

MUNICIPALITY OF JASPER
REGULAR COUNCIL MEETING AGENDA
June 20, 2023 | 1:30 pm
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 Regular meeting agenda, June 20, 2023 attachment

Recommendation: That Council approve the agenda for the Regular Council meeting of June 20, 2023 as presented.

3 APPROVAL OF MINUTES

3.1 Legislative Committee meeting minutes, June 6, 2023 attachment

Recommendation: That Council approve the minutes of the June 6, 2023 Legislative Committee meeting as presented.

3.2 Regular meeting minutes, June 6, 2023 attachment

Recommendation: That Council approve the minutes of the June 6, 2023 Regular Council meeting as presented.

3.3 Committee of the Whole meeting minutes, June 13, 2023 attachment

Recommendation: That Council approve the minutes of the June 13, 2023 Committee of the Whole meeting as presented.

4 CORRESPONDENCE

5 DELEGATIONS

5.1 Auditor's Presentation, Jeff Alliston, Metrix Group attachment

Recommendation: That Council receive the presentation for information.

5.1.1 In-camera with Auditor – FOIP, S. 26(a)

Recommendations: That Council move in-camera to discuss item 5.1.1 In-camera with Auditor.

That Council revert back to an open meeting.

6 NEW BUSINESS

MUNICIPALITY OF JASPER
REGULAR COUNCIL MEETING AGENDA
June 20, 2023 | 1:30 pm
Jasper Library & Cultural Centre – Quorum Room
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6.1 2022 Audited Financial Statements attachment

Recommendation: That Council accept the 2022 Audit Report presented on June 20, 2023 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, 2022.

6.2 Storage Lots Bylaw – 1st & 2nd reading attachment

Recommendation: That Council give first reading to Bylaw #254, the Storage Lots Bylaw 2023; and, That Council give second reading to Bylaw #254, the Storage Lots Bylaw 2023.

6.3 Recreation Renovation Budget Update attachment

Recommendation: That Council approve increasing the Recreation Renovation Project budget by a total of \$6.4M, to be funded by debenture.

6.4 Hose Tower Repairs

Recommendation: That Council approve capital funding in the amount of \$50,000 for the Hose Tower Repairs project at the Emergency Services Building, funded from the appropriate reserve.

6.5 Community and Economic Development Fund Applications

Recommendation: That Council award \$2,500 in Community & Economic Development Funding to each of the following groups:

- *Jasper Local Food Society*
- *Jasper Pride Festival Society*
- *Jasper Seniors Housing Society*

6.6 Strategic Facility Plan RFP Award

Recommendation: That Council increase the total budget for the Strategic Facility Plan to \$106,705 using \$76,705 in Municipal Sustainability Initiative operational funding and;

That Committee recommend Council award the Strategic Facility Plan to Reimagine Architecture.

7 NOTICES OF MOTION

8 COUNCILLOR REPORTS

[8.1 Council's appointments to boards and committees](#)

9 UPCOMING EVENTS

National Indigenous Peoples Day – 9:30am-4pm, Wednesday, June 21, Robson Park

MUNICIPALITY OF JASPER
REGULAR COUNCIL MEETING AGENDA

June 20, 2023 | 1:30 pm

Jasper Library & Cultural Centre – Quorum Room

[Municipality of Jasper Strategic Priorities 2022-2026](#)

NETMA – 5-7pm, Wednesday, June 28, Tourism Jasper Visitor Experience Center, Heritage Firehall
Canada Day Pancake Breakfast – Saturday, July 1, Commemoration Park

10 ADJOURNMENT

Recommendation: That, there being no further business, the regular meeting of June 20, 2023 be adjourned at _____.

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

Legislative Committee Minutes

Tuesday, June 6, 2023

Quorum Room, Jasper Municipal Library & Cultural Centre



In attendance:

Mayor Richard Ireland, Councillors Wendy Hall & Rico Damota, CAO Bill Given, and Emma Acorn (Legislative Services Coordinator and recorder)

1. Call to order – Chair Wendy Hall

- Councillor Hall called the meeting to order at 10:36am

2. Additions or deletions to the agenda

3. Approval of the agenda

- MOTION by Councillor Damota to approve agenda as amended. – CARRIED

4. Procedure Bylaw #190

4.1 Bylaw redraft and update

Mr. Given gave a verbal update on the work being done with our consultant, who has had to pause work to attend to medical appointments. Administration does plan to be bringing back a draft for review at the next meeting or shifting to another resource.

The Committee discussed the possibility of a municipal intern for Jasper, and/or sharing one with Hinton. Resources within the legislative department were discussed as well.

5. Policies for potential deletion

Committee reviewed recommendations on policies for potential deletion.

The importance of a “Respectful Workplace Policy” was discussed regarding B-005 including a focus on employees. Updates to both policies were considered instead of deletion. “Respect” should be well defined within the update.

The mission statement policy was first crafted in 1994. It could be updated with “Council shall”, “review every x years”, etc. At the start of every new council a review of the mission statement could be made mandatory and made part of the swearing in oath of office. A purpose should be added.

- MOTION by Mayor Ireland that Legislative Committee reaffirm the policies and direct administration update the policies to reflect current formatting and return to a future meeting. – CARRIED

6. AB Munis Submission Update

The MOJ submission has been received and will be published in the 2023 AB Munis Resolutions Book

Legislative Committee Minutes

Tuesday, June 6, 2023

Quorum Room, Jasper Municipal Library & Cultural Centre



at the end of July. Committee agreed the resolutions could be reviewed at the August meeting, which will be scheduled for August 15th due to the summer break.

7. Adjournment

- Next meetings: Tuesday, July 18, 2023 at 10:30 am
- Councillor Hall adjourned the meeting at 11:55am

DRAFT

Municipality of Jasper
Regular Council Meeting Minutes
 Tuesday, June 6, 2023 | 1:30 pm
 Jasper Library and Cultural Centre, Quorum Room

Virtual viewing and participation	Council attendance is in Council chambers at the Jasper Library and Cultural Centre. This meeting was also conducted virtually and available for public livestreaming through Zoom. Public viewing and participation during Council meetings is through both Zoom livestreaming and in-person attendance.								
Present	Mayor Richard Ireland, Deputy Mayor Kathleen Waxer, Councillors Scott Wilson, Helen Kelleher-Empy, Rico Damota, Ralph Melnyk and Wendy Hall								
Absent	None								
Also present	Bill Given, Chief Administrative Officer Christine Nadon, Director of Protective & Legislative Services John Greathead, Director of Operations & Utilities Emma Acorn, Legislative Services Coordinator Peter Shokeir, The Fitzhugh 2 observers								
Call to order	Mayor Ireland called the June 6, 2023 Regular Council meeting to order at 1:31pm and began with a Traditional Land Acknowledgment . June is National Indigenous History Month in Canada.								
Additions/ Deletions to agenda #256/23	MOTION by Councillor Melnyk that the following item be added to the agenda: <ul style="list-style-type: none"> • 3.3 Business arising from minutes <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR</td> <td style="text-align: left;">AGAINST</td> <td></td> </tr> <tr> <td style="text-align: left;">7 Councillors</td> <td style="text-align: left;">0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>			FOR	AGAINST		7 Councillors	0 Councillors	CARRIED
FOR	AGAINST								
7 Councillors	0 Councillors	CARRIED							
Approval of agenda #257/23	MOTION by Councillor Kelleher-Empy – BE IT RESOLVED that Council approve the agenda for the June 6, 2023 regular meeting as amended. <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR</td> <td style="text-align: left;">AGAINST</td> <td></td> </tr> <tr> <td style="text-align: left;">7 Councillors</td> <td style="text-align: left;">0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>			FOR	AGAINST		7 Councillors	0 Councillors	CARRIED
FOR	AGAINST								
7 Councillors	0 Councillors	CARRIED							
Approval of Regular minutes #258/23	MOTION by Councillor Waxer – BE IT RESOLVED that Council approve the minutes of the May 16, 2023 Regular Council meeting with the following amendments: <ul style="list-style-type: none"> • Councillors Melnyk, Kelleher-Empy, and Waxer each declared a conflict of interest regarding the Public Transit RFP Award and excused themselves from the meeting until the next item on the agenda. • Councillors Melnyk, Waxer & Kelleher-Empy returned to the meeting at 5:29pm. <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR</td> <td style="text-align: left;">AGAINST</td> <td></td> </tr> <tr> <td style="text-align: left;">7 Councillors</td> <td style="text-align: left;">0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>			FOR	AGAINST		7 Councillors	0 Councillors	CARRIED
FOR	AGAINST								
7 Councillors	0 Councillors	CARRIED							
Approval of Committee of the Whole minutes #259/23	MOTION by Councillor Melnyk – BE IT RESOLVED that Council approve the minutes of the May 23, 2023 Committee of the Whole meeting as presented. <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR</td> <td style="text-align: left;">AGAINST</td> <td></td> </tr> <tr> <td style="text-align: left;">7 Councillors</td> <td style="text-align: left;">0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>			FOR	AGAINST		7 Councillors	0 Councillors	CARRIED
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Business arising from minutes	Council discussed Motion #240/23, the use of year end surplus funds, and the opportunity for splitting motions in the future.								
Correspondence – RCMP Quarterly Report #260/23	MOTION by Councillor Waxer – BE IT RESOLVED that Council receive the RCMP Quarterly Report for information. <table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR</td> <td style="text-align: left;">AGAINST</td> <td></td> </tr> <tr> <td style="text-align: left;">7 Councillors</td> <td style="text-align: left;">0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>			FOR	AGAINST		7 Councillors	0 Councillors	CARRIED
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7 Councillors	0 Councillors	CARRIED							
Delegations	none								

Variance Request – Sidewalk Seating, Papa George’s Restaurant #261/23	<p>MOTION by Councillor Wilson – BE IT RESOLVED that Council approve the variance request for Papa George’s Restaurant sidewalk seating application for an extension beyond the building frontage to the west; on the basis:</p> <p>That it is an incidental encroachment onto the neighbouring property with the consent of the owner of the neighbouring property and does not constitute a material breach of the maximum size of the installation.</p>			
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR 7 Councillors</td> <td style="text-align: left;">AGAINST 0 Councillors</td> <td style="text-align: right;">CARRIED</td> </tr> </table>	FOR 7 Councillors	AGAINST 0 Councillors	CARRIED
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Seniors’ Week Proclamation #262/23	<p>MOTION by Councillor Waxer – BE IT RESOLVED that Council proclaim June 5-11, 2023 as Seniors’ Week in Jasper.</p>			
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FOR 7 Councillors	AGAINST 0 Councillors	CARRIED		
Extended Producer Responsibility #263/23	<p>MOTION by Councillor Wilson – BE IT RESOLVED that Council request the West Yellowhead Regional Waste Management Authority develop resources to assist member communities in preparing for EPR.</p>			
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Notices of Motion	none			
Councillor Reports	<p>Councillor Waxer attended NETMA last week which was held at the museum and also volunteered at the Gran Fondo Jasper on the weekend.</p> <p>Councillors Waxer & Melnyk both volunteered at the summer staff welcome event last week.</p> <p>Mayor Ireland, Councillors Kelleher-Empey, Hall, Wilson & Damota were all in Toronto for the Federation of Canadian Municipalities conference May 25-28th.</p> <p>Councillor Kelleher-Empey attended a TransCanada Yellowhead Highway Association board meeting in Edmonton last Friday and a Seniors’ Week kick-off event at Alpine Summit yesterday.</p>			
Upcoming events	Council received a list of upcoming events for information.			
Adjournment #264/23	<p>MOTION by Councillor Melnyk – BE IT RESOLVED that, there being no further business, the Regular Council meeting of June 6, 2023 be adjourned at 2:34pm.</p>			
	<table border="0" style="width: 100%;"> <tr> <td style="text-align: left;">FOR 6 Councillors</td> <td style="text-align: left;">AGAINST 1 Councillor (Councillor Damota)</td> <td style="text-align: right;">CARRIED</td> </tr> </table>	FOR 6 Councillors	AGAINST 1 Councillor (Councillor Damota)	CARRIED
FOR 6 Councillors	AGAINST 1 Councillor (Councillor Damota)	CARRIED		

