

1.0 Call to Order

2.0 APPROVAL OF AGENDA

3.0 APPROVAL OF MINUTES –

A. June 10th 2025 & June 30th 2025

4.0 Public Submissions:

A.

5.0 BUSINESS ARISING

A. Financial Statements

B. MEMP

6.0 Development Matters

A. NA

7.0 New Business

A.

8.0 Committee Reports

A. Councillor Reports

9.0 CAO

A. CAO Action List

B. CAO Agreement

C. CAO Replacement

10.0 Response to Delegations

A.

11.0 Additional Items

A.

12.0 Correspondence

NEXT MEETING August 6th 2025

ADJOURNMENT

3.0 A Meeting Minutes

Recommendation:

That Council approve the minutes from the June 10th 2025 Meeting Minutes.

Background:

Council Meeting Minutes are attached for review.

MINUTES
SUMMER VILLAGE OF SUNSET POINT
REGULAR MEETING OF COUNCIL
June 10th 2025 @ 5:15pm.

IN ATTENDANCE

Mayor Gwen Jones
Deputy Mayor Riley Ekins
Councillor Keir Packer
Matthew Ferris CAO

1.0 CALL TO ORDER

Mayor Jones called the meeting to order at 5:25pm

2.0 Approval of

APPENDIX

MOVED by Mayor Jones that the June 10th 2025 Agenda be approved as amended.

2025-98

Carried

3.0A APPROVAL OF Minutes amended.

MOVED by Deputy Mayor Ekins that Council approves the April 2nd April 13th and May 22nd Council Meeting Minutes as

#2025-99

Carried

4.0A Public Submission -

Carried

5.0A

Deferred

5.0B Tax Appeals

Moved by Mayor Jones that Council accepts the discussion for information.
Res. #2025-100 Carried

MINUTES
SUMMER VILLAGE OF SUNSET POINT
REGULAR MEETING OF COUNCIL
June 10th 2025 @ 5:15pm.

5.0C CAO Replacement

Moved by Deputy Mayor Ekins that Council accepts the report on additional staffing for information and further that Mike Primeau be registered as an authorized user on Village Bank Accounts and be assigned a credit card..

Res. #2025-101

Carried

5.0D Municipal Borrowing Bylaw

Moved by Mayor Jones that Council first reading to the Municipal Borrowing Bylaw 2025-6 first reading as presented.

Res. #2025-102

Carried

Moved by Mayor Jones that Council gives second reading to Municipal Borrowing Bylaw 2025-6 as presented.

Res. #2025-103

Carried

Moved by Mayor Jones that Council gives Municipal Borrowing Bylaw 2025-6 unanimous consent.

Res. #2025-104

Carried

Moved by Mayor Jones that Council gives Municipal Borrowing Bylaw 2025-6 third and final reading as presented.

Res. #2025-105

Carried

5.0E Auditor

Moved by Mayor Jones that Council accepts for information.

Res. #2025-106

Carried

MINUTES
SUMMER VILLAGE OF SUNSET POINT
REGULAR MEETING OF COUNCIL
June 10th 2025 @ 5:15pm.

6.0 Development Matters**NA****8.0 Committee Reports****A. Council Reports**

2025-107 MOVED by Deputy Mayor Ekins that Council accept the Committee Reports for information.

CARRIED

9.0 CAO REPORTS**A. Reconciliation, Disbursements and Action List**

2025-108 MOVED by Deputy Mayor Ekins that Council accept the report for information.

CARRIED

B. CAO Agreement

2025-109 MOVED by Mayor Jones that Council move into Closed Session at 9:17 p.m. pursuant to Section 17 of the Freedom of Information and Protection of Privacy Act (FOIP), to discuss staffing matters.

CARRIED

2025-110 MOVED by Mayor Jones that Council return to Open Session at 9:34p.m.

CARRIED

2025-111 MOVED by Deputy Mayor Ekins that the Village amends the CAO contract as discussed.

CARRIED

10.0 Response to Delegates na**11.0 Additional Items**

MINUTES
SUMMER VILLAGE OF SUNSET POINT
REGULAR MEETING OF COUNCIL
June 10th 2025 @ 5:15pm.

12.0 Correspondence

2025-112

Being that the agenda matters had been concluded the meeting was adjourned at 9:36 PM by Mayor Jones.

CARRIED

These minutes were approved this July 2nd 2025

Mayor Jones

Matthew Ferris CAO

MINUTES
SUMMER VILLAGE OF SUNSET POINT
Special MEETING OF COUNCIL
June 30th 2025 @ 7:00pm.

IN ATTENDANCE

Mayor Gwen Jones
Deputy Mayor Riley Ekins
Councillor Keir Packer
Matthew Ferris CAO

1.0 CALL TO ORDER

Mayor Jones called the meeting to order at 7:11pm

2.0 Approval of

APPENDIX

MOVED by Councillor Packer that the June 30th 2025 Agenda be approved as presented.

2025-113

Carried

At 7:12pm Mayor Jones assigns the Chair to Deputy Mayor Ekins and recuses herself as a result of Item 3.0 Election Irregularities due to the conflict of her actively running in the 2025 municipal election.

3.0A

Moved by Deputy Mayor Ekins that Council enters into closed session at 7:13pm Regarding Item 3.0 in accordance with FOIP Section 27.

Res. #2025-114

Carried

Present in Closed session Deputy Mayor Ekins, Councillor Packer, CAO Ferris, Legal Counsel Ward.

Moved by Deputy Mayor Ekins that Council directs the CAO to retain legal counsel to bring a court application to determine eligibility of candidates for the upcoming municipal election with funding of up to \$15,000.00 to come from reserves.

Res. #2025-115

Carried

Moved by Councillor Packer that Council requests Administration to send a letter to the Minister of Municipal Affairs requesting the 2025 Municipal Election for Sunset point be delayed until the results of the eligibility application are completed.

Res. #2025-116

Carried

MINUTES
SUMMER VILLAGE OF SUNSET POINT
Special MEETING OF COUNCIL
June 30th 2025 @ 7:00pm.

Deputy Mayor Ekins recesses the meeting to allow Mayor Jones to return to the meeting.
Mayor Jones reassumed Chair at 8:03pm

Res. #2025-117 Being that the agenda matters had been concluded the meeting was adjourned at 8:04 PM by Mayor Jones.

CARRIED

These minutes were approved this July 3rd 2025

Mayor Jones

Matthew Ferris CAO

4.0 A Public Submissions

5.0 A Financial Statements

RECOMMENDATION:

That the 2024 Draft Financial Statements be adopted as presented

Background .

Attached are the Financial Statements



METRIX GROUP LLP
CHARTERED PROFESSIONAL
ACCOUNTANTS

Summer Village of Sunset Point

Audit Findings Report

For the year ended December 31, 2024

June 30, 2025



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This Audit Findings Report should not be used for any other purpose or by anyone other than the SUMMER VILLAGE or Council. Metrix shall have no responsibility or liability for loss, damages, or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, any third party or for any other purpose.

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Executive Summary

Purpose of this report

We are pleased to provide you with our audit findings report for Summer Village of Sunset Point (the “Summer Village”) for the year-ended December 31, 2024.

The purpose of this report is to:

1. Communicate clearly with Council members (“Council”) what our responsibilities are in relation to the financial statement audit.
2. Provide an overview of the audit findings.
3. Obtain from Council information relevant to the audit.
4. Promote effective two-way communication between Council and the auditor.

Finalizing the audit

As of June 30, 2025, we have substantially completed the audit of the Summer Village’s financial statements with the exception of:

- Receiving two (2) outstanding expense samples from management and completing the remainder of our audit testing procedures.
- Completing our subsequent event procedures.
- Obtaining the signed management representation letter.
- Completing our required communication to Council
- Obtaining evidence of Council’s approval of the financial statements.

We will update Council on significant matters, if any, arising from the completion of the audit, including the completion of the procedures above.

Independence

At the core of the provision of external audit services is the concept of independence. Canadian generally accepted auditing standards require us to communicate to the Board, at least annually, all relationships between our Firm and the Corporation that, in our professional judgement, may reasonably be thought to bear on our independence. Please refer to **Appendix 1** for our confirmation of independence.

Responsibilities

It is important for Council to understand the responsibilities that rest with the Summer Village and its management and those that belong to the auditor in relation to the financial statement audit.

Our responsibilities

Our audit of the Summer Village's financial statements will be performed in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements present fairly in all material respects, the financial position, the results of operations and cash flows of the Summer Village in accordance with Canadian public sector accounting standards.

