

**VILLAGE OF NORTH PORTAL**  
**FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

**VILLAGE OF NORTH PORTAL**  
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 For the year ended December 31, 2019

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## **STATEMENT OF RESPONSIBILITY**

To the Ratepayers of the Village of North Portal:

Management is responsible for the preparation and presentation of the accompanying 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 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 for 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 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.

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Mayor

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Administrator

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of:  
Village of North Portal  
North Portal, Saskatchewan

### Qualified Opinion

We have audited the accompanying financial statements of the Village of North Portal, which comprise the statement of financial position as at December 31, 2019 and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and notes to the 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 financial statements present fairly, in all material respects, the financial position of Village of North Portal as at December 31, 2019 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 organization to set up a liability and accrue for the future expense to restore the land after closure. The Village of North Portal 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 financial statements section of our report. We are independent of the Village of North Portal in accordance with the ethical requirements that are relevant to our audit of the 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 Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Village of North Portal'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 North Portal or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Village of North Portal's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 North Portal'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 North Portal'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 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 North Portal to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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  
April 15, 2020

Chartered Professional Accountants Ltd.

**VILLAGE OF NORTH PORTAL**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2019**

	2019	2018
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 2)	\$ 393,049	\$ 393,352
Taxes receivable - municipal (Note 3)	64,355	43,050
Amounts receivable (Note 4)	19,347	47,812
Land for resale (Note 5)	17,006	17,006
Other assets: Co-op equity	1,179	1,050
<b>TOTAL FINANCIAL ASSETS</b>	<b>494,936</b>	<b>502,270</b>
<b>LIABILITIES</b>		
Accounts payable	9,481	7,783
Long-term debt (Note 6)	45,150	119,677
<b>TOTAL LIABILITIES</b>	<b>54,631</b>	<b>127,460</b>
<b>NET FINANCIAL ASSETS</b>	<b>440,305</b>	<b>374,810</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedules 6 and 7)	870,876	810,045
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b>870,876</b>	<b>810,045</b>
<b>ACCUMULATED SURPLUS (Schedule 8)</b>	<b>\$ 1,311,181</b>	<b>\$ 1,184,855</b>

**VILLAGE OF NORTH PORTAL**  
**STATEMENT OF OPERATIONS**  
 For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>REVENUE</b>			
Taxes and other unconditional revenue (Schedule 1)	\$ 236,510	\$ 242,432	\$ 252,590
Fees and charges (Schedules 4 and 5)	91,430	86,608	148,692
Conditional grants (Schedules 4 and 5)	2,050	3,605	2,433
Tangible capital asset sales - gain (Schedules 4 and 5)			5,484
Investment income and commissions (Schedules 4 and 5)	1,600	1,836	1,579
Other revenues (Schedules 4 and 5)	9,500	9,389	873
	<b>341,090</b>	<b>343,870</b>	<b>411,651</b>
<b>EXPENSES</b>			
General government services (Schedule 3)	91,780	90,404	89,264
Protective services (Schedule 3)	10,972	10,818	10,592
Transportation services (Schedule 3)	72,538	81,292	70,015
Environmental and public health services (Schedule 3)	12,700	14,569	13,900
Recreation and cultural services (Schedule 3)	14,250	13,484	82,114
Utility services (Schedule 3)	77,778	82,141	95,974
	<b>280,018</b>	<b>292,708</b>	<b>361,859</b>
<b>SURPLUS BEFORE OTHER CAPITAL CONTRIBUTIONS</b>	<b>61,072</b>	<b>51,162</b>	<b>49,792</b>
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	78,700	75,164	25,054
<b>ANNUAL SURPLUS</b>	<b>139,772</b>	<b>126,326</b>	<b>74,846</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>1,184,855</b>	<b>1,184,855</b>	<b>1,110,009</b>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<b>\$ 1,324,627</b>	<b>\$ 1,311,181</b>	<b>\$ 1,184,855</b>

**VILLAGE OF NORTH PORTAL**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
**For the year ended December 31, 2019**

