

**Town of Sturgis**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**Year Ended December 31, 2021**

**Town of Sturgis**  
Sturgis, Saskatchewan  
December 31, 2021

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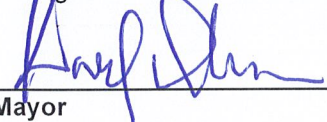
### **Management's Responsibility**


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, 2021 and the consolidated Statements of Operations, Change 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 possible 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, 2021, 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  
April 21, 2022

**Town of Sturgis**  
Sturgis, Saskatchewan  
Consolidated Statement of Financial Position as at December 31, 2021

Statement 1

	2021	2020 (Note 13)
<b>Assets</b>		
<b>Financial Assets</b>		
Cash and temporary investments - note 2	779,346	588,294
Taxes receivable - municipal - note 3	48,891	78,773
Other accounts receivable - note 4	48,673	38,094
Land for resale - note 5	16,016	22,555
Long-term investments - note 6	511,209	507,125
<b>Total Financial Assets</b>	<u>1,404,135</u>	<u>1,234,841</u>
<b>Liabilities</b>		
Accounts payable	88,022	1,111
Accrued liabilities	42,022	44,848
Utility deposits	9,440	9,640
Deferred revenue - note 8	306,258	236,362
Long-term debt - note 9	800,089	885,814
<b>Total Liabilities</b>	<u>1,245,831</u>	<u>1,177,775</u>
<b>Net Financial Assets</b>	<u>158,304</u>	<u>57,066</u>
<b>Non-Financial Assets</b>		
Tangible capital assets - schedules 6 and 7	2,895,463	2,797,564
Prepayments and deferred charges	39,981	31,707
Stock and supplies	20,000	20,000
<b>Total Non-Financial Assets</b>	<u>2,955,444</u>	<u>2,849,271</u>
<b>Accumulated Surplus - schedule 8</b>	<u>\$ 3,113,748</u>	<u>\$ 2,906,337</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, 2021

Statement 2

	<b>2021 Budget (Note 1(s))</b>	<b>2021 Actual</b>	<b>2020 Actual (Note 13)</b>
<b>Revenues</b>			
Taxes and other unconditional revenue			
- schedule 1	783,370	754,249	795,958
Fees and charges - schedules 4 and 5	532,620	319,061	303,670
Conditional grants - schedules 4 and 5	13,200	71,268	59,278
Tangible capital asset sales - gain (loss)			
- schedules 4 and 5		15,575	3,700
Land sales - gain (loss) - schedules 4 and 5		( 4,727)	( 1,760)
Investment income and commissions			
- schedules 4 and 5	2,400	5,005	2,063
<b>Total Revenue</b>	<u>1,331,590</u>	<u>1,160,431</u>	<u>1,162,909</u>
<b>Expenses - schedule 3</b>			
General government services	234,700	227,187	184,486
Protective services	74,000	68,280	62,786
Transportation services	253,770	209,824	261,720
Environmental and public health services	76,370	73,734	62,162
Planning and development services	3,000	3,316	1,677
Recreation and cultural services	199,450	185,112	212,562
Utilities services	336,360	185,567	230,663
<b>Total Expenses</b>	<u>1,177,650</u>	<u>953,020</u>	<u>1,016,056</u>
<b>Surplus of Revenues over Expenses before Other Capital Contributions</b>	153,940	207,411	146,853
Provincial/Federal Capital Grants and Contributions - schedules 4 and 5	<u>79,590</u>	<u>0</u>	<u>0</u>
<b>Surplus of Revenue over Expenses</b>	233,530	207,411	146,853
<b>Accumulated Surplus, Beginning of Year</b>	<u>2,906,337</u>	<u>2,906,337</u>	<u>2,759,484</u>
<b>Accumulated Surplus, End of Year</b>	<u>\$ 3,139,867</u>	<u>\$ 3,113,748</u>	<u>\$ 2,906,337</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, 2021

