

VILLAGE OF NORTH PORTAL
FINANCIAL STATEMENTS
For the year ended December 31, 2020

VILLAGE OF NORTH PORTAL
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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 of the 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.


Mayor


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, 2020 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, 2020 and its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

The Province of Saskatchewan has stringent environmental approval processes for landfill sites that are set out by legislation and regulation. Prior to receiving environmental approval and accepting any waste, a landfill operator is obligated to include responsibility for closure and post-closure care of the approved sites, which requires the 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
May 12, 2021

Chartered Professional Accountants Ltd.

VILLAGE OF NORTH PORTAL
STATEMENT OF FINANCIAL POSITION
 As at December 31, 2020

	2020	2019
FINANCIAL ASSETS		
Cash	\$ 435,033	\$ 393,049
Taxes receivable - municipal (Note 2)	60,865	64,355
Amounts receivable (Note 3)	18,708	19,347
Land for resale (Note 4)	17,006	17,006
Other assets: Co-op equity	1,318	1,179
TOTAL FINANCIAL ASSETS	532,930	494,936
LIABILITIES		
Accounts payable and accrued liabilities	7,291	9,481
Long-term debt (Note 5)	24,911	45,150
TOTAL LIABILITIES	32,202	54,631
NET FINANCIAL ASSETS	500,728	440,305
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedules 6 and 7)	899,489	870,876
TOTAL NON-FINANCIAL ASSETS	899,489	870,876
ACCUMULATED SURPLUS (Schedule 8)	\$ 1,400,217	\$ 1,311,181
COMMITMENTS AND CONTINGENCIES (Note 6)		

VILLAGE OF NORTH PORTAL
STATEMENT OF OPERATIONS
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
REVENUE			
Taxes and other unconditional revenue (Schedule 1)	\$ 258,528	\$ 271,758	\$ 242,432
Fees and charges (Schedules 4 and 5)	85,272	78,657	86,408
Conditional grants (Schedules 4 and 5)	3,250	2,357	3,605
Investment income and commissions (Schedules 4 and 5)	1,200	743	1,481
Other revenues (Schedules 4 and 5)	1,600	358	9,944
	349,850	353,873	343,870
EXPENSES			
General government services (Schedule 3)	93,623	90,717	90,404
Protective services (Schedule 3)	11,192	11,131	10,818
Transportation services (Schedule 3)	85,892	71,610	81,292
Environmental and public health services (Schedule 3)	12,700	13,818	14,569
Recreation and cultural services (Schedule 3)	9,800	15,840	13,484
Utility services (Schedule 3)	78,478	88,428	82,141
	291,685	291,544	292,708
SURPLUS BEFORE OTHER CAPITAL CONTRIBUTIONS	58,165	62,329	51,162
Provincial/Federal capital grants and contributions (Schedules 4 and 5)	8,700	26,707	75,164
ANNUAL SURPLUS	66,865	89,036	126,326
ACCUMULATED SURPLUS, BEGINNING OF YEAR	1,311,181	1,311,181	1,184,855
ACCUMULATED SURPLUS, END OF YEAR	\$ 1,378,046	\$ 1,400,217	\$ 1,311,181

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

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
ANNUAL SURPLUS	\$ 66,865	\$ 89,036	\$ 126,326
Acquisition of tangible capital assets	(133,500)	(74,119)	(105,871)
Amortization of tangible capital assets	13,788	45,506	45,040
	(119,712)	(28,613)	(60,831)
CHANGE IN NET FINANCIAL ASSETS	\$ (52,847)	60,423	65,495
NET FINANCIAL ASSETS, BEGINNING OF YEAR		440,305	374,810
NET FINANCIAL ASSETS, END OF YEAR		\$ 500,728	\$ 440,305

VILLAGE OF NORTH PORTAL
STATEMENT OF CASH FLOWS
 For the year ended December 31, 2020

	2020	2019
OPERATING TRANSACTIONS		
Annual surplus	\$ 89,036	\$ 126,326
Changes in non-cash items:		
Taxes receivable - municipal	3,490	(21,304)
Amounts receivable	639	28,464
Other assets: Co-op equity	(139)	(129)
Accounts payable and accrued liabilities	(2,190)	1,698
Amortization	45,506	45,040
Cash provided by operating transactions	136,342	180,095
CAPITAL TRANSACTIONS		
Acquisition of tangible capital assets	(74,119)	(105,871)
Cash applied to capital transactions	(74,119)	(105,871)
FINANCING TRANSACTIONS		
Debt repayment	(20,239)	(74,527)
Cash applied to financing transactions	(20,239)	(74,527)
CHANGE IN CASH	41,984	(303)
CASH, BEGINNING OF YEAR	393,049	393,352
CASH, END OF YEAR	\$ 435,033	\$ 393,049

