

MUNICIPALITY OF JASPER  
**SPECIAL COUNCIL MEETING AGENDA**  
April 30, 2024 | 1:30pm  
Jasper Library & Cultural Centre – Quorum Room  
[Municipality of Jasper Strategic Priorities 2022-2026](#)



**Notice:** Council members and staff are at the Jasper Library and Cultural Centre. Members of the public can attend meetings in person; view meetings through the Zoom livestream; or view archived Council meetings on YouTube at any time. **To live-stream this meeting starting at 1:30 pm, use this Zoom link: <https://us02web.zoom.us/j/87657457538>**

**1 CALL TO ORDER**

**2 APPROVAL OF AGENDA**

2.1 Special meeting agenda, April 30, 2024 attachment

*Recommendation: That Council approve the agenda for the special meeting of April 30, 2024 as presented.*

**3 NEW BUSINESS**

3.1 2023 Audited Consolidated Financial Statements attachment

*Recommendation: That Council accept the 2023 Audit Report presented on April 30, 2024, as information; and*

*That Council accept and approve of the Audited Financial Statements of the Municipality of Jasper as presented for the year ended December 31, 2023.*

3.2 CUPE Local 1458 Collective Agreement 2024-2026 attachment

*Recommendation: That Council approve the memorandum of agreement between members of CUPE Local 1458 and the Municipality of Jasper negotiating committees on April 16, 2024.*

**4 ADJOURNMENT**

*Recommendation: That, there being no further business, the special meeting of April 30, 2024 be adjourned at \_\_\_\_\_.*

*Please note: All regular and committee meetings of Council are video recorded and archived on YouTube.*

## AGENDA ITEM 3.1

### REQUEST FOR DECISION

**Subject:** 2023 Audited Consolidated Financial Statements  
**From:** Bill Given, Chief Administrative Officer  
**Prepared by:** Natasha Malenchak, Director of Finance & Administration  
**Date:** April 23, 2024



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#### Recommendation:

- That Committee recommend Council accept the 2023 Audit Report presented on April 23, 2024, as information; and, that Council accept and approve of the Audited Financial Statements of the Municipality of Jasper as presented for the year ended December 31, 2023.

#### Alternatives:

- Committee may request administration to provide further information.

#### Background:

The Municipality of Jasper awarded the Audit Service contract to Metrix Group Chartered Professional Accounts, for a five-year term commencing with the year ended December 31, 2019.

The Municipality is required under the Municipal Government Act (MGA) Section 276, to prepare annual financial statements that follow the Canadian Generally Accepted Accounting Principles for municipal governments which are the standards approved by the Public Sector Accounting Board. These regulations are published through the Canada Public Sector Accounting Handbook, which is governed by the Chartered Professional Accountants of Canada (CPA). The financial statements also require an auditor's report which was completed by the Municipality's appointed auditor. The information included in the financial statements is submitted as a Financial Information Return to the Minister of Municipal Affairs.

The Municipality must submit required financial reporting as set out in the MGA by May 1<sup>st</sup> of each year. A request for a special meeting is to ensure the Municipality will be able to meet this deadline this year.

#### Discussion:

The overall financial position of the Municipality as presented in these statements for December 31, 2023, is once again positive and reflects Council and Administration's ongoing focus on prudent financial management. These financial statements provide information on a municipality's financial position in terms of its net financial assets, comprised of its financial assets and liabilities, non-financial assets, comprised of tangible capital assets and other non-financial assets, and its accumulated surplus. Financial statements also provide a meaningful summary of the sources, allocation and consumption of municipal economic resources, how the activities of the period have affected the municipality's net financial position, how municipal activities were financed, and how cash requirements were met.

Council should be aware that the formatting of the Audited Financial Statements appears slightly different from the format that administration generally presents. Administration presents Council various financial reports during the year with a focus on transparency and readability for Council and the general public.

While the audited financial statements vary from the annual financial statements in formatting the underlying information and financial impacts are consistent. There are two significant differences to note:

**Treatment of Amortization and Accretion Expense:** The financial statements include non-cash adjustments for amortization of assets and accretion of asset retirement obligations in the amount of \$2,935,896 and \$38,592 (see 'Consolidated Statement of Cash Flows').

These expenses are not currently funded in the municipal budget and therefore does not appear in administrative reporting.

1. **West Yellowhead Regional Waste Management Authority:** The Municipality of Jasper has a proportionate share in West Yellowhead Regional Waste Management Authority (WYRWMA). The proportionate share is based on total waste hauled. WYRWMA was able to have draft audited statements in to our Auditors in time this year and the Municipality's share of WYRWMA's financial position and operations have been consolidated for the year-ended December 31, 2023. The proportion of WYRWMA consolidated amounted to 7% in 2023.
2. **Asset Retirement Obligations:** New to the Municipality of Jasper's Audited Financial Statement this year to be in accordance with PSAB 3280. Asset retirement obligations are legal obligations associated with the retirement tangible capital assets. Asset retirement activities include all activities related to an asset retirement obligation. These may include, but are not limited to:
  - Decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed.
  - Remediation of contamination of a tangible capital asset created by its normal use;
  - Post-retirement activities such as monitoring; and
  - Constructing other tangible capital assets to perform post-retirement activities.

### **Financial Implications:**

There are no direct financial implications resulting from the presentation of the annual financial statements. However, the trends noted in these statements assist Council in the annual budget deliberations to establish service levels and mechanisms to fund all activities undertaken and delivered by the Municipality.

In addition, the financial statements are used for various external reporting. Two examples are provincial reporting requirements and financial analysis, identifying trends and allows comparisons to other municipalities.

### **Financial Analysis:**

**Annual Surplus:** The Operating Annual Surplus (Deficit) includes the Municipality's transfers to reserves (those taxed to cover the amount of \$1,466,425 – remainder being net of each department (\$654,636). Expenses noted in the Consolidated Statement of Operations and Accumulated Surplus do not include debenture principal payments (\$657,603) however include non-cash adjustments of amortization and accretion (\$2,935,896 and \$38,592).

The annual surplus after all operating and capital transactions for 2023 is \$6,702.

The Municipality of Jasper's overall results are positive and reflect the health of the organization.

### **Follow-up Actions:**

The Financial Statements will be posted on the Municipality of Jasper website.

**Attachments:**

- Municipality of Jasper Draft Consolidated Financial Statements for the year ended December 31, 2023.
- 2023 Draft Audit Findings Report

**MUNICIPALITY OF JASPER**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2023**

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## INDEPENDENT AUDITORS' REPORT

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To the Mayor and Council of the Municipality of Jasper

### *Opinion*

We have audited the accompanying consolidated financial statements of the Municipality of Jasper (the Municipality), which comprise the consolidated statement of financial position as at December 31, 2023 and 2022, and the consolidated statements of operations and accumulated surplus, changes in net financial assets, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Municipality as at December 31, 2023 and 2022, and the results of its consolidated operations, changes in net financial assets, and its cash flows for the years then ended in accordance with Canadian public sector accounting standards.

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the 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 opinion.

### *Emphasis of Matter - Restated Comparative Information*

We draw attention to Note 23 to the consolidated financial statements, which explains that certain comparative information presented for the year ended December 31, 2022 has been restated to consolidate the Municipality's proportionate share of the West Yellowhead Regional Waste Management Authority not previously recorded. Our opinion is not modified in respect of this matter.

In our report dated June 20, 2023, our opinion on the non-consolidated financial statements for the year ended December 31, 2022 contained a qualified opinion as the Municipality did not consolidate its proportionate share of the West Yellowhead Regional Waste Management Authority as required under Canadian public sector accounting standards. Accordingly, our opinion on the non-consolidated financial statements for the year December 31, 2022 expressed in that report is different in from the opinion expressed on the comparative information for the year ended December 31, 2022 in this report because of the restatement of comparative information.

(continues)

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

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

In preparing the consolidated financial statements, management is responsible for assessing the 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 Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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Independent Auditors' Report to the Mayor and Council of the Municipality of Jasper (*continued*)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities with the Municipality or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Chartered Professional Accountants

Edmonton, Alberta  
April 30, 2024

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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 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 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 consolidated financial statements.

The elected Mayor and Council of the Municipality of Jasper 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 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  
April 30, 2024

**MUNICIPALITY OF JASPER**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2023**

		<u>2023</u>	<u>2022</u> (Restated) (Note 23)
<b>FINANCIAL ASSETS</b>			
Cash		\$ 25,941,497	\$ 17,499,771
Taxes and grants in place of taxes receivable	(Note 2)	516,956	636,993
Trade and other receivables	(Note 3)	16,212,147	11,799,659
Investment in government business enterprise	(Note 4)	<u>10</u>	<u>-</u>
		<u>42,670,610</u>	<u>29,936,423</u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities	(Note 6)	\$ 4,733,026	\$ 2,971,786
Employee benefit obligations	(Note 7)	781,787	677,538
Deposit liabilities		18,643	68,174
Deferred revenue	(Note 8)	6,457,929	8,909,165
Capital lease obligations	(Note 9)	40,273	51,574
Long-term debt	(Note 10)	24,515,979	11,072,827
Asset retirement obligations	(Note 12)	<u>574,688</u>	<u>643,776</u>
		<u>37,122,325</u>	<u>24,394,840</u>
<b>NET FINANCIAL ASSETS</b>		<u>5,548,285</u>	<u>5,541,583</u>
<b>NON-FINANCIAL ASSETS</b>			
Tangible capital assets	(Schedule 5)	74,235,949	65,404,154
Prepaid expenses		<u>829,933</u>	<u>390,367</u>
		<u>75,065,882</u>	<u>65,794,521</u>
<b>ACCUMULATED SURPLUS</b>	(Schedule 1, Note 13)	<u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>
<b>CONTINGENCIES</b>	(Note 17)		

**APPROVED ON BEHALF OF COUNCIL:**

\_\_\_\_\_ Mayor

\_\_\_\_\_ Councillor

**MUNICIPALITY OF JASPER**

**Consolidated Statement of Operations and Accumulated Surplus**

**For The Year Ended December 31, 2023**

	<u>2023</u> (Budget) (Note 21)	<u>2023</u> (Actual)	<u>2022</u> (Restated) (Note 23)
<b>REVENUE</b>			
Net municipal property taxes (Schedule 2)	\$ 9,340,246	\$ <b>9,157,922</b>	\$ 13,493,657
User fees and sales of goods	7,984,170	<b>8,811,038</b>	8,108,128
Government transfers for operating (Schedule 3)	2,119,419	<b>3,645,347</b>	2,599,057
Investment income	208,080	<b>848,390</b>	440,631
Other	1,183,383	<b>676,765</b>	318,485
Franchise and concession contracts (Note 16)	633,458	<b>617,807</b>	659,053
Rentals	580,631	<b>467,318</b>	495,982
Fines, licenses and permits	263,853	<b>277,723</b>	252,143
Penalties and costs on taxes	<u>86,595</u>	<u><b>168,771</b></u>	<u>306,177</u>
	<u>22,399,835</u>	<u><b>24,671,081</b></u>	<u>26,673,313</u>
<b>EXPENSES</b>			
Utilities	4,920,700	<b>5,106,200</b>	4,901,110
Public health	3,531,766	<b>4,392,304</b>	3,582,442
Parks and recreation	4,056,110	<b>4,092,102</b>	3,921,093
General government	3,783,024	<b>2,807,513</b>	2,224,824
Roads, streets, walks, lighting	1,437,855	<b>2,347,937</b>	2,490,490
Protective services	1,531,714	<b>1,948,326</b>	1,865,299
Legislative	926,148	<b>713,408</b>	703,278
Economic development	579,442	<b>594,747</b>	368,285
Library and museum	<u>166,651</u>	<u><b>547,483</b></u>	<u>520,615</u>
	<u>20,933,410</u>	<u><b>22,550,020</b></u>	<u>20,577,436</u>
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME</b>	<u>1,466,425</u>	<u><b>2,121,061</b></u>	<u>6,095,877</u>
<b>OTHER INCOME</b>			
Government transfers for capital (Schedule 3)	11,064,336	<b>7,195,594</b>	1,858,919
Gain (loss) on disposal of tangible capital assets	<u>-</u>	<u><b>(38,592)</b></u>	<u>-</u>
	<u>11,064,336</u>	<u><b>7,157,002</b></u>	<u>1,858,919</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 12,530,761</u>	<u><b>9,278,063</b></u>	<u>7,954,796</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>			
		71,298,468	63,467,621
Restatement (Note 23)		<u><b>37,636</b></u>	<u>(86,313)</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS RESTATED</b>		<u><b>71,336,104</b></u>	<u>63,381,308</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b> (Schedule 1, Note 13)		<u><b>\$ 80,614,167</b></u>	<u>\$ 71,336,104</u>

