

**MUNICIPALITY OF JASPER**  
**NON-CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

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## INDEPENDENT AUDITORS' REPORT

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To the Mayor and Council of the Municipality of Jasper

### *Qualified Opinion*

We have audited the accompanying non-consolidated financial statements of the Municipality of Jasper (the Municipality), which comprise the non-consolidated statement of financial position as at December 31, 2022, and the non-consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter described in the *Basis for Qualified Opinion* section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2022, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

### *Basis for Qualified Opinion*

The Municipality is a member of the West Yellowhead Regional Waste Management Authority (the Authority). The Authority is a partnership with neighbouring local governments established to construct, maintain, control and manage a regional solid waste disposal system. In accordance with Canadian public sector accounting standard 3060, Interests in partnerships, the Municipality's proportionate interest in the Authority should be accounted for using a proportionate consolidation.

The Municipality's proportionate share of the Authority's financial assets, liabilities, and non-financial assets as at December 31, 2022, and the Municipality's share of the Authority's revenues and expenses for the year then ended have not been recorded in the accompanying non-consolidated financial statements. We were unable to obtain sufficient appropriate audit evidence about the Municipality's proportionate interest of the Authority's financial position as at December 31, 2022 and the Municipality's proportionate interest of the Authority's operations for the year as the financial records have not been prepared by the Authority. Consequently, we were unable to determine which amounts to consolidate were necessary.

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

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

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

(continues)

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

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

*Auditors' Responsibilities for the Audit of the Non-Consolidated Financial Statements*

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

As part of 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 Municipality's internal control.
- Evaluate the appropriateness of accounting policies and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**METRIX GROUP LLP**

Chartered Professional Accountants

Edmonton, Alberta  
June 20, 2023



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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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Management is responsible for the preparation and presentation of the accompanying non-consolidated financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibility for the integrity and fairness of the non-consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the non-consolidated financial statements.

The elected Mayor and Council of the are composed entirely of individuals who are neither management nor employees of the Municipality. The Mayor and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Mayor and Council are also responsible for the appointment of the Municipality's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the non-consolidated financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Mayor and Council and management to discuss their audit findings.

  
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Bill Given, Chief Administrative Officer

  
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Natasha Malenchak, Director of Finance and Administration

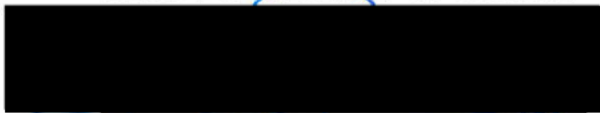
Jasper, Alberta  
June 20, 2023

MUNICIPALITY OF JASPER  
 Non-Consolidated Statement of Financial Position  
 As at December 31, 2022

	<u>2022</u>	<u>2021</u> (Restated) (Note 21)
<b>FINANCIAL ASSETS</b>		
Cash	\$ 17,098,131	\$ 20,394,837
Taxes and grants in place of taxes receivable (Note 2)	636,993	446,160
Trade and other receivables (Note 3)	6,464,477	3,923,251
Debt recoverable - local improvements	<u>5,302,462</u>	<u>12,763</u>
	<u>29,502,063</u>	<u>24,777,011</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	\$ 2,967,664	\$ 3,532,312
Employee benefit obligations (Note 6)	677,538	495,270
Deposit liabilities	68,174	68,573
Deferred revenue (Note 7)	8,909,165	9,028,925
Capital lease obligations (Note 8)	51,574	-
Long-term debt (Note 9)	<u>11,072,827</u>	<u>12,028,869</u>
	<u>23,746,942</u>	<u>25,153,949</u>
<b>NET FINANCIAL ASSETS (DEBT)</b>	<u>5,755,121</u>	<u>(376,938)</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 5)	65,152,556	63,481,221
Prepaid expenses	<u>390,791</u>	<u>363,338</u>
	<u>65,543,347</u>	<u>63,844,559</u>
<b>ACCUMULATED SURPLUS (Schedule 1, Note 12)</b>	<u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

**CONTINGENCIES (Note 15)**

APPROVED ON BEHALF OF COUNCIL:



Mayor



Councillor

**MUNICIPALITY OF JASPER**

**Non-Consolidated Statement of Operations and Accumulated Surplus**

**For The Year Ended December 31, 2022**

	<u>2022</u> (Budget) (Note 19)	<u>2022</u> (Actual)	<u>2021</u> (Restated) (Note 21)
<b>REVENUE</b>			
Net municipal property taxes ( <i>Schedule 2</i> )	\$ 8,357,994	\$ 13,493,657	\$ 7,437,905
User fees and sales of goods	7,186,444	7,233,707	5,947,661
Government transfers for operating ( <i>Schedule 3</i> )	2,053,308	2,572,177	2,625,389
Fines, licenses and permits	714,542	938,580	303,872
Franchise and concession contracts ( <i>Note 14</i> )	512,294	659,053	437,451
Rentals	633,564	495,982	404,686
Investment income	204,000	432,550	114,167
Penalties and costs on taxes	84,897	306,177	111,776
Other	<u>877,264</u>	<u>281,391</u>	<u>248,431</u>
	<u>20,624,307</u>	<u>26,413,274</u>	<u>17,631,338</u>
<b>EXPENSES</b>			
Utilities	4,533,852	4,782,877	5,331,531
Parks and recreation	4,034,113	3,903,236	3,977,451
Public health	3,437,204	3,582,442	3,090,851
Roads, streets, walks, lighting	1,299,674	2,490,490	2,355,285
General government	3,628,603	2,224,824	1,641,151
Protective services	1,474,612	1,865,299	2,109,041
Legislative	880,706	703,278	556,525
Library and museum	164,926	520,615	586,407
Economic development	<u>416,759</u>	<u>368,285</u>	<u>521,272</u>
	<u>19,870,449</u>	<u>20,441,346</u>	<u>20,169,514</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME</b>	<u>753,858</u>	<u>5,971,928</u>	<u>(2,538,176)</u>
<b>OTHER INCOME</b>			
Government transfers for capital ( <i>Schedule 3</i> )	10,135,956	1,858,919	771,461
Gain (loss) on disposal of tangible capital assets	<u>-</u>	<u>-</u>	<u>2,557</u>
	<u>10,135,956</u>	<u>1,858,919</u>	<u>774,018</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>10,889,814</u>	<u>7,830,847</u>	<u>(1,764,158)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>			
	65,164,391	65,164,391	66,794,886
Restatement ( <i>Note 21</i> )	<u>(1,696,770)</u>	<u>(1,696,770)</u>	<u>(1,563,107)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS RESTATED</b>	<u>63,467,621</u>	<u>63,467,621</u>	<u>65,231,779</u>
<b>ACCUMULATED SURPLUS, END OF YEAR (<i>Schedule 1, Note 12</i>)</b>	<u>\$ 74,357,435</u>	<u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

