471	-	-	-	-	7,500	-	22,971
Amortization	1,780	602	193,678	1,045	-	-	2,374	199,479
Interest	-	-	-	-	-	-	-	-
Allowance for Uncollectibles	728	-	-	-	-	-	-	728
Restructurings	-	-	-	-	-	-	-	-
Other	30,371	-	-	-	-	100	-	30,471
Total Expenses	209,790	12,884	637,942	18,918	-	16,522	15,317	911,373
Surplus (Deficit) by Function	(154,358)	(12,884)	(475,894)	(16,349)	-	(16,522)	(10,288)	(686,295)
Taxes and other unconditional revenue (Schedule 1)								671,043
Net Surplus (Deficit)								\$ (15,252)

See notes to the consolidated financial statements

R.M. OF KEY WEST NO. 70

Consolidated Schedule of Tangible Capital Assets by Object

As at December 31, 2021

Schedule 6

	2021								2020 Total
	General Assets					Infrastructure Assets	General/ Infrastructure Assets Under Construction	Total	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment				
Asset cost									
Opening Asset costs	\$ 17,756	\$ -	\$ 274,331	\$ 45,862	\$ 1,109,218	\$ 2,563,153	\$ -	\$ 4,010,320	\$ 4,010,320
Additions during the year	-	-	-	5,500	329,947	-	-	335,447	-
Disposals and write-downs during the year	-	-	(54,659)	-	(245,969)	-	-	(300,628)	-
Transfers (from) assets under construction	-	-	-	-	-	-	-	-	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Asset Costs	17,756	-	219,672	51,362	1,193,196	2,563,153	-	4,045,139	4,010,320
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	-	-	143,200	34,489	890,797	1,617,555	-	2,686,041	2,486,562
Add: Amortization taken	-	-	4,390	1,397	81,823	47,840	-	135,450	199,479
Less: Accumulated amortization on disposals	-	-	(42,634)	-	(245,971)	-	-	(288,605)	-
Transfer of Capital Assets related to restructuring	-	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	-	-	104,956	35,886	726,649	1,665,395	-	2,532,886	2,686,041
Net Book Value	\$ 17,756	\$ -	\$ 114,716	\$ 15,476	\$ 466,547	\$ 897,758	\$ -	\$ 1,512,253	\$ 1,324,279

1. Total contributed donated assets received in 2021:

\$ -

2. List of assets recognized at nominal value in 2021 are:

a) Infrastructure Assets

\$ -

b) Vehicles

\$ -

c) Machinery and Equipment

\$ -

3. Amount of interest capitalized in 2021:

\$ -

See notes to the consolidated financial statements

R.M. OF KEY WEST NO. 70

Consolidated Schedule of Tangible Capital Assets by Function

As at December 31, 2021

Schedule 7

	2021							2020 Total
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	
Asset cost								
Opening Asset costs	\$ 95,133	\$ 30,037	\$ 3,681,049	\$ 53,250	\$ -	\$ -	\$ 150,851	\$ 4,010,320
Additions during the year	5,777	-	329,670	-	-	-	-	335,447
Disposals and write-downs during the year	(6,044)	-	(239,925)	-	-	-	(54,659)	(300,628)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing Asset Costs	94,866	30,037	3,770,794	53,250	-	-	96,192	4,045,139
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	52,320	25,817	2,460,729	12,540	-	-	134,635	2,686,041
Add: Amortization taken	1,780	602	129,649	1,045	-	-	2,374	135,450
Less: Accumulated amortization on disposals	(6,044)	-	(239,927)	-	-	-	(42,634)	(288,605)
Transfer of Capital Assets related to restructuring (Schedule 11)	-	-	-	-	-	-	-	-
Closing Accumulated Amortization Costs	48,056	26,419	2,350,451	13,585	-	-	94,375	2,532,886
Net Book Value	\$ 46,810	\$ 3,618	\$ 1,420,343	\$ 39,665	\$ -	\$ -	\$ 1,817	\$ 1,512,253

See notes to the consolidated financial statements

R.M. OF KEY WEST NO. 70

Consolidated Schedule of Accumulated Surplus

As at December 31, 2021

Schedule 8

	2020	Changes	2021
	<small>Restated - see Note 14</small>		
UNAPPROPRIATED SURPLUS	\$ 1,255,523	\$ (75,804)	\$ 1,179,719
APPROPRIATED RESERVES			
Machinery and Equipment	-	-	-
Public Reserve	-	-	-
Capital Trust	-	-	-
Utility	-	-	-
Ogema Housing Authority	18,531	4,765	23,296
Emergency/Recreation	20,000	6,300	26,300
Kayville Infrastructure Utility Reserve	-	5,700	5,700
Total Appropriated	38,531	16,765	55,296
ORGANIZED HAMLETS			
	-	-	-
Total Organized Hamlets	-	-	-
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6, 7)	1,324,279	187,974	1,512,253
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	1,324,279	187,974	1,512,253
Total Accumulated Surplus	\$ 2,618,333	\$ 128,935	\$ 2,747,268

R.M. OF KEY WEST NO. 70
Schedule of Mill Rates and Assessments
As at December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$102,644,680	\$ 3,145,715	\$ -	\$ -	\$ 692,771	\$ -	\$106,483,166
Base Tax Assessment	-	381,255	-	-	-	-	381,255
Total Assessment	<u>102,644,680</u>	<u>3,526,970</u>	<u>-</u>	<u>-</u>	<u>692,771</u>	<u>-</u>	<u>106,864,421</u>
Mill Rate Factor(s)	0.8200	1.5000	-	-	1.5000	-	-
Total Base/Minimum Tax (generated for each property class)	-	9,250	-	-	-	-	9,250
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	\$ 357,717	\$ 29,304	\$ -	\$ -	\$ 4,416	\$ -	\$ 391,437

MILL RATES:

Average Municipal *
Average School
Potash Mill Rate
Uniform Municipal Mill Rate

MILLS	
	3.6529
	1.4981
	-
	4.2500

* Average Mill Rates (multiply the total tax levy for each taxing authority by 1000 and divide by the total assessment for the taxing authority)

R.M. OF KEY WEST NO. 70

Schedule of Council Remuneration

As at December 31, 2021

Schedule 10

		Reimbursed			
		Name	Remuneration	Costs	Total
Reeve	Zane McKerricher	\$	4,500	\$ 645	\$ 5,145
Councillor	Barry Hingtgen		2,757	605	3,362
Councillor	Brian Viergutz		3,150	532	3,682
Councillor	Brian Knudsen		2,700	335	3,035
Councillor	Ryan McKerricher		2,400	176	2,576
Councillor	Stuart Leonard		2,600	232	2,832
Councillor	Allen Popescu		2,700	670	3,370
Total		\$	20,807	\$ 3,195	\$ 24,002