**MUNICIPALITY OF JASPER**

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

**For The Year Ended December 31, 2023**

	<u>2023</u> (Budget) (Note 21)	<u>2023</u> (Actual)	<u>2022</u> (Restated) (Note 23)
<b>ANNUAL SURPLUS</b>	\$ <u>12,530,761</u>	\$ <u>9,278,063</u>	\$ <u>7,954,796</u>
Acquisition of tangible capital assets	(29,382,922)	<b>(11,806,283)</b>	(4,484,537)
Amortization of tangible capital assets	2,881,380	<b>2,935,896</b>	2,819,113
Gain (loss) on disposal of tangible capital assets	<u>-</u>	<b><u>38,592</u></b>	<u>-</u>
	<u>(26,501,542)</u>	<b><u>(8,831,795)</u></b>	<u>(1,665,424)</u>
Net change in prepaid expenses	<u>-</u>	<b><u>(439,566)</u></b>	<u>(26,929)</u>
<b>INCREASE IN NET FINANCIAL ASSETS</b>	(13,970,781)	<b>6,702</b>	6,262,443
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>5,541,583</u>	<b><u>5,541,583</u></b>	<u>(720,860)</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u>(8,429,198)</u>	\$ <b><u>5,548,285</u></b>	\$ <u>5,541,583</u>

**MUNICIPALITY OF JASPER**  
**Consolidated Statement of Cash Flows**  
**For The Year Ended December 31, 2023**

	<u>2023</u>	<u>2022</u> (Restated) (Note 23)
<b>OPERATING ACTIVITIES</b>		
Annual surplus (deficit)	\$ 9,278,063	\$ 7,954,796
Non-cash items included in annual surplus:		
Amortization of tangible capital assets	2,935,896	2,819,113
(Gain) loss on disposal of tangible capital assets	38,592	-
Accretion of asset retirement obligations	31,753	29,080
Settlement of asset retirement obligations	(125,000)	-
Change in non-cash working capital balances:		
Taxes and grants in place of taxes receivable	120,037	(190,833)
Trade and other receivables	(4,412,488)	(7,849,165)
Accounts payable and accrued liabilities	1,761,240	(566,779)
Employee benefit obligations	104,249	182,268
Deposit liabilities	(49,531)	(399)
Deferred revenue	(2,451,236)	(119,760)
Prepaid expenses	(439,566)	(26,929)
	<u>6,792,009</u>	<u>2,231,392</u>
<b>CAPITAL ACTIVITIES</b>		
Acquisition of tangible capital assets	(11,806,283)	(4,484,537)
Acquisition of asset retirement obligations	24,159	15,328
	<u>(11,782,124)</u>	<u>(4,469,209)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of shares in JMHC	(10)	-
Proceeds from disposal of investments	-	100,637
	<u>(10)</u>	<u>100,637</u>
<b>FINANCING ACTIVITIES</b>		
Long-term debt issued	14,150,000	-
Repayment of long-term debt	(706,848)	(956,042)
Capital lease obligations obtained	(11,301)	51,574
	<u>13,431,851</u>	<u>(904,468)</u>
<b>CHANGE IN CASH DURING THE YEAR</b>	<b>8,441,726</b>	<b>(3,041,648)</b>
<b>CASH, BEGINNING OF YEAR</b>	<u><b>17,499,771</b></u>	<u><b>20,541,419</b></u>
<b>CASH, END OF YEAR</b>	<u><b>\$ 25,941,497</b></u>	<u><b>\$ 17,499,771</b></u>

MUNICIPALITY OF JASPER

SCHEDULE 1

Schedule of Changes in Accumulated Surplus  
For The Year Ended December 31, 2023

	<u>Unrestricted</u>	<u>Restricted for Operating</u>	<u>Restricted for Capital</u>	<u>Equity in Tangible Capital Assets</u>	<u>2023</u>	<u>2022</u>
<b>BALANCE, BEGINNING OF YEAR AS PREVIOUSLY STATED</b>	\$ 3,239,201	\$ 1,627,159	\$ 7,052,248	\$ 59,379,860	\$ 71,298,468	\$ 63,467,621
Restatement (Note 23)	(427)	-	430,239	(392,176)	37,636	(86,313)
<b>BALANCE, BEGINNING OF YEAR</b>	\$ 3,238,774	\$ 1,627,159	\$ 7,482,487	\$ 58,987,684	\$ 71,336,104	\$ 63,381,308
Annual surplus (deficit)	9,278,063	-	-	-	9,278,063	7,954,796
Unrestricted funds designated for future use, net of funds utilized	(2,310,985)	1,415,768	895,217	-	-	-
Purchase of tangible capital assets	(11,806,283)	-	-	11,806,283	-	-
Annual amortization	2,935,896	-	-	(2,935,896)	-	-
Disposal of tangible capital assets (net of amortization)	38,592	-	-	(38,592)	-	-
Acquisition of asset retirement obligations	24,159	-	-	(24,159)	-	-
Accretion of asset retirement obligations	31,753	-	-	(31,753)	-	-
Settlement of asset retirement obligations	(125,000)	-	-	125,000	-	-
Long-term debt issued	14,150,000	-	-	(14,150,000)	-	-
Long-term debt repaid	(657,603)	-	-	657,603	-	-
Capital lease obligations repaid	(11,301)	-	-	11,301	-	-
Levied portion of debt recoverable - local improvements	187,793	-	-	(187,793)	-	-
<b>BALANCE, END OF YEAR</b>	<u>\$ 14,973,858</u>	<u>\$ 3,042,927</u>	<u>\$ 8,377,704</u>	<u>\$ 54,219,678</u>	<u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>

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

**MUNICIPALITY OF JASPER**  
**Schedule of Property Taxes Levied**  
**For The Year Ended December 31, 2023**

**SCHEDULE 2**

	<u>2023</u> (Budget) (Note 21)	<u>2023</u> (Actual)	<u>2022</u> (Actual)
<b>TAXATION</b>			
Real property taxes	\$ 15,041,973	\$ <b>14,616,690</b>	\$ 13,722,451
Government grants in place of property taxes	1,018,006	<b>1,017,984</b>	810,139
Linear property taxes	705,607	<b>705,561</b>	665,966
Designated industrial property	5,300	<b>5,315</b>	5,300
Local improvement tax	<u>244,349</u>	<u>-</u>	<u>5,294,908</u>
	<u>17,015,235</u>	<u><b>16,345,550</b></u>	<u>20,498,764</u>
<b>REQUISITIONS</b>			
Alberta School Foundation Fund	5,722,172	<b>5,163,312</b>	5,213,906
Evergreen Foundation	836,686	<b>962,235</b>	859,368
Land rent to Parks Canada	504,826	<b>650,353</b>	475,298
Policing	379,080	<b>353,658</b>	237,665
Planning reserves to Parks Canada	226,925	<b>52,712</b>	213,472
Designated industrial property	<u>5,300</u>	<u><b>5,358</b></u>	<u>5,398</u>
	<u>7,674,989</u>	<u><b>7,187,628</b></u>	<u>7,005,107</u>
<b>NET MUNICIPAL PROPERTY TAXES</b>	<u>\$ 9,340,246</u>	<u>\$ <b>9,157,922</b></u>	<u>\$ 13,493,657</u>

**MUNICIPALITY OF JASPER**  
**Schedule of Government Transfers**  
**For The Year Ended December 31, 2023**

**SCHEDULE 3**

	<u>2023</u> (Budget) (Note 21)	<u>2023</u> (Actual)	<u>2022</u> (Actual)
<b>TRANSFERS FOR OPERATING</b>			
Provincial government	\$ 1,477,274	\$ 1,715,289	\$ 1,699,311
Federal government	642,145	1,789,019	872,866
Local governments	<u>-</u>	<u>141,039</u>	<u>26,880</u>
	<u>2,119,419</u>	<u>3,645,347</u>	<u>2,599,057</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	6,669,008	4,601,238	1,216,188
Federal government	<u>4,395,328</u>	<u>2,594,356</u>	<u>642,731</u>
	<u>11,064,336</u>	<u>7,195,594</u>	<u>1,858,919</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 13,183,755</u>	<u>\$ 10,840,941</u>	<u>\$ 4,457,976</u>

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**MUNICIPALITY OF JASPER**  
**Schedule of Segmented Disclosure**  
**For The Year Ended December 31, 2023**

**SCHEDULE 4**

	General Government	Roads, Streets Walks, Lighting	Legislative	Utilities	Parks and Recreation	Protective Services	Library and Museum	Public Health	Economic Development	Total
<b>REVENUE</b>										
Net municipal property taxes	\$ 9,157,922	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,157,922
User fees and sales of goods	6,743	4,355	5,980	6,205,384	492,264	1,268,292	-	824,525	3,495	8,811,038
Government transfers	603,137	889,195	-	1,268,865	4,900,264	629,058	-	2,550,422	-	10,840,941
Fines, licenses and permits	38,934	-	-	-	-	238,789	-	-	-	277,723
Franchise and concession contracts	617,807	-	-	-	-	-	-	-	-	617,807
Rentals	1,785	-	5,404	-	264,305	80,688	-	-	115,136	467,318
Investment income	828,084	-	-	20,306	-	-	-	-	-	848,390
Penalties and costs on taxes	168,771	-	-	-	-	-	-	-	-	168,771
Other	5,853	5,926	-	237,212	32,533	271,815	-	121,284	2,142	676,765
Gain (loss) on disposal of tangible capital assets	-	(38,592)	-	-	-	-	-	-	-	(38,592)
	<u>11,429,036</u>	<u>860,884</u>	<u>11,384</u>	<u>7,731,767</u>	<u>5,689,366</u>	<u>2,488,642</u>	<u>-</u>	<u>3,496,231</u>	<u>120,773</u>	<u>31,828,083</u>
<b>EXPENSES</b>										
Salaries, wages and benefits	1,254,793	1,028,630	440,953	1,385,624	1,874,649	855,366	241,223	3,342,539	77,849	10,501,626
Contracted and general services	1,359,475	463,159	136,289	1,634,531	212,706	356,045	3,768	831,343	250,919	5,248,235
Materials, goods, and utilities	116,463	(152,571)	12,016	898,692	1,346,329	433,663	72,300	205,308	223,046	3,155,246
Amortization	36,817	1,008,719	-	802,274	530,782	303,252	211,119	-	42,933	2,935,896
Interest on long-term debt	-	-	-	270,268	97,251	-	-	-	-	367,519
Transfers to individuals and organizations	-	-	124,150	-	-	-	-	-	-	124,150
Provision for allowances	29,355	-	-	(34,809)	-	-	-	271	-	(5,183)
Bank charges and short-term interest	10,610	-	-	163	12,937	-	-	12,843	-	36,553
Transfers to local boards and agencies	-	-	-	135,152	-	-	19,073	-	-	154,225
Accretion	-	-	-	14,305	17,448	-	-	-	-	31,753
	<u>2,807,513</u>	<u>2,347,937</u>	<u>713,408</u>	<u>5,106,200</u>	<u>4,092,102</u>	<u>1,948,326</u>	<u>547,483</u>	<u>4,392,304</u>	<u>594,747</u>	<u>22,550,020</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 8,621,523</u>	<u>\$ (1,487,053)</u>	<u>\$ (702,024)</u>	<u>\$ 2,625,567</u>	<u>\$ 1,597,264</u>	<u>\$ 540,316</u>	<u>\$ (547,483)</u>	<u>\$ (896,073)</u>	<u>\$ (473,974)</u>	<u>\$ 9,278,063</u>

