

VILLAGE OF QUINTON
CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

VILLAGE OF QUINTON
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STATEMENT OF RESPONSIBILITY


To the Ratepayers of the Village of Quinton:

The Village'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 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, 2021 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, 2021, 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 of Quinton 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 qualified 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the directions, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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
October 18, 2022



Chartered Professional Accountants Ltd.

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2021

	2021	2020
FINANCIAL ASSETS		
Cash	\$ 53,048	\$ 65,605
Taxes receivable - municipal (Note 2)	32,977	32,737
Amounts receivable (Note 3)	15,637	13,128
Patronage equity	86	129
TOTAL FINANCIAL ASSETS	101,748	111,599
LIABILITIES		
Accounts payable and accrued liabilities	9,786	12,750
Deposits (Note 1)	1,877	2,177
Deferred revenue (Notes 1 and 5)		2,620
TOTAL LIABILITIES	11,663	17,547
NET FINANCIAL ASSETS	90,085	94,052
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	107,310	120,598
Land for resale (Note 4)	21	21
Prepaid expenses	2,126	2,789
TOTAL NON-FINANCIAL ASSETS	109,457	123,408
ACCUMULATED SURPLUS (Schedule 8)	\$ 199,542	\$ 217,460

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 106,870	\$ 109,071	\$ 117,853
Fees and charges (Schedules 4 and 5)	36,890	32,821	34,790
Conditional grants (Schedules 4 and 5)	7,020	11,442	5,918
Tangible capital asset sales - gain (loss) (Schedules 4 and 5)		(13)	559
Investment income and commissions (Schedules 4 and 5)	410	81	185
Other revenues (Schedules 4 and 5)	4,100	20	83
	155,290	153,422	159,388
EXPENSES			
General government services (Schedule 3)	63,140	94,895	106,296
Protective services (Schedule 3)	6,740	7,154	7,130
Transportation services (Schedule 3)	29,290	26,282	26,573
Environmental and public health services (Schedule 3)	21,980	23,313	21,353
Recreation and cultural services (Schedule 3)	9,050	8,596	8,112
Utility services (Schedule 3)	27,790	26,027	34,955
	157,990	186,267	204,419
DEFICIT BEFORE OTHER CAPITAL CONTRIBUTIONS	(2,700)	(32,845)	(45,031)
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	6,780	14,927	20,836
ANNUAL SURPLUS (DEFICIT)	4,080	(17,918)	(24,195)
ACCUMULATED SURPLUS, BEGINNING OF YEAR	217,460	217,460	241,655
ACCUMULATED SURPLUS, END OF YEAR	\$ 221,540	\$ 199,542	\$ 217,460

VILLAGE OF QUINTON**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS****For the year ended December 31, 2021**

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
ANNUAL SURPLUS (DEFICIT)	\$ 4,080	\$ (17,918)	\$ (24,195)
Acquisition of tangible capital assets		(2,776)	(30,538)
Amortization of tangible capital assets	9,000	10,003	9,819
Write down of tangible capital assets		6,038	
Loss (gain) on sale of tangible capital assets		13	(559)
Proceeds on sale of tangible capital assets		10	600
Decrease (increase) in prepaid expenses		663	(1,433)
	9,000	13,951	(22,111)
CHANGE IN NET FINANCIAL ASSETS	\$ 13,080	(3,967)	(46,306)
NET FINANCIAL ASSETS, BEGINNING OF YEAR		94,052	140,358
NET FINANCIAL ASSETS, END OF YEAR		\$ 90,085	\$ 94,052

VILLAGE OF QUINTON
CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	2021	2020
OPERATING TRANSACTIONS		
Annual deficit	\$ (17,918)	\$ (24,195)
Changes in non-cash items:		
Taxes receivable - municipal	(240)	4,814
Amounts receivable	(2,509)	15,461
Patronage equity	43	(2)
Prepaid expenses	663	(1,433)
Accounts payable and accrued liabilities	(2,964)	4,854
Deferred revenue	(2,620)	2,620
Deposits	(300)	(845)
Loss (gain) on sale of tangible capital assets	13	(559)
Amortization	10,003	9,819
Cash provided by (applied to) operating transactions	(15,829)	10,534
CAPITAL TRANSACTIONS		
Proceeds on sale of tangible capital assets	10	600
Acquisition of tangible capital assets	(2,776)	(30,538)
Write down of tangible capital assets	6,038	
Cash provided by (applied to) capital transactions	3,272	(29,938)
CHANGE IN CASH	(12,557)	(19,404)
CASH, BEGINNING OF YEAR	65,605	85,009
CASH, END OF YEAR	\$ 53,048	\$ 65,605

VILLAGE OF QUINTON

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended December 31, 2021

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. - 2% (2020 - 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, 2021

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, 2021

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, 2021

1. SUMMARY OF 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 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, 2021

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 8, 2021.