**MUNICIPALITY OF JASPER**

**Non-Consolidated Statement of Change in Net Financial Assets (Debt)**

**For The Year Ended December 31, 2022**

	<u>2022</u> (Budget) (Note 19)	<u>2022</u> (Actual)	<u>2021</u> (Restated) (Note 21)
<b>ANNUAL SURPLUS (DEFICIT)</b>	\$ <u>10,889,814</u>	\$ <u>7,830,847</u>	\$ <u>(1,764,158)</u>
Acquisition of tangible capital assets	(26,130,694)	<b>(4,444,274)</b>	(6,646,564)
Proceeds on disposal of tangible capital assets	-	-	14,851
Amortization of tangible capital assets	-	<b>2,772,939</b>	2,717,460
Gain (loss) on disposal of tangible capital assets	-	-	<u>(2,557)</u>
	<u>(26,130,694)</u>	<u><b>(1,671,335)</b></u>	<u>(3,916,810)</u>
Net change in prepaid expenses	-	<u><b>(27,453)</b></u>	<u>96,666</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS (DEBT)</b>	(15,240,880)	<b>6,132,059</b>	(5,584,302)
<b>NET FINANCIAL ASSETS (DEBT), BEGINNING OF YEAR</b>	<u>(376,938)</u>	<u><b>(376,938)</b></u>	<u>5,207,364</u>
<b>NET FINANCIAL ASSETS (DEBT), END OF YEAR</b>	\$ <u><u>(15,617,818)</u></u>	\$ <u><u><b>5,755,121</b></u></u>	\$ <u><u>(376,938)</u></u>

**MUNICIPALITY OF JASPER**  
**Non-Consolidated Statement of Cash Flows**  
**For The Year Ended December 31, 2022**

	<u>2022</u>	<u>2021</u> (Restated) (Note 21)
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 7,830,847	\$ (1,764,158)
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	2,772,939	2,717,460
(Gain) loss on disposal of tangible capital assets	-	(2,557)
Change in non-cash working capital balances:		
Taxes and grants in place of taxes receivable	(190,833)	(78,770)
Trade and other receivables	(2,541,226)	(270,596)
Debt recoverable - local improvements	(5,289,699)	5,883
Accounts payable and accrued liabilities	(564,648)	203,283
Employee benefit obligations	182,268	(1,982)
Deposit liabilities	(399)	(4,763)
Deferred revenue	(119,760)	2,217,701
Prepaid expenses	(27,453)	96,666
	<u>2,052,036</u>	<u>3,118,167</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(4,444,274)	(6,646,564)
Proceeds on disposal of tangible capital assets	-	14,851
	<u>(4,444,274)</u>	<u>(6,631,713)</u>
<b>FINANCING ACTIVITIES</b>		
Long-term debt issued	-	6,200,000
Repayment of long-term debt	(956,042)	(752,533)
Capital lease obligations obtained	51,574	-
	<u>(904,468)</u>	<u>5,447,467</u>
<b>CHANGE IN CASH DURING THE YEAR</b>	<b>(3,296,706)</b>	<b>1,933,921</b>
<b>CASH, BEGINNING OF YEAR</b>	<b><u>20,394,837</u></b>	<b><u>18,460,916</u></b>
<b>CASH, END OF YEAR</b>	<b><u>\$ 17,098,131</u></b>	<b><u>\$ 20,394,837</u></b>



**MUNICIPALITY OF JASPER**  
**Schedule of Changes in Accumulated Surplus**  
**For The Year Ended December 31, 2022**

**SCHEDULE 1**

	<u>Unrestricted</u>	<u>Restricted for Operating</u>	<u>Restricted for Capital</u>	<u>Equity in Tangible Capital Assets</u>	<u>2022</u>	<u>2021</u>
<b>BALANCE, BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	\$ 4,665,901	\$ 3,319,853	\$ 4,886,203	\$ 52,292,434	\$ <b>65,164,391</b>	\$ 66,794,886
Restatement ( <i>Note 21</i> )	<u>(14,752)</u>	<u>-</u>	<u>(903,942)</u>	<u>(778,076)</u>	<u><b>(1,696,770)</b></u>	<u>(1,563,107)</u>
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 4,651,149	\$ 3,319,853	\$ 3,982,261	\$ 51,514,358	\$ <b>63,467,621</b>	\$ 65,231,779
Annual surplus (deficit)	7,830,847	-	-	-	<b>7,830,847</b>	(1,764,158)
Purchase of tangible capital assets	(4,444,274)	-	-	4,444,274	-	-
Annual amortization	2,772,939	-	-	(2,772,939)	-	-
Unrestricted funds designated for future use	(1,377,293)	(1,692,694)	3,069,987	-	-	-
Long-term debt issued net of repayment	(956,042)	-	-	956,042	-	-
Capital lease obligations obtained	51,574	-	-	(51,574)	-	-
Levied portion of debt recoverable - local improvements	<u>(5,289,699)</u>	<u>-</u>	<u>-</u>	<u>5,289,699</u>	<u>-</u>	<u>-</u>
<b>BALANCE, END OF YEAR</b>	<u>\$ 3,239,201</u>	<u>\$ 1,627,159</u>	<u>\$ 7,052,248</u>	<u>\$ 59,379,860</u>	<u>\$ <b>71,298,468</b></u>	<u>\$ 63,467,621</u>

The accompanying notes are an integral part of the non-consolidated financial statements.

