


**TOWN OF SUNDRE**

**FINANCIAL STATEMENTS  
AND INDEPENDENT AUDITOR'S REPORT  
THEREON  
FOR THE YEAR ENDED DECEMBER 31, 2025**

Prepared by Administration and approved by Council:



Richard Warnock, Mayor



Linda Nelson, CLGM, CTAJ, ACTAJ™, EMR  
Chief Administrative Officer

Town of Sundre

Statement of Management Responsibility

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The Town of Sundre 2025 financial statements (hereafter referred to as the "financial statements") are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian Public Sector Accounting Standards. Financial statements are not precise as they include amounts that are based on the best estimates and judgments of management. Management has determined such amounts on a reasonable basis to ensure that the financial statements are presented fairly, in all material respects.

Management maintains systems of accounting and administrative controls to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded and that the financial statements realistically report the Town's operating and financial results.

Town Council has approved the information contained in the financial statements.

KPMG LLP have been appointed by Town Council to audit the financial statements and have provided the accompanying Independent Auditor's Report outlining their professional opinion on the statements.



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Linda Nelson, CLGM, CTAJ, ACTAJ™, EMR

Chief Administrative Officer

**Town of Sundre**  
**Statement of Financial Position**  
**As at December 31, 2025 with comparative information for 2024**

	2025 \$	2024 \$
	<hr/>	<hr/>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 3)	\$ 10,827,757	\$ 10,980,759
Receivables		
Taxes and grants in place of taxes	599,871	429,827
Trade and other receivables	918,256	1,290,262
Investments (Note 4)	27,754	27,754
	<hr/> <b>\$ 12,373,638</b>	<hr/> <b>\$ 12,728,602</b>
 <b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 922,063	\$ 1,248,662
Deposit liabilities	26,450	90,900
Deferred revenue (Note 5)	1,635,053	1,720,588
Asset Retirement Obligations (Note 10)	5,000,000	5,000,000
Long-term debt (Note 6)	3,977,199	4,345,454
	<hr/> <b>\$ 11,560,765</b>	<hr/> <b>\$ 12,405,604</b>
 <b>NET FINANCIAL ASSETS</b>	<hr/> <b>\$ 812,873</b>	<hr/> <b>\$ 322,998</b>
 <b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 2 and Note 9)	\$ 48,468,028	\$ 50,024,407
Inventory for consumption	38,963	38,963
Prepaid expenses	55,474	49,759
	<hr/> <b>\$ 48,562,465</b>	<hr/> <b>\$ 50,113,129</b>
 <b>ACCUMULATED SURPLUS</b> (Schedule 1 and Note 12)	<hr/> <b>\$ 49,375,338</b>	<hr/> <b>\$ 50,436,127</b>

Commitments and contingencies (Note 15 and 16)

See accompanying Notes to Financial Statements

Approved on behalf of Council by:

  
 \_\_\_\_\_  
 Richard Warnock, Mayor

  
 \_\_\_\_\_  
 Connie Anderson, Deputy Mayor

**Town of Sundre**  
**Statement of Operations and Accumulated Surplus**  
**As at December 31, 2025 with comparative information for 2024**

	Budget \$ (Note 20)	2025 \$	2024 \$
<b>REVENUE</b>			
Net municipal taxes (Schedule 3)	\$ 3,717,066	\$ 3,707,770	\$ 3,701,582
User fees and sales of goods	4,127,550	4,115,979	3,976,696
Government transfers for operating (Schedule 4)	990,000	1,435,481	1,272,864
Investment income	225,000	264,303	402,263
Fines, penalties and cost of taxes	125,000	145,764	196,906
Licenses and permits	88,300	107,478	93,555
Rentals	97,000	101,732	95,648
Other	321,500	449,282	400,043
<b>Total Revenue (Schedule 6)</b>	<b>\$ 9,691,416</b>	<b>\$ 10,327,789</b>	<b>\$ 10,139,557</b>
<b>EXPENSES</b>			
Legislative	\$ 524,094	\$ 547,559	\$ 459,534
Administration	905,801	808,306	783,026
Protective services	1,125,875	1,124,902	1,098,714
Roads, streets, walks, lighting	1,628,510	1,686,492	1,441,044
Water supply and distribution	1,143,994	1,396,394	1,140,686
Wastewater treatment and disposal	1,307,014	1,043,566	960,870
Waste management	271,181	216,794	234,783
Gas distribution	1,233,484	1,248,657	1,156,913
Family and community support	33,575	174,010	174,010
Land use planning, zoning and development	655,160	578,212	638,387
Parks and recreation	2,025,253	2,518,732	2,063,754
Culture	139,500	203,122	197,580
<b>Total Expenses (Schedules 5 and 6)</b>	<b>\$ 10,993,441</b>	<b>\$ 11,546,746</b>	<b>\$ 10,349,301</b>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES - BEFORE OTHER</b>	<b>\$ (1,302,025)</b>	<b>\$ (1,218,957)</b>	<b>\$ (209,744)</b>
<b>OTHER</b>			
Contributed assets (Note 9)	-	-	813,941
Government transfers for capital (Schedule 4)	210,000	158,168	2,590,636
	<b>\$ 210,000</b>	<b>\$ 158,168</b>	<b>\$ 3,404,577</b>
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES</b>	<b>\$ (1,092,025)</b>	<b>\$ (1,060,789)</b>	<b>\$ 3,194,833</b>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<b>\$ 50,436,127</b>	<b>\$ 50,436,127</b>	<b>\$ 47,241,294</b>
<b>ACCUMULATED SURPLUS, END OF YEAR (Note 12)</b>	<b>\$ 49,344,102</b>	<b>\$ 49,375,338</b>	<b>\$ 50,436,127</b>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Statement of Change in Net Financial Assets**  
**As at December 31, 2025 with comparative information for 2024**

