

RURAL MUNICIPALITY OF SARNIA NO. 221

Financial Statements

December 31, 2021

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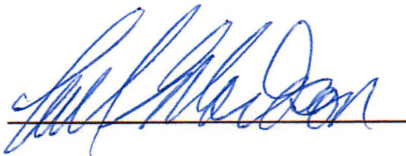
Management's Responsibility

The municipality's 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 policies 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 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 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.

Dudley & Company LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report is attached to the financial statements. The external auditors have full and free access to both the Council and management to communicate their audit findings.



Council



Administration

INDEPENDENT AUDITORS' REPORT

To the Reeve and Councillors
Rural Municipality of Sarnia No. 221

Opinion

We have audited the financial statements of the **RURAL MUNICIPALITY OF SARNIA NO. 221**, which comprise the statement of financial position as at December 31, 2021 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the municipality as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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 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 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 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 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 intends to dissolve the municipality or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the municipality's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

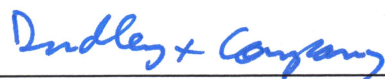
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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.

Independent Auditors' Report continued

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 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 over-ride 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 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 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.



Dudley & Company LLP
Chartered Professional Accountants

Regina, Saskatchewan
March 9, 2022

RURAL MUNICIPALITY OF SARNIA NO. 221

Statement of Financial Position

As at December 31, 2021

Statement 1

	2021	Restated 2020
ASSETS		
Financial Assets		
Cash & Temporary Investments (Note 2)	\$ 1,938,967	\$ 1,562,735
Taxes Receivable - Municipal (Note 3)	79,962	64,695
Other Accounts Receivable (Note 4)	34,622	44,655
Land for Resale (Note 5)	-	-
SARM (Note 6)	74,627	69,466
Other Long-Term Investments (Note 7)	900	1,000
Total Financial Assets	2,129,078	1,742,551
LIABILITIES		
Bank Indebtedness	-	-
Accounts Payable (Note 9)	202,194	5,941
Accrued Liabilities Payable	-	-
Deposits	-	-
Deferred Revenue	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Long-Term Debt (Note 10)	171,429	-
Lease Obligations	-	-
Other Liabilities	-	-
Total Liabilities	373,623	5,941
NET FINANCIAL ASSETS	1,755,455	1,736,610
Tangible Capital Assets (Schedules 6, 7)	3,539,360	3,507,946
Prepayment and Deferred Charges	25,000	-
Stock and Supplies	386,516	175,121
Other	-	-
Total Non-Financial Assets	3,950,876	3,683,067
Accumulated Surplus (Deficit) (Schedule 8)	\$ 5,706,331	\$ 5,419,677

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF SARNIA NO. 221

Statement of Operations

For the year ended December 31, 2021

Statement 2

Revenues

		2021 Budget	2021	Restated 2020
Taxes and Other Unconditional Revenue	(Schedule 1)	\$ 1,643,250	\$ 1,627,310	\$ 1,464,702
Fees and Charges	(Schedule 4, 5)	61,540	60,397	65,663
Conditional Grants	(Schedule 4, 5)	3,730	10,193	3,693
Tangible Capital Assets Sales - Gain	(Schedule 4, 5)	-	2,999	15,557
Land Sales - Gain	(Schedule 4, 5)	-	-	-
Investment Income and Commissions	(Schedule 4, 5)	31,310	15,991	30,023
Other Revenues	(Schedule 4, 5)	-	3,351	-

Total Revenues		1,739,830	1,720,241	1,579,638
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Expenses

General Government Services	(Schedule 3)	232,700	221,931	210,000
Protective Services	(Schedule 3)	22,280	22,551	22,271
Transportation Services	(Schedule 3)	1,109,550	1,136,460	909,781
Environmental and Public Health Services	(Schedule 3)	26,620	29,890	27,455
Planning and Development Services	(Schedule 3)	7,400	20,012	19,862
Recreation and Cultural Services	(Schedule 3)	8,500	12,050	12,250
Utility Services	(Schedule 3)	26,100	29,929	25,169

Total Expenses		1,433,150	1,472,823	1,226,788
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Surplus (Deficit) before Other Capital Contributions		306,680	247,418	352,850
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Other Capital Contributions (Schedule 4, 5)		28,780	39,236	74,778
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Surplus (Deficit) of Revenues over Expenses		335,460	286,654	427,628
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Accumulated Surplus (Deficit), Beginning of Year		5,419,677	5,419,677	4,992,049
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Accumulated Surplus (Deficit), End of Year		\$ 5,755,137	\$ 5,706,331	\$ 5,419,677
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The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF SARNIA NO. 221
Statement of Changes in Net Financial Assets
For the year ended December 31, 2021