	<b>2019 Budget</b>	<b>2019 Actual</b>	<b>2018 Actual</b>
<b>ANNUAL SURPLUS</b>	<b>\$ 139,772</b>	<b>\$ 126,326</b>	<b>\$ 74,846</b>
Acquisition of tangible capital assets	(100,000)	(105,871)	(48,531)
Amortization of tangible capital assets	13,788	45,040	43,242
Gain on sale of tangible capital assets			(5,483)
Proceeds on sale of tangible capital assets			7,100
Decrease in prepaid expenses			7,990
	<b>(86,212)</b>	<b>(60,831)</b>	<b>4,318</b>
<b>CHANGE IN NET FINANCIAL ASSETS</b>	<b>\$ 53,560</b>	<b>65,495</b>	<b>79,164</b>
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>		<b>374,810</b>	<b>295,646</b>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>		<b>\$ 440,305</b>	<b>\$ 374,810</b>



**VILLAGE OF NORTH PORTAL**  
**STATEMENT OF CASH FLOWS**  
 For the year ended December 31, 2019

	2019	2018
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 126,326	\$ 74,846
Changes in non-cash items:		
Taxes receivable - municipal	(21,305)	(14,292)
Amounts receivable	28,465	(4,207)
Other assets	(129)	(176)
Prepays		7,990
Accounts payable and accrued liabilities	1,698	2,000
Gain on sale of tangible capital assets		(5,483)
Amortization	45,040	43,242
Cash provided by operating transactions	180,095	103,920
<b>CAPITAL TRANSACTIONS</b>		
Proceeds on sale of tangible capital assets		7,100
Acquisition of tangible capital assets	(105,871)	(48,531)
Cash applied to capital transactions	(105,871)	(41,431)
<b>FINANCING TRANSACTIONS</b>		
Debt repayment	(74,527)	(15,052)
Cash applied to financing transactions	(74,527)	(15,052)
<b>CHANGE IN CASH</b>	(303)	47,437
<b>CASH, BEGINNING OF YEAR</b>	393,352	345,915
<b>CASH, END OF YEAR</b>	\$ 393,049	\$ 393,352

# VILLAGE OF NORTH PORTAL

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The 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 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 consolidates 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 financial statements except for any assistance to the Recreation Boards, as Council's position is that it does not control the Recreation Boards.

#### **Collection of Funds for Other Authorities**

Collection of funds by the Village for the school board, municipal hail, and conservation and development authorities are collected and remitted in accordance with relevant legislation. The amounts collected are disclosed in Note 3.

#### **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 transfer is authorized
- b) eligibility criteria have been met by the recipient; and
- c) a reasonable estimate of the amount can be made.

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

#### **Deferred Revenue**

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

**VILLAGE OF NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

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**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, 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 the actual cost of inventory. Net realizable value is the estimated selling price in the ordinary course of business.

**VILLAGE OF NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

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**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>
<b>General Assets</b>	
Land	Indefinite
Land improvements	15 to 75 years
Buildings	40 to 50 years
Vehicles and equipment	
Vehicles	10 years
Machinery and equipment	5 to 10 years
<b>Infrastructure Assets</b>	
Infrastructure Assets	
Water & Sewer	15 to 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 NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Leases**

All leases are recorded on the 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.

**Employee Benefit Plans**

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

**Landfill Liability**

The Village of North Portal maintains a waste disposal site, however, it is no longer in use. The Village is unable to estimate closure and post-closure costs. 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 financial statements as they are not controlled by the Village.

**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 NORTH PORTAL

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2019

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Measurement Uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the period. Accounts receivable are stated after evaluation as to their 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 April 17, 2019.

**VILLAGE OF NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**New Accounting Standards**

Effective January 1, 2019, the Village adopted the following standard to apply with Canadian public sector accounting standards. This standard applies to all public sector entities for years beginning on or after April 1, 2018. Adoption of this standard requires all public sector entities to assess information using definitions, criteria and exceptions provided in the standards and apply professional judgment to comply with the disclosure requirements of each standard.

**PS 3430 Restructuring Transactions** provides guidance on how to account for and report restructuring transactions by transferors and recipients of assets and/or liabilities. The new standard has been adopted on a prospective basis.

**Future Accounting Standards**

**Effective On or After April 1 2021:**

**PS 1201 Financial Statement Presentation**, replaces PS 1200 with revised general reporting principles and standards of presentation and disclosure in government financial statements. 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.

**PS 3041 Portfolio Investments**, replaces PS 3040 with revised guidance on accounting for, and presentation and disclosure of, portfolio investments. 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.