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

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

**SCHEDULE 4**

	General Government	Roads, Streets Walks, 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	6,087,293	533,312	761,133	-	715,585	-	8,108,128
Government transfers	142,776	283,294	-	375,423	1,198,663	412,639	-	2,045,181	-	4,457,976
Franchise and concession contracts	659,053	-	-	-	-	-	-	-	-	659,053
Rentals	2,222	-	5,147	-	296,207	81,589	-	-	110,817	495,982
Other	29,367	7,222	-	181,500	22,425	-	-	78,697	(726)	318,485
Fines, licenses and permits	37,190	-	-	-	-	214,953	-	-	-	252,143
Investment income	432,550	-	-	8,081	-	-	-	-	-	440,631
Penalties and costs on taxes	306,177	-	-	-	-	-	-	-	-	306,177
	<u>15,107,612</u>	<u>290,516</u>	<u>11,332</u>	<u>6,652,297</u>	<u>2,050,607</u>	<u>1,470,314</u>	<u>-</u>	<u>2,839,463</u>	<u>110,091</u>	<u>28,532,232</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	1,667,542	241,003	470,959	4,316	493,446	73,574	4,290,279
Materials, goods, and utilities	83,563	96,795	25,939	846,481	1,353,581	403,543	68,384	152,403	232,060	3,262,749
Amortization	37,354	973,123	-	739,643	502,051	312,890	211,119	-	42,933	2,819,113
Interest on long-term debt	-	-	-	316,881	62,175	-	-	-	-	379,056
Provision for allowances (recovery)	60,674	-	-	19,400	11	-	-	1,731	-	81,816
Transfers to local boards and agencies	-	-	-	-	-	-	20,333	-	-	20,333
Bank charges and short-term interest	8,707	-	-	118	11,188	-	-	10,301	-	30,314
Transfers to individuals and organizations	-	-	149,431	-	-	-	-	-	-	149,431
Accretion	-	-	-	12,447	16,633	-	-	-	-	29,080
	<u>2,224,824</u>	<u>2,490,490</u>	<u>703,278</u>	<u>4,901,110</u>	<u>3,921,093</u>	<u>1,865,299</u>	<u>520,615</u>	<u>3,582,442</u>	<u>368,285</u>	<u>20,577,436</u>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<u>\$ 12,882,788</u>	<u>\$ (2,199,974)</u>	<u>\$ (691,946)</u>	<u>\$ 1,751,187</u>	<u>\$ (1,870,486)</u>	<u>\$ (394,985)</u>	<u>\$ (520,615)</u>	<u>\$ (742,979)</u>	<u>\$ (258,194)</u>	<u>\$ 7,954,796</u>

**MUNICIPALITY OF JASPER**  
**Schedule of Tangible Capital Assets**  
**For The Year Ended December 31, 2023**

**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>2023</u>	<u>2022</u>
<b>COST:</b>									
Balance, Beginning of Year	\$ 403,759	\$ 5,493,600	\$ 36,592,753	\$ 50,673,274	\$ 8,749,142	\$ 5,933,564	\$ 3,431,013	\$ 111,277,105	\$ 106,832,804
Restatement (Note 23)	-	408,331	143,025	70,577	21,828	-	-	643,761	603,525
Balance, Beginning of Year, As Restated	403,759	5,901,931	36,735,778	50,743,851	8,770,970	5,933,564	3,431,013	111,920,866	107,436,329
Additions	290,771	38,281	6,523	6,619	896,990	460,561	10,106,538	11,806,283	4,484,537
Disposals	-	-	-	-	-	-	(38,592)	(38,592)	-
Transfers	-	-	2,831,875	450,748	9,651	103,703	(3,395,977)	-	-
Balance, End of Year	<u>694,530</u>	<u>5,940,212</u>	<u>39,574,176</u>	<u>51,201,218</u>	<u>9,677,611</u>	<u>6,497,828</u>	<u>10,102,982</u>	<u>123,688,557</u>	<u>111,920,866</u>
<b>ACCUMULATED AMORTIZATION:</b>									
Balance, Beginning of Year	-	3,553,904	13,303,743	20,720,962	5,810,296	2,735,617	-	46,124,522	43,351,583
Restatement (Note 23)	-	312,947	47,104	18,735	13,404	-	-	392,190	346,016
Balance, Beginning of Year, As Restated	-	3,866,851	13,350,847	20,739,697	5,823,700	2,735,617	-	46,516,712	43,697,599
Amortization expense	-	189,315	783,891	1,149,822	441,274	371,594	-	2,935,896	2,819,113
Disposals	-	-	-	-	-	-	-	-	-
Balance, End of Year	-	<u>4,056,166</u>	<u>14,134,738</u>	<u>21,889,519</u>	<u>6,264,974</u>	<u>3,107,211</u>	-	<u>49,452,608</u>	<u>46,516,712</u>
<b>2023 NET BOOK VALUE</b>	<b>\$ <u>694,530</u></b>	<b>\$ <u>1,884,046</u></b>	<b>\$ <u>25,439,438</u></b>	<b>\$ <u>29,311,699</u></b>	<b>\$ <u>3,412,637</u></b>	<b>\$ <u>3,390,617</u></b>	<b>\$ <u>10,102,982</u></b>	<b>\$ <u>74,235,949</u></b>	<b>\$ -</b>
2022 NET BOOK VALUE	\$ <u>403,759</u>	\$ <u>2,035,080</u>	\$ <u>23,384,931</u>	\$ <u>30,004,154</u>	\$ <u>2,947,270</u>	\$ <u>3,197,947</u>	\$ <u>3,431,013</u>	\$ -	\$ <u>65,404,154</u>

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

The 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 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.

Included with the Municipality is the Jasper Municipal Housing Corporation ("JMHC"), Jasper Community Housing Corporation, the Jasper Municipal Leasehold Assets Society.

Jasper Municipal Housing Corporation, a subsidiary corporation of the Municipality, is accounted for on a modified equity basis, consistent with the public sector accounting treatment for a government business enterprise. Under the modified equity basis, the government business enterprise's accounting principles are not adjusted to conform with those of the Municipality, and inter-organizational transactions and balances are not eliminated. JMHC's other comprehensive income (loss) is recognized in the Municipality's consolidated statement of operations and accumulated surplus as an adjustment to accumulated surplus with a corresponding increase (decrease) in the investment in JMHC. JMHC's net income and capital contributions to JMHC from the Municipality are recorded as an increase to the investment in JMHC. Any dividends that the Municipality receives from JMHC are recorded as a decrease to the investment in JMHC.

The Municipality is a member of the West Yellowhead Regional Waste Management Authority (the "Authority"). The Municipality accounts for the Authority as a government partnership using the proportionate consolidation method. Under this method, the Municipality's proportionate share of assets, liabilities, revenue and expenses are included in the consolidated financial statements.

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 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 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.

(CONT'D)

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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

**(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.

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

**(d) 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 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.

**(e) Pension Expenses**

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

**(f) Asset retirement obligations**

Asset retirement obligations are legal obligations associated with the retirement tangible capital assets. Asset retirement activities include all activities related to an asset retirement obligation. These may include, but are not limited to:

- Decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- Remediation of contamination of a tangible capital asset created by its normal use;
- Post-retirement activities such as monitoring; and
- Constructing other tangible capital assets to perform post-retirement activities.

(CONT'D)

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

**(f) Asset retirement obligations (cont'd)**

Asset retirement obligations are initially measured at the later of the date of acquisition or legislative obligation. When a liability for an asset retirement obligation is recognized, the asset retirement costs are added to the carrying amount of the related tangible capital asset in productive use and are amortized over the estimated useful life of the related tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the consolidated statement of operations.

Asset retirement obligations are legal obligations associated with the retirement tangible capital assets. Asset retirement activities include all activities related to an asset retirement obligation. These may include, but are not limited to:

- Decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- Remediation of contamination of a tangible capital asset created by its normal use;
- Post-retirement activities such as monitoring; and
- Constructing other tangible capital assets to perform post-retirement activities.

Asset retirement obligations are initially measured at the later of the date of acquisition or legislative obligation. When a liability for an asset retirement obligation is recognized, the asset retirement costs are added to the carrying amount of the related tangible capital asset in productive use and are amortized over the estimated useful life of the related tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets or for tangible capital assets no longer in productive use are expensed in the consolidated statement of operations.

When the future retirement date is unknown, the asset retirement obligation is measured at the current estimated cost to settle or otherwise extinguish the liability. When the future retirement date is known, a present value technique is used to measure the liability. Subsequent to the initial measurement, the asset retirement obligation is adjusted to reflect the passage of time and changes in the estimated future cash flows underlying the obligation and is recognized as an accretion expense in the consolidated statement of operations.

**(g) 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 Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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

**(g) 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.

*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 consolidated statement of financial position.

**(h) Use of Estimates**

The preparation of 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 consolidated financial statements, and the reported amounts of revenue and expenditures during the period. Where management uncertainty exists, the 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 Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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

**(h) 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, future cash flows associated with asset retirement obligations, and accrued and contingent liabilities are areas where management makes significant estimates and assumptions in determining the amounts to be recorded in the consolidated financial statements.

**(i) Future Accounting Standard Pronouncements**

The following summarizes upcoming changes to *Public Sector Accounting Standards*. The Municipality will continue to assess the impact and prepare for the adoption of these standards.

*i) Public Private Partnerships*

PS 3160, Public Private Partnerships, establishes standards on how to account for public private partnership arrangements (recognition of infrastructure assets and the corresponding liability to the private partnership) along with the disclosure and presentation requirements. This standard is applicable to fiscal years beginning on or after April 1, 2023.

*ii) 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.

*iii) 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.

*iv) Financial Statement Presentation*

PS 1202, Financial Statement Presentation, sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector. This standard is applicable to fiscal years beginning on or after April 1, 2026.



**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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

	<u>2023</u>	<u>2022</u>
Current taxes and grants in place of taxes	\$ 304,991	\$ 474,288
Arrears taxes	<u>255,312</u>	<u>211,589</u>
	<b>560,303</b>	685,877
Less: Allowance for doubtful accounts	<u>(43,347)</u>	<u>(48,884)</u>
	<b>\$ 516,956</b>	<b>\$ 636,993</b>

**3. TRADE AND OTHER RECEIVABLES**

	<u>2023</u>	<u>2022</u>
Receivables from other governments	\$ 8,777,062	4,462,279
Debt recoverable - local improvements	5,114,669	5,302,462
Trade accounts receivable	2,019,311	2,036,377
Goods and Services Tax recoverable	<u>396,255</u>	<u>344,237</u>
	<b>16,307,297</b>	12,145,355
Less: Allowance for doubtful accounts	<u>(95,150)</u>	<u>(345,696)</u>
	<b>\$ 16,212,147</b>	<b>\$ 11,799,659</b>

**4. INVESTMENT IN GOVERNMENT BUSINESS ENTERPRISE**

On August 15, 2023, the Council passed a resolution to establish the Jasper Municipal Housing Corporation ("JMHC"), a municipally controlled corporation of Municipality. JMHC is a wholly owned subsidiary established to develop affordable housing in the Jasper community.

The following table provides a condensed supplementary financial information for JMHC.

	<u>2023</u>	<u>2022</u>
Financial position:		
Total assets	\$ <u>10</u>	\$ <u>-</u>
Accumulated surplus:		
Share capital	\$ <u>10</u>	\$ <u>-</u>

No activity has commenced in JMHC as of December 31, 2023. Accordingly, there is no results of operations in 2023.

**5. 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, 2023 (2022 - \$NIL) and is unsecured.

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2023</u>	<u>2022</u>
Trade and other accounts payable	\$ 3,334,033	\$ 2,018,805
Holdbacks payable	806,819	418,482
Payables to other governments	347,630	323,586
Accrued salaries and wages	192,153	187,951
Accrued interest on long-term debt	<u>52,391</u>	<u>22,962</u>
	<u>\$ 4,733,026</u>	<u>\$ 2,971,786</u>

**7. EMPLOYEE BENEFITS OBLIGATION**

	<u>2023</u>	<u>2022</u>
Vacation	\$ 747,423	\$ 630,949
Overtime	<u>34,364</u>	<u>46,589</u>
	<u>\$ 781,787</u>	<u>\$ 677,538</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 Consolidated Financial Statements**

**For The Year Ended December 31, 2023**

**8. 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>2022</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2023</u>
<b>Operating</b>				
Other Deferred Revenue and Grants	\$ 361,037	474,811	211,517	\$ <b>624,331</b>
Local Immigration Partnership	129,104	164,252	129,114	<b>164,242</b>
Community Development	99,777	99,593	99,777	<b>99,593</b>
Municipal Sustainability Initiative Grant	-	123,552	64,514	<b>59,038</b>
Grounds Maintenance	<u>34,759</u>	<u>34,759</u>	<u>34,759</u>	<u><b>34,759</b></u>
	<u>624,677</u>	<u>896,967</u>	<u>539,681</u>	<u><b>981,963</b></u>
<b>Capital</b>				
Municipal Sustainability Initiative Grant	5,967,156	753,166	3,430,771	<b>3,289,551</b>
Canada Community-Building Fund	1,622,896	293,995	500,668	<b>1,416,223</b>
Offsite levies	567,001	47,154	-	<b>614,155</b>
Other capital grants	109,490	67,525	20,978	<b>156,037</b>
Municipal Stimulus Program	<u>17,945</u>	<u>-</u>	<u>17,945</u>	<u>-</u>
	<u>8,284,488</u>	<u>1,161,840</u>	<u>3,970,362</u>	<u><b>5,475,966</b></u>
	<u>\$ 8,909,165</u>	<u>\$ 2,058,807</u>	<u>\$ 4,510,043</u>	<u>\$ <b>6,457,929</b></u>

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

**9. CAPITAL LEASE OBLIGATIONS**

	<u>2023</u>	<u>2022</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 \$40,033 (2022 - \$51,471).	<u>\$ 40,273</u>	<u>\$ 51,574</u>
Future minimum lease payments together with the balance of the obligation for leased tangible capital assets are as follows.		
2024	\$ 11,672	
2025	11,672	
2026	11,672	
2027	<u>5,847</u>	
Total future minimum lease payments	40,863	
Less: Amount representing interest at 0.80%	<u>(590)</u>	
Obligation for leased tangible capital assets	<u>\$ 40,273</u>	

**10. LONG-TERM DEBT**

	<u>2023</u>	<u>2022</u>
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$467,033 including interest at 5.230%; due December 2043; issued to finance the Jasper recreation complex renovations.	<u>\$ 11,500,000</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.	<u>5,955,199</u>	6,079,699
Debenture debt held by the Province of Alberta, repayable in semi-annual installments of \$107,620 including interest at 5.230%; due December 2043; issued to finance the wastewater treatment facilities renovations and upgrades.	<u>2,650,000</u>	-
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.	<u>2,615,760</u>	2,819,339
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.	<u>1,692,550</u>	1,824,278
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.	<u>102,470</u>	300,268

(CONT'D)

**MUNICIPALITY OF JASPER**

**Notes to Consolidated Financial Statements**

**For The Year Ended December 31, 2023**

**10. LONG-TERM DEBT (CONT'D)**

Loan agreement with the Canada Mortgage and Housing Corporation, repayable at maturity, including interest at 0.000%; repaid in 2023; issued to finance the development or implementation of affordable housing projects.