	Budget \$ (Note 20)	2025 \$	2024 \$
<b>(DEFICIENCY) EXCESS OF REVENUE OVER EXPENSES</b>	\$ (1,092,025)	\$ (1,060,789)	\$ 3,194,833
<b>Change in tangible capital assets</b>			
Acquisition of tangible capital assets	(625,500)	(723,350)	(4,487,047)
Contributed tangible capital assets	-	-	(813,941)
(Gain) Loss on sale of tangible capital assets	-	(12,841)	42,873
Amortization of tangible capital assets	2,422,100	2,279,729	2,169,739
Trade-in value on disposal of tangible capital assets	-	10,500	-
Proceeds on disposal of tangible capital assets	-	2,341	10,894
	<u>\$ 1,796,600</u>	<u>\$ 1,556,379</u>	<u>\$ (3,077,482)</u>
<b>Change in non-financial assets</b>			
Use (Acquisition) of inventories for consumption	-	-	-
(Acquisition) Use of prepaid expenses	-	(5,715)	4,041
	<u>-</u>	<u>(5,715)</u>	<u>4,041</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	\$ 704,575	\$ 489,875	\$ 121,392
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>\$ 322,998</u>	<u>\$ 322,998</u>	<u>\$ 201,606</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	<u><u>\$ 1,027,573</u></u>	<u><u>\$ 812,873</u></u>	<u><u>\$ 322,998</u></u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Statement of Cash Flows**  
**As at December 31, 2025 with comparative information for 2024**

	2025 \$	2024 \$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>OPERATING</b>		
(Deficiency) Excess of revenue over expenses	\$ (1,060,789)	\$ 3,194,833
Non-cash items included in (Deficiency) Excess of revenue over expenses		
Amortization of tangible capital assets	2,279,729	2,169,739
Tangible capital assets received as contributions	-	(813,941)
(Gain) Loss on disposal of tangible capital assets	(12,841)	42,873
Trade-in value on disposal of tangible capital assets	10,500	-
Changes in non-cash working capital items		
(Increase) Decrease in taxes and grants in place of taxes	(170,044)	542,090
Decrease (Increase) in trade and other receivables	372,006	(500,466)
Decrease (Increase) in inventory for consumption	-	-
(Increase) Decrease in prepaid expenses	(5,715)	4,041
(Decrease) Increase in accounts payable and accrued liabilities	(326,599)	26,537
(Decrease) Increase in deposit liabilities	(64,450)	(165,956)
(Decrease) Increase in deferred revenue	(85,535)	26,633
Cash provided by operating activities	<u>\$ 936,262</u>	<u>\$ 4,526,383</u>
<b>CAPITAL</b>		
Acquisition of tangible capital assets	(723,350)	(4,487,047)
Non-cash recognition of asset retirement cost	-	-
Proceeds on disposal of tangible capital assets	2,341	10,894
Cash applied to capital transactions	<u>\$ (721,009)</u>	<u>\$ (4,476,153)</u>
<b>INVESTING</b>		
(Increase) Decrease in investments	-	-
Cash provided by investing transactions	<u>\$ -</u>	<u>\$ -</u>
<b>FINANCING</b>		
Long-term debt repaid	(368,255)	(354,819)
Long-term debt acquired	-	-
Cash (applied to) provided by financing transactions	<u>\$ (368,255)</u>	<u>\$ (354,819)</u>
<b>CHANGE IN CASH AND TEMPORARY INVESTMENTS DURING THE YEAR</b>	<u>\$ (153,002)</u>	<u>\$ (304,589)</u>
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>\$ 10,980,759</u>	<u>\$ 11,285,348</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR</b>	<u><u>\$ 10,827,757</u></u>	<u><u>\$ 10,980,759</u></u>
<b>Cash and temporary investments is made up of:</b>		
Cash and temporary investments (Note 3)	\$ 9,728,158	\$ 9,779,551
Designated portion of cash (Note 3)	1,099,599	1,201,208
	<u><u>\$ 10,827,757</u></u>	<u><u>\$ 10,980,759</u></u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Changes in Accumulated Surplus**  
**As at December 31, 2025 with comparative information for 2024**  
**Schedule 1**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2025	2024
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 3,924,097	\$ 5,833,077	\$ 40,678,953	\$ 50,436,127	\$ 47,241,294
(Deficiency) Excess of revenue over expenses	(1,060,789)	-	-	(1,060,789)	3,194,833
Unrestricted funds designated for future use	(1,601,355)	1,601,355	-	-	-
Restricted funds used for operations	262,499	(262,499)	-	-	-
Restricted funds re-designated as Unrestricted	-	-	-	-	-
Restricted funds used for tangible capital assets	-	(417,193)	417,193	-	-
Current year funds used for tangible capital assets	(306,157)	-	306,157	-	-
Contributed tangible capital assets	-	-	-	-	-
Disposal of tangible capital assets	-	-	-	-	-
Annual amortization expense	2,279,729	-	(2,279,729)	-	-
Recognize Asset Retirement Obligation	-	-	-	-	-
Discharge Asset Retirement Obligation	-	-	-	-	-
Long term debt acquired	-	-	-	-	-
Long term debt repaid	(368,255)	-	368,255	-	-
Change in accumulated surplus	\$ (794,328)	\$ 921,663	\$ (1,188,124)	\$ (1,060,789)	\$ 3,194,833
<b>BALANCE, END OF YEAR</b>	<b>\$ 3,129,769</b>	<b>\$ 6,754,740</b>	<b>\$ 39,490,829</b>	<b>\$ 49,375,338</b>	<b>\$ 50,436,127</b>

