

TOWN OF CANMORE

AGENDA

Finance Committee

Council Chamber at the Canmore Civic Centre, 902 – 7 Avenue

October 25, 2022 at 1:00pm

A. CALL TO ORDER AND APPROVAL OF AGENDA

1. Land Acknowledgement
2. Agenda for the October 25, 2022 Finance Committee Meeting

B. DELEGATIONS

None

C. MINUTES

1. Minutes of the April 26, 2022 Finance Meeting

D. STAFF REPORTS

1. Finance Committee Overview (verbal presentation)
2. 2022 Financial Report - Year to Date as at August 31
Purpose: To provide the Finance Committee with the year-to-date financial report as at August 31, 2022 for information.
3. 2022 Capital Projects Status Update as at September 30
Recommendation: That the Finance Committee recommend to Council to cancel the following projects:
 - 7224 Asset and Work Order Software
 - 7236 Passenger Rail Station and Impact Study
4. Auditor Appointment for 2022 and 2023
Recommendation: That the Finance Committee appoint Avail CPA as the external financial auditor for the Town of Canmore for the fiscal years ending December 31, 2022, and 2023.
5. Pre-Audit Report
Purpose: a report provided by the Town's auditor related to their audit of 2022 financial statements.

E. IN CAMERA

None

F. ADJOURNMENT



**TOWN OF CANMORE
MINUTES**

Finance Committee

Council Chamber at the Canmore Civic Centre, 902 – 7 Avenue

Tuesday, April 26, 2022 at 1:00 p.m.

FINANCE COMMITTEE MEMBERS PRESENT

Sean Krausert	Mayor
Jeff Hilstad	Deputy Mayor
Tanya Foubert	Councillor
Wade Graham	Councillor
Jeff Mah	Councillor
Karen Marra	Councillor
Joanna McCallum	Councillor
Sally Caudill	Chief Administrative Officer (non-voting)

FINANCE COMMITTEE MEMBERS ABSENT

None

ADMINISTRATION PRESENT

Therese Rogers	General Manager of Corporate Services
Whitney Smithers	General Manager of Municipal Infrastructure
Scott McKay	Acting General Manager of Municipal Services
Adam Driedzic	Town Solicitor
Adam Robertson	Acting Manager of Communications
Cheryl Hyde	Municipal Clerk
Andrew Kelly	Assistant Municipal Clerk (Recorder)
Sara Jones	Executive Assistant
Chelsey Richardson	Manager of Finance
Ric Irwin	Senior Finance Officer

Mayor Krausert called the April 26, 2022 Finance Committee meeting to order at 1:00 p.m.

A. CALL TO ORDER AND APPROVAL OF AGENDA

- 1. Land Acknowledgement**
- 2. Agenda for the April 26, 2022 Finance Committee Meeting**

1-2022FIN

Moved by Mayor Krausert that the Finance Committee approve the agenda for the April 26, 2022 meeting as presented.

CARRIED UNANIMOUSLY

B. DELEGATIONS

None

C. MINUTES

- 2-2022FIN **1. Minutes of the November 30, 2021 Finance Meeting**
Moved by Mayor Krausert that the Finance Committee approve the minutes of the November 30, 2021 meeting as presented.
CARRIED UNANIMOUSLY

D. STAFF REPORTS

- 1:09 **1. Town of Canmore Consolidated Financial Statements for the Year Ended December 31, 2021**
Calvin Scott, Avail LLP Chartered Professional Accountants, presented the 2021 Consolidated Financial Statements.

E. IN CAMERA

- 3-2022FIN **1. Auditor Interview (verbal and with in camera)**
Moved by Mayor Krausert that the Finance Committee take the meeting in camera at 1:34 p.m. to prevent disclosure of personnel evaluations in accordance with section 17(4)(f) of the Freedom of Information and Protection of Privacy Act.
CARRIED UNANIMOUSLY

In Camera attendees: Calvin Scott, Avail LLP Chartered P

- 4-2022FIN Moved by Mayor Krausert that the Finance Committee return to the public meeting at 1:43 p.m.
CARRIED UNANIMOUSLY

- 5-2022FIN Moved by Mayor Krausert that the Finance Committee accept the Town of Canmore's consolidated financial statements for the year ended December 31, 2021, as presented.
CARRIED UNANIMOUSLY

D. STAFF REPORTS continued

- 1:44 **2. 2021 Administrative Financial Report**
- 6-2022FIN Moved by Mayor Krausert that the Finance Committee approve allocating the 2021 operating surplus of \$2,812,810 through transfers to reserves as follows:
- \$315,000 to the General Municipal Operating Reserve
 - \$250,000 to the Tax Stabilization Reserve
 - \$702,810 to the General Municipal Capital Reserve
 - \$725,000 to the Asset Replacement/Rehabilitation Reserve
 - \$25,000 to the Flood Mitigation Structure Maintenance Reserve
 - \$795,000 to the Development Application Reserve
- CARRIED UNANIMOUSLY**

- 7-2022FIN Moved by Mayor Krausert that the Finance Committee recommend to Council to approve the following:
- Approve additional market adjustments for staff of \$275,000 to be funded from the General Municipal Operating Reserve
 - Approve additional contracted resources within HR in 2022 for \$40,000 to be funded from the General Municipal Operating Reserve

Minutes approved by: _____

- Approve an additional development resource within each of the Planning and Engineering departments in 2022 for a total of \$220,000 to be funded from the Development Application Reserve
- Approve a scope and budget increase to capital project 7231 Civic Centre Hybrid Workspaces from \$50,000 to \$150,000, funded by \$100,000 from the General Municipal Capital Reserve

CARRIED UNANIMOUSLY

3. 2021 Capital Project Summaries

Administration spoke to a written report summarizing the capital projects completed during calendar year 2021 and those that have been carried forward to 2022 as Work in Progress (WIP).

8-2022FIN Moved by Mayor Krausert that the Finance Committee accept the 2021 Capital Project Summaries as presented.

CARRIED UNANIMOUSLY

4. Tourist Home Taxation Rates (verbal report)

Administration provided the Finance Committee with a verbal report on tourist home taxation rates in the Town.

9-2022FIN Moved by Mayor Krausert that the Finance Committee recommend that council direct administration to prepare the property tax bylaw for 2022 to increase the tourist home class mill rate to equal the non-residential class mill rate.

F. ADJOURNMENT

10-2022FIN Moved by Mayor Krausert that the Finance Committee adjourn the April 26, 2022 Finance Committee at 2:53 p.m.

Sean Krausert, Mayor

Cheryl Hyde, Municipal Clerk

Minutes approved by: _____



Briefing

DATE OF MEETING: October 25, 2022 **Agenda #: D-2**

To: Finance Committee

SUBJECT: 2022 Financial Report - Year to Date as at August 31

SUBMITTED BY: Palki Biswas, Manager of Finance

PURPOSE: To provide the Finance Committee with the year-to-date financial report as at August 31, 2022 for information.

EXECUTIVE SUMMARY

Administration monitors actual performance compared to budget monthly and provides Finance Committee with a financial report bi-annually (at the onset of budget deliberations and at year-end). This report provides a review of actual financial performance for the first eight months of the year (2022).