Accordingly, we planned and performed our audit to provide reasonable, but not absolute, assurance of detecting fraud and errors that have a material effect on the financial statements taken as a whole, including illegal acts whose consequences have a material effect on the financial statements.

The audit included consideration of internal control relevant to the preparation of the financial statements 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 internal control.

Canadian generally accepted auditing standards does not require the auditor to design procedures for the purpose of identifying supplementary matters to communicate to Summer Village. Accordingly, our audit would not necessarily identify all such matters that may be of interest to the Council and management, and it is inappropriate to conclude that no such matters exist.

Responsibilities of management and those charged with governance

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

Management's representations are integral to the audit evidence we will gather. Prior to the release of our report, we will require management's representations in writing to support the content of our auditors' report.

Those charged with governance, Council, is responsible for overseeing the Summer Village's financial reporting process.

Clear, two-way communication between the auditor and those charged with governance is an integral part of every audit. After reviewing this report, please advise us whether there are additional areas of concern to the Board that should be brought to our attention.

Materiality

Materiality in an audit is used as a guide for planning the nature and extend of audit procedures and for assessing the sufficiency of audit evidence gathered. It is also used in evaluating the misstatements found and determining the appropriate audit opinion to express.

Misstatements, individually or the aggregate, are considered to be material if, in the light of surrounding circumstances, it is probable that the decision of a person who is relying on the financial statements, and who has reasonable knowledge of business and economic activities, would be changed or influenced by such misstatements or the aggregate of all misstatements. The materiality decision is based on our professional judgement taking into consideration quantitative and qualitative factors.

The auditors' determination of materiality is a matter of professional judgement and is affected by the auditors' perception of the financial information needs of users of the financial statements. In planning our audit, we have concluded that a materiality level of 3% of total expenses (\$24,000) is appropriate. However, we anticipate that management will record any adjustments that we propose that are of a non-trivial nature.

Responding to Fraud Risks

Area of Focus	Audit risk, our response, and findings
Management override of control	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Management is in a unique position to perpetuate financial statement fraud through the manipulation of accounting records. Under Canadian Auditing Standards, there is a presumed fraud risk related to management's ability to override internal controls. This risk is not rebuttable. <p><i>Our response</i></p> <ul style="list-style-type: none"> - Using data analytics, we have identified journal entries that exhibit characteristics which may be indicative of possible control override. We have assessed the business rationale of the transactions taking into consideration estimates applied, application of accounting policies, evidence of potential management bias. <p>No significant findings have been identified.</p>
Fraudulent revenue recognition	<p><i>Risk</i></p> <ul style="list-style-type: none"> - The risk of fraudulent revenue recognition is a presumed fraud risk under Canadian Auditing Standards. This is a rebuttable risk. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have rebutted the risk of fraudulent revenue recognition given the Summer Village's main revenue sources are taxes, fees for service and grants, are not subject to significant judgement, and that the Summer Village has no profit-driven incentives or performance targets for management.

Audit Findings

Area of focus	Audit risk, our response and findings
Net municipal property taxes	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Property assessments or the tax rates applied are not appropriate. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have obtained third-party evidence substantiating the assessment value and re-calculated tax revenues using the approved mill rates. - We have recalculated the amount of over / under levies. <p>No significant findings have been identified. We have proposed audit adjustments which have been accepted by management.</p>
Government transfers and deferred revenue	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Inappropriate revenue recognition on government transfers and other amounts that are subject to external restrictions. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have confirmed significant government transfers and reviewed source documentations and grant agreements. - We have re-calculated the amounts recognized to revenue. <p>No significant findings have been identified. We have proposed audit adjustments which have been accepted by management. See Other Observations section for further comments.</p>

Audit Findings (continued)

Area of Focus	Audit risk, our response, and findings
Operating expenses (Materials, goods, contracted and general services; repairs and maintenance; utilities; insurance; and Transfers to other organizations)	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Expenses have been incorrectly classified. - Expenses have not been recorded in the correct fiscal year. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have obtained understanding of the processes and controls in place regarding procurement and payment. - We have agreed significant expenses, along with a random sample of non-significant expenses to supporting documentation. - We have performed a search for unrecorded liabilities. <p>No significant findings have been identified. We have proposed audit adjustments which have been accepted by management. See Other Observations section for further comments.</p>
Salaries, wages and benefits	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Fraudulent (“ghost”) employees have been created. - Disclosure requirements have not been met for salaries and benefits. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have obtained understanding over the processes and controls in place over payroll. - We have performed substantive analytical procedures over salaries, wages and benefits. - We have reviewed management’s financial statements to ensure appropriate disclosure. <p>No significant findings have been identified.</p>

Audit Findings (continued)

Area of Focus	Audit risk, our response, and findings
Tangible capital assets (“TCA”)	<p><i>Risk</i></p> <ul style="list-style-type: none"> - TCA has been expensed rather than capitalized or have been recorded incorrectly. - Expenditures that are not capital in nature have been capitalized. - TCA valuation is complex due to risks of impairment and application of accounting estimates in terms of the useful lives of the TCA items. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have performed substantive tests of details over additions, disposals, and contributed assets. - We have tested the completeness of tangible capital assets by reviewing individually significant repair and maintenance expenses. - We have inquired with management regarding any indicators of impairment; and where required, we have performed an impairment assessment. - We have re-calculated the gain / loss on the disposal of TCA. - We have re-calculated amortization expense using the Summer Village’s TCA policy. <p>No significant findings have been identified. We have proposed audit adjustments which have been accepted by management. See Other Observations section for further comments.</p>

Audit Findings (continued)

Significant findings

Our objective is to communicate appropriately to the Council any deficiencies in internal control that we have identified during the audit and that, in our professional judgement, are of sufficient importance to merit being reported to those charged with governance. The audit findings contained in this report did not have a material effect on the Summer Village's financial statements, and as such, our audit report is without reservation with respect to these matters.

Our audit procedures were performed to form an opinion on the financial statements and, although they might bring possible fraudulent or illegal activities to our attention, our audit procedures were not designed to detect fraudulent or illegal activities.

Significant Deficiencies in Internal Controls

Our audit procedures did not reveal any significant deficiencies in internal controls.

Significant Qualitative Aspects of Accounting Practices

Management is responsible for determining the significant accounting policies. The choice of different accounting policy alternatives can have a significant effect on the financial position and results of the Summer Village. The application of those policies often involved significant estimates and judgements by management.

We are of the opinion that the significant accounting policies, estimates and judgements, and financial disclosures made by management do not materially misstate the financial statements taken as a whole.

Significant Difficulties Encountered During the Audit

We encountered no significant difficulties during our audit that should be brought to the attention of the Council. However, similar to prior years, the audit completion and reporting to Council has been delayed as a result of management not responding to audit requests and communications on a timely basis.

Management Representations

Management's representations are integral to the audit evidence we will gather. Prior to the release of our report, we will require management's representations in writing to support the content of our report.

Misstatements

CORRECTED MISSTATEMENTS

Corrected Misstatements for 2024 FY					
Debit / (Credit)					
Description	Assets	Liabilities	Surplus	Accumulated Surplus	
To accrue additional invoice for 2024	\$ -	\$ (13,744)	\$ 13,744	\$ -	
To accrue consulting and audit fees for 2024	\$ -	\$ (14,000)	\$ 14,000	\$ -	
Total	\$ -	\$ (27,744)	\$ 27,744	\$ -	

UNCORRECTED MISSTATEMENTS

There were no uncorrected misstatements for the year ended December 31, 2024.

Appendix 1: Required Communications

We have been engaged to audit the financial statement of the Summer Village for the year ended December 31, 2024.

We believe that it is important that we communicate at least annually with you regarding all relationships between the Summer Village and our firm that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the Chartered Professional Accountants of Alberta and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client.
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Summer Village and ourselves that, in our professional judgement, may reasonably be thought to bear on our independence.

Appendix 2: New and Revised Accounting Standards

Standard	Summary	Effective Date
PS 1000 Financial statement concepts	This Section describes the concepts underlying the development and use of accounting principles in government financial statements. Such financial statements are designed to meet the common information needs of external users of financial information about a government.	Fiscal years beginning on or after April 1, 2026. Earlier adoption is permitted.
The Conceptual Framework for Financial Reporting in the Public Sector	The PSAB's Conceptual Framework for Financial Reporting in the Public Sector replaces the conceptual aspects of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives	The Conceptual Framework applies to fiscal years beginning on or after April 1, 2026. Earlier adoption is permitted. This Conceptual Framework is to be applied prospectively.

