

**SUMMER VILLAGE OF SANDY BEACH**  
**Financial Statements**  
**For The Year Ended December 31, 2023**

## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Mayor and Council of the Summer Village of Sandy Beach

The integrity, relevance and comparability of the data in the accompanying financial statements are the responsibility of management.

The financial statements are prepared by management in accordance with Canadian public sector accounting standards. They necessarily include some amounts that are based on the best estimates and judgements of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Village Council to express an opinion on the Village's financial statements.



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Mr. Rudolf Liebenberg,  
Chief Administrative Officer

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## INDEPENDENT AUDITORS' REPORT

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To the Mayor and Council of Summer Village of Sandy Beach

### *Qualified Opinion*

We have audited the financial statements of the Summer Village of Sandy Beach (the Village), which comprise the statement of financial position as at December 31, 2023, and the statements operations and accumulated surplus, of changes in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Village as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

*PS 3280 Asset Retirement Obligations* is effective for fiscal years beginning on or after April 1, 2022. This standard addresses the accounting for legal obligations associated with the retirement of tangible capital assets. We were unable to obtain sufficient appropriate audit evidence about whether the Village has any asset retirement obligations as management has not undertaken the required work to determine whether the Village has any asset retirement obligations. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

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 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 qualified audit opinion.

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

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

In preparing the financial statements, management is responsible for assessing the Village's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Village or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect 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 Village's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Village'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 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.

**METRIX GROUP LLP**

Chartered Professional Accountants

Edmonton, Alberta  
March 21, 2024

**SUMMER VILLAGE OF SANDY BEACH****Statement of Financial Position****As At December 31, 2023**

	<b>2023</b>	<b>2022</b>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents <i>(Note 2)</i>	\$ 1,988,855	\$ 1,885,601
Receivables <i>(Note 3)</i>	<u>231,911</u>	<u>171,868</u>
	<u>2,220,766</u>	<u>2,057,469</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 29,990	\$ 25,973
Deferred revenue <i>(Note 4)</i>	<u>597,760</u>	<u>544,532</u>
	<u>627,750</u>	<u>570,505</u>
<b>NET FINANCIAL ASSETS</b>	<u>1,593,016</u>	<u>1,486,964</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets <i>(Note 5)</i>	1,338,922	1,425,158
Prepays	<u>19,626</u>	<u>11,123</u>
	-	
	<u>1,358,548</u>	<u>1,436,281</u>
<b>ACCUMULATED SURPLUS <i>(Note 6)</i></b>	<u>\$ 2,951,564</u>	<u>\$ 2,923,245</u>

The accompanying notes are an integral part of these

**SUMMER VILLAGE OF SANDY BEACH**  
**Statement of Operations and Accumulated Surplus**  
**For the Year Ended December 31, 2023**

	2023 (Budget) (Note 10)	2023 (Actual)	2022 (Actual)
<b>REVENUE</b>			
Net taxation (Schedule 2)	\$ 393,378	\$ 393,034	\$ 393,802
Return on investments	33,500	78,733	35,510
Government transfers for operating	109,225	65,390	88,575
Penalties on taxes	10,131	30,656	6,953
Sales and user charges	11,675	16,108	5,589
Rentals	2,000	7,920	7,790
	<u>559,909</u>	<u>591,841</u>	<u>538,219</u>
<b>EXPENSES</b>			
Roads, streets, walks and lighting	299,976	221,223	290,825
General administration	177,705	157,300	157,519
Waste management	20,000	21,074	17,833
Policing	11,368	15,536	10,309
Council and other legislative	16,500	15,225	15,373
Water	12,627	12,627	8,029
Fire	6,050	11,370	5,358
Family and community support services	8,773	8,000	1,263
Land use planning, zoning and development	19,250	7,254	20,176
Parks and recreation	3,850	5,301	5,741
Culture: libraries, museums, halls	4,750	3,549	12,189
Wastewater	6,000	1,998	6,593
Bylaw enforcement	17,987	1,330	15,121
Amortization	-	86,235	118,136
	<u>604,836</u>	<u>568,022</u>	<u>684,465</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER REVENUE</b>	<u>(44,927)</u>	<u>23,819</u>	<u>(146,246)</u>
<b>OTHER REVENUE</b>			
Government transfers for capital	49,927	-	17,700
Gain on disposal of tangible capital assets	-	4,500	-
	<u>49,927</u>	<u>4,500</u>	<u>17,700</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	5,000	28,319	(128,546)
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>2,923,245</u>	<u>2,923,245</u>	<u>3,051,791</u>
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 6)</b>	<u>\$ 2,928,245</u>	<u>\$ 2,951,564</u>	<u>\$ 2,923,245</u>

