

VILLAGE OF QUINTON
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

VILLAGE OF QUINTON
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STATEMENT OF RESPONSIBILITY

To the Ratepayers of the Village of Quinton:

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.

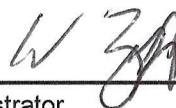
In discharging its responsibilities for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting, budget, and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately 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 Village. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities. The Council fulfills these responsibilities by reviewing the financial information prepared by administration and discussing relevant matters with external auditors. The Council is also responsible for recommending the appointment of the Village's external auditors.

Sensus Chartered Professional Accountants Ltd., 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 administration to discuss their audit findings.



Mayor



Administrator

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:
Village of Quinton
Quinton, Saskatchewan

Qualified Opinion

We have audited the accompanying consolidated financial statements of the Village of Quinton, which comprise the consolidated statement of financial position as at December 31, 2020 and the consolidated statement of operations, consolidated statement of changes in net financial assets and consolidated statement of 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 effects of the matter described in the Basis for Qualified Opinion paragraph, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Village of Quinton as at December 31, 2020, and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Province of Saskatchewan has stringent environmental approval processes for landfill sites that are set out by legislation and regulation. Prior to receiving environmental approval and accepting any waste, a landfill operator is obligated to include responsibility for closure and post-closure care of the approved sites, which requires the Village to set up a liability and accrue for the future expense to restore the land after closure. Touchwood Hills Regional Landfill Inc., a consolidated entity of the Village of Quinton, has not recorded a landfill liability; therefore, we have qualified our audit opinion as a result of the unrecorded liability which is a departure from Canadian public sector accounting standards.

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 Village of Quinton in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian 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 Village of Quinton's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village of Quinton or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village of Quinton'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 auditing standards, we exercise our 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 Village of Quinton'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 Village of Quinton'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 Village of Quinton 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.

Yorkton, Saskatchewan
August 10, 2021



Chartered Professional Accountants Ltd.

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash	\$ 65,605	\$ 85,009
Taxes receivable - municipal (Note 2)	32,737	37,554
Amounts receivable (Note 3)	13,128	28,589
Land for resale (Note 4)	21	21
Patronage equity	129	127
TOTAL FINANCIAL ASSETS	111,620	151,300
LIABILITIES		
Accounts payable and accrued liabilities	12,750	7,896
Deposits (Note 1)	2,177	3,022
Deferred revenue (Notes 1 and 5)	2,620	
TOTAL LIABILITIES	17,547	10,918
NET FINANCIAL ASSETS	94,073	140,382
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	120,598	99,920
Prepaid expenses	2,789	1,355
TOTAL NON-FINANCIAL ASSETS	123,387	101,275
ACCUMULATED SURPLUS (Schedule 8)	\$ 217,460	\$ 241,657

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 107,370	\$ 117,853	\$ 104,676
Fees and charges (Schedules 4 and 5)	36,890	34,790	34,302
Conditional grants (Schedules 4 and 5)	7,020	5,918	6,052
Tangible capital asset sales - gain (Schedules 4 and 5)		559	
Land sales - gain (Schedules 4 and 5)	100		945
Investment income and commissions (Schedules 4 and 5)	310	185	547
Other revenues (Schedules 4 and 5)	4,100	83	118
	155,790	159,388	146,640
EXPENSES			
General government services (Schedule 3)	64,140	106,298	79,297
Protective services (Schedule 3)	6,740	7,130	6,822
Transportation services (Schedule 3)	29,290	26,572	31,505
Environmental and public health services (Schedule 3)	21,980	21,354	20,107
Recreation and cultural services (Schedule 3)	8,050	8,112	17,014
Utility services (Schedule 3)	27,790	34,955	36,142
	157,990	204,421	190,887
DEFICIT BEFORE OTHER CAPITAL CONTRIBUTIONS	(2,200)	(45,033)	(44,247)
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	6,780	20,836	13,513
ANNUAL SURPLUS (DEFICIT)	4,580	(24,197)	(30,734)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	241,657	241,657	272,391
ACCUMULATED SURPLUS, END OF YEAR	\$ 246,237	\$ 217,460	\$ 241,657

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 4,580	\$ (24,197)	\$ (30,734)
Acquisition of tangible capital assets		(30,538)	
Amortization of tangible capital assets	9,000	9,819	10,069
Gain on sale of tangible capital assets		(559)	
Proceeds on sale of tangible capital assets		600	
Decrease (increase) in prepaid expenses		(1,434)	98
	9,000	(22,112)	10,167
CHANGE IN NET FINANCIAL ASSETS	\$ 13,580	(46,309)	(20,567)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		140,382	160,949
NET FINANCIAL ASSETS, END OF YEAR		\$ 94,073	\$ 140,382

