



September 14, 2021

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

Dear Members:

**RE: Notice of the 2021 Annual General Meeting
Wednesday October 6, 2021 @ 7:00 PM
Holiday Inn Edmonton South/ Evario Events Centre
950 Parsons Rd SW, Edmonton, AB**

Enclosed please find the Notice of the Annual General Meeting ("AGM") for the Summerside Residents Association (the "SSRA"), the Minutes from the 2020 AGM, the Report of the Board of Directors, the Information Circular, a Proxy Form, and the 2020 Audited Financial Statements.

Please review the enclosed information and plan to attend the AGM or submit your proxy form, as indicated. The AGM will be held on **Wednesday, October 6, 2021, at 7:00 PM** at the Holiday Inn Edmonton South/ Evario Events Centre, 950 Parsons Rd SW, Edmonton, Alberta. **Please assist your volunteer Board of Directors by attending the AGM or sending in your proxy form.**

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

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

Yours truly,

SUMMERSIDE RESIDENTS ASSOCIATION

KATHY LY Resident Director	AMBER LEE Resident Director	ARSHAD ALI Resident Director	RHONDA NAVRATIL Resident Director	DENISE STEFANIC Resident Director	LARA SURİYAKUMARAN Resident Director
ROB PANGRASS Resident Director	BARRY BURNS President & Resident Director	AMANDA KRAAYENBRINK Treasurer & Resident Director	MARC CHALIFOUX Secretary & Resident Director		



**NOTICE OF THE SUMMERSIDE RESIDENTS ASSOCIATION
2021 ANNUAL GENERAL MEETING OF MEMBERS**


Please take notice that the 2021 Annual General Meeting of the Members of the **SUMMERSIDE RESIDENTS ASSOCIATION** (the "Company"), will be held at the Holiday Inn Edmonton South/ Evario Events Centre, 950 Parsons Rd SW, Edmonton, Alberta, on **Wednesday, October 6, 2021, at 7:00 PM (MST)** for the following purposes:

1. To receive the minutes of the AGM held on September 24th, 2020;
2. To receive the Report of the Board of Directors of the Company dated September 14, 2021;
3. To receive the Audited Financial Statements for the fiscal year ended December 31, 2020;
4. To establish the number of Directors to hold office until the next Annual General Meeting and elect such Directors;
5. To appoint BDO Canada as Auditor of the Company for the fiscal year ending December 31, 2021 and to authorize the Directors to fix their remuneration;
6. To transact such other business as may properly come before the Meeting or any adjournment thereof.

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

Dated at Edmonton, Alberta this 14th day of September, 2021.

BY ORDER OF THE BOARD OF DIRECTORS



BARRY BURNS, President

TO ALL MEMBERS:

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



**SUMMERSIDE RESIDENTS ASSOCIATION
ANNUAL GENERAL MEETING
Thursday, September 24, 2020 @ 7:00 PM
Orchards Club House, 4059 Orchards Drive SW**

