

**Town of Sturgis**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**Year Ended December 31, 2020**

**Town of Sturgis**  
Sturgis, Saskatchewan  
December 31, 2020

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### **Management's Responsibility**

The municipality's management is responsible for the preparation and presentation of the accompanying consolidated financial statements in accordance with Canadian public sector accounting standards (PSAS). The preparation of the statements necessarily includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgments and estimates by management is required.

In discharging its responsibilities for the integrity and fair presentation of the consolidated financial statements, management designs and maintains the necessary accounting, budget and other related internal controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, and that financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The council is composed of elected officials who are not employees of the municipality. The council is responsible for overseeing management in the performance of its financial reporting responsibilities. The council fulfils these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with external auditors. The council is also responsible for recommending the appointment of the municipality's external auditors.

Baker Tilly SK LLP, an independent firm of chartered professional accountants, is appointed by the council to audit the consolidated financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the council and management to discuss their audit findings.

  
\_\_\_\_\_  
Mayor  
\_\_\_\_\_  
Administrator

## **Independent Auditors' Report**

To the Council  
Town of Sturgis

### *Qualified Opinion*

We have audited the consolidated financial statements of Town of Sturgis, (the municipality), which comprise the consolidated Statement of Financial Position as at December 31, 2020 and the consolidated Statements of Operations, Changes in Net Financial Assets and Cash Flow for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the municipality as at December 31, 2020, and results of its operations and its consolidated cash flow for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

The municipality is contingently liable for the landfill closure and post-closure care requirements as defined in accordance with the Environmental Act. These costs include final covering and landscaping of the landfill, pumping the grounds, methane gas and leachate management, and ongoing environmental monitoring, site inspection and maintenance. The municipality is unable to determine a reasonable estimate of the liability at this time and, as such, one has not been recorded.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated financial statements section of our report. We are independent of the municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Council is responsible for overseeing the municipality's financial reporting process.



### *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality'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 municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the municipality to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Baker Tilly SK LLP**

*Baker Tilly SK LLP*

Yorkton, SK  
March 18, 2021

**Town of Sturgis**  
Sturgis, Saskatchewan  
Consolidated Statement of Financial Position as at December 31, 2020

Statement 1

	2020	2019 (Note 12)
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and temporary investments - note 2	532,426	703,424
Taxes receivable - municipal - note 3	78,773	99,383
Other accounts receivable - note 4	38,094	50,394
Land for resale - note 5	22,555	18,272
Long-term investments - note 6	510,631	10,562
<b>Total Financial Assets</b>	<u>1,182,479</u>	<u>882,035</u>
<b>Liabilities</b>		
Accounts payable	1,110	1,812
Accrued liabilities	44,848	45,301
Utility deposits	9,640	9,230
Deferred revenue - note 8	230,762	115,768
Long-term debt - note 9	885,814	980,385
<b>Total Liabilities</b>	<u>1,172,174</u>	<u>1,152,496</u>
<b>Net Financial Assets</b>	<u>10,305</u>	<u>( 270,461)</u>
<b>Non-Financial Assets</b>		
Tangible capital assets - schedules 6 and 7	2,797,564	2,939,105
Prepayments and deferred charges	31,707	29,633
<b>Total Non-Financial Assets</b>	<u>2,829,271</u>	<u>2,968,738</u>
<b>Accumulated Surplus - schedule 8</b>	<u>\$ 2,839,576</u>	<u>\$ 2,698,277</u>

Approved on behalf of the council:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Councillor

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Statement of Operations  
For the year ended December 31, 2020

Statement 2

	<b>2020 Budget [Note 1(t)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>Revenues</b>			
Taxes and other unconditional revenue			
- schedule 1	762,280	795,958	742,278
Fees and charges - schedules 4 and 5	280,270	280,433	286,176
Conditional grants - schedules 4 and 5	18,000	59,278	34,877
Tangible capital asset sales - gain (loss)			
- schedules 4 and 5		3,700	( 1,056)
Land sales - gain (loss) - schedules 4 and 5		( 1,760)	1,842
Investment income and commissions			
- schedules 4 and 5	4,400	2,064	13,456
<b>Total Revenue</b>	<u>1,064,950</u>	<u>1,139,673</u>	<u>1,077,573</u>
<b>Expenses - schedule 3</b>			
General government services	98,290	184,482	206,000
Protective services	69,500	62,786	64,430
Transportation services	168,600	261,720	232,151
Environmental and public health services	64,680	62,186	73,639
Planning and development services	7,000	1,677	2,412
Recreation and cultural services	160,100	194,860	213,522
Utilities services	268,100	230,663	184,131
<b>Total Expenses</b>	<u>836,270</u>	<u>998,374</u>	<u>976,285</u>
<b>Surplus of Revenues over Expenses before Other Capital Contributions</b>	228,680	141,299	101,288
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>38,000</u>	<u>0</u>	<u>0</u>
<b>Surplus of Revenue over Expenses</b>	266,680	141,299	101,288
<b>Accumulated Surplus, Beginning of Year</b>	<u>2,698,277</u>	<u>2,698,277</u>	<u>2,596,989</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$ 2,964,957</u>	<u>\$ 2,839,576</u>	<u>\$ 2,698,277</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Statement of Change in Net Financial Assets  
For the year ended December 31, 2020

