

**CORPORATION OF THE CITY OF QUINTE WEST
WATER SUPPLY AND WASTE WATER SYSTEM
MUNICIPAL ENTERPRISE
SUPPLEMENTARY FINANCIAL STATEMENTS
(UNAUDITED: SEE NOTICE TO READER)
AS AT DECEMBER 31, 2020**

SUPPLEMENTARY FINANCIAL STATEMENTS

The accompanying financial statements of the Water Supply and Waste Water System Municipal Enterprise are presented as supplementary information to the consolidated financial statements of the Corporation of the City of Quinte West. In this respect, they do not form part of the basic financial statements of the Corporation of the City of Quinte West for the year ended December 31, 2020 and hence, are excluded from the opinion expressed in our report to the Council. The information in these schedules has been subject to audit procedures only to the extent necessary to express an opinion on the financial statements of the corporation.

Wilkinson & Company LLP

Trenton, Canada
May 5, 2021

Chartered Professional Accountants
Licensed Public Accountants

**CORPORATION OF THE CITY OF QUINTE WEST
WATER SUPPLY AND WASTE WATER SYSTEM MUNICIPAL ENTERPRISE
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2020
(UNAUDITED: SEE NOTICE TO READER)**

	2020 \$	2019 \$
FINANCIAL ASSETS		
Cash	549,905	67,520
Investments	11,328,522	-
Accounts receivable	1,928,154	1,989,358
Due from the City of Quinte West	326,364	-
Unbilled revenue	1,297,908	1,243,804
	<u>15,430,853</u>	<u>3,300,682</u>
LIABILITIES		
Accounts payable and accrued liabilities	3,003,465	3,590,444
Due to the City of Quinte West	-	2,607,163
Long-term debt	63,825,963	46,732,632
	<u>66,829,428</u>	<u>52,930,239</u>
Net debt	<u>(51,398,575)</u>	<u>(49,629,557)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets	137,306,944	132,441,238
Prepaid expenses	-	107
	<u>137,306,944</u>	<u>132,441,345</u>
MUNICIPAL POSITION		
Accumulated Surplus	<u>85,908,369</u>	<u>82,811,788</u>

**CORPORATION OF THE CITY OF QUINTE WEST
WATER SUPPLY AND WASTE WATER SYSTEM MUNICIPAL ENTERPRISE
STATEMENT OF OPERATIONS
(UNAUDITED: SEE NOTICE TO READER)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget (Unaudited) 2020 \$	Actual 2020 \$	Actual 2019 \$
REVENUES			
User fees			
Water	8,490,000	8,531,443	8,227,530
Sewer	8,442,000	9,034,145	8,162,723
Grants	-	179,700	402,299
Other:			
Developer contributions	-	1,845,734	514,581
Other	822,500	816,451	1,053,016
Loss on disposal of tangible capital assets	-	(1,179,701)	(126,529)
	17,754,500	19,227,772	18,233,620
EXPENDITURES			
Administration	5,277,900	4,467,136	4,379,725
Amortization	3,110,000	3,787,167	3,773,527
Water treatment plant	2,661,700	2,463,015	2,387,655
Water distribution	1,484,800	1,273,776	1,188,393
Water meter service	332,300	326,271	223,536
Sewage treatment plant	3,713,100	3,589,427	3,445,114
Sanitary sewer maintenance	285,000	200,274	147,608
Lateral rodding maintenance	47,000	24,125	35,223
	16,911,800	16,131,191	15,580,781
ANNUAL SURPLUS	842,700	3,096,581	2,652,839
ACCUMULATED SURPLUS - BEGINNING OF YEAR	82,811,788	82,811,788	80,158,949
ACCUMULATED SURPLUS - END OF YEAR	83,654,488	85,908,369	82,811,788

**CORPORATION OF THE CITY OF QUINTE WEST
WATER SUPPLY AND WASTE WATER SYSTEM MUNICIPAL ENTERPRISE
STATEMENT OF CASH FLOWS
(UNAUDITED: SEE NOTICE TO READER)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020 \$	2019 \$
OPERATING TRANSACTIONS		
Annual surplus	3,096,581	2,652,839
Adjustment for items which do not affect cash -		
Amortization of tangible capital assets	3,787,167	3,773,527
Loss on disposal	1,179,701	126,529
	<u>8,063,449</u>	<u>6,552,895</u>
Changes in the level of:		
Decrease (increase) in accounts receivable	61,204	(439,090)
Increase in unbilled revenue	(54,104)	(228,368)
Decrease in prepaid expenses	107	20,687
Increase (decrease) in due to/from City of Quinte West	(2,933,527)	2,614,114
Increase (decrease) in accounts payable and accrued liabilities	(586,979)	1,499,480
Increase in investments	(11,328,522)	-
	<u>(6,778,372)</u>	<u>10,019,718</u>
CASH PROVIDED BY (APPLIED TO) OPERATING TRANSACTIONS		
	<u>(6,778,372)</u>	<u>10,019,718</u>
CAPITAL TRANSACTIONS		
Purchase of tangible capital assets	(9,832,574)	(12,421,924)
	<u>(9,832,574)</u>	<u>(12,421,924)</u>
CASH USED IN CAPITAL TRANSACTIONS		
	<u>(9,832,574)</u>	<u>(12,421,924)</u>
FINANCING TRANSACTIONS		
Increase in municipal debt	18,730,000	-
Repayment of municipal debt	(1,636,669)	(1,613,204)
	<u>17,093,331</u>	<u>(1,613,204)</u>
CASH APPLIED TO FINANCING ACTIVITIES		
	<u>17,093,331</u>	<u>(1,613,204)</u>
INCREASE (DECREASE) IN CASH	<u>482,385</u>	<u>(4,015,410)</u>
OPENING CASH	<u>67,520</u>	<u>4,082,930</u>
CLOSING CASH	<u>549,905</u>	<u>67,520</u>
REPRESENTED BY:		
Cash	<u>549,905</u>	<u>67,520</u>

**CORPORATION OF THE CITY OF QUINTE WEST
CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS
(UNAUDITED: SEE NOTICE TO READER)
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget (Unaudited)		
	2020	2020	2019
	\$	\$	\$
Annual surplus	842,700	3,096,581	2,652,839
Acquisition of tangible capital assets	(4,269,000)	(9,832,574)	(12,421,924)
Amortization of tangible capital assets	3,110,000	3,787,167	3,773,527
Loss on disposal of tangible capital assets	-	1,179,701	126,529
Change in inventory	-	107	20,687
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Increase in net debt	(316,300)	(1,769,018)	(5,848,342)
Net debt - beginning of year	(49,629,557)	(49,629,557)	(43,781,215)
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Net debt - end of year	(49,945,857)	(51,398,575)	(49,629,557)
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