**MUNICIPALITY OF JASPER**  
**Schedule of Property Taxes Levied**  
**For The Year Ended December 31, 2022**

**SCHEDULE 2**

	<u>2022</u> (Budget) (Note 19)	<u>2022</u> (Actual)	<u>2021</u> (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 13,856,791	\$ <b>13,722,451</b>	\$ 12,383,752
Local improvement tax	185,135	<b>5,294,908</b>	-
Government grants in place of property taxes	810,139	<b>810,139</b>	810,139
Linear property taxes	665,966	<b>665,966</b>	665,966
Designated industrial property	<u>5,300</u>	<u><b>5,300</b></u>	<u>5,211</u>
	<u>15,523,331</u>	<u><b>20,498,764</b></u>	<u>13,865,068</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	5,398,276	<b>5,213,906</b>	5,095,423
Evergreen Foundation	812,316	<b>859,368</b>	714,869
Land rent to Parks Canada	480,787	<b>475,298</b>	386,624
Policing	252,539	<b>237,665</b>	189,540
Planning reserves to Parks Canada	216,119	<b>213,472</b>	35,439
Designated industrial property	<u>5,300</u>	<u><b>5,398</b></u>	<u>5,268</u>
	<u>7,165,337</u>	<u><b>7,005,107</b></u>	<u>6,427,163</u>
<b>NET MUNICIPAL PROPERTY TAXES</b>	<u>\$ 8,357,994</u>	<u>\$ <b>13,493,657</b></u>	<u>\$ 7,437,905</u>

**MUNICIPALITY OF JASPER**  
**Schedule of Government Transfers**  
**For The Year Ended December 31, 2022**

**SCHEDULE 3**

	<u>2022</u> (Budget) (Note 19)	<u>2022</u> (Actual)	<u>2021</u> (Actual)
<b>TRANSFERS FOR OPERATING</b>			
Provincial government	\$ 1,299,470	\$ <b>1,699,311</b>	\$ 1,760,207
Federal government	<u>753,838</u>	<u><b>872,866</b></u>	<u>865,182</u>
	<u>2,053,308</u>	<u><b>2,572,177</b></u>	<u>2,625,389</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	5,643,128	<b>1,216,188</b>	571,370
Federal government	<u>4,492,828</u>	<u><b>642,731</b></u>	<u>200,091</u>
	<u>10,135,956</u>	<u><b>1,858,919</b></u>	<u>771,461</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 12,189,264</u>	<u>\$ <b>4,431,096</b></u>	<u>\$ 3,396,850</u>

**MUNICIPALITY OF JASPER**  
**Schedule of Segmented Disclosure**  
**For The Year Ended December 31, 2022**

**SCHEDULE 4**

	General Government	Roads, Streets Works, Lighting	Legislative	Utilities	Parks and Recreation	Protective Services	Library and Museum	Public Health	Economic Development	Total
<b>REVENUE</b>										
Net municipal property taxes	\$ 13,493,657	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,493,657
User fees and sales of goods	4,620	-	6,185	5,899,310	533,312	74,695	-	715,585	-	7,233,707
Government transfers	142,775	283,294	-	348,544	1,198,663	412,639	-	2,045,181	-	4,431,096
Fines, licenses and permits	37,191	-	-	-	-	901,389	-	-	-	938,580
Franchise and concession contracts	659,053	-	-	-	-	-	-	-	-	659,053
Rentals	2,222	-	5,147	-	296,207	81,589	-	-	110,817	495,982
Investment income	432,550	-	-	-	-	-	-	-	-	432,550
Penalties and costs on taxes	306,177	-	-	-	-	-	-	-	-	306,177
Other	29,368	7,222	-	144,405	22,425	-	-	78,697	(726)	281,391
	<u>15,107,613</u>	<u>290,516</u>	<u>11,332</u>	<u>6,392,259</u>	<u>2,050,607</u>	<u>1,470,312</u>	<u>-</u>	<u>2,839,463</u>	<u>110,091</u>	<u>28,272,193</u>
<b>EXPENSES</b>										
Salaries, wages and benefits	1,224,618	1,018,949	400,000	1,298,598	1,734,451	677,907	216,463	2,924,561	19,718	9,515,265
Contracted and general services	809,908	401,623	127,908	1,607,293	241,003	470,959	4,316	493,446	73,574	4,230,030
Materials, goods, and utilities	83,563	96,795	25,939	846,012	1,353,581	403,543	68,384	152,403	232,060	3,262,280
Amortization	37,354	973,123	-	694,693	500,827	312,890	211,119	-	42,933	2,772,939
Interest on long-term debt	-	-	-	316,881	62,175	-	-	-	-	379,056
Transfers to individuals and organizations	-	-	149,431	-	-	-	-	-	-	149,431
Provision for allowances	60,674	-	-	19,400	11	-	-	1,731	-	81,816
Bank charges and short-term interest	8,707	-	-	-	11,188	-	-	10,301	-	30,196
Transfers to local boards and agencies	-	-	-	-	-	-	20,333	-	-	20,333
	<u>2,224,824</u>	<u>2,490,490</u>	<u>703,278</u>	<u>4,782,877</u>	<u>3,903,236</u>	<u>1,865,299</u>	<u>520,615</u>	<u>3,582,442</u>	<u>368,285</u>	<u>20,441,346</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b><u>\$ 12,882,789</u></b>	<b><u>\$ (2,199,974)</u></b>	<b><u>\$ (691,946)</u></b>	<b><u>\$ 1,609,382</u></b>	<b><u>\$ (1,852,629)</u></b>	<b><u>\$ (394,987)</u></b>	<b><u>\$ (520,615)</u></b>	<b><u>\$ (742,979)</u></b>	<b><u>\$ (258,194)</u></b>	<b><u>\$ 7,830,847</u></b>

