



September 20, 2022

Members of the Summerside Residents Association
Lake Summerside, Edmonton, Alberta

Dear Members:

**RE: Notice of the 2022 Annual General Meeting
Thursday October 13, 2022 @ 7:00 PM**

Enclosed please find the Notice of the Annual General Meeting ("AGM") for the Summerside Residents Association (the "SSRA"), the Minutes from the 2021 AGM, the Report of the Board of Directors, the Information Circular, a Proxy Form, and the 2021 Audited Financial Statements.

Kindly review the enclosed information and plan to attend the AGM or submit your proxy form, as indicated. Please note, that this year's AGM will be held virtually through the Zoom videoconferencing platform. **Residents who plan on attending the AGM must pre-register.** Pre-registration can occur by visiting www.lakesummerside.ca > About Us > AGM > 2022 Pre-Registration, or via the following link:
<https://us06web.zoom.us/meeting/register/tZYvceuqrD0iGtb7giH1ia6CRV-4jeH5XjaO>

Members must pre-register prior to 5:00 p.m. on Tuesday October 12, 2022, to obtain the official Annual General Meeting Link.

If you have pre-registered, the meeting link and any necessary further instructions will be sent via email on October 12th, 2022. If you have pre-registered prior to the deadline, but do not receive the meeting link on October 12th, please contact the office on the morning of October 13th so we can assist. The meeting will begin promptly at 7:00 p.m. on October 13th, 2022, **and any Members arriving later than 7:10 p.m. shall be unable to vote.**

Please assist your volunteer Board of Directors by attending the virtual AGM or sending in your proxy form.

Please note that the SSRA currently has vacancy for up to five (5) resident Directors. If you are interested in being nominated for the Board of Directors, or have any questions about the enclosed, please contact Paula at 780-497-7558 or by e-mail at reception@lakesummerside.ca.

On behalf of your Board of Directors, we look forward to your participation.

Yours truly,

SUMMERSIDE RESIDENTS ASSOCIATION

BALRAJ MANN Resident Director	AMBER LEE Resident Director	RYAN DEVLIN Resident Director	ROB WYATT Resident Director	BARRY BURNS Resident Director	LARA SURIYAKUMARAN Resident Director
ROB PANGRASS Resident Director	MARC CHALIFOUX President & Resident Director	AMANDA KRAAYENBRINK Treasurer & Resident Director	DENISE STEFANIC Secretary & Resident Director		



**NOTICE OF THE SUMMERSIDE RESIDENTS ASSOCIATION
2022 ANNUAL GENERAL MEETING OF MEMBERS**

Please take notice that the 2022 Annual General Meeting of the Members of the **SUMMERSIDE RESIDENTS ASSOCIATION** (the "**Company**"), will be held virtually through the Zoom videoconferencing platform on **Thursday, October 13, 2022, at 7:00 PM (MST)** for the following purposes:

1. To receive the minutes of the AGM held on October 6th, 2021;
2. To receive the Report of the Board of Directors of the Company dated September 19, 2022;
3. To receive the Audited Financial Statements for the fiscal year ended December 31, 2021;
4. To establish the number of Directors to hold office until the next Annual General Meeting and elect such Directors;
5. To appoint BDO Canada as Auditor of the Company for the fiscal year ending December 31, 2022 and to authorize the Directors to fix its remuneration;
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

THIS NOTICE SHOULD BE READ IN CONJUNCTION WITH THE INFORMATION CIRCULAR ACCOMPANYING THIS NOTICE.

Dated at Edmonton, Alberta this 19th day of September, 2022.

BY ORDER OF THE BOARD OF DIRECTORS

MARC CHALIFOUX, President

TO ALL MEMBERS:

IF YOU ARE UNABLE TO ATTEND THIS MEETING, BUT WISH TO VOTE, PLEASE COMPLETE THE ACCOMPANYING PROXY FORM AND RETURN AS INDICATED IN THE INSTRUCTIONS FOR PROXY FORMS INCLUDED IN THIS PACKAGE.

ANY MEMBER ARRIVING LATER THAN 7:10 P.M. WILL BE UNABLE TO VOTE IN PERSON (USING ZOOM "POLL" FEATURE) AT THE MEETING.