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual deficit	\$ (24,197)	\$ (30,734)
Changes in non-cash items:		
Taxes receivable - municipal	4,817	(2,203)
Amounts receivable	15,461	(15,923)
Patronage equity	(2)	(4)
Prepaid expenses	(1,434)	98
Accounts payable and accrued liabilities	4,854	3,100
Deferred revenue	2,620	
Deposits	(845)	235
Gain on sale of tangible capital assets	(559)	
Gain on sale of land for resale		(945)
Amortization	9,819	10,069
Cash applied to operating transactions	10,534	(36,307)
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	600	
Acquisition of tangible capital assets	(30,538)	
Cash applied to capital transactions	(29,938)	
INVESTING TRANSACTIONS		
Proceeds on sale of land for resale		950
Cash provided by investing transactions		950
CHANGE IN CASH	(19,404)	(35,357)
CASH, BEGINNING OF YEAR	85,009	120,366
CASH, END OF YEAR	\$ 65,605	\$ 85,009

VILLAGE OF QUINTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Village are 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 are as follows:

Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes revenue as they become available and measurable; 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.

Reporting Entity

The financial statements consolidate the assets, liabilities, and flow of resources of the Village. The entity is comprised of all of the organizations that are owned or controlled by the Village and are, therefore, accountable to Council for the administration of their financial affairs and resources. The assets, liabilities, and operations of the Recreation Boards are not included in these consolidated financial statements except for any assistance to the Recreation Boards, as Council's position is that it does not control the Recreation Boards. Entities included in these financial statements are as follows:

Touchwood Hills Regional Landfill Inc. - 3%

All inter-organizational transactions and balances have been eliminated.

Collection of Funds for Other Authorities

Collection of funds by the Village for the school board, municipal hall, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 2.

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 have been met; and
- c) reasonable estimates of the amounts can be made.

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

Deferred Revenue and Deposits

Certain user charges and fees, which consists of water deposits, 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.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local Improvement Charges

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

Net-Financial Assets

Net-financial assets at the end of the 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.

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.

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.

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. Requisitions operate as a flow through and are excluded from municipal revenue.

Portfolio Investments

Portfolio investments are valued at the lower of cost and market value, less any provisions for other than temporary impairment. The long-term investments in the Saskatchewan Rural Municipalities - Self-Insurance Fund are accounted for on the equity basis.

Inventories

Inventories of materials and supplies expected to be used by the Village 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 based on actual cost of inventory. Net realizable value is the estimated selling price in the ordinary course of business.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible Capital Assets

All tangible capital asset acquisitions or betterment made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired 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 tangible capital assets that are recognized at a nominal value are disclosed on Schedule 6. The costs of these tangible capital assets less any residual value are amortized over the asset's useful life using the straight-line method of amortization. The Village's tangible capital asset useful lives are estimated as follows:

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 25 years
Infrastructure Assets	
Infrastructure assets	30 to 75 years
Water & sewer	40 years
Road network assets	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 Village does not capitalize interest incurred while a tangible capital asset is under construction.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

All leases are recorded on the consolidated financial statement as either a capital or operating lease. Any lease that transfers the majority of benefits and risk associated with the leased asset is classified as a capital lease. 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 leases are amortized on a straight-line basis, over their estimated useful lives (lease term). Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

Landfill Liability

The Village of Quinton does not maintain a waste disposal site and utilizes the waste disposal sites of Touchwood Hills Regional Landfill Inc. No amount has been recorded as an asset or liability.

Trust Funds

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

Employee Benefit Plans

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

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 Village:
 - 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.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Uncertainty

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their collectibility 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.

Basis of Segmentation/Segment report

The Village has adopted the new 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 attributable 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 administration of the Village.

Protective services: Is comprised of expenses for police and fire protection.

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

Environmental and public health: Environmental segment provides waste disposal and other environmental services and the public health segment provides for expenses related to public health services in the Village.

Planning and development: Provides for neighbourhood development and sustainability.

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

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

Budget Information

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on June 10, 2020.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Standards and Amendments to 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.

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. This standard requires fair value measurement of derivatives and equity instruments 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.