Statement 3

	<b>2021 Budget (Note 1(s))</b>	<b>2021 Actual</b>	<b>2020 Actual (Note 13)</b>
<b>Surplus</b>	<u>233,530</u>	<u>207,411</u>	<u>146,853</u>
(Acquisition) of tangible capital assets		( 334,464)	
Amortization of tangible capital assets		128,480	141,541
Proceeds on disposal of tangible capital assets		123,660	3,700
Loss (gain) on the disposal of tangible capital assets		<u>( 15,575)</u>	<u>( 3,700)</u>
<b>Surplus (Deficit) of Capital Expenses over Expenditures</b>	<u>0</u>	<u>( 97,899)</u>	<u>141,541</u>
(Acquisition) of prepaid expense	<u>0</u>	<u>( 8,274)</u>	<u>( 2,074)</u>
<b>Surplus (Deficit) of Expenses of Other Non-Financial over Expenditures</b>	<u>0</u>	<u>( 8,274)</u>	<u>( 2,074)</u>
<b>Increase in Net Financial Assets</b>	233,530	101,238	286,320
Net Financial Assets, beginning of year	<u>57,066</u>	<u>57,066</u>	<u>( 229,254)</u>
<b>Net Financial Assets, End of Year</b>	<u>\$ 290,596</u>	<u>\$ 158,304</u>	<u>\$ 57,066</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, 2021

Statement 4

	2021	2020 (Note 13)
<b>Cash Provided by (used for) the Following Activities</b>		
<b>Operating:</b>		
<b>Surplus</b>	207,411	146,853
Amortization	128,480	141,541
Loss (gain) on disposal of tangible capital assets	<u>( 15,575)</u>	<u>( 3,700)</u>
	320,316	284,694
<b>Change in Assets/Liabilities</b>		
Taxes receivable - municipal	29,883	20,610
Other receivables	<u>( 10,578)</u>	12,299
Land for resale	6,540	<u>( 4,283)</u>
Accrued liabilities payable	<u>( 2,826)</u>	<u>( 453)</u>
Accounts payable	86,909	<u>( 696)</u>
Utility deposits	<u>( 200)</u>	410
Deferred revenue	69,896	120,594
Prepayments and deferred charges	<u>( 8,274)</u>	<u>( 2,074)</u>
<b>Cash Provided by Operating Transactions</b>	<u>491,666</u>	<u>431,101</u>
<b>Capital:</b>		
Acquisition of capital assets	<u>( 334,464)</u>	
Proceeds from the disposal of capital assets	123,660	3,700
<b>Cash Applied to Capital Transactions</b>	<u>( 210,804)</u>	<u>3,700</u>
<b>Investing:</b>		
Additions to long-term investments	<u>( 4,084)</u>	<u>( 500,069)</u>
<b>Financing:</b>		
Long-term debt repaid	<u>( 85,726)</u>	<u>( 94,571)</u>
<b>Change in Cash and Temporary Investments During the Year</b>	191,052	<u>( 159,839)</u>
Cash and temporary investments, beginning of year	<u>588,294</u>	<u>748,133</u>
<b>Cash and Temporary Investments, End of Year</b>	<u>\$ 779,346</u>	<u>\$ 588,294</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, 2021

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**1. Significant Accounting Policies**

The consolidated 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:

**(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 Station House Museum	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.

**(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.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

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**1. Significant Accounting Policies - continued**

(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 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 Association of Urban Municipalities Self-Insurance Fund are accounted for on the 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 or net realizable value. Cost is determined by the first in first out method. Net realizable value is the estimated selling price in the ordinary course of business.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

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**1. Significant Accounting Policies - continued**

**(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. 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. Tangible capital assets that are recognized at a nominal value are disclosed in schedule 6. The municipality's tangible capital asset useful lives are estimated as follows:

General Assets	
Land	Indefinite
Land improvements	40 years
Buildings	40 years
Vehicles	10 years
Machinery and equipment	5-20 years
Infrastructure Assets	
Paving, sidewalks and roadways	40 years
Water and sewer	25-40 years

**(l) 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.

**(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 consolidated financial statement 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 capital leases and recorded as tangible capital assets. 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.

**(o) 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.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

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**1. Significant Accounting Policies - continued**

**(p) 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.

**(q) Measurement uncertainty**

The preparation of consolidated 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 consolidated financial statements, and the reported amounts of revenue and expenditures 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 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, 2021

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**1. Significant Accounting Policies - continued**

**(r) 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.

**(s) Budget information**

Budget information is presented on a basis consistent with that used for actual results. The budget was approved by Council on April 15, 2021.