Statement 3

	<b>2020 Budget [Note 1(t)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>Surplus</b>	<u>266,680</u>	<u>141,299</u>	<u>101,288</u>
(Acquisition) of tangible capital assets			( 95,890)
Amortization of tangible capital assets		141,541	134,094
Proceeds on disposal of tangible capital assets		3,700	35,654
Loss (gain) on the disposal of tangible capital assets	<u>                    </u>	<u>( 3,700)</u>	<u>1,056</u>
<b>Surplus of Capital Expenses over Expenditures</b>	<u>0</u>	<u>141,541</u>	<u>74,914</u>
(Acquisition) of prepaid expense	<u>0</u>	<u>( 2,074)</u>	<u>( 129)</u>
<b>Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures</b>	<u>0</u>	<u>( 2,074)</u>	<u>( 129)</u>
<b>Increase in Net Financial Assets</b>	266,680	280,766	176,073
Net Financial Assets, beginning of year	<u>( 270,461)</u>	<u>( 270,461)</u>	<u>( 446,534)</u>
<b>Net Financial Assets, End of Year</b>	<u><u>\$ ( 3,781)</u></u>	<u><u>\$ 10,305</u></u>	<u><u>\$ ( 270,461)</u></u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*



**Town of Sturgis**  
Consolidated Statement of Cash Flow  
For the year ended December 31, 2020

Statement 4

	2020	2019 (Note 12)
<b>Cash Provided by (used for) the Following Activities</b>		
<b>Operating:</b>		
<b>Surplus</b>	141,299	101,288
Amortization	141,541	134,094
Loss (gain) on disposal of tangible capital assets	( 3,700)	1,056
	<u>279,140</u>	<u>236,438</u>
<b>Change in Assets/Liabilities</b>		
Taxes receivable - municipal	20,610	( 28,936)
Other receivables	12,299	3,353
Land for resale	( 4,283)	1,593
Accrued liabilities payable	( 453)	( 1,228)
Accounts payable	( 701)	110
Utility deposits	410	350
Deferred revenue	114,994	77,286
Prepayments and deferred charges	( 2,074)	( 125)
<b>Cash Provided by Operating Transactions</b>	<u>419,942</u>	<u>288,841</u>
<b>Capital:</b>		
Acquisition of capital assets		( 95,890)
Proceeds from the disposal of capital assets	3,700	35,654
<b>Cash Applied to Capital Transactions</b>	<u>3,700</u>	<u>( 60,236)</u>
<b>Investing:</b>		
Additions to long-term investments	( 500,069)	( 7,055)
<b>Financing:</b>		
Long-term debt repaid	( 94,571)	( 89,886)
<b>Change in Cash and Temporary Investments During the Year</b>	( 170,998)	131,664
Cash and temporary investments, beginning of year	<u>703,424</u>	<u>571,760</u>
<b>Cash and Temporary Investments, End of Year</b>	<u>\$ 532,426</u>	<u>\$ 703,424</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies**

The consolidated financial statements of the municipality are prepared by management in accordance with the local government accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Significant aspects of the accounting policies are as follows:

**(a) Basis of accounting**

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting requires revenues to be recognized as they become available and measurable, and 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.

**(b) Reporting entity**

The consolidated financial statements consolidate the assets, liabilities and flow of resources of the municipality. The entity is comprised of all of the organizations that are owned or controlled by the municipality and are, therefore, accountable to the council for the administration of their financial affairs and resources.

Entities included in these consolidated financial statements are as follows:

<b>Entity</b>	<b>Basis of Recording</b>
Sturgis Care Home Inc.	Full consolidation

All inter-organizational transactions and balances have been eliminated.

**(c) Collection of funds for other authorities**

Collection of funds by the municipality 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.

**(d) 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 are 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:

- (i) the transfers are authorized;
- (ii) any eligibility criteria have been met; and
- (iii) a reasonable estimate of the amount can be made.

Unearned government transfer amounts received will be recorded as deferred revenue.

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

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies - continued**

(e) Deferred revenue - fees and charges

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.

(f) Net financial assets

Net financial assets at the end of an 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.

(g) 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.

(h) 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.

