

TOWN OF STONY PLAIN
Consolidated Financial Statements
For the Year Ended December 31, 2024

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Stony Plain

Opinion

We have audited the accompanying consolidated financial statements of the Town of Stony Plain, which comprise the statement of consolidated financial position as at December 31, 2024 and the consolidated statements of operations and accumulated surplus, changes in net debt, remeasurement gains and losses and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Town of Stony Plain as at December 31, 2024 and the results of its consolidated operations, changes in net financial assets, remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information is comprised of the information included in the Annual Report, but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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



In preparing the consolidated financial statements, management is responsible for assessing the Town'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 Town or to cease operations, or has no realistic alternative but to do so.

Those charged with governance (Council) are responsible for overseeing the Town's financial reporting process.

Auditors' Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but 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 in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town'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 Town 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 significant deficiencies in internal control that we identify during our audit.

METRIX GROUP LLP

Chartered Professional Accountants

Edmonton, Alberta
April 28, 2025

**MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL REPORTING**

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

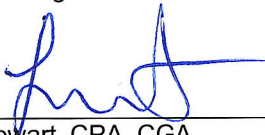
The consolidated financial statements are prepared by management, in accordance with Canadian public sector accounting standards established by the Canadian Public Sector Accounting Board. They necessarily include some amounts that are based on the best estimates and judgments of management.

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 Town Council to express an opinion on the Town's consolidated financial statements.



Thomas Goulden
Town Manager



Teri Stewart, CPA, CGA
Manager, Financial Services

TOWN OF STONY PLAIN
Consolidated Statement of Financial Position
As at December 31, 2024

	2024	2023
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 8,396,403	\$ 11,314,913
Receivables (Note 3)	12,315,529	8,488,912
Land held for resale	29,907	32,351
Investments (Note 4)	18,329,757	17,402,651
Loan receivable (Note 5)	1,288,986	-
	40,360,582	37,238,827
LIABILITIES		
Accounts payable and accrued liabilities (Note 6)	10,211,100	8,425,595
Deposit liabilities	1,574,760	1,616,134
Deferred revenue (Note 7)	7,965,911	9,610,552
Asset retirement obligations (Note 8)	826,331	806,439
Long-term debt (Note 9)	29,408,211	29,887,587
	49,986,313	50,346,307
NET DEBT	(9,625,731)	(13,107,480)
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	270,427,559	262,445,528
Prepaid expenses	466,720	381,931
Inventories for consumption	207,741	155,671
	271,102,020	262,983,130
ACCUMULATED SURPLUS (NOTE 11)	\$ 261,476,289	\$ 249,875,650
ACCUMULATED SURPLUS IS COMPRISED OF:		
Accumulated surplus from operations	261,551,715	250,023,329
Accumulated remeasurement losses	(75,426)	(147,679)
	261,476,289	249,875,650

Contingencies (Note 13)

ON BEHALF OF TOWN COUNCIL:



TOWN OF STONY PLAIN
Consolidated Statement of Operations and Accumulated Surplus
For the Year Ended December 31, 2024

	2024 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
REVENUE			
Net taxes available for municipal purposes (Schedule 2)	\$ 22,063,668	\$ 21,971,934	\$ 20,105,095
Sales and user charges (Schedule 4)	18,083,309	20,726,775	19,028,060
Franchise and concession contracts (Note 15)	3,958,200	4,128,788	3,867,135
Government transfers for operating (Schedule 3)	3,639,984	3,333,265	2,949,259
Rentals	1,011,124	1,059,251	966,522
Investment income	309,500	993,835	695,423
Licenses and permits	625,000	773,161	540,319
Other	349,000	560,412	331,839
Fines	360,300	414,633	335,550
Penalties and costs on taxes	253,000	341,327	329,158
	50,653,085	54,303,381	49,148,360
EXPENSES			
Recreation and culture	12,101,924	13,868,479	12,795,730
Utilities	11,247,029	10,752,392	10,592,863
Transportation	9,062,371	9,572,854	8,709,077
General government	9,589,151	9,170,369	7,541,207
Protective services	8,577,584	8,184,065	8,349,589
Development	3,577,988	2,884,190	2,404,897
Community and Social Development	1,131,209	1,216,504	1,058,428
	55,287,256	55,648,853	51,451,791
ANNUAL DEFICIT BEFORE OTHER REVENUE (EXPENSE)	(4,634,171)	(1,345,472)	(2,303,431)
OTHER REVENUE (EXPENSE)			
Government transfers for capital (Schedule 3)	5,555,000	8,215,451	2,559,164
Contributed tangible capital assets (Note 16)	-	4,263,694	4,574,968
Developer contributions for capital	616,244	346,834	828,748
Gain (loss) on disposal of tangible capital assets	-	47,879	(47,638)
	6,171,244	12,873,858	7,915,242
ANNUAL SURPLUS	1,537,073	11,528,386	5,611,811
ACCUMULATED SURPLUS, BEGINNING OF YEAR	250,023,329	250,023,329	244,411,518
ACCUMULATED SURPLUS, END OF YEAR (NOTE 11)	\$ 251,560,402	\$ 261,551,715	\$ 250,023,329

TOWN OF STONY PLAIN
Consolidated Statement of Changes in Net Debt
For the Year Ended December 31, 2024