**(t) Liability for contaminated sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) An environmental standard exists;
- (ii) Contamination exceeds the environmental standard;
- (iii) The municipality:
  - a) Is directly responsible; or
  - b) Accepts responsibility;
- (iv) It is expected that future economic benefits will be given up; and
- (v) A reasonable estimate of the amount can be made.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

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**1. Significant Accounting Policies - continued**

**(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.

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.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

	<b>2021</b>	<b>2020</b>
<b>2. Cash and Temporary Investments</b>		
Cash	<u>\$ 779,346</u>	<u>\$ 588,294</u>
Cash and temporary investments include balances with banks, term deposits, marketable securities and short-term investments with maturities of three months or less.		
<b>3. Taxes and Grants In Lieu Receivable</b>		
Municipal - current	34,859	34,979
Municipal - arrears	<u>27,602</u>	<u>52,160</u>
	62,461	87,139
Less: Allowance for uncollectibles	<u>13,570</u>	<u>8,366</u>
Total municipal taxes receivable	<u>48,891</u>	<u>78,773</u>
School - current	5,142	4,250
School - arrears	<u>3,782</u>	<u>6,976</u>
Total school taxes receivable	<u>8,924</u>	<u>11,226</u>
Total taxes and grants in lieu receivable	57,815	89,999
Less: Taxes receivable to be collected on behalf of other organizations	<u>8,924</u>	<u>11,226</u>
<b>Municipal and Grants In Lieu Taxes Receivable</b>	<u><b>\$ 48,891</b></u>	<u><b>\$ 78,773</b></u>
<b>4. Other Accounts Receivable</b>		
Federal government	5,167	8,138
Provincial government	7,715	7,131
Local government	1,191	1,314
Utility	33,772	21,511
Trade	<u>828</u>	<u></u>
<b>Net Other Accounts Receivable</b>	<u><b>\$ 48,673</b></u>	<u><b>\$ 38,094</b></u>
<b>5. Land for Resale</b>		
Tax title property	42,554	49,093
Less: Allowance for market value adjustment	<u>33,745</u>	<u>33,745</u>
Net tax title property	<u>8,809</u>	<u>15,348</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>	<u><b>\$ 16,016</b></u>	<u><b>\$ 22,555</b></u>



**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

	2021	2020
<b>6. Long-Term Investments</b>		
Term investments	503,997	500,000
Equity in co-operatives	<u>7,212</u>	<u>7,125</u>
	<u>\$ 511,209</u>	<u>\$ 507,125</u>

**7. Bank Indebtedness**

Credit arrangements:

At December 31, 2021, the municipality had lines of credit totaling 50,000, none of which were drawn.

**8. Deferred Revenue**

	Balance, Beginning of Year	Plus Amount Received	Less Amount Recognized	Balance, End of Year
Canada Community Building Fund	172,712	78,471		251,183
Municipal Economic Enhancement	58,000		58,000	
Other	50	2,025		2,075
Sturgis Station House Museum	<u>5,600</u>	<u>47,400</u>		<u>53,000</u>
	<u>\$ 236,362</u>	<u>\$ 127,896</u>	<u>\$ 58,000</u>	<u>\$ 306,258</u>

**9. Long-Term Debt**

(a) The debt limit of the municipality for 2022 is \$856,390. 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	2021 Total	2020 Total
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	113,318
2025	83,838	29,480	113,318	113,318
2026	88,156	25,162	113,318	113,318
Thereafter	<u>400,423</u>	<u>52,848</u>	<u>453,271</u>	<u>152,954</u>
	<u>\$ 800,089</u>	<u>\$ 219,772</u>	<u>\$ 1,019,861</u>	<u>\$ 719,544</u>

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

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**10. Employee Benefit Plans**

The municipality participates in a contributory defined benefit pension plan for all 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 consolidated financial statements. The benefit expense reflected in the consolidated 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>2021</b>	<b>2020</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	\$ 21,757	\$ 20,550
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As per the most recently audited consolidated financial statements dated December 31, 2020, the plan surplus is \$838,900,000.

**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. Related Parties**

The consolidated financial statements include transactions with related parties. The municipality is related to the Sturgis Station House Museum under the common control of the council.