**MUNICIPALITY OF JASPER**  
**Schedule of Segmented Disclosure**  
**For The Year Ended December 31, 2021**

**SCHEDULE 4**

	General Government	Roads, Streets Wa ks. Lighting	Legislative	Utilities	Parks and Recreation	Protective Services	Library and Museum	Public Health	Economic Development	Total
<b>REVENUE</b>										
Net municipal property taxes	\$ 7,437,905	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,437,905
User fees and sales of goods	3,060	-	-	4,595,678	320,020	162,995	-	865,398	510	5,947,661
Government transfers	354,706	268,997	-	34,949	77,052	962,703	-	1,548,443	150,000	3,396,850
Franchise and concession contracts	437,451	-	-	-	-	-	-	-	-	437,451
Rentals	1,855	-	5,147	-	185,707	109,290	-	-	102,687	404,686
Other	27,599	22,678	-	140,483	12,597	-	-	44,207	867	248,431
Fines, licenses and permits	37,760	-	-	-	-	266,112	-	-	-	303,872
Investment income	114,167	-	-	-	-	-	-	-	-	114,167
Penalties and costs on taxes	111,776	-	-	-	-	-	-	-	-	111,776
Gain (loss) on disposal of tangible capital assets	-	-	-	2,347	210	-	-	-	-	2,557
	<u>8,526,279</u>	<u>291,675</u>	<u>5,147</u>	<u>4,773,457</u>	<u>595,586</u>	<u>1,501,100</u>	<u>-</u>	<u>2,458,048</u>	<u>254,064</u>	<u>18,405,356</u>
<b>EXPENSES</b>										
Salaries, wages, and benefits	979,022	961,046	430,251	1,155,593	1,645,684	662,088	193,114	2,555,402	27,010	8,609,210
Contracted and general services	388,235	357,093	75,339	2,661,822	572,019	882,040	1,677	347,769	262,531	5,548,525
Materials, goods, and utilities	84,496	22,970	50,935	760,562	1,208,066	252,733	61,136	149,978	188,798	2,779,674
Amortization	37,634	1,014,176	-	638,746	460,672	312,180	211,119	-	42,933	2,717,460
Interest on long-term debt	-	-	-	112,690	83,886	-	-	-	-	196,576
Provision for allowances (recovery)	139,311	-	-	2,118	-	-	-	809	-	142,238
Transfers to local boards and agencies	-	-	-	-	-	-	115,409	-	-	115,409
Bank charges and short-term interest	12,453	-	-	-	7,124	-	-	14,393	-	33,970
Transfers to individuals and organizations	-	-	-	-	-	-	3,952	22,500	-	26,452
	<u>1,641,151</u>	<u>2,355,285</u>	<u>556,525</u>	<u>5,331,531</u>	<u>3,977,451</u>	<u>2,109,041</u>	<u>586,407</u>	<u>3,090,851</u>	<u>521,272</u>	<u>20,169,514</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 6,885,128</u>	<u>\$ (2,063,610)</u>	<u>\$ (551,378)</u>	<u>\$ (558,074)</u>	<u>\$ (3,381,865)</u>	<u>\$ (607,941)</u>	<u>\$ (586,407)</u>	<u>\$ (632,803)</u>	<u>\$ (267,208)</u>	<u>\$ (1,764,158)</u>

**MUNICIPALITY OF JASPER**  
**Schedule of Tangible Capital Assets**  
**For The Year Ended December 31, 2022**

**SCHEDULE 5**

	<u>Land</u>	<u>Land Improvements</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>Construction in progress</u>	<u>2022</u>	<u>2021</u>
<b>COST:</b>									
Balance, Beginning of Year	\$ 403,759	\$ 5,493,600	\$ 36,522,753	\$ 44,752,585	\$ 8,233,635	\$ 5,901,508	\$ 5,524,964	<b>\$106,832,804</b>	\$100,352,044
Additions	-	-	70,000	-	515,507	-	3,858,767	<b>4,444,274</b>	6,646,564
Disposals	-	-	-	-	-	-	-	-	(165,804)
Transfers	-	-	-	5,920,662	-	-	(5,920,662)	-	-
Balance, End of Year	<u>403,759</u>	<u>5,493,600</u>	<u>36,592,753</u>	<u>50,673,247</u>	<u>8,749,142</u>	<u>5,901,508</u>	<u>3,463,069</u>	<b>111,277,078</b>	<u>106,832,804</u>
<b>ACCUMULATED AMORTIZATION:</b>									
Balance, Beginning of Year	-	3,416,266	12,550,621	19,610,688	5,377,691	2,396,317	-	<b>43,351,583</b>	40,787,633
Amortization expense	-	137,638	753,122	1,110,274	432,605	339,300	-	<b>2,772,939</b>	2,717,460
Disposals	-	-	-	-	-	-	-	-	(153,510)
Balance, End of Year	-	<u>3,553,904</u>	<u>13,303,743</u>	<u>20,720,962</u>	<u>5,810,296</u>	<u>2,735,617</u>	-	<b>46,124,522</b>	<u>43,351,583</u>
<b>2022 NET BOOK VALUE</b>	<b>\$ <u>403,759</u></b>	<b>\$ <u>1,939,696</u></b>	<b>\$ <u>23,289,010</u></b>	<b>\$ <u>29,952,285</u></b>	<b>\$ <u>2,938,846</u></b>	<b>\$ <u>3,165,891</u></b>	<b>\$ <u>3,463,069</u></b>	<b>\$ <u>65,152,556</u></b>	<b>\$ -</b>
2021 NET BOOK VALUE	<u>\$ 403,759</u>	<u>\$ 2,077,334</u>	<u>\$ 23,972,132</u>	<u>\$ 25,141,897</u>	<u>\$ 2,855,944</u>	<u>\$ 3,505,191</u>	<u>\$ 5,524,964</u>	<u>\$ -</u>	<u>\$ 63,481,221</u>

## MUNICIPALITY OF JASPER

### Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

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#### 1. SIGNIFICANT ACCOUNTING POLICIES

The non-consolidated financial statements of the Municipality of Jasper (the "Municipality") are the representations of management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the Municipality are as follows:

##### (a) Reporting Entity

The non-consolidated financial statements reflect the assets, liabilities, revenue, and expenses, changes in net financial position and cash flows of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Municipality and are, therefore, accountable to Council for the administration of their financial affairs and resources.

The schedule of taxes levied also includes requisitions for education, health, social, and other external organizations that are not part of the municipal reporting entity.