	2024 (Budget) <i>(Note 22)</i>	2024 (Actual)	2023 (Actual)
ANNUAL SURPLUS	\$ 1,537,073	\$ 11,528,386	\$ 5,611,811
Acquisition of tangible capital assets	(21,674,882)	(16,442,199)	(20,745,388)
Tangible capital assets transferred to land held for resale	-	-	32,351
Proceeds on disposal of tangible capital assets	-	55,162	17,334
Amortization of tangible capital assets	7,763,077	8,452,885	8,027,969
Loss (gain) on disposal of tangible capital assets	-	(47,879)	47,638
	(13,911,805)	(7,982,031)	(12,620,096)
Use (acquisition) of inventory for consumption	-	(52,070)	(5,131)
Use (acquisition) of prepaid expenses	-	(84,789)	(98,435)
Unrealized remeasurement gains (losses)	-	72,253	351,852
	-	(64,606)	248,286
DECREASE (INCREASE) IN NET DEBT	(12,374,732)	3,481,749	(6,759,999)
NET DEBT, BEGINNING OF YEAR	(13,107,480)	(13,107,480)	(6,347,481)
NET DEBT, END OF YEAR	\$ (25,482,212)	\$ (9,625,731)	\$ (13,107,480)

TOWN OF STONY PLAIN
Consolidated Statement of Remeasurement Gains and Losses
For the Year Ended December 31, 2024

	2023 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
ACCUMULATED REMEASUREMENT GAINS (LOSSES), BEGINNING OF THE YEAR	\$ -	\$ (147,679)	\$ (499,531)
Unrealized gains (losses) attributable to:			
Derivative investments	-	72,253	351,852
ACCUMULATED REMEASUREMENT GAINS (LOSSES), END OF YEAR	\$ -	\$ (75,426)	\$ (147,679)

TOWN OF STONY PLAIN
Consolidated Statement of Cash Flows
For the Year Ended December 31, 2024

	2024	2023
OPERATING ACTIVITIES		
Cash from operations		
Annual surplus	\$ 11,528,386	\$ 5,611,811
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	8,452,885	8,027,969
Amortization of investment premium/discounts	(11,102)	(20,315)
Loss (gain) on sale of investments	44,315	110,227
Loss (gain) on disposal of tangible capital assets	(47,879)	47,638
Tangible capital assets received as contributions	(4,263,694)	(4,574,968)
Change in non-cash working capital balances related to operations:		
Receivables	(3,826,617)	(1,739,002)
Land held for resale	2,444	(32,351)
Loan receivable	(1,288,986)	-
Prepaid expenses	(84,789)	(98,435)
Inventories for consumption	(52,070)	(5,131)
Accounts payable and accrued liabilities	1,785,505	216,806
Deferred revenue	(1,644,641)	1,034,795
Asset retirement obligations	19,892	38,402
Deposit liabilities	(41,374)	(197,697)
	10,572,275	8,419,749
FINANCING ACTIVITIES		
Repayment of long-term debt	(1,777,076)	(1,716,531)
Long-term debt issued	1,297,700	-
	(479,376)	(1,716,531)
INVESTING ACTIVITIES		
Purchases of investments	(10,339,560)	(8,113,727)
Proceeds on sale of investments	9,451,494	13,830,983
	(888,066)	5,717,256
CAPITAL ACTIVITIES		
Tangible capital assets transferred to held for resale	-	32,351
Proceeds from sale of tangible capital assets	55,162	17,334
Purchase of tangible capital assets	(12,178,505)	(16,170,420)
	(12,123,343)	(16,120,735)
CHANGE IN CASH AND CASH EQUIVALENTS DURING YEAR	(2,918,510)	(3,700,261)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	11,314,913	15,015,174
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 8,396,403	\$ 11,314,913

TOWN OF STONY PLAIN
Schedule of Equity in Tangible Capital Assets
For the Year Ended December 31, 2024

Schedule 1

	2024	2023
BALANCE, BEGINNING OF YEAR	\$232,873,672	\$228,879,099
Acquisition of tangible capital assets	16,442,199	20,745,388
Amortization of tangible capital assets	(8,452,885)	(8,027,969)
Net book value of tangible capital assets disposed of	(7,283)	(97,323)
Asset retirement obligation accretion <i>(Note 8)</i>	(19,892)	(38,402)
Repayment of capital long-term debt	1,768,362	1,716,531
Debt proceeds used during the year	-	(10,303,652)
BALANCE, END OF YEAR	\$242,604,173	\$232,873,672
Equity in Tangible Capital Assets is Comprised of the Following:		
Tangible capital assets net book value <i>(Note 10)</i>	\$270,427,559	\$262,445,528
Asset retirement obligations <i>(Note 8)</i>	(826,331)	(806,439)
Debt used for tangible capital assets	(26,997,055)	(28,765,417)
EQUITY IN TANGIBLE CAPITAL ASSETS	\$242,604,173	\$232,873,672

TOWN OF STONY PLAIN
Schedule of Net Municipal Taxes
For the Year Ended December 31, 2024

Schedule 2

	2024 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
TAXATION			
Real property taxes	\$ 29,424,964	\$ 30,097,317	\$ 27,546,029
Linear property taxes	350,907	414,666	371,754
Government grants in lieu of property taxes	91,326	91,308	107,387
	29,867,197	30,603,291	28,025,170
REQUISITIONS			
Alberta School Foundation Fund	6,497,504	7,122,964	6,638,829
Catholic School boards	1,100,809	1,213,335	1,075,786
Seniors Foundation	203,082	292,536	203,082
Designated industrial property	2,134	2,522	2,378
	7,803,529	8,631,357	7,920,075
NET MUNICIPAL TAXES	\$ 22,063,668	\$ 21,971,934	\$ 20,105,095