Statement 3

2021 Budget	2021	Restated 2020
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Surplus (Deficit)

\$ 335,460	\$ 286,654	\$ 427,628
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(Acquisition) of tangible capital assets	(86,000)	(237,795)	(408,558)
Amortization of tangible capital assets	204,420	206,379	202,401
Proceeds on disposal of tangible capital assets	-	3,000	15,563
Loss (gain) on disposal of tangible capital assets	-	(2,999)	(15,557)

Surplus (Deficit) of capital expenses over expenditures

118,420	(31,415)	(206,151)
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(Acquisition) of supplies inventories	-	(211,394)	-
(Acquisition) of prepaid expense	-	(25,000)	-
Consumption of supplies inventory	-	-	110,419
Use of prepaid expense	-	-	81

Surplus (Deficit) of other non-financial expenses over expenditures

-	(236,394)	110,500
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Increase/Decrease in Net Financial Assets

453,880	18,845	331,977
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Net Financial Assets - Beginning of Year

1,736,610	1,736,610	1,404,633
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Net Financial Assets - End of Year

\$ 2,190,490	\$ 1,755,455	\$ 1,736,610
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The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF SARNIA NO. 221

Statement of Cash Flows For the year ended December 31, 2021

Statement 4

	2021	Restated 2020
Cash provided by (used for) the following activities		
Operating:		
Surplus (Deficit)	\$ 286,654	\$ 427,628
Amortization	206,379	202,401
Loss (gain) on disposal of tangible capital assets	(2,999)	(15,557)
	490,034	614,472
Changes in assets / liabilities		
Taxes Receivable - Municipal	(15,267)	53,826
Other Receivables	10,033	(25,507)
Land for Resale	-	-
Other Financial Assets	100	111
Accounts and Accrued Liabilities Payable	196,253	(184,699)
Deposits	-	-
Deferred Revenue	-	-
Other Liabilities	-	-
Accrued Landfill Costs	-	-
Liability for Contaminated Sites	-	-
Stock and Supplies for Use	(211,394)	110,419
Prepayments and Deferred Charges	(25,000)	81
Other	-	-
Net cash from (used for) operations	444,759	568,703
Capital:		
Acquisition of Capital Assets	(237,795)	(408,558)
Proceeds from the Disposal of Capital Assets	3,000	15,563
Other Capital	-	-
Net cash from (used for) capital	(234,795)	(392,995)
Investing:		
Long-Term Investments	(5,161)	(3,992)
Other Investments	-	-
Net cash from (used for) investing	(5,161)	(3,992)
Financing:		
Long-Term Debt Issued	171,429	-
Long-Term Debt Repaid	-	-
Other Financing	-	-
Net cash from (used for) financing	171,429	-
Increase (Decrease) in cash resources	376,232	171,716
Cash and Temporary Investments - Beginning of Year	1,562,735	1,391,019
Cash and Temporary Investments - End of Year	\$ 1,938,967	\$ 1,562,735

The accompanying notes form an integral part of these financial statements.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the municipality have been 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 adopted by the municipality are as follows:

Basis of Accounting:

The 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.

(a) Reporting Entity:

The financial statements report 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.

(b) Collection of Funds for Other Authorities:

Collection of funds by the municipality for the school board and municipal hall are collected and remitted in accordance with relevant legislation.

(c) 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 either expenses or revenues 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.

(d) 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.

(e) 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.

(f) 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.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

(g) 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.

(h) 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 from other taxing authorities operate as a flow through and are excluded from municipal revenue.

(i) Investments:

Portfolio investments are valued at cost, less any provision for other than temporary impairment. Investments with terms longer than one year have been classified as other long-term investments concurrent with the nature of the investment.

The long term investments in the Saskatchewan Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

(j) Inventories:

Inventories of materials and supplies expected to be used by the municipality 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 and net realizable value. Cost is determined by the average cost method. Net realizable value is the estimated selling price in the ordinary course of business.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

(k) 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 deflation factor back to the point of acquisition. Donated tangible capital assets received are recorded at their fair market value at the date of contribution; these, and the tangible capital assets that are recognized at a nominal value, are disclosed on Schedule 6. The cost of tangible capital assets less any estimated residual value are amortized over the asset's estimated useful life using the straight-line method of amortization. The municipality's tangible capital asset useful lives are estimated as follows:

<u>Assets</u>	<u>Useful Life</u>
General Assets	
Land	Indefinite
Land Improvements	15 years
Buildings	40 years
Vehicles and Equipment	
Vehicles	10 years
Machinery and Equipment	5 to 20 years
Infrastructure Assets	
Infrastructure Assets	
Water and Sewer	40 years
Road Network Assets	40 years

Government Contributions: Government contributions for the acquisition of capital assets are reported as capital revenue and do not reduce the cost of the related asset.