The non-consolidated statements exclude trust assets that are administered by the Municipality for the benefit of external parties. Interdepartmental and organizational transactions and balances are eliminated.

##### (b) Basis of Accounting

The non-consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

##### (c) Tax Revenue

Property tax revenue is based on assessments determined in accordance with the *Municipal Government Act*. Tax rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

Construction and borrowing costs associated with local improvement projects are recovered through annual special property assessments during the period of the related borrowing. These levies are collectible from property owners for work performed by the Municipality. Under the accrual basis of accounting, revenues to be received from local improvement assessments are recognized in full in the period the local improvement project costs are incurred and the passing of the related imposition by-law.

##### (d) Requisition Over-Levies and Under-Levies

Over-levies and under-levies arise from the difference between the actual property tax levy made to cover each requisition and the actual amount requisitioned.

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

(CONT'D)

**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(d) Requisition Over-Levies and Under-Levies (cont'd)**

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

**(e) Government Transfers**

Government transfers are the transfer 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 non-consolidated financial statements as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

**(f) Pension Expenses**

Contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

**(g) Investments**

Investments are recorded at amortized cost. Investment premiums and discounts are amortized over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss. Investment income is reported as revenue in the year earned.

**(h) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

*Tangible Capital Assets*

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Contributed assets are capitalized and are recorded at their fair value at the date of receipt and are also recorded as revenue.

(CONT'D)



**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(i) Non-Financial Assets (cont'd)**

The cost, less residual value, of tangible capital assets is amortized on a straight-line basis over the estimated useful life as follows:

	<u>Years</u>
Land improvements	15 - 30
Buildings	10 - 50
Engineered structures	
Roads	20 - 40
Water system	45 - 75
Wastewater system	45 - 75
Storm system	45 - 75
Sidewalks	30 - 60
Machinery and equipment	5 - 25
Vehicles	10 - 25

In the year of acquisition and disposal, amortization is taken at one half of the annual rate. Assets under construction are not amortized until the asset is available for productive use.

*Contributions of Tangible Capital Assets*

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

*Cultural and Historical Tangible Capital Assets*

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

*Leases*

Leases are classified as capital or operating leases. Leases that transfer substantially all benefits and risks to the Municipality incidental to ownership of property are accounted for as capital leases. Assets under a capital lease are included within the respective tangible capital asset classification. All other leases are accounted for as operating leases and the related lease payments are charged as incurred.

*Land Leases*

Land leases and the improvements thereon are leased and held by the Jasper Municipal Leasehold Society (registered as No. 50662485 on August 2, 1995) for the benefit of the residents of the Municipality. The members of the Jasper Municipal Leasehold Society are the elected members of the Municipality of Jasper Council. These assets are sub-leased to and are included on the Municipality's Statement of Financial Position.

**(i) Use of Estimates**

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

(CONT'D)

## MUNICIPALITY OF JASPER

### Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

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#### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

##### (j) Use of Estimates (cont'd)

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. The amounts recorded for valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, accrued and contingent liabilities, and landfill closure and post-closure costs, are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the non-consolidated financial statements.

##### (j) Future Accounting Standard Pronouncements

The following summarizes upcoming changes to Canadian public sector accounting standards. The Municipality will continue to assess the impact and prepare for the adoption of these standards.

###### *i) Financial Statement Presentation*

PS 1201, Financial Statement Presentation, requires a new statement of re-measurement gains and losses separate from the statement of operations. Included in this new statement are the unrealized gains and losses arising from the re-measurement of financial instruments and items denominated in foreign currencies, as well as the government's proportionate share of other comprehensive income that arises when a government includes the results of government business enterprises and partnerships. This standard is applicable for fiscal years beginning on or after April 1, 2022.

###### *ii) Foreign Currency Translation*

PS 2601, Foreign Currency Translation, requires that monetary assets and liabilities denominated in a foreign currency be adjusted to reflect the exchange rates in effect at the financial statement dates. Unrealized gains and losses are to be presented in the new statement of re-measurement gains and losses. This standard must be adopted in conjunction with PS 2601 and PS 3450 and is applicable for fiscal years beginning on or after April 1, 2022.

###### *iii) Portfolio Investments*

PS 3041, Portfolio Investments, has removed the distinction between temporary and portfolio investments and amended to conform to PS 3405. This standard must be adopted in conjunction with PS 1201, PS 2601, and PS 3450 and is applicable for fiscal years beginning on or after April 1, 2022.

###### *iv) Financial Instruments*

PS 3450, Financial Instruments, established recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments. The standard requires fair value measurement of derivative and equity instruments; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities. This standard is applicable for fiscal years beginning on or after April 1, 2022.

(CONT'D)

**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

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**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(k) Future Accounting Standard Pronouncements**

*v) Asset Retirement Obligations*

PS 3280, Asset Retirement Obligations, establishes standards on how to account and report for legal obligations associated with the retirement of certain tangible capital assets including solid waste landfill sites. As a result, PS 3270, Solid Waste Landfill Closure and Post-Closure Liability has been withdrawn but will remain in effect until the adoption of PS 3280. This standard is applicable for fiscal years beginning on or after April 1, 2022.

*vi) Public Private Partnerships*

PS 3160, Public Private Partnerships, establishes standards on how to account for public private partnership agreements. This standard is applicable to fiscal years beginning on or after April 1, 2023.

*vii) Revenue*

PS 3400, Revenue, establishes standards on how to account for and report revenue differentiating between revenue arising from transactions that include performance obligations and transactions that do not. This standard is applicable to fiscal years beginning on or after April 1, 2023.

*viii) Purchased Intangible Assets*

PSG-8, Purchased Intangible Assets, provides guidance regarding the recognition, measurement, and disclosure of purchased intangible assets in relation to the conceptual framework for financial reporting in the public sector. This guideline is applicable to fiscal years beginning on or after April 1, 2023.