See accompanying Notes to Financial Statements

**TOWN OF SUNDRE**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
For the Year Ended December 31, 2025 with comparative information for 2024  
Schedule 2

	Buildings	Engineered Structures	Land	Land Improvements	Machinery & Equipment	Vehicles	Work In-Progress	2025	2024
<b>COSTS:</b>									
Balance, beginning of year	\$ 15,586,965	\$ 39,362,762	\$ 9,770,110	\$ 9,000,970	\$ 4,761,113	\$ 2,655,236	\$ 305,393	\$ 81,442,549	\$ 76,435,529
Acquisition of tangible capital assets	-	-	-	46,243	310,983	65,010	301,114	723,350	5,300,988
Completed Work-in-progress	-	-	-	-	-	165,000	(165,000)	-	-
Disposal of tangible capital assets	-	-	-	-	(48,435)	(27,747)	-	(76,182)	(293,968)
<b>Balance, end of year</b>	<b>\$ 15,586,965</b>	<b>\$ 39,362,762</b>	<b>\$ 9,770,110</b>	<b>\$ 9,047,213</b>	<b>\$ 5,023,661</b>	<b>\$ 2,857,499</b>	<b>\$ 441,507</b>	<b>\$ 82,089,717</b>	<b>\$ 81,442,549</b>
<b>ACCUMULATED AMORTIZATION:</b>									
Balance, beginning of year	\$ 8,314,026	\$ 17,639,055	-	\$ 1,764,194	\$ 2,740,988	\$ 959,879	\$ -	\$ 31,418,142	\$ 29,488,604
Annual Amortization	450,209	1,120,631	-	320,232	265,081	123,576	-	2,279,729	2,169,739
Accumulated amortization on disposals	-	-	-	-	(48,435)	(27,747)	-	(76,182)	(240,201)
<b>Balance, end of year</b>	<b>\$ 8,764,235</b>	<b>\$ 18,759,686</b>	<b>\$ -</b>	<b>\$ 2,084,426</b>	<b>\$ 2,957,634</b>	<b>\$ 1,055,708</b>	<b>\$ -</b>	<b>\$ 33,621,689</b>	<b>\$ 31,418,142</b>
<b>2025 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>\$ 6,822,730</b>	<b>\$ 20,603,076</b>	<b>\$ 9,770,110</b>	<b>\$ 6,962,787</b>	<b>\$ 2,066,027</b>	<b>\$ 1,801,791</b>	<b>\$ 441,507</b>	<b>\$ 48,468,028</b>	<b>\$ 50,024,407</b>
<b>2024 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS</b>	<b>\$ 7,272,939</b>	<b>\$ 21,723,707</b>	<b>\$ 9,770,110</b>	<b>\$ 7,236,776</b>	<b>\$ 2,020,125</b>	<b>\$ 1,695,357</b>	<b>\$ 305,393</b>	<b>\$ 50,024,407</b>	

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Property and Other Taxes**  
**For the Year Ended December 31, 2025 with comparative information for 2024**  
**Schedule 3**

	Budget \$ (Note 20)	2025 \$	2024 \$
<b>TAXATION</b>			
Real property taxes	\$ 3,717,066	\$ 4,995,641	\$ 4,859,258
Linear property taxes	-	220,510	219,385
Special assessments and local improvement taxes	-	-	-
	<u>\$ 3,717,066</u>	<u>\$ 5,216,151</u>	<u>\$ 5,078,643</u>
<b>REQUISTIONS</b>			
Alberta School Foundation Fund	-	1,333,977	1,208,236
Mountain View Senior's Housing	-	173,383	167,770
Designated Industrial Properties	-	1,021	1,055
	<u>\$ -</u>	<u>\$ 1,508,381</u>	<u>\$ 1,377,061</u>
<b>NET MUNICIPAL TAXES</b>	<u>\$ 3,717,066</u>	<u>\$ 3,707,770</u>	<u>\$ 3,701,582</u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Government Transfers**  
**For the Year Ended December 31, 2025 with comparative information for 2024**  
**Schedule 4**

	Budget \$ (Note 20)	2025 \$	2024 \$
<b>TRANSFERS FOR OPERATING</b>			
<b>PROVINCIAL TRANSFERS</b>			
Family & Community Services	\$ -	\$ 74,695	\$ 74,695
Local Government Fiscal Framework - Operating	50,000	65,000	62,972
Other	-	50,000	71,284
	<u>50,000</u>	<u>189,695</u>	<u>208,951</u>
<b>LOCAL GOVERNMENT TRANSFERS</b>			
Shared-cost agreements and grants	940,000	1,245,786	1,063,913
<b>Total Operating</b>	<u>\$ 990,000</u>	<u>\$ 1,435,481</u>	<u>\$ 1,272,864</u>
<b>TRANSFERS FOR CAPITAL</b>			
<b>FEDERAL TRANSFERS</b>			
Canada Community Building Fund	\$ 30,000	\$ 25,300	\$ 241,880
<b>PROVINCIAL TRANSFERS</b>			
Municipal Sustainability Initiative - Capital	180,000	132,868	1,857,042
<b>LOCAL GOVERNMENT TRANSFERS</b>			
Shared-cost agreements	-	-	491,714
<b>Total Capital</b>	<u>\$ 210,000</u>	<u>\$ 158,168</u>	<u>\$ 2,590,636</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 1,200,000</u>	<u>\$ 1,593,649</u>	<u>\$ 3,863,500</u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Expenses by Object**  
**For the Year Ended December 31, 2025 with comparative information for 2024**  
**Schedule 5**