Works of Art and Other Unrecognized Assets: Assets that have a historical or cultural significance, which include works of art, monuments and other cultural artifacts are not recognized as tangible capital assets because a reasonable estimate of future benefits associated with this property cannot be made.

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

Leases: All leases are recorded on the financial statements as either a capital or operating lease. Any lease that transfers substantially all of the benefits and risk associated with the leased asset is classified as a capital lease and recorded as a tangible capital asset. 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 lease are amortized on a straight line basis, over their estimated useful lives. Any other lease not meeting the before mentioned criteria is classified as an operating lease and rental payments are expensed as incurred.

(l) Landfill Liability:

The municipality of **RURAL MUNICIPALITY OF SARNIA NO. 221** does not maintain a waste disposal site.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

(m) Employee Benefit Plans:

Contributions to the municipality's defined benefit plans are expensed when contributions are due and payable. Under the defined benefit multiemployer plans, the municipality's obligations are limited to their contributions.

(n) 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 revenues and expenses during the period. Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary.

The measurement of stock and supplies inventories are based on estimates of volume and quality.

The "Opening Assets 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.

(o) 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: The General Government segment provides for the administration of the municipality.

Protective Services: The Protective Services segment is comprised of expenses for police and fire protection.

Transportation Services: The Transportation Services segment 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: The Environmental segment provides waste disposal and other environmental services. The Public Health segment provides for items relating to public health services in the municipality.

Planning and Development: The Planning and Development segment provides for neighbourhood development and sustainability.

Recreation and Culture: The Recreation and Culture segment provides for community services through the provision of recreation and leisure services.

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

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

(p) Budget Information:

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on May 12, 2021.

(q) New Accounting 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. The 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 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 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 full extent of the impact on adoption of these future standards is not known at this time.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

2. Cash and Temporary Investments

	2021	2020
Cash	\$ 788,967	\$ 712,735
Temporary investments	1,150,000	850,000
Total Cash and Temporary Investments	\$ 1,938,967	\$ 1,562,735

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

3. Taxes Receivable

	2021	2020
Municipal - Current	\$ 78,519	\$ 59,938
- Arrears	1,443	4,757
	79,962	64,695
- Less Allowance for Uncollectables	-	-
Total Municipal Taxes Receivable	79,962	64,695

School - Current	19,827	15,411
- Arrears	275	675
Total School Taxes Receivable	20,102	16,086

Other	-	(6)
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Total Taxes Receivable	100,064	80,775
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Deduct taxes to be collected on behalf of other organizations	(20,102)	(16,080)
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Total Taxes Receivable - Municipal	\$ 79,962	\$ 64,695
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4. Other Accounts Receivable

	2021	2020
Trade receivables	\$ 6,938	\$ 442
GST receivable	24,599	25,206
Local government	-	10,322
Accrued interest	3,085	8,685
Total Other Accounts Receivable	34,622	44,655

Less Allowance for Uncollectables	-	-
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Net Other Accounts Receivable	\$ 34,622	\$ 44,655
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RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

5. Land for Resale	2021	2020
Tax title property (municipal share)	\$ 2,985	\$ 2,985
Allowance for market value adjustment	(2,985)	(2,985)
Net Tax Title Property	-	-
Total Land for Resale	\$ -	\$ -

6. SARM	2021	2020
SARM liability insurance	\$ 58,944	\$ 55,481
SARM property insurance	15,683	13,985
Total Long-Term Investments	\$ 74,627	\$ 69,466

The long term investments in the Saskatchewan Association of Rural Municipalities - Self Insurance Fund are accounted for on the modified equity basis.

7. Long-Term Investments	2021	2020
Conexus Credit Union	\$ 900	\$ 1,000
Total Long Term Investments	\$ 900	\$ 1,000

8. Credit Arrangements

At December 31, 2021, the municipality had lines of credit totaling \$650,000, none of which were drawn. The line of credit is secured by a general security agreement & annual tax levy.

9. Accounts Payable	2021	2020
Trade payables	\$ 18,343	\$ 5,941
Current portion of gravel purchase agreement	183,851	-
Total Accounts Payable	\$ 202,194	\$ 5,941

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

10. Long-Term Debt

a) The debt limit of the municipality is \$1,220,248. 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(1)).

b) Other long-term debt: Purchase agreement with 102048177 Saskatchewan Ltd. in regards to gravel crushed in 2021. First half of invoice was due January 1, 2022, while second payment is due January 1, 2023 with an interest rate of 3%.

Future principal and interest payments are as follows:

Year	Principal	Interest	Current Total	Prior Year Total
2021				
2022				
2023	\$ 171,429	\$ 5,400	\$ 176,829	
Balance	\$ 171,429	\$ 5,400	\$ 176,829	

11. Contingent Liabilities

The municipality is contingently liable under terms of the Saskatchewan Association of Rural Municipalities Self-Insurance Plan for its proportionate share of claims and future claims in excess of the Plan's reserve fund.