The accompanying notes are an integral part of these

**SUMMER VILLAGE OF SANDY BEACH**  
**Statement of Changes in Net Financial Assets**  
**For the Year Ended December 31, 2023**

	2023 (Budget) <i>(Note 10)</i>	<b>2023 (Actual)</b>	2022 (Actual)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ 5,000	\$ <b>28,319</b>	\$ (128,546)
Acquisition of tangible capital assets	-	-	(19,150)
Amortization of tangible capital assets	-	<b>86,235</b>	118,136
Proceeds on sale of tangible capital assets	-	<b>4,500</b>	-
Loss on sale of tangible capital assets	-	<b>(4,500)</b>	-
	5,000	<b>114,554</b>	(29,560)
Use (acquisition) of prepaid expenses	-	<b>(8,502)</b>	5,502
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	5,000	<b>106,052</b>	(24,058)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	1,486,964	<b>1,486,964</b>	1,511,022
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<b>\$ 1,491,964</b>	<b>\$ 1,593,016</b>	<b>\$ 1,486,964</b>

The accompanying notes are an integral part of these

**SUMMER VILLAGE OF SANDY BEACH**  
**Statement of Cash Flows**  
**For The Year Ended December 31, 2023**

	2023	2022
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 28,319	\$ (128,546)
Non-cash items not affecting annual surplus:		
Amortization	86,235	118,136
Gain on disposal of tangible capital assets	(4,500)	-
	<u>110,054</u>	<u>(10,410)</u>
Changes in non-cash working capital balances related to operations:		
Receivables	(60,043)	14,369
Accounts payable and accrued liabilities	4,017	2,363
Prepays	(8,502)	5,502
Deferred revenue	53,228	(10,635)
	<u>(11,300)</u>	<u>11,599</u>
Cash flow from operating activities	<u>98,754</u>	<u>1,189</u>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	-	(19,150)
Proceeds on sale of tangible capital assets	4,500	-
Cash flow from (used by) capital activities	<u>4,500</u>	<u>(19,150)</u>
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>103,254</b>	<b>(17,961)</b>
<b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	<u>1,885,601</u>	<u>1,903,562</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,988,855</u>	<u>\$ 1,885,601</u>

The accompanying notes are an integral part of these



**SUMMER VILLAGE OF SANDY BEACH**  
**Schedule of Equity in Tangible Capital Assets**  
**For the Year Ended December 31, 2023**

*(Schedule 1)*

	2023	2022
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 1,425,158	\$ 1,524,144
Acquisition of tangible capital assets	-	19,150
Amortization	<u>(86,236)</u>	<u>(118,136)</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 1,338,922</u>	<u>\$ 1,425,158</u>
Equity in tangible capital assets is comprised of the following:		
Tangible capital assets (net book value) <i>(Note 5)</i>	<u>\$ 1,338,922</u>	<u>\$ 1,425,158</u>

The accompanying notes are an integral part of these

**SUMMER VILLAGE OF SANDY BEACH**  
**Schedule of Property Taxes**  
**For the Year Ended December 31, 2023**

**(Schedule 2)**

	2023 (Budget) (Note 10)	<b>2023 (Actual)</b>	2022 (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 525,165	\$ <b>524,821</b>	\$ 520,236
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	121,565	<b>121,565</b>	116,680
Lac Ste. Anne Foundation	10,222	<b>10,222</b>	9,754
	<u>131,787</u>	<u><b>131,787</b></u>	<u>126,434</u>
<b>NET MUNICIPAL PROPERTY TAXES</b>	<u>\$ 393,378</u>	<u>\$ <b>393,034</b></u>	<u>\$ 393,802</u>