Meeting Minutes

1. Barry Burns introduced himself, Shadow President of the Summerside Residents Association, and explained that two meetings would be held. The first would be the official Annual General Meeting which involves approving last year's minutes, reviewing the audited financial statements, approving by special resolution the replacement of the Articles of Association, the election of Residents to the Board of Directors, and appointment of the Auditor for 2020. The second one would be held after, where there would be an update given about Lake Summerside and the Residents Association. The floor would then be open to questions.
2. Barry Burns explained that effective as of today, Peter Tsoukalas, a Director and the President of the SSRA, Christine Palmer, a Director and the Treasurer of the SSRA, and Brittany Tanasichuk, a Director and the Secretary of the SSRA, all of whom were appointed by Brookfield Residential, have resigned from their positions. Barry Burns explained that at the meeting we would be appointing new directors to fill the positions vacated by Brookfield Directors, and after the meeting, the Board would meet to appoint a new President, Secretary and Treasurer.
3. Barry Burns explained that for the purposes of this meeting, since there was currently no President to act as Chairman of the meeting, he as the Shadow President was prepared to step into this role. Barry Burns asked for a motion to appoint himself as the Chairman of the meeting. Mary Anderson so moved. Orren Johnson seconded the motion. Barry Burns declared the motion carried.
4. The Chairman called the meeting to order at **7:23p.m.**
5. The Chairman introduced the Summerside Resident Directors; Marc Chalifoux, Amanda Kraayenbrink, Rhonda Navratil, Rob Pangrass, Denise Stefanic, and Lara Suriyakumaran. The Chairman also introduced former President, Peter Tsoukalas, Senior Development Manager, Brookfield Residential, former Treasurer, Christine Palmer, Controller, Edmonton, Brookfield Residential, and former Secretary, Brittany Tanasichuk, Residents Associations Manager, Edmonton, Brookfield Residential.
6. The Chairman asked Brittany Tanasichuk to act as Secretary of the meeting, and Christine Palmer to act as Scrutineer for the meeting, with the consent of the Voting Members.
7. The Chairman stated that unless otherwise specified, all items to be approved by the Voting Members are by way of ordinary resolution, which requires at least 50% of the Voting Members present in person or by proxy, voting in favor. The amendment of the Articles of Association requires a special resolution, which requires at least 75% of the Voting Members present in person or by proxy, voting in favour. All votes will be conducted in the first instance by a show of the voting card received or otherwise as the Chairman directs. A poll may be demanded by the Chairman or if requested by a minimum number of Voting Members present at the meeting. Polls shall be taken in such a manner as the Chairman may direct.
8. The Chairman asked for a motion dispensing with reading of the Notice calling the meeting. Keith Johnson so moved. Denis Armand Moquin seconded the motion. The Chairman declared the motion carried.
9. The Chairman asked the Secretary to provide proper proof of mailing of the Notice of the Meeting to the Members. The Secretary confirmed that she had a receipt from Canada Post. The Chairman then asked that it be filed in the Minute Book along with the Minutes of this meeting.
10. The Chairman then stated that pursuant to the Association's articles, the lesser of fifty (50) Voting Members or ten percent (10%) of the Voting Members either personally present or represented by proxy constitutes a quorum, and that at least 50 Voting Members would constitute a quorum. The Chairman asked the Scrutineer for her report. The Scrutineer reported that there were 10 Brookfield votes in respect of lots registered in the name of Brookfield, 23 Voting Members represented in person, and 47 represented by proxy for a total of 80 votes.

11. The Chairman declared the meeting to be duly called and properly constituted for business.
12. The Chairman proposed that the Members approve the Minutes of the Annual General Meeting held on June 20, 2019 appended to the Notice of Meeting and Information Circular. Graeme Kersell motioned to approve the Minutes of the Annual General Meeting held on June 20, 2019. Mary Anderson seconded the motion. The Chairman declared the motion carried.
13. The Chairman asked for a motion to dispense with reading of the Directors' Report dated August 24, 2020 also appended to the Notice of Meeting and Information Circular. Mary Anderson moved that the reading of the Director's Report be dispensed with. Keith Johnson seconded the motion. The Chairman declared the motion carried.
14. The Chairman then proposed to receive, as information, the Auditor's Report and Financial Statements of the Association for the year ended December 31, 2019. Christine Palmer then reviewed the Financial Statements and answered related questions.
15. The Chairman then stated that the next item of business was to vote on the proposal that the Company repeal its existing Articles of Association and replace them with revised Articles of Association. As indicated in the Notice of the Meeting and the Information Circular, the proposed revised Articles of Association, along with a comparison showing the changes between the revised version and the current version, were available for viewing on the Summerside Residents' Association website. As previously mentioned, revisions to the Articles of Association of the SSRA require approval of the Voting Members by Special Resolution. A Special Resolution means that 75% of the Voting Members, in person or by proxy, must vote in favour of the amendments in order for the motion to pass. The Chairman read the Special Resolution that was set out in the Information Circular:

WHEREAS:

A. The Association was incorporated pursuant to the Companies Act, RSA 2000, c C-21, for the purpose of maintaining and managing certain amenities located in the Summerside community;