TOWN OF STONY PLAIN
Schedule of Government Transfers
For the Year Ended December 31, 2024

Schedule 3

	2024 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
TRANSFERS FOR OPERATING			
Provincial government	\$ 2,451,387	\$ 2,299,163	\$ 1,821,496
Local governments	1,188,597	1,034,102	1,127,763
	3,639,984	3,333,265	2,949,259
TRANSFERS FOR CAPITAL			
Provincial government	5,555,000	7,801,276	2,445,625
Local government	-	414,175	113,539
	5,555,000	8,215,451	2,559,164
TOTAL GOVERNMENT TRANSFERS	\$ 9,194,984	\$ 11,548,716	\$ 5,508,423

TOWN OF STONY PLAIN
Schedule of Sales and User Charges
For the Year Ended December 31, 2024

Schedule 4

	2024 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
Water supply and distribution	\$ 5,169,611	\$ 5,435,202	\$ 5,296,823
Wastewater treatment and disposal	5,030,113	4,904,529	4,284,122
Storm water	2,715,500	2,774,059	2,603,610
Parks and recreation	227,880	2,226,533	1,998,801
Golf course (Schedule 5)	2,009,144	2,141,158	2,136,111
Waste management	2,133,147	2,136,140	2,068,445
Administrative	482,700	519,104	422,236
Planning and development	56,700	397,468	41,586
Other transportation	258,514	192,582	176,326
TOTAL SALES AND USER CHARGES	\$ 18,083,309	\$ 20,726,775	\$ 19,028,060

TOWN OF STONY PLAIN
Schedule of Golf Course Annual Surplus (Deficit)
For the Year Ended December 31, 2024

Schedule 5

	2024 (Budget) (Note 22)	2024 (Actual)	2023 (Actual)
REVENUE			
Green fees	\$ 1,280,644	\$ 1,328,704	\$ 1,352,272
Proshop	687,500	763,405	744,184
Food service	40,000	48,097	39,655
Summer employment grant	-	12,300	12,137
Other	1,000	952	-
	2,009,144	2,153,458	2,148,248
EXPENSES			
Grounds maintenance	712,747	823,252	856,292
Administration	600,663	629,601	588,743
Proshop	449,801	586,748	482,659
Amortization	139,289	149,775	131,765
Food service	38,348	37,321	40,989
	1,940,848	2,226,697	2,100,448
ANNUAL SURPLUS (DEFICIT)	\$ 68,296	\$ (73,239)	\$ 47,800

TOWN OF STONY PLAIN
Schedule of Segmented Information
For the Year Ended December 31, 2024

Schedule 6

	General Government	Recreation & Culture	Protective Services	Transportation	Utilities	Development	Community & Social Development	Total 2024 Actual	2024 Budget
REVENUE									
Taxation	\$ 2,713,534	\$ 6,652,377	\$ 6,259,804	\$ 3,643,499	\$ -	\$ 2,333,419	\$ 369,301	\$ 21,971,934	\$ 22,063,668
Sales and user charges	519,106	4,367,691	-	192,582	15,249,930	33,055	364,411	20,726,775	18,083,309
All other	4,523,063	817,749	450,723	119,551	59,882	826,504	65,467	6,862,939	6,196,324
Government transfers	291,694	426,636	1,180,465	300,294	-	393,351	740,825	3,333,265	3,639,984
Investment income	869,513	-	-	42,463	81,859	-	-	993,835	309,500
Fines	-	-	414,633	-	-	-	-	414,633	360,300
	8,916,910	12,264,453	8,305,625	4,298,389	15,391,671	3,586,329	1,540,004	54,303,381	50,653,085
EXPENSES									
Materials, goods, contracted and general services	3,313,726	4,921,537	3,896,757	1,492,008	7,941,302	862,203	323,192	22,750,725	20,646,323
Salaries, wages, and benefits	5,001,151	4,942,947	3,155,087	1,681,721	1,175,983	2,017,188	893,312	18,867,389	19,295,274
Utilities	109,130	613,972	35,537	1,095,657	106,802	-	-	1,961,098	1,725,588
Repairs and maintenance	35,480	606,164	281,654	604,464	365,113	1,843	-	1,894,718	1,911,749
Interest on long term debt	35,488	79,535	277,106	375,282	85,340	-	-	852,751	1,716,589
Transfers to local boards and organizations	-	434,301	-	-	-	-	-	434,301	1,793,039
Insurance	209,963	87,227	20,776	46,971	50,157	-	-	415,094	435,617
Accretion expense	3,883	10,579	-	5,430	-	-	-	19,892	-
Amortization	461,548	2,172,217	517,148	4,271,321	1,027,695	2,956	-	8,452,885	7,763,077
	9,170,369	13,868,479	8,184,065	9,572,854	10,752,392	2,884,190	1,216,504	55,648,853	55,287,256
NET REVENUE (DEFICIT)	\$ (253,459)	\$ (1,604,026)	\$ 121,560	\$ (5,274,465)	\$ 4,639,279	\$ 702,139	\$ 323,500	\$ (1,345,472)	\$ (4,634,171)

TOWN OF STONY PLAIN
Schedule of Segmented Information
For The Year Ended December 31, 2023