-	49,243
<b>\$ 24,515,979</b>	<b>\$ 11,072,827</b>

The current portion of the long-term debt amounts to \$989,847 (2022 - \$706,848).

Principal and interest repayments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 989,847	\$ 1,049,859	\$ 2,039,706
2025	922,674	1,012,105	1,934,779
2026	959,519	975,261	1,934,780
2027	997,984	936,796	1,934,780
2028	1,038,147	896,633	1,934,780
Thereafter	<u>19,607,808</u>	<u>8,019,070</u>	<u>27,626,878</u>
	<b>\$ 24,515,979</b>	<b>\$ 12,889,724</b>	<b>\$ 37,405,703</b>

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

Interest on long-term debt amounted to \$367,519 (2022 - \$379,056)

The Municipality's total cash payments for interest amounted to \$337,720 (2022 - \$377,478).

**11. 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>2023</u>	<u>2022</u>
Total debt limit	<b>\$ 37,006,622</b>	\$ 40,009,970
Total debt	<b>(24,515,979)</b>	(11,072,827)
Amount of debt limit unused	<b>\$ 12,490,643</b>	\$ 28,937,143
Service on debt limit	<b>\$ 6,167,770</b>	\$ 6,668,328
Service on debt	<b>(2,039,706)</b>	(1,333,522)
Amount of service on debt limit unused	<b>\$ 4,128,064</b>	\$ 5,334,806

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 consolidated financial statements must be interpreted as a whole.

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

**12. ASSET RETIREMENT OBLIGATION**

Tangible capital assets with associated retirement obligations include land improvements and buildings.

The Municipality has asset retirement obligations to remove various hazardous materials including, asbestos, from various buildings under its control. Regulations require the Municipality to handle and dispose of these materials in a prescribed manner when it is disturbed, such as when the building undergoes renovations or is demolished. Although the timing of the removal is conditional on the building undergoing renovations or being demolished, regulations create an existing obligation for the Municipality to remove the materials when the asset retirement activities occur.

The Municipality is a member of the West Yellowhead Regional Waste Management Authority (the "Authority"). Accordingly, the Municipality has asset retirement obligations pursuant to the *Environmental Enhancement and Protection Act (Alberta)* to fund its proportionate share of the closure of its landfill sites and provide for the post-closure care of the facilities. Closure and post-closure activities include the the final covering and landscaping, surface and ground water monitoring, leachate control, site inspection, and maintenance. The Authority is required to provide closure care upon closure of the landfill and to provide post-closure care for 25 years subsequent to closure. See note 22 for the Municipality involvement in the Authority.

Under the Water Act, the Municipality has asset retirement obligations to fund decommissioning and reclamation of water wells. Reclamation activities include the flushing, cleaning, and disinfecting of the water well along with any additional land restoration activity.

	<u>2023</u>	<u>2022</u>
Balance, Beginning of Year	\$ 643,776	\$ 599,368
Net Change for the Year		
Additions	24,159	15,328
Liabilities settled	(125,000)	-
Accretion expense	<u>31,753</u>	<u>29,080</u>
	<u>(69,088)</u>	<u>44,408</u>
Balance, End of Year	<u>\$ 574,688</u>	<u>\$ 643,776</u>

Asset retirement obligations of \$574,688 (2022 - \$643,776) includes \$544,688 (2022 - \$613,776) measured using a present value technique. The present value was calculated using estimated total undiscounted cash flow amounting to \$2,072,187 (2022 - \$2,005,624), using discount rates between 4.90% - 5.08% (2022 - 4.90% - 5.08%), with retirement and reclamation activities expected to be settled between 2050 and 2085. The remaining obligations of \$30,000 (2022 - \$30,000) are measured at the current cost due to the uncertainty about when the retirement and reclamation activities are expected to occur.

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

**13. ACCUMULATED SURPLUS**

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

	<u>2023</u>	<u>2022</u>
Unrestricted surplus	\$ <u>14,973,858</u>	\$ <u>3,238,774</u>
Restricted surplus		
Operating		
Financial stabilization	2,170,320	1,598,566
Utility - operating	844,014	-
Policing	<u>28,593</u>	<u>28,593</u>
	<u>3,042,927</u>	<u>1,627,159</u>
Capital		
Annual general capital	4,913,784	-
Utilities - capital	1,699,615	1,242,577
Transportation and parking	651,859	451,859
Reserves in WYRWMA	503,342	430,239
Community housing	268,052	159,094
Fleet	267,280	-
Fixed assets	<u>73,772</u>	<u>5,198,718</u>
	<u>8,377,704</u>	<u>7,482,487</u>
Equity in tangible capital assets (Note 14)	<u>54,219,678</u>	<u>58,987,684</u>
	<u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>

**14. EQUITY IN TANGIBLE CAPITAL ASSETS**

	<u>2023</u>	<u>2022</u>
Net book value of tangible capital assets	\$ 74,235,949	\$ 65,404,154
Debt recoverable - local improvements	5,114,669	5,302,462
Asset retirement obligations	(574,688)	(643,776)
Capital lease obligations	(40,273)	(51,574)
Long-term debt related to tangible capital assets	<u>(24,515,979)</u>	<u>(11,023,582)</u>
	<u>\$ 54,219,678</u>	<u>\$ 58,987,684</u>

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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**15. TRUST FUNDS**

The Municipality administers the following trust funds:

	<u>2023</u>	<u>2022</u>
Jasper Sports and Culture	\$ 103,506	\$ 103,559
Betkowski	<u>-</u>	<u>18,027</u>
	<u>\$ 103,506</u>	<u>\$ 121,586</u>

Trust funds administered by the Municipality have not been included in the consolidated statement of financial position nor have their operations have been included in the consolidated statement of operations.

**16. FRANCHISE AND CONCESSION CONTRACTS**

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

	<u>2023</u>	<u>2022</u>
ATCO Electric Ltd.	\$ 369,433	\$ 381,726
ATCO Gas Ltd.	<u>248,374</u>	<u>277,327</u>
	<u>\$ 617,807</u>	<u>\$ 659,053</u>

**17. 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 consolidated financial statements relating to any of these activities. Any awards or settlements will be reflected in the consolidated 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.



**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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**18. 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% (2022 - 8.45%) of pensionable earnings up to the year's maximum pensionable earnings ("YMPE") under the Canada Pension Plan ("CPP") and 12.23% (2022 - 12.80%) of the excess. Employees are required to make current service contributions of 7.45% (2022 -7.45%) of pensionable salary up to the YMPE and 11.23% (2022 -11.80%) of the excess. Contributions for current service are recorded as expenses in the year in which they become due.

Total current service contributions made by the Municipality to the LAPP in 2023 were \$999,999 (2022 - \$515,427). Total current service contributions made by the employees of the Municipality to the LAPP in 2023 were \$999,999 (2022 - \$417,173).

At December 31, 2022, the LAPP disclosed an actuarial surplus of \$12.67 billion (2021 - \$11.92 billion).

**19. SEGMENTED INFORMATION**

Segmented information has been identified based upon lines of service provided by the Municipality. Municipal services are provided by departments and their activities are reported by functional area in the body of the 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 residents in a financially responsible manner.

*(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.

(CONT'D)

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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

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

Roads, Streets, Walks, Lighting is comprised of Common Services, the Public Works areas, and Transit. 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 and 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.

**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 Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

**21. BUDGET DATA**

The budget presented in these consolidated financial statements is based on the 2023 operating budget approved by Council on April 2, 2023. The Municipality compiles a budget on a modified accrual basis. The budget expensed all tangible capital asset purchases rather capitalizing the costs and recognizes financing as revenue as utilized. 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>2023</u>	<b>Actual 2023</b>	Actual <u>2022</u>
Annual surplus	\$ <u>12,530,761</u>	\$ <u><b>9,278,063</b></u>	\$ <u>7,954,796</u>
Add:			
Long-term debt utilized			
/ Issuance of long-term debt	13,648,629	<b>14,150,000</b>	-
Transfers from reserves	<u>7,168,640</u>	<u><b>2,218,878</b></u>	<u>2,429,940</u>
	<u>20,817,269</u>	<u><b>16,368,878</b></u>	<u>2,429,940</u>
Deduct:			
Acquisition of tangible capital assets	29,382,922	<b>11,806,283</b>	4,484,537
Transfers to reserves	3,007,034	<b>4,476,205</b>	2,737,114
Principal repayment of long-term debt	958,073	<b>657,605</b>	956,044
(Gain) loss on disposal of tangible capital assets	<u>-</u>	<u><b>38,592</b></u>	<u>-</u>
	<u>33,348,029</u>	<u><b>16,978,685</b></u>	<u>8,177,695</u>
Results of Operations as Budgeted	\$ <u>1</u>	\$ <u><b>8,668,256</b></u>	\$ <u>2,207,041</u>

**MUNICIPALITY OF JASPER****Notes to Consolidated Financial Statements****For The Year Ended December 31, 2023****22. WEST YELLOWHEAD REGIONAL WASTE MANAGEMENT AUTHORITY**

The Municipality, the Town of Edson, the Town of Hinton, the Municipal District of Grennview No. 16, and Yellowhead County (the "members") jointly own and operate the West Yellowhead Regional Waste Management Authority (the "Authority") to construct, maintain, control and manage a regional solid waste disposal system.

The members have agreed to proportionately share costs associated with expenditures arising from the operation of the Authority. The following is 100% of the financial position and results of operations of the Authority partnership of which the Municipality has a 7.00% (2022 - 6.40%) proportionate share.

	<u>2023</u>	<u>2022</u>
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	\$ 4,558,261	\$ 6,275,622
Trade receivables	203,223	241,243
Due from members	<u>2,579,306</u>	<u>270,000</u>
	<u>7,340,790</u>	<u>6,786,865</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	150,191	64,386
Asset retirement obligations	<u>4,230,950</u>	<u>4,026,600</u>
	<u>4,381,141</u>	<u>4,090,986</u>
<b>NET FINANCIAL ASSETS</b>	<u>2,959,649</u>	<u>2,695,879</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	<u>7,156,647</u>	<u>3,395,692</u>
<b>ACCUMULATED SURPLUS</b>	<u>\$ 10,116,296</u>	<u>\$ 6,091,571</u>
<b>REVENUE</b>		
Tipping fees	\$ 3,495,596	\$ 2,937,229
Municipal requisitions	2,014,847	420,000
Investment income	290,082	126,266
Other	<u>15,469</u>	<u>7,296</u>
	<u>5,815,994</u>	<u>3,490,791</u>
<b>EXPENSES</b>		
Contracted and general services	1,182,479	941,396
Amortization of tangible capital assets	392,914	390,765
Accretion expense	204,350	194,480
Materials, goods and utilities	9,202	7,326
Interest and bank charges	<u>2,324</u>	<u>1,848</u>
	<u>1,791,269</u>	<u>1,535,815</u>
<b>ANNUAL SURPLUS</b>	<u>\$ 4,024,725</u>	<u>\$ 1,954,976</u>

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

**23. RESTATEMENT - PS 3280 ASSET RETIREMENT OBLIGATION STANDARD ADOPTION**

*i) Policy Adoption - PS 3280 Asset Retirement Obligation*

Effective January 1, 2022, the Municipality adopted Canadian public sector accounting standard 3280, *Asset Retirement Obligations*, and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On January 1, 2022, the Municipality recognized the following to conform to the new standard:

- Asset retirement obligation, adjusted for accumulated accretion to the effective date;
- Asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- Accumulated amortization on the capitalized cost; and
- Adjustment to the opening balance of accumulated surplus.