B. The Association desires to amend its Articles of Association "(Articles") and Section 55 of the Companies Act (Alberta) provides that the Association may, by Special Resolution of its members, amend its Articles;

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. The existing Articles of the Association recorded at the Alberta Corporate Registries on July 31, 2000 are hereby repealed in their entirety and replaced with the revised Articles set out on the Association's website at www.lakesummerside.ca (which can be located by clicking "About Us" and then "Bylaws").
 2. Any two directors or officers of the Association be and the same are hereby authorized to do all things necessary or desirable to give effect to the foregoing.
16. The Chairman then asked for a motion to pass the special resolution that he read, amending the Articles of Association. Mary Anderson moved to pass the special resolution. Lisa Douglas seconded the motion. The Chairman declared the motion carried.
 17. The Chairman indicated that the next item of business was the election of Directors. The SSRA is authorized to have a minimum of three (3) Directors and a maximum of ten (10) Directors on the Board. It has been proposed by the Board that the SSRA establish ten (10) as the number of Directors to be elected to serve until the next Annual General Meeting. This is consistent with the number of Directors last year. The Chairman asked for a motion to this effect. Graeme Kersell moved that up to ten (10) Directors be elected to serve until the next Annual General Meeting of the Association. Lisa Douglas seconded the motion. The Chairman declared the motion carried.
 18. The Chairman announced that this year, the Board would be composed entirely of Resident Directors, and as a result, there were currently ten vacant positions on the Board. The Chairman explained that, in accordance with the revised Articles of Association that were previously approved at the Meeting, in 2020 only, 50% of the elected Directors shall be appointed to serve for a one-year term, and 50% of the elected Directors shall be appointed to serve for a two-year term.
 19. The Chairman explained that the Directors elected to the Board who had previously served on the Board (incumbents) would be entitled to hold the two year term positions, provided that: (a) if more than 50% of the Directors elected at the Meeting are incumbents, a random draw would be conducted of the incumbents to determine which incumbent Directors shall hold the two year term positions. Any incumbent Directors whose names are not drawn shall hold one-year term positions; and (b) if less than 50% of the Directors elected at the Meeting are incumbents, then a random draw would be conducted of the non-incumbents to determine which non-incumbent Directors shall hold the remaining two year term positions. Any non-incumbent Directors whose names are not drawn shall hold the one-year term positions. The term of office for each person on a one year term shall be from the date of the Meeting until the next Annual General Meeting of Members, or until his/her successor is elected or appointed, and the term of office for each person on a two year-term shall be from the date of the Meeting until the second Annual General

Meeting of Members after this Meeting, or until his/her successor is elected or appointed. The Chairman explained any necessary draws would be completed once the Directors were elected, to determine who would hold one-year term positions and who would hold two-year term positions.