**SUMMERSIDE RESIDENTS ASSOCIATION
ANNUAL GENERAL MEETING**

Thursday, October 6, 2021 @ 7:00 PM

Via Zoom

Meeting Minutes

1. Barry Burns introduced himself, President of the Summerside Residents Association, and explained that two meetings would be held. The first would be the official Annual General Meeting which involves approving last year's minutes, reviewing the audited financial statements, the election of Residents to the Board of Directors, and appointment of the Auditor for 2021. The second one would be held after, where there would be an update given about Lake Summerside and the Residents Association. Questions that were pre-submitted during the online meeting registration process would be answered, and time permitting, the floor would then be open to other questions. If time did not allow all questions to be answered, it was stated that questions could be submitted to Darryl Marchuk, General Manager of the SSRA in the coming days.
2. The Chairman called the meeting to order at **7:05 p.m.**
3. The Chairman introduced the Summerside Resident Directors; Marc Chalifoux (secretary), Amanda Kraayenbrink (Treasurer), Rhonda Navratil, Rob Pangrass, Denise Stefanic, Amber Lee, and Lara Suriyakumaran. Kathy Ly and Arshad Ali were noted as absent.
4. The Chairman explained that tonight's meeting is being held virtually due to the current circumstances of the Covid-19 pandemic. During the Annual General Meeting held last year on September 24th, 2020, it was approved by special resolution to amend the Summerside Residents Association bylaws to include a provision for hosting future member meetings through a virtual platform, as required. The Board of Director's felt the virtual platform to be the safest option for this year's Annual General Meeting. Instructions for asking questions, and the voting process using the 'Zoom Polls' feature were also explained.
5. The Chairman asked Marc Chalifoux to act as Secretary of the meeting, and Amanda Kraayenbrink to act as Scrutineer for the meeting.
6. The Chairman stated that unless otherwise specified, all items to be approved by the Voting Members are by way of ordinary resolution, which requires at least 50% of the Voting Members present in person or by proxy, voting in favor. The Chairman explained that the voting process would be conducted using the the 'Zoom Polls' feature, and participation in each motion and vote was encouraged.
7. The Chairman asked for a motion dispensing with reading of the Notice calling the meeting. Marc Chalifoux so moved. Denise Stefanic seconded the motion. There were 45 votes 'For' and 0 'Against'. The Chairman declared the motion carried.
8. The Chairman asked the Secretary to provide proper proof of mailing of the Notice of the Meeting to the Members. The Secretary confirmed that he had proof of notice, which included notice via email and mail as needed. The Secretary also noted he had proof of email and mail as needed, for notice of the change of the meeting from in person to virtual. The Chairman then asked that it be filed in the Minute Book along with the Minutes of this meeting.
9. The Chairman then stated that pursuant to the Association's articles, the lesser of twenty (20) Voting Members or ten percent (10%) of the Voting Members either personally present or represented by proxy constitutes a quorum, and that at least 20 Voting Members would constitute a quorum. For this meeting, at least 20 Voting Members will be required and "personally present" shall mean in attendance virtually at this Zoom meeting. The Chairman asked the Scrutineer for her report. The Scrutineer reported that there were 2 Brookfield votes in respect of lots registered in the name of Brookfield, 45 Voting Members represented in person, and 32 represented by proxy for a total of 79 votes.
10. The Chairman declared the meeting to be duly called and properly constituted for business.

11. The Chairman proposed that the Members approve the Minutes of the Annual General Meeting held on September 24, 2020 which was available for review in the 2021 AGM Package. Rhonda Navratil motioned to approve the Minutes of the Annual General Meeting held on September 24th, 2020. Amber Lee seconded the motion. There were 43 votes 'For' and 0 'Against'. The Chairman declared the motion carried.
12. The Chairman asked for a motion to dispense with reading of the Directors' Report dated September 14th, 2021 which was available for review in the 2021 AGM Package. Lara Suriyakumaran moved that the reading of the Director's Report be dispensed with. Marc Chalifoux seconded the motion. There were 44 votes 'For' and 0 'Against'. The Chairman declared the motion carried.
13. The Chairman then proposed to receive, as information, the Auditor's Report and Financial Statements of the Association for the year ended December 31, 2020. Amanda Kraayenbrink then reviewed the Financial Statements and answered related questions.
14. The Chairman indicated that the next item of business was the election of Directors. The SSRA is authorized to have a minimum of three (3) Directors and a maximum of ten (10) Directors on the Board. It has been proposed by the Board that the SSRA establish ten (10) as the number of Directors to be elected to serve staggered two-year terms until the next Annual General Meeting. This is consistent with the 'Directors Section', starting on page ten of the Articles of Association. The Chairman asked for a motion to this effect. Rob Pangrass moved that up to ten (10) Directors be elected to serve staggered 2-year terms until the next Annual General Meeting of the Association. Amber Lee seconded the motion. There were 76 votes 'For' including 32 proxy votes, and 0 'Against'. The Chairman declared the motion carried.
15. The Chairman explained that, according to the current SSRA Articles of Association, the Board of Directors are elected for a two-year term. As elected on September 24th, 2020, the following persons are the current Resident Directors of the Company who are entering their second year of term:
 - Marc Chalifoux
 - Rob Pangrass
 - Amanda Kraayenbrink
 - Lara Suriyakumaran
 - Barry Burns
16. The Chairman announced the following persons are current Resident Directors who are running for re-election
 - Arshad Ali
 - Amber Lee
 - Denise Stefanic
17. The Chairman announced the following members in good standing have indicated an interest in being nominated as Directors of the SSRA, to hold office until their term expires or until their successors are elected or appointed, for the 5 vacant Director positions:
 - Samson Abu
 - Jessie Apland
 - Sacha Aziz
 - Ryan Devlin
 - Mike Green
 - Chelsea Lawrie
 - Wendy Lehman
 - Dan Lemoine
 - Balraj Mann
 - Motiur Rahman
 - Alexander Rimbey
 - Rob Wyatt
18. The Chairman asked if there were any further nominations. There was none. The Chairman then asked for a motion that nominations be closed. Rhonda Navratil moved that the nominations for Directors be closed. Rob Pangrass seconded the motion. There were 45 votes 'For' and 0 'Against'. The Chairman declared the motion carried.
19. The Chairman then asked the nominees to introduce themselves and give a quick explanation as to why they would like to serve on the board.
20. The Chairman stated that the nomination of Directors requires an election, as fifteen (15) persons have been nominated and only five (5) Resident Directors are required. The vote was then moved to a ballot – each voting member in attendance of the AGM was