12. Pension Plan

The municipality is an employer member of the Municipal Employee Pension Plan (MEPP), which is a multiemployer 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 of benefits. Employees and employers each make plan contributions of 9% of salary (subject to an annually adjusted maximum pensionable earnings amount). The municipality's pension expense in 2021 was \$28,978 (2020 - \$28,392). The benefits accrued to the municipality's employees from MEPP are calculated using the following: pensionable years of service, highest average salary, and the plan accrual rate.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. Any actuarially determined deficiency is the responsibility of the participating employers and employees, which could affect future contribution rates and/or benefits. Contributions to MEPP are not segregated in separate accounts or restricted to provide benefits to the employees of a particular employer. As a result, individual employers are not able to identify their share of the underlying assets and liabilities, and the net pension assets or liabilities for the plan are not recognized in these financial statements. Rather, the plan is accounted for as a defined contribution plan where the contributions are expensed when made.

The most recent available information reports, in total, plan assets of \$3,221,426,000, plan liabilities, including pension obligations, of \$2,382,526,000, and a resulting surplus of \$838,900,000.

13. Comparative Figures

Prior year comparative figures have been restated to include adjustments to the prior year as noted in schedule 11, and to conform to current year's presentation.

RURAL MUNICIPALITY OF SARNIA NO. 221

Notes to the Financial Statements
For the year ended December 31, 2021

14. Related Parties

The financial statements include transactions with related parties. The municipality is related to key management personnel (council and senior management) and their close family members. Transactions with these related parties are in the normal course of operations and are settled on normal trade terms.

15. Fair Value

The fair value of the financial assets and liabilities approximates their carrying value due to their short term nature. The fair value of the municipality's long term debt approximates the carrying value as the terms and conditions are comparable to current market conditions, or they are due in a relatively short period of time.

16. Interest Rate Risk

The rural municipality is not exposed to significant interest rate risk of its monetary current assets and current liabilities due to their short term maturity. The municipality is exposed to interest rate price risk on its long term debt that has a fixed interest rate. The interest rate and maturity date of the debt is disclosed in Note 10.

17. Credit Risk

The municipality is exposed to credit risk on the accounts receivable. The municipality does not have significant exposure to any individual creditor.

18. COVID-19 Pandemic

The COVID-19 pandemic is complex and rapidly evolving. It has caused material disruption to businesses and has resulted in an economic slowdown. The municipality continues to assess and monitor the impact of COVID-19 on its financial condition. The magnitude and duration of COVID-19 is uncertain and, accordingly, it is difficult to reliably measure the potential future impact on the municipality's financial position and operations.

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Taxes and Other Unconditional Revenue
For the year ended December 31, 2021

Schedule 1

	2021 Budget	2021	2020
TAXES			
General municipal tax levy	\$ 1,301,780	\$ 1,301,754	\$ 1,077,435
Abatements and adjustments	-	-	-
Discount on current year taxes	(50,560)	(61,724)	(50,058)
Net Municipal Taxes	1,251,220	1,240,030	1,027,377
Potash tax share	107,620	107,624	103,624
Trailer license fees	-	-	-
Penalties on tax arrears	3,970	1,845	3,933
Special tax levy	-	-	-
Other -	-	-	-
Total Taxes	1,362,810	1,349,499	1,134,934
UNCONDITIONAL GRANTS			
Revenue Sharing	269,900	269,909	302,710
Organized Hamlet	3,240	3,234	3,253
Other - Safe Restart	-	-	19,209
Total Unconditional Grants	273,140	273,143	325,172
GRANTS IN LIEU OF TAXES			
Federal	-	-	-
Provincial			
S.P.C. Electrical	-	-	-
SaskEnergy Gas	-	-	-
TransGas	410	408	408
Central Services	-	-	-
SaskTel	2,690	2,430	2,686
Other - SARM - Fish and wildlife	4,200	1,830	1,502
Local/Other			
Housing Authority	-	-	-
C.P.R. Mainline	-	-	-
Treaty Land Entitlement	-	-	-
Other -	-	-	-
Other Government Transfers			
S.P.C. Surcharge	-	-	-
SaskEnergy Surcharge	-	-	-
Other -	-	-	-
Total Grants in Lieu of Taxes	7,300	4,668	4,596
TOTAL TAXES AND OTHER UNCONDITIONAL REVENUE	\$ 1,643,250	\$ 1,627,310	\$ 1,464,702