Schedule 7

	General Government	Recreation & Culture	Protective Services	Transportation	Utilities	Development	Community & Social Development	Total 2023 Actual	2023 Budget
REVENUE									
Taxation	\$ 2,482,979	\$ 6,102,477	\$ 5,727,942	\$ 3,333,930	\$ -	\$ 2,135,161	\$ 322,606	\$ 20,105,095	\$ 20,100,969
Sales and user charges	422,238	4,133,462	-	176,326	14,253,000	22,586	20,448	19,028,060	16,998,170
All other	4,162,896	689,464	372,679	89,676	65,843	599,794	54,621	6,034,973	5,858,324
Government transfers	276,710	431,759	1,168,345	392,215	-	34,230	646,000	2,949,259	2,349,014
Investment income	636,031	-	2,337	10,014	47,041	-	-	695,423	576,500
Fines	-	-	335,550	-	-	-	-	335,550	270,500
	7,980,854	11,357,162	7,606,853	4,002,161	14,365,884	2,791,771	1,043,675	49,148,360	46,153,477
EXPENSES									
Materials, goods, contracted and general services	2,318,312	4,650,912	4,133,240	1,116,550	7,859,346	749,538	219,948	21,047,846	18,237,161
Salaries, wages, and benefits	4,370,614	4,335,616	3,106,719	1,590,830	1,017,936	1,651,689	838,480	16,911,884	16,811,870
Utilities	117,216	624,748	34,577	1,011,338	121,544	-	-	1,909,423	1,928,675
Repairs and maintenance	13,045	513,073	261,939	610,321	481,993	714	-	1,881,085	1,583,902
Interest on long term debt	26,758	84,194	296,238	388,922	87,909	-	-	884,021	1,086,560
Insurance	222,427	83,557	18,388	43,607	46,879	-	-	414,858	413,850
Transfers to local boards and organizations	-	334,303	2,000	-	-	-	-	336,303	1,656,339
Accretion expense	7,726	18,039	-	12,637	-	-	-	38,402	-
Amortization	465,109	2,151,288	496,488	3,934,872	977,256	2,956	-	8,027,969	7,427,454
	7,541,207	12,795,730	8,349,589	8,709,077	10,592,863	2,404,897	1,058,428	51,451,791	49,145,811
NET REVENUE (DEFICIT)	\$ 439,647	\$ (1,438,568)	\$ (742,736)	\$ (4,706,916)	\$ 3,773,021	\$ 386,874	\$ (14,753)	\$ (2,303,431)	(2,992,334)

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements of the Town of Stony Plain (the "Town") are the representations of management prepared in accordance with Canadian public sector accounting standards. Significant aspects of these accounting policies are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenses, and changes in accumulated surplus and financial position of the reporting entity which comprises all the organizations accountable for the administration of their financial affairs and resources to the Town and which are owned or controlled by the Town. This includes the following:

Stony Plain Public Library
TransAlta Tri Leisure Centre

The Town accounts for government partnerships using the proportionate consolidation method. Under this method, the Town's proportionate share of assets, liabilities, non-financial assets, revenues, expenses and accumulated surplus are included in the consolidated financial statements. The consolidated financial statements include the Town's share of the TransAlta Tri Leisure Centre. Condensed financial information is provided in Note 19.

(b) Basis of Accounting

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

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 as revenue in the period in which the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be made.

Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

(c) Use of Estimates

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

The Town has used estimates to determine accrued liabilities, asset retirement obligation liabilities and the useful lives of tangible capital assets.

(CONT'D)

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Valuation of financial assets and liabilities

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

Cash	Cost and amortized cost
Accounts receivables	Lower of cost or net recoverable value
Investments	Fair value and amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Asset retirement obligations	Present value
Long-term debt	Amortized cost

For financial assets and liabilities measured at amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial assets and liabilities that are measured at cost or amortized cost and expensed when measured at fair value.

(e) *Cash and Cash Equivalents*

Cash and cash equivalents include items that are readily convertible to known amounts of cash, are subject to an insignificant risk of change in value, and have a maturity of 90 days or less at acquisition.

(f) *Investments*

Unrealized gains and losses from changes in the fair value are recognized in the statement of remeasurement gains and losses.

The Town holds derivatives in the form of principal protected notes which are recorded at fair value in the statement of financial position. Unrealized gains and losses from changes in the fair value of derivatives are recognized in the statement of remeasurement gains and losses. Upon settlement, the realized gains and losses are reclassified as revenue or expense in the statement of operations. Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized on over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Investment income is recorded as revenue in the period it is earned.

(g) *Requisition Over-Levies and Under-Levies*

Over-levies and under-levies arise from the difference between the actual 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 taxes.

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

(CONT'D)

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Tax Revenue

Property tax revenue is based on market value assessments determined in accordance with the *Municipal Government Act*. Tax mill 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 tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the Town are recognized as revenue in the year they are levied.

(i) Pension Expenses

The Town accounts for the Local Authorities Pension Plan as a defined contribution plan, specifically, employer contributions for current and past service pension benefits are recorded as expenses in the year in which they become due. The Town does not recognize its share of the pension benefit obligation (*Note 23*).

(j) Developer Contributions

Developer contributions are recorded as deferred revenue upon signing of a development agreement and are recognized as revenue in the period the amounts have been used for the purpose specified.

(k) Asset retirement obligations

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) 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 Town 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.