BACKGROUND/HISTORY

On December 14, 2021, through motion 269-2021, Council approved the 2022 Operating Budget and Business Plan.

DISCUSSION

Year-to-date variances are largely attributable to timing differences and savings between actual versus budgeted transactions and various flow-through reserve and funding entries that are not accounted for until year-end.

An analysis of the operating budget was conducted that excluded the impact of timing and year-end accounting and considered known subsequent events. As a result, Administration would like the committee to be aware of the following:

Revenues:

- Building and Engineering permits (+\$405K) and Business Registry revenue (+\$45K) continue to exceed budget because of the general level of development and economic activity in town. The excess development revenues will be transferred to the Development Reserve with Business Registry revenues transferred to the Economic Development reserve, per the reserves policy.
- Gas and electrical franchise fees are trending better than budget (+\$169K). Gas and power costs are higher due to the cold winter conditions early in the year.
- RCMP fines revenue is currently trending (-\$54K) lower than budget due to officer vacancies.

Expenses:

- RCMP contract costs are currently <\$275K> lower than budget. RCMP have advised that the switch to 90/10 billing for municipalities >15K is now expected to be effective April 2023 but that formal decision is still pending from Public Safety Canada.
- Contracted Services within Corporate Administration (+\$150K) is trending higher than budget due to the unexpected legal expenses and significant work required related to a FOIP request.
- Snow and Ice Control (-\$150K) is lower than budget due to lower than expected expenditures in the last part of the winter.
- Position vacancies and payroll slippage is approximately \$800K versus annual budget assumption of \$700k.
- Recreation continues to be impacted aquatics center closures and the impacts of the pandemic.
- COVID expenses through the end of August totaled \$41K.

FINANCIAL IMPACTS

Year-to-date operating results as at August 31st indicate conformance with the overall 2022 budget.

STAKEHOLDER ENGAGEMENT

N/A

ATTACHMENTS

- 1) Financial Report as at August 31, 2022 (with variance explanations)

AUTHORIZATION

Submitted by:	Ric Irwin Senior Finance Officer	Date:	<u>October 14, 2022</u>
Approved by:	Palki Biswas Manager of Finance	Date	<u>October 17, 2022</u>
Approved by:	Therese Rogers General Manager of Corporate Services	Date:	<u>October 19, 2022</u>

Town of Canmore
Summary of All Units
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Municipal Taxes	28,111,256	28,105,186	6,070	0%	28,130,186
Sales and Rentals	15,087,529	15,091,439	(3,910)	(0%)	24,414,502
Permits and Fines	2,479,980	2,145,219	334,761	16%	3,085,853
Internal Transfers	1,026,278	1,049,522	(23,244)	(2%)	1,514,222
Grants	778,477	731,972	46,505	6%	1,377,710
Transfers and Other	1,318,635	487,755	830,880	170%	2,945,986
Total Revenue	48,802,155	47,611,093	1,191,062	3%	61,468,459
EXPENDITURES					
Salaries, Wages and Benefits	14,465,007	14,999,509	(534,502)	(4%)	21,581,507
Admin and General Services	1,651,577	1,830,890	(179,313)	(10%)	2,315,774
Contracted Services	9,094,976	9,746,465	(651,489)	(7%)	16,561,426
Supplies and Energy	2,085,595	2,154,065	(68,470)	(3%)	4,040,972
Borrowing Costs	2,248,368	2,271,874	(23,506)	(1%)	4,399,938
Other	29,767	8,258	21,509	260%	91,960
Transfer to Capital	0	0	0	0%	1,285,000
Transfer to Reserve	261,709	259,920	1,789	1%	8,069,846
Internal Transfers	1,026,374	1,009,798	16,576	2%	1,514,222
Transfer to Affiliated Orgs	1,515,294	1,515,314	(20)	(0%)	1,607,814
Total Expenditures	32,378,667	33,796,093	(1,417,426)	(4%)	61,468,459
Net Surplus / Deficit	16,423,488	13,815,000	2,608,488	19%	0

See the following pages for details:

Please note:

The Town of Canmore periodic internal financial reports do not reflect accrual accounting. As such, there are timing variances due to differences between cash and accrual-based accounting.

Many reserve entries and transfers are not booked until year-end. Consequently, there are year-to-date variances related to flow-through reserve and funding entries not yet accounted for.

Town of Canmore
 Summary of Town Operations (excl Utilities / SWS)
 as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Municipal Taxes	28,111,256	28,105,186	6,070	0%	28,130,186
Sales and Rentals	5,411,652	5,449,616	(37,964)	(1%)	8,697,846
Permits and Fines	2,479,980	2,145,219	334,761	16%	3,085,853
Internal Transfers	1,026,278	1,049,522	(23,244)	(2%)	1,514,222
Grants	778,477	731,972	46,505	6%	1,377,710
Transfers and Other	1,304,486	487,755	816,731	167%	2,705,986
Total Revenue	39,112,129	37,969,270	1,142,859	3%	45,511,803
EXPENDITURES					
Salaries, Wages and Benefits	13,457,213	13,978,837	(521,624)	(4%)	20,084,299
Admin and General Services	1,635,571	1,820,192	(184,621)	(10%)	2,293,099
Contracted Services	6,093,127	6,594,825	(501,698)	(8%)	10,271,066
Supplies and Energy	1,591,320	1,688,797	(97,477)	(6%)	3,020,209
Borrowing Costs	740,672	740,672	0	0%	1,470,519
Other	29,767	8,258	21,509	260%	91,960
Transfer to Capital	0	0	0	0%	1,285,000
Transfer to Reserve	11,709	9,920	1,789	18%	5,119,957
Internal Transfers	13,693	22,350	(8,657)	(39%)	352,400
Transfer to Affiliated Orgs	1,430,794	1,430,794	0	0%	1,523,294
Total Expenditures	25,003,866	26,294,645	(1,290,779)	(5%)	45,511,803
Net Surplus / Deficit	14,108,263	11,674,625	2,433,638	21%	0

See the following pages for details:

Town of Canmore
General Municipal
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Municipal Taxes	27,661,387	27,655,186	6,201	0%	27,680,186
Sales and Rentals	2,040,043	1,869,998	170,045	9%	3,133,600
Permits and Fines	181,290	166,336	14,954	9%	242,000
Grants	200,613	200,000	613	0%	200,000
Transfers and Other	562,212	248,968	313,244	126%	1,857,956
Total Revenue	30,645,545	30,140,488	505,057	2%	33,113,742
EXPENDITURES					
Salaries, Wages and Benefits	31,000	30,000	1,000	3%	(682,411)
Admin and General Services	892,753	909,035	(16,282)	(2%)	909,035
Contracted Services	0	0	0	0%	25,000
Borrowing Costs	537,877	537,877	0	0%	1,064,929
Other	(1,572)	0	(1,572)	0%	50,000
Transfer to Capital	0	0	0	0%	1,285,000
Transfer to Reserve	8,109	6,320	1,789	28%	4,658,871
Total Expenditures	1,468,167	1,483,232	(15,065)	(1%)	7,310,424
Net Surplus / Deficit	29,177,378	28,657,256	520,122	2%	25,803,318

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - increase is ATCO and Fortis franchise fees. Greater volumes of gas and power over the winter is the main driver - particularly during the Dec/Jan extended cold temperature period.