20. The Chairman announced the following members in good standing have indicated an interest in being nominated as Directors of the SSRA, to hold office until their term expires or until their successors are elected or appointed.
 - Barry Burns
 - Marc Chalifoux
 - Amanda Kraayenbrink
 - Rhonda Navratil
 - Denise Stefanic
 - Lara Suriyakumaran
 - Rob Pangrass
 - Igor Baranowski
 - Kathy Ly
 - Amber Lee
 - Graeme Kersell
 - Arshad Ali
21. The Chairman asked if there were any further nominations. There was none. The Chairman then asked for a motion that nominations be closed. Kathy Ly moved that the nominations for Directors be closed. Orren Johnson seconded the motion. The Chairman declared the motion carried.
22. The Chairman then asked the nominees to introduce themselves and give a quick explanation as to why they would like to serve on the board.
23. The Chairman stated that the nomination of Directors requires an election, as twelve (12) persons have been nominated and only ten (10) Resident Directors are required. The vote was then moved to a ballot – each Voting Member (Brookfield Residential abstained from voting) in attendance of the AGM was given a ballot form when they arrived at the Meeting. The Chairman confirmed everyone had a ballot and went over the voting instructions with the Members, asking that the ballots be delivered to the Scrutineer upon completion. All of the ballots were filled out, collected and given to the Scrutineer who then privately tallied the votes, including those from proxies submitted. The Scrutineer then notified the Chairman of the results. The Chairman then declared that Barry Burns, Marc Chalifoux, Denise Stefanic, Amanda Kraayenbrink, Rhonda Navratil, Lara Suriyakumaran, Robert Pangrass, Kathy Ly, Amber Lee, and Arshad Ali, had received the most votes to be elected to serve on the Summerside Residents Association Board of Directors.
24. The Chairman then stated based on the aforementioned system of determining term length, and after completing any necessary randomized draws, the following Directors will hold 2-year terms: Lara Suriyakumaran, Marc Chalifoux, Amanda Kraayenbrink, Robert Pangrass, and Barry Burns. The following Directors will hold 1-year terms: Denise Stefanic, Rhonda Navratil, Kathy Ly, Amber Lee, and Arshad Ali. The Chairman congratulated the new Directors and reminded them that there would be a post-AGM Board Meeting immediately following the Q&A portion of the AGM.
25. The Chairman then stated that the next item on the Agenda was the appointment of the Auditor. The Chairman asked for a motion that the Board of Directors appoint BDO Canada as Auditor for the fiscal period ending December 31, 2020, and that the Directors be authorized to fix remuneration. Denis Armand Moquin so moved. Lisa Douglas seconded the motion. The Chairman declared the motion carried.
26. The Chairman then asked if there was any further business to transact at the Annual General Meeting of the Association. There was none.
27. The Chairman then asked for a motion to terminate the meeting. Mary Anderson moved that the meeting be terminated. Lisa Douglas seconded the motion.
28. The Chairman declared the motion carried, and the meeting adjourned at 8:37p.m.



Brittany Tanasichuk, Secretary



**Summerside Residents Association
Board of Directors Report
September 14th, 2021**

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

The SSRA Membership fees for the 2021 fiscal year are \$377.06 (Standard Lot), \$527.90 (Lake Access Lot), and \$904.90 (Lakeshore Lot), plus GST. The 2021 fee notices were mailed out at the end of November, 2020. The financial position of the SSRA for 2020 is represented in the Financial Statements included in the package provided to homeowners with the Notice of the Annual General Meeting of the SSRA.

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

The past year has required flexibility and adaptation to respond to the challenging landscape that the COVID-19 pandemic presented. Though we repeatedly had to adjust our offerings as public health requirements changed, we were very happy to keep the SSRA open through the year. Being able to provide a source of recreation and enjoyment during what was a challenging time for many was a source of pride for the SSRA, and we were happy to see so many residents take advantage of the amenities. We appreciate your ongoing patience and cooperation as we continue to adhere to changing public health recommendations and requirements. As always, our priority is the health, safety, and wellness of our Members. Please feel free to contact the General Manager with any questions or concerns, as he would enjoy hearing from you at manager@lakesummerside.ca.

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

Attendance at the AGM requires that a Resident be a Member in Good Standing, meaning that as of the close of business on September 14th, 2021, all outstanding fees, interest and charges, have been paid.

Respectfully submitted September 14th, 2021 by the Summerside Residents Association Board of Directors.

KATHY LY Resident Director	AMBER LEE Resident Director	ARSHAD ALI Resident Director	RHONDA NAVRATIL Resident Director	DENISE STEFANIC Resident Director	LARA SURIYAKUMARAN Resident Director
ROB PANGRASS Resident Director	BARRY BURNS President & Resident Director	AMANDA KRAAYENBRINK Treasurer & Resident Director	MARC CHALIFOUX Secretary & Resident Director		



SUMMERSIDE RESIDENTS ASSOCIATION 2021 INFORMATION CIRCULAR

GENERAL INFORMATION & PROXY STATEMENT

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by management of the SUMMERSIDE RESIDENTS ASSOCIATION (the "Company") for use at the Annual General Meeting (the "Meeting") of Members of the Company to be held at the **Holiday Inn Edmonton South/ Evario Events Centre, Wednesday, October 6, 2021 at 7:00 PM**. All expenses incurred in connection with the solicitation of proxies will be borne by the Company. Solicitation will be made primarily by email, but will also be made by mail as necessary. Proxies may also be solicited by Directors, officers, and employees of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

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

EXERCISE OF DISCRETION BY PROXY

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

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

VOTING BY MEMBERS

Only Members of record in good standing at the close of business on **September 14th, 2021** are entitled to vote at the Meeting, each Member being entitled to one (1) vote. Members are defined in the Articles of Association (the "Articles") of the Company, and voting is restricted to Commercial Owners, Homeowner Members and Rental Members.