Mayor

Chief Administrative Officer

Municipality of Jasper
Committee of the Whole Meeting Minutes
Tuesday, June 13, 2023 | 9:30am
Jasper Library and Cultural Centre, Quorum Room

Virtual viewing and participation	Council attendance is in Council chambers at the Jasper Library and Cultural Centre. This meeting was also conducted virtually and available for public livestreaming through Zoom. Public viewing and participation during Council meetings is through Zoom livestreaming and in person attendance.
Present	Mayor Richard Ireland, Deputy Mayor Kathleen Waxer, Councillors Wendy Hall, Helen Kelleher-Empey, Rico Damota, Scott Wilson and Ralph Melnyk
Absent	none
Also present	Bill Given, Chief Administrative Officer Christine Nadon, Director of Protective & Legislative Services Natasha Malenchak, Director of Finance & Administration Christopher Read, Director of Community Development Emma Acorn, Legislative Services Coordinator Chris Timmons, WSP Bob Covey, The Jasper Local Peter Shokeir, The Fitzhugh 12 observers
Call to Order	Deputy Mayor Waxer called the June 13, 2023 Committee of the Whole meeting to order at 9:31am and began with a Traditional Land Acknowledgement .
Additions/deletions to the agenda	none
Approval of agenda #265/23	MOTION by Councillor Hall that Committee approve the agenda for the June 13, 2023 Committee of the Whole meeting as presented. FOR 6 Councillors AGAINST 0 Councillor CARRIED
Business arising from May 23, 2023 minutes	none
Delegations	none
Correspondence	none
Recreation Renovation Budget Update	Committee received a report from Administration including a briefing note from WSP regarding the Activity Centre Renovation Project. Director of Community Development, Christopher Read, reviewed financials, timelines, resource challenges, and project scope. Chris Timmons of WSP and Director of Finance & Administration, Natasha Malenchak

were also present to provide further details and background.

Mayor Ireland joined the meeting at 10:18am.

- #266/23 MOTION by Councillor Wilson that Committee direct Administration to return to the next Council meeting with a list of costs of items tied to grant funding as well as costs associated with items outside of the grant scope and any additional information on how the project scope grew over the last year.
- | | | |
|---------------|--------------|---------|
| FOR | AGAINST | |
| 7 Councillors | 0 Councillor | CARRIED |
- Recess Deputy Mayor Waxer called a recess from 11:04-11:11am.
- #267/23 MOTION by Mayor Ireland that the request for decision presented today be returned to Council for the June 20, 2023 Regular Council meeting.
- | | | |
|---------------|--------------|---------|
| FOR | AGAINST | |
| 7 Councillors | 0 Councillor | CARRIED |
- Hose Tower Repairs Committee received a report from Administration detailing repairs needed at the Emergency Services Building. Director of Protective & Legislative Services, Christine Nadon, shared information on damage incurred due to a water leak and the effect this has had on the building and staff.
- #268/23 MOTION by Councillor Melnyk that Committee recommend Council approve capital funding in the amount of \$50,000 for the Hose Tower Repairs project at the Emergency Services Building, funded from the appropriate reserve.
- | | | |
|---------------|--------------|---------|
| FOR | AGAINST | |
| 7 Councillors | 0 Councillor | CARRIED |
- Council Delegation to Hakone 2023 Committee received a report from Ms. Nadon updating Council on the interest shown by the public in joining a delegation; and, the next steps to secure flights and accommodation for a fall trip to Hakone.
- #269/23 MOTION by Councillor Hall that Committee receive the Council Delegation to Hakone 2023 report for information.
- | | | |
|---------------|-------------------------------------|---------|
| FOR | AGAINST | |
| 6 Councillors | 1 Councillor
(Councillor Damota) | CARRIED |
- Community and Economic Development Fund Applications Committee received recommendations from Administration regarding applications to the Community & Economic Development Fund. Mr. Read reviewed the applications received, the criteria used, and the amount of funding available.

#270/23	<p>MOTION by Mayor Ireland that Committee recommend Council award \$2,500 in Community & Economic Development Funding to each of the following groups:</p> <ul style="list-style-type: none"> • Jasper Local Food Society • Jasper Pride Festival Society • Jasper Seniors Housing Society 						
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7 Councillors	0 Councillor	CARRIED					
Recess	<p>Deputy Mayor Waxer called for a recess from 12:06-1:05pm. Councillor Wilson did not return after the break.</p>						
Strategic Facility Plan RFP Award	<p>Administration presented a report to Committee sharing recommendations and alternatives for the Space Needs Analysis which was included in the 2023 capital budget. An RFP for “Strategic Facility Plan” was posted to Alberta Purchasing Connection on March 24, 2023 with a closing date of April 21, 2023. Mr. Given reviewed the history of municipal facilities and challenges being experienced today and expected in the future.</p>						
#271/23	<p>MOTION by Councillor Melnyk that Committee recommend Council increase the total budget for the Strategic Facility Plan to \$106,705 using \$76,705 in Municipal Sustainability Initiative operational funding and;</p> <p>That Committee recommend Council award the Strategic Facility Plan to Reimagine Architecture.</p>						
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FOR	AGAINST						
6 Councillors	0 Councillor	CARRIED					
Skate Park Project Update and RFD	<p>Mr. Read shared an update with Committee on the fundraising efforts of the Jasper Skate Park Committee and the project timelines.</p>						
#272/23	<p>MOTION by Councillor Kelleher-Empey that Committee direct Administration to enter into formal agreements as required for development, delivery, and ongoing maintenance partnerships with the Jasper Skate Park Committee for the Jasper Skate Park project.</p>						
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Global Covenant of Mayors for Climate Action	<p>Mayor Ireland attended a session at the 2023 Federation of Canadian Municipalities conference on the “Global Covenant of Mayors for Climate Action” which is a group of municipalities taking action on climate change in their communities.</p>						
#273/23	<p>MOTION by Mayor Ireland that Committee direct Administration to investigate the costs and benefits associated with Jasper applying/agreeing to become a member of the “Global Covenant of Mayors for Climate Action” and return with a report to a future Committee of the Whole meeting.</p>						

FOR
6 Councillors

AGAINST
0 Councillor

CARRIED

Motion Action List Administration reviewed the Motion Action List.

#274/23 MOTION by Councillor Melnyk that Committee approve the Motion Action List with a date change for the following item:

- Jasper Hockey League to August 2023

FOR
6 Councillors

AGAINST
0 Councillors

CARRIED

Councillor upcoming meetings Councillor Melnyk has a Jasper Yellowhead Historical Society board meeting tonight and will be taking part in Lemonade Day later this week. Last week he and Councillor Damota attended a Community Futures West Yellowhead board meeting in Hinton.

Mayor Ireland, Councillor Melnyk and Councillor Waxer were at an Emergency Advisory Committee meeting yesterday.

Councillor Hall will be attending a Jasper Municipal Library board meeting this evening and the Early Childhood Community Conversation tomorrow.

Councillor Kelleher-Empey thanked Administration, staff, and community volunteers who helped with Seniors' Week events and passed on the appreciation which was felt by all.

Mayor Ireland will be in attendance at both the École Desrochers graduation ceremony on June 26th and the Jasper Junior/Senior High School graduation ceremony on June 28th.

Upcoming Events Council reviewed a list of upcoming events.

Adjournment #275/23 MOTION by Councillor Hall that, there being no further business, the Committee of the Whole meeting of June 13, 2023 be adjourned at 2:18pm.

FOR
6 Councillors

AGAINST
0 Councillors

CARRIED

MUNICIPALITY OF JASPER

2022 PRESENTATION TO COUNCIL



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 QUALIFIED OPINION

- IN ACCORDANCE WITH CANADIAN GAAS
- WEST YELLOWHEAD REGIONAL WASTE MANAGEMENT AUTHORITY

□ 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

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

TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

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

RECEIVABLES

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

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Prepaid expenses	390,791	363,338
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ACCUMULATED SURPLUS	C+D <u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

DEFERRED REVENUE

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

STATEMENT OF FINANCIAL POSITION

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

LONG-TERM DEBT

□ LONG-TERM DEBT - \$11,072,827

■ Debenture Debt

- Province of Alberta (2.552%) - \$2,819,339
- Province of Alberta (2.552%) - \$1,824,278
- Province of Alberta (3.460%) - \$6,079,699
- Province of Alberta (4.795%) - \$300,268
- Canada Mortgage and Housing Corporation (0.000%) - \$49,243

□ MATURITY

- 2023 - 2051

DEBT LIMITS

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

STATEMENT OF FINANCIAL POSITION

	2022	2021 (Restated)
FINANCIAL ASSETS		
Cash	\$ 17,098,131	\$ 20,394,837
Trade and grants in place of taxes receivable	636,993	446,160
Trade and other receivables	6,464,477	3,923,251
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ACCUMULATED SURPLUS	C+D <u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS

	Opening Balance	Additions	Disposals	Amortization	Transfers	Ending Balance
Land	\$ 403,759	\$ -	\$ -	\$ -	\$ -	\$ 403,759
Land Improvements	2,077,334	-	-	(137,638)	-	1,939,696
Buildings	23,972,132	70,000	-	(753,122)	-	23,289,010
Engineered Structures	25,141,897	-	-	(1,110,274)	5,920,662	29,952,285
Machinery & Equipment	2,855,944	515,507	-	(432,605)	-	2,938,846
Vehicles	3,505,191	-	-	(339,300)	-	3,165,891
Construction in Progress	5,524,964	3,858,767	-	-	(5,920,662)	3,463,069
	\$ 63,481,221	\$ 4,444,274	\$ -	\$ (2,772,939)	\$ -	\$ 65,152,556