(i) Investments

Portfolio investments are valued at the lower of cost, less any provisions for other than temporary impairment. Investments with maturity dates longer than three months from the date of the Statement of Financial Position have been classified as other long-term investments concurrent with the nature of the investment.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies - continued**

**(j) Tangible capital assets**

All tangible capital asset acquisitions or betterments made throughout the year are recorded at their acquisition cost. Initial costs for tangible capital assets that were acquired and developed 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 in schedule 6. The cost 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 municipality's tangible capital asset useful lives are estimated as follows:

<b>Asset</b>	<b>Useful Life</b>
General Assets	
Land improvements	40 years
Buildings	40 years
Vehicles	10 years
Machinery and equipment	5 to 20 years
Infrastructure Assets	
Water and sewer	25 to 50 years
Paving, sidewalks and roadways	40 years

**(k) 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.

**(l) Works of art**

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.

**(m) Capitalization of interest**

The municipality does not capitalize interest incurred while a tangible capital asset is under construction.

**(n) 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.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies - continued**

(o) Landfill liability

The Town of Sturgis maintains a waste disposal site. The Municipality is unable to estimate closure and post-closure costs. No amount has been recorded as an asset or a liability.

(p) Employee benefit plans

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

(q) 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. Penalties on overdue taxes are recorded in the period levied.

Utility revenue is recognized in the period in which the service has been provided.

All other revenue is recorded when received, or receivable, collection is likely, and the amount can be reasonably determined.

(r) 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.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies - continued**

**(s) Basis of segmentation/segment report**

The municipality follows the 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 related 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 for the administration of the municipality.

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

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

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

Planning and development: provides for neighbourhood development and sustainability.

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

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

**(t) Budget information**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 16, 2020.

**(u) 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 remeasurement gains and losses separate from the statement of operations arising from the remeasurement 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 remeasurement gains and losses.

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

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**1. Significant Accounting Policies - continued**

(u) New standards and amendments to standards - continued

PS 3450 Financial instruments, a new standard establishing guidance on the recognition, measurement, presentation and disclosure of financial instruments, including derivatives. The standard requires fair value measurement of derivatives and equity instrument 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 remeasurement 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 derecognition 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 government organization. A liability for a retirement obligation can apply to tangible capital assets either in productive use or no longer in productive use. As this standard includes solid waste landfill sites active and post-closing obligations upon adoption of this new standard, existing solid waste landfill closure and post-closure liability section PS 3270 will be withdrawn.

Effective for fiscal years beginning on or after April 1, 2023:

PS 3400 Revenue, a new standard establishing guidance on how to account for and report on revenue. The standard provides a framework for recognizing, measuring and reporting revenues that arise from transactions that include 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.

	2020	2019
<b>2. Cash and Temporary Investments</b>		
Cash	<u>\$ 532,426</u>	<u>\$ 703,424</u>

Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

	2020	2019
<b>3. Taxes and Grants In Lieu Receivable</b>		
Municipal - current	34,979	46,976
Municipal - arrears	<u>52,160</u>	<u>65,851</u>
	87,139	112,827
Less: Allowance for uncollectibles	<u>8,366</u>	<u>13,444</u>
Total municipal taxes receivable	<u>78,773</u>	<u>99,383</u>
School - current	4,250	5,362
School - arrears	<u>6,976</u>	<u>8,045</u>
Total school taxes receivable	<u>11,226</u>	<u>13,407</u>
Total taxes and grants in lieu receivable	89,999	112,790
Less: Taxes receivable to be collected on behalf of other organizations	<u>11,226</u>	<u>13,407</u>
<b>Municipal and Grants In Lieu Taxes Receivable</b>	<b><u>\$ 78,773</u></b>	<b><u>\$ 99,383</u></b>
<b>4. Other Accounts Receivable</b>		
Federal government	8,138	9,136
Provincial government	7,131	6,886
Local government	1,314	2,649
Utility	21,511	31,548
Trade	<u>          </u>	<u>175</u>
<b>Net Other Accounts Receivable</b>	<b><u>\$ 38,094</u></b>	<b><u>\$ 50,394</u></b>
<b>5. Land for Resale</b>		
Tax title property	49,093	44,810
Less: Allowance for market value adjustment	<u>33,745</u>	<u>33,745</u>
Net tax title property	<u>15,348</u>	<u>11,065</u>
Other land	24,426	24,426
Less: Allowance for market value adjustment	<u>17,219</u>	<u>17,219</u>
Net other land	<u>7,207</u>	<u>7,207</u>
<b>Total Land for Resale</b>	<b><u>\$ 22,555</u></b>	<b><u>\$ 18,272</u></b>
<b>6. Long-Term Investments</b>		
Equity in co-operatives	10,631	10,562
Term investments	<u>500,000</u>	<u>          </u>
	<b><u>\$ 510,631</u></b>	<b><u>\$ 10,562</u></b>



## Town of Sturgis

### Notes to Consolidated Financial Statements

For the year ended December 31, 2020

#### 7. Bank Indebtedness

Bank indebtedness includes an operating loan amounting to \$50,000 (2019 - \$50,000) and bearing interest at prime minus 0.50%. Assets pledged as collateral are assignment of taxes.