**PS 3280 Asset Retirement Obligations**, a new standard establishing guidance on the recognition, measurement, presentation, and disclosure of a liability for retirement of a tangible capital asset. 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, 2022:**

**PS 3400 Revenue**, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of revenue.

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

**VILLAGE OF NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2019**

**2. CASH AND TEMPORARY INVESTMENTS**

Cash and temporary investments are comprised of the following:

	2019	2018
Cash	\$ 393,049	\$ 361,572
Temporary investments		31,780
	<b>\$ 393,049</b>	<b>\$ 393,352</b>

Cash and temporary investments include balances with banks and guaranteed investment certificates (GICs). Temporary investments in the prior year represented investments in GICs held at the Affinity Credit Union Ltd. and earned interest at 1.25% and had maturity dates ranging from June 2016 to June 2019.

**3. TAXES AND GRANTS IN LIEU RECEIVABLE**

	2019	2018
Municipal - Current	\$ 15,296	\$ 11,287
- Arrears	49,059	31,763
Total municipal taxes receivable	<b>64,355</b>	43,050
School - Current	5,507	3,773
- Arrears	8,688	5,258
Total school taxes receivable	<b>14,195</b>	9,031
Total taxes and grants in lieu receivable	<b>78,550</b>	52,081
Deduct taxes receivable to be collected on behalf of other organizations	<b>(14,195)</b>	(9,031)
Municipal and grants in lieu taxes receivable	<b>\$ 64,355</b>	<b>\$ 43,050</b>

**4. AMOUNTS RECEIVABLE**

Amounts receivable are valued at their net realizable value.

	2019	2018
Utility	\$ 14,654	\$ 22,900
Federal government	4,693	4,102
Provincial government		20,578
Organizations and individuals		232
	<b>\$ 19,347</b>	<b>\$ 47,812</b>



**VILLAGE OF NORTH PORTAL**  
**NOTES TO THE FINANCIAL STATEMENTS**  
 For the year ended December 31, 2019

**5. LAND FOR RESALE**

	2019	2018
Other Land	\$ 17,006	\$ 17,006

**6. LONG-TERM DEBT**

The debt limit of the Village is \$307,050. The debt limit for a Village is the total amount of the Village's own source revenues for the preceding year (Municipalities Act Section 161).

	2019	2018
Affinity Credit Union Ltd., interest at 5.65%, payable in monthly installments of \$1,856 including interest, maturing March 2022.	\$ 45,150	\$ 119,677

Future principal and interest payments are as follows:

	Principal	Interest	Total
2020	\$ 20,240	\$ 2,032	\$ 22,272
2021	21,413	859	22,272
2022	3,497	24	3,521
Balance	\$ 45,150	\$ 2,915	\$ 48,065

**7. PENSION PLAN**

The Village is an employer member of the Municipal Employment 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 2019 was \$5,950 (2018 - \$4,874). 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.

# VILLAGE OF NORTH PORTAL

## SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES

For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>TAXES</b>			
General municipal tax levy	\$ 152,569	\$ 152,569	\$ 162,221
Abatements and adjustments		(1,398)	(301)
Discount on current year taxes	(6,000)	(5,631)	(6,014)
<b>Net Municipal Taxes</b>	<b>146,569</b>	<b>145,540</b>	<b>155,906</b>
Penalties on tax arrears		6,483	4,390
<b>Total Taxes</b>	<b>146,569</b>	<b>152,023</b>	<b>160,296</b>
<b>UNCONDITIONAL GRANTS</b>			
Equalization (Revenue Sharing)	24,825	25,489	24,825
<b>Total Unconditional Grants</b>	<b>24,825</b>	<b>25,489</b>	<b>24,825</b>
<b>GRANTS IN LIEU OF TAXES</b>			
Federal	46,642	46,642	51,847
Provincial			
S.P.C. Electrical	16,000	13,246	13,147
SaskEnergy Gas	1,124	3,682	1,125
Sasktel	1,350	1,350	1,350
<b>Total Grants in Lieu of Taxes</b>	<b>65,116</b>	<b>64,920</b>	<b>67,469</b>
<b>TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE</b>	<b>\$ 236,510</b>	<b>\$ 242,432</b>	<b>\$ 252,590</b>

# VILLAGE OF NORTH PORTAL

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other	\$ 230	\$ 1,614	\$ 58,196
Total Fees and Charges	230	1,614	58,196
- Investment income and commissions	1,600	1,836	1,579
- Other - (donations)	500	2,870	331
Total Other Segmented Revenue	2,330	6,320	60,106
<b>Total Operating</b>	2,330	6,320	60,106
<b>Total General Government Services</b>	2,330	6,320	60,106
<b>TRANSPORTATION SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	897	1,063
Total Fees and Charges	1,000	897	1,063
- Tangible capital asset sales - gain (loss)			5,484
Total Other Segmented Revenue	1,000	897	6,547
Conditional Grants			
- Student Employment		1,327	
Total Conditional Grants		1,327	
<b>Total Operating</b>	1,000	2,224	6,547
<b>Total Transportation Services</b>	1,000	2,224	6,547