(CONT'D)

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) 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.

i) 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 their estimated useful lives as follows:

Buildings	10 - 50 years
Engineered structures:	
Roadways	10 - 40 years
Water systems	45 - 75 years
Wastewater systems	45 - 75 years
Storm systems	75 years
Other	20 years
Machinery, equipment, and furnishings	5 - 45 years
Land improvements	15 - 45 years
Vehicles	10 - 25 years

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

No annual amortization is charged in the year of acquisition. A full year of amortization is charged in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

The Town does not capitalize interest costs associated with the acquisition or construction of a tangible capital asset.

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

ii) Inventories

Inventories are valued at the lower of cost and net realizable value with cost determined by the average cost method.

Land held for resale is recorded at the lower of cost or net realizable value on a specific item basis. 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 property and equipment under their respective function.

(n) New Accounting Standards not yet Adopted

Effective for fiscal years beginning on or after April 1, 2026, *PS 1202 Financial Statement Presentation*, sets out requirements for the presentation of information in general purpose financial statements.

Effective for fiscal years beginning on or after April 1, 2026, The Conceptual Framework for Financial Reporting, replaces the conceptual aspects of *PS 1000 Financial Statement Concepts*, and *PS 1100 Financial Statement Objectives*.

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

2. CASH AND CASH EQUIVALENTS

	2024	2023
Cash on hand	\$ 2,710	\$ 2,661
Operating accounts	6,566,425	9,788,666
Savings account	1,827,268	1,523,586
	\$ 8,396,403	\$ 11,314,913

3. RECEIVABLES

	2024	2023
Trade and other accounts receivable	\$ 9,409,440	\$ 6,038,809
Utilities	1,311,542	1,176,842
Taxes and grants in place of taxes	1,222,919	1,026,883
Goods and Services Tax	371,628	246,378
	\$ 12,315,529	\$ 8,488,912

The aging of receivables that are not impaired is as follows:

	2024	2023
Current	\$ 9,362,207	\$ 5,447,534
1 year	313,550	1,298,316
2 years	1,055,043	13,918
3 years	511	558,945
Over 3 years	1,584,218	1,170,199
	\$ 12,315,529	\$ 8,488,912

4. INVESTMENTS

	2024		2023	
	Carrying Value	Market Value	Carrying Value	Market Value
Corporate bonds - amortized cost	\$ 11,432,783	\$ 11,074,735	\$ 10,236,030	\$ 9,560,980
Principal-protected notes (b)	6,896,974	6,896,974	7,166,621	7,166,621
	\$ 18,329,757	\$ 17,971,709	\$ 17,402,651	\$ 16,727,601

Corporate bonds have coupon interest rates ranging from 1.67% - 5.30% (2023 - 1.78% to 5.60%) with maturity dates from March 2025 to August 2034.

Derivative investments have maturity dates from September 2031 to October 2034 and are carried at fair market value in which the measurements are derived from:

- a) Level 1 - Quoted prices in active markets for identical assets.
- b) Level 2 - Inputs other than quoted prices included within level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

5. LOAN RECEIVABLE

The Town passed Bylaw 2688/DEB/24 on May 13, 2024 authorizing Town Council to lend \$1,297,000 to the Meridian Housing Foundation for the purposes of financing the construction and completion of the Spruce Grove Lodge. The loan is unsecured, bears interest at Toronto Dominion bank prime plus 0.75% and is payable in annual blended amounts of \$161,922, due October of 2044 .

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2024	2023
Trade and other accounts payable	\$ 9,389,309	\$ 7,586,870
Earned vacation	366,025	383,192
Accrued sick pay	303,444	303,444
Accrued interest on long-term debt	152,322	152,089
	\$ 10,211,100	\$ 8,425,595

7. DEFERRED REVENUE

Deferred revenue is comprised of the following amounts, which have been received from third parties for a specified purpose. Additions are comprised of both contributions and interest earned during the year. These amounts are recognized as revenue in the period in which the related costs are incurred.

	2023	Additions	Revenue Recognized	2024
Developer contributions	\$ 2,096,078	\$ 426,931	\$ (3,498)	\$ 2,519,511
Local Government Funding Framework	-	2,251,413	(278,947)	1,972,466
Canada Community-Building Fund	3,160,990	1,187,079	(2,771,241)	1,576,828
Housing Accelerator Fund	-	1,296,617	(361,806)	934,811
Other	331,985	487,518	(331,985)	487,518
Municipal Sustainability Initiative	3,871,499	120,435	(3,517,157)	474,777
Tri-Municipal integration grant	150,000	-	(150,000)	-
	\$ 9,610,552	\$ 5,769,993	\$(7,414,634)	\$ 7,965,911

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

8. ASSET RETIREMENT OBLIGATIONS

The Town has asset retirement obligations to remove various hazardous materials including, asbestos, lead, mercury, and mold from buildings under its control. Regulations require the Town to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Town to remove the materials when the asset retirement activities occur. The total Town's undiscounted future cash flows expected on buildings is \$938,357 to be realized between 2025 and 2044. The estimated liability is based on the sum of discounted future cash flows using a discount rate of 5.00% and inflation rate of 3.1%. The Town has not designated assets for settling these liabilities.

	2024	2023
Balance, beginning of year	\$ 806,439	\$ 768,037
Accretion expense	19,892	38,402
Balance, end of year	\$ 826,331	\$ 806,439

The Town has not designated assets for settling the abatement activities.