Permits and Fines - increased as revenue from main street pedestrian zone permits and in street patio permits we not specifically budgeted.

Transfers and Other - increase is from (1) transfer of \$275k from General Operating Reserve to fund additional market adjustments for staff - per 112-2022 (2) Three Sisters Drive pre-servicing re-payments and (3) a return of community grant from prior years.

Town of Canmore
Council
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
EXPENDITURES					
Salaries, Wages and Benefits	288,144	298,217	(10,073)	(3%)	448,671
Admin and General Services	64,074	65,164	(1,090)	(2%)	71,000
Contracted Services	0	1,000	(1,000)	(100%)	1,500
Supplies and Energy	2,460	4,664	(2,204)	(47%)	7,000
Other	0	0	0	0%	33,600
Total Expenditures	354,678	369,045	(14,367)	(4%)	561,771
Net Surplus / Deficit	(354,678)	(369,045)	14,367	(4%)	(561,771)

Notes on variances of \$5,000 and 5% from Budget:

nothing to comment.

Town of Canmore
Corporate Administration Rollup
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Sales and Rentals	74,823	49,664	25,159	51%	74,500
Internal Transfers	239,033	239,033	0	0%	239,033
Transfers and Other	57,911	4,100	53,811	1312%	4,400
Total Revenue	371,767	292,797	78,970	27%	317,933
EXPENDITURES					
Salaries, Wages and Benefits	2,903,814	2,930,810	(26,996)	(1%)	4,387,166
Admin and General Services	273,503	352,894	(79,391)	(22%)	501,629
Contracted Services	1,153,498	1,004,520	148,978	15%	1,178,422
Supplies and Energy	22,673	53,194	(30,521)	(57%)	100,900
Other	6,292	50	6,242	12484%	50
Total Expenditures	4,359,780	4,341,468	18,312	0%	6,168,167
Net Surplus / Deficit	(3,988,013)	(4,048,671)	60,658	(1%)	(5,850,234)

Rollup includes: Executive Office, Human Resources, Finance, Common Services and I.T.

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - increased due to volume of tax certificates as a result of high levels of property sales.

Transfers and Other - increase is from (1) transfer of \$40k from General Operating Reserve to fund additional contracted resources within HR - per 112-2022 (offset below) and (2) a \$14k WCB Partners in Injury Reduction (PIR) rebate.

Admin and General Services - decreased due to timing and savings of general expenses in all areas.

Contracted Services - increase is primarily from (1) legal fees (2) HR recruitment costs (offset above) and (3) FOIP request contracted services.

Supplies and Energy - decrease mainly due to timing and savings of general supplies expenses in HR & Common Services.

Other - increase is due to COVID rapid testing program expenses.

Town of Canmore
Municipal Services Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	2,855,992	3,073,276	(217,284)	(7%)	4,595,367
Permits and Fines	1,001,662	1,085,411	(83,749)	(8%)	1,503,653
Internal Transfers	0	8,000	(8,000)	(100%)	8,000
Grants	484,421	451,972	32,449	7%	1,097,710
Transfers and Other	212,506	22,892	189,614	828%	420,040
Total Revenue	4,554,581	4,641,551	(86,970)	(2%)	7,624,770
EXPENDITURES					
Salaries, Wages and Benefits	5,718,392	5,969,913	(251,521)	(4%)	8,933,013
Admin and General Services	256,693	330,244	(73,551)	(22%)	598,335
Contracted Services	1,844,245	2,175,020	(330,775)	(15%)	4,165,983
Supplies and Energy	281,548	341,258	(59,710)	(17%)	518,492
Other	10,956	208	10,748	5167%	310
Transfer to Reserve	3,600	3,600	0	0%	461,086
Internal Transfers	13,693	22,350	(8,657)	(39%)	352,400
Total Expenditures	8,129,127	8,842,593	(713,466)	(8%)	15,029,619
Net Surplus / Deficit	(3,574,546)	(4,201,042)	626,496	(15%)	(7,404,849)

See following departmental sheets for details:

Economic Development Rollup
Community Social Development Rollup
Protective Services Rollup
Recreation Rollup

Town of Canmore
Economic Development Rollup
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Permits and Fines	506,045	461,239	44,806	10%	461,903
Transfers and Other	14,015	12,980	1,035	8%	38,180
Total Revenue	520,060	474,219	45,841	10%	500,083
EXPENDITURES					
Salaries, Wages and Benefits	398,518	430,420	(31,902)	(7%)	643,134
Admin and General Services	43,816	81,742	(37,926)	(46%)	192,728
Contracted Services	41,175	73,825	(32,650)	(44%)	110,965
Supplies and Energy	13,302	27,712	(14,410)	(52%)	36,600
Transfer to Reserve	0	0	0	0%	(1,016)
Total Expenditures	496,811	613,699	(116,888)	(19%)	982,411
Net Surplus / Deficit	23,249	(139,480)	162,729	(117%)	(482,328)

Rollup includes: Economic Development and Arts & Events

Notes on variances of \$5,000 and 5% from Budget:

Permits and Fines - Business Registry fees continue to trend higher than budget and to last year.

Salaries, Wages and Benefits - decrease is due to a position vacancy in A&E.

Admin and General Services - decreased due to timing of general expenses in Eco Dev.

Contracted Services - decrease is mainly due to savings in Eco Dev and scaling back Winter Carnival event to align with AHS covid restrictions.

Supplies and Energy - decrease is mainly due to savings in A&E and scaling back Winter Carnival event to align with AHS covid restrictions.

Town of Canmore
Community Social Development Rollup
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Sales and Rentals	9,311	13,796	(4,485)	(33%)	50,635
Internal Transfers	0	8,000	(8,000)	(100%)	8,000
Grants	480,421	451,972	28,449	6%	677,710
Transfers and Other	185,438	9,912	175,526	1771%	69,360
Total Revenue	675,170	483,680	191,490	40%	805,705
EXPENDITURES					
Salaries, Wages and Benefits	717,157	729,512	(12,355)	(2%)	1,097,052
Admin and General Services	5,302	20,176	(14,874)	(74%)	29,895
Contracted Services	87,585	25,776	61,809	240%	57,170
Supplies and Energy	76,962	77,400	(438)	(1%)	113,352
Other	1,740	208	1,532	737%	310
Transfer to Reserve	3,600	3,600	0	0%	3,600
Internal Transfers	0	8,000	(8,000)	(100%)	8,000
Total Expenditures	892,346	864,672	27,674	3%	1,309,379
Net Surplus / Deficit	(217,176)	(380,992)	163,816	(43%)	(503,674)

Rollup includes: CSD Administration, FCSS and Family Resource Network (FRN)

Notes on variances of \$5,000 and 5% from Budget:

Internal Transfers - budgeted transfer within FRN was recorded in Salaries, Wages & Benefits - offset below.