VILLAGE OF NORTH PORTAL

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2020

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 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 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, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Local Improvement Charges

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

Net-Financial Assets

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

Non-Financial Assets

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

Appropriated Reserves

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

Property Tax Revenue

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

Portfolio Investments

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

Inventories

Inventories of materials and supplies expected to be used by the Village are valued at the lower of cost or replacement cost. Inventories of land, materials and supplies held for resale are valued at the lower of cost or net realizable value. Cost is based on 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, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible Capital Assets

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

<u>Asset</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land improvements	5 to 20 years
Buildings	10 to 50 years
Vehicles and equipment	
Vehicles	5 to 10 years
Machinery and equipment	5 to 10 years
Infrastructure Assets	
Infrastructure Assets	30 to 75 years
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, 2020

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.

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. Currently the Village uses GFL Environmental Inc. for waste collection.

Trust Funds

Funds held in trust for others, under a trust agreement or statute, are not included in the Village's 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 due and payable. Under the defined benefit multi-employer plans, 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 NORTH PORTAL
NOTES TO THE FINANCIAL STATEMENTS
 For the year ended December 31, 2020

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 15, 2020.

VILLAGE OF NORTH PORTAL
NOTES TO THE FINANCIAL STATEMENTS
 For the year ended December 31, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

New Standards and Amendments to Standards

Effective for Fiscal Years Beginning On or After April 1, 2022:

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

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

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

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

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

Effective On or After April 1, 2023:

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

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

VILLAGE OF NORTH PORTAL
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2020

2. TAXES AND GRANTS-IN-LIEU RECEIVABLE

		2020	2019
Municipal	- Current	\$ 7,537	\$ 15,296
	- Arrears	53,328	49,059
Total municipal taxes receivable		60,865	64,355
School	- Current	2,619	5,507
	- Arrears	11,024	8,688
Total school taxes receivable		13,643	14,195
Total taxes and grants-in-lieu receivable		74,508	78,550
Deduct taxes receivable to be collected on behalf of other organizations		(13,643)	(14,195)
Municipal and grants-in-lieu taxes receivable		\$ 60,865	\$ 64,355

3. AMOUNTS RECEIVABLE

Amounts receivable are valued at their net realizable value.

	2020	2019
Utility	\$ 15,018	\$ 14,654
Federal government	3,690	4,693
	\$ 18,708	\$ 19,347

4. LAND FOR RESALE

	2020	2019
Other Land	\$ 17,006	\$ 17,006

VILLAGE OF NORTH PORTAL
NOTES TO THE FINANCIAL STATEMENTS
 For the year ended December 31, 2020

5. LONG-TERM DEBT

The debt limit of the Village is \$236,979. 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)).

	2020	2019
Affinity Credit Union Ltd., bearing interest at 5.65%, payable in blended monthly installments of \$1,856, maturing March 2022.	\$ 24,911	\$ 45,150

Future principal and interest payments are as follows:

	Principal	Interest	Total
2021	\$ 21,413	\$ 855	\$ 22,268
2022	3,498	24	3,522
Balance	\$ 24,911	\$ 879	\$ 25,790

6. COMMITMENTS

The Village has committed to a drainage engineering plan with total anticipated project costs of \$52,000. This project was approved with the Municipal Economic Enhancement Program contributing \$16,529 from the Provincial Government and the remainder to be covered by the Village. As of the financial statement date \$18,000 has been spent on this project.

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 2020 was \$5,871 (2019 - \$5,950). The benefits accrued to the Village's employees from MEPP are calculated using the following: Pensionable Years of Service, Highest Average Salary, and the plan accrual rate. The costs of the retirement plan are not allocated to the individual entities within the related group. As a result, individual entities within the related group are not able to identify their share of the underlying assets and liabilities. Therefore, the plan is accounted for as a defined contribution plan in accordance with the requirements of the Chartered Professional Accountants of Canada Handbook Section PS3250.