#### 8. Deferred Revenue

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Gas Tax	115,718	56,994		172,712
Municipal Economic Enhancement		92,561	34,561	58,000
Other	50			50
	<u>\$ 115,768</u>	<u>\$ 149,555</u>	<u>\$ 34,561</u>	<u>\$ 230,762</u>

#### 9. Long-Term Debt

(a) The debt limit of the municipality for 2021 is \$810,670. The debt limit for a municipality is the total amount of the municipality's own source revenues for the preceding year (*The Municipalities Act* Section 161).

(b) Debenture debt is repayable at an interest rate of 5.15%, with annual blended repayments on March 1 of \$113,318.

Future principal and interest payments are as follows:

	Principal	Interest	2020 Total	2019 Total
2020				113,318
2021	68,581	44,737	113,318	113,317
2022	72,113	41,205	113,318	113,318
2023	75,827	37,491	113,318	113,318
2024	79,732	33,586	113,318	
Thereafter	572,417	107,489	679,906	844,514
	<u>\$ 868,670</u>	<u>\$ 264,508</u>	<u>\$ 1,133,178</u>	<u>\$ 1,297,785</u>

(c) Bank loan is repayable at blended monthly payments of \$2,550, with interest at 4.45%.

Future principal repayments are estimated as follows:

	Principal	Interest	2020 Total	2019 Total
2020				30,600
2021	17,144	1,251	18,395	19,614
	<u>\$ 17,144</u>	<u>\$ 1,251</u>	<u>\$ 18,395</u>	<u>\$ 50,214</u>

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**10. Employee Benefit Plans**

The municipality participates in contributory defined benefit pension plan for all of its employees. For defined benefit plans considered to be multi-employer plans, contributions are expensed when they are due and payable. The municipality currently participates in the Municipal Employees Pension Plan.

The contributions by the participating employers are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. The portion of the annual benefit costs and of the asset surpluses (deficits) that are attributable to the municipality cannot be easily determined.

Accordingly, the multi-employer plans are accounted for on the defined contribution basis. No portion of the asset (deficit) surplus of the plan is recognized in these financial statements. The benefit expense reflected in the financial statements is equal to the municipality's contributions for the year.

All contributions by employees are matched equally by the employer. The contribution rates were updated on July 1, 2018. Employee contribution rates in effect for the year are as follows:

	<b>2020</b>	<b>2019</b>
General members	9.00 %	9.00 %
Designated members	12.50 %	12.50 %

Contributions to the plan during the year were as follows:

Benefit expense	\$ 20,550	\$ 20,623
-----------------	-----------	-----------

As per the most recently audited financial statements dated December 31, 2019, the plan surplus is \$658,468,000.

**11. Contractual Rights**

Contractual rights are rights to economic resources arising from contracts or agreements that will result in an asset and revenue in the future. Significant contractual rights of the municipality are as follows:

- The Town of Sturgis has entered into a lease agreement to receive \$1,200 per month until the month ended September 30, 2025

**12. Comparative Figures**

Certain balances for comparative purposes have been reclassified to conform with the current year's presentation.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2020

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**13. Impact of COVID-19**

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The potential economic effects within the municipality's environment and in the global markets, possible disruption in supply chains and measures being introduced at various levels of government to curtail the spread of the virus (such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing) could have a material impact on the municipality's operations. The extent of this outbreak and related containment measures on the municipality's operations cannot be reliably estimated at this time.

# Town of Sturgis

## Consolidated Schedule of Taxes and Other Unconditional Revenue For the year ended December 31, 2020

Schedule 1

	<b>2020 Budget</b> [Note 1(t)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Taxes</b>			
General municipal tax levy	558,400	558,397	555,324
Abatements and adjustments	( 7,500)	( 11,650)	( 6,162)
Discount on current year taxes	( 15,000)	( 20,302)	( 20,621)
Net municipal taxes	<u>535,900</u>	<u>526,445</u>	<u>528,541</u>
Trailer license fees	480	317	480
Penalties on tax arrears	21,000	21,089	16,919
Other	<u>1,000</u>	<u>1,728</u>	<u>1,029</u>
<b>Total Taxes</b>	<u>558,380</u>	<u>549,579</u>	<u>546,969</u>
<b>Unconditional Grants</b>			
Equalization (revenue sharing)	147,800	147,823	133,426
Safe Restart		<u>38,417</u>	
<b>Total Unconditional Grants</b>	<u>147,800</u>	<u>186,240</u>	<u>133,426</u>
<b>Grants In Lieu of Taxes</b>			
Federal	1,250	1,415	1,345
Provincial			
Sask. Energy Gas	12,500	15,299	16,243
SaskTel	12,350	4,109	4,109
Local/Other			
Housing authority		8,242	8,242
Other Government Transfers			
S.P.C. surcharge	<u>30,000</u>	<u>31,074</u>	<u>31,944</u>
<b>Total Grants In Lieu of Taxes</b>	<u>56,100</u>	<u>60,139</u>	<u>61,883</u>
<b>Total Taxes and Other Unconditional Revenue</b>	<u>\$ 762,280</u>	<u>\$ 795,958</u>	<u>\$ 742,278</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