asked to vote over Zoom Poll. The Chairman went over the voting instructions with the Members, noting that the number of individual votes for each candidate would not be shared as per standard practice from previous years. The results of the election results via 'Zoom Polls' was presented to the scrutineer who privately tallied the votes, including those from proxies submitted. The Scrutineer then notified the Chairman of the results. The Chairman then declared that Denise Stefanic, Ryan Devlin, Amber Lee, Rob Wyatt, and Balraj Mann had received the most votes to be elected to serve on the Summerside Residents Association Board of Directors.

21. The Chairman asked for a motion to appoint as Directors, the persons elected. Lara Suriyakumaran moved that the residents elected be appointed as Directors of the Association, to hold office for a two-year term or until their successors are elected and appointed. Marc Chalifoux seconded the motion. There were 43 votes 'For' and 1 'Against'. The Chairman declared the motion carried.
22. The Chairman congratulated the new Directors and reminded them that there would be a post-AGM Board Meeting immediately following the Q&A portion of the AGM.
23. The Chairman then stated that the next item on the Agenda was the appointment of the Auditor. The Chairman asked for a motion that the Board of Directors appoint BDO Canada as Auditor for the fiscal period ending December 31, 2021, and that the Directors be authorized to fix remuneration. Lara Suriyakumaran so moved. Rob Pangrass seconded the motion. There were 73 votes 'For' including 32 proxy votes, and 0 'Against'. The Chairman declared the motion carried.
24. The Chairman then asked if there was any further business to transact at the Annual General Meeting of the Association. There was none.
25. The Chairman then asked for a motion to terminate the meeting. Marc Chalifoux moved that the meeting be terminated. Amanda Kraayenbrink seconded the motion. There were 43 votes 'For' and 1 'Against'. The Chairman declared the motion carried.
26. The Chairman declared the motion carried, and the meeting adjourned at 8:53 p.m.



Marc Chalifoux, Secretary



**Summerside Residents Association
Board of Directors Report
September 19th, 2022**

The Summerside Residents Association (SSRA) was incorporated as a non-profit corporation in July 2000. The SSRA Board of Directors currently consists of ten (10) elected Resident Directors. The SSRA is incorporated as a non-profit corporation under Part 9 of the *Companies Act* of Alberta and membership in the SSRA is mandatory for each landowner in Lake Summerside. SSRA is funded through the annual membership fee, which is secured by an encumbrance registered on every titled property in Lake Summerside, obligating the Members to pay the fees upon notice. The fee can be increased annually in accordance with the Consumer Price Index (CPI, all items) for the previous year.

The SSRA Membership fees for the 2022 fiscal year are \$388.37 (Standard Lot), \$543.74 (Lake Access Lot), and \$932.05 (Lakeshore Lot), plus GST. The 2022 fee notices were mailed out on November 24, 2021. The financial position of the SSRA for 2021 is represented in the Financial Statements included in the package provided to homeowners with the Notice of the Annual General Meeting of the SSRA.

The SSRA site consists of a Beach Club, Gatehouse, 32-acre lake, playground, pleasure skating rink, basketball court, tennis courts, outdoor picnic areas, maintenance building, parking lot, and landscaped areas. The facility is fully staffed, including a General Manager, Brett Wheadon, who is responsible for managing the day-to-day operations that are the responsibility of the SSRA. We have a full-time Parks Manager, Program & Special Events Coordinator, Bookkeeper, Office Coordinator, and Residents Relations Coordinator. There are also seasonal Customer Service Representatives, and other full time and seasonal parks staff. Brett and the SSRA staff maintain the facility and park amenities to their high standard through exceptional management of operations and maintenance practices.

The past year we were able to return back to normal (pre-Covid) operations. It's been exciting to see residents take full advantage of all the amenities as we experienced some of our highest usage numbers on record. A full schedule of events and programs, no guest restrictions, outdoor and equipment rentals, and standard day-to-day operations were restored. Please feel free to contact the General Manager with any comments, questions or concerns, as he would enjoy hearing from you at manager@lakesummerside.ca.