STATEMENT OF FINANCIAL POSITION

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

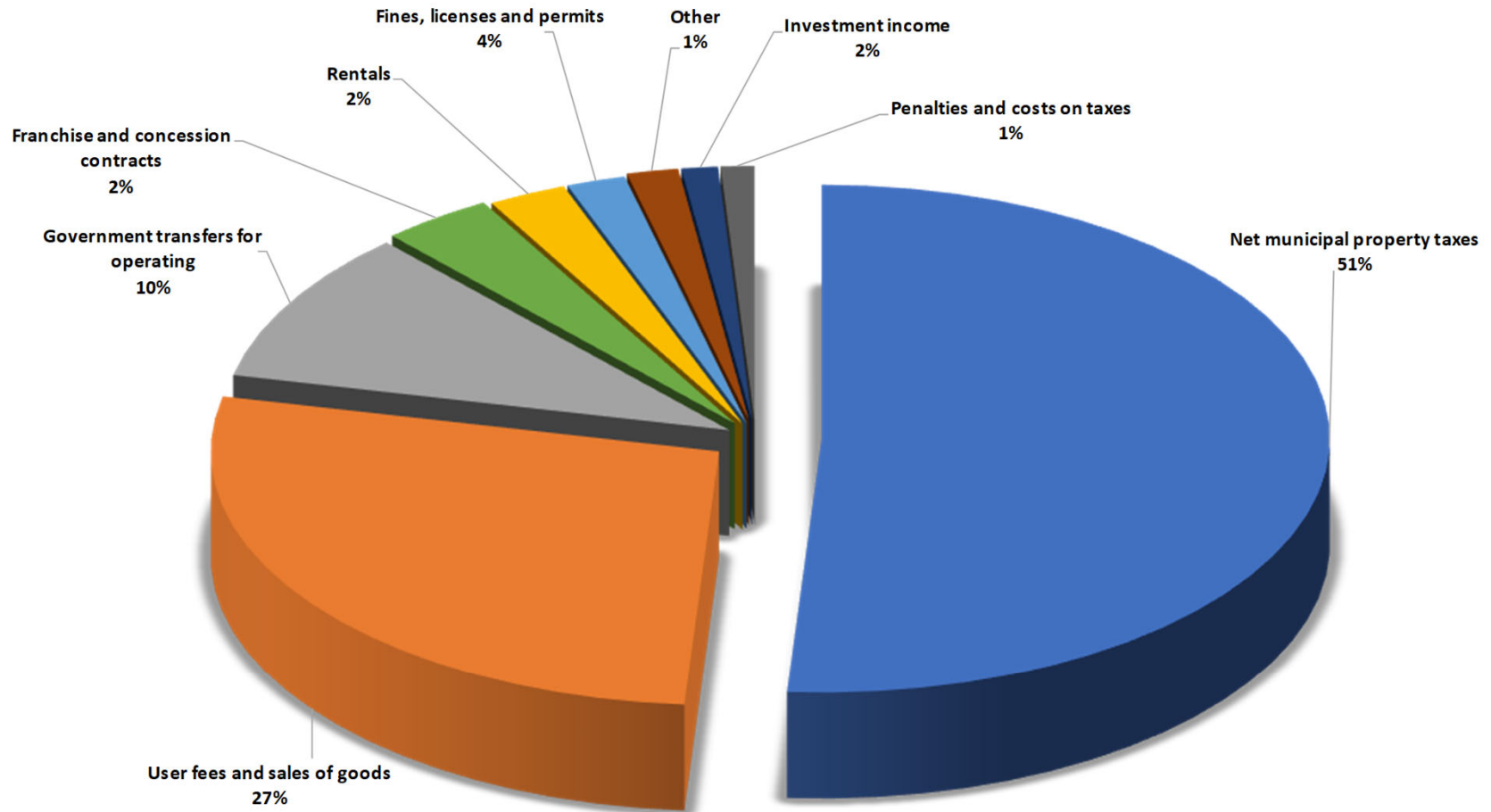
ACCUMULATED SURPLUS

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

OPERATING REVENUE

	2022 (Budget)	2022 (Actual)	2021 (Actual)
REVENUE			
Net municipal property taxes	\$ 8,357,994	\$ 13,493,657	\$ 7,437,905
User fees and sales of goods	7,186,444	7,233,707	5,947,661
Government transfers for operating	2,053,308	2,572,177	2,625,389
Fines, licenses and permits	714,542	938,580	303,872
Franchise and concession contracts	512,294	659,053	437,451
Rentals	633,564	495,982	404,686
Investment income	204,000	432,550	114,167
Penalties and costs on taxes	84,897	306,177	111,776
Other	877,264	281,391	248,431
	<u>\$ 20,624,307</u>	<u>\$ 26,413,274</u>	<u>\$ 17,631,338</u>

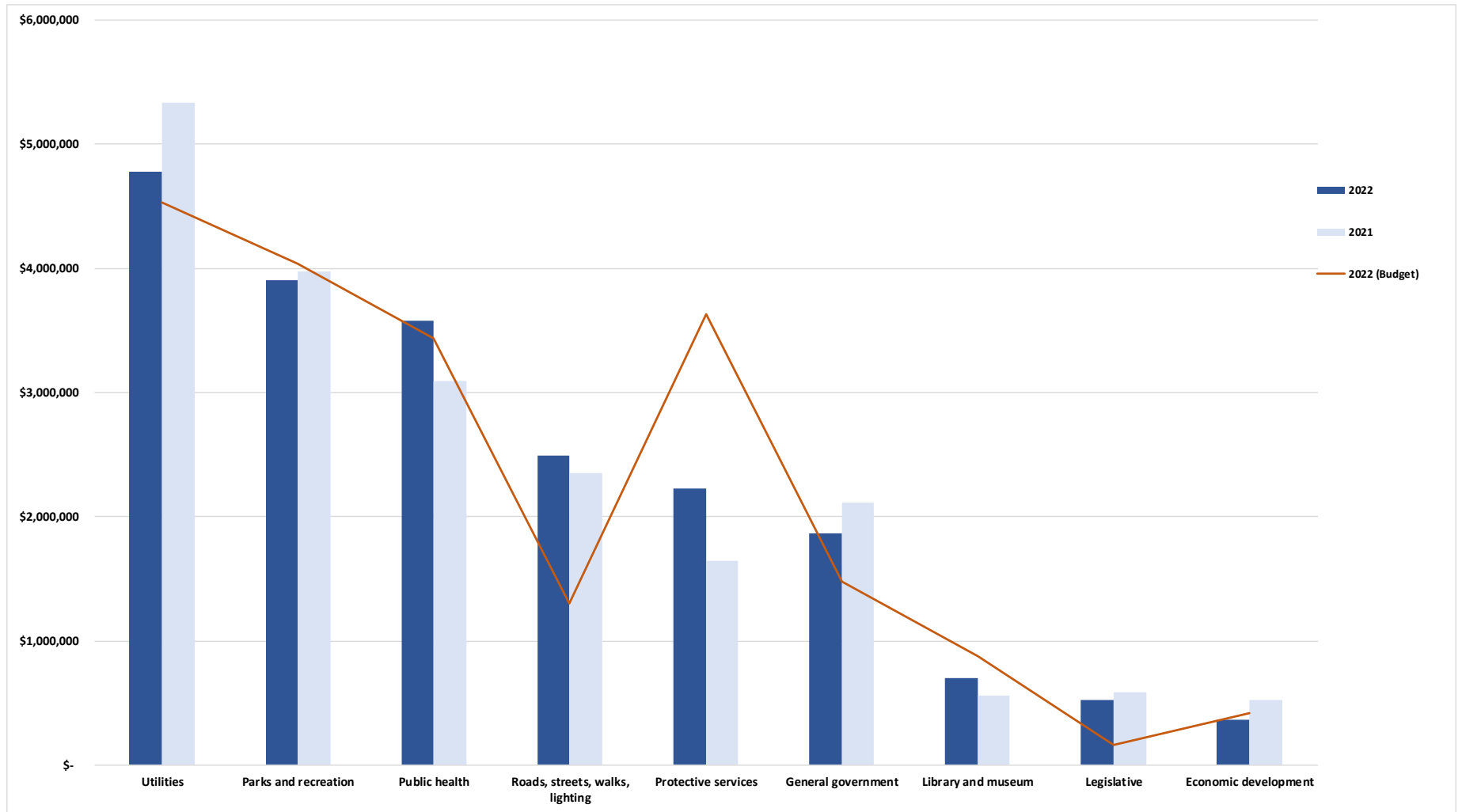
OPERATING REVENUE



EXPENSES BY FUNCTION W/O AMORTIZATION

	2022 (Budget)	2022 (Actual)	2021 (Actual)
EXPENSES			
Utilities	\$ 4,533,852	\$ 4,782,877	\$ 5,331,531
Parks and recreation	4,034,113	3,903,236	3,977,451
Public health	3,437,204	3,582,442	3,090,851
Roads, streets, walks, lighting	1,299,674	2,490,490	2,355,285
General government	3,628,603	2,224,824	1,641,151
Protective services	1,474,612	1,865,299	2,109,041
Legislative	880,706	703,278	556,525
Library and museum	164,926	520,615	586,407
Economic development	416,759	368,285	521,272
	<u>\$ 19,870,449</u>	<u>\$ 20,441,346</u>	<u>\$ 20,169,514</u>

EXPENSES BY FUNCTION



EXPENSES BY OBJECT

	2022 (Budget)	2022 (Actual)	2021 (Actual)
Salaries, wages and benefits	\$ 9,445,905	\$ 9,515,265	\$ 8,609,210
Contracted and general services	6,118,435	4,230,030	5,548,525
Materials, goods, supplies and utilities	3,120,938	3,262,280	2,779,674
Amortization	-	2,772,939	2,717,460
Interest on long-term debt	746,567	379,056	196,576
Transfers to individuals and organizations	78,500	149,431	26,452
Provision for allowances (recovery)	1,700	81,816	142,238
Bank charges and short-term interest	30,128	30,196	33,970
Transfers to local boards and agencies	328,275	20,333	115,409
	<u>\$19,870,449</u>	<u>\$20,441,346</u>	<u>\$ 20,169,514</u>

OTHER REVENUE (EXPENSE)

	2022 (Budget)	2022 (Actual)	2021 (Actual)
ANNUAL SURPLUS (DEFICIT) BEFORE OTHER INCOME	\$ 753,858	\$ 5,971,928	\$ (2,538,176)
OTHER INCOME			
GOVERNMENT TRANSFERS FOR CAPITAL	10,135,956	1,858,919	771,461
GAIN (LOSS) ON DISPOSAL OF TCA	-	-	2,557
	<u>10,135,956</u>	<u>1,858,919</u>	<u>774,018</u>
ANNUAL SURPLUS (DEFICIT)	10,889,814	7,830,847	(1,764,158)
ACCUMULATED SURPLUS BEGINNING OF YEAR, AS PREVIOUSLY STATED	\$ 65,164,391	\$ 65,164,391	\$ 66,794,886
Restatement	\$ (1,696,770)	\$ (1,696,770)	\$ (1,563,107)
ACCUMULATED SURPLUS BEGINNING OF YEAR	<u>63,467,621</u>	<u>63,467,621</u>	<u>65,231,779</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 74,357,435</u>	<u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>

BUDGET DATA

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

SUMMARY

- **ANNUAL SURPLUS (DEFICIT)**

\$7,830,847 (2021 – \$(1,764,158))

- **NET FINANCIAL ASSETS**

\$5,755,121 (2021 - \$376,938)

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

- QUALIFICATION
- NO SIGNIFICANT CONTROL DEFICIENCIES
- NO UNUSUAL ACCOUNTING POLICIES / ESTIMATES
- UNCORRECTED MISSTATEMENTS
- SIGNIFICANT DIFFICULTIES

- **THANK YOU TO MANAGEMENT & STAFF**

- **QUESTIONS?**

AGENDA ITEM 6.1

REQUEST FOR DECISION

Subject: 2022 Audited Consolidated Financial Statements
From: Bill Given, Chief Administrative Officer
Prepared by: Natasha Malenchak, Director of Finance & Administration
Date: June 20, 2023



Recommendation:

- That Council accept the 2022 Audit Report presented on June 20, 2023, 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, 2022.