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 90	\$ 611	\$ 94
- Sales of supplies	1,630	2,338	1,613
- Other - Licences and permits and admin charges	34,400	29,351	33,030
Total Fees and Charges	36,120	32,300	34,737
- Tangible capital asset sales - gain (loss)	-	-	-
- Land sales - gain	-	-	-
- Investment income and commissions	31,310	15,991	30,023
- Other - Recovery of allowance	-	798	-
Total Other Segmented Revenue	67,430	49,089	64,760
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	67,430	49,089	64,760
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Can/Sask Municipal Rural Infrastructure	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total General Government Services	\$ 67,430	\$ 49,089	\$ 64,760

PROTECTIVE SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Other -	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Local Government	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Protective Services	\$ -	\$ -	\$ -

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-2

	2021 Budget	2021	2020
TRANSPORTATION SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Custom work	\$ 5,050	\$ 4,525	\$ 5,000
- Sales of supplies	-	-	5,544
- Road maintenance and restoration agreements	1,360	1,704	1,346
- Frontage	-	-	-
- Other - Rentals & SGI rebate	2,500	3,826	2,500
Total Fees and Charges	8,910	10,055	14,390
- Tangible capital asset sales - gain (loss)	-	2,999	15,557
- Other -	-	-	-
Total Other Segmented Revenue	8,910	13,054	29,947
Conditional Grants			
- MREP (CTP)	-	-	-
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	8,910	13,054	29,947
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	28,780	39,236	28,497
- MREP (CTP)	-	-	-
- MREP (Heavy Haul)	-	-	-
- Municipal Economic Enhancement Program	-	-	46,281
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	28,780	39,236	74,778
Total Transportation Services	\$ 37,690	\$ 52,290	\$ 104,725

ENVIRONMENTAL AND PUBLIC HEALTH SERVICES

Operating			
Other Segmented Revenue			
Fees and Charges			
- Waste and disposal fees	\$ 4,950	\$ 4,650	\$ 4,950
- Other - Pest control supplies	1,800	2,220	1,786
Total Fees and Charges	6,750	6,870	6,736
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	6,750	6,870	6,736
Conditional Grants			
- Recycling and Pest Control	3,730	10,193	3,693
- Local Government	-	-	-
- TAPD	-	-	-
- Other -	-	-	-
Total Conditional Grants	3,730	10,193	3,693
Total Operating	10,480	17,063	10,429
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local Government	-	-	-
- TAPD	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Environmental and Public Health Services	\$ 10,480	\$ 17,063	\$ 10,429

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-3

	2021 Budget	2021	2020
PLANNING AND DEVELOPMENT SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Maintenance and development charges	\$ -	\$ -	\$ -
- Other -	-	-	-
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Planning and Development Services	\$ -	\$ -	\$ -

RECREATION AND CULTURAL SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Other - Recreation fees	\$ -	\$ -	\$ -
Total Fees and Charges	-	-	-
- Tangible capital asset sales - gain (loss)	-	-	-
- Other - Insurance proceeds	-	-	-
Total Other Segmented Revenue	-	-	-
Conditional Grants			
- Rink Affordability and Canada Day	-	-	-
- Local Government	-	-	-
- Donations	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	-	-	-
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- Local Government	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other - Community Initiative Fund	-	-	-
Total Capital	-	-	-
Total Recreation and Cultural Services	\$ -	\$ -	\$ -

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Operating and Capital Revenue by Function
For the year ended December 31, 2021

Schedule 2-4

	2021 Budget	2021	2020
UTILITY SERVICES			
Operating			
Other Segmented Revenue			
Fees and Charges			
- Water	\$ 9,760	\$ 11,172	\$ 9,800
- Sewer	-	-	-
- Other -	-	-	-
Total Fees and Charges	9,760	11,172	9,800
- Tangible capital asset sales - gain (loss)	-	-	-
- Other -	-	2,553	-
Total Other Segmented Revenue	9,760	13,725	9,800
Conditional Grants			
- Student Employment	-	-	-
- Other -	-	-	-
Total Conditional Grants	-	-	-
Total Operating	9,760	13,725	9,800
Capital			
Conditional Grants			
- Canada Community-Building Fund (CCBF)	-	-	-
- New Building Canada Fund (SCF, NRP)	-	-	-
- Clean Water and Wastewater Fund	-	-	-
- Provincial Disaster Assistance	-	-	-
- Other -	-	-	-
Total Capital	-	-	-
Total Utility Services	\$ 9,760	\$ 13,725	\$ 9,800

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 125,360	\$ 132,167	\$ 189,714
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SUMMARY

Total Other Segmented Revenue	\$ 92,850	\$ 82,738	\$ 111,243
Total Conditional Grants	3,730	10,193	3,693
Total Capital Grants and Contributions	28,780	39,236	74,778

TOTAL OPERATING AND CAPITAL REVENUE BY FUNCTION	\$ 125,360	\$ 132,167	\$ 189,714
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RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Total Expenses by Function