# Town of Sturgis

Consolidated Schedule of Operating and Capital Revenue by Function    Schedule 2-1  
For the year ended December 31, 2020

	<b>2020 Budget [Note 1(t)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>General Government Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Rentals	23,820	26,745	23,920
General office services	2,350	7,460	4,133
Licenses and permits	1,150	1,429	1,627
Expense recoveries			447
Total Fees and Charges	<u>27,320</u>	<u>35,634</u>	<u>30,127</u>
Land sales - gain (loss)		( 1,760)	1,842
Investment income and commissions	4,400	2,064	13,456
Total Other Segmented Revenue	<u>31,720</u>	<u>35,938</u>	<u>45,425</u>
<b>Total General Government Services</b>	<u><b>\$ 31,720</b></u>	<u><b>\$ 35,938</b></u>	<u><b>\$ 45,425</b></u>
<b>Protective Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees	1,000	661	1,348
Total Other Segmented Revenue	<u>1,000</u>	<u>661</u>	<u>1,348</u>
<b>Total Protective Services</b>	<u><b>\$ 1,000</b></u>	<u><b>\$ 661</b></u>	<u><b>\$ 1,348</b></u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

# Town of Sturgis

## Consolidated Schedule of Operating and Capital Revenue by Function    Schedule 2-2 For the year ended December 31, 2020

	<b>2020 Budget [Note 1(t)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>Transportation Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Custom work	2,000	3,400	2,076
Gain (loss) on sale of tangible capital assets		3,700	( 1,056)
Total Other Segmented Revenue	<u>2,000</u>	<u>7,100</u>	<u>1,020</u>
Conditional Grants			
Municipal Economic Enhancement	0	34,561	0
Total Conditional Grants	<u>0</u>	<u>34,561</u>	<u>0</u>
<b>Total Transportation Services</b>	<u>\$ 2,000</u>	<u>\$ 41,661</u>	<u>\$ 1,020</u>
<b>Environmental and Public Health Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Waste disposal fees	2,000	3,483	2,217
Total Other Segmented Revenue	<u>2,000</u>	<u>3,483</u>	<u>2,217</u>
Conditional Grants			
Donations	1,000	1,327	1,305
Local	750	918	777
Total Conditional Grants	<u>1,750</u>	<u>2,245</u>	<u>2,082</u>
<b>Total Environmental and Public Health Services</b>	<u>\$ 3,750</u>	<u>\$ 5,728</u>	<u>\$ 4,299</u>

# Town of Sturgis

## Consolidated Schedule of Operating and Capital Revenue by Function    Schedule 2-3 For the year ended December 31, 2020

	<b>2020 Budget</b> [Note 1(t)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Recreation and Cultural Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Rentals	10,000	2,470	12,848
Total Other Segmented Revenue	<u>10,000</u>	<u>2,470</u>	<u>12,848</u>
Conditional Grants			
Donations	15,000	12,238	25,500
Student employment		8,920	4,646
Local	1,250	1,314	2,649
Total Conditional Grants	<u>16,250</u>	<u>22,472</u>	<u>32,795</u>
<b>Total Recreation and Cultural Services</b>	<u>\$ 26,250</u>	<u>\$ 24,942</u>	<u>\$ 45,643</u>
<b>Utility Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Water	145,450	142,001	143,317
Sewer	90,000	89,628	89,757
Other utilities	2,500	3,156	4,486
Total Fees and Charges	<u>237,950</u>	<u>234,785</u>	<u>237,560</u>
Total Other Segmented Revenue	<u>237,950</u>	<u>234,785</u>	<u>237,560</u>
<b>Total Operating</b>	<u>237,950</u>	<u>234,785</u>	<u>237,560</u>
<b>Capital</b>			
Conditional Grants			
Gas tax	38,000	0	0
<b>Total Capital</b>	<u>38,000</u>	<u>0</u>	<u>0</u>
<b>Total Utility Services</b>	<u>\$ 275,950</u>	<u>\$ 234,785</u>	<u>\$ 237,560</u>
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 340,670</u>	<u>\$ 343,715</u>	<u>\$ 335,295</u>
<b>Summary</b>			
Total Other Segmented Revenue	284,670	284,437	300,418
Total Conditional Grants	18,000	59,278	34,877
Total Capital Grants and Contributions	<u>38,000</u>	<u>0</u>	<u>0</u>
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 340,670</u>	<u>\$ 343,715</u>	<u>\$ 335,295</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Total Expenses by Function  
For the year ended December 31, 2020