**Town of Sturgis**  
Notes to Consolidated Financial Statements  
For the year ended December 31, 2021

**13. Comparative Figures**

The comparative financial statements have been restated to recognize unrecorded inventory and to consolidate the Sturgis Station House Museum. As a result, the comparative statement of operations for the year ending December 31, 2020 has been restated as follows:

Balance of accumulated surplus, beginning of year, as previously stated	2,698,277
Adjustment to beginning balance	<u>61,204</u>

Balance of accumulated surplus, beginning of year, as restated	<u>\$ 2,759,481</u>
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Line Item	As Restated	As Previously Stated	Difference
<b>Revenues</b>			
Fees and Charges	303,670	280,433	23,237
<b>Expenses</b>			
Recreation and Cultural Services	212,562	194,860	17,702
Environment and Public Health	62,162	62,184	<u>( 22)</u>
			<u>17,680</u>
Adjustment to surplus (deficit) of revenue over expenses			5,557
Balance of accumulated surplus, end of year as previously stated			2,839,576
Effect of adjustment to beginning balance			<u>61,204</u>
Balance of accumulated surplus, end of year, as restated			<u>\$ 2,906,337</u>

The comparative statement of financial position as at December 31, 2020 has been restated as follows:

Line Item	As Restated	As Previously Stated	Difference
Cash and temporary investments	\$ 588,294	\$ 532,426	\$ 55,868
Long term investments	507,125	510,631	( 3,506)
Deferred revenue	236,362	230,762	5,600
Stock and supplies	20,000		20,000

**14. 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, 2021

Schedule 1

	<b>2021 Budget (Note 1(s))</b>	<b>2021 Actual</b>	<b>2020 Actual (Note 13)</b>
<b>Taxes</b>			
General municipal tax levy	580,450	567,100	558,397
Abatements and adjustments	( 4,000)	( 12,798)	( 11,650)
Discount on current year taxes	( 20,000)	( 22,320)	( 20,302)
Net municipal taxes	<u>556,450</u>	<u>531,982</u>	<u>526,445</u>
Trailer license fees	480	307	317
Penalties on tax arrears	16,490	16,486	21,089
Other	<u>1,700</u>	<u>342</u>	<u>1,728</u>
<b>Total Taxes</b>	<u>575,120</u>	<u>549,117</u>	<u>549,579</u>
<b>Unconditional Grants</b>			
Equalization (revenue sharing)	146,500	146,507	147,823
Safe Restart			<u>38,417</u>
<b>Total Unconditional Grants</b>	<u>146,500</u>	<u>146,507</u>	<u>186,240</u>
<b>Grants In Lieu of Taxes</b>			
Federal	1,400	1,357	1,415
Provincial			
Sask. Energy Gas	17,000	15,012	15,299
SaskTel	12,350	3,940	4,109
Local/Other			
Housing authority		7,386	8,242
Other Government Transfers			
S.P.C. surcharge	<u>31,000</u>	<u>30,930</u>	<u>31,074</u>
<b>Total Grants In Lieu of Taxes</b>	<u>61,750</u>	<u>58,625</u>	<u>60,139</u>
<b>Total Taxes and Other Unconditional Revenue</b>	<u>\$ 783,370</u>	<u>\$ 754,249</u>	<u>\$ 795,958</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, 2021**

	<b>2021 Budget (Note 1(s))</b>	<b>2021 Actual</b>	<b>2020 Actual (Note 13)</b>
<b>General Government Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Rentals	31,320	31,720	26,745
General office services	5,500	5,582	7,460
Licenses and permits	1,150	1,845	1,429
Total Fees and Charges	<u>37,970</u>	<u>39,147</u>	<u>35,634</u>
Land sales - gain (loss)		( 4,727)	( 1,760)
Investment income and commissions	2,400	5,005	2,063
Total Other Segmented Revenue	<u>40,370</u>	<u>39,425</u>	<u>35,937</u>
<b>Total General Government Services</b>	<b><u>\$ 40,370</u></b>	<b><u>\$ 39,425</u></b>	<b><u>\$ 35,937</u></b>
<b>Protective Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Policing and fire fees	500	792	661
Total Other Segmented Revenue	<u>500</u>	<u>792</u>	<u>661</u>
<b>Total Protective Services</b>	<b><u>\$ 500</u></b>	<b><u>\$ 792</u></b>	<b><u>\$ 661</u></b>