Please stop by the Beach Club, or visit us online at www.lakesummerside.ca to stay updated on what's happening at the SSRA including information on events, programs, policies, and rules and regulations with regard to park use, and much more.

Attendance at the AGM requires that a Resident be a Member in Good Standing, meaning that as of the close of business on September 20th, 2022, all outstanding fees, interest, and charges, have been paid.

Respectfully submitted September 19th, 2022 by the Summerside Residents Association Board of Directors.

BALRAJ MANN Resident Director	AMBER LEE Resident Director	RYAN DEVLIN Resident Director	ROB WYATT Resident Director	BARRY BURNS Resident Director	LARA SURIYAKUMARAN Resident Director
ROB PANGRASS Resident Director	MARC CHALIFOUX President & Resident Director	AMANDA KRAAYENBRINK Treasurer & Resident Director	DENISE STEFANIC Secretary & Resident Director		



SUMMERSIDE RESIDENTS ASSOCIATION 2022 INFORMATION CIRCULAR

GENERAL INFORMATION & PROXY STATEMENT

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by management of the SUMMERSIDE RESIDENTS ASSOCIATION (the "**Company**") for use at the Annual General Meeting (the "**Meeting**") of Members of the Company to be held via the Zoom videoconferencing platform, **Thursday, October 13, 2022 at 7:00 PM**. All expenses incurred in connection with the solicitation of proxies will be borne by the Company. Solicitation will be made primarily by email, but will also be made by mail as necessary. Proxies may also be solicited by Directors, officers, and employees of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Each Member entitled to vote at the Meeting may, by means of a form of proxy in writing executed by the Member or his attorney, authorized in writing, appoint a proxy to attend and vote on his/her behalf at the Meeting. In order to be acted upon at the Meeting, a form of proxy must be returned as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package. A Member may revoke a form of proxy previously given by returning another proper form of proxy bearing a later date than the previously given form of proxy as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package.

EXERCISE OF DISCRETION BY PROXY

Proxies will be voted or withheld from voting in accordance with the Member's instructions contained therein.

The form of Proxy also confers authority on the persons named therein to vote with respect to any other matters which may properly be brought before the Meeting. At the date hereof, management knows of no other such matters.

VOTING BY MEMBERS

Only Members of record in good standing at the close of business on **September 20th, 2022** are entitled to vote at the Meeting, each Member being entitled to one (1) vote. The term "Member" is defined in the Articles of Association (the "**Articles**") of the Company, and voting is restricted to Commercial Owners, Homeowner Members and Rental Members.

No Member is entitled to vote at the Meeting if at the date of the Meeting any sum due or payable to the Company by such Member remains unpaid for at least forty-five (45) days following a written request for payment of same.

At the close of business on **September 19th 2022**, the Company had **4308** Voting Members in good standing. **THE COMPANY'S MEMBERS IN GOOD STANDING AT THE CLOSE OF BUSINESS September 20th, 2022, ARE THE ONLY MEMBERS ENTITLED TO VOTE AT THE MEETING.**

ELECTION OF DIRECTORS

At the Meeting, it is proposed that the total number of Directors for the Company be established as no more than **ten (10)** until the next Annual General Meeting. The Board will be composed entirely of resident Members who meet the qualifications set out in the Articles.

Newly appointed Directors shall be appointed to serve for a two-year term. This two-year term shall commence on the date of the Meeting until the second Annual General Meeting of Members following this Meeting, or until his/her successor is elected or appointed.

The following Directors were elected for two-year terms in 2021, and will continue to serve on the SSRA Board for one more year. The remainder of their terms shall be from the date of the Meeting until the next Annual General Meeting of Members after this Meeting or until their successors are elected or appointed.

Denise Stefanic
Amber Lee
Rob Wyatt
Balraj Mann

Ryan Devlin

The following Members in good standing have expressed an interest to stand for election at the Meeting:

Marc Chalifoux
Amanda Kraayenbrink
Rob Pangrass
Kimberly Mosicki
Josh Noble
Dorothy Pinto
Celine Danko

Nominations for Directors will also be sought from the Members at the meeting. Members interested in standing for election at the Meeting should be aware of the fiduciary responsibilities of Directors, and must meet the qualifications and requirements set out in the Articles. All candidates should be present at the Meeting. If a candidate is unable to attend the Meeting, he or she must notify the Company in advance, and provide a written speech to be read or video to be shown to introduce him or herself. Those interested in standing for election at the Meeting, or candidates providing notice of their absence are invited to contact Paula in advance of the Meeting at 780-497-7558 or by e-mail at reception@lakesummerside.ca.

Further information is given below with respect to each nominee as a Director, including the length of time each has previously served as a Director of the Company.