9. LONG-TERM DEBT

	2024	2023
Debentures	\$ 26,431,660	\$ 28,141,890
Term loan 1	1,687,565	1,745,697
Term loan 2	1,288,986	-
	\$ 29,408,211	\$ 29,887,587

Principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 1,929,444	\$ 848,676	\$ 2,778,120
2026	1,834,383	790,121	2,624,504
2027	1,889,519	734,985	2,624,504
2028	1,946,193	678,311	2,624,504
2029	2,005,080	619,424	2,624,504
Thereafter	19,803,592	2,352,696	22,156,288
	\$ 29,408,211	\$ 6,024,213	\$ 35,432,424

Debenture debt is repayable to the Government of Alberta and bears interest at fixed rates ranging from 2.297% to 4.569% per annum maturing in years 2025 through 2041.

Term loan 1 bears interest at a fixed rate of 4.950% and is repayable in monthly interest and principal payments of \$11,956, maturing August 2042.

Term loan 2 bears interest at a fixed rate of 4.420% and is repayable in monthly interest and principal payments of \$13,494, maturing October 2044.

Interest on long-term debt amounted to \$852,751 (2023 - \$884,020).

The Town's cash payments for interest in 2024 were \$852,517 (2023 - \$899,667).

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

10. TANGIBLE CAPITAL ASSETS

	2024	2023
	Net Book Value	
Engineered structures		
Roadways	\$ 57,561,214	\$ 58,989,252
Wastewater systems	30,481,597	30,237,853
Storm systems	41,872,714	40,842,630
Water systems	19,537,808	19,439,581
Work in progress*	10,613,342	2,895,467
	160,066,675	152,404,783
Land	41,863,694	41,072,994
Buildings	42,048,806	43,349,599
Land improvements	18,020,648	17,129,734
Machinery, equipment, and furnishings	5,053,417	4,851,808
Vehicles	3,374,319	3,636,610
	\$ 270,427,559	\$ 262,445,528

	Cost Beginning of Year	Additions	Disposals	Transfers	Cost End of Year
Engineered structures					
Roadways	\$ 104,595,812	\$ 1,557,954	\$ -	\$ 66,813	\$ 106,220,579
Wastewater systems	39,591,947	680,880	(171,000)	105,369	40,207,196
Water systems	31,306,552	546,378	-	-	31,852,930
Storm systems	46,273,700	1,737,135	-	-	48,010,835
Work in progress*	2,895,467	9,629,619	-	(1,911,744)	10,613,342
Other	327,038	-	-	-	327,038
	224,990,516	14,151,966	(171,000)	(1,739,562)	237,231,920
Land	41,072,994	790,700	-	-	41,863,694
Buildings	61,910,120	196,952	(12,613)	-	62,094,459
Machinery, equipment, and furnishings	12,338,814	877,403	(438,811)	-	12,777,406
Land improvements	28,632,122	425,178	-	1,571,673	30,628,973
Vehicles	7,033,225	-	(138,147)	167,889	7,062,967
	\$ 375,977,791	\$ 16,442,199	\$ (760,571)	\$ -	\$ 391,659,419

	Accumulated Amortization Beginning of Year	Current Amortization	Disposals	Transfers	Accumulated Amortization End of Year
Engineered structures					
Roadways	\$ 45,606,560	\$ 3,052,805	\$ -	-	\$ 48,659,365
Water systems	11,866,971	448,151	-	-	12,315,122
Wastewater systems	9,354,094	535,222	(163,717)	-	9,725,599
Storm systems	5,431,070	707,051	-	-	6,138,121
Other	327,038	-	-	-	327,038
	72,585,733	4,743,229	(163,717)	-	77,165,245
Buildings	18,560,521	1,497,745	(12,613)	-	20,045,653
Machinery, equipment, and furnishings	7,487,006	675,794	(438,811)	-	7,723,989
Land improvements	11,502,388	1,105,937	-	-	12,608,325
Vehicles	3,396,615	430,180	(138,147)	-	3,688,648
	\$ 113,532,263	\$ 8,452,885	\$ (753,288)	\$ -	\$ 121,231,860

*No amortization has been provided for assets included in work in progress.

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

11. ACCUMULATED SURPLUS

	2024	2023
Unrestricted surplus	\$ 720,647	\$ 1,871,819
Developer deficit	(2,413,000)	(2,414,076)
Restricted surplus		
Operating reserves (Note 12)	7,079,131	7,043,146
Capital reserves (Note 12)	13,413,085	10,149,237
Equity in tangible capital assets (Schedule 1)	242,604,173	232,873,672
Unrealized remeasurement gains (losses)	72,253	351,852
	\$ 261,476,289	\$ 249,875,650