# VILLAGE OF NORTH PORTAL

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 16,500	\$ 15,881	\$ 16,534
- Other - (cemetery fees)	200	2,450	500
Total Fees and Charges	16,700	18,331	17,034
Total Other Segmented Revenue	16,700	18,331	17,034
Conditional Grants			
- Other - (Multi-Material Stewardship Western)	700	963	728
Total Conditional Grants	700	963	728
<b>Total Operating</b>	<b>17,400</b>	<b>19,294</b>	<b>17,762</b>
<b>Total Environmental and Public Health Services</b>	<b>17,400</b>	<b>19,294</b>	<b>17,762</b>
<b>RECREATION AND CULTURAL SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Other - (hall fees)	1,000	970	1,160
Total Fees and Charges	1,000	970	1,160
- Other - (donations, insurance proceeds)	9,000	6,519	542
Total Other Segmented Revenue	10,000	7,489	1,702
Conditional Grants			
- Saskatchewan Lotteries	1,350	1,315	1,705
Total Conditional Grants	1,350	1,315	1,705
<b>Total Operating</b>	<b>11,350</b>	<b>8,804</b>	<b>3,407</b>
<b>Total Recreation and Cultural Services</b>	<b>11,350</b>	<b>8,804</b>	<b>3,407</b>

# VILLAGE OF NORTH PORTAL

## SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>UTILITY SERVICES</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 43,000	\$ 35,612	\$ 42,850
- Sewer	23,000	22,658	22,079
- Other - (infrastructure fees)	6,500	6,526	6,310
Total Fees and Charges	72,500	64,796	71,239
Total Other Segmented Revenue	72,500	64,796	71,239
<b>Total Operating</b>	72,500	64,796	71,239
<b>Capital</b>			
Conditional Grants			
- Gas Tax	8,700	12,702	8,737
- Other - (Clean Water Wastewater Fund)	70,000	62,462	16,317
<b>Total Capital</b>	78,700	75,164	25,054
<b>Total Utility Services</b>	151,200	139,960	96,293
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 183,280</b>	<b>\$ 176,602</b>	<b>\$ 184,115</b>
<b>SUMMARY</b>			
Total Other Segmented Revenue	\$ 102,530	\$ 97,833	\$ 156,628
Total Conditional Grants	2,050	3,605	2,433
Total Capital Grants and Contributions	78,700	75,164	25,054
<b>TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION</b>	<b>\$ 183,280</b>	<b>\$ 176,602</b>	<b>\$ 184,115</b>

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
**For the year ended December 31, 2019**

	2019 Budget	2019 Actual	2018 Actual
<b>GENERAL GOVERNMENT SERVICES</b>			
Council remuneration and travel	\$ 8,500	\$ 9,100	\$ 8,833
Wages and benefits	48,165	46,696	45,460
Professional/Contractual services	20,715	18,594	20,155
Utilities	7,200	7,454	7,054
Maintenance, materials, and supplies	5,200	5,069	4,964
Grants and contributions			
- Operating	1,000	1,288	1,000
Amortization	1,000	2,203	1,798
<b>Total General Government Services</b>	<b>91,780</b>	<b>90,404</b>	<b>89,264</b>
<b>PROTECTIVE SERVICES</b>			
<b>Police protection</b>			
Professional/Contractual services	5,300	5,346	5,249
<b>Fire protection</b>			
Professional/Contractual services	5,672	5,472	5,343
<b>Total Protective Services</b>	<b>10,972</b>	<b>10,818</b>	<b>10,592</b>
<b>TRANSPORTATION SERVICES</b>			
Wages and benefits	27,893	27,569	27,189
Professional/Contractual services	845	2,107	532
Utilities	8,000	7,986	7,913
Maintenance, materials, and supplies	30,800	38,070	26,724
Amortization	5,000	5,560	7,657
<b>Total Transportation Services</b>	<b>72,538</b>	<b>81,292</b>	<b>70,015</b>
<b>ENVIRONMENTAL AND PUBLIC HEALTH SERVICES</b>			
Professional/Contractual services	12,600	11,347	10,980
Maintenance, materials, and supplies	100	147	302
Amortization		3,075	2,618
<b>Total Environmental and Public Health Services</b>	<b>12,700</b>	<b>14,569</b>	<b>13,900</b>