**SUMMER VILLAGE OF SANDY BEACH**  
**Schedule of Expenses by Object**  
**For the Year Ended December 31, 2023**

*(Schedule 3)*

	2023 (Budget) <i>(Note 10)</i>	2023 (Actual)	2022 (Actual)
Salaries, wages and benefits	\$ 237,999	\$ <b>232,175</b>	\$ 249,367
Materials, goods and supplies	162,082	<b>135,307</b>	154,339
Contracted and general services	195,633	<b>105,977</b>	160,961
Amortization	-	<b>86,235</b>	118,136
Grants and transfer payments to other organizations	8,773	<b>8,000</b>	1,263
Bank charges	349	<b>328</b>	399
	<b>\$ 604,836</b>	<b>\$ 568,022</b>	<b>\$ 684,465</b>

The accompanying notes are an integral part of these

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Summer Village of Sandy Beach (the "Village") are the representations of management, prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Village are as follows:

(a) *Reporting Entity*

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

The schedule of taxes levied also includes requisitions for education that are not part of the reporting entity.

The statements exclude trust assets that are administered for the benefit of external parties.

(b) *Valuation of Financial Assets and Liabilities*

The Summer Village's financial assets and liabilities are measured as follows:

<u>Financial statement component</u>	<u>Measurement</u>
Cash	Cost and amortized cost
Receivables	Lower of cost or net recoverable value
Accounts payable and accrued liabilities	Cost

(c) *Basis of Accounting*

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues.

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 are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, the Town has met any eligibility criteria, and reasonable estimates of the amounts can be made.

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

(d) *Cash and Cash Equivalents*

Cash and cash equivalents include items that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. These short-term investments have a maturity of 90 days or less at acquisition and are held for the purpose of meeting short-term cash commitments rather than for investing.

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# SUMMER VILLAGE OF SANDY BEACH

## Notes to Financial Statements

December 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(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 expenses during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates. Significant areas requiring the use of management's estimates include allowance for doubtful accounts, the useful lives of tangible capital assets and the corresponding rates of amortization.

(f) *Tax Revenue*

Property taxes are recognized as revenue in the year they are levied.

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the Village and are recognized as revenue in the year the tax is levied.

(g) *Tangible Capital Assets*

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

Land improvements	15-25 years
Engineered structures	
Roadways	20-30 years
Wastewater	45 years
Buildings	50 years
Machinery and equipment	5 - 20 years
Vehicles	10 years

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

Works of art for display are not recorded as tangible capital assets but are disclosed.

(h) *Contaminated Sites*

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. A liability for remediation on contaminated sites is recognized, net of any recoveries, when an environmental standard exists, contamination exceeds the environmental standard, the Village is directly responsible for or accepts responsibility for the liability, future economic benefits will be given up, and a reasonable estimate of the liability can be made.

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# SUMMER VILLAGE OF SANDY BEACH

## Notes to Financial Statements

December 31, 2023

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

(i) *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.

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

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

(j) *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 annual surplus, provides the consolidated Change in Net Financial Assets for the year.

(k) *Asset Retirement Obligations*

During 2023, the Summer Village adopted PS 3280 Asset Retirement Obligations which provides guidance on how to account for and report liabilities for retirement of tangible capital assets. There was no impact on the Summer Village's financial statements as a result of this standard being adopted.

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation including, but not limited to, decommissioning or dismantling, remediation of contamination, post-retirement activities such as monitoring, and constructing other tangible capital assets to perform post-retirement activities.