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 a 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 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 the 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.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
 For the year ended December 31, 2020

2. TAXES AND GRANTS-IN-LIEU RECEIVABLE

	2020	2019
Municipal		
- Current	\$ 23,308	\$ 24,014
- Arrears	170,182	138,540
	<u>193,490</u>	<u>162,554</u>
- Less allowance for uncollectibles	(160,753)	(125,000)
Total municipal taxes receivable	<u>32,737</u>	<u>37,554</u>
School		
- Current	2,872	3,296
- Arrears	62,942	55,234
Total school taxes receivable	<u>65,814</u>	<u>58,530</u>
Total taxes and grants-in-lieu receivable	<u>98,551</u>	<u>96,084</u>
Deduct taxes receivable to be collected on behalf of other organizations	(65,814)	(58,530)
Municipal and grants-in-lieu taxes receivable	<u>\$ 32,737</u>	<u>\$ 37,554</u>

3. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2020	2019
Utility	\$ 18,387	\$ 13,790
Federal government	2,676	18,393
Organizations and individuals	2,241	1,406
	<u>23,304</u>	<u>33,589</u>
Less allowance for doubtful amounts	(10,176)	(5,000)
	<u>\$ 13,128</u>	<u>\$ 28,589</u>

4. LAND FOR RESALE

	2020	2019
Tax Title Property	\$ 4,758	\$ 4,758
Allowance for market value adjustment	(4,758)	(4,758)
Net Tax Title Property		
Other Land	21	21
Total Land for Resale	<u>\$ 21</u>	<u>\$ 21</u>

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

5. DEFERRED REVENUE

	2020	2019
Municipal Economic Enhancement Program	\$ 2,620	\$

6. LONG-TERM DEBT

The debt limit of the Village is \$88,188. The debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (the *Municipalities Act* Section 161(1)).

7. PENSION PLAN

The Village is no longer 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 benefits. The Village's pension expense in 2020 was \$NIL (2019 - \$1,259). The benefits accrued to the Village's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS3250.

8. COMMITMENTS

The Village has committed to a waterworks system optimization study and water treatment plant upgrades with total anticipated project costs of \$20,000. This project was approved with the Municipal Economic Enhancement Program (MEEP) contributing \$7,517 from the Provincial Government. The remainder of the project costs will be covered by the the Gas Tax Program and by the Village. As of the year-end date, \$4,897 has been spent on a water optimization study and a chlorine pump for this project and the remainder of the MEEP funding for this project has been deferred.

9. GOVERNMENT ASSISTANCE

In response to the pandemic, the Provincial and Federal governments have provided funds to municipalities in order to stimulate economic recovery and enhance infection protection and control measures in their operations. Through the Municipal Economic Enhancement Program (MEEP), the Village received funds of \$14,517 which was approved to be spent on a lagoon upgrade plan (\$7,000) which was complete in 2020, as well as a waterworks system optimization study and water treatment plant upgrades (\$7,517). \$4,897 has been spent on the water treatment plant as of December 31, 2020 and the remaining \$2,620 has been deferred to 2021 when it is expected to be complete. In addition, the Safe Restart Program provided \$6,025 in unconditional funding to the Village.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2020

10. OTHER MATTERS

On March 11, 2020, the World Health Organization declared the COVID-19 outbreak a worldwide pandemic. Subsequently, on March 18, 2020, the Province of Saskatchewan declared a province-wide state of emergency to help reduce the spread of COVID-19. The Village has not suffered any significant disruptions throughout the year as a result from the outbreak.

While the disruption is currently expected to be temporary, there is considerable uncertainty about the duration of this disruption. As a result, the related financial impact and duration cannot be reasonably estimated at this time.

VILLAGE OF QUINTON

SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
TAXES			
General municipal tax levy	\$ 56,430	\$ 56,433	\$ 56,433
Abatements and adjustments	(5,000)		(2,412)
Discount on current year taxes	(950)	(1,071)	(798)
Net Municipal Taxes	50,480	55,362	53,223
Penalties on tax arrears	16,250	16,260	13,774
Total Taxes	66,730	71,622	66,997
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	24,850	24,891	22,633
Safe Restart Program		6,025	
Total Unconditional Grants	24,850	30,916	22,633
GRANTS-IN-LIEU OF TAXES			
Local/Other			
Housing Authority	4,810	4,815	5,086
Treaty Land Entitlement	4,600	3,480	3,480
Other Government Transfers			
S.P.C. Surcharge	3,880	4,545	4,019
SaskEnergy Surcharge	2,500	2,475	2,461
Total Grants-in-Lieu of Taxes	15,790	15,315	15,046
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 107,370	\$ 117,853	\$ 104,676