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

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 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 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, 2021

2. TAXES AND GRANTS-IN-LIEU RECEIVABLE

		2021	2020
Municipal	- Current	\$ 22,065	\$ 23,308
	- Arrears	206,160	170,182
		228,225	193,490
	- Less allowance for uncollectibles	(195,248)	(160,753)
Total municipal taxes receivable		32,977	32,737
School	- Current	3,370	2,872
	- Arrears	71,978	62,942
Total school taxes receivable		75,348	65,814
Total taxes and grants-in-lieu receivable		108,325	98,551
Deduct taxes receivable to be collected on behalf of other organizations		(75,348)	(65,814)
Municipal and grants-in-lieu taxes receivable		\$ 32,977	\$ 32,737

3. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realized value.

	2021	2020
Utility	\$ 19,341	\$ 18,387
Organizations and individuals	6,786	2,241
Federal government	4,780	2,676
	30,907	23,304
Less allowance for doubtful amounts	(15,270)	(10,176)
	\$ 15,637	\$ 13,128

4. LAND FOR RESALE

	2021	2020
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	\$ 21	\$ 21

VILLAGE OF QUINTON
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2021

5. DEFERRED REVENUE

	2021	2020
Municipal Economic Enhancement Program (Note 8)	\$	\$ 2,620

6. LONG-TERM DEBT

The debt limit of the Village is \$90,420. 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 not 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 2021 was \$Nil (2020 - \$Nil). 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 PS 3250.

8. GOVERNMENT ASSISTANCE

In response to the pandemic in the prior year, the Provincial and Federal governments 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 \$Nil (2020 - \$14,517). \$7,000 was approved to be spent on a lagoon upgrade plan which was completed in 2020 and the remaining \$7,517 was approved for a waterworks system optimization study and water treatment plant upgrades. Of the \$7,517, \$4,897 was spent on the water treatment plant in 2020 with the remaining \$2,620 deferred and spent in 2021. In addition, the Safe Restart Program provided \$Nil (2020 - \$6,025) in unconditional funding to the Village.

9. OTHER MATTERS

During the year, the COVID-19 pandemic impacted Canada and caused significant disruptions to the Canadian economy. As of the audit report date, the Village has not suffered any significant disruptions, and we are therefore unable to estimate the effect of the pandemic on the Village's operations. 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, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
TAXES			
General municipal tax levy	\$ 55,930	\$ 55,928	\$ 56,433
Abatements and adjustments	(5,000)	(5,600)	
Discount on current year taxes	(950)	(960)	(1,071)
Net Municipal Taxes	49,980	49,368	55,362
Penalties on tax arrears	16,250	19,417	16,260
Total Taxes	66,230	68,785	71,622
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	24,850	24,684	24,891
Safe restart			6,025
Total Unconditional Grants	24,850	24,684	30,916
GRANTS-IN-LIEU OF TAXES			
Local/Other			
Housing Authority	4,810	5,312	4,815
Treaty Land Entitlement	4,600	3,480	3,480
Other Government Transfers			
S.P.C. Surcharge	3,880	4,415	4,545
SaskEnergy Surcharge	2,500	2,395	2,475
Total Grants-in-Lieu of Taxes	15,790	15,602	15,315
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 106,870	\$ 109,071	\$ 117,853

VILLAGE OF QUINTON**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Sale of supplies	\$ 100	\$ 6	\$ 65
Total Fees and Charges	100	6	65
- Investment income and commissions	410	81	185
Total Other Segmented Revenue	510	87	250
Total Operating	510	87	250
Total General Government Services	510	87	250
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	5,260	3,567	3,764
- Cemetery fees			50
Total Fees and Charges	5,260	3,567	3,814
- Tangible capital asset sales - gain (loss)		(13)	559
- Touchwood Hills Regional Landfill Inc.	4,100	20	83
Total Other Segmented Revenue	9,360	3,574	4,456
Conditional Grants			
- Touchwood Hills Regional Landfill Inc.	3,660	7,747	3,368
- Multi-Material Stewardship Western	780	1,636	1,475
Total Conditional Grants	4,440	9,383	4,843
Total Operating	13,800	12,957	9,299
Total Environmental and Public Health Services	13,800	12,957	9,299