	Budget \$ (Note 20)	2025 \$	2024 \$
<b>EXPENSES BY OBJECT</b>			
Salaries, wages and benefits	\$ 3,800,521	\$ 3,799,187	\$ 3,747,014
Contracted and general services	1,183,200	1,742,281	1,186,840
Materials, goods, utilities and other	2,806,045	2,773,407	2,324,192
Transfers to local organizations	634,575	807,545	763,389
Interest on long-term debt	147,000	144,597	158,127
Amortization of tangible capital assets	2,422,100	2,279,729	2,169,739
	<u>\$ 10,993,441</u>	<u>\$ 11,546,746</u>	<u>\$ 10,349,301</u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2025**  
**Schedule 6**

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Utility Services	Total \$
<b>REVENUE</b>							
Net Municipal Taxes	\$ 3,707,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,707,770
Government transfers	65,000	330,115	-	20,345	1,045,321	132,868	1,593,649
User fees and sales of goods, fines, penalties and cost of taxes, licenses and permits, and rentals	122,101	204,763	85,674	143,640	316,136	3,598,639	4,470,953
Investment income	264,303	-	-	-	-	-	264,303
Other revenues (losses)	337,841	-	-	7,000	14,600	89,841	449,282
	<u>\$ 4,497,015</u>	<u>\$ 534,878</u>	<u>\$ 85,674</u>	<u>\$ 170,985</u>	<u>\$ 1,376,057</u>	<u>\$ 3,821,348</u>	<u>\$ 10,485,957</u>
<b>EXPENSES</b>							
Salaries, wages and benefits	\$ 575,628	\$ 516,296	\$ 426,503	\$ 422,965	\$ 947,986	\$ 909,809	\$ 3,799,187
Contracted and general services	336,907	220,952	300,433	44,649	155,908	683,432	1,742,281
Materials, goods, utilities and other	345,055	225,026	290,200	90,349	636,546	1,186,231	2,773,407
Transfers to local organizations	-	-	-	20,247	759,028	28,270	807,545
Interest on long-term debt	10,507	-	101,095	-	-	32,995	144,597
	<u>\$ 1,268,097</u>	<u>\$ 962,274</u>	<u>\$ 1,118,231</u>	<u>\$ 578,210</u>	<u>\$ 2,499,468</u>	<u>\$ 2,840,737</u>	<u>\$ 9,267,017</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES, BEFORE AMORTIZATION</b>	<u>\$ 3,228,918</u>	<u>\$ (427,396)</u>	<u>\$ (1,032,557)</u>	<u>\$ (407,225)</u>	<u>\$ (1,123,411)</u>	<u>\$ 980,611</u>	<u>\$ 1,218,940</u>
Amortization expense	<u>\$ (87,768)</u>	<u>\$ (162,628)</u>	<u>\$ (568,261)</u>	<u>\$ -</u>	<u>\$ (396,397)</u>	<u>\$ (1,064,675)</u>	<u>\$ (2,279,729)</u>
<b>2025 EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<u><u>\$ 3,141,150</u></u>	<u><u>\$ (590,024)</u></u>	<u><u>\$ (1,600,818)</u></u>	<u><u>\$ (407,225)</u></u>	<u><u>\$ (1,519,808)</u></u>	<u><u>\$ (84,064)</u></u>	<u><u>\$ (1,060,789)</u></u>

See accompanying Notes to Financial Statements

**Town of Sundre**  
**Schedule of Segmented Disclosure**  
**Comparative information for 2024**  
**Schedule 6**

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Utility Services	Total \$
<b>REVENUE</b>							
Net Municipal Taxes	\$ 3,701,582	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,701,582
Government transfers	62,972	786,383	-	51,349	905,754	2,057,042	3,863,500
User fees and sales of goods, fines, penalties and cost of taxes, licenses and permits, and rentals	186,816	175,532	84,957	116,109	280,728	3,518,663	4,362,805
Investment income	402,263	-	-	-	-	-	402,263
Other revenues (losses)	352,999	41,444	-	5,600	813,941	-	1,213,984
	<b>\$ 4,706,632</b>	<b>\$ 1,003,359</b>	<b>\$ 84,957</b>	<b>\$ 173,058</b>	<b>\$ 2,000,423</b>	<b>\$ 5,575,705</b>	<b>\$ 13,544,134</b>
<b>EXPENSES</b>							
Salaries, wages and benefits	\$ 580,753	\$ 466,391	\$ 423,765	\$ 410,029	\$ 879,037	\$ 987,039	\$ 3,747,014
Contracted and general services	260,775	206,586	115,156	115,270	111,134	377,919	1,186,840
Materials, goods, utilities and other	290,736	287,164	242,514	93,536	362,892	1,047,350	2,324,192
Transfers to local organizations	-	-	-	19,553	713,215	30,621	763,389
Interest on long-term debt	11,605	-	107,722	-	-	38,800	158,127
	<b>\$ 1,143,869</b>	<b>\$ 960,141</b>	<b>\$ 889,157</b>	<b>\$ 638,388</b>	<b>\$ 2,066,278</b>	<b>\$ 2,481,729</b>	<b>\$ 8,179,562</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES, BEFORE AMORTIZATION</b>	<b>\$ 3,562,763</b>	<b>\$ 43,218</b>	<b>\$ (804,200)</b>	<b>\$ (465,330)</b>	<b>\$ (65,855)</b>	<b>\$ 3,093,976</b>	<b>\$ 5,364,572</b>
Amortization expense	\$ (98,691)	\$ (138,573)	\$ (551,887)	\$ -	\$ (369,065)	\$ (1,011,523)	\$ (2,169,739)
<b>2024 EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	<b>\$ 3,464,072</b>	<b>\$ (95,355)</b>	<b>\$ (1,356,087)</b>	<b>\$ (465,330)</b>	<b>\$ (434,920)</b>	<b>\$ 2,082,453</b>	<b>\$ 3,194,833</b>

See accompanying Notes to Financial Statements

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

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**NATURE OF BUSINESS**

The Town of Sundre (“the Town”) was incorporated in 1956 and is legislated under the *Municipal Government Act, Revised Statutes of Alberta 2000, Chapter M-26* (“the MGA”). The Town’s principal activity is the provision of local government services to its citizens. These services include, but are not limited to, administrative, protective, environmental, transportation, planning and development, recreational and cultural.