*ii) West Yellowhead Regional Waste Management Authority*

The Municipality's proportionate share of the Authority was not consolidated in prior years. This correction has been applied retroactively and the prior year comparative figures have been restated accordingly.

Comparative figures have been restated as follows.

	<u>As Previously Stated</u>	<u>PS 3280 Adoption</u>	<u>Authority Consolidation</u>	<u>As Restated</u>
<b>Statement of Financial Position</b>				
<b>Financial Assets</b>				
Cash	\$17,098,131	-	401,640	\$17,499,771
Trade and other receivables	\$11,766,939	-	32,720	\$11,799,659
<b>Liabilities</b>				
Accounts payable and accrued liabilities	\$ 2,967,664	-	4,122	\$ 2,971,786
Asset retirement obligations	\$ -	386,074	257,702	\$ 643,776
<b>Non-Financial Assets</b>				
Tangible capital assets	\$65,152,556	34,273	217,325	\$65,404,154
Prepaid assets	\$ 390,791	-	(424)	\$ 390,367
<b>Statement of Operations</b>				
<b>Revenue</b>				
User fees and sales of goods	\$ 7,920,145	-	187,983	\$ 8,108,128
Government transfers for operating	\$ 2,572,177	-	26,880	\$ 2,599,057
Investment income	\$ 432,550	-	8,081	\$ 440,631
Other income	\$ 281,391	-	37,692	\$ 319,083
<b>Expenses</b>				
Utilities	\$ 4,782,877	-	118,831	\$ 4,901,708
Parks and recreation	\$ 281,391	37,692	-	\$ 319,083
<b>Accumulated surplus</b>				
Opening balance	\$63,467,621	(333,945)	247,632	\$63,381,308
Closing balance	\$71,298,468	(351,801)	389,437	\$71,336,104

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

**MUNICIPALITY OF JASPER**  
**Notes to Consolidated Financial Statements**  
**For The Year Ended December 31, 2023**

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**24. 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>2023</u>	<u>2022</u>
Mayor Ireland	\$ 95,645	\$ 8,731	<b>\$ 104,376</b>	\$ 95,237
Councillor Damota	28,562	6,473	<b>35,035</b>	26,394
Councillor Hall	31,083	6,623	<b>37,706</b>	34,019
Councillor Kelleher-Empy	23,755	6,187	<b>29,942</b>	27,408
Councillor Melnyk	29,636	6,537	<b>36,173</b>	35,416
Councillor Waxer	26,182	6,332	<b>32,514</b>	32,544
Councillor Wilson	<u>24,781</u>	<u>6,248</u>	<b><u>31,029</u></b>	<u>27,808</u>
	<b><u>\$ 259,644</u></b>	<b><u>\$ 47,131</u></b>	<b><u>\$ 306,775</u></b>	<b><u>\$ 278,826</u></b>
Chief Administrative Officer	<b><u>\$ 173,480</u></b>	<b><u>\$ 21,548</u></b>	<b><u>\$ 195,028</u></b>	<b><u>\$ 187,199</u></b>

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.

**25. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Council and Management have approved these consolidated financial statements on April 30, 2024.



**METRIX GROUP** LLP

CHARTERED PROFESSIONAL  
ACCOUNTANTS

# MUNICIPALITY OF JASPER

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## Audit Findings Report

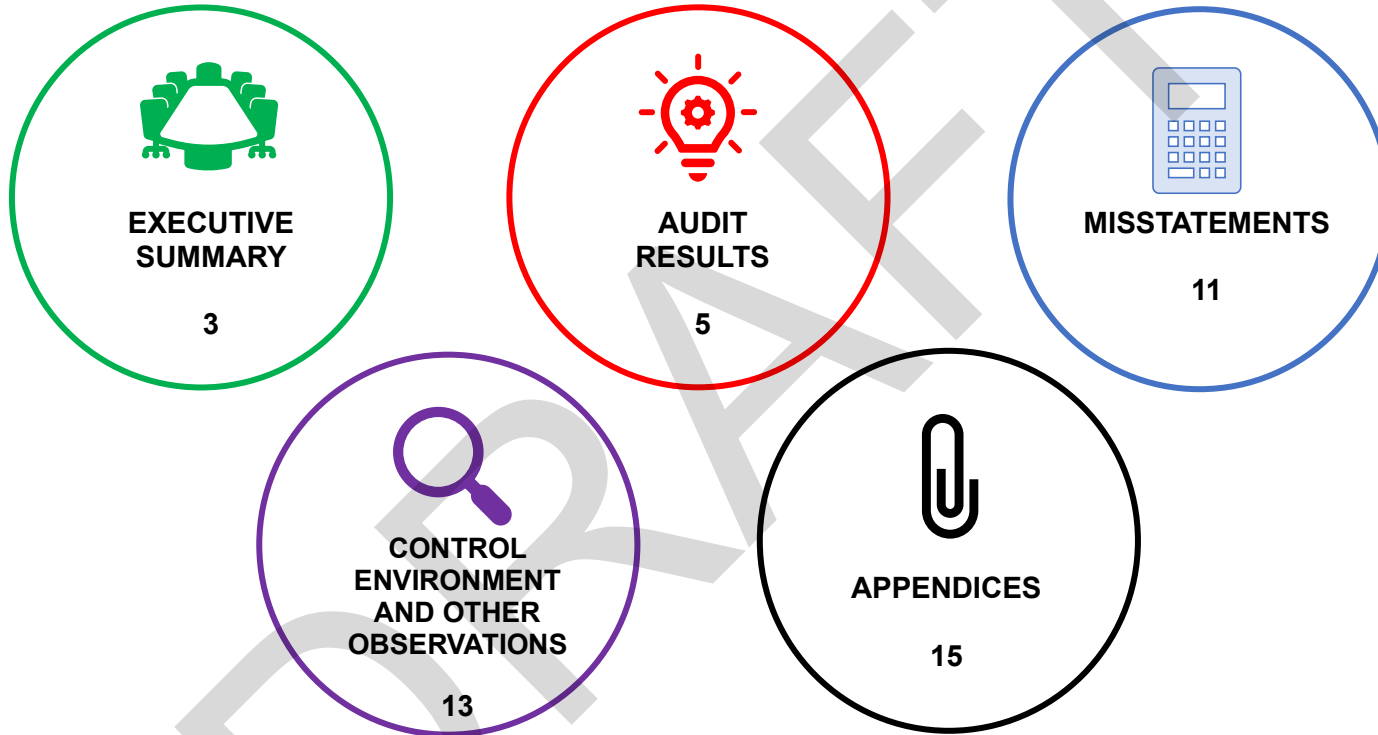
For the year-ended December 31, 2023

April 23, 2024



# REPORT CONTENTS

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# EXECUTIVE SUMMARY

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## Purpose of this report

The purpose of this report is to communicate clearly with you the findings of our audit of the Municipality of Jasper (the “Municipality”) for the year ended December 31, 2023. This communication is to summarize the result of our procedures and provide comments on any significant matters, including misstatements accounting policies, estimates, and other matters, that we have identified.

### Finalizing the audit

As of April 23, 2024, we have substantially completed the audit of the Municipality’s financial statements with the exception of:

- Completing our subsequent events procedures.
- Obtaining the signed management representation letter.
- Completing our required communication to Council.
- Obtaining evidence of Council’s approval of the financial statements.

We will update Council on significant matters, if any, arising from the completion of the audit, including the completion of the procedures above.

### Changes from the audit plan

There have been no other significant changes to our audit plan from what was communicated in our Audit Planning Report previously presented to you.

### Materiality

The auditors’ determination of materiality is a matter of professional judgement and is affected by the auditors’ perception of the financial information needs of users of the financial statements.

Materiality for the 2023 audit was set at \$860,500 (4% of operating expenses) with a trivial threshold of \$43,000. We anticipate that management will record any adjustments that we propose that are of a non-trivial nature. Please refer to summary of adjusted and uncorrected misstatements for misstatements identified.

### Significant difficulties encountered during the audit

We encountered no significant difficulties during our audit that should be brought to the attention of Council.

## Engagement team

Team member	Role	Experience
<b>Jeff Alliston, CPA, CA</b> Engagement Partner	<p>As the engagement partner, Jeff will have the responsibility of leading the audit and will be responsible for the quality and timeliness of the audit.</p> <p>Jeff will also be available throughout the audit process and will attend the Council meeting with management and present the financial statements.</p>	<p>Jeff holds over 15 years of public sector auditing experience working with municipalities of all types and sizes. He has also delivered many presentations on public sector topics and is also a member of the Emerging Issues Task Force as administered by the Government Finance Officers Association – Alberta Chapter.</p>
<b>Danny On, CPA</b> Senior Manager	<p>Danny joined the Municipality audit for the 2018 audit and will lead the team as the engagement manager.</p> <p>Danny will be responsible for planning, executing, and reporting the audit.</p>	<p>Danny holds over five years of providing assurance services to clients. Prior to joining Metrix in 2019, Danny completed his auditing experience with a national firm and has spent a year as an internal auditor with a federally regulated financial institution.</p>
<b>Dayle Weslosky, CPA, MBA</b> Manager	<p>Dayle will be responsible for assisting Danny in the execution of our audit procedures.</p>	<p>Dayle joined Metrix in 2018 and has been on the Jasper audit since 2021. Dayle works primarily with public sector entities and not-for-profit organizations and ranging in size from less complex entities to large municipalities.</p>



# AUDIT RESULTS

The following is a summary of our audit focus including risks identified, our procedures performed in response, and our findings.

<b>Management override of controls</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
Management is in a unique position to perpetrate financial statement fraud through the manipulation of accounting records. Under Canadian assurance standards, there is a presumed fraud risk related to management's ability to override internal controls. This risk is not rebuttable.	Using data analytics, we have identified journal entries that exhibit characteristics which may be indicative of possible control override. We have assessed the business rationale of the transactions taking into consideration estimates applied, application of accounting policies, evidence of potential management bias.	No significant findings have been identified.
<b>Revenue recognition</b> (including deferred revenue and government transfers)		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
Grant funding subject to external funder restrictions (e.g., Government of Alberta) has been prematurely recognized as revenue.	<ul style="list-style-type: none"><li>- We have updated our understanding of the processes and controls in place regarding revenues received.</li><li>- We inspected significant agreements and other source documentation for funding purpose and restrictions.</li><li>- We have assessed significant revenue transactions for compliance with external restrictions.</li><li>- We have performed a search for unrecorded revenue to assess completeness of government transfers recognized.</li><li>- We will assess the completeness and existence of deferred revenue recorded.</li></ul>	<p>We have identified one uncorrected misstatement – see <i>Misstatements</i> for the impact identified.</p> <p>No other significant findings have been identified.</p>

<b>Net municipal taxes</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>Net municipal taxes have been incorrectly levied, either due to incorrect assessment values or mill rates.</p> <p>Requisitions have been over or under levied.</p>	<ul style="list-style-type: none"> <li>- We have re-calculated net municipal taxes using third-party assessment values and the mill rates in the approved bylaw.</li> <li>- We have assessed requisitions collected against requisitions invoiced for any municipal taxes over or under levied.</li> </ul>	<p>We have identified one uncorrected misstatement – see <i>Misstatements</i> for the impact identified.</p> <p>No other significant findings have been identified.</p>
<b>User fees and sale of goods</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>User fees recorded are incomplete or have been recorded at an incorrect amount.</p>	<ul style="list-style-type: none"> <li>- We have updated our understanding of the processes and controls in place regarding revenues received.</li> <li>- We inspected significant agreements and other source documentation for funding purpose and restrictions.</li> <li>- We have assessed significant revenue transactions for compliance with external restrictions.</li> <li>- We have performed a search for unrecorded revenue to assess completeness of government transfers recognized.</li> <li>- We will assess the completeness and existence of deferred revenue recorded.</li> </ul>	<p>No significant findings have been identified.</p>

<b>Operating expenses</b> (including accounts payable and accrued liabilities)		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
Expenses have not been recorded in the correct reporting period, either due to premature recognition or missing accruals, or do not exist.	<ul style="list-style-type: none"> <li>- We have updated our understanding of the processes and controls in place over procurement and payment.</li> <li>- We have inquired with management and review subsequent Council minutes for significant transactions not recorded.</li> <li>- We have tested a sample of expenses recorded, including significant transactions.</li> <li>- We have performed a search for unrecorded liabilities.</li> <li>- We have examined accrued liabilities for accuracy and cut-off.</li> </ul>	No significant findings have been identified.
<b>Salaries, wages and benefits</b> (including employee benefit obligations)		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
Employees have been paid at a rate inconsistent with their employee contract.	<ul style="list-style-type: none"> <li>- We have updated our understanding over the processes and controls in place over payroll.</li> <li>- We have performed tests of controls over significant payroll controls.</li> <li>- We have performed substantive analytical procedures over salaries, wages and benefits.</li> </ul>	<p>We have identified matters to bring to your attention –see <i>Control Environment and Other Observations</i> for detailed discussion.</p> <p>No other significant findings have been identified.</p>

Audit Results (continued)

<b>Cash</b> (including investment income)		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
There is an inherent risk related to cash.	<ul style="list-style-type: none"> <li>- We have updated our understanding of processes and controls surrounding treasury activities.</li> <li>- We have obtained third party evidence over the Municipality's cash balances.</li> <li>- We have tested significant reconciling items in the bank reconciliation.</li> </ul>	No significant findings have been identified.
<b>Receivable balances</b> (including taxes, trade, other governments, and loans receivables)		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
Receivable balances are significantly aged or overstated and the amounts recorded will not be recorded.	<ul style="list-style-type: none"> <li>- We have updated our understanding of the Municipality's policies regarding collections and provisions.</li> <li>- We have tested the subsequent receipt of receivable balances outstanding at year-end.</li> <li>- Where required, we have performed additional substantive procedures to obtain appropriate audit evidence.</li> <li>- Where possible, we have coordinated with our work performed over revenues and deferred revenue.</li> </ul>	No significant findings have been identified.