8. GOVERNMENT ASSISTANCE

In response to the pandemic, the Provincial and Federal governments have provided funds to municipalities in order to stimulate economic recovery and enhance infection protection and control measures in their operations. Through the Municipal Economic Enhancement Program (MEEP), the Village received funds of \$16,529 and these funds were approved to be spent on surveying and developing a storm water/surface water drainage plan for the entire community to prevent future flood damage. As of December 31, 2020, \$18,000 was spent on this project. In addition, the Safe Restart Program provided \$6,860 in unconditional funding to the Village.

VILLAGE OF NORTH PORTAL
NOTES TO THE FINANCIAL STATEMENTS
 For the year ended December 31, 2020

9. OTHER MATTERS

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

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

VILLAGE OF NORTH PORTAL
SCHEDULE 1 - SCHEDULE OF TAXES AND OTHER UNCONDITIONAL REVENUES
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
TAXES			
General municipal tax levy	\$ 152,277	\$ 152,277	\$ 152,569
Abatements and adjustments	(6,000)	(692)	(1,398)
Discount on current year taxes		(5,891)	(5,631)
Net Municipal Taxes	146,277	145,694	145,540
Penalties on tax arrears	6,300	9,318	6,483
Total Taxes	152,577	155,012	152,023
UNCONDITIONAL GRANTS			
Equalization (Revenue Sharing)	24,825	28,060	25,489
Safe Restart Program		6,860	
Total Unconditional Grants	24,825	34,920	25,489
GRANTS-IN-LIEU OF TAXES			
Federal	63,776	63,776	46,642
Provincial			
S.P.C. Electrical	13,000	12,925	13,246
SaskEnergy Gas	3,000	3,775	3,682
Sasktel	1,350	1,350	1,350
Total Grants-in-Lieu of Taxes	81,126	81,826	64,920
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 258,528	\$ 271,758	\$ 242,432

VILLAGE OF NORTH PORTAL
SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Tax certificates	\$ 30	\$ 40	\$ 80
Total Fees and Charges	30	40	80
- Investment income and commissions	1,200	743	1,481
Total Other Segmented Revenue	1,230	783	1,561
Total Operating	1,230	783	1,561
Total General Government Services	1,230	783	1,561
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	1,000	500	897
Total Fees and Charges	1,000	500	897
- Donations	1,200		1,870
Total Other Segmented Revenue	2,200	500	2,767
Conditional Grants			
- Student Employment	1,200		1,327
Total Conditional Grants	1,200		1,327
Total Operating	3,400	500	4,094
Total Transportation Services	3,400	500	4,094

VILLAGE OF NORTH PORTAL

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 16,000	\$ 15,587	\$ 15,881
- Cemetery fees			2,250
Total Fees and Charges	16,000	15,587	18,131
- Other (donations, interest)	400	338	555
Total Other Segmented Revenue	16,400	15,925	18,686
Conditional Grants			
- Multi-Material Stewardship Western	700	1,042	963
Total Conditional Grants	700	1,042	963
Total Operating	17,100	16,967	19,649
Total Environmental and Public Health Services	17,100	16,967	19,649
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Permits	2,342	927	1,534
Total Fees and Charges	2,342	927	1,534
Total Other Segmented Revenue	2,342	927	1,534
Total Operating	2,342	927	1,534
Total Planning and Development Services	2,342	927	1,534

VILLAGE OF NORTH PORTAL
SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION
 For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Hall fees	1,000	2,061	970
Total Fees and Charges	1,000	2,061	970
- Other - (donations, insurance proceeds)		20	7,519
Total Other Segmented Revenue	1,000	2,081	8,489
Conditional Grants			
- Saskatchewan Lotteries	1,350	1,315	1,315
Total Conditional Grants	1,350	1,315	1,315
Total Operating	2,350	3,396	9,804
Capital			
Conditional Grants			
- Gas Tax	8,700	10,178	12,702
Total Capital	8,700	10,178	12,702
Total Recreation and Cultural Services	11,050	13,574	22,506

VILLAGE OF NORTH PORTAL

SCHEDULE 2 - SCHEDULE OF OPERATING AND CAPITAL REVENUE BY FUNCTION

For the year ended December 31, 2020

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 35,700	\$ 31,292	\$ 35,612
- Sewer	22,700	21,939	22,658
- Infrastructure fees	6,500	6,311	6,526
Total Fees and Charges	64,900	59,542	64,796
Total Other Segmented Revenue	64,900	59,542	64,796
Total Operating	64,900	59,542	64,796
Capital			
Conditional Grants			
- Other - (2020 - Municipal Economic Enhancement Program, 2019 - Clean Water Wastewater Fund)		16,529	62,462
Total Capital		16,529	62,462
Total Utility Services	64,900	76,071	127,258
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 100,022	\$ 108,822	\$ 176,602
SUMMARY			
Total Other Segmented Revenue	\$ 88,072	\$ 79,758	\$ 97,833
Total Conditional Grants	3,250	2,357	3,605
Total Capital Grants and Contributions	8,700	26,707	75,164
TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 100,022	\$ 108,822	\$ 176,602