VILLAGE OF QUINTON

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 500	\$ 525	\$ 162
- Sale of supplies	100	65	100
Total Fees and Charges	600	590	262
- Land sales - gain	100		945
- Investment income and commissions	310	185	547
Total Other Segmented Revenue	1,010	775	1,754
Total Operating	1,010	775	1,754
Total General Government Services	1,010	775	1,754
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	5,260	3,764	4,296
- Cemetery fees		50	
Total Fees and Charges	5,260	3,814	4,296
- Tangible capital asset sales - gain		559	
- Touchwood Hills Regional Landfill Inc.	4,100	83	118
Total Other Segmented Revenue	9,360	4,456	4,414
Conditional Grants			
- Touchwood Hills Regional Landfill Inc.	3,660	3,368	3,639
- Multi-Material Stewardship Western	780	1,475	1,325
Total Conditional Grants	4,440	4,843	4,964
Total Operating	13,800	9,299	9,378
Total Environmental and Public Health Services	13,800	9,299	9,378

VILLAGE OF QUINTON

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Hall fees	\$ 3,000	\$ 1,200	\$ 2,375
Total Fees and Charges	3,000	1,200	2,375
Total Other Segmented Revenue	3,000	1,200	2,375
Conditional Grants			
- Saskatchewan Lotteries	2,580	1,075	1,088
Total Conditional Grants	2,580	1,075	1,088
Total Operating	5,580	2,275	3,463
Total Recreation and Cultural Services	5,580	2,275	3,463
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	21,250	22,322	20,639
- Sewer	6,780	6,864	6,730
Total Fees and Charges	28,030	29,186	27,369
Total Other Segmented Revenue	28,030	29,186	27,369
Total Operating	28,030	29,186	27,369
Capital			
Conditional Grants			
- Gas Tax	6,780	8,939	13,513
- Municipal Economic Enhancement Program		11,897	
Total Capital	6,780	20,836	13,513
Total Utility Services	34,810	50,022	40,882
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,200	\$ 62,371	\$ 55,477

VILLAGE OF QUINTON

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
SUMMARY			
Total Other Segmented Revenue	\$ 41,400	\$ 35,617	\$ 35,912
Total Conditional Grants	7,020	5,918	6,052
Total Capital Grants and Contributions	6,780	20,836	13,513
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,200	\$ 62,371	\$ 55,477

VILLAGE OF QUINTON
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 1,990	\$ 2,111	\$ 1,710
Wages and benefits	33,210	43,989	30,765
Professional/Contractual services	9,190	10,886	10,705
Utilities	2,800	3,379	3,713
Maintenance, materials, and supplies	7,700	9,919	6,691
Amortization	1,220	201	201
Interest	30	60	12
Allowance for uncollectibles	8,000	35,753	25,000
Administrative			500
Total General Government Services	64,140	106,298	79,297
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	4,610	4,865	4,696
Fire protection			
Professional/Contractual services	2,130	2,265	2,126
Total Protective Services	6,740	7,130	6,822
TRANSPORTATION SERVICES			
Wages and benefits	14,080	12,984	16,135
Utilities	7,660	6,939	7,537
Maintenance, materials, and supplies	3,050	2,254	3,265
Gravel	1,000	1,066	1,114
Amortization	3,500	3,329	3,454
Total Transportation Services	29,290	26,572	31,505
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	2,180	2,359	1,785
Professional/Contractual services	12,550	12,593	11,235
Utilities	180	246	243
Maintenance, materials, and supplies	1,170	1,090	1,423
Grants and contributions			
- Operating			
• Waste disposal	2,530	2,954	2,449
- Capital			
• Waste disposal	510	(16)	490
Amortization	2,230	2,030	2,324
Other (Touchwood Hills Regional Landfill Inc., nursing home deficit)	630	98	158
Total Environmental and Public Health Services	21,980	21,354	20,107

VILLAGE OF QUINTON
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 1,350	\$ 900	\$ 1,200
Professional/Contractual services		286	
Utilities	2,500	1,950	2,358
Maintenance, materials, and supplies	600	13	1,152
Grants and contributions			
- Operating	2,600	2,433	9,774
Amortization	1,000	2,530	2,530
Total Recreation and Cultural Services	8,050	8,112	17,014
UTILITY SERVICES			
Professional/Contractual services	13,730	13,428	12,101
Utilities	3,900	3,453	3,482
Maintenance, materials, and supplies	9,110	11,169	13,998
Amortization	1,050	1,729	1,561
Allowance for uncollectibles		5,176	5,000
Total Utility Services	27,790	34,955	36,142
TOTAL EXPENSES BY FUNCTION	\$ 157,990	\$ 204,421	\$ 190,887

VILLAGE OF QUINTON

For the year ended December 31, 2020

[illegible]