12. RESERVES

	2024	2023
OPERATING		
Tax levy stabilization	\$ 4,106,543	\$ 4,281,927
Utility rate stabilization	763,319	748,247
Police and Public Safety	621,219	650,430
Legacy	532,080	430,909
Technology	361,997	281,997
Public arts	307,901	271,485
Snow removal	200,461	200,460
Mural preservation	83,454	79,891
Safety rebate	65,157	60,800
Golf course	37,000	37,000
	\$ 7,079,131	\$ 7,043,146
CAPITAL		
Roads	\$ 2,707,157	\$ 2,569,094
Water	2,354,202	1,479,819
Storm	2,115,955	1,240,698
Sewer	1,868,751	1,354,359
Equipment replacement	1,056,790	675,755
Fire equipment	693,694	583,077
Life cycle - heritage park	454,769	578,612
General purpose	395,101	52,166
Life cycle - library	362,129	322,129
Trails	356,504	351,504
Life cycle - arena	354,695	371,194
Life cycle - community centre	214,102	209,102
Life cycle - fire hall	193,115	183,115
Public	189,636	178,713
TransAlta Tri Leisure Centre (Note 1 (a))	147,909	87,352
Life cycle - pool	143,950	204,403
Life cycle - common services building	137,954	117,954
Waste management capital	128,884	112,747
Life cycle - Forest Green Plaza	109,118	95,283
Town - administration building	108,973	83,973
Life cycle - outdoor recreation	81,509	112,017
Life cycle - youth centre	80,409	80,409
Recreation and culture	77,612	178,608
Life cycle - parkland building	74,008	74,008
Life cycle - RCMP	25,000	20,000
Life cycle - Old Firehall	20,000	20,000
Golf course capital	(3,841)	57,146
Stony Plain central land	(1,035,000)	(1,244,000)
	\$ 13,413,085	\$ 10,149,237

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

13. CONTINGENCIES

The Town is a member of the Alberta Municipal Insurance Exchange. Under the terms of 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.

The Town has been named as a defendant in various lawsuits. Where the outcome of a claim against the Town is considered likely to result in a loss and the amount of the loss can be reasonably estimated, accrued liabilities have been recorded. Where the resulting potential losses, if any, cannot be determined or the occurrence of future events is unknown, accrued liabilities have not been established.

14. CREDIT FACILITY

The Town has access to a revolving demand credit facility with a maximum of \$5,000,000 bearing interest at prime rate less 0.75%. No amounts were outstanding on the revolving loan at December 31, 2024 or December 31, 2023.

15. FRANCHISE AND CONCESSION CONTRACTS

Disclosure of utility franchise agreement annual revenues as required by Alberta Regulation 313/2000 is as follows:

	2024	2023
Fortis Alberta Inc.	\$ 2,448,740	\$ 2,282,367
Atco Gas	1,624,207	1,533,336
West Parkland Gas Co-op Ltd.	55,841	51,432
	\$ 4,128,788	\$ 3,867,135

16. CONTRIBUTED TANGIBLE CAPITAL ASSETS

	2024	2023
Roadway systems	\$ 1,197,802	\$ 2,291,590
Land	790,700	356,800
Storm systems	787,356	1,128,456
Wastewater systems	619,698	311,244
Water systems	546,377	395,804
Land improvements	321,762	91,074
	\$ 4,263,695	\$ 4,574,968

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

17. 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 Town be disclosed as follows:

	2024	2023
Total debt limit	\$ 81,455,072	\$ 73,722,540
Total debt	(29,408,211)	(29,887,587)
Total debt limits available	\$ 52,046,861	\$ 43,834,953
Service on debt limit	\$ 13,575,845	\$ 12,287,090
Service on debt	(2,778,120)	(2,616,198)
Service on debt limit available	\$ 10,797,725	\$ 9,670,892

18. SALARIES AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for elected municipal officials, the Town Manager and designated officers as required by Alberta Regulation 313/2000 is as follows:

	Salary	Benefits and Allowances	2024 Total	2023 Total
Choy (Mayor)	\$ 85,496	\$ 12,636	\$ 98,132	\$ 95,333
Laurie	42,207	10,948	53,155	51,276
Meyer	42,207	10,948	53,155	51,276
Anderson	42,207	10,940	53,147	51,276
Loyns	42,207	10,877	53,084	51,276
Pawlechko	42,207	10,856	53,063	50,657
Hansard	42,207	10,456	52,663	50,747
	\$ 338,738	\$ 77,661	\$ 416,399	\$ 401,841
Town Manager	\$ 244,737	\$ 38,933	\$ 283,670	\$ 257,825
Designated officer	\$ 197,876	\$ -	\$ 197,876	\$ 185,414

Salary includes regular base pay, lump sum payments, gross honorarium 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.

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

19. GOVERNMENT PARTNERSHIPS

The Town's financial statements include its share of operations 2024 - 26.1% (2023 - 26.1%) of the TransAlta Tri Leisure Centre. Condensed financial information of the TransAlta Tri Leisure Centre is as follows:

	2024	2023
FINANCIAL ASSETS		
Cash and investments	\$ 594,440	\$ 780,945
Receivables	267,682	188,803
Investments	1,700,000	800,000
	2,562,122	1,769,748
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	505,173	365,302
Deferred revenue	932,064	968,276
	1,437,237	1,333,578
NET FINANCIAL ASSETS	1,124,885	436,170
NON-FINANCIAL ASSETS		
Tangible capital assets	1,515,225	1,701,710
Prepaid expenses and inventory for consumption	163,941	177,486
	1,679,166	1,879,196
ACCUMULATED SURPLUS	\$ 2,804,051	\$ 2,315,366
REVENUE		
Pass, program fees and rental fees	\$ 5,880,257	\$ 5,032,421
Partnership contributions	3,250,544	2,944,881
Corporate sponsors and donations	309,846	426,107
All other	731,392	784,858
	10,172,039	9,188,267
EXPENSES		
Salaries and benefits	4,955,705	4,737,103
Utilities	1,069,047	1,024,262
All other	3,658,602	3,461,083
	9,683,354	9,222,448
ANNUAL SURPLUS (DEFICIT)	\$ 488,685	\$ (34,181)

20. SEGMENTED INFORMATION

Segmented information has been identified based upon lines of service provided by the Town. Town services are provided by departments and their activities are reported by functional area in the body of the financial statements. Certain lines of service that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

(a) General Government

General Government is comprised of Council, the Office of the CAO, Strategic Services, and Corporate Services. Strategic Services includes Communication Services. Corporate Services is comprised of Financial Services, Legislative Services, Human Resources, and Information Technology Services. Council makes decisions regarding service delivery and service levels on behalf of the municipality in order to balance the needs and wants of Town residents in a financially responsible manner.