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

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 9,100	\$ 8,500	\$ 9,100
Wages and benefits	48,500	48,642	46,692
Professional/Contractual services	21,303	19,940	18,594
Utilities	7,200	7,093	7,454
Maintenance, materials, and supplies	6,520	3,366	5,073
Grants and contributions			
- Operating		1,288	1,288
Amortization	1,000	1,888	2,203
Total General Government Services	93,623	90,717	90,404
PROTECTIVE SERVICES			
Police protection			
Professional/Contractual services	5,400	5,539	5,346
Fire protection			
Professional/Contractual services	5,792	5,592	5,472
Total Protective Services	11,192	11,131	10,818
TRANSPORTATION SERVICES			
Wages and benefits	28,792	25,392	27,569
Professional/Contractual services	1,100	2,160	2,107
Utilities	8,000	8,015	7,986
Maintenance, materials, and supplies	43,000	31,981	38,069
Amortization	5,000	4,062	5,561
Total Transportation Services	85,892	71,610	81,292
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Professional/Contractual services	12,600	10,743	11,347
Maintenance, materials, and supplies	100		147
Amortization		3,075	3,075
Total Environmental and Public Health Services	12,700	13,818	14,569

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

	2020 Budget Unaudited (Note 1)	2020 Actual	2019 Actual
RECREATION AND CULTURAL SERVICES			
Utilities	\$ 3,000	\$ 3,577	\$ 2,927
Maintenance, materials, and supplies	1,300	996	438
Grants and contributions			
- Operating	4,300	3,637	3,509
Amortization	1,200	7,630	6,610
Total Recreation and Cultural Services	9,800	15,840	13,484
UTILITY SERVICES			
Wages and benefits	17,890	16,294	16,932
Professional/Contractual services	1,400		2,020
Utilities	8,550	6,714	6,974
Maintenance, materials, and supplies	44,050	34,532	22,559
Amortization	6,588	28,850	27,592
Interest		2,038	6,064
Total Utility Services	78,478	88,428	82,141
TOTAL EXPENSES BY FUNCTION	\$ 291,685	\$ 291,544	\$ 292,708

VILLAGE OF NORTH PORTAL
SCHEDULE 4 - 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	\$ 40	\$	\$ 500	\$ 15,587	\$ 927	\$ 2,061	\$ 59,542	\$ 78,657
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income & Commissions	743							743
Other Revenues				338		20		358
Grants - Conditional				1,042		1,315		2,357
- Capital						10,178	16,529	26,707
Total revenues	783		500	16,967	927	13,574	76,071	108,822
Expenses (Schedule 3)								
Wages & Benefits	57,142		25,392				16,294	98,828
Professional/Contractual Services	19,940	11,131	2,160	10,743				43,974
Utilities	7,093		8,015			3,577	6,714	25,399
Maintenance, Materials, Supplies	3,366		31,981			996	34,532	70,875
Grants and Contributions	1,288					3,637		4,925
Amortization	1,888		4,062	3,075		7,630	28,851	45,506
Interest							2,037	2,037
Allowance for Uncollectibles								
Other								
Total expenses	90,717	11,131	71,610	13,818		15,840	88,428	291,544
Surplus (Deficit) by Function	(89,934)	(11,131)	(71,110)	3,149	927	(2,266)	(12,357)	(182,722)
Taxation and other unconditional revenue (Schedule 1)								271,758
Net Surplus (Deficit)								\$ 89,036