For the year ended December 31, 2021

Schedule 3-1

	2021 Budget	2021	2020
GENERAL GOVERNMENT SERVICES			
Council remuneration and travel	\$ 25,860	\$ 21,604	\$ 31,469
Wages and benefits	130,310	126,494	122,947
Professional/Contractual services	56,450	54,457	36,176
Utilities	9,020	8,585	8,765
Maintenance, materials, and supplies	11,060	9,470	9,322
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	1,321	1,321
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total General Government Services	\$ 232,700	\$ 221,931	\$ 210,000

PROTECTIVE SERVICES

Police Protection

Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	15,510	15,925	15,509
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	-	-	-
- capital	-	-	-
Other -	-	-	-

Fire Protection

Wages and benefits	-	-	-
Professional/Contractual services	770	423	762
Utilities	-	-	-
Maintenance, materials, and supplies	-	203	-
Grants and contributions - operating	6,000	6,000	6,000
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-

Total Protective Services	\$ 22,280	\$ 22,551	\$ 22,271
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TRANSPORTATION SERVICES

Restated

Wages and benefits	\$ 278,280	\$ 272,947	\$ 261,177
Council remuneration and travel	3,040	2,709	3,008
Professional/Contractual services	289,480	321,120	96,611
Utilities	13,540	12,888	12,833
Maintenance, materials, and supplies	122,850	142,651	219,194
Gravel	194,830	184,513	115,904
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	202,080	199,632	195,654
Interest	5,450	-	5,400
Other -	-	-	-

Total Transportation Services	\$ 1,109,550	\$ 1,136,460	\$ 909,781
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RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Total Expenses by Function

For the year ended December 31, 2021

Schedule 3-2

	2021 Budget	2021	2020
ENVIRONMENTAL AND PUBLIC HEALTH SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	22,230	22,290	21,626
Utilities	-	-	-
Maintenance, materials, and supplies	1,390	4,850	1,379
Grants and contributions - operating	-	-	-
- Waste disposal	-	-	-
- Public health	3,000	2,750	4,450
- capital	-	-	-
- Waste disposal	-	-	-
- Public health	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other -	-	-	-
Total Environmental and Public Health Services	\$ 26,620	\$ 29,890	\$ 27,455

PLANNING AND DEVELOPMENT SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	7,400	7,400	7,250
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	-	-	-
Interest	-	-	-
Other - Agricultural Producers of Saskatchewan Membership	-	12,612	12,612
Total Planning and Development Services	\$ 7,400	\$ 20,012	\$ 19,862

RECREATION AND CULTURAL SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	4,700	4,700	4,700
Utilities	-	-	-
Maintenance, materials, and supplies	-	-	-
Grants and contributions - operating	3,800	3,600	3,800
- capital	-	-	-
Amortization	-	3,750	3,750
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Recreation and Cultural Services	\$ 8,500	\$ 12,050	\$ 12,250

RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Total Expenses by Function
For the year ended December 31, 2021

Schedule 3-3

	2021 Budget	2021	2020
UTILITY SERVICES			
Wages and benefits	\$ -	\$ -	\$ -
Professional/Contractual services	9,660	9,988	9,632
Utilities	7,100	6,227	6,934
Maintenance, materials, and supplies	7,000	12,038	6,927
Grants and contributions - operating	-	-	-
- capital	-	-	-
Amortization	2,340	1,676	1,676
Interest	-	-	-
Allowance for uncollectables	-	-	-
Other -	-	-	-
Total Utility Services	\$ 26,100	\$ 29,929	\$ 25,169
TOTAL EXPENSES BY FUNCTION	\$ 1,433,150	\$ 1,472,823	\$ 1,226,788

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Segment Disclosure by Function
For the year ended December 31, 2021

Schedule 4

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 32,300	\$ -	\$ 10,055	\$ 6,870	\$ -	\$ -	\$ 11,172	\$ 60,397
Tangible Capital Asset Sales - Gain	-	-	2,999	-	-	-	-	2,999
Investment Income and Commissions	15,991	-	-	-	-	-	-	15,991
Other Revenues	798	-	-	-	-	-	2,553	3,351
Grants - Conditional	-	-	-	10,193	-	-	-	10,193
- Capital	-	-	39,236	-	-	-	-	39,236
Total Revenues	49,089	-	52,290	17,063	-	-	13,725	132,167
Expenses (Schedule 3)								
Wages and Benefits	148,098	-	275,656	-	-	-	-	423,754
Professional/ Contractual Services	54,457	16,348	321,120	22,290	7,400	4,700	9,988	436,303
Utilities	8,585	-	12,888	-	-	-	6,227	27,700
Maintenance, Materials, and Supplies	9,470	203	327,164	4,850	-	-	12,038	353,725
Grants and Contributions	-	6,000	-	2,750	-	3,600	-	12,350
Amortization	1,321	-	199,632	-	-	3,750	1,676	206,379
Other	-	-	-	-	12,612	-	-	12,612
Total Expenses	221,931	22,551	1,136,460	29,890	20,012	12,050	29,929	1,472,823
Surplus (Deficit) by Function	\$ (172,842)	\$ (22,551)	\$ (1,084,170)	\$ (12,827)	\$ (20,012)	\$ (12,050)	\$ (16,204)	\$ (1,340,656)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 1,627,310