(b) Protective Services

Protective Services is comprised of RCMP, Fire, Disaster, and Municipal Enforcement Services. The RCMP division in Stony Plain includes Federal, Provincial and Municipal employees and contracted members that serve Stony Plain and the surrounding area; it is an integrated force with Spruce Grove. Fire Services is responsible to provide fire suppression services; fire prevention programs; training and education related to prevention; and detection or extinguishment of fires. The mandate of Disaster Services is Emergency Management to help maintain safe communities. The Municipal Enforcement Services provide bylaw enforcement that ranges from public service to animal control as well as provincial statute enforcement with authorities granted by the Solicitor General of Alberta.

(c) Transportation

Transportation is comprised of Common Services and the Public Works areas. They are responsible for the maintenance of the roadway and storm systems. All transit services for the Town are included under Transportation.

(d) Recreation and Culture

Recreation and Culture is comprised of Parks and Recreation, Culture and Cultural Facilities. Parks and Recreation and Culture provide recreational and cultural services and activities which promote the well-being of its citizens. These areas are responsible for the parks, playgrounds, facilities, and green spaces of the Town. This area also acts as a liaison between community groups and the Transalta Tri-Leisure Centre.

(e) Utilities

Utilities are comprised of water, waste water, waste management collection and recycling. The Town is responsible for environmental programs such as organic carts, bi-weekly garbage pick-up and promoting recycling and other related initiatives.

(f) Development

Development is comprised of Planning and Infrastructure, Engineering and Economic Development. These areas are responsible for the planning and development of the Town's infrastructure system and work with developers in planning the growth of the Town in a sustainable manner. Engineering is responsible for major capital infrastructure projects. Economic Development works with businesses in the Town to encourage economic sustainability.

(g) Community and Social Development

The Community and Social Development area provides services mandated by Family and Community Support Services Alberta through a shared funding model between the Province of Alberta and the Town of Stony Plain.

(CONT'D)

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

18. SEGMENTED INFORMATION (CONT'D)

Certain allocation methodologies are employed in the preparation of segmented financial information. Taxation and payments in lieu of taxes are allocated to the segments based on the segments' budgeted net expenditures. User charges and other revenue have been allocated to the segment based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made. Development charges and levies are allocated to the segment for which the charge was made.

21. FINANCIAL INSTRUMENTS

The Town is exposed to the following risks in respect of its financial instruments at December 31, 2024.

Credit risk

The Town is exposed to credit risk with respect to receivables. Credit risk arises from the possibility that customers may experience financial difficulty and be unable to fulfill their obligations. The Town is exposed to the credit risk associated with fluctuations in the economy as a significant portion of the outstanding receivables at December 31, 2023 are receivable from local developers. The large number and diversity of customers minimizes the Town's credit risk.

Market price risk

Market price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, its issuer or general market factors affecting all securities.

Liquidity risk

Liquidity risk is the risk that the Town will encounter difficulty in meeting obligations associated with its financial liabilities. The Town maintains cash balances to ensure that funds are available to meet current and forecasted financial requirements. Management continues to monitor the Town's liquidity position on a regular basis.

Interest rate risk

Interest rate risk is the risk that the Town's annual surplus will be affected by the fluctuation and degree of volatility in interest rates. Interest rate risk on the Town's long-term debt is managed through fixed interest rates.

22. BUDGET FIGURES

The budget figures presented in these consolidated financial statements are based upon the 2024 operating and capital budgets approved by Council on November 27, 2023. The table below reconciles the approved budget figures reported in these consolidated financial statements.

ANNUAL SURPLUS	\$ 1,537,073
Deduct:	
Purchase of tangible capital assets	(21,674,882)
Transfers to reserves	(4,741,378)
Long-term debt repayment	(2,035,911)
Add back:	
Amortization	7,763,077
Debenture proceeds	11,859,800
Transfers from reserves	<u>7,292,221</u>
	<u>\$ -</u>

TOWN OF STONY PLAIN
Notes to Consolidated Financial Statements
For the Year Ended December 31, 2024

23. LOCAL AUTHORITIES PENSION PLAN (LAPP)

The Town is required to make current service contributions to the LAPP of 8.45% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 11.65% on pensionable earnings above this amount. Employees of the Town are required to make current service contributions of 7.45% of pensionable earnings up to the year's maximum pensionable earnings and 10.65% on pensionable earnings above this amount.

Total current service contributions by the Town to the LAPP in 2024 were \$1,129,832 (2023 - \$1,060,666). Total current service contributions by the employees of the Town to the LAPP in 2024 were \$1,007,316 (2023 - \$946,452).

At December 31, 2023, the Plan disclosed an actuarial surplus of \$15.06 billion (2022 - \$12.67 billion).

24. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council.