Appendix 3: Asset Retirement Obligations Update

In August 2018, the Public Sector Accounting Board issued the new PS 3280 Asset Retirement Obligations accounting standard. This accounting standard requires a liability be recognized for legally-enforceable asset retirement obligations. This standard comes into effect for fiscal years on or after April 1, 2022. For municipalities, this will apply for the year-ended December 31, 2023, unless early adoption is elected.

An asset retirement obligation (“ARO”) is defined as a legal obligation associated with the retirement of a tangible capital asset. Costs that are associated with asset retirement activities may include, but is not limited to:

- Decommissioning a tangible capital asset (“TCA”) that has been acquired, constructed or developed.
- Remediation of contamination of a TCA created by its normal use.
- Post retirement activities such as monitoring costs.
- Constructing other TCA to perform post-retirement activities.

In preparation for the coming standard, we had recommended that municipalities adopt the following steps.



We would have expected that most municipalities will have completed or are nearing completion in identifying the various assets / properties / sites that may have an asset retirement obligation.

What's Next? RECOGNIZE the Liability

Once an asset has been identified, you will need to determine what type of liability to recognize.

Under PS 3280, an asset retirement obligation should be recognized when **ALL** of the following criteria are met:

- There is a **legal obligation** to incur retirement costs in relation to a tangible capital asset;
- A **past transaction or event¹** giving rise to the liability has occurred;
- It is expected that **future economic benefits** will be given up; and
- A reasonable estimate of the amount can be made.

In addition to the requirements under PS 3280, there is an existing accounting standard, *PS 3260 – Liabilities for contaminated sites*, that continues to remain in effect. Under PS 3260, a liability exists when **ALL** of the following criteria are met:

- An **environmental standard exists**;
- A **contamination exceeds** the environmental standard;
- The government is:
 - o Directly responsible; or
 - o Accepts responsibility;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate can be made.

The type of liability to recognize (and the accounting standard to apply) can be assessed through three factors:

- Origin of the liability
- Nature of the responsibility
- Contamination

¹ If there is any uncertainty regarding the existence of an ARO, *PS 3300 – Contingent liabilities*, would provide additional guidance on how to account for the liability.

Origin of the Liability

A liability under PS 3280 can be incurred from:

- The acquisition, construction or development of a tangible capital asset;
- Normal use of a tangible capital asset; or
- Changes in circumstance.

Obligations from acquisition, construction or development of a tangible capital assets are evident. There will be a clear requirement based on the nature of the underlying asset or an existing regulatory requirement.

Examples:

- An X-Ray machine purchased also includes a prescribed manner in which to retire the machine. In such instance, an ARO would exist upon the acquisition of the X-Ray machine.
- A municipality may purchase a building that was constructed prior to the 1970s containing asbestos. Existing regulations dictate how asbestos is to be remediate. While the public sector entity may not have any plans to dispose of the building, an obligation to remediate exists and is incurred upon the acquisition of the building.

Normal use of a tangible capital asset may result in an ARO when placed into use or may be incrementally incurred with continued use. These types of obligations will be predictable, likely to occur and will be unavoidable as a result of operations.

Examples:

- A landfill site will have an obligation to remediate upon closure. This obligation exists as soon as the landfill site is put into use.
- Similarly, a landfill site may have additional post-closure monitoring costs as a result of new types of waste that is accepted over the life of the landfill site.

Changes in circumstances during the life of a tangible capital asset may give rise to a past transaction or event.

Examples:

- Change in regulation that prescribes how materials are to be handled / disposed of.

Nature of Responsibility

The public sector entity has a clear duty or responsibility to another party. This may arise from:

- Agreements or contracts;
- Government legislation (its' own or another government); or
- A promise conveyed to a third party that imposes a reasonable expectation of performance under the doctrine of promissory estoppel.

Where an ARO is established by an agreement, contract, or legislation, the obligation to incur costs to retire the tangible capital asset is **legally enforceable** and compliance is mandatory. Breaches may be enforced by prosecution, fines, jail and similar penalties, order or loss of permit.

A promise to a third party may also create a legally enforceable obligation under the doctrine of promissory estoppel. In such circumstances, facts and circumstances need to be considered carefully in determining whether that promise has imposed a legal obligation upon the promisor under the doctrine of promissory estoppel.

Contamination

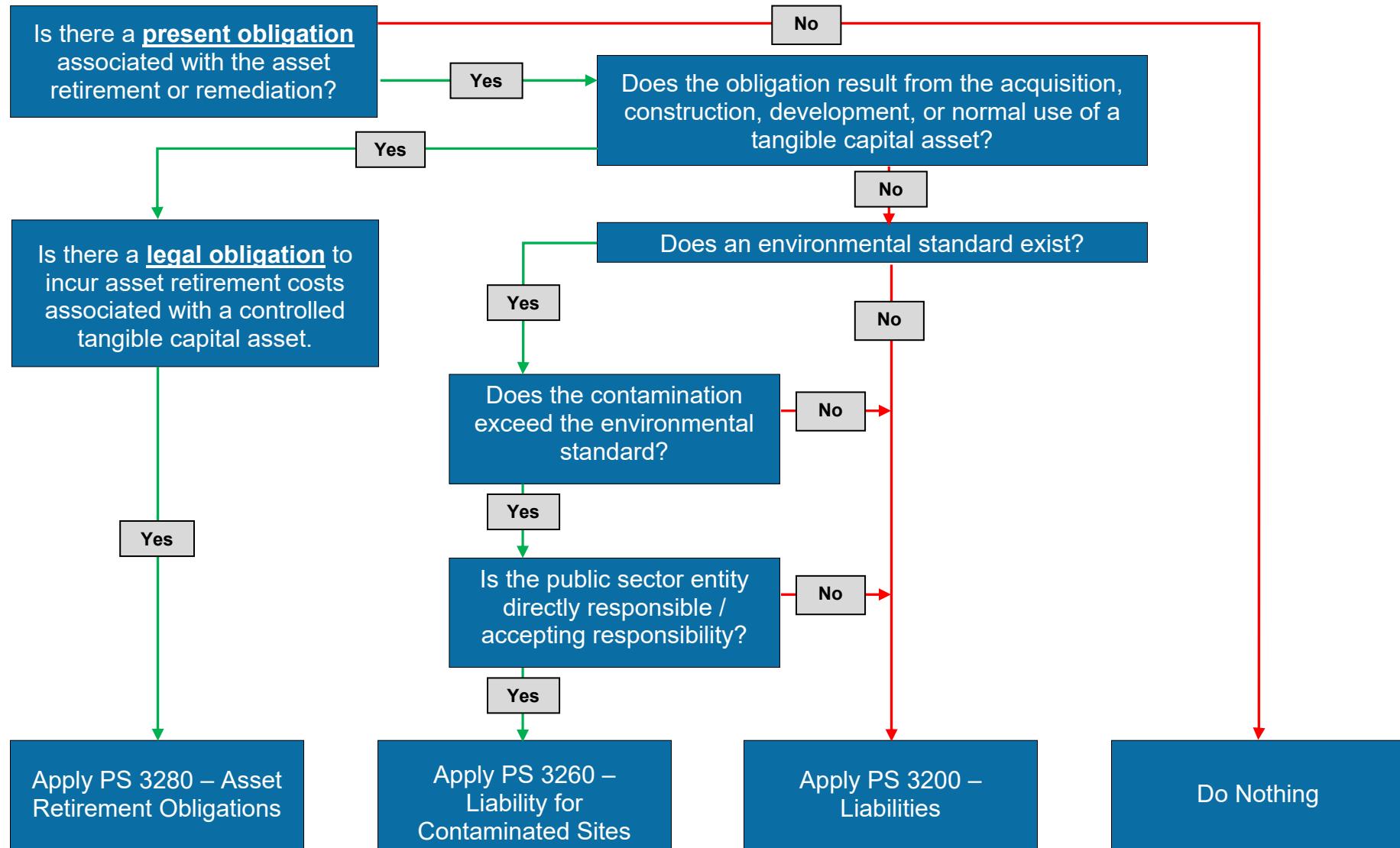
Under PS 3280, no contamination is necessary for an obligation to exist. An obligation may exist regardless of the existence of any environmental standard.