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 3 - SCHEDULE OF EXPENSES BY FUNCTION**  
 For the year ended December 31, 2019

	2019 Budget	2019 Actual	2018 Actual
<b>RECREATION AND CULTURAL SERVICES</b>			
Professional/Contractual services	\$	\$	\$ 4,809
Utilities	2,950	2,927	2,534
Maintenance, materials, and supplies	5,300	438	64,367
Grants and contributions			
- Operating	4,800	3,509	3,879
Amortization	1,200	6,610	6,525
<b>Total Recreation and Cultural Services</b>	<b>14,250</b>	<b>13,484</b>	<b>82,114</b>
<b>UTILITY SERVICES</b>			
Wages and benefits	17,890	16,932	15,550
Professional/Contractual services	1,900	4,248	7,614
Utilities	8,000	6,974	7,911
Maintenance, materials, and supplies	43,400	20,331	33,030
Amortization	6,588	27,592	24,644
Interest		6,064	7,225
<b>Total Utility Services</b>	<b>77,778</b>	<b>82,141</b>	<b>95,974</b>
<b>TOTAL EXPENSES BY FUNCTION</b>	<b>\$ 280,018</b>	<b>\$ 292,708</b>	<b>\$ 361,859</b>

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 4 - 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
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$	1,614	\$	897	\$	18,331	\$	64,796
Tangible Capital Asset Sale - Gain (Loss)								\$
Land Sales - Gain (Loss)								
Investment Income & Commissions	1,836							1,836
Other Revenues	2,870					6,519		9,389
Grants - Conditional			1,327	963		1,315		3,605
- Capital							75,164	75,164
<b>Total revenues</b>	<b>6,320</b>		<b>2,224</b>	<b>19,294</b>		<b>8,804</b>	<b>139,960</b>	<b>176,602</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	55,796		27,569				16,932	100,297
Professional/Contractual Services	18,594	10,818	2,107	11,347			4,248	47,114
Utilities	7,454		7,986			2,927	6,974	25,341
Maintenance, Materials, Supplies	5,069		38,070	147		438	20,331	64,055
Grants and Contributions	1,288					3,509		4,797
Amortization	2,203		5,560	3,075		6,610	27,592	45,040
Interest							6,064	6,064
Allowance for Uncollectibles								
Other								
<b>Total expenses</b>	<b>90,404</b>	<b>10,818</b>	<b>81,292</b>	<b>14,569</b>		<b>13,484</b>	<b>82,141</b>	<b>292,708</b>
<b>Surplus (Deficit) by Function</b>	<b>(84,084)</b>	<b>(10,818)</b>	<b>(79,068)</b>	<b>4,725</b>		<b>(4,680)</b>	<b>57,819</b>	<b>(116,106)</b>
Taxation and other unconditional revenue (Schedule 1)								
								242,432
<b>Net Surplus (Deficit)</b>								<b>\$ 126,326</b>



**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 5 - SCHEDULE OF SEGMENT DISCLOSURE BY FUNCTION**  
**For the year ended December 31, 2018**

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
<b>Revenues (Schedule 2)</b>								
Fees and Charges	\$ 58,196	\$	\$ 1,063	\$ 17,034	\$	\$ 1,160	\$ 71,239	\$ 148,692
Tangible Capital Asset Sale - Gain (Loss)			5,484					5,484
Land Sales - Gain (Loss)								
Investment Income & Commissions	1,579					542		1,579
Other Revenues	331			728		1,705		873
Grants - Conditional							25,054	2,433
- Capital								25,054
<b>Total revenues</b>	<b>60,106</b>		<b>6,547</b>	<b>17,762</b>		<b>3,407</b>	<b>96,293</b>	<b>184,115</b>
<b>Expenses (Schedule 3)</b>								
Wages & Benefits	54,293		27,189				15,550	97,032
Professional/Contractual Services	20,155	10,592	532	10,980		4,809	7,614	54,682
Utilities	7,054		7,913			2,534	7,911	25,412
Maintenance, Materials, Supplies	4,964		26,724	302		64,367	33,030	129,387
Grants and Contributions	1,000					3,879		4,879
Amortization	1,798		7,657	2,618		6,525	24,644	43,242
Interest							7,225	7,225
Allowance for Uncollectibles								
Other								
<b>Total expenses</b>	<b>89,264</b>	<b>10,592</b>	<b>70,015</b>	<b>13,900</b>		<b>82,114</b>	<b>95,974</b>	<b>361,859</b>
<b>Surplus (Deficit) by Function</b>	<b>(29,158)</b>	<b>(10,592)</b>	<b>(63,468)</b>	<b>3,862</b>		<b>(78,707)</b>	<b>319</b>	<b>(177,744)</b>
Taxation and other unconditional revenue (Schedule 1)								
								252,590
<b>Net Surplus (Deficit)</b>								<b>\$ 74,846</b>