Grants - increase is due to timing of receiving FCSS Sept grant.

Transfers and Other - increased from (1) FRN & FCSS grant funds received in prior year for use in Q1 2022 and (2) Homeless Society of the Bow Valley (HSBV) program funding received for use in Q1 - offset below.

Admin and General Services - decreased due to timing of general expenses in all areas.

Contracted Services - increased due to HSBV program expenses - offset with funding above.

Internal Transfers - budgeted transfer within FRN was recorded in Salaries, Wages & Benefits - offset above.

Town of Canmore
Protective Services Rollup
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Sales and Rentals	608,785	501,404	107,381	21%	835,740
Permits and Fines	495,617	624,172	(128,555)	(21%)	1,041,750
Grants	0	0	0	0%	420,000
Transfers and Other	162	0	162	0%	312,500
Total Revenue	1,104,564	1,125,576	(21,012)	(2%)	2,609,990
EXPENDITURES					
Salaries, Wages and Benefits	2,456,385	2,546,575	(90,190)	(4%)	3,842,223
Admin and General Services	133,172	139,002	(5,830)	(4%)	241,670
Contracted Services	1,685,461	2,017,459	(331,998)	(16%)	3,925,998
Supplies and Energy	108,021	111,596	(3,575)	(3%)	185,490
Other	2,700	0	2,700	0%	0
Transfer to Reserve	0	0	0	0%	458,502
Internal Transfers	13,693	14,350	(657)	(5%)	344,400
Total Expenditures	4,399,432	4,828,982	(429,550)	(9%)	8,998,283
Net Surplus / Deficit	(3,294,868)	(3,703,406)	408,538	(11%)	(6,388,293)

Rollup includes: RCMP Policing, Municipal Enforcement and Fire-Rescue

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - revenue increase is a result of paid parking program and budget assumptions.

Permits and Fines - decreased primarily due to (1) automated traffic enforcement fine revenue being impacted by provincial changes made in 2021 - partially offset with increased visitation levels and (2) RCMP fine revenue being impacted by officer vacancies.

Contracted Services - decreased primarily due to RCMP contract costs and decreased automated traffic enforcement contract costs on reduced revenue. RCMP have advised that the switch to 90/10 billing for municipalities > 15k is now expected to be effective April 2023 but that formal decision is still required from Public Safety Canada.

Town of Canmore
Recreation Rollup
as at August 31, 2022

	2022 YTD Actual	2022 YTD Budget	Variance \$	Variance %	2022 Annual Budget
REVENUES					
Sales and Rentals	2,237,896	2,558,076	(320,180)	(13%)	3,708,992
Grants	4,000	0	4,000	0%	0
Transfers and Other	12,891	0	12,891	0%	0
Total Revenue	2,254,787	2,558,076	(303,289)	(12%)	3,708,992
EXPENDITURES					
Salaries, Wages and Benefits	2,146,333	2,263,406	(117,073)	(5%)	3,350,604
Admin and General Services	74,404	89,324	(14,920)	(17%)	134,042
Contracted Services	30,024	57,960	(27,936)	(48%)	71,850
Supplies and Energy	83,262	124,550	(41,288)	(33%)	183,050
Other	6,516	0	6,516	0%	0
Total Expenditures	2,340,539	2,535,240	(194,701)	(8%)	3,739,546
Net Surplus / Deficit	(85,752)	22,836	(108,588)	(476%)	(30,554)

Rollup includes: Rec Admin & Rentals, Aquatics, Climbing and Rec Programs & Fitness

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - decreased due to budget assumptions & actual impacts of COVID.

Transfers and Other - increase is small balance reconciliation & clean up of accounts.

Salaries, Wages and Benefits - decreased due to vacancies and adjusting staffing to business volumes.

Admin and General Services - decreased due to savings of general expenses in all areas.

Contracted Services - decrease is primarily due to savings in programming.

Supplies and Energy - decrease due to savings of general expenses in all areas.

Other - increase is due to COVID related expenditure in Q1 - offset with grant and user fees.

Town of Canmore
Municipal Infrastructure Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	440,795	456,678	(15,883)	(3%)	894,379
Permits and Fines	1,297,028	893,472	403,556	45%	1,340,200
Internal Transfers	787,245	802,489	(15,244)	(2%)	1,267,189
Grants	93,443	80,000	13,443	17%	80,000
Transfers and Other	269,061	9,000	260,061	2890%	18,000
Total Revenue	2,887,572	2,241,639	645,933	29%	3,599,768
EXPENDITURES					
Salaries, Wages and Benefits	4,515,863	4,749,897	(234,034)	(5%)	6,997,860
Admin and General Services	58,880	69,255	(10,375)	(15%)	119,500
Contracted Services	2,859,383	3,178,285	(318,902)	(10%)	4,664,161
Supplies and Energy	1,284,639	1,289,681	(5,042)	(0%)	2,393,817
Other	14,091	8,000	6,091	76%	8,000
Total Expenditures	8,732,856	9,295,118	(562,262)	(6%)	14,183,338
Net Surplus / Deficit	(5,845,284)	(7,053,479)	1,208,195	(17%)	(10,583,570)

See following departmental sheets for details:

- Engineering
- Transit
- Planning & Development
- Facilities Rollup
- Public Works Rollup

Town of Canmore
Engineering
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	0	0	0	0%	7,166
Permits and Fines	113,486	50,000	63,486	127%	75,000
Internal Transfers	234,305	234,305	0	0%	234,305
Transfers and Other	110,000	0	110,000	0%	0
Total Revenue	457,791	284,305	173,486	61%	316,471
EXPENDITURES					
Salaries, Wages and Benefits	728,288	680,636	47,652	7%	1,018,941
Admin and General Services	8,180	10,666	(2,486)	(23%)	17,625
Contracted Services	92,058	63,328	28,730	45%	95,000
Supplies and Energy	7,128	4,426	2,702	61%	5,350
Total Expenditures	835,654	759,056	76,598	10%	1,136,916
Net Surplus / Deficit	(377,863)	(474,751)	96,888	(20%)	(820,445)

Notes on variances of \$5,000 and 5% from Budget:

Permits and Fines - increased from volume of engineering permit activity.

Transfers and Other - increase is from transfer of \$110k from General Operating Reserve to fund an additional development resource in the Engineering department - per 112-2022 (partially offset below)

Salaries, Wages and Benefits - increase is offset per above - transfer from reserve.

Contracted Services - increase is due to required professional engineering services - offset with increased revenue.

Town of Canmore
Transit
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Internal Transfers	0	0	0	0%	298,000
Total Revenue	0	0	0	0%	298,000
EXPENDITURES					
Contracted Services	1,503,386	1,514,671	(11,285)	(1%)	1,534,671
Total Expenditures	1,503,386	1,514,671	(11,285)	(1%)	1,534,671
Net Surplus / Deficit	(1,503,386)	(1,514,671)	11,285	(1%)	(1,236,671)

Notes on variances of \$5,000 and 5% from Budget:

nothing to comment.