NAME	PERIOD SERVED AS DIRECTOR OF THE COMPANY
Marc Chalifoux	7 years
Amanda Kraayenbrink	4 years
Rob Pangrass	3 years
Kimberly Mosicki	0 years
Josh Noble	0 years
Dorothy Pinto	0 years
Celine Danko	0 years

DIRECTORS COMPENSATION - Nil

PENSION PLAN - Nil

EXECUTIVE COMPENSATION AND PLANS - Nil

INCENTIVE SHARE OPTION PLAN FOR OFFICERS AND KEY EMPLOYEES - Nil

APPOINTMENT OF AUDITORS

Management proposes that BDO Canada be appointed as Auditor for the Company for the fiscal year ending December 31, 2022, and that the Directors be authorized to fix the Auditor's remuneration. BDO Canada has been appointed as the Auditor yearly since 2013.

CERTIFICATE

The foregoing contains no misstatement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

BY THE ORDER OF THE BOARD OF DIRECTORS



MARC CHALIFOUX, President

The management of the Company knows of no amendment, variation or other matters to come before the Annual General Meeting of Members other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgement of the person or persons voting such proxy.

Dated at Edmonton, Alberta, this **20th day of September, 2022.**

BY THE ORDER OF THE BOARD OF DIRECTORS



MARC CHALIFOUX, President

INSTRUCTIONS FOR PROXY FORMS

If a Member is unable to attend the Meeting, they may exercise their vote via proxy (see attached Proxy form on last page of this booklet). A Member desiring to appoint a person (who must also be a Member in good standing) to represent him/her at the Meeting may do so by inserting such person's name in the blank space provided. The completed proxy should be sent in to the address indicated below:

**Summerside Residents Association
1720 88 Street SW, Edmonton, Alberta, T6X 1J7
Attention: Paula Paradis
or by facsimile to 780-497-7559
or by email to reception@lakesummerside.ca**

**All proxies must be in writing, signed by the Member giving the proxy, and returned no later than
5:00PM Wednesday, October 12th, 2022.**

A Member who has given a proxy may revoke it any time before it is exercised. A proxy may be revoked by instrument in writing or, if the Member is a corporation, by an officer or attorney thereof duly authorized, and delivered as indicated above, at any time up to and including the last business day preceding the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting and Exercise of Discretion by Proxies

The persons named in the form of proxy will vote the Membership in respect of which they are appointed. in accordance with the instructions indicated therein.

BY THE ORDER OF THE BOARD OF DIRECTORS



MARC CHALIFOUX, President

**SUMMERSIDE RESIDENTS ASSOCIATION
2022 ANNUAL GENERAL MEETING OF MEMBERS
On the 13th day of October, 2022 at 7:00 PM**

PROXY SOLICITED BY MANAGEMENT

The undersigned Voting Member of the SUMMERSIDE RESIDENTS ASSOCIATION (the "**Company**") hereby appoints **Marc Chalifoux** or failing him, _____, as proxy to attend and vote on behalf of the undersigned at the Annual General Meeting of Members and at any adjournment thereof, and the proxy is instructed to vote:

1. **FOR** _____ **OR AGAINST** _____ (and if no specification is made, FOR)

The setting of the total number of Directors for the Company at ten (10).

2. **FOR OR AGAINST** the election of the following resident(s) as Directors: **Please vote FOR a maximum of 5 candidates.**

NAME OF NOMINEES	FOR	AGAINST
Marc Chalifoux		
Rob Pangrass		
Amanda Kraayenbrink		
Kimberly Mosicki		
Josh Noble		
Dorothy Pinto		
Celine Danko		

If no individual(s) are specified above, my proxy may vote at his/her discretion.

3. **FOR** _____ **OR AGAINST** _____ (and if no specification is made, FOR)

That BDO Canada be appointed as Auditor for the Company for the fiscal year ending December 31, 2022 and that the Directors be authorized to fix its remuneration.

4. **In his/her discretion with respect to any amendments, variations or additions with respect to any of the matters noted above or with respect to any other matter which may properly be brought before the Meeting or any adjournment thereof.**

DATED this _____ day of _____, 2022.

Member's Name (please print)

Signature of Member

Member Address (required)

This form should be signed by the Member or his attorney, authorized in writing, and if the Member is a corporation, this form of proxy should be signed by a duly authorized officer under corporate seal.

RETURN PROXIES NO LATER THAN CLOSE OF BUSINESS (5:00 P.M.) ON Wednesday, October 12, 2022
Summerside Residents Association
1720 88 Street SW, Edmonton, Alberta, T6X 1J7
Attention: Paula Paradis; facsimile to 780-497-7559 or e-mail to reception@lakesummerside.ca

SUMMERSIDE RESIDENTS ASSOCIATION

FINANCIAL STATEMENTS

December 31, 2021



Tel: 403-266-5608
Fax: 403-233-7833
Toll-free: 1-888-444-4840
www.bdo.ca

BDO Canada LLP
620, 903 - 8th Avenue SW
Calgary AB T2P 0P7

Independent Auditor's Report

To the Board of Directors of Summerside Residents Association

Opinion

We have audited the financial statements of Summerside Residents Association (the "Association"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2021, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, 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 Association'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 Association or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 auditor's 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 Association'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Association 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.