Alternatives:

- Council 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 1st of each year. A request for extension was requested this year due to consolidation of West Yellowhead Regional Waste Management Authority Financial Statements being incomplete in sufficient time to consolidate to the Municipality's.

Discussion:

The overall financial position of the Municipality as presented in these statements for December 31, 2022, 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 assets and liabilities, its net debt, its accumulated surplus or deficit, and its tangible capital assets and other non-financial assets. 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 varies from the annual financial statements in formatting the underlying information and financial impacts are consistent. There are two significant differences to note:

1. **Treatment of Amortization:** The financial statements include non-cash adjustments for amortization of assets in the amount of \$2,772,939 (see 'Non-Consolidated Statement of Change in Net Financial Assets (Debt)').

This amortization expense is not currently funded in the municipal budget and therefore does not appear in administrative reporting. Without the addition of this non-cash expense the municipality realized a surplus (before other income) of \$10,603,786 for the 2022 year.

2. **Landfill Liability:** The audited financial statements do not include the landfill closure liability which is also not detailed in the variance reports or financial reporting presented to Council during the year. The Municipality of Jasper has a 20% share in West Yellowhead Regional Waste Management Authority (WYRWMA). Due to WYRWMA not having finalized audited statements the Municipality's share has not been consolidated for the year-ended December 31, 2022.

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:

Debt Limit: The debt limit calculated in Note 10 of the Audit Financial Statements are calculated off an accrued revenue which includes the full amount of the Local Improvement Levy. This revenue will not remotely close to this in 2023 therefore for precautionary measures the following calculation should be used so that the Municipality would not set itself up for a debt limit that would not be sustainable going into future years.

	*Adjusted <u>2022</u>	Audited <u>2022</u>	Actual <u>2021</u>
Total Debt Limit	\$ 31,677,551	\$ 39,619,911	\$ 26,447,007
Total Debt	<u>\$ (11,072,827)</u>	<u>\$ (11,072,827)</u>	\$ (12,028,869)
Amount of Debt limit unused	<u>\$ 20,604,724</u>	<u>\$ 28,547,084</u>	\$ 14,418,138
Service on Debt Limit	\$ 5,279,592	\$ 6,603,319	\$ 4,407,835
Service on Debt	<u>\$ (1,044,568)</u>	<u>\$ (1,044,568)</u>	\$ (1,333,522)
Amount of Service on Debt limit unused	<u>\$ 4,235,024</u>	<u>\$ 5,558,751</u>	\$ 3,074,313

*adjusted to remove Local Improvement Levy accrued revenue

Annual Surplus: The annual Surplus (Deficit) includes the full accrued amount of the Local Improvement Levy revenue in the amount of \$5,294,907 and the non-cash expense adjustment of amortization in the amount of \$2,772,939. If these amounts are removed from the equation the surplus for 2022 would be \$3,449,960.

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.](#)

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

DRAFT

INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Municipality of Jasper

Qualified Opinion

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

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

Basis for Qualified Opinion

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

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

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

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

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

(continues)

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

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

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

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

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

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

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

Chartered Professional Accountants

Edmonton, Alberta
June 20, 2023



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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

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

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

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

Bill Given, Chief Administrative Officer

Natasha Malenchak, Director of Finance and Administration

Jasper, Alberta
June 20, 2023

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

	<u>2022</u>	<u>2021</u> (Restated) (Note 21)
FINANCIAL ASSETS		
Cash	\$ 17,098,131	\$ 20,394,837
Taxes and grants in place of taxes receivable (Note 2)	636,993	446,160
Trade and other receivables (Note 3)	6,464,477	3,923,251
Debt recoverable - local improvements	<u>5,302,462</u>	<u>12,763</u>
	<u>29,502,063</u>	<u>24,777,011</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	\$ 2,967,664	\$ 3,532,312
Employee benefit obligations (Note 6)	677,538	495,270
Deposit liabilities	68,174	68,573
Deferred revenue (Note 7)	8,909,165	9,028,925
Capital lease obligations (Note 8)	51,574	-
Long-term debt (Note 9)	<u>11,072,827</u>	<u>12,028,869</u>
	<u>23,746,942</u>	<u>25,153,949</u>
NET FINANCIAL ASSETS (DEBT)	<u>5,755,121</u>	<u>(376,938)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 5)	65,152,556	63,481,221
Prepaid expenses	<u>390,791</u>	<u>363,338</u>
	<u>65,543,347</u>	<u>63,844,559</u>
ACCUMULATED SURPLUS (Schedule 1, Note 12)	<u>\$ 71,298,468</u>	<u>\$ 63,467,621</u>
CONTINGENCIES (Note 15)		

APPROVED ON BEHALF OF COUNCIL:

_____ Mayor

_____ Councillor

MUNICIPALITY OF JASPER

Non-Consolidated Statement of Operations and Accumulated Surplus

For The Year Ended December 31, 2022

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

MUNICIPALITY OF JASPER

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

For The Year Ended December 31, 2022

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

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

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

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

SCHEDULE 1

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

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

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

SCHEDULE 2

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

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

SCHEDULE 3

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

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

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

SCHEDULE 4

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

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

SCHEDULE 5

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Reporting Entity

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

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

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

(b) Basis of Accounting

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

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

(c) Tax Revenue

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

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

(d) Requisition Over-Levies and Under-Levies

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

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

(CONT'D)

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

(e) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

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

(f) Pension Expenses

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

(g) Investments

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

(h) Non-Financial Assets

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

Tangible Capital Assets

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

(CONT'D)

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

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

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

Contributions of Tangible Capital Assets

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

Cultural and Historical Tangible Capital Assets

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

Leases

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

Land Leases

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

(i) Use of Estimates

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

(CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Use of Estimates (cont'd)

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

(j) Future Accounting Standard Pronouncements

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

i) Financial Statement Presentation

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

ii) Foreign Currency Translation

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

iii) Portfolio Investments

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

iv) Financial Instruments

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Future Accounting Standard Pronouncements

v) Asset Retirement Obligations

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

vi) Public Private Partnerships

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

vii) Revenue

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

viii) Purchased Intangible Assets

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

2. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

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

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

3. TRADE AND OTHER RECEIVABLES

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

4. LINE OF CREDIT

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

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

6. EMPLOYEE BENEFITS OBLIGATION

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

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

7. DEFERRED REVENUE

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

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

8. CAPITAL LEASE OBLIGATIONS

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

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

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

9. LONG-TERM DEBT

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

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

Principal and interest repayments:

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

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

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

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

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

10. DEBT LIMITS

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

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

The debt limit is calculated at 1.5 times revenue of the Municipality (as defined in *Alberta Regulation 255/2000*) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Municipality. Rather, the non-consolidated financial statements must be interpreted as a whole.

11. EQUITY IN TANGIBLE CAPITAL ASSETS

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

12. ACCUMULATED SURPLUS

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

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

13. TRUST FUNDS

The Municipality administers the following trust funds:

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

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

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

14. FRANCHISE AND CONCESSION CONTRACTS

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

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

15. CONTINGENCIES

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

16. LOCAL AUTHORITIES PENSION PLAN

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

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

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

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

MUNICIPALITY OF JASPER**Notes to Non-Consolidated Financial Statements****Year Ended December 31, 2022****17. SALARY AND BENEFITS DISCLOSURE**

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

	<u>Salary</u>	<u>Benefits</u>	<u>2022</u>	<u>2021</u>
Mayor Ireland	\$ 87,148	\$ 8,089	\$ 95,237	\$ 90,191
Councillor Damota	20,812	5,582	26,394	25,870
Councillor Hall	28,021	5,998	34,019	6,299
Councillor Kelleher-Empey	21,769	5,639	27,408	26,674
Councillor Melnyk	29,351	6,065	35,416	6,990
Councillor Waxer	26,635	5,909	32,544	6,022
Councillor Wilson	22,150	5,658	27,808	27,351
Councillor Butler	-	-	-	25,070
Councillor Journault	-	-	-	16,852
Councillor McGrath	-	-	-	28,744
	<u>\$ 235,886</u>	<u>\$ 42,940</u>	<u>\$ 278,826</u>	<u>\$ 260,063</u>
Chief Administrative Officer	<u>\$ 230,291</u>	<u>\$ 37,769</u>	<u>\$ 268,060</u>	<u>\$ 168,628</u>

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

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

18. SEGMENTED INFORMATION

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

(a) General Government

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

(b) Legislative

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

(CONT'D)

MUNICIPALITY OF JASPER

Notes to Non-Consolidated Financial Statements

Year Ended December 31, 2022

19. SEGMENTED INFORMATION (CONT'D)

(c) Protective Services

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

(d) Roads, Streets, Walks, Lighting

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

(e) Parks and Recreation

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

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

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

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

20. FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

22. APPROVAL OF THE NON-CONSOLIDATED FINANCIAL STATEMENTS

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



METRIX GROUP LLP

CHARTERED PROFESSIONAL
ACCOUNTANTS

MUNICIPALITY OF JASPER

Audit Findings Report

For the year-ended December 31, 2022

June 20, 2023



The key contacts at Metrix in connection with this report are:

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Executive Summary

Purpose of this report

We are pleased to provide you with our audit findings report for Municipality of Jasper (the “Municipality”) for the year-ended December 31, 2022.

The purpose of this report is to:

1. Communicate clearly with Council members (“Council”) what our responsibilities are in relation to the financial statement audit.
2. Provide an overview of the planned scope and timing of the audit.
3. Obtain from Council information relevant to the audit.
4. Promote effective two-way communication between Council and the auditor.

Independence

At the core of the provision of external audit services is the concept of independence. Canadian generally accepted auditing standards require us to communicate to the Board, at least annually, all relationships between our Firm and the Corporation that, in our professional judgement, may reasonably be thought to bear on our independence. Please refer to **Appendix 1** for our confirmation of independence.

Finalizing the audit

As of June 20, 2023, we have substantially completed the audit of the Municipality’s financial statements with the exception of:

- Obtaining our updated legal letter response.
- 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 regarding our Audit Planning Report that was previously presented to you.

Responsibilities

It is important for Council to understand the responsibilities that rest with the Municipality and its management and those that belong to the auditor in relation to the financial statement audit.

Our responsibilities

Our audit of the Municipality's financial statements will be performed in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements present fairly in all material respects, the financial position, the results of operations and cash flows of the Municipality in accordance with Canadian public sector accounting standards.

Accordingly, we planned and performed our audit to provide reasonable, but not absolute, assurance of detecting fraud and errors that have a material effect on the financial statements taken as a whole, including illegal acts whose consequences have a material effect on the financial statements.

The audit included consideration of internal control relevant to the preparation of the financial statements 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 internal control.

Canadian generally accepted auditing standards does not require the auditor to design procedures for the purpose of identifying supplementary matters to communicate to Municipality. Accordingly, our audit would not necessarily identify all such matters that may be of interest to the Council and management, and it is inappropriate to conclude that no such matters exist.

Responsibilities of management and those charged with governance

Management is responsible for the preparation of the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance, Council, is responsible for overseeing the Municipality's financial reporting process.