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

At the close of business on **September 14th 2021**, the Company had **4319** Voting Members in good standing. In addition, there were **2** Brookfield Residential (Alberta) LP ("Brookfield") votes in respect of lots registered in the name of Brookfield's general partner. **THE COMPANY'S MEMBERS IN GOOD STANDING AT THE CLOSE OF BUSINESS September 14th, 2021, ARE THE ONLY MEMBERS ENTITLED TO VOTE AT THE MEETING.**

ELECTION OF DIRECTORS

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

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

In accordance with the Articles revised at the Annual General Meeting in 2020, 50% of the elected Directors were appointed to serve for a one-year term, and 50% of the elected Directors were appointed to serve for a two-year term, to provide for a continuity of knowledge.

The following Directors were elected for two-year terms in 2020, and will continue to serve on the SSRA Board for one more year. The remainder of their terms shall be from the date of the Meeting until the next Annual General Meeting of Members after this Meeting or until their successors are elected or appointed.

Lara Suriyakumaran
Marc Chalifoux
Amanda Kraayenbrink
Robert Pangrass
Barry Burns

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

Denise Stefanic
Arshad Ali
Amber Lee
Ryan Devlin
Mike Green
Jessie Apland
Dan Lemoine
Rob Wyatt
Balraj Mann

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

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

NAME	PERIOD SERVED AS DIRECTOR OF THE COMPANY
Denise Stefanic	3 years
Arshad Ali	1 year
Amber Lee	1 year
Ryan Devlin	0 years
Mike Green	0 years
Jessie Apland	0 years
Dan Lemoine	0 years
Rob Wyatt	0 years
Balraj Mann	0 years

DIRECTORS COMPENSATION - Nil

PENSION PLAN - Nil

EXECUTIVE COMPENSATION AND PLANS - Nil

INCENTIVE SHARE OPTION PLAN FOR OFFICERS AND KEY EMPLOYEES - Nil

APPOINTMENT OF AUDITORS

Management proposes that BDO Canada be appointed as Auditor for the Company for the fiscal year ending December 31, 2021, and that the Directors be authorized to fix the Auditor's remuneration. BDO Canada has been appointed as the Auditor yearly since 2013.

CERTIFICATE

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

BY THE ORDER OF THE BOARD OF DIRECTORS


BARRY BURNS, President

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

Dated at Edmonton, Alberta, this 14th day of September, 2021.

BY THE ORDER OF THE BOARD OF DIRECTORS


BARRY BURNS, President

INSTRUCTIONS FOR PROXY FORMS

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

Summerside Residents Association
1720 88 Street SW, Edmonton, Alberta, T6X 1J7
Attention: Janice Wilmot
Or by facsimile to 780-497-7559

All proxies must be in writing, signed by the Member and returned no later than 5:00PM Tuesday, October 5th, 2021.

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

Voting and Exercise of Discretion by Proxies

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

BY THE ORDER OF THE BOARD OF DIRECTORS



BARRY BURNS, President

**SUMMERSIDE RESIDENTS ASSOCIATION
2021 ANNUAL GENERAL MEETING OF MEMBERS
On the 6th day of October, 2021 at 7:00 PM**

PROXY SOLICITED BY MANAGEMENT

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

1. **FOR _____ OR AGAINST _____** (and if no specification is made, FOR)
The setting of the total number of Directors for the Company at ten (10).
2. **FOR OR AGAINST** the election of the following resident(s) as Directors: **Please vote FOR a maximum of 5 candidates.**