Net Surplus (Deficit)

\$ 286,654

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Segment Disclosure by Function
For the year ended December 31, 2020

Schedule 5
Restated

	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Utility Services	Total
Revenues (Schedule 2)								
Fees and Charges	\$ 34,737	\$ -	\$ 14,390	\$ 6,736	\$ -	\$ -	\$ 9,800	\$ 65,663
Tangible Capital Asset Sales - Gain	-	-	15,557	-	-	-	-	15,557
Investment Income and Commissions	30,023	-	-	-	-	-	-	30,023
Grants - Conditional	-	-	-	3,693	-	-	-	3,693
- Capital	-	-	74,778	-	-	-	-	74,778
Total Revenues	64,760	-	104,725	10,429	-	-	9,800	189,714
Expenses (Schedule 3)								
Wages and Benefits	154,416	-	264,185	-	-	-	-	418,601
Professional/Contractual Services	36,176	16,271	96,611	21,626	7,250	4,700	9,632	192,266
Utilities	8,765	-	12,833	-	-	-	6,934	28,532
Maintenance, Materials, and Supplies	9,322	-	335,098	1,379	-	-	6,927	352,726
Grants and Contributions	-	6,000	-	4,450	-	3,800	-	14,250
Amortization	1,321	-	195,654	-	-	3,750	1,676	202,401
Interest	-	-	5,400	-	-	-	-	5,400
Other	-	-	-	-	12,612	-	-	12,612
Total Expenses	210,000	22,271	909,781	27,455	19,862	12,250	25,169	1,226,788
Surplus (Deficit) by Function	\$ (145,240)	\$ (22,271)	\$ (805,056)	\$ (17,026)	\$ (19,862)	\$ (12,250)	\$ (15,369)	\$ (1,037,074)

Taxation and Other Unconditional Revenue (Schedule 1)

\$ 1,464,702

Net Surplus (Deficit)

\$ 427,628

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Tangible Capital Assets by Object
For the year ended December 31, 2021

Schedule 6

	2021						2020		
	General Assets					Infrastructure Assets	General / Infrastructure Assets Under Construction	Total	Total
	Land	Land Improvements	Buildings	Vehicles	Machinery & Equipment	Linear Assets			
Asset Cost									
Opening Asset Costs	\$ 4,996	\$ -	\$ 250,628	\$ 89,250	\$ 1,524,130	\$ 3,688,333	\$ 347,589	\$ 5,904,926	\$ 5,573,182
Additions during the year	-	-	-	-	79,081	158,714	-	237,795	408,558
Disposals and write downs during the year	-	-	-	-	(7,518)	-	-	(7,518)	(76,813)
Transfers (from) assets under construction	-	-	-	-	-	347,589	(347,589)	-	-
Closing Asset Costs	\$ 4,996	\$ -	\$ 250,628	\$ 89,250	\$ 1,595,693	\$ 4,194,636	\$ -	\$ 6,135,203	\$ 5,904,927
Accumulated Amortization									
Opening Accum. Amort. Cost	\$ -	\$ -	\$ 199,843	\$ 35,699	\$ 377,031	\$ 1,784,408	\$ -	\$ 2,396,981	\$ 2,271,387
Add: Amortization taken	-	-	5,071	8,925	80,108	112,275	-	206,379	202,401
Less: Accum. Amort. on Disposals	-	-	-	-	(7,517)	-	-	(7,517)	(76,807)
Closing Accumulated Amort.	\$ -	\$ -	\$ 204,914	\$ 44,624	\$ 449,622	\$ 1,896,683	\$ -	\$ 2,595,843	\$ 2,396,981
Net Book Value	\$ 4,996	\$ -	\$ 45,714	\$ 44,626	\$ 1,146,071	\$ 2,297,953	\$ -	\$ 3,539,360	\$ 3,507,946

1. Total contributed/donated assets received in 2021: \$ -
2. List of assets recognized at nominal value in 2021 are:
 - Infrastructure assets \$ -
 - Vehicles \$ -
 - Machinery and Equipment \$ -
3. Amount of interest capitalized in 2021: \$ -

RURAL MUNICIPALITY OF SARNIA NO. 221
Schedule of Tangible Capital Assets by Function
For the year ended December 31, 2021