**2. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES**

	<u>2022</u>	<u>2021</u>
Current taxes and grants in place of taxes	\$ 474,288	\$ 242,020
Arrears taxes	<u>211,589</u>	<u>235,889</u>
	685,877	477,909
Less: Allowance for doubtful accounts	<u>(48,884)</u>	<u>(31,749)</u>
	<u>\$ 636,993</u>	<u>\$ 446,160</u>

**MUNICIPALITY OF JASPER**  
**Notes to Non-Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**3. TRADE AND OTHER RECEIVABLES**

	<u>2022</u>	<u>2021</u>
Receivables from other governments	\$ 4,444,999	\$ 2,475,933
Trade accounts receivable	2,020,937	1,404,607
Goods and Services Tax recoverable	<u>344,237</u>	<u>351,297</u>
	6,810,173	4,231,837
Less: Allowance for doubtful accounts	<u>(345,696)</u>	<u>(308,586)</u>
	<u>\$ 6,464,477</u>	<u>\$ 3,923,251</u>

**4. LINE OF CREDIT**

The Municipality has a revolving demand credit facility of \$800,000 with an additional \$750,000 available from January 1 to July 30 annually. The demand loan bears interest at the bank's prime rate minus 1.90%, was not drawn on at December 31, 2022 (2021 - \$NIL) and is unsecured.

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2022</u>	<u>2021</u>
Trade and other accounts payable	\$ 2,014,683	\$ 2,661,639
Holdbacks payable	418,482	541,720
Payables to other governments	323,586	150,880
Accrued salaries and wages	187,951	156,469
Accrued interest on long-term debt	<u>22,962</u>	<u>21,604</u>
	<u>\$ 2,967,664</u>	<u>\$ 3,532,312</u>

**6. EMPLOYEE BENEFITS OBLIGATION**

	<u>2022</u>	<u>2021</u>
Vacation	\$ 630,949	\$ 442,752
Overtime	<u>46,589</u>	<u>52,518</u>
	<u>\$ 677,538</u>	<u>\$ 495,270</u>

Employee benefits obligation is comprised of the vacation and overtime that employees are deferring to future years. Employees have either earned the benefits (and are vested) or are entitled to these benefits within the next budgetary year. The Municipality does not provide post-employment benefits to employees.

**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

**7. DEFERRED REVENUE**

Deferred revenue is comprised of the following amounts, which have been received from various third parties and are restricted to the eligible operating and capital projects as approved in the funding agreements for a specified purpose. These amounts are recognized as revenue in the period in which the related expenditures are incurred.

	<u>2021</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2022</u>
<b>Operating</b>				
Other Deferred Revenue and Grants	\$ 561,925	221,935	422,823	\$ 361,037
Local Immigration Partnership	112,068	129,114	112,078	129,104
Community Development	180,734	99,777	180,734	99,777
Grounds Maintenance	<u>35,241</u>	<u>140,967</u>	<u>141,449</u>	<u>34,759</u>
	<u>889,968</u>	<u>591,793</u>	<u>857,084</u>	<u>624,677</u>
<b>Capital</b>				
Municipal Sustainability Initiative Grant	5,865,481	736,025	634,350	5,967,156
Canada Community-Building Fund	1,346,380	276,516	-	1,622,896
Offsite levies	524,890	42,111	-	567,001
Other capital grants	36,344	74,146	1,000	109,490
Municipal Stimulus Program	<u>365,862</u>	<u>627</u>	<u>348,544</u>	<u>17,945</u>
	<u>8,138,957</u>	<u>1,129,425</u>	<u>983,894</u>	<u>8,284,488</u>
	<u>\$ 9,028,925</u>	<u>\$ 1,721,218</u>	<u>\$ 1,840,978</u>	<u>\$ 8,909,165</u>

**8. CAPITAL LEASE OBLIGATIONS**

	<u>2022</u>	<u>2021</u>
Equipment under capital lease, repayable in \$973 blended monthly payments; expires May 2027; with a bargain purchase option of \$10, secured by the specific leased asset with a net book value of \$51,471 (2021 - \$NIL).	<u>\$ 51,574</u>	<u>\$ -</u>

Future minimum lease payments together with the balance of the obligation for leased tangible capital assets are as follows.

2023	\$ 11,672
2024	11,672
2025	11,672
2026	11,672
2027	<u>5,847</u>
Total future minimum lease payments	52,535
Less: Amount representing interest at 0.80%	<u>(961)</u>
Obligation for leased tangible capital assets	<u>\$ 51,574</u>

**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

**9. LONG-TERM DEBT**

	<u>2022</u>	<u>2021</u>
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$166,895 including interest at 3.460%; due December 2051; issued to finance the Connaught utilities local improvement.	\$ 6,079,699	\$ 6,200,000
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$137,118 including interest at 2.552%; due December 2034; issued to finance the renovations of the Jasper wastewater treatment plant.	2,819,339	3,017,821
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$88,723 including interest at 2.552%; due December 2034; issued to finance the renovations of the Jasper recreation complex.	1,824,278	1,952,708
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$104,926 including interest at 4.795%; due March 2024; issued to finance the Waste Water Treatment Plant.	300,268	488,910
Loan agreement with the Canada Mortgage and Housing Corporation, repayable at maturity, including interest at 0.000%; due May 2023; issued to finance the development or implementation of affordable housing projects.	49,243	49,243
Debenture debt held by the Province of Alberta, repayable in annual installments of \$338,197 including interest at 5.625%; due October 2022; issued to finance the Waste Water Treatment Plant.	-	320,187
	<u>\$ 11,072,827</u>	<u>\$ 12,028,869</u>

The current portion of the long-term debt amounts to \$706,848 (2021 - \$956,044).

Principal and interest repayments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 706,848	\$ 337,720	\$ 1,044,568
2024	575,233	315,165	890,398
2025	486,092	299,379	785,471
2026	499,805	285,667	785,472
2027	513,913	271,559	785,472
Thereafter	<u>8,290,936</u>	<u>2,881,795</u>	<u>11,172,731</u>
	<u>\$ 11,072,827</u>	<u>\$ 4,391,285</u>	<u>\$ 15,464,112</u>

Debenture debt is issued on the credit and security of the Municipality at large.

Interest on long-term debt amounted to \$379,056 (2021 - \$196,576)

The Municipality's total cash payments for interest amounted to \$377,478 (2021 - \$197,957).