Summary Table

	PS 3280 – ARO	PS 3260 – Contaminated Sites
Origin of liability	The liability may result from acquisition, construction, development or normal use of tangible capital assets or changes in circumstance.	The liability is a result of a contamination, generally due to improper use of tangible capital assets or an unexpected event. Contaminated sites are typically a result of an <i>unexpected event</i> .
Nature of responsibility	A <u>legal obligation</u> must exist.	The public sector entity may have a liability result from: <ul style="list-style-type: none"> - <u>Direct responsibility</u> (due to past activities or an existing legal obligation); or - By <u>accepting responsibility</u> (commitment or past actions). Accepted responsibility must result in a reasonable expectation of performance under the doctrine of promissory estoppel.
Contamination	A contamination is <u>NOT</u> required for the liability to exists.	There must be an <u>environmental standard</u> and there must be a contamination that <u>exceeds</u> the environmental standard.

We have included a decision tree for how to evaluate which standard to apply.

Decision Tree



Source: CPA Handbook PS 3280 Appendix A

**SUMMER VILLAGE OF SUNSET POINT
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024**

DRAFT FOR DISCUSSION PURPOSES

INDEPENDENT AUDITORS' REPORT

To the Mayor and Members of Council of the Summer Village of Sunset Point

Qualified Opinion

We have audited the accompanying financial statements of the Summer Village of Sunset Point (the Summer Village), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the financial statements present fairly, in all material respects, the financial position of the Summer Village as at December 31, 2024, and the results of its operations and, changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Qualified Opinion

Management did not adopt PS3280 *Asset Retirement Obligations* in the current year, which constitutes a departure from the requirements of Canadian public sector accounting standards. As a result of management not able to complete their assessment of what, if any, implications there would be from the adoption of this accounting standard, we were not able to determine if any adjustments were required to the Summer Village's tangible capital assets, expenses, accumulated surplus, and asset retirement obligations. Our audit opinion on the financial statements for the year ended December 31, 2024 was modified accordingly because of this departure from Canadian public sector accounting standards and scope limitation.

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 Summer Village 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 those 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 these 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 Summer Village'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 Summer Village or to cease operations, or has no realistic alternative but to do so.

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

(continues)

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 it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian 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 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 Summer Village's internal control.
- Evaluate the appropriateness of accounting policies 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 Summer Village'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 Summer Village 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.

Chartered Professional Accountants

Edmonton, Alberta

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

Administration is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgemental is required.

In discharging its responsibility for the integrity and fairness of the financial statements, Administration designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The elected Mayor and Council of the Summer Village of Sunset Point are composed entirely of individuals who are neither administration nor employees of the Summer Village. The Mayor and Council have the responsibility of meeting with Administration and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the Summer Village's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Mayor and Council and Administration to discuss their audit findings.

Matthew Ferris, Chief Administrative Officer

Summer Village of Sunset Point, Alberta

**SUMMER VILLAGE OF SUNSET POINT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
FINANCIAL ASSETS		
Cash (Note 2)	\$ 335,855	\$ 538,515
Receivables		
Taxes receivable (Note 3)	561,758	422,428
Government transfers receivable (Note 4)	79,967	154,686
Goods and services tax receivable	52,516	20,458
Trade and other receivables	<u>1,842</u>	<u>3,502</u>
	<u>1,031,938</u>	<u>1,139,589</u>
LIABILITIES		
Accounts payable and accrued liabilities	169,633	194,013
Deferred revenue (Note 5)	<u>154,825</u>	<u>374,146</u>
	<u>324,458</u>	<u>568,159</u>
NET FINANCIAL ASSETS	<u>707,480</u>	<u>571,430</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 6)	1,493,175	1,259,074
Prepaid expenses	<u>3,632</u>	<u>-</u>
	<u>1,496,807</u>	<u>1,259,074</u>
ACCUMULATED SURPLUS (Note 8)	<u>\$ 2,204,287</u>	<u>\$ 1,830,504</u>
CONTINGENCIES (Note 10)		

SUMMER VILLAGE OF SUNSET POINT
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u> (Budget)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
REVENUES			
Net municipal property taxes (Schedule 3)	\$ 653,545	\$ 559,733	\$ 503,546
User fees and sales of goods	-	94,200	85,900
Government transfers for operating (Schedule 4)	103,722	44,054	130,740
Franchise	19,000	24,410	21,024
Penalties and costs on taxes	14,000	157,634	113,617
Rentals	3,400	3,600	10,800
Interest income	-	19,428	23,168
Other	<u>8,500</u>	<u>3,085</u>	<u>8,469</u>
	<u>802,167</u>	<u>906,144</u>	<u>897,264</u>
EXPENSES			
Council and legislative	29,200	19,241	24,327
Administration	194,893	177,253	176,987
Fire protection and safety services	94,063	100,729	80,825
Roads, streets, walks, and lighting	80,388	189,421	224,354
Waste management and recycle	38,600	41,486	32,302
Water and sewer	243,518	237,768	222,124
Parks and recreation	<u>71,602</u>	<u>72,982</u>	<u>64,382</u>
	<u>752,264</u>	<u>838,880</u>	<u>825,301</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER INCOME			
	<u>49,903</u>	<u>67,264</u>	<u>71,963</u>
OTHER INCOME			
Government transfers for capital (Schedule 4)	<u>62,938</u>	<u>306,519</u>	<u>42,534</u>
	<u>62,938</u>	<u>306,519</u>	<u>42,534</u>
EXCESS OF REVENUE OVER EXPENSES			
	<u>112,841</u>	<u>373,783</u>	<u>114,497</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR			
	<u>639,423</u>	<u>1,830,504</u>	<u>1,716,007</u>
ACCUMULATED SURPLUS, END OF YEAR			
	<u>\$ 752,264</u>	<u>\$ 2,204,287</u>	<u>\$ 1,830,504</u>

SUMMER VILLAGE OF SUNSET POINT
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

	<u>2024</u> (Budget)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 112,841</u>	<u>\$ 373,783</u>	<u>\$ 114,497</u>
Acquisition of tangible capital assets	-	(306,518)	(14,843)
Amortization of tangible capital assets	-	72,417	62,005
Net change in prepaid expenses	<u>—</u>	(3,632)	600
INCREASE IN NET FINANCIAL ASSETS	<u>112,841</u>	136,050	162,259
NET FINANCIAL ASSET, BEGINNING OF YEAR	<u>571,430</u>	571,430	409,171
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 684,271</u>	\$ 707,480	<u>\$ 571,430</u>

DRAFT FOR DISCUSSION PURPOSES

**SUMMER VILLAGE OF SUNSET POINT
STATEMENT OF CHANGES IN CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2024**

	<u>2024</u>	<u>2023</u>
OPERATING ACTIVITIES		
Excess of revenue over expenses	\$ 373,783	\$ 114,497
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	72,417	62,005
Change in non-cash working capital balances:		
Taxes receivable	(139,330)	(109,694)
Government transfers receivable	74,719	(95,622)
Goods and services taxes receivable	(32,058)	(516)
Trade and other receivables	1,660	(2,103)
Accounts payable and accrued liabilities	(24,380)	159,724
Deferred revenue	(219,321)	(35,534)
Prepaid expenses	(3,632)	600
CASH FROM OPERATING ACTIVITIES	<u>103,858</u>	<u>93,357</u>
Purchase of tangible capital assets	(306,518)	(14,843)
CASH USED FOR INVESTING ACTIVITIES	<u>(306,518)</u>	<u>(14,843)</u>
INCREASE (DECREASE) IN CASH	(202,660)	78,514
CASH, BEGINNING OF YEAR	<u>538,515</u>	<u>460,001</u>
CASH, END OF YEAR	<u>\$ 335,855</u>	<u>\$ 538,515</u>

SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2024

SCHEDULE 1

	<u>Unrestricted Surplus</u>	<u>Restricted Surplus</u>	<u>Equity in Tangible Capital Assets</u>	<u>2024 Total</u>	<u>2023 Total</u>
Balance, Beginning of Year;	\$ 449,648	\$ 121,782	\$ 1,259,074	\$ 1,830,504	\$ 1,716,007
Excess of Revenue over Expenses	373,783	-	-	373,783	114,497
Purchase of tangible capital assets	(306,518)	-	306,518	-	-
Annual amortization expense	<u>72,417</u>	<u>-</u>	<u>(72,417)</u>	<u>-</u>	<u>-</u>
Balance, End of Year	<u>\$ 589,330</u>	<u>\$ 121,782</u>	<u>\$ 1,493,175</u>	<u>\$ 2,204,287</u>	<u>\$ 1,830,504</u>

**SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF EQUITY IN TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 2