<b>Tangible capital assets</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>There exists the risk that TCA has been expensed rather than capitalized or has been recorded incorrectly. Conversely, there exists the risk that expenditures that are not capital in nature have been capitalized.</p> <p>The valuation of TCA is subject to management's estimate which may be complex and subject to change.</p>	<ul style="list-style-type: none"> <li>- We have reviewed the amortization policy.</li> <li>- We have inquired with management regarding any indicators of impairment.</li> <li>- We have performed substantive tests of details over additions and disposals.</li> <li>- We have re-calculated amortization expense and gains / losses on the disposal of TCA.</li> <li>- We have coordinated with procedures performed over deferred revenue.</li> </ul>	<p>This balance was restated in the year as part of the implementation of PS 3280 – Asset Retirement Obligations. Please refer to the Control Environment and Other Observations and Restatement sections below.</p> <p>No significant findings have been identified.</p>
<b>Long-term debt (including interest expense)</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>Long-term debt is inaccurate or incomplete.</p>	<ul style="list-style-type: none"> <li>- We have obtained third-party evidence to support balances outstanding at year-end.</li> <li>- We have re-calculated interest expense incurred throughout the year and any interest payable outstanding at year-end.</li> <li>- We have assessed compliance with the allowable debit limits under MGA 276(2).</li> </ul>	<p>No significant findings have been identified.</p>

<b>Asset retirement obligations</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>PS 3280, Asset Retirement Obligations, is being implemented for the first year with AROs being estimates subject to management bias.</p>	<ul style="list-style-type: none"> <li>- We have assessed the completeness of assets identified with an asset retirement obligation.</li> <li>- We have assessed the reasonability of inputs used in calculating the estimate.</li> <li>- We have verified the mathematical accuracy of the liability calculated.</li> </ul>	<p>This balance was restated in the year as part of the implementation of PS 3280 – Asset Retirement Obligations. Please refer to the Control Environment and Other Observations and Restatement sections below.</p> <p>No significant findings have been identified.</p>
<b>West Yellowhead Regional Waste Management Authority</b>		
<b>Risk</b>	<b>Our Response</b>	<b>Findings</b>
<p>The Municipality is a member of the West Yellowhead Regional Waste Management Authority (the “Authority”) with the Municipality’s proportionate share of the Authority to be captured in consolidated financial statements.</p>	<ul style="list-style-type: none"> <li>- We have re-calculated the Municipality’s proportionate share in the Authority.</li> <li>- We have assessed the proportionate share of the Authority consolidated into the Municipality’s consolidated financial statements.</li> <li>- We will coordinate with the Authority’s auditor to assess balances recorded at the Authority.</li> </ul>	<p>No significant findings have been identified.</p>





# MISSTATEMENTS

## ADJUSTED MISSTATEMENTS

Audit adjustments have been recorded in order for the Municipality to comply with reporting requirements under Canadian public sector accounting standards.

Increase (decrease) from opening balances				
Differences noted	Assets	Liabilities	Accumulated Surplus	Annual Surplus
29 audit adjustments (2022 – 20 adjustments).	\$ (1,241,379)	\$ 167,738	\$ (1,789,547)	\$ (189,505)
<b>Total Adjusted Differences (Income Effect)</b>				<b>\$ (189,505)</b>

## UNCORRECTED MISSTATEMENTS

In accordance with Canadian auditing standards, we are required to request that all uncorrected misstatements be corrected. We have requested this to management.

Management has decided not to correct certain misstatements and has provided representation that the uncorrected misstatements, individually and in aggregate, are not material to the financial statements – please refer to **Appendix 2** for the management representation letter.

The total unrecorded misstatements noted during the audit amounted to a \$73,444 under-statement of the Municipality's surplus for the year ended December 31, 2023.

Misstatements (continued)

Amount of over (under) misstatement				
Description	Assets	Liabilities	Surplus	Accumulated Surplus
To account for municipal over-levy liability.	\$ -	\$ 207,44	\$ (59,212)	\$ 88,620
To account for timing of revenue of government transfers.	-	-	44,806	-
To account for MSI operating revenue not recognized.	-	59,038	(59,038)	(59,038)
<b>Total unrecorded misstatements</b>	<b>\$ -</b>	<b>\$ 266,082</b>	<b>\$ (73,444)</b>	<b>\$ 29,582</b>

After considering both quantitative and qualitative factors with respect to the uncorrected misstatements accumulated during the audit, we agree with management that the uncorrected misstatements are not material to the financial statements. Accordingly, our auditors' opinion has not been modified with respect to the uncorrected misstatements presented.

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## CONTROL ENVIRONMENT AND OTHER OBSERVATIONS

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Our objective is to communicate appropriately to Council any significant deficiencies in internal control that we have identified during the audit and that, in our professional judgement, are of sufficient importance to merit being reported to those charged with governance.

The audit findings contained in this report did not have a material effect on the Municipality's consolidated financial statements, and as such, our audit report is without reservation with respect to these matters.

### Significant Deficiencies of Internal Controls

Other than the matters discussed below, we have not identified any control deficiencies that we have determined to be significant to internal controls over financial reporting.

#### *Employee Benefit Obligations – Vacation*

In testing employee benefit obligations, we identified individuals who have significant vacation accruals greater than the amount permitted under the Municipality's policy. Having employees take vacation is considered to be a control to mitigate the risk of fraud and risk of error.

During an employee's absence, tasks and responsibilities are typically delegated to other personnel. The delegation of duties can provide an opportunity for additional scrutiny of transactions and processes and increases overall oversight reducing the risk of fraudulent activities going unnoticed.

Moreover, when an employee is on vacation, their absence may highlight irregularities or discrepancies that would otherwise remain hidden, either due to a lack of duties shared or due to collusion (any collusion between employees may be identified when there is an absence).

Forced breaks also ensure that employees do not face burnout and reduce the likelihood of error due to fatigue and stress.

We recommend a review of employee vacation hours be completed and a plan be implemented in coordination between the employee and their immediate supervisor, on how a plan to utilize the accrued hours.

We have not identified any matters of concern, either due to fraud or error, in our testing.

## **Significant Qualitative Aspects of Accounting Policies**

Management is responsible for determining significant accounting policies. The choice of different accounting policy alternatives can have a significant effect on the financial position and results of the Municipality. The application of those policies often involved significant estimates and judgements by management.

There is one new accounting standard that has been adopted in the current year, PS 3280 Asset Retirement Obligations. Note 23 to the financial statements describes the adoption of the new accounting standard for the year-ended December 31, 2023.

There have been no other initial selections of, or changes to, significant accounting policies and practices that we would like to bring to your attention.

We are of the opinion that the significant accounting policies and the financial disclosures made by management do not materially misstate the financial statements taken as a whole.

## **Significant Qualitative Aspects of Accounting Estimates**

Management is required to disclose the assumptions it makes about the future, and other major sources of measurement uncertainty, that have a significant risk of resulting in a material misstatement to the financial statements.

Significant estimates relate to the allowance for doubtful accounts, valuation of tangible capital assets, the useful lives and related amortization of tangible capital assets, asset retirement obligations, the provision for gravel pit reclamation and contingent liabilities.

Overall, we are satisfied with the reasonability of accounting estimates.

## **Management Letter**

We will be submitting a letter to the Municipality's management on other matters that we feel should be brought to their attention.



## APPENDICES

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- **Appendix 1 – Required communications**
- **Appendix 2 – Management representation letter**
- **Appendix 3 – New and revised accounting standards**

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## Appendix 1 – Required communications

### Independence

We have been engaged to audit the financial statement of the Municipality for the year ending December 31, 2022.

We believe that it is important that we communicate at least annually with you regarding all relationships between the Municipality and our firm that, in our professional judgement, may reasonably be thought to bear on our independence.

In determining which relationships to report, these standards require us to consider relevant rules and related interpretations prescribed by the Chartered Professional Accountants of Alberta and applicable legislation, covering such matters as:

- (a) Holding a financial interest, either directly or indirectly, in a client;
- (b) Holding a position, either directly or indirectly, that gives the right or responsibility to exert significant influence over the financial or accounting policies of a client.
- (c) Personal or business relationships of immediate family, close relatives, partners or retired partners, either directly or indirectly, with a client;
- (d) Economic dependence on a client; and
- (e) Provision of services in addition to the audit engagement.

We are not aware of any relationships between the Municipality and ourselves that, in our professional judgement, may reasonably be thought to bear on our independence that have occurred from January 1, 2023 to April 23, 2024.

### Management representation

Management's representations are integral to the audit evidence we will gather. Prior to the release of our independent auditors' report, we will require management's representations in writing to support the content of our report. Please refer to **Appendix 2**.

## Appendix 2 – Management representation letter

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## Appendix 3 – New and revised accounting standards

Standard	Summary	Effective Date
<b>PS 3160 Public Private Partnerships</b>	This section will establish standards on how to account for public private partnership agreements, specifically recognition and measurement of infrastructure assets and the corresponding financial liability.	Fiscal years beginning on or after April 1, 2023. Early adoption is permitted.
<b>PS 3400 Revenue</b>	This section will be updated to provide additional guidance regarding the timing of revenue recognition along with additional disclosure requirements.	Fiscal years beginning on or after April 1, 2023. Early adoption is permitted.
<b>PSG-8 Purchased Intangibles</b>	This guideline explains the scope of intangible assets now allowed to be recognized in financial statements.	Fiscal years beginning on or after April 1, 2023. Early adoption is <i>encouraged</i> .
<b>PS 1202 Financial Statement Presentation</b>	This standard sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement principles are based on the concepts in the Conceptual Framework for Financial Reporting in the Public Sector.	Fiscal years beginning on or after April 1, 2026. Early adoption is permitted.