BDO Canada LLP

Chartered Professional Accountants

Calgary, Alberta
June 20, 2022

SUMMERSIDE RESIDENTS ASSOCIATION
Statement of Financial Position
As at December 31

	<u>2021</u>	<u>2020</u>
CURRENT ASSETS		
Cash and cash equivalents (Note 2)	\$ 1,632,114	\$ 1,474,849
Accounts receivable (Note 11)	6,785	42,632
Prepaid expenses	21,478	19,225
	<u>1,660,377</u>	<u>1,536,706</u>
CAPITAL ASSETS (Note 4)	<u>2,559,406</u>	<u>2,565,953</u>
	\$ 4,219,783	\$ 4,102,659
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 101,796	\$ 66,100
Goods and services tax payable	28,176	24,968
Demand loan payable (Note 5)	1,907,611	2,387,676
Deferred revenue	715,918	676,918
	<u>2,753,501</u>	<u>3,155,662</u>
LOAN PAYABLE (Note 6)	<u>60,000</u>	<u>40,000</u>
	<u>2,813,501</u>	<u>3,195,662</u>
NET ASSETS (Note 9)		
Net assets invested in capital assets	2,559,403	2,565,953
Unrestricted net deficiency	(1,153,121)	(1,658,956)
	<u>1,406,282</u>	<u>906,997</u>
	\$ 4,219,783	\$ 4,102,659

Commitments (Note 10)

Approved on behalf of the Association:

_____, Director

 _____, Director

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

SUMMERSIDE RESIDENTS ASSOCIATION
Statement of Operations
For the year ended December 31

	<u>2021</u>	<u>2020</u>
REVENUE		
Membership fees	\$ 1,743,730	\$ 1,733,412
Government assistance (Note 11)	286,839	330,128
Program income	74,169	30,488
Grant	22,250	16,500
Interest and other	19,230	31,294
Beach club rental	18,947	5,223
Amortization of deferred capital contributions	-	100,000
	<u>2,165,165</u>	<u>2,247,045</u>
EXPENSES		
Salaries and benefits	791,339	699,272
Beach club maintenance	151,993	117,413
Administration	141,527	146,133
Property tax	107,580	99,060
Amortization	107,289	200,877
Programs	84,691	48,782
Utilities	77,155	45,470
Loan interest	61,694	90,773
Repairs and maintenance	49,794	36,527
Security	44,452	19,192
Professional fees (Note 3)	30,177	49,540
Insurance	17,958	13,215
Advertising and promotion	231	285
	<u>1,665,880</u>	<u>1,566,539</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>\$ 499,285</u></u>	<u><u>\$ 680,506</u></u>

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

SUMMERSIDE RESIDENTS ASSOCIATION
Statement of Changes in Net Assets
For the year ended December 31

	Invested in Capital Assets	Unrestricted	2021	2020
BALANCE, BEGINNING OF YEAR	\$ 2,565,953	\$ (1,658,956)	\$ 906,997	\$ 226,491
Acquisition of capital assets	100,739	(100,739)	-	-
Excess of revenue over expenses	-	499,285	499,285	680,506
Amortization of capital assets	(107,289)	107,289	-	-
BALANCE, END OF YEAR	\$ 2,559,403	\$ (1,153,121)	\$ 1,406,282	\$ 906,997

SUMMERSIDE RESIDENTS ASSOCIATION
Statement of Cash Flows
For the year ended December 31

	<u>2021</u>	<u>2020</u>
NET INFLOW OF CASH RELATED TO:		
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 499,285	\$ 680,506
Items not affecting cash and cash equivalents		
Amortization of capital assets	107,289	200,877
Amortization of deferred capital contributions	-	(100,000)
	<u>606,574</u>	<u>781,383</u>
 Changes in non-cash working capital items		
Accounts receivable	35,847	(18,224)
Prepaid expenses	(2,253)	(4,787)
Accounts payable and accrued liabilities	35,696	(26,261)
Goods and services tax	3,208	2,863
Deferred revenue	39,000	63,618
	<u>718,072</u>	<u>798,592</u>
 INVESTING ACTIVITIES		
Acquisition of capital assets	<u>(100,739)</u>	<u>(102,109)</u>
 FINANCING ACTIVITIES		
Repayments of demand loan payable	(480,065)	(425,989)
Advances from loan payable	20,000	40,000
	<u>(460,065)</u>	<u>(385,989)</u>
 NET CASH INFLOW	157,268	310,494
 CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,474,849</u>	<u>1,164,355</u>
 CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,632,114</u>	<u>\$ 1,474,849</u>