A liability for asset retirement obligation is recognized when there is a legal obligation to incur retirement costs, the past transaction or event giving rise to the liability as occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

When a liability for asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying value of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

(l) *New Accounting Standards not yet Adopted*

Effective for fiscal years beginning on or after April 1, 2023, PS 3400 Revenue provides guidance on how to account for and report revenue, and specifically, it addresses revenue arising from exchange transactions and non-exchange transactions.

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**SUMMER VILLAGE OF SANDY BEACH**  
**Notes to Financial Statements**  
**December 31, 2023**

**2. CASH AND CASH EQUIVALENTS**

	<u>2023</u>	<u>2022</u>
Operating account	\$ 570,803	\$ 540,152
Savings account	6,087	5,788
Temporary investments	<u>1,411,965</u>	<u>1,339,661</u>
	<u>\$ 1,988,855</u>	<u>\$ 1,885,601</u>

Temporary investments consist of 31 - 90 day notice on amount accounts bearing interest at prime less 1.80% and 1.65%.

**3. RECEIVABLES**

	<u>2023</u>	<u>2022</u>
Government transfers	\$ 143,916	\$ 71,586
Taxes and grants in place of taxes	84,190	91,344
Goods and Services Tax	<u>3,805</u>	<u>8,938</u>
	<u>\$ 231,911</u>	<u>\$ 171,868</u>

**4. DEFERRED REVENUE**

	<u>2022</u>	<u>Funds Received</u>	<u>Funds Expended</u>	<u>2023</u>
Municipal Sustainability Initiative - capital component	\$ 436,337	\$ 67,871	\$ (39,896)	\$ 464,312
Canada Community Building Fund	92,887	28,384	-	121,271
Family and Community Support Services	<u>15,308</u>	<u>4,869</u>	<u>(8,000)</u>	<u>12,177</u>
	<u>\$ 544,532</u>	<u>\$ 101,124</u>	<u>\$ (47,896)</u>	<u>\$ 597,760</u>

**SUMMER VILLAGE OF SANDY BEACH**  
**Notes to Financial Statements**  
**December 31, 2023**

**5. TANGIBLE CAPITAL ASSETS**

	2023 Net Book Value	2022 Net Book Value
Engineered Structures		
Roadway systems	\$ 567,706	\$ 607,112
Wastewater systems	66,961	72,304
	<u>634,667</u>	<u>679,416</u>
Buildings	330,257	342,861
Land	222,015	222,015
Machinery and equipment	113,969	136,430
Work in progress	23,143	5,443
Vehicles	9,695	13,573
Land improvements	5,176	7,720
	<u>\$ 1,338,922</u>	<u>\$ 1,425,158</u>

	Cost Beginning of Year	Purchased Additions	Disposals	Transfers	Cost End of Year
Engineered Structures					
Roadway systems	\$ 1,923,062	\$ -	\$ -	\$ -	\$ 1,923,062
Wastewater systems	240,422	-	-	-	240,422
	<u>2,163,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,163,484</u>
Buildings	642,545	-	-	-	642,545
Machinery and equipment	468,853	-	3,076	-	465,777
Land	222,015	-	-	-	222,015
Land improvements	74,448	-	-	-	74,448
Vehicles	55,281	-	-	-	55,281
Work in progress	23,143	-	-	-	23,143
	<u>\$ 3,649,769</u>	<u>\$ -</u>	<u>\$ 3,076</u>	<u>\$ -</u>	<u>\$ 3,646,693</u>

	Accumulated Amortization Beginning of Year	Current Amortization	Disposals	Transfers	Accumulated Amortization End of Year
Engineered Structures					
Roadway systems	\$ 1,315,950	\$ 39,406	\$ -	\$ -	\$ 1,355,356
Wastewater systems	168,118	5,343	-	-	173,461
	<u>1,484,068</u>	<u>44,749</u>	<u>-</u>	<u>-</u>	<u>1,528,817</u>
Buildings	299,684	12,604	-	-	312,288
Land improvements	66,728	2,544	-	-	69,272
Vehicles	41,708	3,878	-	-	45,586
Machinery and equipment	332,423	22,461	(3,076)	-	351,808
	<u>\$ 2,224,611</u>	<u>\$ 86,236</u>	<u>\$ (3,076)</u>	<u>\$ -</u>	<u>\$ 2,307,771</u>