**1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Sundre (the “Town”) are the representations of management prepared in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada, hereafter referred to as Canadian public sector accounting standards (“PSAS”). Significant aspects of the accounting policies adopted by the Town of Sundre are as follows:

a) **Reporting Entity**

The Town’s financial statements reflect the assets, liabilities, revenue and expenditures, changes in accumulated surplus and changes in financial position of the reporting entity that comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are controlled by the municipality. As at December 31, 2025, the Town does not control any other entities.

The schedule of taxes levied also includes requisitions for education and seniors’ lodges that are not part of the municipal reporting entity. Interdepartmental and organizational transactions and balances are eliminated.

b) **Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent.

The Town has not included a statement of remeasurement gains and losses under PSAS. This statement reports unrealized amounts reclassified to the statement of operations upon de-recognition of an investment. There were no amounts to report on the statement of re-measurement gains and losses, and as a result this statement has not been included.

Operating revenues, consisting of utility charges, user fees, fines, licenses, permits, and administration fees are recognized as they are earned, measurable and when, or as, the Town satisfies a performance obligation by providing the goods or services to a payor. Funds from external parties and earnings thereon that are restricted by agreement or legislation, or with performance obligations satisfied over time, are accounted for as deferred revenue until used for the purpose specified. Property tax revenues and penalties associated with property taxes are recognized in the year they are levied.

Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or legal or contractual obligation to pay.

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**c) Use of Estimates**

The preparation of financial statements in conformity with PSAS requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Financial statement areas affected by the use of management estimates include the useful lives of tangible capital assets, asset retirement obligations, accrued liabilities and collection of receivables. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

**d) Government Transfers**

Government transfers are the transfers of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized in the financial statements as revenues in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be determined.

**e) Deferred Revenue**

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

**f) Taxes and Grants in place of Taxes Receivable**

Taxes and grants in place of taxes receivable consist of current and non-current property tax levies, which remain outstanding at December 31.

**g) Financial Instruments**

The Town's financial instruments include cash and temporary investments, investments, receivables, accounts payable and accrued liabilities, deposit liabilities, and long-term debt. The carrying value of cash and temporary investments, receivables, accounts payable and accrued liabilities, and deposit liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities. The Town measures all of its financial instruments at cost or amortized cost. All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations. Transaction costs are incremental costs directly attributable to the acquisition or issuance of a financial asset or a financial liability. Transaction costs are added to the carrying value of the instruments when they are initially recognized.

**h) Cash and Temporary Investments**

Cash is comprised of cash, temporary investments and designated cash deposited with financial institutions. Temporary investments are defined as short-term deposits with original maturities of three months or less and that can be converted to cash as required. Designated cash relates to conditional grants received.

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**i) Prepaid Local Improvement Charges**

Construction and borrowing costs associated with local improvement projects are recovered through annual special assessments during the period of the related borrowings. These levies are collectable from property owners for work performed by the municipality.

Where a taxpayer has elected to prepay the outstanding local improvement charges, such amounts are recorded as deferred revenue. Deferred revenue is amortized to revenue on a straight-line basis over the remaining term of the related borrowings.

In the event that the prepaid amounts are applied against the related borrowings, the deferred revenue is amortized to revenue by an amount equal to the debt repayment.

**j) Non-Financial Assets**

Non-Financial Assets are assets that are not available to discharge existing liabilities but held for use in Town operations. Such assets have useful lives extending beyond the current year and are not intended for sale in the normal course of Town operations. The change in non-financial assets during the year, together with the excess (deficiency) of revenues over expenses, provides the Change in Net Financial Assets for the year.

**k) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over the estimated useful life in accordance with Council Policy B-019 – Tangible Capital Assets as follows:

	<b>YEARS</b>
Land Improvements	15 - 25
Buildings	25 - 30
Engineered Structures	
Water System	30 - 40
Waste Water System	30 - 75
Gas System	30 - 50
Other engineered structures	5 - 40
Machinery & Equipment	3 - 40
Vehicles	10 - 25

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use. Government contributions for the acquisition of capital assets are recorded as capital revenue and do not reduce the related capital asset costs.

**l) Contributions of Tangible Capital Assets**

Contributed tangible capital assets are recorded at fair value at the date of receipt and are recorded as revenue at the date of receipt.