Town of Canmore
Planning & Development
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	50,017	48,864	1,153	2%	63,800
Permits and Fines	1,183,543	843,472	340,071	40%	1,265,200
Transfers and Other	110,000	0	110,000	0%	0
Total Revenue	1,343,560	892,336	451,224	51%	1,329,000
EXPENDITURES					
Salaries, Wages and Benefits	755,742	870,848	(115,106)	(13%)	1,302,398
Admin and General Services	16,075	19,616	(3,541)	(18%)	37,920
Contracted Services	88,273	83,336	4,937	6%	175,000
Supplies and Energy	399	1,072	(673)	(63%)	1,600
Other	280	0	280	0%	0
Total Expenditures	860,769	974,872	(114,103)	(12%)	1,516,918
Net Surplus / Deficit	482,791	(82,536)	565,327	(685%)	(187,918)

Notes on variances of \$5,000 and 5% from Budget:

Permits and Fines - increased from volume of building permit activity.

Transfers and Other - increase is from transfer of \$110k from General Operating Reserve to fund an additional development resource in the Planning department - per 112-2022.

Salaries, Wages and Benefits - decrease is due to position vacancies.

Town of Canmore
Facilities Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	333,405	355,910	(22,505)	(6%)	565,418
Internal Transfers	65,867	65,867	0	0%	65,867
Total Revenue	399,272	421,777	(22,505)	(5%)	631,285
EXPENDITURES					
Salaries, Wages and Benefits	1,431,587	1,496,655	(65,068)	(4%)	2,244,074
Admin and General Services	17,457	8,211	9,246	113%	13,045
Contracted Services	416,873	596,524	(179,651)	(30%)	865,930
Supplies and Energy	570,557	538,471	32,086	6%	991,094
Other	8,959	0	8,959	0%	0
Total Expenditures	2,445,433	2,639,861	(194,428)	(7%)	4,114,143
Net Surplus / Deficit	(2,046,161)	(2,218,084)	171,923	(8%)	(3,482,858)

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - decreased concession revenue in CRC & Elevation Place (Good Earth) earlier in the year.

Admin and General Services - increase is from freight charges and facility operator training.

Contracted Services - decreased due to timing and savings of contracted repairs & maintenance as well as YTD savings in custodial services.

Supplies and Energy - increased primarily from power and natural gas in Jan / Feb.

Other - increase is due to COVID related cleaning supplies.

Town of Canmore
Public Works Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	57,373	51,904	5,469	11%	257,995
Internal Transfers	487,073	502,317	(15,244)	(3%)	669,017
Grants	93,443	80,000	13,443	17%	80,000
Transfers and Other	49,061	9,000	40,061	445%	18,000
Total Revenue	686,950	643,221	43,729	7%	1,025,012
EXPENDITURES					
Salaries, Wages and Benefits	1,600,245	1,701,758	(101,513)	(6%)	2,432,447
Admin and General Services	17,168	30,762	(13,594)	(44%)	50,910
Contracted Services	758,795	920,426	(161,631)	(18%)	1,993,560
Supplies and Energy	706,555	745,712	(39,157)	(5%)	1,395,773
Other	4,852	8,000	(3,148)	(39%)	8,000
Total Expenditures	3,087,615	3,406,658	(319,043)	(9%)	5,880,690
Net Surplus / Deficit	(2,400,665)	(2,763,437)	362,772	(13%)	(4,855,678)

Rollup includes: PW Administration, Parks and Streets & Roads

Notes on variances of \$5,000 and 5% from Budget:

Sales and Rentals - increased due to sales of cemetery plots and niches.

Internal Transfers - decreased due to timing of internal fleet transfers to Fire-Rescue and Solid Waste Services.

Grants - increase is actual Mountain Pine Beetle grant funding received in March.

Transfers and Other - increased from carry-over Mountain Pine Beetle grant funds received in prior years for use in 2022.

Salaries, Wages and Benefits - decreased primarily due to timing of seasonal Parks & S&R staff and a vacancy in PW Administration.

Admin and General Services - decreased due to savings of general expenses in all areas.

Contracted Services - decreased due to (1) YTD savings in snow and ice control costs - overall less snow accumulation than some other seasons and (2) timing of contracted maintenance and equipment repairs.

Supplies and Energy - decrease is timing of purchases.

Town of Canmore
Solid Waste Services Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	2,434,343	2,429,229	5,114	0%	3,936,550
Transfers and Other	14,149	0	14,149	0%	0
Total Revenue	2,448,492	2,429,229	19,263	1%	3,936,550
EXPENDITURES					
Salaries, Wages and Benefits	1,007,794	1,020,672	(12,878)	(1%)	1,497,208
Admin and General Services	6,292	10,698	(4,406)	(41%)	22,675
Contracted Services	446,491	466,008	(19,517)	(4%)	896,986
Supplies and Energy	80,369	83,984	(3,615)	(4%)	132,000
Borrowing Costs	246,380	246,380	0	0%	492,761
Transfer to Reserve	250,000	250,000	0	0%	294,733
Internal Transfers	366,526	341,293	25,233	7%	515,667
Transfer to Affiliated Orgs	84,500	84,520	(20)	(0%)	84,520
Total Expenditures	2,488,352	2,503,555	(15,203)	(1%)	3,936,550
Net Surplus / Deficit	(39,860)	(74,326)	34,466	(46%)	0

Notes on variances of \$5,000 and 5% from Budget:

Transfers and Other - increased from receiving insurance proceeds for gate damage - repair expense is offset in contracted services

Internal Transfers - increase reflects YTD transfers to Fleet Services for SWS fleet repairs & fuel.

Town of Canmore
Water Utility Rollup
as at August 31, 2022

	2022	2022			2022 Annual
	YTD Actual	YTD Budget	Variance \$	Variance %	Budget
REVENUES					
Sales and Rentals	7,241,534	7,212,594	28,940	0%	11,780,106
Transfers and Other	0	0	0	0%	240,000
Total Revenue	7,241,534	7,212,594	28,940	0%	12,020,106
EXPENDITURES					
Admin and General Services	9,714	0	9,714	0%	0
Contracted Services	2,555,358	2,685,632	(130,274)	(5%)	5,393,374
Supplies and Energy	413,906	381,284	32,622	9%	888,763
Borrowing Costs	1,261,315	1,284,822	(23,507)	(2%)	2,436,658
Transfer to Reserve	0	0	0	0%	2,655,156
Internal Transfers	646,155	646,155	0	0%	646,155
Total Expenditures	4,886,448	4,997,893	(111,445)	(2%)	12,020,106
Net Surplus / Deficit	2,355,086	2,214,701	140,385	6%	0

Notes on variances of \$5,000 and 5% from Budget:

Contracted Services - decreased due to timing of Epcor billing cycle. Also additional services such as rehab work, leak detection & repair etc. typically happen later in the year.

Supplies and Energy - increased primarily from power and natural gas in Jan / Feb.