Schedule 3-1

	<b>2020 Budget [Note 1(t)]</b>	<b>2020 Actual</b>	<b>2019 Actual (Note 12)</b>
<b>General Government Services</b>			
Council remuneration and travel	26,100	23,654	24,084
Wages and benefits	( 35,500)	80,805	78,596
Contractual services - assessment	9,750	9,742	9,864
Contractual services - other	45,940	25,574	26,647
Utilities	21,000	16,772	16,924
Maintenance, materials and supplies	18,000	13,049	36,376
Grants and contributions - operating	2,500	1,350	1,775
Amortization		8,448	8,448
Insurance	7,000	6,295	6,255
Allowance for uncollectibles		( 5,078)	( 5,191)
Other	3,500	3,871	2,222
<b>Total General Government Services</b>	<b>\$ 98,290</b>	<b>\$ 184,482</b>	<b>\$ 206,000</b>
<b>Protective Services</b>			
Police protection			
Contractual services	50,000	50,141	48,398
Grants and contributions - operating	2,500		
Fire protection			
Contractual services	14,000	9,393	13,876
Utilities	2,500	2,245	2,156
Other	500	1,007	
<b>Total Protective Services</b>	<b>\$ 69,500</b>	<b>\$ 62,786</b>	<b>\$ 64,430</b>
<b>Transportation Services</b>			
Wages and benefits	47,500	94,675	89,161
Contractual services - maintenance	35,450	58,260	34,790
Utilities	26,400	26,271	25,392
Gravel	7,500	2,183	6,454
Machinery costs/fuel/blades	32,500	20,961	17,987
Amortization		47,366	43,476
Interest	2,750	1,251	2,742
Other materials and supplies	16,500	10,753	12,149
<b>Total Transportation Services</b>	<b>\$ 168,600</b>	<b>\$ 261,720</b>	<b>\$ 232,151</b>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*



**Town of Sturgis**  
Total Expenses by Function  
For the year ended December 31, 2020

Schedule 3-2

	<b>2020 Budget</b> [Note 1(t)]	<b>2020 Actual</b>	<b>2019 Actual</b> (Note 12)
<b>Environmental and Public Health Services</b>			
Wages and benefits	35,850	33,262	41,135
Contractual services	6,880	4,970	5,068
Utilities	1,450	1,126	1,350
Maintenance, materials and supplies	2,500	865	101
Grants and contributions - waste disposal	12,500	11,592	11,592
Amortization		10,195	10,195
Other	5,500	176	4,198
	<u>5,500</u>	<u>176</u>	<u>4,198</u>
<b>Total Environmental and Public Health Services</b>	<b>\$ 64,680</b>	<b>\$ 62,186</b>	<b>\$ 73,639</b>
<b>Planning and Development Services</b>			
Contractual services	\$ 7,000	\$ 1,677	\$ 2,412
	<u>\$ 7,000</u>	<u>\$ 1,677</u>	<u>\$ 2,412</u>
<b>Recreation and Cultural Services</b>			
Wages and benefits	12,950	9,951	13,144
Contractual services	37,200	34,673	28,671
Utilities	19,850	15,804	14,522
Maintenance, materials and supplies	23,000	15,927	35,669
Grants and contributions - operating	19,000	19,162	19,001
Amortization		53,935	53,781
Interest	48,100	45,408	48,734
	<u>48,100</u>	<u>45,408</u>	<u>48,734</u>
<b>Total Recreation and Cultural Services</b>	<b>\$ 160,100</b>	<b>\$ 194,860</b>	<b>\$ 213,522</b>
<b>Utility Services</b>			
Wages and benefits	139,350	102,932	94,600
Contractual services	49,250	32,702	19,947
Utilities	22,500	23,983	21,561
Maintenance, materials and supplies	57,000	49,449	29,829
Amortization		21,597	18,194
	<u>57,000</u>	<u>21,597</u>	<u>18,194</u>
<b>Total Utility Services</b>	<b>\$ 268,100</b>	<b>\$ 230,663</b>	<b>\$ 184,131</b>
<b>Total Expenses by Function</b>	<b>\$ 836,270</b>	<b>\$ 998,374</b>	<b>\$ 976,285</b>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Schedule of Segment Disclosure by Function  
For the year ended December 31, 2020