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

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**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

- m) **Asset Retirement Obligation**  
The Town recognizes the fair value of an Asset Retirement Obligation (“ARO”) in the period in which it incurs a legal obligation associated with the retirement of tangible capital assets. The asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. The estimated fair value of an ARO is capitalized as part of the related tangible capital asset and depreciated on the same basis as the underlying asset. ARO may be adjusted for the passage of time, which is recognized as accretion expense, and for revisions to the timing or the amount of the estimated liability. Actual costs incurred are charged against the ARO to the extent of the liability recorded. Differences between the actual costs incurred and the liability are recognized in the excess of revenues over expenses when remediation is completed.
- n) **Inventory for Consumption**  
Inventories of materials and supplies are valued at the lower of cost or net realizable value with cost determined by the weighted average cost method.
- o) **Restricted Surpluses for Future Expenditures**  
Restricted Surpluses are established at the discretion of Council to set aside funds for future operating and capital expenditures. Transfers to and/or from restricted surplus accounts are reflected in accumulated surplus.
- p) **Leases**  
Leases are classified as capital or operating leases. Leases that transfer substantially all of the benefit and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.
- q) **Contaminated Sites**  
The Town of Sundre reviews all contaminated sites for possible liabilities associated with the remediation of such sites. Management has assessed such sites and has determined there is no liability regarding the remediation of these sites.
- r) **Related Party Transactions**  
Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and when the transactions have, or could have, a material financial effect on the financial statements. Related parties and transactions are reviewed annually.
- s) **Employee Future Benefits**  
The Town is a member of a defined contribution multi-employer pension plan covering substantially all of its employees. Pension contributions are accounted for using defined contribution accounting, wherein contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

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**2. FUTURE ACCOUNTING POLICIES**

PSAB announced the following accounting pronouncements:

**PSAS Section 1202, Financial Statement Presentation**

This section is effective for fiscal years beginning on or after April 1, 2026 and establishes a new reporting model to better respond to the need for understandable financial statements.

**Revised Conceptual Framework (PSAS Section 1000 and Section 1100)**

These revised sections are effective for fiscal years beginning on or after April 1, 2026 and will replace the existing conceptual framework, which consists of Section 1000 Financial Statement Concepts and Section 1100 Financial Statement Objectives.

Management is assessing the impact of the adoption of these standards.

**3. CASH AND TEMPORARY INVESTMENTS**

	2025 \$	2024 \$
Cash	9,728,158	9,779,551
Temporary Investments	-	-
Designated Cash	1,099,599	1,201,208
	10,827,757	10,980,759

**4. INVESTMENTS**

	2025 \$	2024 \$
Investment in Gas Alberta Inc.		
Shares at cost	254	254
Debentures	27,500	27,500
	27,754	27,754

The investment in Gas Alberta Inc. consists of shares of \$254 and debentures of \$27,500 that are non-interest bearing and are due when the Gas Alberta Inc. contract expires. Expiry requires five years notice prior to service termination. These shares are not publicly traded therefore fair market value is not readily available.

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

**5. DEFERRED REVENUE**

	2025 Beginning \$	Additions	Utilizations	2025 End \$
Prepaid Property Taxes	34,251	30,511	34,251	30,511
Prepaid Utility Accounts	16,858	18,627	16,858	18,627
Development Fees	-	1,620	-	1,620
Sub-Division Fees	-	24,800	-	24,800
Mountain View County deposit	43,855	-	-	43,855
Insurance funds for RAV purchase	341,328	-	-	341,328
Mountain View Senior's Housing	21,838	-	-	21,838
	458,130	75,558	51,109	482,579
Grants – other				
Federation of Canadian Municipalities	61,250	26,250	87,500	-
Rural Economic Development Grant	-	52,875	-	52,875
	61,250	79,125	87,500	52,875
Grants – restricted cash				
FRIAA FireSmart Program	25	1	-	26
Local Gov't Fiscal Framework – Oper.	2,287	63,734	65,000	1,021
Canada Community Building Fund	501,338	17,196	25,300	493,234
Municipal Sustainability Int. - Capital	697,558	40,628	132,868	605,318
	1,201,208	121,559	223,168	1,099,599
	1,720,588	276,242	361,777	1,635,053

Deferred revenue represents amounts received or receivable which will be recognized as revenue in the period in which they are earned and corresponding expenditures are incurred.

The use of the Municipal Sustainability Initiative Grant and the Canadian Community Building Fund are restricted to eligible capital projects as approved by the Province of Alberta, which are scheduled for completion in the future.

**6. LONG-TERM DEBT**

	2025 \$	2024 \$
Tax supported debentures	3,275,262	3,504,864
Special levies supported debentures	-	-
Utility supported debentures	701,937	840,590
	3,977,199	4,345,454

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

**6. LONG-TERM DEBT (continued)**

Principal and interest repayments are as follows:

	Principal \$	Interest \$	Total \$
2026	382,224	133,122	515,346
2027	396,747	118,599	515,346
2028	411,848	103,498	515,346
2029	427,550	87,796	515,346
2030	357,312	71,468	428,780
Thereafter	2,001,518	248,929	2,250,447
	3,977,199	763,412	4,740,611

Debenture debt is repayable to the Government of Alberta, under the Local Authorities Capital Financing Act, bearing interest rates ranging from 2.46% to 5.24% per annum and matures in periods 2030 to 2039. Debenture debt is issued on the credit and security of the Town of Sundre at large.

Interest on long-term debt amounted to \$144,597 (2024 - \$158,127).

The Town's total cash payments for interest in 2025 were \$147,091 (2024 - \$160,527).