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# MUNICIPALITY OF JASPER

## 2023 PRESENTATION TO COUNCIL

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**METRIX GROUP** LLP

CHARTERED PROFESSIONAL  
ACCOUNTANTS

**Jeff Alliston, CPA, CA**  
**Partner**

# AUDIT OVERVIEW

- **ENHANCE DEGREE OF CONFIDENCE OF INTENDED USERS**
- **ACHIEVED BY AUDITOR EXPRESSING OPINION**
- **WHETHER FS PRESENT FAIRLY, IN ALL MATERIAL RESPECTS**
  - **WHETHER DUE TO FRAUD OR ERROR**
- **AUDITOR SEEKING REASONABLE ASSURANCE**
  - **HIGH LEVEL OF ASSURANCE**
  - **NOT ABSOLUTE ASSURANCE**
  - **MOST EVIDENCE PERSUASIVE NOT CONCLUSIVE**
- **AUDITOR EXERCISES PROFESSIONAL JUDGEMENT**
- **AUDITOR MAINTAINS PROFESSIONAL SKEPTICISM**
  - **QUESTIONING MIND**
  - **ALERT TO CONDITIONS WHICH MAY INDICATE POSSIBLE MISSTATEMENT**
  - **CRITICAL ASSESSMENT OF AUDIT EVIDENCE**

# INDEPENDENT AUDITORS' REPORT

## □ OUR OPINION

- PRESENT FAIRLY IN ALL MATERIAL RESPECTS
- EXCEPTS FOR THE POSSIBLE EFFECTS

## □ BASIS FOR OPINION

- IN ACCORDANCE WITH CANADIAN GAAS

## □ RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

- PREPARATION AND FAIR PRESENTATION
- IN ACCORDANCE WITH CANADIAN PSAS
- RESPONSIBLE FOR ASSESSING ABILITY TO CONTINUE AS A GOING CONCERN

## □ AUDITORS' RESPONSIBILITIES FOR THE AUDIT

- OBTAIN REASONABLE ASSURANCE
- ARE FREE FROM MATERIAL MISSTATEMENT
- PROCEDURES DEPEND ON AUDITORS' JUDGEMENT
- CONSIDER RELEVANT INTERNAL CONTROLS
- EVALUATE ACCOUNTING POLICIES / ESTIMATES

# STATEMENT OF FINANCIAL POSITION

	2023	2022 (Restated)
<b>FINANCIAL ASSETS</b>		
Cash	\$ 25,941,497	\$ 17,499,771
Taxes and grants in place of taxes receivable	516,956	636,993
Trade and other receivables	16,212,147	11,799,659
Investment in government business enterprise	10	-
	<b>A</b> <u>42,670,610</u>	<u>29,936,423</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	4,733,026	2,971,786
Employee benefit obligations	781,787	677,538
Deposit liabilities	18,643	68,174
Deferred revenue	6,457,929	8,909,165
Capital lease obligations	40,273	51,574
Long-term debt	24,515,979	11,072,827
Asset retirement obligation	574,688	643,776
	<b>B</b> <u>37,122,325</u>	<u>24,394,840</u>
<b>NET FINANCIAL ASSETS</b>	<b>A - B</b> <b>C</b> <u>5,548,285</u>	<u>5,541,583</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	74,235,949	65,404,154
Prepaid expenses	829,933	390,367
	<b>D</b> <u>75,065,882</u>	<u>65,794,521</u>
<b>ACCUMULATED SURPLUS</b>	<b>C+D</b> <u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>

# TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

	<b>2023</b>	<u>2022</u>
Current taxes and grants in place of taxes	<b>\$ 304,991</b>	\$ 474,288
Arrears taxes	<b>255,312</b>	<u>211,589</u>
	<b>560,303</b>	685,877
Less: Allowance for doubtful accounts	<b>(43,347)</b>	<u>(48,884)</u>
	<b>\$ 516,956</b>	<u>\$ 636,993</u>

# RECEIVABLES

	<b>2023</b>	<b>2022</b>
Receivables from governments	<b>\$ 4,444,999</b>	\$ 2,475,933
Debt recoverable - local improvements	<b>2,020,937</b>	1,404,607
Trade accounts receivable	<b>2,020,937</b>	1,404,607
Goods and Services Tax recoverable	<b>344,237</b>	351,297
	<b>8,831,110</b>	5,636,444
Less: Allowance for doubtful accounts	<b>(345,696)</b>	(308,586)
	<b>\$ 8,485,414</b>	\$ 5,327,858

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# DEFERRED REVENUE

	2022	Additions	Revenue Recognized	2023
<b>OPERATING</b>				
Other Deferred Revenue and Grants	\$ 361,037	\$ 474,811	\$ 211,517	\$ 624,331
Local Immigration Partnership	129,104	164,252	129,114	164,242
Community Development	99,777	99,593	99,777	99,593
Municipal Sustainability Initiative Grant	-	123,552	64,514	59,038
Grounds Maintenance	34,759	34,759	34,759	34,759
	624,677	896,967	539,681	981,963
<b>CAPITAL</b>				
Municipal Sustainability Initiative Grant	5,967,156	753,166	3,430,771	3,289,551
Canada Community-Building Fund	1,622,896	293,995	500,668	1,416,223
Offsite levies	567,001	47,154	-	614,155
Other Capital Grants	109,490	67,525	20,978	156,037
Municipal Stimulus Program	17,945	-	17,945	-
	8,284,488	1,161,840	3,970,362	5,475,966
	\$ 8,909,165	\$ 2,058,807	\$ 4,510,043	\$ 6,457,929



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# LONG-TERM DEBT

- **LONG-TERM DEBT - \$11,072,827**
  - **Debenture Debt**
    - Province of Alberta (5.230%) - \$11,500,000
    - Province of Alberta (3.460%) - \$5,955,199
    - Province of Alberta (5.230%) - \$2,650,000
    - Province of Alberta (2.552%) - \$2,615,760
    - Province of Alberta (2.552%) - \$1,692,550
    - Province of Alberta (4.795%) - \$102,470
- **MATURITY**
  - 2024 - 2051

# DEBT LIMITS

	2023	2022
Total debt limit	\$ 37,006,622	\$ 40,009,970
Total debt	(24,515,979)	(11,072,827)
Amount of debt limit unused	\$ 12,490,643	\$ 28,937,143
Service on debt limit	\$ 6,167,770	\$ 6,668,328
Service on debt	(2,039,706)	(1,044,568)
Amount of service on debt limit unused	\$ 4,128,064	\$ 5,623,760

# STATEMENT OF FINANCIAL POSITION

	2023	2022 (Restated)
<b>FINANCIAL ASSETS</b>		
Cash	\$ 25,941,497	\$ 17,499,771
Taxes and grants in place of taxes receivable	516,956	636,993
Trade and other receivables	16,212,147	11,799,659
Investment in government business enterprise	10	-
	<b>A</b> <u>42,670,610</u>	<u>29,936,423</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	4,733,026	2,971,786
Employee benefit obligations	781,787	677,538
Deposit liabilities	18,643	68,174
Deferred revenue	6,457,929	8,909,165
Capital lease obligations	40,273	51,574
Long-term debt	24,515,979	11,072,827
Asset retirement obligation	574,688	643,776
	<b>B</b> <u>37,122,325</u>	<u>24,394,840</u>
<b>NET FINANCIAL ASSETS</b>	<b>A - B</b> <b>C</b> <u>5,548,285</u>	<u>5,541,583</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets	74,235,949	65,404,154
Prepaid expenses	829,933	390,367
	<b>D</b> <u>75,065,882</u>	<u>65,794,521</u>
<b>ACCUMULATED SURPLUS</b>	<b>C+D</b> <u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>

# NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS

	Opening Balance	Additions	Disposals	Amortization	Transfers	Ending Balance
Land	\$ 403,759	\$ 290,771	\$ -	\$ -	\$ -	\$ 694,530
Land Improvements	2,035,080	38,281	-	(189,315)	-	1,884,046
Buildings	23,384,931	6,523	-	(783,891)	2,831,875	25,439,438
Engineered Structures	30,004,154	6,619	-	(1,149,822)	450,748	29,311,699
Machinery & Equipment	2,947,270	896,990	-	(441,274)	9,651	3,412,637
Vehicles	3,197,947	460,561	-	(371,594)	103,703	3,390,617
Construction in Progress	3,431,013	10,106,538	(38,592)	-	(3,395,977)	10,102,982
	<b>\$ 65,404,154</b>	<b>\$ 11,806,283</b>	<b>\$ (38,592)</b>	<b>\$ (2,935,896)</b>	<b>\$ -</b>	<b>\$ 74,235,949</b>

# STATEMENT OF FINANCIAL POSITION

	2023	2022 (Restated)
<b>FINANCIAL ASSETS</b>		
Cash	\$ 25,941,497	\$ 17,499,771
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<b>ACCUMULATED SURPLUS</b>	<b>C+D</b> <u>\$ 80,614,167</u>	<u>\$ 71,336,104</u>

# ACCUMULATED SURPLUS

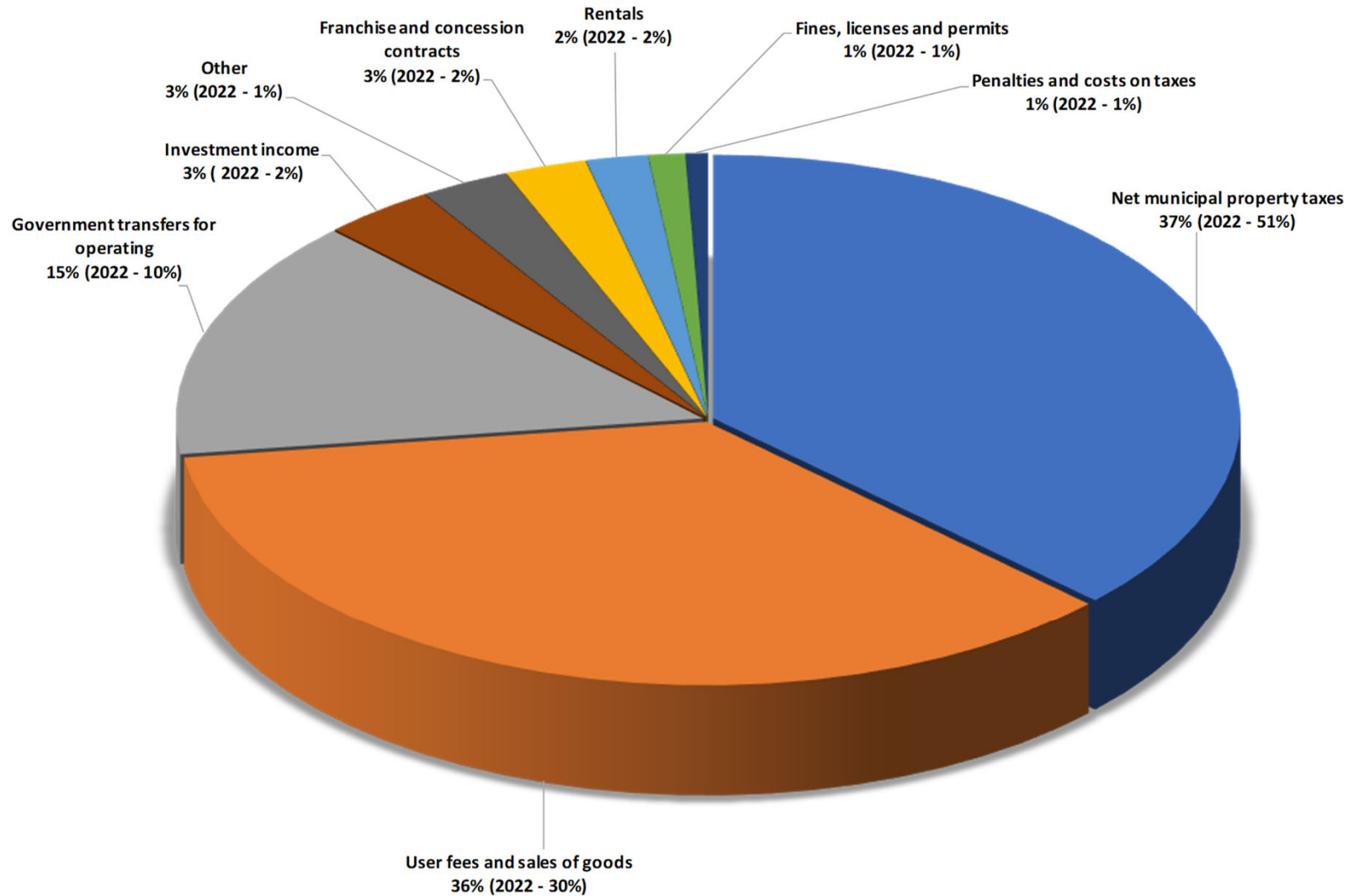
	2023	2022
<b>Unrestricted Surplus</b>	<b>\$ 14,973,858</b>	<b>\$ 3,238,774</b>
<b>Restricted Surplus</b>		
<b>Operating</b>		
Financial stablization	2,170,320	1,598,566
Utility - operating	844,014	28,593
Policing	28,593	-
	<b>3,042,927</b>	<b>1,627,159</b>
<b>Capital</b>		
Annual general capital	4,913,784	-
Utilities	1,699,615	1,242,577
Transportation and parking	651,859	451,859
Community housing	503,342	430,239
Environmental	268,052	159,094
Recreation	267,280	-
Fixed Assets	73,772	5,198,718
	<b>8,377,704</b>	<b>7,482,487</b>
<b>Equity in Tangible Capital assets</b>	<b>54,219,678</b>	<b>59,987,684</b>
	<b>\$ 80,614,167</b>	<b>\$ 72,336,104</b>