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
<b>Revenues - schedule 2</b>								
Fees and charges	35,634	661	3,400	3,483		2,470	234,785	280,433
Tangible capital asset sales - gain			3,700					3,700
Land sales - gain (loss)	( 1,760)							( 1,760)
Investment income and commissions	2,064							2,064
Grants - conditional			34,561	2,245		22,472		59,278
<b>Total Revenues</b>	<b>35,938</b>	<b>661</b>	<b>41,661</b>	<b>5,728</b>	<b>0</b>	<b>24,942</b>	<b>234,785</b>	<b>343,715</b>
<b>Expenses - schedule 3</b>								
Wages and benefits	80,805		94,675	33,262		9,951	102,932	321,625
Professional/contractual services	58,970	59,534	58,260	4,970	1,677	34,673	32,702	250,786
Utilities	16,772	2,245	26,271	1,126		15,804	23,983	86,201
Maintenance materials and supplies	13,049		2,183	865		15,927	49,449	81,473
Machinery costs/fuel/blades			20,961					20,961
Grants and contributions	1,350			11,592		19,162		32,104
Amortization	8,448		47,366	10,195		53,935	21,597	141,541
Insurance	6,295							6,295
Interest			1,251			45,408		46,659
Allowance for uncollectibles	( 5,078)							( 5,078)
Other	3,871	1,007	10,753	176				15,807
<b>Total Expenses</b>	<b>184,482</b>	<b>62,786</b>	<b>261,720</b>	<b>62,186</b>	<b>1,677</b>	<b>194,860</b>	<b>230,663</b>	<b>998,374</b>
<b>Surplus (Deficit) by Function</b>	<b>\$ ( 148,544)</b>	<b>\$ ( 62,125)</b>	<b>\$ ( 220,059)</b>	<b>\$ ( 56,458)</b>	<b>\$ ( 1,677)</b>	<b>\$ ( 169,918)</b>	<b>\$ 4,122</b>	<b>( 654,659)</b>
Taxation and other unconditional revenue - schedule 1								795,958
<b>Net Surplus</b>								<b>\$ 141,299</b>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Schedule of Segment Disclosure by Function  
For the year ended December 31, 2019

Schedule 5

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
<b>Revenues</b> - schedule 2								
Fees and charges	30,127	1,348	2,076	2,217		12,848	237,560	286,176
Tangible capital asset sales - gain (loss)			( 1,056)					( 1,056)
Land sales - gain	1,842							1,842
Investment income and commissions	13,456							13,456
Grants - conditional				2,082		32,795		34,877
<b>Total Revenues</b>	<u>45,425</u>	<u>1,348</u>	<u>1,020</u>	<u>4,299</u>	<u>0</u>	<u>45,643</u>	<u>237,560</u>	<u>335,295</u>
<b>Expenses</b> - schedule 3								
Wages and benefits	78,596		89,161	41,135		13,144	94,600	316,636
Professional/contractual services	60,595	62,274	34,790	5,068	2,412	28,671	19,947	213,757
Utilities	16,924	2,156	25,392	1,350		14,522	21,561	81,905
Maintenance materials and supplies	36,376		6,454	101		35,669	29,829	108,429
Machinery costs/fuel/blades			17,987					17,987
Grants and contributions	1,775			11,592		19,001		32,368
Amortization	8,448		43,476	10,195		53,781	18,194	134,094
Insurance	6,255							6,255
Interest			2,742			48,734		51,476
Allowance for uncollectibles	( 5,191)							( 5,191)
Other	2,222		12,149	4,198				18,569
<b>Total Expenses</b>	<u>206,000</u>	<u>64,430</u>	<u>232,151</u>	<u>73,639</u>	<u>2,412</u>	<u>213,522</u>	<u>184,131</u>	<u>976,285</u>
<b>Surplus (Deficit) by Function</b>	<u>\$ ( 160,575)</u>	<u>\$ ( 63,082)</u>	<u>\$ ( 231,131)</u>	<u>\$ ( 69,340)</u>	<u>\$ ( 2,412)</u>	<u>\$ ( 167,879)</u>	<u>\$ 53,429</u>	<u>( 640,990)</u>
Taxation and other unconditional revenue - schedule 1								<u>742,278</u>
<b>Net Surplus</b>								<u>\$ 101,288</u>

*The notes to consolidated financial statements are an integral  
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**Town of Sturgis**  
Consolidated Schedule of Tangible Capital Assets by Object  
For the year ended December 31, 2020

Schedule 6

	2020							2019	
	General Assets					Infrastruct. Assets	General/ Infrastruct. Assets under Constr.	Total	Total
	Land	Land Improve.	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Cost	7,518	1	3,243,721	92,820	565,045	1,456,770	0	5,365,875	5,306,695
Additions during the year									95,890
Disposals and write-down during the year				( 10,735)				( 10,735)	( 36,710)
Closing Asset Costs	<u>7,518</u>	<u>1</u>	<u>3,243,721</u>	<u>82,085</u>	<u>565,045</u>	<u>1,456,770</u>	<u>0</u>	<u>5,355,140</u>	<u>5,365,875</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		1	1,371,483	66,793	205,335	783,158		2,426,770	2,292,676
Add: Amortization taken			68,708	5,857	33,031	33,945		141,541	134,094
Less: Accumulated amortization on disposals				10,735				10,735	
Closing Accumulated Amortization Costs	<u>0</u>	<u>1</u>	<u>1,440,191</u>	<u>61,915</u>	<u>238,366</u>	<u>817,103</u>	<u>0</u>	<u>2,557,576</u>	<u>2,426,770</u>
Net Book Value	<u>\$ 7,518</u>	<u>\$ 0</u>	<u>\$ 1,803,530</u>	<u>\$ 20,170</u>	<u>\$ 326,679</u>	<u>\$ 639,667</u>	<u>\$ 0</u>	<u>\$ 2,797,564</u>	<u>\$ 2,939,105</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Schedule of Tangible Capital Assets by Function  
For the year ended December 31, 2020