NAME OF NOMINEES	FOR	AGAINST
Denise Stefanic		
Arshad Ali		
Amber Lee		
Ryan Devlin		
Mike Green		
Jessie Apland		
Dan Lemoine		
Rob Wyatt		
Balraj Mann		

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

3. **FOR _____ OR AGAINST _____** (and if no specification is made, FOR)
That BDO Canada be appointed as Auditor for the Company for the fiscal year ending December 31, 2021 and that the Directors be authorized to fix its remuneration.
4. **FOR _____ OR AGAINST _____** (and if no specification is made, FOR)
And in his/her discretion with respect to any amendments, variations or additions with respect to any of the matters noted above or with respect to any other matter which may properly be brought before the Meeting or any adjournment thereof.

DATED this _____ day of _____, 2021.

Member's Name (please print)

Signature of Member

Member Address (required)

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

RETURN PROXIES NO LATER THAN CLOSE OF BUSINESS (5:00 P.M.) ON Tuesday, October 5, 2021
Summerside Residents Association
1720 88 Street SW, Edmonton, Alberta, T6X 1J7
Attention: Janice Wilmot; facsimile to 780-497-7559 or e-mail to reception@lakesummerside.ca

SUMMERSIDE RESIDENTS ASSOCIATION

FINANCIAL STATEMENTS

December 31, 2020



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

BDO Canada LLP
620, 903 8th Avenue
Calgary, Alberta
T2P 0P7

Independent Auditor's Report

To the Board of Directors of Summerside Residents Association

Opinion

We have audited the financial statements of Summerside Residents Association (the "Association"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

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

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants


Calgary, Alberta
April 23, 2021


SUMMERSIDE RESIDENTS ASSOCIATION
Statement of Financial Position
As at December 31

	<u>2020</u>		<u>2019</u>
CURRENT ASSETS			
Cash and cash equivalents (Note 2)	\$ 1,474,849	\$	1,164,355
Accounts receivable (Note 11)	42,632		24,408
Prepaid expenses	19,225		14,438
	<u>1,536,706</u>		<u>1,203,201</u>
CAPITAL ASSETS (Note 4)			
	<u>2,565,953</u>		<u>2,664,721</u>
	\$ 4,102,659	\$	3,867,922
CURRENT LIABILITIES			
Accounts payable and accrued liabilities	\$ 66,100	\$	92,361
Goods and services tax payable	24,968		22,105
Demand loan payable (Note 5)	2,387,676		2,813,665
Deferred revenue	676,918		613,300
	<u>3,155,662</u>		<u>3,541,431</u>
DEFERRED CAPITAL CONTRIBUTION (Note 8)	-		100,000
LOAN PAYABLE (Note 6)	<u>40,000</u>		<u>-</u>
	<u>3,195,662</u>		<u>3,641,431</u>
NET ASSETS (Note 9)			
Net assets invested in capital assets	2,565,953		2,564,721
Unrestricted net deficiency	<u>(1,658,956)</u>		<u>(2,338,230)</u>
	<u>906,997</u>		<u>226,491</u>
	\$ 4,102,659	\$	3,867,922

Commitments (Note 10)

Approved on behalf of the Association:


 _____, Director


 _____, Director

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

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

	<u>2020</u>	<u>2019</u>
REVENUE		
Membership fees	\$ 1,733,412	\$ 1,647,263
Government assistance (Note 11)	330,128	-
Amortization of deferred capital contributions	100,000	100,000
Interest and other	31,294	49,203
Program income	30,488	163,247
Grant	16,500	-
Beach club rental	5,223	63,795
	<u>2,247,045</u>	<u>2,023,508</u>
EXPENSES		
Salaries and benefits	699,272	766,676
Amortization	200,877	196,608
Administration	146,133	136,018
Beach club maintenance	117,413	121,424
Property tax	99,060	93,948
Loan interest	90,773	126,752
Professional fees (Note 3)	49,540	59,465
Programs	48,782	144,933
Utilities	45,470	48,778
Repairs and maintenance	36,527	29,730
Security	19,192	19,001
Insurance	13,215	14,149
Advertising and promotion	285	4,442
Gain on disposal of assets	-	(1,927)
	<u>1,566,539</u>	<u>1,759,997</u>
EXCESS OF REVENUE OVER EXPENSES	<u><u>\$ 680,506</u></u>	<u><u>\$ 263,511</u></u>