VILLAGE OF QUINTON

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Hall fees	\$ 3,000	\$ 450	\$ 1,200
Total Fees and Charges	3,000	450	1,200
Total Other Segmented Revenue	3,000	450	1,200
Conditional Grants			
- Rural Municipality of Mount Hope	2,580	990	
- Saskatchewan Lotteries		1,069	1,075
Total Conditional Grants	2,580	2,059	1,075
Total Operating	5,580	2,509	2,275
Total Recreation and Cultural Services	5,580	2,509	2,275
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	21,250	21,982	22,322
- Sewer	6,780	6,816	6,864
- Sewer servicing reimbursements	500		525
Total Fees and Charges	28,530	28,798	29,711
Total Other Segmented Revenue	28,530	28,798	29,711
Total Operating	28,530	28,798	29,711
Capital			
Conditional Grants			
- Canada Community - Building Fund (CCBF)	6,780	12,307	8,939
- Municipal Economic Enhancement Program (MEEP)		2,620	11,897
Total Capital	6,780	14,927	20,836
Total Utility Services	35,310	43,725	50,547
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,200	\$ 59,278	\$ 62,371

VILLAGE OF QUINTON**SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION**

For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
SUMMARY			
Total Other Segmented Revenue	\$ 41,400	\$ 32,909	\$ 35,617
Total Conditional Grants	7,020	11,442	5,918
Total Capital Grants and Contributions	6,780	14,927	20,836
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 55,200	\$ 59,278	\$ 62,371

VILLAGE OF QUINTON
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 1,990	\$ 1,440	\$ 2,111
Wages and benefits	33,210	38,149	43,987
Professional/Contractual services	9,190	10,397	10,886
Utilities	2,800	3,697	3,379
Maintenance, materials, and supplies	7,700	6,263	9,919
Amortization	220	425	201
Interest	30	29	60
Allowance for uncollectibles	8,000	34,495	35,753
Total General Government Services	63,140	94,895	106,296
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	4,610	4,995	4,865
Fire protection			
Professional/Contractual services	2,130	2,159	2,265
Total Protective Services	6,740	7,154	7,130
TRANSPORTATION SERVICES			
Wages and benefits	14,080	10,977	12,984
Utilities	7,660	7,709	6,939
Maintenance, materials, and supplies	3,050	1,884	2,254
Gravel	1,000	2,382	1,066
Amortization	3,500	3,330	3,330
Total Transportation Services	29,290	26,282	26,573
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	2,180	1,514	2,359
Professional/Contractual services	12,550	14,818	11,639
Utilities	180	193	246
Maintenance, materials, and supplies	1,170	1,240	1,090
Grants and contributions			
- Operating			
• Waste disposal	2,530	2,969	2,954
- Capital			
• Waste disposal	510	693	937
Amortization	2,230	1,343	2,030
Interest		1	2
Other (Touchwood Hills Regional Landfill Inc., nursing home deficit)	630	542	96
Total Environmental and Public Health Services	21,980	23,313	21,353

VILLAGE OF QUINTON
SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION
For the year ended December 31, 2021

	2021 Budget Unaudited (Note 1)	2021 Actual	2020 Actual
RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ 1,350	\$ 900	\$ 900
Professional/Contractual services			286
Utilities	2,500	3,232	1,950
Maintenance, materials, and supplies	600	576	13
Grants and contributions			
- Operating	2,600	1,358	2,433
Amortization	2,000	2,530	2,530
Total Recreation and Cultural Services	9,050	8,596	8,112
UTILITY SERVICES			
Professional/Contractual services	13,730	13,592	13,428
Utilities	3,900	3,758	3,453
Maintenance, materials, and supplies	9,110	1,208	11,169
Amortization	1,050	2,375	1,729
Allowance for uncollectibles		5,094	5,176
Total Utility Services	27,790	26,027	34,955
TOTAL EXPENSES BY FUNCTION	\$ 157,990	\$ 186,267	\$ 204,419

VILLAGE OF QUINTON
SCHEDULE 4 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2021

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 6	\$	\$	\$ 3,567	\$	\$ 450	\$ 28,798	\$ 32,821
Tangible Capital Asset Sale - Gain (Loss)				(13)				(13)
Land Sales - Gain (Loss)								
Investment Income & Commissions	81							81
Other Revenues				20				20
Grants - Conditional				9,383		2,059		11,442
- Capital							14,927	14,927
Total revenues	87			12,957		2,509	43,725	59,278
Expenses (Schedule 3)								
Wages & Benefits	39,589		10,977	1,514		900		52,980
Professional/Contractual Services	10,397	7,154		14,818			13,592	45,961
Utilities	3,697		7,709	193		3,232	3,758	18,589
Maintenance, Materials, Supplies	6,263		4,266	1,240		576	1,208	13,553
Grants and Contributions				3,662		1,358		5,020
Amortization	425		3,330	1,343		2,530	2,375	10,003
Interest	29			1				30
Allowance for Uncollectibles	34,495						5,094	39,589
Other				542				542
Total expenses	94,895	7,154	26,282	23,313		8,596	26,027	186,267
Surplus (Deficit) by Function	(94,808)	(7,154)	(26,282)	(10,356)		(6,087)	17,698	(126,989)
Taxation and other unconditional revenue (Schedule 1)								109,071
Net Deficit								\$ (17,918)