VILLAGE OF QUINTON
SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2019

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 262	\$	\$	\$ 4,296	\$	\$ 2,375	\$ 27,369	\$ 34,302
Tangible Capital Asset Sale - Gain (Loss)								945
Land Sales - Gain (Loss)	945							547
Investment Income & Commissions	547							118
Other Revenues				118				6,052
Grants - Conditional				4,964		1,088		13,513
- Capital							13,513	55,477
Total revenues	1,754			9,378		3,463	40,882	
Expenses (Schedule 3)								
Wages & Benefits	32,475		16,135	1,785		1,200		51,595
Professional/Contractual Services	10,705	6,822		11,235			12,101	40,863
Utilities	3,713		7,537	243		2,358	3,482	17,333
Maintenance, Materials, Supplies	6,691		4,379	1,423		1,152	13,999	27,644
Grants and Contributions				2,939		9,774		12,713
Amortization	201		3,454	2,324		2,530	1,560	10,069
Interest	12							12
Allowance for Uncollectibles	25,000						5,000	30,000
Other	500			158				658
Total expenses	79,297	6,822	31,505	20,107		17,014	36,142	190,887
Surplus (Deficit) by Function	(77,543)	(6,822)	(31,505)	(10,729)		(13,551)	4,740	(135,410)
Taxation and other unconditional revenue (Schedule 1)								104,676
Net Deficit								\$ (30,734)

VILLAGE OF QUINTON

SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT

For the year ended December 31, 2020

	General Assets					Infrastructure Assets	General/Infrastructure	Totals	
Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2020	2019
Opening costs	\$ 5	22,810	144,100		81,693	124,759		\$ 373,367	\$ 373,367
Additions during the year		4,594			17,598	8,346		30,538	
Disposals and write downs					(1,200)			(1,200)	
Closing costs	5	27,404	144,100		98,091	133,105		402,705	373,367
Accumulated Amortization									
Opening accumulated amortization		10,791	113,454		37,061	112,141		273,447	263,378
Amortization		1,218	3,499		3,795	1,307		9,819	10,069
Disposals and write downs					(1,159)			(1,159)	
Closing accumulated amortization		12,009	116,953		39,697	113,448		282,107	273,447
Net Book Value	\$ 5	15,395	27,147		58,394	19,657		\$ 120,598	\$ 99,920

VILLAGE OF QUINTON

SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

For the year ended December 31, 2020

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2020	2019
Opening costs	\$ 13,399		98,562	34,148		101,189	126,069	\$ 373,367	\$ 373,367
Additions during the year	1,121			5,378			24,039	30,538	
Disposals and write downs				(1,200)				(1,200)	
Closing costs	14,520		98,562	38,326		101,189	150,108	402,705	373,367
Accumulated Amortization									
Opening accumulated amortization	9,230		49,641	19,343		91,506	103,727	273,447	263,378
Amortization	201		3,329	2,030		2,530	1,729	9,819	10,069
Disposals and write downs				(1,159)				(1,159)	
Closing accumulated amortization	9,431		52,970	20,214		94,036	105,456	282,107	273,447
Net Book Value	\$ 5,089		45,592	18,112		7,153	44,652	\$ 120,598	\$ 99,920

VILLAGE OF QUINTON
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
 For the year ended December 31, 2020

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 141,737	\$ (44,875)	\$ 96,862
APPROPRIATED RESERVES			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	99,920	20,678	120,598
TOTAL ACCUMULATED SURPLUS	\$ 241,657	\$ (24,197)	\$ 217,460

VILLAGE OF QUINTON

SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS

For the year ended December 31, 2020

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	88,880	1,216,080			796,100		2,101,060
Regional Park Assessment							
Total Assessment							2,101,060
Mill Rate Factor(s)	0.33	1.00			1.00		
Total Base/Minimum Tax	300	28,800					29,100
Total Municipal Tax Levy	736	38,979			16,718		56,433

MILL RATES:

MILLS

Average Municipal	26.8595
Average School	4.8208
Potash Mill Rate	
Uniform Municipal Mill Rate	21.0000

VILLAGE OF QUINTON
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2020

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Robert Malbeuf	\$ 360	\$	360
Mayor - William Cox	180		180
Councilor - Ken Swanston	150	471	621
Councilor - Kim Sebastian	300	148	448
Councilor - Lynn Nagy	250		250
Councilor - Don Ireland	150		150
Councilor - Matthew Ratt	150		150
Councilor - Colin Daly	100		100
	<u>\$ 1,640</u>	<u>\$ 619</u>	<u>2,259</u>