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES

a) Purpose

The Summerside Residents Association (the "Association") was incorporated as a not-for-profit corporation on July 31, 2000 under Section 9 of the Companies Act of the Province of Alberta, R.S.A. 1980. As such, the Association is exempt from income tax under Section 149 of the Income Tax Act. The Association owns and operates amenities for the use of its members, the residents of Summerside. On August 30, 2000, a turn-over agreement was entered into with Brookfield Residential (Alberta) LP ("Brookfield Residential"). The turn-over agreement specified that on the effective date, Brookfield Residential will deliver to the Association: land titles to the private parcels, a bill of sale for all the chattels owned by Brookfield Residential and used in the operation of the private parcels and reserves, and a transfer of all the encumbrances for each property in the community. The effective date of the turn-over agreement was September 24, 2020.

b) Basis of Accounting

The financial statements of the Association have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations ("ASNPO").

c) Cash and Cash Equivalents

Cash and cash equivalents consists of cash held at financial institutions and term deposits with maturity dates within three months of balance sheet date.

d) Revenue Recognition

The Association uses the deferral method of accounting for contributions. Contributions of capital assets or funds for the purchase of capital assets which are subject to amortization are deferred and amortized on the same basis as those capital assets. Contributions of capital assets or funds for the purchase of capital assets which are not subject to amortization, are recorded as a direct increase to net assets.

Membership fees are recognized as revenue in the year to which they relate. Restricted contributions are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions, such as grants and donations not designated for a specific purpose, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Deferred revenues includes membership fees that arise from receipt of payments in advance of the period in which they were earned.

Program revenues, rental revenues, and interest are recorded on an accrual basis and recognized when amounts are known and collection is reasonably assured.

Grants and government assistance are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonable assured.

e) Use of Estimates

In accordance with ASNPO, estimates and assumptions are made by management in the preparation of these financial statements. These estimates may impact the amounts included in the financial statements. The most significant of these estimates are related to amortization and the estimated useful life of the capital assets and accrued liabilities. Actual results could differ from these estimates.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2021

1. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

f) Capital Assets

Capital assets purchased by the Association are recorded at cost. Capital assets contributed to the Association are recorded at fair value on the date of contribution.

Amortization is based on estimated useful life calculated on a straight line basis as follows:

Buildings and vehicles	5-15 years
Boats and docks	5-10 years
Equipment, office equipment and maintenance equipment	5-12 years
Computer equipment	1-5 years
Park amenities	2-25 years

g) Impairment of Long-Lived Assets

Tangible capital assets are tested annually for impairment where impairment indicators are present. This would occur if an item no longer contributes to the Association's ability to provide services. Any excess of the item's carrying value, with no long-term service potential, over its residual value is recognized as an expense of the period.

h) Financial Instruments

A financial asset or liability is recognized when the Association becomes party to the contractual provisions of the financial instrument. All financial instruments, except derivative financial instruments, are initially measured at fair value and subsequently at cost or amortized cost. Derivative financial instruments are subsequently measured at fair value with changes being reported in net income.

Financial assets are tested for impairment when changes in circumstances indicate that the asset could be impaired. Transaction costs on the acquisition and sale of financial instruments are expensed for those items re-measured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

2. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are guaranteed investment certificates (GICs) totaling \$500,000 (2020 - \$500,000), with interest rates of 0.50% (2020 - 2.14%) all of which mature on March 22, 2022.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2021

3. RELATED PARTY TRANSACTIONS

The Summerside Management Agreement grants Brookfield Residential control of the management of the Association and management of the Summerside amenities until the Effective Date (defined below). Until such time, the powers of the Officers and Directors to manage the business affairs of the Association are temporarily restrained.

On September 24, 2020, the Effective Date, Brookfield Residential transferred ownership of all assets and amenities to the Association. As of the Effective Date, Brookfield Residential will no longer provide financial support to the Association.

The following expenses were incurred for services provided by Brookfield Residential to the Association:

	2021	2020
Administration	<u>\$ -</u>	<u>\$ 14,000</u>

All transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

4. CAPITAL ASSETS

	2021			2020
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 1,301,619	\$ 1,122,353	\$ 179,266	\$ 208,202
Vehicles	64,853	42,572	22,281	27,202
Boats	92,315	79,635	12,680	15,747
Docks	55,277	37,623	17,654	21,973
Equipment	244,665	150,287	94,378	100,896
Office equipment	69,751	59,089	10,662	10,450
Maintenance equipment	105,178	100,183	4,995	6,524
Computer equipment	26,572	23,569	3,003	3,996
Park amenities	459,100	259,613	199,487	155,966
	<u>2,419,330</u>	<u>1,874,924</u>	<u>544,406</u>	<u>550,956</u>
Land	2,015,000	-	2,015,000	2,015,000
	<u>\$ 4,434,330</u>	<u>\$ 1,874,924</u>	<u>\$ 2,559,406</u>	<u>\$ 2,565,956</u>

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2021

5. DEMAND LOAN

Alberta Treasury Branch ("ATB") provided the Association with a reducing credit facility with a maximum amount of \$2,322,611 (2020 - \$2,745,099). This loan bears interest at the ATB prime rate (2020 - ATB prime rate plus 0.62%) per annum, is due on demand, and is payable in monthly blended payments of \$22,230 (2020 - \$22,230). The loan is secured by a general security agreement covering the Association's present and after acquired property and floating charge on land, a first mortgage agreement registered against the property in the amount of \$3,300,000 (2020 - \$3,300,000), and up to September 24, 2020, the Effective Date, (defined in Note 3) postponement and assignment of claims from Brookfield Residential and a comfort letter from Brookfield Residential covering all debt servicing shortfalls.