Clear, two-way communication between the auditor and those charged with governance is an integral part of every audit. After reviewing this report, please advise us whether there are additional areas of concerns to the Board that should be brought to our attention.

Materiality

Materiality in an audit is used as a guide for planning the nature and extend of audit procedures and for assessing the sufficiency of audit evidence gathered. It is also used in evaluating the misstatements found and determining the appropriate audit opinion to express.

Misstatements, individually or the aggregate, are considered to be material if, in the light of surrounding circumstances, it is probable that the decision of a person who is relying on the financial statements, and who has reasonable knowledge of business and economic activities, would be changed or influenced by such misstatements or the aggregate of all misstatements. The materiality decision is based on our professional judgement taking into consideration quantitative and qualitative factors.

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. In planning our audit, we have concluded that a materiality level of 4% of operating revenue (\$823,500) is appropriate. However, we anticipate that management will record any adjustments that we propose that are of a non-trivial nature.

Audit Results

Area of focus	Audit risk, our response and findings
Management override of controls	<p><i>Risk</i></p> <ul style="list-style-type: none"> - 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. <p><i>Our response</i></p> <ul style="list-style-type: none"> - 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. <p>No significant findings have been identified.</p>

Area of focus	Audit risk, our response and findings
<p>Revenue recognition (Deferred revenue and Government transfers)</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - There is risk of premature revenue recognition of funding amounts received with external restrictions attached to them (e.g., Government of Alberta, federal government, ...etc.). <p><i>Our response</i></p> <ul style="list-style-type: none"> - We updated our understanding of the processes and controls in place regarding revenues received. - We reviewed related agreements and other source documentation containing guidance for the purpose and use of the restricted funds. - We assessed significant revenue transactions for compliance with external restrictions. - We performed a search for unrecorded revenue to assess completeness of revenue recognized. <p>No significant findings have been identified. We have raised others matters to management's attention as part of our management letter.</p>
<p>Net municipal property taxes</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Property assessments or the tax rates applied are not appropriate. - Tax revenue is over / under levied. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have obtained third-party evidence substantiating the assessment value and re-calculated tax revenues using the approved mill rates. - We have assessed if tax revenues have been over / under levied. - We have agreed requisitions to third-party support. <p>No significant findings have been identified.</p>

Area of focus	Audit risk, our response and findings
User fees and sales of goods	<p><i>Risk</i></p> <ul style="list-style-type: none"> - User fees that are recorded are not complete. - Amounts recorded are at the incorrect rate. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have updated our understanding of the processes and controls in place regarding utilities revenue. - We have performed substantive analytical procedures to assess the completeness and accuracy of the revenue recorded. - We tested a sample of revenue transactions for sales and user charges. <p>No significant findings have been identified.</p>
Operating expenses (Materials, goods and supplies; and Contracted services)	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Fraudulent expenses being recorded. - Expenses have not been recorded in the correct fiscal year. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have updated our understanding of the processes and controls in place regarding procurement and payment. - We have agreed significant expenses, along with a sample of non-significant expenses to supporting documentation. - We have performed a search for unrecorded liabilities. <p>No significant findings have been identified.</p>

Area of focus	Audit risk, our response and findings
<p>Salaries, wages and benefits (including Employee benefit obligations)</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Fraudulent (“ghost”) employees have been created. - Employees are paid at a rate inconsistent with their employee contract. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have updated our understanding over the processes and controls in place over payroll. - We have performed tests of controls over significant controls HR activities (payroll, hiring, and terminations) - We have performed substantive analytical procedures over salaries, wages and benefits. - We have reconciled the salaries and wages paid to T4s issued. <p>No significant findings have been identified. We have raised others matters to management’s attention as part of our management letter.</p>
<p>Cash</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Due to the nature of cash, it is subject to a higher level of procedures due to the risk of fraud. - Cash represents a significant balance of the Municipality’s assets. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have obtained third party evidence over the Municipality’s bank balances as part of our procedures performed over bank reconciliations. - We have tested significant reconciling items recorded in the bank reconciliation. <p>No significant findings have been identified. We have raised others matters to management’s attention as part of our management letter.</p>

Area of focus	Audit risk, our response and findings
<p>Receivable Balances (Taxes, Trade, and Other governments, and Loans receivable)</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - There exists the risk that the amounts outstanding will not be collectible. - There exists the risk that receivables have been overstated. - There exists the risk that receivables outstanding at year-end have not been accrued for. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have updated our understanding of the Municipality’s policies regarding collections and provisions. - We have tested the subsequent receipt of receivable balances outstanding at year-end. - We have reviewed management’s assessment of the collectability of aged receivable balances. - Where possible, we have coordinated with our work performed over revenues and deferred revenue. <p>No significant findings have been identified.</p>
<p>Tangible capital assets (“TCA”)</p>	<p><i>Risk</i></p> <ul style="list-style-type: none"> - TCA has been expensed rather than capitalized or have been recorded incorrectly. - Expenditures that are not capital in nature have been capitalized. - TCA valuation is complex due to risks of impairment and application of accounting estimates. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have inquired with management regarding any indicators of impairment; and where required, we have performed an impairment assessment. - We have performed substantive tests of details over additions, including contributed assets. - We have re-calculated the gain / loss on the disposal of TCA. - We have re-calculated amortization expense using the Municipality’s TCA policy. <p>No significant findings have been identified.</p>

Area of focus	Audit risk, our response and findings
Accounts payable and accrued liabilities	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Expenses have not been recorded in the appropriate reporting period; that is, expenses have been prematurely recorded (cut-off). - Expenses related to the reporting period have not been fully accrued (completeness). <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have updated our understanding of the processes and controls in place over procurement and payment activities. - We have examined balances recorded in accounts payable and other accrued liabilities for existence and accuracy. - We have performed a search for unrecorded liabilities. - We have inquired with management and reviewed Council meeting minutes. <p>No significant findings have been identified. We have raised others matters to management's attention as part of our management letter.</p>
Long-term debt	<p><i>Risk</i></p> <ul style="list-style-type: none"> - Long-term debt is understated, either due to being incomplete or being incorrect. <p><i>Our response</i></p> <ul style="list-style-type: none"> - We have confirmed debenture balances outstanding with the Province of Alberta. - We have reviewed the amortization schedule of the debenture outstanding to re-calculate interest expense. - We have re-calculated the debt limits and assessed for compliance with Alberta Regulation 76/2000. - We have re-calculated the interest expense incurred throughout the year. <p>No significant findings have been identified.</p>

Significant Findings

Our objective is to communicate appropriately to Council any 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 financial statements, and as such, our audit report is without reservation with respect to these matters.

Our audit procedures were performed to form an opinion on the financial statements and, although they might bring possible fraudulent or illegal activities to our attention, our audit procedures were not designed to detect fraudulent or illegal activities.

Qualification

The Municipality has a proportionate interest in the West Yellowhead Regional Waste Management Authority (the "Authority"). Under Canadian public sector accounting standard 3060, Interests in Partnerships, the Municipality should be consolidating its proportionate share of financial and non-financial assets, liabilities, and results from operation. The Authority's financial records have not been prepared and the audit of the financial records has not been completed. In the current state, the Authority cannot be consolidated into the Municipality's financial statements. Consequently, we have issued a qualified opinion as we have been unable to determine which amounts to consolidate were necessary.

Historically, the Authority's financial records have not been completed such that consolidation could be completed by the May 1st reporting deadline. Having accurate and complete financial information is important to ensure that the Municipality is able to appropriately budget for future expenditures (i.e., closure and post-closure costs) that it may be responsible for.

We recommend that the Municipality work with the Authority to ensure that the financial records are completed and have been audited in future periods such that it is readily available for the users of the financial statements (e.g., Authority member municipalities).

Internal Controls

Our audit procedures did not reveal any significant deficiencies in internal controls.

Accounting Practices (including accounting policies, judgments, and estimates)

Management is responsible for determining the 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.

We are of the opinion that the significant accounting policies, estimates and judgements, and financial disclosures made by management do not materially misstate the financial statements taken as a whole. Please refer to Note 1 of the financial statements for significant accounting policies and estimates disclosed.

Significant Difficulties Encountered During the Audit

We encountered difficulties during our audit when it came to obtaining completed financial statements from West Yellowhead Regional Waste Management Authority causing a delay in completing the Municipality's financial statements.

Management Representation

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

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.

Adjustments

Restatement

The Municipality has a 20% proportionate share of the West Yellowhead Regional Waste Management Authority. The Municipality's share of the Authority was consolidated in 2021. As the Authority could not be consolidated for the year-ended December 31, 2022, the Authority's balances have been removed from the comparative period.

This correction has been applied retroactively and the 2021 comparative figures have been restated as follows.

	As Previously Stated	Restatement	As Restated
Cash	\$ 21,005,596	(610,759)	\$ 20,394,837
Trade and other receivables	\$ 3,983,588	(60,337)	\$ 3,923,251
Investments	\$ 419,323	(419,323)	\$ -
Tangible capital assets	\$ 64,259,297	(778,076)	\$ 63,481,221
Prepaid expenses	\$ 363,762	(424)	\$ 363,338
Accounts payable	\$ 3,558,366	(26,054)	\$ 3,532,312
Landfill closure and post-closure liability	\$ 146,095	(146,095)	\$ -
Accumulated surplus	\$ 65,164,391	(1,696,770)	\$ 63,467,621
Annual deficit	\$ (1,630,495)	(133,663)	\$ (1,764,158)

Adjusted Differences

Audit adjustments have been recorded 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
20 audit adjustments (2021 – 36 adjustments).	\$ 3,283,754	\$ 206,716	\$ (1,984,158)	\$ 5,061,196
Total Adjusted Differences (Income Effect)				\$ 5,061,196

Uncorrected Misstatements

The total unrecorded misstatements noted during the audit amounted to a \$49,215 understatement of the Municipality's surplus for the year ended December 31, 2022.

Amount of over (under) misstatement				
Description	Assets	Liabilities	Surplus	Accumulated Surplus
To account for municipal-over levy liability.	\$ -	\$ 147,832	\$ (61,988)	\$ (147,832)
To account for credit memo issued.	(44,806)	-	(44,806)	(44,806)
To account for TCA previously expensed.	-	-	57,579	-
Total unrecorded misstatements	\$ (44,806)	\$ 147,832	\$ (49,215)	\$ (192,638)

After considering both quantitative and qualitative factors with respect to the uncorrected misstatements accumulated during the audit, we agree with management that the financial statements are not materially misstated.

Appendix 1: Required Communications

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, 2022 to June 20, 2023.