Request for Decision

DATE OF MEETING: October 25, 2022 **Agenda #:** D-3

TO: Finance Committee

SUBJECT: 2022 Capital Projects Status Update as at September 30

SUBMITTED BY: Palki Biswas, Manager of Finance

RECOMMENDATION: That the Finance Committee recommend to Council to cancel the following projects:

- 7224 Asset and Work Order Software
- 7236 Passenger Rail Station and Impact Study

EXECUTIVE SUMMARY

Administration monitors all ongoing capital projects monthly and provides Finance Committee with a capital update report bi-annually (at the onset of budget deliberations and at year-end). This report provides an update of all ongoing capital projects and a review of the actual spent in the first nine months of the year (2022).

Per the Budget Amendments Policy, certain criteria must be met in order for capital projects to carry forward. Some approved 2022 projects may not meet these criteria for carryover, and so will need to be cancelled.

RELEVANT COUNCIL DIRECTION, POLICY, OR BYLAWS

On December 14, 2021, through motion 269-2021, Council approved the 2022 Capital Budget and Plan.

Policy regarding capital project carry forward is included in the Budget Amendments Policy FIN-001.

DISCUSSION

The 2022 Capital Projects Status Report (attached) gives details of all active and ongoing capital projects for the Town for both the current year, 2022 approved projects, and the ones that were carried over from previous years. The update includes approved budget, actual spent as of September 30th and their project status.

The spent to date column only represents what was invoiced and processed by the accounts payable department by September 30th. These don't include committed amounts or invoices that have been received since then.

Based on the progress status, there are several projects that will be complete or substantially complete by end of this year and the remaining projects will be carried forward to 2023 (work-in progress).

Budget Amendments Policy

Projects for carry forward are intended to be kept to a minimum, and there are outlined criteria contained within the Budget Amendments Policy for capital projects to qualify for carryover. This policy stipulates that

where funds have not been expended on a capital project by October 15th of the year, for project to qualify for carryover, one of the following must occur:

- a request for quotes, proposals, or tenders has been issued, or
- a contract for work has been entered into but the work has not yet commenced, or
- work has commenced, but no invoices have yet been received and/or paid, or
- a plan for how and when the project will commence prior to year-end is approved by the Chief Administrative Office.

The ongoing economic condition along with supply chain issues have continued to impact planned work and capacity for the Town throughout 2022. This has meant that some planned project work has been delayed, or unable to occur to due other pressing matters.

The following projects are being recommended for cancellation:

- **7224 Asset and Work Order Software for \$10,000:** This project scope has been re-defined, and the software needs assessment and implementation are included in the 2023-2024 proposed capital plan coming forward to the Finance Committee.
- **7236 Passenger Rail Station and Impact Study for \$100,000:** This project will be brought back into the budget once the province supports the regional rail project.

The project carry forward criteria was not met for these two projects, and so at this point, it is recommended that the projects be cancelled. This decision will be brought to Council at the December 13th meeting during budget approval. Since project cancellation is not within the responsibilities of the Finance Committee, so at this point, we are asking for the Finance Committee to recommend to Council that these two projects be cancelled.

ANALYSIS OF ALTERNATIVES N/A

FINANCIAL IMPACTS

The cancellation of the two projects will have a reduction of \$110,000 in the approved 2022 capital budget.

STAKEHOLDER ENGAGEMENT None.

ATTACHMENTS

2022 Capital Projects Status Update as at September 30

AUTHORIZATION

Approved by:	Palki Biswas Manager of Finance	Date:	<u>October 20, 2022</u>
Approved by:	Therese Rogers General Manager of Corporate Services	Date:	<u>October 21, 2022</u>

Town of Canmore

Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
ADMINISTRATION								
7211	Business Transformation (2022)	100,000	100,000	-	No	Dec-23	n/a	The project budget is earmarked for Project Management Office support work which will be kicking off before the end of the year.
7212	TSMVPL Litigation	750,000	750,000	259,912	No	Dec-26	Multi Year	Project in progress. Completion date and costs will depend on decisions from Court and Council. Initial project funds were approved based on litigations commenced in 2021. New litigation commenced in 2022 that may require additional funds in 2023. Council direction to acquire the upper Staircase Lands was based on available funds in this project budget; however land acquisitions could be treated as separate capital projects from general litigation costs. Capital project spending does not account for impacts of litigation on operations.
7213	Compensation Grid	50,000	50,000	44,850	Yes	Dec-22	n/a	Project in progress and should be complete by year-end.
7214	Main Street Pedestrianization	50,000	50,000	17,204	Yes	Dec-22	n/a	Project almost complete as Gateway enhancements are near completion.
7215	Public Art Indigenous Mural Project	25,000	25,000	6,536	Yes	Dec-22	n/a	Project in progress and should be complete by year-end.
7216	Service Level Review - Phase 1	100,000	100,000	28,200	No	Jun-23	Multi Year	Project in progress and will be complete by mid next year.
7217	Digitization Large Format Plans	115,000	115,000	27,765	Yes	Dec-22	n/a	Project in progress and should be complete by year-end. Some savings are being projected at this time for this project.
7261	Labour Market Recruitment & Retention Strategy	100,000	100,000	-	No	Dec-23	n/a	Project has yet to begin as grant proposal is underway. RFP to be created after submission to ensure expenses meet the grant eligibility requirements.
ADMIN - Work in Progress (2021)								
7121	Organizational Review (2020)	165,000	96,796	100,314	No	Mar-23	n/a	Project in progress and will be complete by early next year.
7169	Business Resiliency Grant Program	75,000	46,889	50,594	Yes	Dec-22	n/a	Project in progress and should be complete by year-end.
7170	Retail Gap Analysis and Light Industrial Review	45,000	45,000	38,340	Yes	Nov-22	n/a	Project complete.
7171	Building Neighbourhoods Builds Community 2.0	35,000	15,958	19,292	Yes	Dec-22	n/a	Project complete.
Administration Total:		1,610,000	1,494,643	593,008				
INFORMATION TECHNOLOGY								
7218	PC Lifecycle & New Equipment (2022)	80,000	80,000	24,525	No	Feb-23	n/a	Project ongoing and has been delayed due to resource turnover. The plan is in place to execute the rest of the scope starting in October 2022.
7219	IT Infrastructure Lifecycle & New Equipment (2022)	70,000	70,000	22,123	No	Nov-23	n/a	Project ongoing and has been delayed due to position being vacant since March 2022. The remaining budget will be carried over to 2023 to tie in with cloud strategy.
7220	Network Upgrade (2022)	170,000	170,000	-	No	Mar-23	n/a	Project in progress as significant scope of work has been complete. Waiting for Shaw and MFA over VPN invoices due to some delays with Shaw construction.
7221	CityView Phase 1 Efficiencies	50,000	50,000	-	No	Jul-23	n/a	Project has been delayed due to resource constraints in IT and Planning. Initial requirements and assessments with Cityview are scheduled for October 2022.
7222	TownSquare (2022)	142,000	142,000	13,569	No	Jun-23	n/a	Project is in progress with assessment and planning to transition to Sharepoint Online.
7223	Disaster Recovery Program	40,000	40,000	1,000	No	Oct-23	n/a	Remaining project budget will be carried over to 2023 to revisit disaster recovery options in the cloud as part of cloud migration strategy.
7224	Asset and Work Order Software	10,000	10,000	-	No	n/a	n/a	Project cancelled.
7225	CityView Phase 2 (2022)	30,000	30,000	8,438	No	Jun-23	n/a	Project is in progress and the goal is to implement web portal to unlock potential of City View product for use within the organization.