	<u>2024</u>	<u>2023</u>
BALANCE, BEGINNING OF YEAR	\$ 1,259,074	\$ 1,306,236
Purchase of tangible capital assets	306,518	14,843
Amortization of Tangible Capital Assets	<u>(72,417)</u>	<u>(62,005)</u>
BALANCE, END OF YEAR	<u>\$ 1,493,175</u>	<u>\$ 1,259,074</u>

Equity in Tangible Capital Assets is Comprised of the Following:

Tangible capital assets (net book value)	\$ 1,493,175	\$ 1,259,074
Capital long-term debt	-	-
	<u>\$ 1,493,175</u>	<u>\$ 1,259,074</u>

**SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF PROPERTY TAXES LEVIED
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 3

	<u>2024</u> (Budget) (Note 12)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
TAXATION			
Real property taxes	\$ <u>857,392</u>	\$ <u>770,169</u>	\$ <u>703,632</u>
	<u>857,392</u>	<u>770,169</u>	<u>703,632</u>
REQUISITIONS			
Alberta School Foundation Fund	185,048	191,637	183,465
Greater North Foundation	<u>18,799</u>	<u>18,799</u>	<u>16,621</u>
	<u>203,847</u>	<u>210,436</u>	<u>200,086</u>
NET MUNICIPAL TAXES	<u>\$ 653,545</u>	<u>\$ 559,733</u>	<u>\$ 503,546</u>

DRAFT FOR DISCUSSION PURPOSES

**SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 4

	<u>2024</u> (Budget) (Note 12)	<u>2024</u> (Actual)	<u>2023</u> (Actual)
TRANSFERS FOR OPERATING			
Provincial government	\$ <u>103,722</u>	\$ <u>44,054</u>	\$ <u>130,740</u>
	<u>103,722</u>	<u>44,054</u>	<u>130,740</u>
TRANSFERS FOR CAPITAL			
Provincial government	62,938	306,519	41,358
Federal government	<u>-</u>	<u>-</u>	1,176
	<u>125,876</u>	<u>306,519</u>	<u>42,534</u>
TOTAL GOVERNMENT TRANSFERS	\$ <u>229,598</u>	\$ <u>350,573</u>	\$ <u>173,274</u>

DRAFT FOR DISCUSSION PURPOSES

**SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF SEGMENT DISCLOSURES
FOR THE YEAR ENDED DECEMBER 31, 2024**

SCHEDULE 5

	<u>Legislative & Administration</u>	<u>Protective Services</u>	<u>Transportation</u>	<u>Waste Management</u>	<u>Water & Sewer</u>	<u>Parks & Recreation</u>	<u>2024 Total</u>	<u>2023 Total</u>
REVENUE								
Net municipal taxation	\$ 559,733	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 559,733	\$ 503,546
Penalties and costs on taxes	157,634	-	-	-	-	-	157,634	113,617
User fees and sales of goods	-	-	-	-	94,200	-	94,200	85,900
Government transfers	44,054	-	-	-	-	-	44,054	130,740
Franchise	-	-	24,410	-	-	-	24,410	21,024
Rentals	3,600	-	-	-	-	-	3,600	10,800
Investment income	19,428	-	-	-	-	-	19,428	23,168
All other	3,085	-	-	-	-	-	3,085	8,469
	<u>787,534</u>	<u>---</u>	<u>24,410</u>	<u>---</u>	<u>94,200</u>	<u>---</u>	<u>906,144</u>	<u>897,264</u>
EXPENSES								
Contracted and general services	164,214	100,729	17,460	41,486	-	60,196	384,085	310,681
Salaries, wages, and benefits	15,517	-	-	-	-	-	15,517	61,942
Materials, goods & utilities	7,580	-	52,342	-	-	-	59,922	23,360
Insurance	5,493	-	-	-	-	-	5,493	4,958
Transfers - local board/agencies	-	-	49,744	-	237,768	12,786	300,298	361,403
Bank charges & interest	1,148	-	-	-	-	-	1,148	952
Amortization	2,542	-	69,875	-	-	-	72,417	62,005
	<u>196,494</u>	<u>100,729</u>	<u>189,421</u>	<u>41,486</u>	<u>237,768</u>	<u>72,982</u>	<u>838,880</u>	<u>825,301</u>
NET REVENUE (DEFICIT)	\$ 591,040	\$ (100,729)	\$ (165,011)	\$ (41,486)	\$ (143,568)	\$ (72,982)	\$ 67,264	\$ 71,963
Government transfers for capital	306,519	-	-	-	-	-	306,519	42,534
NET REVENUE (DEFICIT)	\$ 897,559	\$ (100,729)	\$ (165,011)	\$ (41,486)	\$ (143,568)	\$ (72,982)	\$ 373,783	\$ 114,497

SUMMER VILLAGE OF SUNSET POINT
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2024

SCHEDULE 6

	<u>Land</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery & Equipment</u>	<u>2024</u>	<u>2023</u>
COST:						
Balance, Beginning of Year	\$ 517,004	\$ 160,772	\$ 1,905,865	\$ 36,928	\$ 2,620,569	\$ 2,605,726
Additions	_____ -	_____ -	291,754	14,764	306,518	14,843
Balance, End of Year	<u>517,004</u>	<u>160,772</u>	<u>2,197,619</u>	<u>51,692</u>	<u>2,927,087</u>	<u>2,620,569</u>
ACCUMULATED AMORTIZATION:						
Balance, Beginning of Year	-	43,538	1,305,674	12,283	1,361,495	1,299,490
Amortization expense	_____ -	<u>2,542</u>	<u>68,066</u>	<u>1,809</u>	<u>72,417</u>	<u>62,005</u>
Balance, End of Year	_____ -	<u>46,080</u>	<u>1,373,740</u>	<u>14,092</u>	<u>1,433,912</u>	<u>1,361,495</u>
NET BOOK VALUE	\$ 517,004	\$ 114,692	\$ 823,879	\$ 37,600	\$ 1,493,175	\$ 1,259,074

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Summer Village of Sunset Point (the "Summer Village") are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountant of Canada. Significant aspects of the accounting policies adopted by the Summer Village are as follows:

(a) Reporting entity

The financial statements reflect the assets, liabilities, revenues, and expenses, changes in net financial position and cash flows of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Summer Village and are, therefore, accountable to Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social and other external organizations that are not part of the Summer Village's reporting entity.

(b) Basis of accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues are reliably measured and reasonably estimated. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regular or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user fees are collected for which the related services have yet to be performed. Revenues are recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

Expenses are recognized in the period the goods or services are acquired and a liability is incurred or transfers are due.

(c) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

(d) Inventory held for consumption

Inventory held for consumption is valued at the lower of cost or replacement cost, with cost determined by the average cost method.

(CONT'D)

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where management uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

Accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the financial statements.

(f) Cash and temporary investments

Cash and cash equivalents consists of cash on hand, cash in banks and deposits with an original maturity date of purchase of three months or less. Due to the short term maturity of these investments, their carrying value approximates fair value.

(g) Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis over the term of the respective investment. When there has been a loss in value that is other than a temporary decline, the investment is written down to recognize the loss.

(h) Local improvements

When a service or improvement is deemed to benefit a specific area more than the municipality as a whole, the project may be classified as a local improvement under the *Municipal Government Act*, to be paid in whole or in part by a tax imposed on the benefiting property owners. The property owner's share of the improvements is recognized as revenue, and established as a receivable, in the period that the project expenditures are completed.

(i) Debt charges recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the un-matured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

(j) Land held for resale

Land held for resale is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks and street lighting are recorded as physical assets under their respective function.

(CONT'D)

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Tax revenue

Property tax revenue is based on market value assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Summer Village. Under the accrual basis of accounting, revenues to be received from local improvement assessments are recognized in full in the period the local improvement project costs are incurred and the passing of the related imposition by-law.

(l) 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 in the financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

(m) Equity in tangible capital assets

Equity in tangible capital assets represents the Summer Village's net investment in tangible capital assets, after deducting the portion financed by third parties through debenture, bond and mortgage debts, long-term capital borrowing, capital leases or other capital liabilities.