*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, 2021

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual (Note 13)
<b>Transportation Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Custom work	2,750	3,055	3,400
Gain (loss) on sale of tangible capital assets	<u>15,575</u>	<u>15,575</u>	<u>3,700</u>
Total Other Segmented Revenue	<u>2,750</u>	<u>18,630</u>	<u>7,100</u>
Conditional Grants			
Municipal Economic Enhancement	<u>0</u>	<u>50,000</u>	<u>34,561</u>
Total Conditional Grants	<u>0</u>	<u>50,000</u>	<u>34,561</u>
<b>Total Transportation Services</b>	<u>\$ 2,750</u>	<u>\$ 68,630</u>	<u>\$ 41,661</u>
<b>Environmental and Public Health Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Waste disposal fees	<u>3,500</u>	<u>1,280</u>	<u>3,483</u>
Total Other Segmented Revenue	<u>3,500</u>	<u>1,280</u>	<u>3,483</u>
Conditional Grants			
Donations	6,000	7,196	1,327
Local	<u>900</u>	<u>1,246</u>	<u>918</u>
Total Conditional Grants	<u>6,900</u>	<u>8,442</u>	<u>2,245</u>
<b>Total Environmental and Public Health Services</b>	<u>\$ 10,400</u>	<u>\$ 9,722</u>	<u>\$ 5,728</u>

# Town of Sturgis

## Consolidated Schedule of Operating and Capital Revenue by Function    Schedule 2-3 For the year ended December 31, 2021

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual (Note 13)
<b>Recreation and Cultural Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Rentals	2,000	4,386	2,470
Revenue		<u>34,724</u>	<u>23,237</u>
Total Fees and Charges	<u>2,000</u>	<u>39,110</u>	<u>25,707</u>
Total Other Segmented Revenue	<u>2,000</u>	<u>39,110</u>	<u>25,707</u>
Conditional Grants			
Municipal Economic Enhancement		8,000	
Donations	5,000	3,635	12,238
Student employment			8,920
Local	1,300	1,191	1,314
Total Conditional Grants	<u>6,300</u>	<u>12,826</u>	<u>22,472</u>
<b>Total Recreation and Cultural Services</b>	<u>\$ 8,300</u>	<u>\$ 51,936</u>	<u>\$ 48,179</u>
<b>Utility Services</b>			
<b>Operating</b>			
Other Segmented Revenue			
Fees and charges			
Water	392,900	142,580	142,001
Sewer	90,000	89,883	89,628
Other utilities	3,000	3,214	3,156
Total Fees and Charges	<u>485,900</u>	<u>235,677</u>	<u>234,785</u>
Total Other Segmented Revenue	<u>485,900</u>	<u>235,677</u>	<u>234,785</u>
<b>Total Operating</b>	<u>485,900</u>	<u>235,677</u>	<u>234,785</u>
<b>Capital</b>			
Conditional Grants			
Canada Community Building Fund	<u>79,590</u>	<u>0</u>	<u>0</u>
<b>Total Capital</b>	<u>79,590</u>	<u>0</u>	<u>0</u>
<b>Total Utility Services</b>	<u>\$ 565,490</u>	<u>\$ 235,677</u>	<u>\$ 234,785</u>
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 627,810</u>	<u>\$ 406,182</u>	<u>\$ 366,951</u>
<b>Summary</b>			
Total Other Segmented Revenue	535,020	334,914	307,673
Total Conditional Grants	13,200	71,268	59,278
Total Capital Grants and Contributions	<u>79,590</u>		
<b>Total Operating and Capital Revenue by Function</b>	<u>\$ 627,810</u>	<u>\$ 406,182</u>	<u>\$ 366,951</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, 2021