**7. RESTRICTED SURPLUSES**

Restricted Surpluses, included in accumulated surplus, for operating and capital activities are as follows:

	Beginning of Year \$	End of Year \$
<b>Operating</b>		
General Corp. Stabilization	1,920,419	1,809,748
Corp. Serv. Stabilization	93,056	93,541
Prot. Serv. Stabilization	29,165	29,316
Mun. Op. Stabilization	39,659	39,866
Development Stabilization	119,843	120,468
Comm. Serv. Stabilization	220,315	196,416
Fire (Operating)	132,862	133,555
	2,555,319	2,422,910

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

**7. RESTRICTED SURPLUSES (continued)**

	Beginning of Year	End of Year
	\$	\$
<b>Capital</b>		
Municipal New Projects	119,912	158,230
Municipal Life-cycling	527,024	457,602
Utility Life-cycling	1,512,556	2,416,349
Fire (Capital)	678,785	805,997
Off-Site Levy – Transport.	1,041	3,816
Off-Site Levy - Water	361,050	395,100
Off-Site Levy - Wastewater	5,658	20,747
Municipal Reserve	71,732	73,989
	<u>3,277,758</u>	<u>4,331,830</u>
<b>Total Restricted Surpluses</b>	<u><u>5,833,077</u></u>	<u><u>6,754,740</u></u>

Capital Restricted Surpluses are based on a 10-year capital replacement plan that is approved by Council on an annual basis.

**8. DEBT LIMITS**

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the Town of Sundre be disclosed as follows:

	2025	2024
	\$	\$
Total debt limit	<u>15,491,684</u>	<u>15,209,336</u>
Total debt (Note 6)	<u>3,977,199</u>	<u>4,345,454</u>
Amount of debt limit unused	<u><u>11,514,485</u></u>	<u><u>10,863,882</u></u>
	2025	2024
	\$	\$
Debt servicing limit	<u>2,581,947</u>	<u>2,534,889</u>
Debt servicing	<u>515,346</u>	<u>515,346</u>
Amount of debt servicing limit unused	<u><u>2,066,601</u></u>	<u><u>2,019,543</u></u>

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

**8. DEBT LIMITS (continued)**

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue.

Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the financial statements must be interpreted as a whole.

**9. TANGIBLE CAPITAL ASSETS**

	Net Book Value	
	2025	2024
	\$	\$
Land	9,770,110	9,770,110
Land Improvements	6,962,787	7,236,776
Buildings	6,822,730	7,272,939
Engineered Structures	20,603,076	21,723,707
Machinery, equipment and furnishings	2,066,027	2,020,125
Vehicles	1,801,791	1,695,357
Work in Progress	441,507	305,393
	48,468,028	50,024,407

There were contributed assets of \$nil in 2025 (2024 - \$813,941); the cumulative value of all contributed tangible capital assets is \$2,162,198 (2024 - \$2,162,198).

**10. ASSET RETIREMENT OBLIGATIONS**

The estimated undiscounted asset retirement obligations are as follows:

	2024	Liability Incurred	Liability Discharged	2025
	\$	\$	\$	\$
	_____	_____	_____	_____
Lagoon	5,000,000	-	-	5,000,000
	5,000,000	-	-	5,000,000

The Town owns and operates a wastewater lagoon and related infrastructure. Regulations require the Town to undergo decommissioning and restoration procedures upon future closure of the facility. Although the timing of this asset retirement is conditional on the lagoon no longer being in use, regulations create an existing obligation for the Town. While the timing of settlement of asset retirement obligations is currently unknown, the related tangible capital asset has an expected remaining useful life of 50 years from January 1, 2023. For the year ended December 31, 2025 no recovery was recognized (2024 - \$nil).

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

**11. EQUITY IN TANGIBLE CAPITAL ASSETS**

	2025	2024
	\$	\$
Tangible Capital Assets (Schedule 2)	82,089,717	81,442,549
Asset Retirement Obligations (Note 10)	(5,000,000)	(5,000,000)
Accumulated Amortization (Schedule 2)	(33,621,689)	(31,418,142)
Long-term debt (Note 6)	(3,977,199)	(4,345,454)
	39,490,829	40,678,953

**12. ACCUMULATED SURPLUS**

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

	2025	2024
	\$	\$
Equity in tangible capital assets (Note 11)	39,490,829	40,678,953
Unrestricted surplus (Schedule 1)	3,129,769	3,924,097
Restricted surplus		
Operating Restricted Surplus (Note 7)	2,422,910	2,555,319
Capital Restricted Surplus (Note 7)	4,331,830	3,277,758
	49,375,338	50,436,127

**13. LOCAL AUTHORITIES PENSION PLAN**

Employees of the Town participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pension Plan Act. The LAPP serves 304,451 people and 444 employers. It is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

In 2025 the Town of Sundre was required to make current service contributions to the plan of 8.45% of the pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 11.65% for the excess. Employees of the Town were required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable salary and 10.65% on pensionable salary above this amount.

Total current service contributions by the Town to the LAPP in 2025 were \$234,751 (2024 - \$237,320). Total current service contributions by the employees of the town to the LAPP in 2025 were \$208,917 (2024 - \$211,288).

According to the most recent reporting by LAPP, at December 31, 2024 LAPP disclosed an actuarial surplus of \$19.6 billion (2023 - \$15.1 billion).

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

**14. SALARY AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for municipal officials, the chief administrative officer and designated officers are required by Alberta Regulation 313/2000 are as follows:

			2025 \$	2024 \$
	Salary <sup>1</sup>	Benefits & Allowances <sup>2</sup>	Total	Total
<b>Mayor &amp; Councillors:</b>				
Mayor, Warnock	34,510	-	34,510	32,840
Councillor, Dalke	12,770	552	13,322	13,830
Councillor, Isaac	15,070	688	15,758	15,992
Councillor, Anderson	16,750	-	16,750	16,990
Councillor, Marr	15,330	704	16,034	16,129
Councillor, Petersen	17,530	835	18,365	17,803
Councillor, Vardas	12,104	544	12,648	16,214
Councillor, Buchan	3,106	153	3,259	-
	127,170	3,476	130,646	129,798
Chief Administrative Officer	195,224	29,984	225,208	220,606

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, and per diem payments.
2. Employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans.