Schedule 7

	2021							Total	2020
	General Government	Protective Services	Transportation Services	Environmental & Public Health	Planning & Development	Recreation & Culture	Water & Sewer		
Asset Cost									
Opening Asset Costs	\$ 96,848	\$ -	\$ 5,588,662	\$ 996	\$ -	\$ 150,000	\$ 68,420	\$ 5,904,926	\$ 5,573,182
Additions during the year	-	-	237,795	-	-	-	-	237,795	408,558
Disposals and write-downs during the year	-	-	(7,518)	-	-	-	-	(7,518)	(76,813)
Closing Asset Costs	\$ 96,848	\$ -	\$ 5,818,939	\$ 996	\$ -	\$ 150,000	\$ 68,420	\$ 6,135,203	\$ 5,904,927
Accumulated Amortization									
Opening Accum. Amort. Costs	\$ 45,816	\$ -	\$ 2,184,218	\$ -	\$ -	\$ 146,249	\$ 20,698	\$ 2,396,981	\$ 2,271,387
Add: Amortization taken	1,321	-	199,632	-	-	3,750	1,676	206,379	202,401
Less: Accum. Amort. on Disposals	-	-	(7,517)	-	-	-	-	(7,517)	(76,807)
Closing Accumulated Amortization	\$ 47,137	\$ -	\$ 2,376,333	\$ -	\$ -	\$ 149,999	\$ 22,374	\$ 2,595,843	\$ 2,396,981
Net Book Value	\$ 49,711	\$ -	\$ 3,442,606	\$ 996	\$ -	\$ 1	\$ 46,046	\$ 3,539,360	\$ 3,507,946

RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Accumulated Surplus
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
UNAPPROPRIATED SURPLUS	\$ 1,631,608	\$ 244,101	\$ 1,875,709
APPROPRIATED RESERVES			
Machinery and Equipment	93,000	-	93,000
Economic Development	30,000	-	30,000
Other	-	-	-
Total Appropriated	123,000	-	123,000
ORGANIZED HAMLETS			
Hamlet of Sarnia Beach	157,123	11,139	168,262
Total Organized Hamlets	157,123	11,139	168,262
NET INVESTMENT IN TANGIBLE CAPITAL ASSETS			
Tangible Capital Assets (Schedule 6, 7)	3,507,946	31,414	3,539,360
Less: Related debt	-	-	-
Net Investment in Tangible Capital Assets	3,507,946	31,414	3,539,360
OTHER	-	-	-
Total Accumulated Surplus	\$ 5,419,677	\$ 286,654	\$ 5,706,331

RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Mill Rates and Assessments

For the year ended December 31, 2021

Schedule 9

	PROPERTY CLASS						Total
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial	Potash Mine(s)	
Taxable Assessment	\$ 129,922,070	\$ 4,262,100	\$ -	\$ 9,752,080	\$ 703,035	\$ -	\$ 144,639,285
Regional Park Assessment							-
Total Assessment							144,639,285
Mill Rate Factor(s)	1.000	1.000	-	1.000	1.000		
Total Minimum Tax	-	-	-	-	-		-
Total Municipal Tax Levy	\$ 1,169,299	\$ 38,359	\$ -	\$ 87,769	\$ 6,327		\$ 1,301,754

MILL RATES:

MILLS

Average Municipal*	9.000
Average School*	1.687
Potash Mill Rate	-
Uniform Municipal Mill Rate	9.000

* 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).

RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Council Remuneration
For the year ended December 31, 2021

Schedule 10

Name	Remuneration	Reimbursed Costs	Total
Carl Erlandson	\$ 6,150	\$ 1,133	\$ 7,283
Aaron Bachman	2,500	121	2,621
Chris Woodhouse	1,400	110	1,510
Geoffrey Fahlman	3,700	927	4,627
Gregory Tait	1,600	114	1,714
John Thorson	3,300	99	3,399
Ryan Mengel	2,100	206	2,306
Total	\$ 20,750	\$ 2,710	\$ 23,460

RURAL MUNICIPALITY OF SARNIA NO. 221

Schedule of Financial Statement Adjustments
For the year ended December 31, 2021

Schedule 11

The municipality has restated its financial statements to conform to the guidelines set out in the Public Sector Accounting Board's 2120 Accounting Changes guideline. This guideline requires municipalities to restate prior year balances when errors exist that are so material to the financial statements of the prior periods can no longer be considered to be fairly presented.

Effect of Changes on 2020 Statement of Financial Position

2020 Accumulated Surplus / Deficit as previously reported	\$	5,372,988
Add: Increase to value of gravel inventory		46,689
Restated 2020 Accumulated Surplus / Deficit	\$	5,419,677

Effect of Changes to 2020 Statement of Operations

Previously reported Surplus (Deficit) of Revenues over Expenses	\$	380,939
Add:		
Decrease in gravel expense		46,689
Restated Surplus (Deficit) of Revenues over Expenses	\$	427,628