Town of Canmore
Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
IT - Work in Progress (2021)								
1706	Desktop Virtualization	60,000	12,644	48,154	No	Oct-23	n/a	Project in progress and will be carried over to 2023 to revisit desktop virtualization options in the cloud as part of cloud migration strategy.
7008	Fire Operations Management System	70,000	11,012	58,988	Yes	Sep-22	n/a	Project complete.
7062	Telecommunications System	60,000	29,468	32,321	Yes	Sep-22	n/a	Project complete.
7063	E-Services	150,000	139,738	10,262	No	Nov-23	Multi Year	Council approved change of scope to utilize this budget for Website Platform renewal which is currently underway.
7124	PC Lifecycle & New Equipment (2020)	73,000	12,278	73,000	Yes	Sep-22	n/a	Project complete.
7127	I.T. Strategic Plan Recommendations	80,000	27,258	74,510	No	Nov-23	n/a	Project ongoing to address strategic goals and provide tactical solutions for the organization.
7172	Network Upgrade (2021)	200,000	35,848	183,107	No	Jun-23	n/a	Project is almost complete as significant scope has been delivered but a few backlog items are still outstanding.
7173	TownSquare Phase 2	82,000	42,221	82,000	Yes	Sep-22	n/a	Project complete.
7177	Recreation System Enhancements	20,000	17,000	7,344	No	Oct-23	n/a	Project ongoing to address improvements for recreation services such as Intelli upgrades, recreation digital signage etc.
Information Technology Total:		1,387,000	919,467	639,342				

PROTECTIVE SERVICES

7260	Firesmart - Field Exercise	30,000	30,000	30,000	Yes	Aug-22	n/a	Project complete.
PROTECT SERV - Work in Progress (2021)								
7128	Fire Rescue Truck Replacement	856,524	19,660	856,524	Yes	Mar-22	n/a	Project complete.
7129	Self Contained Breathing Apparatus Life Cycle	325,000	17,900	323,844	Yes	Feb-22	n/a	Project complete.
7178	Gas Detection Program	33,476	33,476	-	Yes	Nov-22	n/a	Project ongoing as PO has been issued and awaiting delivery.
7179	Kubota Mini-Pumper Replacement	25,000	25,000	-	No	Dec-22	n/a	Project in progress as an RFQ will go out in October 2022.
7210	FireSmart (2021)	218,000	186,039	146,265	No	Apr-23	n/a	The majority of work on this project is complete. A portion of funding will be carried over to 2023 for the Fire Smart Forum.
Protective Services Total:		1,488,000	312,075	1,356,632				

RECREATION

7226	Long Range Facility Needs Report	50,000	50,000	-	No	Apr-23	Multi Year	Project in progress and is anticipated that RFP posting will occur before year end.
RECREATION - Work in Progress (2021)								
	n/a	-	-	-			n/a	
Recreation Total:		50,000	50,000	-				

FACILITIES

7227	Civic Centre Building Cooling System Replacement	275,000	275,000	34,955	No	May-23	Multi Year	Project is in progress as design is complete with implementation planned in 2023.
7228	ArtsPlace - Roof Top Unit Replacement	20,000	20,000	-	Yes	Dec-22	n/a	Project is in progress as the unit has been ordered, but delivery has been delayed due to supply chain issues.
7229	New Fire Station - Construction	14,650,000	14,650,000	3,330,202	No	May-23	Multi Year	Project is in progress. Foundations are complete and above grade construction has initiated. Substantial completion is expected in early 2023.
7230	Facility Use Evaluation	75,000	75,000	-	No	Dec-23	Multi Year	Project is currently in procurement stage. Decision Framework completion anticipated in Q1 of 2023, with implementing design of potential re-use ideas by the end of 2023.
7231	Civic Centre Hybrid Workspaces	150,000	150,000	113,389	Yes	Sep-22	Multi Year	Project is substantially complete and the remaining funds will be carried over to 2023 to address any residual items.

Town of Canmore
Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
7232	CRC- Rooftop Solar Expansion	530,000	530,000	382	No	Sep-23	Multi Year	Project is in progress as contract has been awarded. Installation will likely be in the first half of 2023.
FACILITIES - Work in Progress (2021)								
7009	CRC - Lifecycle Maintenance Construction	12,905,000	332,858	12,634,924	No	Dec-23	Multi Year	Project is in progress as building envelope work remains to be completed - study has been completed with implementation planned in 2023.
7072	EP - Dust Filtration System Improvements	42,000	5,481	39,627	Yes	Aug-22	n/a	Project is complete.
7132	Fire Hall - New Design	975,000	50,162	975,000	Yes	Jul-22	n/a	Project is complete.
7180	New Fire Hall - Enabling Works	1,350,000	451,051	1,054,883	Yes	Dec-22	Multi Year	Project is substantially complete as CCC was not issued in 2021 as anticipated. Still waiting on contractors to complete deficiencies before CCC can be issued, which is expected this fall/before year-end.
7182	CRC - Rooftop Solar Installation	520,000	44,724	475,276	Yes	Sep-22	Warranty Period	Warranty period is now over. Project complete.
7207	Stan Rogers Memorial Stage	175,000	100,711	218,619	Yes	Oct-22	Multi Year	Project is substantially complete. Conversations are ongoing with the contractor regarding a likely accounting error that has resulted in the project being reported as overbudget. Targeting resolution by end of year.
Facilities Total:		31,667,000	16,684,987	18,877,257				

PLANNING AND DEVELOPMENT

7233	Downtown Area Redevelopment Plan	160,000	160,000	-	No	Dec-24	Multi Year	The project has not been started, as work on the Palliser ASP has been prioritized. Work on this will begin once the Palliser project is scoped and chartered.
7234	Palliser Area Structure Plan (ASP)	100,000	100,000	-	No	Dec-23	Multi Year	The project is currently in the scoping and chartering phase. Policy development work is anticipated to begin in early 2023.
P&D - Work in Progress (2021)								
	n/a			-			n/a	
Planning & Development Total:		260,000	260,000	-				

ENGINEERING

7235	Bow River West Pathway - Phase 1	1,500,000	1,500,000	19,672	No	Dec-23	Multi Year	Project is in progress as detailed design underway. Tender in Q1 of 2023.
7236	Passenger Rail Station and Impact Study	100,000	100,000	-	No	n/a	n/a	Project cancelled as the Province does not support the regional rail project at this time.
7237	Parking Management Implementation (2022)	100,000	100,000	82,610	Yes	Dec-22	n/a	Project is substantially complete as the final sign installation and commissioning of the monthly passes are to be completed by year-end.
7238	Street and Drainage Rehabilitation (2022)	1,000,000	1,000,000	217,761	Yes	Dec-22	n/a	Project is in progress as construction is underway. Full scope to be complete by year-end.
7239	Complete Street Improvements Railway Avenue Design	500,000	500,000	9,830	No	Dec-23	Multi Year	Project chartering complete. Design and engagement scheduled to begin in Q1 of 2023.
7240	Bus Stop Improvements (2022)	250,000	250,000	41,583	Yes	Dec-22	n/a	Project is in progress as construction is underway. Full scope to be complete by year-end.
7241	Pathway Network Connectivity (2022)	150,000	150,000	275	Yes	Dec-22	n/a	Remaining scope of the project to be completed as part of a future capital project. Project to be closed out at year-end.
7242	GIS Plan Implementation (2022)	35,000	35,000	17,139	Yes	Dec-22	n/a	Project complete.