**15. COMMITMENTS**

The Town of Sundre has an agreement with Wild Rose Assessment Services Inc. to provide assessment services. Assessment services are required by the municipality in order to carry out the assessment of property within each municipality, primarily for taxation purposes. Under the terms of the agreement the Town of Sundre is committed to the following minimum payments until the end of March 31, 2027.

January 1, 2026 – December 31, 2026	\$35,400
January 1, 2027 – March 31, 2027	\$ 8,850

**Town of Sundre  
Notes to Financial Statements  
For the Year Ended December 31, 2025**

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**15. COMMITMENTS (continued)**

The Town of Sundre has agreements with Surety Cleaning Corp. to provide custodial services to the Town of Sundre firehall, town office and town shop facilities. Under the terms of the agreements the Town of Sundre is committed to the following charges until August 31, 2026.

Firehall	January 1, 2026 – August 31, 2026	\$5,942
Town Office	January 1, 2026 – August 31, 2026	\$21,267
Town Shop	January 1, 2026 – August 31, 2026	\$12,760

The Town of Sundre has an agreement with Quadiant Leasing Canada Ltd to lease postage and mailing equipment. Under the terms of the agreement the Town of Sundre is committed to the following minimum payments until the end of December 31, 2026.

January 1, 2026 – December 31, 2026	\$7,336
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The Town of Sundre has an equipment lease agreement with Xerox Financial Services Canada Ltd in regards to a multifunction printer/copier. Under the terms of the agreement, the Town of Sundre is committed to the following charges until August 24, 2026.

January 1, 2026 – August 24, 2026	\$3,520
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**16. CONTINGENCIES**

The Town of Sundre, in the conduct of its normal activities can be named as a defendant in legal proceedings. The ultimate outcome of these proceedings can often not be determined until the proceedings are completed. Should any loss result from the resolution of these proceedings or if the amount of the loss can be determined, such amount would be expensed as they become known to the Town. At this time, there are no known proceedings against the Town.

**17. FINANCIAL INSTRUMENTS**

It is management's opinion that the Town is not exposed to significant interest or currency risk arising from its financial instruments. The Town's long-term debt bears interest at fixed rates and conducts substantially all of its business in Canadian dollars.

The Town's exposure to credit risk associated with its cash and temporary investments is assessed as low because the Town's deposits are held with large Canadian financial institutions.

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

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**17. FINANCIAL INSTRUMENTS (continued)**

The Town is subject to credit risk with respect to taxes, utilities and other accounts receivables. Credit risk arises from the possibility that some taxpayers and other customers may experience financial difficulty and be unable to fulfill their obligations. The Town's customers and taxpayers are diverse which minimizes this risk. Under the MGA, the Town has the authority to offer a property for sale at a public auction to recover uncollected taxes. If the property is not sold at the public auction, the Town may become the owner. Therefore, the Town assesses there is very little risk relating to taxes receivable.

Liquidity risk is the risk the Town will encounter difficulty in meeting financial obligations as they come due. The Town manages its liquidity risk through the management of its capital structure and existing long-term facilities. It also continuously monitors its expected cash position to its actual cash position and monitors the timing of payments to lenders, ensuring sufficient funds are available when payments come due. The Town's Council reviews and approves any material transactions out of the ordinary course of business. Accordingly, the Town is not exposed to any significant liquidity risk.

There have been no significant changes to the Town's risk exposure from 2024.

**18. SEGMENTED DISCLOSURE**

The Town is a diversified municipal government that provides a wide range of services to its citizens, including bylaw, fire, water, wastewater and gas management.

For management reporting purposes, the Town's operations and activities are organized and reported by functions and services provided. Certain functions that have been disclosed in the segmented information, along with services provided are as follows:

**a) General Government**

This category encompasses General revenue which includes taxes, government transfers, investment income, and franchise fees as well as Legislative Services which pertains to Town Council, Chief Administrative Officer and Legislative Services and also includes Corporate Services which oversees Financial Services, Taxation Administration, Utilities Administration, Accounts Payable, Accounts Receivable, Payroll, Insurance and Risk Management, Human Resources, and Information Technology.

**b) Protective Services**

Protective services includes Bylaw Enforcement, Animal Control, Disaster Services and Fire Services.

**c) Transportation Services**

This category includes Roads, sidewalk maintenance, street lighting, fleet management and Shop.

**d) Planning and development**

This category includes municipal planning, development and economic development.

**e) Utility Services**

This category includes water supply and distribution, water treatment, wastewater treatment and disposal, waste and recycling and the purchase and distribution of gas services for the Town.

**Town of Sundre**  
**Notes to Financial Statements**  
**For the Year Ended December 31, 2025**

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**18. SEGMENTED DISCLOSURE (continued)**

**f) Recreation and Culture**

Parks and recreation includes the Sundre Community Centre, Arena, Greenwood Campground, Baseball, Parks, Recreation & Culture grants, Community Services, Trails, Outdoor Rinks, Recreation Fields, funds provided to the Sundre Municipal Library, and funds provided to Greenwood Neighbourhood Place to provide Family and Community Support Services (FCSS).

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segments and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation of segmented financial information. The accounting policies used in these segments are consistent with those followed in the preparation of financial statements as disclosed in Note 1. For additional information see the Schedule of Segmented Disclosure (Schedule 6).

**19. APPROVAL OF FINANCIAL STATEMENTS**

The Council and Management have approved these financial statements on April 27, 2026.

**20. BUDGET AMOUNTS**

The 2025 Budget of the Town of Sundre was approved by Council on December 2, 2024.