(n) Requisition over-levy and under-levy

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

(o) Leases

Leases are classified as capital or operating. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(CONT'D)

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Contributed assets are capitalized and are recorded at their estimated fair value upon acquisition and are also recorded as revenue. Construction in progress represents assets which are not available for productive use and therefore are not subject to amortization. The cost, less residual value, of tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	Years
Buildings	50
Engineered structures	10 - 20
Machinery and equipment	10 - 20

Amortization is charged in the year of acquisition and no amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(q) Adoption of accounting standards

Effective April 1, 2023, the Summer Village adopted PS3400 Revenue standard and corresponding standards of PS3160 Public Private Partnerships, and PSG-8 Purchased Intangibles. The Summer Village used prospective application to adopt these standards. As a result, 2023 comparative figures are not restated. There was no current year implications from adopting these standards.

The Summer Village did not adopt PS3280, Asset Retirement Obligations, effective April 1, 2022. Management expects to perform the required assessments in the 2025 fiscal year.

(r) Future accounting standard pronouncements

The following summarizes upcoming changes to the Canadian public sector accounting standards. The Summer Village will continue to assess the impact and prepare for the adoption of these standards.

<i>New Standard</i>	<i>Name</i>	<i>Effective date</i>
PS1202	Financial Presentation	April 1, 2026

SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024

2. CASH

	<u>2024</u>	<u>2023</u>
Operating cash	\$ 317,217	\$ 464,860
Internally restricted cash	<u>18,638</u>	<u>73,655</u>
	<u><u>\$ 335,855</u></u>	<u><u>\$ 538,515</u></u>

Included in internally restricted cash are external government funding received from the Municipal Sustainability Initiative, Federal Gas Tax Fund, and the Basic Municipal Transportation Grant and is held for approved projects.

3. TAXES RECEIVABLES

	<u>2024</u>	<u>2023</u>
Current taxes	\$ 179,822	\$ 376,490
Tax arrears	<u>381,936</u>	<u>45,938</u>
	<u><u>\$ 561,758</u></u>	<u><u>\$ 422,428</u></u>

4. GOVERNMENT TRANSFERS RECEIVABLE

	<u>2024</u>	<u>2023</u>
Municipal Sustainability Initiative	<u><u>79,967</u></u>	<u><u>154,686</u></u>

5. DEFERRED REVENUE

Deferred revenue is comprised of the following amounts, which have been received from various third parties and are restricted to the eligible operating and capital projects as approved in the funding agreements for a specified purpose. These amounts are recognized as revenue in the period in which the related expenditures are incurred.

	<u>2023</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2024</u>
Municipal Sustainability Grant - capital	\$ 321,136	\$ 85,693	\$ (306,519)	\$ 100,310
Basic Municipal Transportation Grant	21,512	-	(19,332)	2,180
FCSS - operating	-	7,334	(7,334)	-
Federal Gas Tax Fund	30,836	20,837	-	51,673
Municipal Stimulus Program	<u>662</u>	<u>-</u>	<u>-</u>	<u>662</u>
	<u><u>\$ 374,146</u></u>	<u><u>\$ 113,864</u></u>	<u><u>\$ (333,185)</u></u>	<u><u>\$ 154,825</u></u>

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

6. DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits, as defined by *Alberta Regulation 255/00*, for the Summer Village be disclosed as follows:

	<u>2024</u>	<u>2023</u>
Total debt limit	\$ 1,359,216	\$ 1,345,896
Total debt	<u>-</u>	<u>-</u>
Amount of debt limit unused	<u>\$ 1,359,216</u>	<u>\$ 1,345,896</u>
Service on debt limit	\$ 226,536	\$ 224,316
Service on debt	<u>-</u>	<u>-</u>
Amount of service on debt limit unused	<u>\$ 226,536</u>	<u>\$ 224,316</u>

The debt limit is calculated at 1.5 times revenue of the Summer Village (as defined in *Alberta Regulation 255/00*) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Summer Village. Rather, the financial statements must be interpreted as a whole.

7. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for elected municipal officials and the chief administrative officer as required by *Alberta Regulation 313/2000* is as follows:

	<u>Salary</u>	<u>Benefits and Allowances</u>	<u>Total</u>	<u>Total</u>
	<u>2024</u>	<u>2024</u>	<u>2024</u>	<u>2023</u>
Councillors:				
Jones Gwen	\$ 4,800	\$ 2,832	\$ 7,632	\$ 8,257
Packer Keir	4,500	1,611	6,111	8,293
Ekins Riley	4,500	900	5,400	6,710
	<u>\$ 13,800</u>	<u>\$ 5,343</u>	<u>\$ 19,143</u>	<u>\$ 23,260</u>
Village Administrative Officer:				
Assessor	\$ 58,500	\$ 852	\$ 59,352	\$ 46,773
Appeal Clerks	12,812	\$ -	12,812	10,540
	<u>\$ 71,312</u>	<u>\$ 852</u>	<u>\$ 72,164</u>	<u>\$ 58,913</u>

Salary includes regular base pay, bonuses, lump sum payments, honoraria, and any other direct cash remuneration.

Benefits and allowances figures also include the Employer's share of the costs of additional taxable benefits including travel allowance.

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

8. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	<u>2024</u>	<u>2023</u>
Unrestricted surplus	\$ 589,330	\$ 449,648
Infrastructure reserve	121,782	121,782
Equity in tangible capital assets	<u>1,493,175</u>	<u>1,259,074</u>
	<u>\$ 2,204,287</u>	<u>\$ 1,830,504</u>

9. FINANCIAL INSTRUMENTS

(a) Credit risk

The Summer Village is subject to credit risk with respect to taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Summer Village provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

(b) Fair value

The Summer Village's carrying value of cash, taxes receivable, trade and other receivables, investments, and accounts payable and accrued liabilities approximates its fair value due to the immediate or short-term maturity of these instruments.

(c) Currency risk

Currency risk is the risk to the Summer Village's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. It is management's opinion that the Summer Village is not exposed to significant interest or currency risk arising from these financial instruments.

10. CONTINGENCIES

The Town is a member of the Alberta Municipal Insurance Exchange (MUNIX). Under the terms of the membership, the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

**SUMMER VILLAGE OF SUNSET POINT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2024**

11. SEGMENTED INFORMATION

The Summer Village provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1. Refer to the Schedule of Segmented Disclosure (Schedule 5).

12. BUDGET DATA

The budget data presented in these financial statements is based on the 2024 operating and capital budgets approved by Council on February 7, 2024. The budgeted figures have been presented for information purposes and are unaudited.

13. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements on XX, XX, XXXX.

14. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

5.0 B MEMP

RECOMMENDATION:

That Council adopted the 2025 Memp as presented

Background .

Attached is THE DRAFT MEMP

ADDENDUM “A” SUMMER VILLAGE OF SUNSET POINT

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SUMMER VILLAGE OF SUNSET POINT – Addendum A

SECTION 1 GENERAL INFORMATION

A. General

The Summer Village of Sunset Point was officially established on January 21, 1959, with only 50 summer residents. The community is located approximately 75kms northwest of Edmonton on the southeast shore of Lac Ste. Anne. The Summer Village of Sunset Point now has 189 properties, 242 full-time residents, 364 dwellings, as well as the home of the Sunset Point Pentecostal Church Camp.

Emergency Management

The Sunset Point Municipal Emergency Plan (MEP) is issued by the Summer Village Council under the authority of:

- 1) The Alberta *Municipal Government Act* RSA 2000 Chapters M-26, current as of January 1, 2025.
- 2) The Alberta *Emergency Management Act* RSA 2000 Chapter E6.8 current as of May 30, 2024.
- 3) Sunset Point Bylaw **XX-XX**, the *Emergency Management Bylaw*, dated **Month/Day/Year**. This Bylaw establishes the municipal Emergency Advisory Committee, and municipal Emergency Management Agency, and their respective responsibilities.

The development and maintenance of Addendum A – Summer Village of Sunset Point to the greater Lac Ste. Anne County MEMP is the responsibility of Lac Ste. Anne County, in coordination with Sunset Point's Director of Emergency Management. This is pursuant to the Emergency Management Services Agreement between Lac Ste. Anne County and the Summer Village of Sunset Point, effective January 1, 2024.

This MEP will be reviewed in accordance with the Emergency Management Services Agreement to ensure all legislative compliance is met in accordance with the annual audit by AEMA.

B. Emergency Services

Emergency first response and enforcement services are provided to the Summer Village of Sunset Point by:

1) Lac Ste. Anne County Fire Services	780-785-3411 (Office)
2) RCMP – Parkland Detachment	825-220-2000 (Detachment)
3) Village of Alberta Beach Patrol Department	587-212-0039 (Complaint Line)

These agencies are committed to providing effective service to residents, seasonal guests, visitors, and community partners of Sunset Point through professional response and public education.