VILLAGE OF QUINTON
SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION
For the year ended December 31, 2020

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 65	\$	\$	\$ 3,814	\$	\$ 1,200	\$ 29,711	\$ 34,790
Tangible Capital Asset Sale - Gain (Loss)				559				559
Land Sales - Gain (Loss)								
Investment Income & Commissions	185							185
Other Revenues				83				83
Grants - Conditional				4,843		1,075		5,918
- Capital							20,836	20,836
Total revenues	250			9,299		2,275	50,547	62,371
Expenses (Schedule 3)								
Wages & Benefits	46,098		12,984	2,359		900		62,341
Professional/Contractual Services	10,886	7,130		11,639		286	13,428	43,369
Utilities	3,379		6,939	246		1,950	3,453	15,967
Maintenance, Materials, Supplies	9,919		3,320	1,090		13	11,170	25,512
Grants and Contributions				3,891		2,433		6,324
Amortization	201		3,330	2,030		2,530	1,728	9,819
Interest	60			2				62
Allowance for Uncollectibles	35,753						5,176	40,929
Other				96				96
Total expenses	106,296	7,130	26,573	21,353		8,112	34,955	204,419
Surplus (Deficit) by Function	(106,046)	(7,130)	(26,573)	(12,054)		(5,837)	15,592	(142,048)
Taxation and other unconditional revenue (Schedule 1)								117,853
Net Deficit								\$ (24,195)

VILLAGE OF QUINTON
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2021

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2021	2020
Opening costs	\$ 5	27,404	144,100		98,091	133,105		\$ 402,705	\$ 373,367
Additions during the year					2,776			2,776	30,538
Disposals and write downs		(9,134)	(771)		(2,911)			(12,816)	(1,200)
Closing costs	5	18,270	143,329		97,956	133,105		392,665	402,705
Accumulated Amortization									
Opening accumulated amortization		12,009	116,953		39,697	113,448		282,107	273,447
Amortization		884	3,475		4,142	1,502		10,003	9,819
Disposals and write downs		(4,003)	(584)		(2,168)			(6,755)	(1,159)
Closing accumulated amortization		8,890	119,844		41,671	114,950		285,355	282,107
Net Book Value	\$ 5	9,380	23,485		56,285	18,155		\$ 107,310	\$ 120,598

VILLAGE OF QUINTON

SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION

For the year ended December 31, 2021

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2021	2020
Opening costs	\$ 14,520		98,562	38,326		101,189	150,108	\$ 402,705	\$ 373,367
Additions during the year							2,776	2,776	30,538
Disposals and write downs				(12,816)				(12,816)	(1,200)
Closing costs	14,520		98,562	25,510		101,189	152,884	392,665	402,705
Accumulated Amortization									
Opening accumulated amortization	9,431		52,970	20,214		94,036	105,456	282,107	273,447
Amortization	425		3,330	1,343		2,530	2,375	10,003	9,819
Disposals and write downs				(6,755)				(6,755)	(1,159)
Closing accumulated amortization	9,856		56,300	14,802		96,566	107,831	285,355	282,107
Net Book Value	\$ 4,664		42,262	10,708		4,623	45,053	\$ 107,310	\$ 120,598

VILLAGE OF QUINTON
SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS
For the year ended December 31, 2021

	2020	Changes	2021
UNAPPROPRIATED SURPLUS			
\$	96,862	\$ (4,630)	\$ 92,232
APPROPRIATED RESERVES			
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	120,598	(13,288)	107,310
Net investment in tangible capital assets	120,598	(13,288)	107,310
TOTAL ACCUMULATED SURPLUS	\$ 217,460	\$ (17,918)	\$ 199,542

VILLAGE OF QUINTON**SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS**

For the year ended December 31, 2021

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable assessment	98,835	1,226,960			814,385		2,140,180
Regional Park Assessment							
Total Assessment							2,140,180
Mill Rate Factor(s)	0.33	1.00			1.00		
Total Base/Minimum Tax	300	27,000					27,300
Total Municipal Tax Levy	850	37,976			17,102		55,928

MILL RATES:**MILLS**

Average Municipal	26.1323
Average School	5.1882
Potash Mill Rate	
Uniform Municipal Mill Rate	21.0000

VILLAGE OF QUINTON
SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION
For the year ended December 31, 2021

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - William Cox	\$ 540	\$	540
Councilor - Don Ireland	450		450
Councilor - Matthew Ratt	450		450
	<hr/>		
	\$ 1,440	\$	1,440
	<hr/>		