Schedule 7

	2020							2019	
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total	Total
Asset Cost									
Opening Asset Cost	352,312	15,309	1,499,660	318,074	0	2,386,168	794,352	5,365,875	5,306,695
Additions during the year									95,890
Disposals and write-down during the year			( 10,735)					( 10,735)	( 36,710)
Closing Asset Costs	352,312	15,309	1,488,925	318,074	0	2,386,168	794,352	5,355,140	5,365,875
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs	198,461	15,269	565,349	153,580		816,529	677,582	2,426,770	2,292,676
Add: Amortization taken	8,448		47,366	10,195		53,935	21,597	141,541	134,094
Less: Accumulated amortization on disposals			10,735					10,735	
Closing Accumulated Amortization Costs	206,909	15,269	601,980	163,775	0	870,464	699,179	2,557,576	2,426,770
Net Book Value	\$ 145,403	\$ 40	\$ 886,945	\$ 154,299	\$ 0	\$ 1,515,704	\$ 95,173	\$ 2,797,564	\$ 2,939,105

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Consolidated Schedule of Accumulated Surplus  
For the year ended December 31, 2020

Schedule 8

	2019	Changes	2020
<b>Unappropriated Surplus</b>	<u>47,805</u>	<u>( 175,051)</u>	<u>( 127,246)</u>
<b>Appropriated Surplus</b>			
Utility			
Utility	<u>551,906</u>	<u>25,000</u>	<u>576,906</u>
Other			
Dedicated lands	100		100
Community hall debenture payment	272,723	113,320	386,043
Cemetery perpetual care	62,187	225,000	287,187
Future capital expenditures	( 55,164)		( 55,164)
General operating	<u>( 140,000)</u>		<u>( 140,000)</u>
	<u>139,846</u>	<u>338,320</u>	<u>478,166</u>
<b>Total Appropriated</b>	<u>691,752</u>	<u>363,320</u>	<u>1,055,072</u>
<b>Net Investments in Tangible Capital Assets</b>			
Tangible capital assets - schedule 6	2,939,105	( 141,541)	2,797,564
Less: Related debt	<u>980,385</u>	<u>( 94,571)</u>	<u>885,814</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>1,958,720</u>	<u>( 46,970)</u>	<u>1,911,750</u>
<b>Total Accumulated Surplus</b>	<u>\$ 2,698,277</u>	<u>\$ 141,299</u>	<u>\$ 2,839,576</u>

*The notes to consolidated financial statements are an integral  
part of these consolidated financial statements.*

**Town of Sturgis**  
Schedule of Mill Rates and Assessments  
For the year ended December 31, 2020

Schedule 9

	<b>Property Class</b>					<b>Total</b>
	<b>Agriculture</b>	<b>Residential</b>	<b>Residential Condominium</b>	<b>Seasonal Residential</b>	<b>Commercial &amp; Industrial</b>	<b>Potash Mine(s)</b>
Taxable Assessment	67,065	22,097,120			1,625,700	23,789,885
Regional Park Assessment						
Total Assessment						23,789,885
Mill Rate Factor(s)	1	1			1.5000	
Total Base/Minimum Tax (generated for each property class)	2,225	322,625			36,725	361,575
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,762	499,402			56,233	558,397
<b>Mill Rates:</b>	<b>Mills</b>					
Average Municipal*	23.4720					
Average School*	4.2600					
Potash Mill Rate						
Uniform Municipal Mill Rate	8.0000					

\*Average Mill Rates (multiply the total tax levy for each taxing authority by 1,000 and divide by the total assessment for the taxing authority).

**Town of Sturgis**  
Schedule of Council Remuneration  
For the year ended December 31, 2020

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Alan Holmberg	4,250		4,250
Don Olson	800		800
Dale Bashforth	3,000		3,000
Jennifer Bayer	3,225		3,225
Randy Sommerville	500		500
Perry Keller	3,000		3,000
Aileen Lubiniecki	1,100		1,100
Conrad Peterson	2,500		2,500
Bert Suknasky	3,430		3,430
Daniel Waslenchuk	3,000		3,000
	<u>\$ 24,805</u>	<u>\$ 0</u>	<u>\$ 24,805</u>