The loan is expected to be renewed each year. The principal payment estimated to be required in each of the next five years and thereafter are as follows:

2022	\$	212,202
2023		217,776
2024		224,431
2025		231,544
2026		238,754
Thereafter		782,904
	\$	<u>1,907,611</u>

6. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

During the year, the Association was provided an additional \$20,000 on top of the existing \$40,000 interest free loan to assist with continued operational difficulties faced as a result of the ongoing COVID-19 pandemic. Similar to the first loan, the extension bears 0% interest and is not repayable until December 31, 2023. Principal repayments can voluntarily be made at any time without fees or penalties. Including the extension, repayment of \$40,000 of the \$60,000 on or before December 31, 2023, will result in loan forgiveness of \$20,000. If any part of the balance is not paid by December 31, 2023, the remaining balance will be converted to a 3-year term loan at 5% annual interest, paid monthly, effective January 1, 2024. The full balance must be repaid by no later than December 31, 2026. As at December 31, 2021, there was \$60,000 due on the balance of the loan.

SUMMERSIDE RESIDENTS ASSOCIATION

Notes to the Financial Statements

December 31, 2021

7. FINANCIAL INSTRUMENTS

The Association, through its financial assets and liabilities, has exposure to the following risks from its use of financial instruments; interest rate risk, credit risk and liquidity risk. There has been no change in the risk exposure since last year. The risks and related management strategies are discussed below:

a) Interest rate risk

The Association is exposed to interest rate cash flow risk as a result of the demand loan from ATB, whereby the cash flows required to service the debt will fluctuate with changes in market rates.

b) Credit risk

The Association is exposed to credit risk through its cash and cash equivalents and accounts receivable.

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Association's credit risk is primarily attributable to its accounts receivable. The accounts receivable represents annual charges not collected from members and government subsidies. The risk is mitigated due to the fact that the Association takes legal action on overdue accounts and places a lien on the property of the member and will collect the annual charge upon sale of the home if the member chooses not to pay the annual charge. The Association also has a number of members which minimizes the concentration of credit risk.

c) Liquidity risk

Liquidity risk is the risk that the Association would encounter difficulty in meeting obligations with financial liabilities, including the risk that the Association will not have sufficient funds to settle a transaction on the due date. The Association is exposed to this risk in respect of its accounts payable and accrued liabilities, goods and services tax payable, loan payable, and the demand loan.

8. DEFERRED CAPITAL CONTRIBUTION

Deferred capital contributions relate to capital assets contributed to the Association by Brookfield Residential. The balance consists of \$1,000,000 (2020 - \$1,000,000), less accumulated amortization of \$1,000,000 (2020 - \$900,000). The land contributed by Brookfield Residential in previous years is not subject to amortization and was therefore recorded as a direct increase to net assets.

SUMMERSIDE RESIDENTS ASSOCIATION

Notes to the Financial Statements

December 31, 2021

9. NET ASSETS

The Association may budget and set aside any of the accumulated excess of revenues over expenditures to create a reserve fund for the purpose of replacing future assets, maintaining the property, and meeting contingencies. Currently, the Association has an unrestricted net deficiency of \$1,153,121 (2020 - \$1,658,956) and has internally restricted the net assets invested in Capital Assets \$2,559,403 (2020 - \$2,565,953).

10. COMMITMENTS

The Association has commitments related to operating leases for office equipment and software. Payments expected over the remaining term of the leases are as follows:

2022	\$	12,467
2023		6,409
2024		6,409
2025		6,409
2026		3,318
	<u>\$</u>	<u>35,012</u>

11. GOVERNMENT ASSISTANCE

During the year, the Association recorded \$212,072 (2020 - \$330,128) in government wage subsidies. All government subsidy contributions have been recognized into income during the year. An amount receivable of \$nil (2020 - \$28,279) is included in accounts receivable at year end.

During the year, the Association recorded \$74,767 (2020 - \$nil) in government rent subsidies. All government subsidy contributions have been recognized into income during the year.

During the year, the Association recorded \$5,000 (2020 - \$nil) in other COVID-19 grants and have included it in grant revenue at year end. All government subsidy contributions have been recognized into income during the year.

12. CREDIT LIMIT

At December 31, 2021, the Association has a total credit card limit of \$5,000 (2020 - \$5,000) of which \$1,919 (2020 - \$499) has been used at year end.

13. COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", resulted in worldwide emergency measures which have caused disruptions to businesses globally resulting in an economic slowdown. The duration and long-term impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the length or effects of these developments, including the impact on the financial results of the Association in future periods.