**MUNICIPALITY OF JASPER****Notes to Non-Consolidated Financial Statements****Year Ended December 31, 2022**

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**10. 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 Municipality be disclosed as follows:

	<u>2022</u>	<u>2021</u>
Total debt limit	\$ <b>39,619,911</b>	\$ 26,447,007
Total debt	<u>(11,072,827)</u>	<u>(12,028,869)</u>
Amount of debt limit unused	<u>\$ <b>28,547,084</b></u>	<u>\$ 14,418,138</u>
Service on debt limit	\$ <b>6,603,319</b>	\$ 4,407,835
Service on debt	<u>(1,044,568)</u>	<u>(1,333,522)</u>
Amount of service on debt limit unused	<u>\$ <b>5,558,751</b></u>	<u>\$ 3,074,313</u>

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 limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Municipality. Rather, the non-consolidated financial statements must be interpreted as a whole.

**11. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<u>2022</u>	<u>2021</u>
Net book value of tangible capital assets	\$ <b>65,152,556</b>	\$ 63,481,221
Debt recoverable - local improvements	<b>5,302,462</b>	12,763
Capital lease obligations	<b>(51,574)</b>	-
Long-term debt related to tangible capital assets	<u>(11,023,584)</u>	<u>(11,979,626)</u>
	<u>\$ <b>59,379,860</b></u>	<u>\$ 51,514,358</u>

**MUNICIPALITY OF JASPER**

**Notes to Non-Consolidated Financial Statements**

**Year Ended December 31, 2022**

**12. ACCUMULATED SURPLUS**

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

	<u>2022</u>	<u>2021</u>
Unrestricted surplus	\$ <u>3,239,201</u>	\$ <u>4,651,149</u>
Restricted surplus		
Operating		
Financial stabilization	1,598,566	-
Policing	28,593	28,593
General	<u>-</u>	<u>3,291,260</u>
	<u>1,627,159</u>	<u>3,319,853</u>
Capital		
Fixed assets	5,198,718	-
Utilities	1,242,577	634,451
Transportation and parking	451,859	451,859
Community housing	159,094	111,065
Fire	-	1,131,637
Environmental	-	553,152
Recreation	-	555,796
Library construction fund	-	248,389
Public works	-	158,110
Public health	<u>-</u>	<u>137,802</u>
	<u>7,052,248</u>	<u>3,982,261</u>
Equity in tangible capital assets	<u>59,379,860</u>	<u>51,514,358</u>
	<u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

**13. TRUST FUNDS**

The Municipality administers the following trust funds:

	<u>2022</u>	<u>2021</u>
Jasper Sports and Culture	\$ 103,559	\$ 102,898
Betkowski	<u>18,027</u>	<u>17,905</u>
	<u>\$ 121,586</u>	<u>\$ 120,803</u>

Trust funds administered by the Municipality have not been included in the Statement of Financial Position nor have their operations have been included in the Statement of Operations.



## MUNICIPALITY OF JASPER

### Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

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#### 14. FRANCHISE AND CONCESSION CONTRACTS

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

	<u>2022</u>	<u>2021</u>
ATCO Electric Ltd.	\$ 381,726	\$ 241,632
ATCO Gas Ltd.	<u>277,327</u>	<u>195,819</u>
	<u>\$ 659,053</u>	<u>\$ 437,451</u>

#### 15. CONTINGENCIES

- a) The Municipality is a member of the Genesis Reciprocal Insurance Exchange ("GENESIS"). Under the terms of membership, the Municipality could become liable for its proportionate share of any claim losses in excess of the funds held by GENESIS. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.
- b) The Municipality is a defendant in lawsuits arising in the normal course of operations and involving various amounts. Management is of the opinion that the results of these actions should not have any material effect on the financial position of the Municipality. No amounts have been accrued in these non-consolidated financial statements relating to any of these activities. Any awards or settlements will be reflected in the Statement of Operations as the matters are resolved or when sufficient information on amounts and likelihood is known.
- c) The Municipality is a member the West Yellowhead Regional Waste Management Authority (the "Authority"). The members of the Authority have agreed to proportionately share costs associated with expenditures arising from the operation of the Authority. The Municipality is liable for its proportionate share of losses, if any, related to the operations of the Authority.

#### 16. LOCAL AUTHORITIES PENSION PLAN

Employees of the Municipality participate in the *Local Authorities Pension Plan* ("LAPP"), which is one of the plans covered by the *Alberta Public Sector Pension Plans Act*. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund. Contributions for current service are recorded as expenditures in the year in which they become due.

The Municipality is required to make current service contributions to the LAPP consisting of 8.45% of pensionable earnings up to the year's maximum pensionable earnings ("YMPE") under the Canada Pension Plan ("CPP") and 12.80% of the excess.

Total current service contributions made by the Municipality to the LAPP in 2022 were \$515,427 (2021 - \$501,446). Total current service contributions made by the employees of the Municipality to the LAPP in 2022 were \$417,173 (2021 - \$453,657).

At December 31, 2021, the LAPP disclosed an actuarial surplus of \$11.92 billion (2020 - \$4.96 billion).

**MUNICIPALITY OF JASPER**  
**Notes to Non-Consolidated Financial Statements**  
**Year Ended December 31, 2022**

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**17. SALARY AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for elected municipal officials and the chief administrative officer as required by *Alberta Regulation 313/2000* is as follows:

	<u>Salary</u>	<u>Benefits</u>	<u>2022</u>	<u>2021</u>
Mayor Ireland	\$ 87,148	\$ 8,089	<b>\$ 95,237</b>	\$ 90,191
Councillor Damota	20,812	5,582	<b>26,394</b>	25,870
Councillor Hall	28,021	5,998	<b>34,019</b>	6,299
Councillor Kelleher-Empcy	21,769	5,639	<b>27,408</b>	26,674
Councillor Melnyk	29,351	6,065	<b>35,416</b>	6,990
Councillor Waxer	26,635	5,909	<b>32,544</b>	6,022
Councillor Wilson	22,150	5,658	<b>27,808</b>	27,351
Councillor Butler	-	-	-	25,070
Councillor Journault	-	-	-	16,852
Councillor McGrath	-	-	-	28,744
	<u>\$ 235,886</u>	<u>\$ 42,940</u>	<u><b>\$ 278,826</b></u>	<u>\$ 260,063</u>
Chief Administrative Officer	<u>\$ 165,509</u>	<u>\$ 21,690</u>	<u><b>\$ 187,199</b></u>	<u>\$ 168,628</u>

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

Benefits include the employer's share of all employee benefits and contributions or payments including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long-term and short-term disability plans, professional membership dues, and tuition.