**SUMMER VILLAGE OF SANDY BEACH**  
**Notes to Financial Statements**  
**December 31, 2023**

**6. ACCUMULATED SURPLUS**

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ 352,746	\$ 243,191
Restricted surplus		
Sewage reserve	397,274	396,274
Equipment reserve	299,037	298,037
Roads reserve	285,500	284,500
Water reserve	278,085	276,085
	<u>1,259,896</u>	<u>1,254,896</u>
Equity in tangible capital assets (Schedule 1)	<u>1,338,922</u>	<u>1,425,158</u>
	<u>\$ 2,951,564</u>	<u>\$ 2,923,245</u>

**7. SALARIES AND BENEFITS**

Disclosure of salaries and benefits for Village officials, the Village Chief Administrator Officer and designated officers are required by Alberta Regulation 313/2000 is as follows:

	<u>Salary (1)</u>	<u>Benefits (2)</u>	<u>2023</u>	<u>2022</u>
Village Council				
Mayor Lambert	\$ 4,333	\$ -	\$ 4,333	\$ 4,333
Harney	4,333	-	4,333	4,333
Hellings	4,333	-	4,333	-
Luciw	-	-	-	3,611
	<u>\$ 12,999</u>	<u>\$ -</u>	<u>\$ 12,999</u>	<u>\$ 12,277</u>
Designated Officers	<u>\$ 8,600</u>	<u>\$ -</u>	<u>\$ 8,600</u>	<u>\$ 23,140</u>
Chief Administrative Officer	<u>\$ 77,000</u>	<u>\$ 5,157</u>	<u>\$ 82,157</u>	<u>\$ 79,788</u>

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

Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees and the employer's share of the costs of any additional taxable benefits.

**SUMMER VILLAGE OF SANDY BEACH**  
**Notes to Financial Statements**  
**December 31, 2023**

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**8. 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 Village be disclosed as follows:

	<u>2023</u>	<u>2022</u>
Total debt limit	\$ 887,762	\$ 807,329
Total debt	-	-
<b>Total debt limit remaining</b>	<b>\$ 887,762</b>	<b>\$ 807,329</b>
Service on debt limit	\$ 147,960	\$ 134,555
Service on debt	-	-
<b>Total service on debt limit remaining</b>	<b>\$ 147,960</b>	<b>\$ 134,555</b>

The debt limit is calculated at 1.5 times revenue of the 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 stability of the Village. Rather, the financial statements must be interpreted as a whole.

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**9. FINANCIAL INSTRUMENTS RISKS**

The Village is exposed to various risks through its financial instruments and has a risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Village's risk exposure and concentration as of December 31, 2023.

*Credit risk*

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Village is exposed to credit risk from customers. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The Village has a significant number of customers which minimizes concentration of credit risk.

*Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Village is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources and accounts payable and accrued liabilities.

*Interest rate risk*

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Village manages exposure through its normal operating and financing activities. The Village is exposed to interest rate risk primarily through its floating rate deposit account balances.

**SUMMER VILLAGE OF SANDY BEACH**

**Notes to Financial Statements**

**December 31, 2023**

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**10. BUDGET FIGURES**

Budget figures are provided for informational purposes only and are unaudited. The 2022 budget, prepared by the Summer Village of Sandy Beach, reflects all municipal activities including capital projects and reserves for future use. The reconciliation below is provided to encompass these items and is provided for information purposes only.

	<u>2023 Budget</u>	<u>2023 Actual</u>
Annual surplus	\$ 5,000	\$ 28,319
Loss (gain) on disposal of tangible capital assets	-	(4,500)
Net transfers (to) from reserves	(5,000)	-
	<u>\$ -</u>	<u>\$ 23,819</u>

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**11. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements were approved by Council and management.

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