# OPERATING REVENUE

	2023 (Budget)	<b>2023 (Actual)</b>	2022 (Actual)
<b>REVENUE</b>			
Net municipal property taxes	\$ 9,340,246	<b>\$ 9,157,922</b>	\$ 13,493,657
User fees and sales of goods	7,984,170	<b>8,811,038</b>	8,108,128
Government transfers for operating	2,119,419	<b>3,645,347</b>	2,599,057
Investment income	208,080	<b>848,390</b>	440,631
Other	1,183,383	<b>676,765</b>	318,485
Franchise and concession contracts	633,458	<b>617,807</b>	659,053
Rentals	580,631	<b>467,318</b>	495,982
Fines, licenses and permits	263,853	<b>277,723</b>	252,143
Penalties and costs on taxes	86,595	<b>168,771</b>	306,177
	<u>\$ 22,399,835</u>	<u><b>\$ 24,671,081</b></u>	<u>\$ 26,673,313</u>



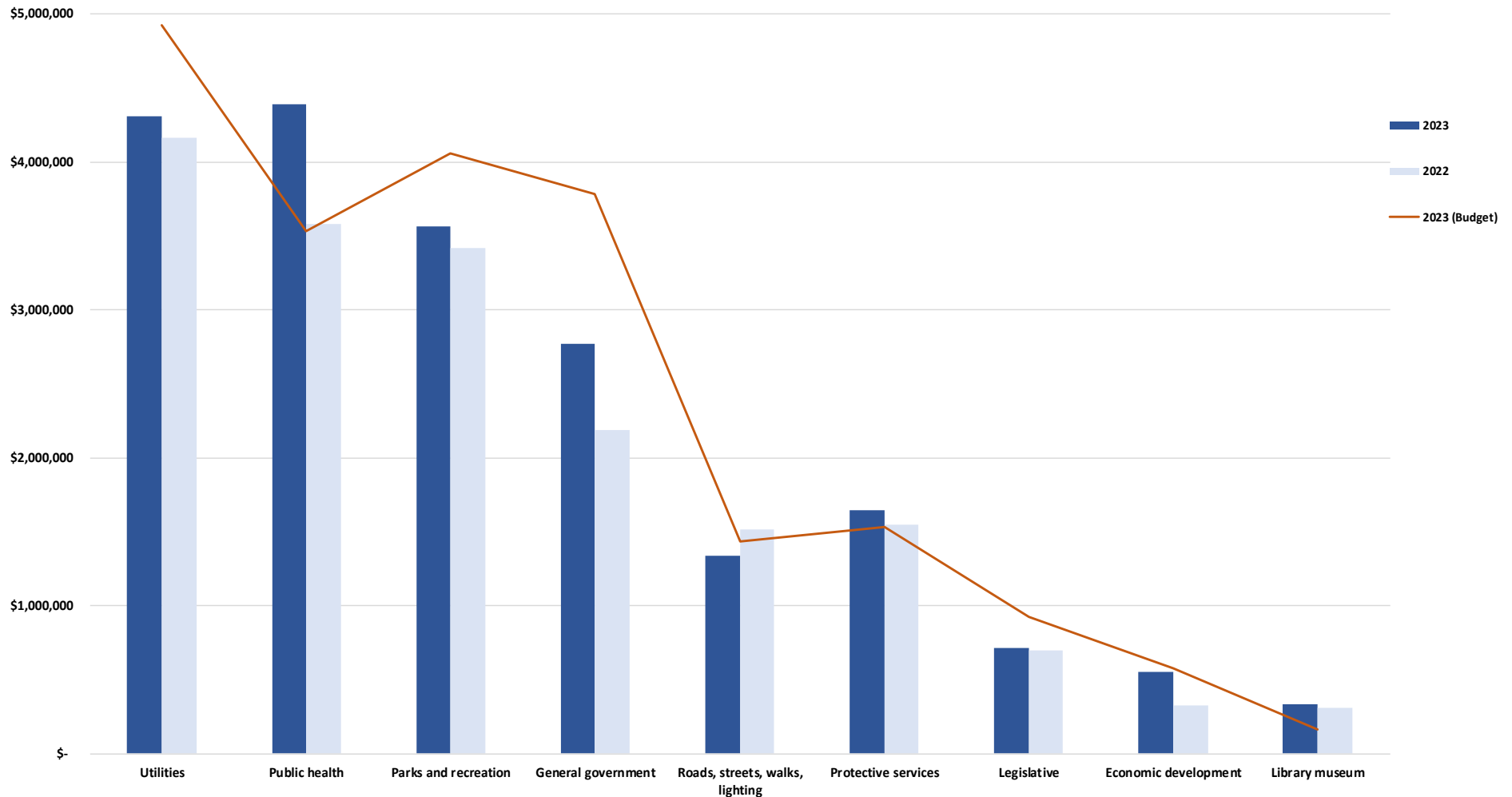
# OPERATING REVENUE



# EXPENSES BY FUNCTION WITHOUT AMORTIZATION

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>EXPENSES</b>			
Utilities	\$ 4,920,700	\$ 4,303,926	\$ 4,161,467
Public health	3,531,766	4,392,304	3,582,442
Parks and recreation	4,056,110	3,561,320	3,419,042
General government	3,783,024	2,770,696	2,187,470
Roads, streets, walks, lighting	1,437,855	1,339,218	1,517,367
Protective services	1,531,714	1,645,074	1,552,409
Legislative	926,148	713,408	703,278
Economic development	579,442	551,814	325,352
Library museum	166,651	336,364	309,496
	<u>\$ 20,933,410</u>	<u>\$ 19,614,124</u>	<u>\$ 17,758,323</u>

# EXPENSES BY FUNCTION WITHOUT AMORTIZATION



# EXPENSES BY OBJECT

	2023 (Budget)	2023 (Actual)	2022 (Actual)
Salaries, wages and benefits	\$ 10,459,909	<b>\$10,501,626</b>	\$ 9,515,265
Contracted and general services	6,206,717	<b>5,248,235</b>	4,290,279
Materials, goods, and utilities	2,981,985	<b>3,155,246</b>	3,262,749
Amortization	-	<b>2,935,896</b>	2,819,113
Interest on long-term debt	830,590	<b>367,519</b>	379,056
Transfers to local boards and agencies	20,808	<b>154,225</b>	20,333
Transfers to individuals and organizations	401,130	<b>124,150</b>	149,431
Bank charges and short-term interest	30,571	<b>36,553</b>	30,314
Accretion	-	<b>31,753</b>	29,080
Provision for allowances (recovery)	1,700	<b>(5,183)</b>	81,816
	<u>\$ 20,933,410</u>	<u><b>\$22,550,020</b></u>	<u>\$ 20,577,436</u>

# OTHER INCOME

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME</b>	\$ 1,466,425	\$ 2,121,061	\$ 6,095,877
<b>OTHER INCOME</b>			
Government transfer for capital	11,064,336	7,195,594	1,858,919
Gain (loss) on disposal of tangible capital assets	-	(38,592)	2,557
	11,064,336	7,157,002	1,861,476
<b>ANNUAL SURPLUS</b>	12,530,761	9,278,063	7,957,353
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR, AS PREVIOUSLY STATED</b>		71,298,468	66,794,886
Restatement		37,636	(1,563,107)
<b>ACCUMULATED SURPLUS BEGINNING OF YEAR, AS RESTATED</b>		71,336,104	65,231,779
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		\$ 80,614,167	\$ 73,189,132

# BUDGET DATA

	2023 (Budget)	2023 (Actual)	2022 (Actual)
<b>Annual surplus (deficit)</b>	<u>\$ 12,530,761</u>	<u>\$ 9,278,063</u>	<u>\$ 7,957,353</u>
<b>Add:</b>			
Long-term debt utilized / issuance of long-term debt	13,648,629	14,150,000	-
Transfer from reserves	<u>7,168,640</u>	<u>2,218,878</u>	<u>2,429,940</u>
	<u>20,817,269</u>	<u>16,368,878</u>	<u>2,429,940</u>
<b>Deduct:</b>			
Acquisition of tangible capital assets	29,382,922	11,806,283	4,484,537
Transfers to reserves	3,007,034	4,476,205	2,737,114
Principal repayment of long-term debt	958,073	657,605	956,044
(Gain) loss on disposal of tangible capital assets	-	38,592	-
	<u>33,348,029</u>	<u>16,978,685</u>	<u>8,177,695</u>
<b>Result of operations as budgeted</b>	<u>\$ 1</u>	<u>\$ 8,668,256</u>	<u>\$ 2,209,598</u>

# SUMMARY

- **ANNUAL SURPLUS**

\$9,278,063 (2022 – \$7,957,353)

- **NET FINANCIAL ASSETS**

\$5,548,285 (2022 - \$5,541,583)

- **AUDIT FINDINGS REPORT TO COUNCIL (see report)**

- SIGNIFICANT CONTROL DEFICIENCIES – VACATION ACCRUAL
- NO UNUSUAL ACCOUNTING POLICIES / ESTIMATES
- UNCORRECTED MISSTATEMENTS
- NO SIGNIFICANT DIFFICULTIES

- **THANK YOU TO MANAGEMENT & STAFF**

- **QUESTIONS?**

## AGENDA ITEM 3.2

### REQUEST FOR DECISION

**Subject:** CUPE Local 1458 Collective Agreement 2024-2026  
**From:** Bill Given, Chief Administrative Officer  
**Prepared by:** Martha Fleming, Human Resources Manager  
**Date:** April 30, 2024

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#### **Recommendation:**

That Council approve the memorandum of agreement between members of CUPE Local 1458 and the Municipality of Jasper negotiating committees on April 16, 2024.

#### **Alternatives:**

- Not ratify the agreement as proposed and request changes

#### **Background:**

The latest collective bargaining agreement (“CBA”) expired on December 31, 2023.

Under the expired agreement wage grid increases were :

- 2021 - 0%, 2022 - 1.25%, 2023 - 2.5%

The Employer committee met with the Union on December 18 and 19, January 18 and 19, February 6, 28 and 29, March 1 and 11, and April 15 and 16th for bargaining.

The negotiating committees were:

- Employer: Martha Fleming, Vidal Michaud, Danica McLellan – Neuman Thompson, Employer Representative
- CUPE Local 1458: Dave Hofhuis, Nic Bazin, Jessica Jackson, Jeff Baker, Troy Killum – CUPE National Representative

A tentative deal was reached at the conclusion of the day on April 16, 2024. The Union Committee has agreed to unanimously recommend the deal to their members and is expected to ratify the agreement on April 25, 2024. All employees of Municipality of Jasper with the exception of twenty- three employees, exempted due to their management responsibilities are represented by the Canadian Union of Public Employees Local 1458 as the bargaining agent and are covered under the Collective Agreement between CUPE Local 1458 and the Municipality of Jasper.

#### **Discussion:**

Council values and encourages positive internal working relationships with its employees. Having a collective agreement settled and agreed to in a timely manner, which is fair and comparable with other agreements is seen as a positive reinforcement of the value Council places on its employees.

The new agreement proposes the following increases to the wage grid:

- 2024 - 2.5%, 2025 - 2.5%, 2026 - 3.5%



The new agreement will be for a three-year term from January 1, 2024 to December 31, 2026. The above represents a 10.5% increase over the next three years from previous and is squarely within market.

### **Other Notable Changes**

- Effective on the date of ratification, positions currently at levels 1 through 9 are to be advanced one (1) level higher
- Effective January 1, 2025: Step A B – Start Rate – Progression across (B, C & D) occurs annually as per Article 20.02 – Payment of Wages
- Addition of a land acknowledgement
- Articles relating to Seniority, Posing and Filling Vacancies, Promotions
- Hours of Work and Overtime
- Employee Benefit Eligibility, Sick Leave & Short-Term Disability
- Grievance Procedure
- Letter of Understanding to jointly explore a third-party insurer for Short Term Disability Plan
- Childcare Services placed on 8 hours per/day/40 hours per week to allow for more flexible hours at the daycare

### **Strategic Relevance:**

- Nurture our most important relationships which are those within our organization, all of who share a commitment to best serve our community.
- Ensure residents receive quality service that provides strong value for dollar.

### **Inclusion Considerations:**

The collective agreement ensures fair representation across all employee groups, and proposed adjustments specifically address living wage considerations for employees on the earlier portions on the wage grid.

### **Relevant Legislation:**

- Policy E-012 Council Negotiation Agents Policy & E-012 Administrative Procedures
- Alberta Employment Standards Code

### **Financial:**

Wages and compensation proposed for 2024 should be accommodated within the budget allocations approved in the 2024 budget. The increases proposed for 2024-2026 are projected to be fair, reasonable and equitable to the employees, the employer and the tax payers of the community