**18. SEGMENTED INFORMATION**

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

*(a) General Government*

General Government is comprised of the Office of the CAO, Communications, and Corporate Services. Corporate Services is comprised of Financial Services, Human Resources, and Information Technology Services.

*(b) Legislative*

Legislative is comprised of Council. Council makes decisions regarding service delivery and service levels on behalf of the municipality in order to balance the needs and wants of Municipality residents in a financially responsible manner.

(CONT'D)

## MUNICIPALITY OF JASPER

### Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

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#### 19. SEGMENTED INFORMATION (CONT'D)

*(c) Protective Services*

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

*(d) Roads, Streets, Walks, Lighting*

Roads, Streets, Walks, Lighting is comprised of Common Services and the Public Works areas. They are responsible for the maintenance of the roadway and storm systems of the Municipality.

*(e) Parks and Recreation*

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

*(f) Utilities*

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

*(g) Economic Development*

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

*(h) Public Health*

The Public Health area provides services mandated by Family and Community Support Services Alberta through a shared funding model between the Province of Alberta and the Municipality.

*(i) Library and Museum*

Library and Museum provides Educational and historical services within the Municipality.

Certain allocation methodologies are employed in the preparation of segmented financial information. Net municipal taxes are unallocated to segments and are presented under General Government. Sales and user charges have been allocated to the segment based upon the segment that generated the revenue. Government transfers have been allocated to the segment based upon the purpose for which the transfer was made.

**MUNICIPALITY OF JASPER****Notes to Non-Consolidated Financial Statements****Year Ended December 31, 2022****19. BUDGET DATA**

The budget presented in these non-consolidated financial statements is based on the 2022 operating budget approved by Council on April 2, 2022. The Municipality compiles a budget on a modified accrual basis. The budget expensed all tangible capital asset purchases rather than including amortization expense. The reconciliation below adjusts excess revenue over expenditures to align with the budget process. It should not be used as a replacement for the statement of operations and accumulated surplus. Users should note that this information may not be appropriate for their purposes.

	Budget <u>2022</u>	Actual <u>2022</u>	Actual <u>2021</u>
Annual surplus	\$ <u>10,889,814</u>	\$ <u>7,830,847</u>	\$ <u>(1,764,158)</u>
Add back:			
Amortization expense	-	<b>2,772,939</b>	2,717,460
Net transfers from (to) reserves	16,467,575	<b>1,035,654</b>	(1,915,575)
Issuance of long-term debt	<u>-</u>	<u><b>(956,042)</b></u>	<u>6,200,000</u>
	<u>16,467,575</u>	<u><b>2,852,551</b></u>	<u>7,001,885</u>
Deduct:			
Principal repayment of long-term debt	1,226,695	<b>956,044</b>	525,559
(Gain) loss on disposal of tangible capital assets	-	-	(2,557)
Acquisition of tangible capital assets	<u>26,130,694</u>	<u><b>4,444,274</b></u>	<u>6,646,564</u>
	<u>27,357,389</u>	<u><b>5,400,318</b></u>	<u>7,169,566</u>
Results of Operations as Budgeted	\$ <u>-</u>	\$ <u><b>5,283,080</b></u>	\$ <u>(1,931,839)</u>

**20. FINANCIAL INSTRUMENTS**

The Municipality's financial instruments include cash, taxes and grants in place of taxes receivable, trade and other accounts receivables, accounts payable and accrued liabilities, employee benefit obligations, and long-term debt. It is management's opinion that the Municipality is not exposed to significant market, liquidity, interest or currency risk arising from these financial instruments.

The Municipality is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the Municipality provides services may experience financial difficulty and be unable to fulfil their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

Unless otherwise noted, the carrying values of the financial instruments approximates fair values.

**MUNICIPALITY OF JASPER****Notes to Non-Consolidated Financial Statements****Year Ended December 31, 2022****21. RESTATEMENT - COMPARATIVE FIGURES**

The Municipality has a 20% proportionate share of the West Yellowhead Regional Waste Management Authority (the "Authority"). The Municipality's share of the Authority was consolidated in prior years but has not been consolidated for the year-ended December 31, 2022. For comparative purposes, the Authority has not been consolidated and the 2021 comparative figures have been restated as follows.

	<u>As Previously Stated</u>	<u>Restatement</u>	<u>As Restated</u>
<b>Statement of Financial Position</b>			
Cash	\$ 21,005,596	\$ (610,759)	\$ 20,394,837
Trade and other receivables	3,983,588	(60,337)	3,923,251
Investments	419,323	(419,323)	-
Tangible capital assets	64,259,297	(778,076)	63,481,221
Prepaid expenses	363,762	(424)	363,338
Accounts payable and other accrued liabilities	3,558,366	(26,054)	3,532,312
Landfill closure and post-closure liability	146,095	(146,095)	-
Accumulated surplus	65,164,391	(1,696,770)	63,467,621
<b>Statement of Operations</b>			
User fees and sales of goods	\$ 6,085,404	\$ (137,743)	\$ 5,947,661
Government transfers for operating	2,903,942	(278,553)	2,625,389
Rentals	403,282	1,404	404,686
Other revenue	274,872	(26,441)	248,431
Investment income	120,702	(6,535)	114,167
Utilities expense	(5,647,236)	315,705	(5,331,531)
Economic development expense	(519,772)	(1,500)	(521,272)
Annual surplus	<u>\$ (1,630,495)</u>	<u>\$ (133,663)</u>	<u>\$ (1,764,158)</u>

Certain comparative figures have been reclassified to conform to the presentation used in the current year.

**22. APPROVAL OF THE NON-CONSOLIDATED FINANCIAL STATEMENTS**

Council and Management have approved these non-consolidated financial statements on June 20, 2023.