Schedule 3-1

	2021 Budget (Note 1(s))	2021 Actual	2020 Actual (Note 13)
<b>General Government Services</b>			
Council remuneration and travel	28,670	27,922	23,654
Wages and benefits	89,600	88,677	80,805
Contractual services - assessment	10,460	10,457	9,742
Contractual services - other	44,370	31,252	25,578
Utilities	18,100	16,723	16,772
Maintenance, materials and supplies	25,000	26,482	13,049
Grants and contributions - operating	2,000	1,950	1,350
Amortization	8,400	8,448	8,448
Insurance	6,500	8,164	6,295
Allowance for uncollectibles		5,204	( 5,078)
Other	1,600	1,908	3,871
<b>Total General Government Services</b>	<u>\$ 234,700</u>	<u>\$ 227,187</u>	<u>\$ 184,486</u>
<b>Protective Services</b>			
Police protection			
Contractual services	52,500	51,487	50,141
Grants and contributions - operating	6,000	1,979	
Fire protection			
Contractual services	12,000	12,463	9,393
Utilities	2,500	2,203	2,245
Other	1,000	148	1,007
<b>Total Protective Services</b>	<u>\$ 74,000</u>	<u>\$ 68,280</u>	<u>\$ 62,786</u>
<b>Transportation Services</b>			
Wages and benefits	98,990	94,669	94,675
Contractual services - maintenance	31,200	13,617	58,260
Utilities	26,800	24,330	26,271
Gravel	2,500	4,452	2,183
Machinery costs/fuel/blades	27,750	18,045	20,961
Amortization	47,530	37,386	47,366
Interest	1,000	195	1,251
Other materials and supplies	18,000	17,130	10,753
<b>Total Transportation Services</b>	<u>\$ 253,770</u>	<u>\$ 209,824</u>	<u>\$ 261,720</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, 2021

Schedule 3-2

	<b>2021 Budget (Note 1(s))</b>	<b>2021 Actual</b>	<b>2020 Actual (Note 13)</b>
<b>Environmental and Public Health Services</b>			
Wages and benefits	34,630	32,599	33,262
Contractual services	6,840	5,987	4,970
Utilities	7,700	4,051	1,126
Maintenance, materials and supplies	1,000	1,292	841
Grants and contributions - waste disposal	12,500	12,236	11,592
Amortization	10,200	10,195	10,195
Other	3,500	7,374	176
	<u>34,630</u>	<u>73,734</u>	<u>62,162</u>
<b>Total Environmental and Public Health Services</b>	<b>\$ 76,370</b>	<b>\$ 73,734</b>	<b>\$ 62,162</b>
<b>Planning and Development Services</b>			
Contractual services	\$ 3,000	\$ 3,316	\$ 1,677
	<u>3,000</u>	<u>3,316</u>	<u>1,677</u>
<b>Recreation and Cultural Services</b>			
Wages and benefits	8,500	6,620	9,951
Contractual services	37,000	49,258	55,375
Utilities	15,000	14,787	15,804
Maintenance, materials and supplies	20,050	13,020	15,927
Grants and contributions - operating	14,160	8,662	16,162
Amortization	60,000	50,854	53,935
Interest	44,740	41,911	45,408
	<u>199,450</u>	<u>185,112</u>	<u>212,562</u>
<b>Total Recreation and Cultural Services</b>	<b>\$ 199,450</b>	<b>\$ 185,112</b>	<b>\$ 212,562</b>
<b>Utility Services</b>			
Wages and benefits	109,760	107,409	102,932
Contractual services	136,800	14,352	32,702
Utilities	24,000	16,938	23,983
Maintenance, materials and supplies	44,100	25,271	49,449
Amortization	21,700	21,597	21,597
	<u>336,360</u>	<u>185,567</u>	<u>230,663</u>
<b>Total Utility Services</b>	<b>\$ 336,360</b>	<b>\$ 185,567</b>	<b>\$ 230,663</b>
<b>Total Expenses by Function</b>	<b>\$ 1,177,650</b>	<b>\$ 953,020</b>	<b>\$ 1,016,056</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, 2021