C. Contact

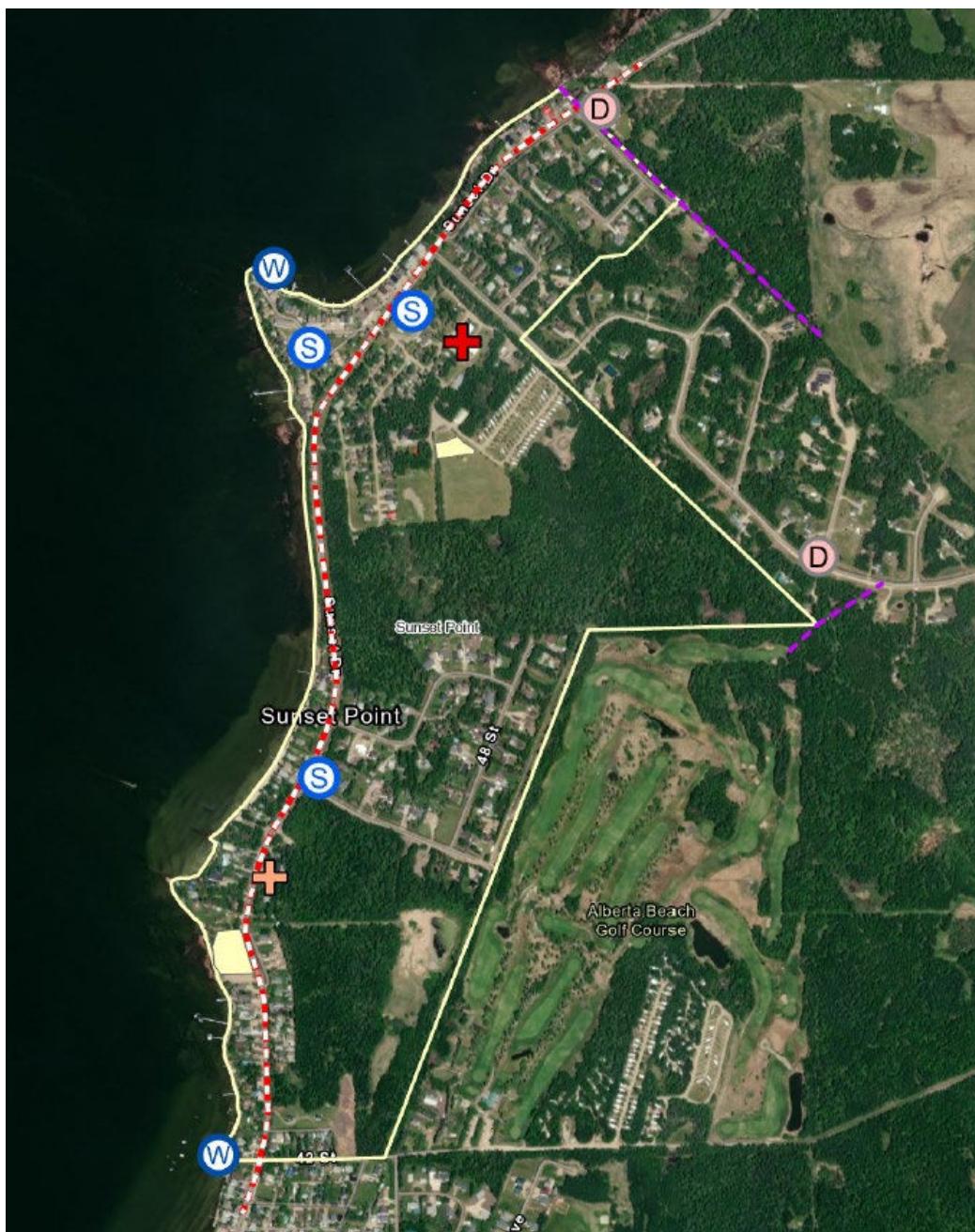
Web Address: www.sunsetpoint.ca

Mailing Address: PO Box 596, Alberta Beach, Alberta, T0E 0A0

Email: office@sunsetpoint.ca

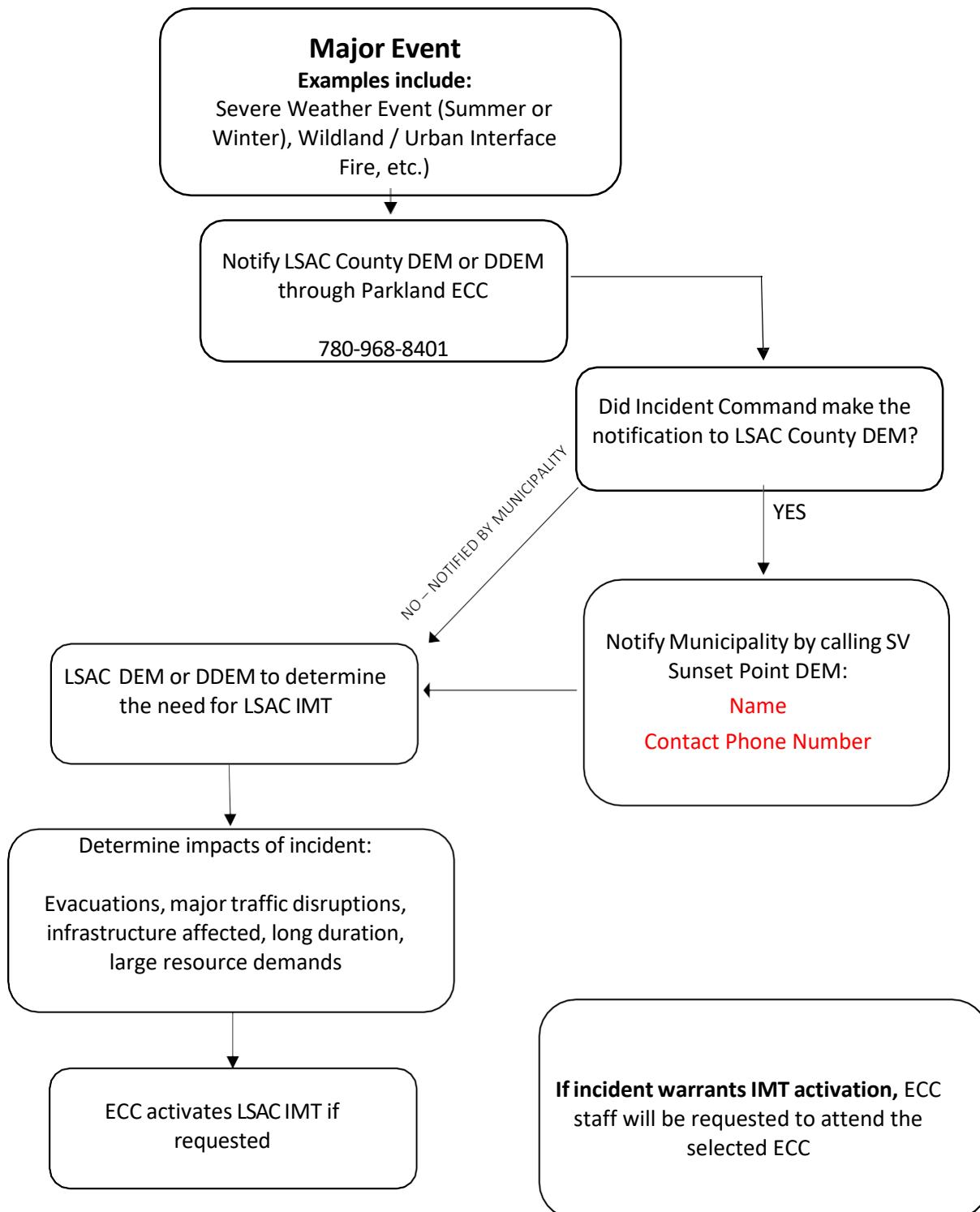
Phone: 780-665-5866

Summer Village of Sunset Point Map



SECTION 2 IMMEDIATE ACTIONS & ACTIVATIONS

A. IMT Activation and Municipal Activation Procedure



B. Primary and Secondary Emergency Operations Centres (ECC)

The Primary ECC location is:

Lac Ste. Anne County Administration Office – Council Chambers
56521 Rge Rd 65, Lac Ste. Anne County

The Secondary ECC location is:

Ste. Anne East Administration Building & Fire Station
2317 Twp Rd 545, Lac Ste. Anne County

C. On-Site Staging Area Locations

1. Pentecostal Church Camp (whole Camp)
2. Sunset Drive (municipal boundary in either direction)

D. Registration / Reception Centre (ESS) Locations

Potential sites in or near to the Summer Village of Sunset Point include:

1. Pentecostal Church Camp – Sunset Drive, Sunset Point
2. Alberta Beach Agliplex – 4811 – 46A Avenue, Alberta Beach
3. Onoway Heritage Centre – 4708 Lac Ste. Anne Trail North, Onoway

Contact information for the potential Registration / Reception Centres listed here is located within the greater LSAC MEMP.