Appendix 2: Management Representation Letter

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June 20, 2023

Metrix Group LLP
12840 St. Albert Trail
Edmonton Alberta T5L 4H6

Attention: Jeff Alliston, CPA, CA

Dear Sir:

Re: Management representations letter

This representation letter is provided in connection with your audit of the non-consolidated financial statements of the Municipality of Jasper for the year ended December 31, 2022, for the purpose of you expressing an opinion as to whether the non-consolidated financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

1. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated January 10, 2023 for:

- a) Preparing and fairly presenting the non-consolidated financial statements in accordance with Canadian public sector accounting standards;
- b) Providing you with:
 - i) Access to all information of which we are aware that is relevant to the preparation of the non-consolidated financial statements, such as:
 - Accounting records, supporting data and other relevant documentation,
 - Minutes of Council meetings or summaries of actions taken for which minutes have not yet been prepared, and
 - Information on any other matters, of which we are aware, that is relevant to the preparation of the non-consolidated financial statements;
 - ii) Additional information that you have requested from us for the purpose of the audit; and
 - iii) Unrestricted access to persons within the entity from whom you determine it necessary to obtain audit evidence.
- c) Ensuring that all transactions have been recorded in the accounting records and are reflected in the non-consolidated financial statements; and
- d) Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

2. Fraud and Non Compliance

We have disclosed to you:

- a. All of our knowledge in relation to actual, alleged or suspected fraud affecting the Municipality's non-consolidated financial statements involving:
 - i. Management;
 - ii. Employees who have significant roles in internal control; or
 - iii. Others where the fraud could have a material effect on the non-consolidated financial statements;
- b. All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;
- c. All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the non-consolidated financial statements;
- d. All known, actual, or possible litigation and claims that should be considered when preparing the non-consolidated financial statements; and
- e. The results of our risk assessments regarding possible fraud or error in the non-consolidated financial statements.

3. Related Parties

We have disclosed to you the identity of all of the Municipality's related-party relationships and transactions of which we are aware. This includes sales, purchases, loans, transfers of assets, liabilities and services, leasing agreements, guarantees, non-monetary transactions, and transactions for no consideration for the period ended as well as related balances due to or from such parties at the period end.

All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

4. Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm the methods, the data, and the significant assumptions used in making accounting estimates (including the allowance for doubtful accounts, the useful lives of tangible capital assets and the corresponding rates of amortization, and the amount of other accrued liabilities) and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of Canadian public sector accounting standards.

5. Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

6. Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the non-consolidated financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the non-consolidated financial statements.

7. Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records.

8. Misstatements

The effects of uncorrected misstatements are immaterial, individually and in aggregate, to the non-consolidated financial statements as a whole. A list of the uncorrected misstatements, including the reasons why they were not corrected, is attached to this letter.

9. General

1. We have responded fully to all inquiries made to us and have made available to you all accounting and financial records and related data of the Municipality during your audit.
2. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
3. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
4. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
5. We have disclosed to you, and the Municipality has complied with, all aspects of contractual agreements that would have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
6. Receivables recorded in the financial statements represent valid claims against taxpayers or other charges arising on or before the balance sheet date and have been appropriately reduced to their estimated net realizable value.
7. The minute books of the Municipality are a complete record of all meetings and resolutions of Councillors throughout the period and to the present date.
8. We are aware of the environmental laws and regulations that have an impact on the Municipality and we are in compliance. There are no known environmental liabilities that have not been accrued for or disclosed in the financial statements.

Acknowledged and agreed on behalf of by:

Mr. Bill Given
Chief Administrative Officer

June 20, 2023

Date signed

Ms. Natasha Malanchuk
Director of Finance and Administration

June 20, 2023

Date signed

Year End: December 31, 2022
 Unrecorded journal entries
 Date: 1/1/2022 To 12/31/2022

Number	Date	Name	Account No	Reference	Debit	Credit	Recurrence	Misstatement
SUD01	12/31/2022	Tax Levy-Municipal (RES)	1-00-00-00-112	20R1-1, BB		61,988.07		
SUD01	12/31/2022	Municipal Reassessment Overlevy	4-00-00-00-404	20R1-1, BB	147,832.46			
SUD01	12/31/2022	Current Surplus (-)/ Deficit	4-00-00-00-910	20R1-1, BB		85,844.39		
To recognize tax revenue recorded into municipal overlevy liability and to record the existing liability into revenue.								
SUD02	12/31/2022	Accounts Receivables	3-00-00-00-200	160-7	44,806.20			
SUD02	12/31/2022	Prov Cond Grant-MSI-ID12	5-32-01-01-840	160-7		44,806.20		
To account for credit memo issued for ID12.								
SUD03	12/31/2022	Sani-TCA RMR	2-42-01-00-203	U5-1	57,579.00			
SUD03	12/31/2022	Current Surplus (-)/ Deficit	4-00-00-00-910	U5-1		57,579.00		
To account for previously expensed TCA.								
					250,217.66	250,217.66		
Net Income (Loss)			7,880,064.00					

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Appendix 3: New and Revised Accounting Standards

Standard	Summary	Effective Date
PS 1201 Financial Statement Presentation	This section establishes general reporting principles and standards for the disclosure of information in government financial statements.	Fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.
PS 2601 Foreign Currency Translation	This section establishes standards on how to account for and report transactions that are denominated in a foreign currency in government financial statements.	Fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.
PS 3041 Portfolio Investments	This section establishes standards on how to account for and report portfolio investments in government financial statements.	Fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.
PS 3450 Financial Instruments	This section establishes standards on how to account for and report all types of financial instruments including derivatives.	Fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.
PS 3280 Asset Retirement Obligations	This section establishes standards on how to account for and report legal obligations associated with the retirement of certain tangible capital assets and solid waste landfill sites.	Fiscal years beginning on or after April 1, 2022. Earlier adoption is permitted.
PS 3160 Public Private Partnerships	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.

Standard	Summary	Effective Date
PS 3400 Revenue	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.
PSG-8 Purchased Intangibles	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> .

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Appendix 4: Asset Retirement Obligations

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ASSET RETIREMENT OBLIGATIONS

STEPS TOWARD IMPLEMENTING PS 3280

PS 3280 is a new accounting standard covering Asset Retirement Obligations (ARO). The standard must be applied by all public sector entities who prepare their financial statements under PSAB, including all Canadian municipalities effective fiscal years beginning on April 1, 2022.

Common asset retirement obligations have not previously been recognized by municipalities; such as obligations to retire buildings with asbestos or underground fuel storage tanks. The implementation of the standard will require municipalities to recognize obligations which were previously out of scope of accounting standards.

TIPS AND BEST PRACTISES

- ▶ Document all your work performed.
- ▶ Ensure your documentation is flexible to be adapted as required in subsequent procedures.
- ▶ Collaborate with other entities to obtain additional tips and potentially share costs.
- ▶ Be forward thinking! Each year your auditors require the liabilities to be updated and remeasured. Determine how you will be able to update the estimate and formalize it in a policy.
- ▶ Get started sooner rather than later. This is a significant assessment and leaving it to 2023 may not leave enough time and resources to complete.

STEP 1 – BUILD A TEAM

Before identifying and reviewing assets, the first step should be to assemble a cross-functional assessment team. Consider including:

- ▶ Finance and accounting personnel
- ▶ Public work or environmental services managers / foremen
- ▶ Engineers
- ▶ Legal counsel
- ▶ Councillors or Directors

Having individuals who are involved with the day-to-day operations may offer knowledge of assets missing from existing listings updated estimates based on actual usage, or retirement / decommissioning activities required.

STEP 2 – IDENTIFY ASSETS

Not all assets will have a retirement obligation or require decommissioning activities. It's important to identify the assets that should be subject to additional in-depth assessment for the extent and cost of remediation required (e.g., considering a building constructed in 2010 vs a building constructed in 1980 for further review). Including too many assets in subsequent assessments will create inefficiencies and slow the review process down. Ensure that all assets owned, either actively in use or retired, are included in the assessment process. The earlier the assets are identified the better. This will help avoid any last-minute assessments that may be incomplete due to the lack of time or resources.

STEP 3 – IDENTIFY LEGAL OBLIGATION

A critical component of PS 3280 is the requirement for a legal obligation to exist. While there will still be a requirement to report other sorts of liabilities, PS 3280 provides guidance for assets with a legal obligation to retire / decommission at the end of its useful life. For each asset identified, the assessment team will need to identify what the legal obligation originates from (e.g., provincial regulation, legal contract, promissory estoppel) and what sort of activities will be required.

STEP 4 – QUANTIFY, CALCULATE & RECORD

The last step of the process will be to quantify the cost of the obligation, calculate the present value of the liability, and to record it in the accounting records. The cost of the remediation activities should be derived from professional judgment and be based on the best estimates available. It should be noted that you should be able to support the estimate with other evidence (e.g., recent similar activities, publicly available cost estimates, quotes received). For all estimates, be prepared to provide support to your auditor! Support for the cost estimate may eventually require third-party consultation which may be costly and unbudgeted. It will be best to keep Council / Board members involved in this process.

Once cost estimates have been obtained and quantified, the present value of the liability will need to be calculated. This will require the assessment team to estimate the cost at the time of the assets retirement and record the present value of the future costs. This may be a complex calculation. The earlier the calculations are performed, the more they can be discussed and reviewed both internally with the assessment team as well as with your auditor. The present value will be the final cost that is recorded into the accounting records.

NEED MORE INFORMATION OR HELP?

CONTACT US: Metrix Group LLP

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AGENDA ITEM 6.2

REQUEST FOR DECISION

Subject: Storage Lots Bylaw
From: Bill Given, Chief Administrative Officer
Prepared by: Christine Nadon, Director of Protective & Legislative Services
Date: June 20, 2023



Recommendation:

- That Council give first reading to Bylaw #254, the Storage Lots Bylaw 2023; and
- That Council give second reading to Bylaw #254, the Storage Lots Bylaw 2023.

Alternatives:

- That Council receive this report for information.

Background:

The current [Storage Lots Bylaw](#) sets out the eligibility, conditions, fees and penalties associated with this service. The cost of a storage lot is \$325.70 annually in 2023. At the March 14, 2023 Committee of the Whole meeting, Committee received a report and recommendations from Administration on parking in S-Block, and passed the following motion:

- That Committee direct Administration to revise the Storage Lots Bylaw to increase rental fees to \$450 annually, including a provision to provide a \$30 annual discount for electronic payments, and return to a regular meeting for first reading.

The attached draft bylaw reflects the changes requested by Committee. Although the administrative process to provide a \$30 discount for electronic payments is not yet in place, the discount is included in the bylaw's fee schedule so it can be implemented as soon as the technology is available to users of the service.

Discussion:

Work on other items related to S-Block parking is ongoing, including on the following items, also as directed by Committee on March 14, 2023:

- That Committee direct Administration to develop a program for the S-Block parking lot where unused commercial stalls are made available to residents for winter seasonal vehicle storage, and summer seasonal and overnight paid parking.
- That Committee direct Administration to work towards standardizing practices in storage lots, including:
 - renewing leases with Parks Canada;
 - developing a maintenance plan with the Ops Department; and
 - bringing forward recommendations for capital upgrades in 2024.

Strategic Relevance:

- Relationships
 - Communicate and engage with residents
- Organizational excellence

- Entrust our staff to develop healthy relationships with the people they serve
- Ensure residents receive quality service that provides strong value for dollar
- Pursue alternative revenue sources and equitable distribution of costs

Relevant Legislation:

- [Storage Lots Bylaw \(#208\)](#)
- [Traffic Safety Act](#) (RSA 2000, cT-6)

Financial:

- Increasing the annual storage lots fees to \$450 a year could yield an increase of approximately \$11,000 in revenue.