Schedule 4

	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Utilities Services	Total
<b>Revenues</b> - schedule 2								
Fees and charges	39,147	792	3,055	1,280		39,110	235,677	319,061
Tangible capital asset sales - gain			15,575					15,575
Land sales - gain (loss)	( 4,727)							( 4,727)
Investment income and commissions	5,005							5,005
Grants - conditional			50,000	8,442		12,826		71,268
Total Revenues	<u>39,425</u>	<u>792</u>	<u>68,630</u>	<u>9,722</u>	<u>0</u>	<u>51,936</u>	<u>235,677</u>	<u>406,182</u>
<b>Expenses</b> - schedule 3								
Wages and benefits	88,677		94,669	32,599		6,620	107,409	329,974
Professional/contractual services	69,631	63,950	13,617	5,987	3,316	49,258	14,352	220,111
Utilities	16,723	2,203	24,330	4,051		14,787	16,938	79,032
Maintenance materials and supplies	26,482		4,452	1,292		13,020	25,271	70,517
Machinery costs/fuel/blades			18,045					18,045
Grants and contributions	1,950	1,979		12,236		8,662		24,827
Amortization	8,448		37,386	10,195		50,854	21,597	128,480
Insurance	8,164							8,164
Interest			195			41,911		42,106
Allowance for uncollectibles	5,204							5,204
Other	1,908	148	17,130	7,374				26,560
Total Expenses	<u>227,187</u>	<u>68,280</u>	<u>209,824</u>	<u>73,734</u>	<u>3,316</u>	<u>185,112</u>	<u>185,567</u>	<u>953,020</u>
<b>Surplus (Deficit) by Function</b>	<u>\$ ( 187,762)</u>	<u>\$ ( 67,488)</u>	<u>\$ ( 141,194)</u>	<u>\$ ( 64,012)</u>	<u>\$ ( 3,316)</u>	<u>\$ ( 133,176)</u>	<u>\$ 50,110</u>	<u>( 546,838)</u>
Taxation and other unconditional revenue - schedule 1								<u>754,249</u>
<b>Net Surplus</b>								<u>\$ 207,411</u>

*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 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	35,634	661	3,400	3,483		25,707	234,785	303,670
Tangible capital asset sales - gain			3,700					3,700
Land sales - gain (loss)	( 1,760)							( 1,760)
Investment income and commissions	2,063							2,063
Grants - conditional			34,561	2,245		22,472		59,278
<b>Total Revenues</b>	<u>35,937</u>	<u>661</u>	<u>41,661</u>	<u>5,728</u>	<u>0</u>	<u>48,179</u>	<u>234,785</u>	<u>366,951</u>
<b>Expenses</b> - schedule 3								
Wages and benefits	80,805		94,675	33,262		9,951	102,932	321,625
Professional/contractual services	58,974	59,534	58,260	4,970	1,677	55,375	32,702	271,492
Utilities	16,772	2,245	26,271	1,126		15,804	23,983	86,201
Maintenance materials and supplies	13,049		2,183	841		15,927	49,449	81,449
Machinery costs/fuel/blades			20,961					20,961
Grants and contributions	1,350			11,592		16,162		29,104
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>	<u>184,486</u>	<u>62,786</u>	<u>261,720</u>	<u>62,162</u>	<u>1,677</u>	<u>212,562</u>	<u>230,663</u>	<u>1,016,056</u>
<b>Surplus (Deficit) by Function</b>	<u>\$ ( 148,549)</u>	<u>\$ ( 62,125)</u>	<u>\$ ( 220,059)</u>	<u>\$ ( 56,434)</u>	<u>\$ ( 1,677)</u>	<u>\$ ( 164,383)</u>	<u>\$ 4,122</u>	<u>( 649,105)</u>
Taxation and other unconditional revenue - schedule 1								795,958
<b>Net Surplus</b>								<u>\$ 146,853</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 Object  
For the year ended December 31, 2021

Schedule 6

	2021							2020	
	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	82,085	565,045	1,456,770	0	5,355,140	5,365,875
Additions during the year			1		273,426		61,037	334,464	
Disposals and write-down during the year					( 160,694)			( 160,694)	( 10,735)
Closing Asset Costs	<u>7,518</u>	<u>1</u>	<u>3,243,722</u>	<u>82,085</u>	<u>677,777</u>	<u>1,456,770</u>	<u>61,037</u>	<u>5,528,910</u>	<u>5,355,140</u>
Accumulated Amortization Cost									
Opening Accumulated Amortization Costs		1	1,440,193	61,914	238,365	817,103		2,557,576	2,426,770
Add: Amortization taken			65,627	5,857	23,051	33,945		128,480	141,541
Less: Accumulated amortization on disposals					52,609			52,609	10,735
Closing Accumulated Amortization Costs	<u>0</u>	<u>1</u>	<u>1,505,820</u>	<u>67,771</u>	<u>208,807</u>	<u>851,048</u>	<u>0</u>	<u>2,633,447</u>	<u>2,557,576</u>
Net Book Value	<u>\$ 7,518</u>	<u>\$ 0</u>	<u>\$ 1,737,902</u>	<u>\$ 14,314</u>	<u>\$ 468,970</u>	<u>\$ 605,722</u>	<u>\$ 61,037</u>	<u>\$ 2,895,463</u>	<u>\$ 2,797,564</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, 2021