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT**  
**For the year ended December 31, 2019**

Cost	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment			2019	2018
Opening costs	\$ 6,900	74,055	237,446		295,760	601,620		\$1,215,781	\$1,177,535
Additions during the year		4,414	4,444		17,161	79,852		105,871	48,531
Disposals and write downs									(10,285)
Closing costs	6,900	78,469	241,890		312,921	681,472		1,321,652	1,215,781
<b>Accumulated Amortization</b>									
Opening accumulated amortization		28,624	129,867		204,988	42,257		405,736	371,162
Amortization		3,215	4,224		20,801	16,800		45,040	43,242
Disposals and write downs									(8,668)
Closing accumulated amortization		31,839	134,091		225,789	59,057		450,776	405,736
Net Book Value	\$ 6,900	46,630	107,799		87,132	622,415		\$ 870,876	\$ 810,045

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION**  
**For the year ended December 31, 2019**

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2019	2018
Opening costs	\$ 57,075		154,771	69,055		179,630	755,250	\$1,215,781	\$1,177,535
Additions during the year						8,857	97,014	105,871	48,531
Disposals and write downs									(10,285)
Closing costs	57,075		154,771	69,055		188,487	852,264	1,321,652	1,215,781
<b>Accumulated Amortization</b>									
Opening accumulated amortization	33,446		124,066	16,565		67,901	163,758	405,736	371,162
Amortization	2,203		5,561	3,075		6,610	27,591	45,040	43,242
Disposals and write downs									(8,668)
Closing accumulated amortization	35,649		129,627	19,640		74,511	191,349	450,776	405,736
Net Book Value	\$ 21,426		25,144	49,415		113,976	660,915	\$ 870,876	\$ 810,045

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 8 - SCHEDULE OF ACCUMULATED SURPLUS**  
 For the year ended December 31, 2019

	2018	Changes	2019
<b>UNAPPROPRIATED SURPLUS</b>	<b>\$ 488,051</b>	<b>(9,032)</b>	<b>\$ 479,019</b>
<b>APPROPRIATED RESERVES</b>			
Cemetery Reserve	6,436		6,436
<b>Total appropriated</b>	<b>6,436</b>		<b>6,436</b>
<b>NET INVESTMENT IN TANGIBLE CAPITAL ASSETS</b>			
Tangible capital assets (Schedule 6)	810,045	60,831	870,876
Less: Related debt	(119,677)	74,527	(45,150)
<b>Net Investment in Tangible capital assets</b>	<b>690,368</b>	<b>135,358</b>	<b>825,726</b>
<b>TOTAL ACCUMULATED SURPLUS</b>	<b>\$ 1,184,855</b>	<b>126,326</b>	<b>\$ 1,311,181</b>

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS**  
For the year ended December 31, 2019

	PROPERTY CLASS					
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)
Taxable Assessment	205,095	9,355,680			3,821,000	
Regional Park Assessment						
Total Assessment						13,381,775
Mill Rate Factor(s)	1.00	0.70			1.60	
Total Base/Minimum Tax		54,925			5,250	60,175
Total Municipal Tax Levy	2,051	85,815			64,703	152,569

**MILL RATES:**

	MILLS
Average Municipal	11.4013
Average School	4.7200
Potash Mill Rate	
Uniform Municipal Mill Rate	10.0000

**VILLAGE OF NORTH PORTAL**  
**SCHEDULE 10 - SCHEDULE OF COUNCIL REMUNERATION**  
**For the year ended December 31, 2019**

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<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Kaylah Turner	\$ 2,500	\$	2,500
Councilor - Amy Armstrong	2,600	164	2,764
Councilor - Amy Belitski	2,000		2,000
Councilor - Michael Yurkowski	2,000		2,000
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	\$ 9,100	\$ 164	\$ 9,264
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