Attachments:

- Draft Storage Lots Bylaw 2023 (#254)

**MUNICIPALITY OF JASPER
BYLAW #254**

**BEING A BYLAW OF THE MUNICIPALITY OF JASPER IN THE PROVINCE OF ALBERTA TO
PROVIDE FOR THE REGULATION AND CONTROL OF MUNICIPAL STORAGE LOTS.**

WHEREAS the Council of the Municipality of Jasper finds it desirable to regulate the use of Municipal storage lots in the Town;

AND WHEREAS Council finds it desirable to offset the cost to the taxpayer of operating Municipal storage lots by requiring persons using such lots to pay a fee for such use;

AND WHEREAS the *Municipal Government Act* (RSA 2000, cM-26) provides in Part 2 for the Council of the Specialized Municipality of Jasper to pass bylaws respecting the regulation and control of the operations of a Municipality;

NOW THEREFORE BE IT RESOLVED that the Council of the Specialized Municipality of Jasper, in the Province of Alberta, duly assembled, enacts:

1. CITATION

- 1.1. This Bylaw may be cited as the "Jasper Municipal Storage Lot Bylaw 2023".
- 1.2. Municipality of Jasper bylaw #208, the "Jasper Municipal Storage Lot Bylaw 2018" is hereby repealed.

2. DEFINITIONS

- 2.1. In this Bylaw:
 - 2.1.1. "Annual Storage Agreement" shall mean the Annual Storage Agreement provided for in this bylaw;
 - 2.1.2. "Bylaw Enforcement Officer" shall mean a person appointed by the Chief Administrative Officer as a Bylaw Enforcement Officer pursuant to the provisions of the Jasper Municipal Enforcement Officer Bylaw;
 - 2.1.3. "Licensing and Enforcement Manager" shall mean the Municipality of Jasper's Licensing and Enforcement Manager as appointed by the Chief Administrative Officer, or his designate;
 - 2.1.4. "Motor Vehicle" means a motor vehicle as defined in the *Traffic Safety Act* (RSA 2000, cT-6);
 - 2.1.5. "Chief Administrative Officer" shall mean the individual duly appointed to that position for the Municipality of Jasper at any given time and includes any Person authorized to act for and in the name of that individual;
 - 2.1.6. "Municipality" shall mean the Municipality of Jasper in Jasper National Park in the Province of Alberta;
 - 2.1.7. "Owner" means, with respect to a motor vehicle, a person who holds a subsisting certificate of registration issued pursuant to provisions of the *Traffic Safety Act* (RSA 2000, cT-6) or, in the case of a motor vehicle no longer the subject of such a valid certificate of registration, the person named as the Owner in the most recently issued certificate of registration unless that person can provide proof of sale of the motor vehicle;
 - 2.1.8. "Registration Fee" shall mean the Registration Fee established pursuant to this Bylaw;
 - 2.1.9. "Trailer" shall mean a Vehicle so designed that it may be attached to or drawn by a motor Vehicle and intended to transport property or persons and includes any Trailer that is designed, constructed and equipped as a dwelling place, living abode or a sleeping place either permanently or temporarily, but does not include machinery or equipment used in the construction or maintenance of Roadways;
 - 2.1.10. "Municipal Storage Lots" shall mean the storage lots used by the Municipality and located in the Town of Jasper at:
 - 2.1.10.1. Block S, Lots 26 & 27;
 - 2.1.10.2. Block S, Lots 1 & 2; and
 - 2.1.10.3. Block S, Lots 47, 48 & 49.

- 2.1.11. Words importing the masculine gender shall include the feminine gender whenever the context so requires and vice versa.
- 2.1.12. Words importing the singular shall include the plural whenever the context so requires and vice versa.

3. STORAGE LOTS

- 3.1. Subject to Section 3.2 herein, municipal storage lots shall be operated by the Licensing and Enforcement Manager who is authorized by this Bylaw to:
 - 3.1.1. designate specific lots or portions of lots for use by specific types of vehicles; and
 - 3.1.2. make such operational decisions as may be required for efficient and effective operation of the Storage Lots.
- 3.2. The Chief Administrative Officer is authorized by this Bylaw to delegate operation of the Storage Lots to a non-profit society or association.

4. USER ELIGIBILITY

- 4.1. Every person storing property in a Municipal Storage Lot shall:
 - 4.1.1. Be an eligible resident of the Municipality of Jasper as defined in the *National Parks Lease and Licence of Occupation Regulations* (1991) SOR/92-25, and provide proof thereof upon request;
 - 4.1.2. Maintain a current and signed Annual Storage Agreement and abide by the terms and requirements of such agreement; and
 - 4.1.3. Pay the applicable fees as set out in Schedule "A" of this Bylaw.
- 4.2. Any person who does not meet, or ceases to meet, the requirements set out in Section 4.1 herein shall be ineligible to store property in a Municipal Storage Lot.

5. PROPERTY CONDITIONS

- 5.1. All property stored in a Municipal Storage Lot shall meet the conditions herein.
- 5.2. Every Motor Vehicle, self-propelled recreational vehicle, Trailer, truck and camper combination, and boat and Trailer combination stored in a Municipal Storage Lot shall at all times when within such lot be:
 - 5.2.1. the subject of an Annual Storage Agreement, renewable by October 15 of each year;
 - 5.2.2. marked as required by the Licensing and Enforcement Manager;
 - 5.2.3. roadworthy as described in applicable Alberta provincial legislation;
 - 5.2.4. legally and properly registered with the Province of Alberta for use on public roadways;
 - 5.2.5. the subject of valid insurance sufficient to allow it to be legally operated on a public roadway; and
 - 5.2.6. the subject of valid insurance for fire, theft and vandalism.
- 5.3. Every truck camper not stored on a truck and every boat not stored on a Trailer in a Municipal Storage Lot shall at all times be:
 - 5.3.1. the subject of an Annual Storage Agreement;
 - 5.3.2. marked as required by the Licensing and Enforcement Manager; and
 - 5.3.3. the subject of valid insurance for fire, theft and vandalism.
- 5.4. If property insurance or motor vehicle registration lapses prior to the annual renewal date of the storage agreement respecting such property or vehicle, the onus shall be on the owner to ensure that the Licensing and Enforcement Manager is provided with the renewed registration or insurance documents.
- 5.5. Any unregistered motor vehicle or uninsured property of any kind stored in municipal lots will be considered abandoned in a public place and will be seized by the Municipality and disposed of as provided for by law.

6. REGISTRATION FEE

- 6.1. Every Motor Vehicle, self-propelled recreational vehicle, Trailer, boat and Trailer combination, truck and camper combination, camper not stored on a trailer and boat not stored on a trailer or other property stored in a Municipal Storage Lot shall be subject to the annual Registration Fee specified in Schedule "A" of this Bylaw;
- 6.2. Every Registration Fee payable for placement of property on a Municipal Storage Lot pursuant to Section 6.1 herein shall be paid in advance of placement of such property in the lot or, in the case of property already stored in the lot by October 15 of each year.

7. CAPACITIES

- 7.1. In recognition of the finite capacity of the Municipal Storage Lots, the Licensing and Enforcement Manager shall determine in his sole discretion when a Storage Lot has reached capacity and is unable to accommodate additional property and, in the event that demand for storage exceeds available capacity, he shall determine what property or properties can be accommodated in the lots.

8. PROCEDURE FOR POTENTIAL LOT CLOSURES

- 8.1. In the event Council ceases operating Municipal Storage Lots, owners of property stored in the lots shall be notified on or about April 1st of the year in which operations will cease that their property must be removed from the lot within ninety (90) days of notification.
- 8.2. In the event an Owner fails to remove property in respect of which notice is provided pursuant to Section 8.1 herein within the specified period such property shall be considered abandoned in a public place and shall be seized by the Municipality and disposed of as provided for by law.

9. FORFEITURE OF PROPERTY

- 9.1. In respect of any property left in any Municipal Storage Lot in contravention of any provision of this Bylaw the Licensing and Enforcement Manager shall forward to the address provided by the property Owner in that Owner's Annual Storage Agreement a registered letter providing the property owner with notice that his or her property must be removed from the lot within sixty (60) days.
- 9.2. Should a property Owner fail to remedy any and all contraventions of this bylaw within sixty (60) days of provision of notice pursuant to Section 9.1 herein, the property in respect of which the contraventions have occurred shall be forfeit to the Municipality and the Municipality shall dispose of the property in such manner as it deems appropriate.

10. PENALTIES

- 10.1. Any Person who contravenes this Bylaw is guilty of an offence.
- 10.2. Any Person contravening the provisions of this Bylaw shall be liable for penalties set out in such section or set out in Schedule "B" of this Bylaw.
- 10.3. A notice or form commonly called an Offence Ticket having printed wording approved by the Chief Administrative Officer, may be issued by a Bylaw Enforcement Officer to any person alleged to have breached any provision of this Bylaw, and the said notice shall require the payment to the Municipality of Jasper in the amount specified in this Bylaw or the regulations pursuant to the *Provincial Offences Procedure Act* (RSA 2000, cP-34).
- 10.4. An Offence Ticket shall be deemed to be sufficiently served:
 - 10.4.1 if served personally on the accused; or
 - 10.4.2 if mailed to the address of the Owner or person accused.
- 10.5. In lieu of prosecution, the person named in the Offence Ticket may elect to voluntarily make payment to the Municipality of Jasper in the amount of the specified penalty.
- 10.6. If the payment specified in the Municipality of Jasper Offence Ticket is not paid in accordance with the terms and in the timeframe required by the ticket, a prosecution may be commenced for the alleged contravention of this Bylaw.
- 10.7. Except as provided otherwise in this Bylaw, a Person who is guilty of an offence under this Bylaw for which a penalty is not otherwise provided, is liable to a fine of not more than \$65.00 and, in default, such penalties as are provided for by the *Provincial Offences Procedure Act* (RSA 2000, cP-34).

11. SEVERANCE

- 11.1. If any provision herein is adjudged by a Court of competent jurisdiction to be invalid for any reason, then that provision shall be severed from the remainder of this Bylaw and all other provisions of this Bylaw shall remain valid and enforceable.
- 11.2. If any provision herein is adjudged to be repugnant to any federal regulation or legislation, this Bylaw shall continue in full force and effect but any such repugnant provision shall be of no force or effect until such time as the repugnancy is removed by repeal or amendment of the federal legislation or regulation.

12. COMING INTO EFFECT

- 12.1. This Bylaw shall come into force and effect on the final day of passing thereof.
- 12.2. At the time of coming into effect of this bylaw, the provisions of this bylaw shall apply to all property stored in a Municipal storage lot.

READ a first time this 3rd day of April, 2018

READ a second time this 5th day of June, 2018

READ a third time and finally passed this 19th day of June, 2018

Mayor

Chief Administrative Officer

DRAFT

SCHEDULE "A"

Fees

Effective October 1, 2023

Registration Fee ~~\$295.00~~ \$450.00

Discount for electronic payments (when available) \$30.00

The Registration Fee will increase by 2% annually for on January 1 of each subsequent year.

DRAFT

SCHEDULE "B"

Penalties

<u>Section</u>	<u>Description</u>	<u>Amount</u>
6.2	Late payment of Registration Fee	\$65.00
9.2	Forfeiture of Property	Cost of disposal plus 25%

DRAFT

REQUEST FOR DECISION

Subject: Recreation Renovation Budget Update
From: Bill Given, Chief Administrative Officer
Prepared by: Christopher Read, Director of Community Development
Date: June 13, 2023



Recommendation:

- That Committee recommend Council approve increasing the Recreation Renovation Project budget by a total of \$6.4M, to be funded by debenture.