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

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

	Invested in Capital Assets	Unrestricted	2020	2019
BALANCE, BEGINNING OF YEAR	\$ 2,564,721	\$ (2,338,230)	\$ 226,491	\$ (37,020)
Acquisition of capital assets	102,109	(102,109)	-	-
Excess of revenue over expenses	-	680,506	680,506	263,511
Amortization of capital assets	(200,877)	200,877	-	-
Amortization of deferred capital contributions	100,000	(100,000)	-	-
BALANCE, END OF YEAR	\$ 2,565,953	\$ (1,658,956)	\$ 906,997	\$ 226,491

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

	<u>2020</u>	<u>2019</u>
NET INFLOW OF CASH RELATED TO:		
OPERATING ACTIVITIES		
Excess of revenues over expenses	\$ 680,506	\$ 263,511
Items not affecting cash and cash equivalents		
Amortization of capital assets	200,877	196,608
Amortization of deferred capital contributions	(100,000)	(100,000)
Gain on disposal of capital assets	-	(1,927)
	<u>781,383</u>	<u>358,192</u>
Changes in non-cash working capital items		
Accounts receivable	(18,224)	21,443
Prepaid expenses	(4,787)	(1,525)
Accounts payable and accrued liabilities	(26,261)	36,952
Goods and services tax	2,863	20,942
Deferred revenue	63,618	39,899
	<u>798,592</u>	<u>475,903</u>
INVESTING ACTIVITIES		
Acquisition of capital assets	(102,109)	(181,120)
Proceeds on disposal of capital assets	-	13,900
	<u>(102,109)</u>	<u>(167,220)</u>
FINANCING ACTIVITIES		
Repayments of demand loan payable	(425,989)	(105,358)
Advances from loan payable	40,000	-
	<u>(385,989)</u>	<u>(105,358)</u>
NET CASH INFLOW	310,494	203,325
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	<u>1,164,355</u>	<u>961,030</u>
CASH AND CASH EQUIVALENTS, END OF YEAR	<u>\$ 1,474,849</u>	<u>\$ 1,164,355</u>

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

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

a) Purpose

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

b) Basis of Accounting

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

c) Cash and Cash Equivalents

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

d) Revenue Recognition

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

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

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

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

e) Use of Estimates

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

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

f) **Capital Assets**

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

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

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

g) **Impairment of Long-Lived Assets**

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

h) **Financial Instruments**

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

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

2. CASH AND CASH EQUIVALENTS

Included in cash and cash equivalents are guaranteed investment certificates (GICs) totaling \$500,000 (2019 - \$509,010), with interest rates of 2.14% (2019 - 2.60%) all of which mature on February 12, 2021.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

3. RELATED PARTY TRANSACTIONS

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

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

During the year, the following transactions occurred with Brookfield Residential:

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

	2020	2019
Administration	<u>\$ 14,000</u>	<u>\$ 28,000</u>

The amount above is included in professional fee expense at year end.

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

4. CAPITAL ASSETS

	2020			2019
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings	\$ 1,302,299	\$ 1,094,097	\$ 208,202	\$ 290,655
Vehicles	64,853	37,651	27,202	25,038
Boats	89,164	73,417	15,747	12,925
Docks	55,277	33,305	21,972	11,296
Equipment	227,863	126,967	100,896	123,734
Office equipment	65,101	54,651	10,450	14,144
Maintenance equipment	105,178	98,655	6,523	5,809
Computer equipment	26,572	22,578	3,994	2,881
Park amenities	382,285	226,318	155,967	163,239
	<u>2,318,592</u>	<u>1,767,639</u>	<u>550,953</u>	<u>649,721</u>
Land	2,015,000	-	2,015,000	2,015,000
	<u>\$ 4,333,592</u>	<u>\$ 1,767,639</u>	<u>\$ 2,565,953</u>	<u>\$ 2,664,721</u>