Schedule 7

	2021							2020
	General Government	Protective Services	Transport. Services	Environ. & Public Health	Planning & Develop.	Rec. & Culture	Water & Sewer	Total
Asset Cost								
Opening Asset Cost	352,312	15,309	1,488,925	318,074	0	2,386,168	794,352	5,355,140
Additions during the year	1		273,426			61,037		334,464
Disposals and write-down during the year			( 160,694)					( 160,694)
Closing Asset Costs	<u>352,313</u>	<u>15,309</u>	<u>1,601,657</u>	<u>318,074</u>	<u>0</u>	<u>2,447,205</u>	<u>794,352</u>	<u>5,528,910</u>
Accumulated Amortization Cost								
Opening Accumulated Amortization Costs	206,909	15,269	601,980	163,775		870,464	699,179	2,557,576
Add: Amortization taken	8,448		37,386	10,195		50,854	21,597	128,480
Less: Accumulated amortization on disposals			52,609					52,609
Closing Accumulated Amortization Costs	<u>215,357</u>	<u>15,269</u>	<u>586,757</u>	<u>173,970</u>	<u>0</u>	<u>921,318</u>	<u>720,776</u>	<u>2,633,447</u>
Net Book Value	<u>\$ 136,956</u>	<u>\$ 40</u>	<u>\$ 1,014,900</u>	<u>\$ 144,104</u>	<u>\$ 0</u>	<u>\$ 1,525,887</u>	<u>\$ 73,576</u>	<u>\$ 2,895,463</u>

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**Town of Sturgis**  
Consolidated Schedule of Accumulated Surplus  
For the year ended December 31, 2021

Schedule 8

	2020	Changes	2021
<b>Unappropriated Surplus</b>	<u>( 60,485)</u>	<u>( 169,123)</u>	<u>( 229,608)</u>
<b>Appropriated Surplus</b>			
Utility			
Utility	<u>576,906</u>	<u>79,590</u>	<u>656,496</u>
Other			
Dedicated lands	100		100
Community hall debenture payment	386,043	113,320	499,363
Cemetery perpetual care	287,187		287,187
Future capital expenditures	( 55,164)		( 55,164)
General operating	<u>( 140,000)</u>		<u>( 140,000)</u>
	<u>478,166</u>	<u>113,320</u>	<u>591,486</u>
<b>Total Appropriated</b>	<u>1,055,072</u>	<u>192,910</u>	<u>1,247,982</u>
<b>Net Investments in Tangible Capital Assets</b>			
Tangible capital assets - schedule 6	2,797,564	97,899	2,895,463
Less: Related debt	<u>885,814</u>	<u>( 85,725)</u>	<u>800,089</u>
<b>Net Investment in Tangible Capital Assets</b>	<u>1,911,750</u>	<u>183,624</u>	<u>2,095,374</u>
<b>Total Accumulated Surplus</b>	<u>\$ 2,906,337</u>	<u>\$ 207,411</u>	<u>\$ 3,113,748</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, 2021

Schedule 9

	Property Class					Total	
	Agriculture	Residential	Residential Condominium	Seasonal Residential	Commercial & Industrial		Potash Mine(s)
Taxable Assessment	73,565	22,959,840			1,794,350		24,827,755
Regional Park Assessment							
Total Assessment							24,827,755
Mill Rate Factor(s)	1	1			1.5000		
Total Base/Minimum Tax (generated for each property class)	2,225	321,650			37,425		361,300
Total Municipal Tax Levy (include base and/or minimum tax and special levies)	2,814	505,329			58,957		567,100
<b>Mill Rates:</b>	<b>Mills</b>						
Average Municipal*	22.8414						
Average School*	4.6200						
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, 2021

Schedule 10

<b>Name</b>	<b>Remuneration</b>	<b>Reimbursed Costs</b>	<b>Total</b>
Don Olson	6,000		6,000
Dale Bashforth	4,036		4,036
Jennifer Bayer	4,107		4,107
Randy Sommerville	3,600		3,600
Perry Keller	3,600		3,600
Aileen Lubiniecki	4,636		4,636
Daniel Waslenchuk	4,200		4,200
	<u>30,179</u>	<u>0</u>	<u>30,179</u>
	<u>\$ 30,179</u>	<u>\$ 0</u>	<u>\$ 30,179</u>