Alternatives:

- That Committee recommend Council remove the New Arena Dressing Room Addition from the project scope and increase the Recreation Renovation Project budget by a total of \$3.6M, to be funded by debenture.

Background:

In 2019 the Municipality of Jasper secured provincial and federal grant funding towards a major renovation of the Activity Centre, Arena, and Fitness & Aquatics Centre facilities. Since August of 2021, administration has engaged a Project Management firm (WSP), a Prime Consultant (GEC Architecture), a Cost Consultant (DMC Cost Management) and a Construction Manager (Carlson Construction). On February 22, 2022, Committee provided direction to administration on which design concepts should be further developed for Council's consideration. On May 3, 2022, Council approved an expanded project scope and a total project budget of approximately \$14 million. On September 27, 2022, Council approved the adjustment of the project scope to continue the design process with three (3) new arena dressing rooms and endorse the design concept of non-gendered change rooms in the aquatics centre.

Through the first quarter of 2023, final design decisions were made based on the January 2023 class C cost estimate, and the project was sent to tender. In May 2023 tenders returned at a price premium well above what was expected, giving us a Class A cost estimate reflecting actual market prices - which brings this review of the scope and budget.

Discussion:

The attached briefing note from our contracted Project Managers WSP, describes our current state and some of the relevant milestones. Chris Timmons is available on zoom to answer any questions around the specifics of the process to date, the market response to the tender call, and the market overall.

It is important to note that market conditions have been unpredictable across the province, and while issues such as inflation are generally considered throughout the cost estimating process, inflation has been significantly higher than anticipated, at a time with higher competition for resources – both material and human. Jasper has additional unique local market challenges, and where we can often draw resources from the broader Alberta and western Canadian market, there is currently a province wide construction labour shortage. Housing and affordability challenges in Jasper compound the negative pricing effect of these issues.

For additional data, administration has conducted a brief scan of similar municipal projects which is shown in the table below:

Location	Project	Initial Budget	Date	Awarded Cost	Date	% Increase	Bids
Edson	Recreation Multi-Use Facility	\$58M	Jan 2022	\$84M*	Apr 2022	45%	2
Canmore	Bow River West Pathway Phase 1	\$2.2M	Dec 2023	\$3.6M**	May 2023	64%	1
Wood Buffalo	Jubilee Centre Renovations	\$11.4M	Jan 2023	\$15.4M	Mar 2023	35%	2
Lacombe	Public Works Building	\$4M	Dec 2022	\$7.9M	Mar 2023	98%	1
Jasper	Activity Centre Renovation	\$14M	Jan 2023	\$20.4M	May 2023	45%	***

* Lowest of two submitted bids. Project on hold.

** Amended municipal budget.

*** Tenders completed by Construction Manager.

As indicated by WSP and shown in the last line of the chart above, the project including the approved scope is underfunded by \$6.4M at this time. For the project to continue as approved, options are:

- add additional funding,
- reduce scope, or
- a combination of both.

Administration, in consultation with the project team, and referencing the facility condition assessment reports on hand, believes that the work proposed in this renovation project is largely necessary and relatively urgent. If not done as part of this project, administration would be submitting capital requests to do the work in 2024, as the items are needed to maintain current service levels.

The only exception to this is the additional scope of the 3 new dressing rooms at the Arena – that scope would result in an increase to current service levels. Should this scope remain, we will be able to deliver an increased level of accessibility, flexibility, inclusivity, and efficiency due to the expanded availability of dressing rooms.

While this cost escalation is significant, as shown above it is also consistent with the experience of other municipalities across the province. Administration recommends funding the full scope of work to maximize the value of design, tendering, and planning, already done. – while taking advantage of known costing and shielding the project deliverables against future inflation which does not appear to be slowing in the near term and increased interest rates which are projected to continue to rise.

Strategic Relevance:

- Promote and enhance recreational and cultural opportunities and spaces.
- Enable and facilitate events that provide opportunities to increase community connections.
- Leverage and create opportunities for greater inclusion.
- Recognize the fundamental importance of our tourism economy.
- Communicate and engage with residents.
- Welcome the expertise, innovation, creativity and commitment of community members, groups, associations, and businesses.
- Ensure residents receive quality service that provides strong value for dollar.

Inclusion Considerations:

The Municipal Inclusion Assessment Tool has not been applied to this RFD.

Financial:

The improvements are expected to last for more than 20 years. This long lifespan makes debenture financing a suitable way to fund them because the cost of paying for the improvements will be divided among the future generations of users who will benefit.

Currently borrowing an additional \$6,400,000 would result in additional annual payments of ~\$520,000 annually, and borrowing an additional \$3,800,000 would result in additional annual payments of ~\$300,000.

The borrowing for these two projects is anticipated to be submitted for in late July for a September 15th lending date. The first payments will occur in 2024 therefore an adjustment can be made in 2023-2024 to assist in first year payments.

Debt limit projections have been calculated and even with the increased borrowing the municipality will continue to be within limits imposed within the Municipal Government Act.

Attachments:

WSP Briefing note



June 8, 2023

RE: Jasper Activity Centre – Project Cost Analysis

Through the help of a Cost Consultant and Construction Manager, project construction cost estimates in late 2022 showed promise the project would be viable with Council’s approved budget of \$14,001,550. Early 2023 unfortunately proved otherwise when the project was officially tendered to market. The significant forecasted cost overrun prompted the Project Team to conduct a deep and robust value engineering exercise to try to realign construction costs with approved funding. Despite these best efforts, current market conditions continue to impede the Team’s ability to deliver the desired scope of work within the limits of the approved budget.

A survey of other capital projects across Alberta, including others under WSP’s management, confirms these unfavourable market conditions are not unique to the Jasper project. Supply chain challenges, rapidly rising interest rates, labour shortages, and material price escalation are all factors impacting global and local economic conditions. See table below for historical cost estimates for the Jasper Activity Centre.

Project Cost Analysis

Budget Item Description	Current Budget as of Nov 9, 2022	Full Project Scope		
		Class D Cost Estimate 01/13/2023	Class A Cost Estimate 05/25/2023	Forecast Variance at Completion (Budget - Class A)
Soft Costs	1,567,646	1,297,690	1,729,812	(162,166)
Hard Costs	11,408,904	11,928,679	17,616,239	(6,207,335)
Equipment	25,000	25,000	25,000	-
Management Reserve	1,000,000	1,000,000	1,000,000	-
PROJECT TOTALS	14,001,550	14,251,369	20,371,051	(6,369,501)

COUNCIL BRIEFING

Subject: Recreation Renovation Budget Update – Further Information
From: Bill Given, Chief Administrative Officer
Prepared by: Christopher Read, Director of Community Development
Natasha Malenchak, Director of Finance and Administration
Date: June 20, 2023



Background:

At the June 13th Committee Meeting, Council passed the following motion:

Committee direct Administration to return to the next Council meeting with a list of costs of items tied to grant funding as well as costs associated with items outside of the grant scope and any additional information on how the project scope grew over the last year. -Council further clarified to request information on Debt Financing be included in that request.

Discussion:

The original project scope as submitted to the federal Building Canada grant program in 2019 was described as:

The Jasper Recreation Facilities Renovation and Upgrade Project (the Project) will include improvements and upgrades to five recreation facilities and includes:

Activity Centre, Arena and Curling Rink:

- Upgrades to Zamboni room, change rooms, stairs and access points, and electrical fixtures.
- Relocation and rebuilding of the common arena and curling rink refrigeration/ice plant along with installation of new dehumidification system in both facilities. Activity Centre
- Upgrades to the multipurpose hall, entrances, lobby, and change rooms.
- Rehabilitation of the Heating, Ventilation and Air Conditioning (HVAC) system, fire suppression systems, lighting, and sound system.
- A new elevator between floors and added programming space in the Activity Centre. Fitness and Aquatic Centre.

Fitness and Aquatic Centre:

- Upgrades to the wade pool and hot tub sand filters, heat exchangers and chemical feed system.
- Improvements to the lighting, fire suppression system, and upgrades to change rooms to make them more accessible.

Centennial Park Log Cabin

- Replacement of the roof and renovation of the bathrooms in the Centennial Park Log Cabin.
General Upgrades
- Upgrades to the electrical distribution systems in each of the facilities noted above

The total project cost estimate submitted in 2019 in support of the federal grant was \$9.2M.

Scope Changes approved by Council that have occurred are:

- May 3rd, 2022, Council approved the following:
 - Arena Dressing Room expansion to add five (5) new rooms to the west and south (\$3,355,756)
 - Activity Centre Conversion of the d/s Sauna to additional washrooms (\$133,238)
 - Aquatic Centre Complete renovation of all existing change rooms (\$342,497)

- September 27th, 2022, Council approved the following:
 - Reduced the project scope from five (5) to three (3) new Arena Dressing Rooms (in lieu of adding ~\$2M to the project budget.)
 - Approved the design change to non-gendered change rooms in the Aquatic Centre (with no change to the project budget.)

- January to May 2022, Administration and the project team undertook value engineering work to reduce costs within the Council approved scope, as the accuracy of cost estimates improved.

The following chart shows the large blocks of the project with related factors:

Recreation Facility Renovation - Project Scope Analysis						
Project Scope	Inclusions	Value	Grant Component	Urgency	Service Impact	Benefits
Addition of New Dressing Rooms	3 changerooms added outside the current building footprint.	\$2.8M	No	Low	Additional Service	Increased number of dressing rooms.
Renovate Existing Dressing Rooms	Corridor added outside building footprint, and existing dressing rooms renovated to be accessible.	\$2.5M	Yes	High	Improved Service Meet Accessibility Needs	Improved functionality & accessibility. Lifecycle reinvestment
Aquatic Centre Renovations	Changeroom Renovations, Lighting and Mechanical system repairs and replacements	\$2.5M	Yes	High	Improved Service Meet Accessibility Needs Meet current regulations	Improved functionality & accessibility. Lifecycle reinvestment
Activity Centre Renovations	Elevator addition, main doors & entryway improvements, basement universal changeroom.	\$9.8M	Yes	High	Improved Service Meet Accessibility Needs Meet current regulations	Improved functionality & accessibility. Lifecycle reinvestment
Arena & Activity Centre (Shared Services)	Mechanical and Electrical systems repairs and replacements		Yes	High	Maintain Current Service Meet current regulations	Lifecycle Reinvestment & Safety
Total Project "Hard Costs" as of June 6 2023:		\$17.6M				

Debt Payments:

Admin Recommendation

- The additional \$6.4M of borrowing would increase annual debt payments by ~\$520,000 starting in 2024.

Existing

- In 2023 the municipality has one tax funded debt payment that will be expiring. This expiring debt will reduce the municipality’s tax funded annual payments by \$49,243 beginning in 2024.
- In 2024 the municipality has one utility funded debt payment that will be expiring. This expiring debt will reduce the municipality’s utility funded annual payments by \$107,383 in 2024 and a further \$102,470 beginning in 2025.
- There are no other debt payments expiring before 2034.

Planned

- There is a *planned* debt payment of \$184,124 for housing beginning in 2024 with an additional payment of \$184,124 *planned* to begin in 2025.
- If the Municipally Controlled Corporation is formed, the planned payments toward housing debt will be carried by the development and not by the general tax base.