At December 31, 2020, \$59,941 of capital assets were not being amortized as the assets were under construction and not in use.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

5. DEMAND LOAN

Alberta Treasury Branch ("ATB") provided the Association with a reducing credit facility with a maximum amount of \$2,745,099 (2019 - \$3,300,000). This loan bears interest at the ATB prime rate plus 0.62% (2019 - 0.45%) per annum, is due on demand, and is payable in monthly blended payments of \$22,230 (2019 - \$22,230). The loan is secured by a general security agreement covering the Association's present and after acquired property and floating charge on land, a first mortgage agreement registered against the property in the amount of \$3,300,000 (2019 - \$3,300,000), and up to September 24, 2020, the Effective Date, (defined in Note 3) postponement and assignment of claims from Brookfield Residential and a comfort letter from Brookfield Residential covering all debt servicing shortfalls.

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

2021	\$	196,222
2022		202,331
2023		208,631
2024		214,975
2025		221,820
Thereafter		1,343,697
	\$	<u>2,387,676</u>

6. CANADA EMERGENCY BUSINESS ACCOUNT LOAN

During the year, the Association was provided an interest free loan to assist with operational difficulties faced as a result of the ongoing COVID-19 pandemic. The loan bears 0% interest and is not repayable until December 31, 2022. Principal repayments can voluntarily be made at any time without fees or penalties. Repayment of \$30,000 of the \$40,000 on or before December 31, 2022 will result in loan forgiveness of \$10,000. If any part of the balance is not paid by December 31, 2022, the remaining balance will be converted to a 3-year term loan at 5% annual interest, paid monthly, effective January 1, 2023. The full balance must be repaid no later than December 31, 2025. As at December 31, 2020, there was \$40,000 due on the balance of the loan.

Subsequent to year end, the Association accessed the second \$20,000 portion of the Canada Emergency Business Account loan under the same terms and conditions as the first \$40,000.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

7. FINANCIAL INSTRUMENTS

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

a) Interest rate risk

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

b) Credit risk

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

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

c) Liquidity risk

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

8. DEFERRED CAPITAL CONTRIBUTION

Deferred capital contributions relate to capital assets contributed to the Association by Brookfield Residential. The balance consists of \$1,000,000 (2020 - \$1,000,000), less accumulated amortization of \$100,000 (2019 - \$900,000). The land contributed by Brookfield Residential in previous years is not subject to amortization and was therefore recorded as a direct increase to net assets.

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

9. NET ASSETS

The Association may budget and set aside any of the accumulated excess of revenues over expenditures to create a reserve fund for the purpose of replacing future assets, maintaining the property, and meeting contingencies. Currently, the Association has an unrestricted net deficiency of \$1,658,956 (2019 - \$2,338,230) and has internally restricted the net assets invested in Capital Assets \$2,565,953 (2019- \$2,564,721).

10. COMMITMENTS

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

2021	\$	5,371
2022		4,123
2023		4,123
2024		4,123
2025		4,123
Thereafter		1,031
	\$	<u>22,894</u>

The Association has commitments related to the development of capital assets for buildings and park amenities. Payments expected over the completion of development are as follows:

2021	\$	85,315
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11. GOVERNMENT ASSISTANCE

During the year, the Association received \$330,128 (2019 - \$nil) in government wage subsidies. All government subsidy contributions received have been recognized into income during the year. An amount receivable of \$28,279 (2019 - \$nil) is included in accounts receivable at year end.

12. CREDIT LIMIT

At December 31, 2020, the Association has a total credit card limit of \$5,000 (2019 - \$5,000) of which \$499 (2019 - \$866) has been used at year end.

13. COVID-19

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

SUMMERSIDE RESIDENTS ASSOCIATION
Notes to the Financial Statements
December 31, 2020

14. RECLASSIFICATION OF PRIOR YEAR BALANCES

Certain comparative figures have been reclassified to conform with the current year's presentation. This reclassification has no effect on the prior year excess of revenue over expenses.