Procedures for activating the LSAC ESS Team can be found in the greater MEMP for Lac Ste. Anne County, and the Team will be dispatched through the LSAC DEM as required.

SECTION 3 CONTACT INFORMATION & RESOURCES**A. Emergency Management for Summer Village of Sunset Point**

Director of Emergency Management (DEM):

Randy Schroeder

Deputy DEM:

Carole Peacock**B. Municipal Staff and Elected Officials**

Role	Contact Name	Cell	Email
CAO	Matt Ferris	780-665-5866	office@sunsetpoint.ca
Mayor	Gwen Jones	780-712-9250	gwen.jones@sunsetpoint.ca
Deputy Mayor	Riley Ekins	X	riley.ekins@sunsetpoint.ca

C. Utilities and Support

Function	Name	Phone	Alternate
Gas	Ste Anne Gas		
Power	Fortis		
Telephone Company	TELUS	310-2255	
Rail Company	CN Rail	1-800-465-9239	
AEMA	John Swist, Troy Carriere	780-644-5425	780-289-3874, 780-999-3812

D. Authorized Alberta Emergency Alert Users

Name	Home Phone	Business Phone	Cell Phone

SECTION 4 HAZARD IDENTIFICATION & RISK ASSESSMENT - Municipal Summary

A. Risk Management

The Sunset Point Municipal Emergency Plan (MEP) has been developed using the Hazard Identification and Risk Assessment (HIRA) process prescribed by AEMA.

The HIRA is the responsibility of Lac Ste. Anne County, in coordination with Sunset Point's Emergency Management Committee. This is pursuant to the Emergency Management Services Agreement between Lac Ste. Anne County and the Summer Village of Sunset Point, effective January 1, 2024.

The review process provides an opportunity to plan for newly identified hazards and reassess previously identified hazards with information from historical events, disasters in the area, emerging scientific knowledge, etc. Hazards are analyzed to predict the likelihood of occurrence and subsequent impact on the community.

B. Mitigation Efforts

Sunset Point municipal staff have received training on the Incident Command System and Basic Emergency Management.

The area is served by Lac Ste. Anne County Fire Services and the nearby Parkland RCMP detachment.

C. Hazard Identification and Risk Assessment

Priority	Hazard	Risk Level
1	Wildland / Urban Interface Fire	Moderate
2	Severe Summer Weather	Limited
3	Severe Winter Weather	Limited
4	Dangerous Goods	Limited
5	Infectious Disease	Limited
6	High Intensity Residential Fire Response	Limited
7	Flooding	Minor
8	Water Pollution	Minor
9	Drought	Limited
10	Major Road Accident	Limited
11	Communications Impact	Limited
12	Utility Interruption	Minor
13	Cyber Attack	Moderate
14	Emergency Services Resources Impact	Limited
15	Structural Collapse	Limited
16	Civil Disturbance	Limited
17	Active Intruder	Limited

Section 5 SPECIFIC MUNICIPAL CONTINGENCY PLANS

All emergency management functions have been identified and included in the greater MEMP for Lac Ste. Anne County. No specific plans have been developed for the Summer Village of Sunset Point currently.

Sunset Point has identified the Pentecostal Church Camp as a muster point for residents. This location is accessible to residents fleeing on foot and can be evacuated by motor vehicle transportation.

Section 6 EMERGENCY MANAGEMENT GOVERNANCE**A. Emergency Management Agency**

The members of the Sunset Point Emergency Management Agency are:

1. The Director of Emergency Management (DEM).
2. The Deputy Director of Emergency Management (DDEM).

Other organizations may be invited by the DEM to nominate representatives to participate in the emergency response and recovery activities for an Emergency, Disaster or Emergent Event, including participating from the ECC, either as an Assisting or Cooperating Agency or as a part of a Unified Command structure under ICS. These may include:

1. Health Organizations.
2. Utility companies.
3. Government of Alberta and Government of Canada representatives.
4. Municipalities that may have entered into mutual aid agreements with the Summer Village.
5. Businesses that may be located within the Summer Village.
6. Any organization that, in the opinion of the DEM may assist in the preparation or implementation of the MEMP.

B. Emergency Advisory Committee

Role	Contact Name	Cell	Email
CAO	Matt Ferris	780-665-5866	office@sunsetpoint.ca
Mayor	Gwen Jones	780-712-9250	gwen.jones@sunsetpoint.ca
Deputy Mayor	Riley Ekins		riley.ekins@sunsetpoint.ca

C. Delegation / Termination of Authority

DELEGATION / TERMINATION OF AUTHORITY FORM – Page 1

(Required when the Summer Village of Sunset Point is unable to provide or continue to provide an Incident Commander or Director of Emergency Management for the municipality)

Event (Incident) Name: _____ **Event (Incident) Date:** _____

Authority has been assigned to the following Lac Ste. Anne County Director of Emergency Management (DEM) OR Incident Commander (IC), or their designate:

DEM / IC Name: _____ to act on behalf of the Summer Village of Sunset Point to mitigate the above-noted Event.

As the DEM / IC, you are granted full authority and responsibility for managing incident operations within the framework of legal statute for the province of Alberta for this Event. You are authorized to requisition the required resources, organize, and direct those resources, including activation of the Lac Ste. Anne County Incident Management Team and any and all Lac Ste. Anne County staff deemed necessary for the efficient and effective control of this event, including the requirement to evacuate residents and visitors.

You will be supported and provided with the necessary governance documents of the Summer Village of Sunset Point to guide your decision-making process respecting incident objectives and tactics, cost constraints and guidelines for procurement, media relations and other logistical considerations specific to the management of the event.

Financial limitations will be consistent with the best approach for the values at risk and agreed upon objectives. Specific direction for the management of this event and other considerations are as follows:

1. Daily Spending or Commitment Cap without approval: \$ _____.
2. No single expenditure to be greater than: \$ _____, without approval.
3. All expenses must be fully documented and receipted. Regular updates on the financial status of the event must be provided to the Summer Village of Sunset Point.

Designated Authorized Representative for Financial Authorizations:

Name and Phone : _____

Alternate Representative Name and Phone : _____

All communications with the public, with the exception of emergency notifications and evacuation alerts, should be approved by the Summer Village of Sunset Point DEM.

Specific Event (Incident) Priorities:

1. Life safety of responders and the public.
2. Event (Incident) stabilization.
3. Protection of property and the environment.
4. Protection / preservation of the local economy.

DELEGATION / TERMINATION OF AUTHORITY FORM – Page 2

Event (Incident) Name: _____ **Event (Incident) Date:** _____

This Authority is hereby granted by the Authorized Representatives for the Summer Village of Sunset Point:

Elected Official Name

Signature

CAO Name

Signature

Date

TERMINATION OF AUTHORITY

Delegations of Authority should take effect when normal channels of direction are disrupted, and the Authority shall be terminated when these channels have been re-established.

The Delegation of Authority is hereby Terminated as one of the following has occurred:

- Incident Objectives have been met for the Event (Incident).
- The Summer Village of Sunset Point has the capacity to manage the Event (Incident).
- Request by either Party.
- The Province has declared a State of Emergency, and the responsibilities have been re-allocated.
- Other: _____.

Date of Termination: _____

Authorized Representative Name

Signature

D. Emergency Management Bylaw

6.0 Development

8.0 Committee Reports
A. Councillor Reports

Recommendation:

That Council accepts the Committee Reports for information.

Background.

9.0 CAO Reports

A. CAO Action List

Recommendation: That Council accepts the Update for information.

Background

Attached for information

9.0 CAO Reports

A. Closed Session items 9.0 B AND C

Recommendation:

That Council enters into closed session at XXX regarding FOIP Sections 17, 20, 21, 22,23,24 at X.

That Council enter into a contract Prime Municipal Services as discussed.

That Council appointed Michael Primeau as CAO for the Village of Sunset Point effective September 1st 2025.

Background

Council needs to go in closed session to finalize Michaels contract.

10.0 Response to Delegations

11.0 Additional items

12.0 Correspondence

July 2 2025

Summer Village of Sunset Point