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

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning and Development	Recreation and Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 80	\$	\$ 897	\$ 18,131	\$ 1,534	\$ 970	\$ 64,796	\$ 86,408
Tangible Capital Asset Sale - Gain (Loss)								
Land Sales - Gain (Loss)								
Investment Income & Commissions	1,481							1,481
Other Revenues			1,870	555		7,519		9,944
Grants - Conditional			1,327	963		1,315		3,605
- Capital						12,702	62,462	75,164
Total revenues	1,561		4,094	19,649	1,534	22,506	127,258	176,602
Expenses (Schedule 3)								
Wages & Benefits	55,792		27,569				16,932	100,293
Professional/Contractual Services	18,594	10,818	2,107	11,347			2,020	44,886
Utilities	7,454		7,986			2,927	6,974	25,341
Maintenance, Materials, Supplies	5,073		38,069	147		438	22,559	66,286
Grants and Contributions	1,288					3,509		4,797
Amortization	2,203		5,561	3,075		6,610	27,591	45,040
Interest							6,065	6,065
Allowance for Uncollectibles								
Other								
Total expenses	90,404	10,818	81,292	14,569		13,484	82,141	292,708
Surplus (Deficit) by Function	(88,843)	(10,818)	(77,198)	5,080	1,534	9,022	45,117	(116,106)
Taxation and other unconditional revenue (Schedule 1)								242,432
Net Surplus (Deficit)								\$ 126,326

VILLAGE OF NORTH PORTAL
SCHEDULE 6 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY OBJECT
For the year ended December 31, 2020

	General Assets					Infrastructure Assets	General/ Infrastructure	Totals	
Cost	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets	Assets Under Construction	2020	2019
Opening costs	\$ 6,900	78,469	241,890		312,921	681,472		\$1,321,652	\$1,215,781
Additions during the year			46,420		9,699		18,000	74,119	105,871
Closing costs	6,900	78,469	288,310		322,620	681,472	18,000	1,395,771	1,321,652
Accumulated Amortization									
Opening accumulated amortization		31,839	134,091		225,789	59,057		450,776	405,736
Amortization		3,363	5,097		18,750	18,296		45,506	45,040
Closing accumulated amortization		35,202	139,188		244,539	77,353		496,282	450,776
Net Book Value	\$ 6,900	43,267	149,122		78,081	604,119	18,000	\$ 899,489	\$ 870,876

VILLAGE OF NORTH PORTAL
SCHEDULE 7 - SCHEDULE OF TANGIBLE CAPITAL ASSETS BY FUNCTION
For the year ended December 31, 2020

Cost	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer	Totals	
								2020	2019
Opening costs	\$ 57,075		154,771	69,055		188,487	852,264	\$1,321,652	\$1,215,781
Additions during the year			9,699			46,420	18,000	74,119	105,871
Closing costs	57,075		164,470	69,055		234,907	870,264	1,395,771	1,321,652
Accumulated Amortization									
Opening accumulated amortization	35,649		129,627	19,640		74,511	191,349	450,776	405,736
Amortization	1,888		4,063	3,075		7,630	28,850	45,506	45,040
Closing accumulated amortization	37,537		133,690	22,715		82,141	220,199	496,282	450,776
Net Book Value	\$ 19,538		30,780	46,340		152,766	650,065	\$ 899,489	\$ 870,876

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

	2019	Changes	2020
UNAPPROPRIATED SURPLUS	\$ 479,019	\$ 40,184	\$ 519,203
APPROPRIATED RESERVES			
Cemetery Reserve	6,436		6,436
Total appropriated	6,436		6,436
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible capital assets (Schedule 6)	870,876	28,613	899,489
Less: Related debt	(45,150)	20,239	(24,911)
Net Investment in Tangible capital assets	825,726	48,852	874,578
TOTAL ACCUMULATED SURPLUS	\$ 1,311,181	\$ 89,036	\$ 1,400,217

VILLAGE OF NORTH PORTAL
SCHEDULE 9 - SCHEDULE OF MILL RATES AND ASSESSMENTS
For the year ended December 31, 2020

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	205,095	9,508,080			3,781,500		13,494,675
Regional Park Assessment							
Total Assessment							13,494,675
Mill Rate Factor(s)	1.00	0.70			1.60		
Total Base/Minimum Tax		53,925			3,900		57,825
Total Municipal Tax Levy	2,051	86,873			63,353		152,277

MILL RATES:

MILLS

Average Municipal	11.2843
Average School	4.7087
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, 2020

<u>Position - Name</u>	<u>Remuneration</u>	<u>Reimbursed Costs</u>	<u>Total</u>
Mayor - Kaylah Turner	\$ 2,500	\$	2,500
Councilor - Amy Armstrong	2,000		2,000
Councilor - Amy Belitski	2,000		2,000
Councilor - Michael Yurkowski	2,000		2,000
	<u>\$ 8,500</u>	<u>\$</u>	<u>8,500</u>