Town of Canmore
Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
ENG - Work in Progress (2021)								
7077	Engineering Design Guideline Lighting Update	20,000	11,761	12,641	Yes	Dec-22	n/a	Project is substantially complete with updates to the Engineering Design and Construction Guidelines being made administratively in Q1 of 2023.
7078	TIP20 - Transportation Improvement Program	14,159,000	572,914	13,881,748	Yes	Dec-22	n/a	Project is substantially complete as construction completion inspections are underway. Project to be closed out by year-end.
7084	Parking Management Plan Implementation	350,000	188,582	343,182	Yes	Dec-22	n/a	Project is in final sign installation stage and commissioning of the monthly passes to be complete by year-end.
7085	Bus Stop Improvements	1,270,000	312,546	1,196,613	Yes	Dec-22	n/a	Project is substantially complete as the bus procurement is complete - awaiting invoicing. Bus stop construction is underway. Full scope to be complete by year-end.
7136	Street and Drainage Rehabilitation (2020)	150,000	89,660	140,357	Yes	Dec-22	n/a	Project is substantially complete as construction is underway. Full scope to be complete by year-end.
7137	Active Transportation Safety and Accessibility (2020)	200,000	100,374	132,643	Yes	Dec-22	n/a	Project is substantially complete as construction is underway. Full scope to be complete by year-end.
7138	Bridge Asset Management (2020)	375,000	270,393	110,257	Yes	Dec-22	n/a	Project is partially complete and the remaining scope to be completed as part of a future capital project. Project to be closed out at year-end.
7152	EP Intercept Parking Preliminary Design	100,000	59,132	40,868	Yes	Dec-22	n/a	Project is in progress as preliminary design work is complete. An update associated with a current development proposal is underway with completion planned by year-end.
7153	Intercept Parking Site Evaluation	35,000	11,854	25,946	Yes	Dec-22	n/a	The project included administrative evaluation of potential sites and led to a conceptual design of a lead candidate site. The site is on TSMV lands and further evaluation and collaboration on the site is on hold pending finalization of litigation and Area Structure Planning. Future site evaluation can be completed administratively.
7164	Teepee Town Sidewalks and Road Paving	1,416,291	396,791	1,217,086	Yes	Dec-22	n/a	Project complete. The project ultimately included less sidewalk and stormwater infrastructure than originally planned which is included in the 2023 proposed capital project.
7167	CPR Crossing at Spring Creek Gate	300,000	300,000	280,568	Yes	Dec-22	n/a	Project complete.
7184	Bridge Asset Management (2021)	310,000	258,838	144,642	Yes	Dec-22	n/a	Project is partially complete and the remaining scope to be completed as part of a future capital project. Project to be closed out at year-end.
7185	Street and Drainage Rehabilitation (2021)	650,000	482,054	220,953	Yes	Dec-22	n/a	Project is in progress. After an unsuccessful tender in 2021, planned scope to be completed in 2022.
7188	Pathway Network Connectivity (2021)	400,000	295,882	222,671	Yes	Dec-22	n/a	Project is partially complete and the remaining scope to be completed as part of a future capital project. Project to be closed out at year-end.
7189	Bus Barn Expansion	150,000	103,950	53,207	Yes	Dec-22	n/a	Project complete.
7206	Quarry Lake Transportation Management	1,310,000	1,305,444	6,745	Yes	Dec-22	n/a	Project is in progress and will be complete by year-end. As commission incurs upfront bus procurement costs, spent-to-date is under reported.
ENG Flood Projects								
	n/a			-			n/a	
ENG Flood Projects - WIP (2021)								
1445	Hazard Mitigation - Cougar Creek EIA & Design	9,250,000	1,875,835	7,374,165	No	Jul-24	Multi Year	Project ongoing with a tentative completion in 2024.
1562	Hazard Mitigation - Cougar Creek Construction	39,822,620	9,957,503	31,686,616	No	Jul-24	Multi Year	Project ongoing with a tentative completion in 2024.
1762	Flood Recovery - DRP Insurance	Flood Grants / Insurance		1,878,317	No	Jul-24	Multi Year	Project ongoing with a tentative completion in 2024.
7019	Stoneworks Creek PH1 Mitigation Construction	3,400,000	2,454,469	945,531	No	Dec-25	Multi Year	Project awaiting Altalink line replacement, anticipate a 2024 project start with a tentative completion in 2025.
7183	Stoneworks Creek Phase II	2,800,000	2,800,000	-	No	Dec-25	Multi Year	Project awaiting Altalink line replacement, anticipate a 2024 project start with a tentative completion in 2025.
Engineering Total :		80,102,911	25,482,982	60,303,625				

Town of Canmore
Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
PUBLIC WORKS								
7243	Snow Management Facility Study	75,000	75,000	6,475	Yes	Dec-22	n/a	Project is in progress as two more stakeholder meetings scheduled for the fall and final report is expected to be completed by year-end.
7244	Cemetery Final Design and New Columbarium - Ph1	365,000	365,000	29,966	No	Jul-23	n/a	Project is in progress as final design is expected this year and columbarium to be installed by mid 2023.
7245	Playground Replacement - Lions Park	520,000	520,000	26,245	No	Sep-23	Multi Year	Project is in progress with bids and designs received and plan to award for 2023 installation.
7246	Street Sweeper Replacement F-25 (2022)	425,000	425,000	382,309	Yes	Oct-22	n/a	Project complete.
7247	Skid Steer Replacement F-71 (2022)	100,000	100,000	-	No	Mar-23	Multi Year	Project is in progress as vehicle is ordered and delivery is anticipated in March 2023.
7248	Light Fleet Replacements F-53 & F-54 (2022)	120,000	120,000	215	Yes	Dec-22	n/a	Project substantially complete as one vehicle has been delivered with second vehicle anticipated by year-end.
7249	Lions Park Tennis Court Expansion - Construction	750,000	750,000	26,847	No	Sep-23	Multi Year	Project is in progress as bids received and negotiating with contractors for construction in 2023.
7250	Community Electric Vehicle Strategy	20,000	20,000	-	No	May-23	Multi Year	Preparing a different approach to re-post this project as the first round had no bids submitted.
7251	Net Zero Building Codes Readiness Assessment	25,000	25,000	-	No	Dec-23	Multi Year	Project delayed as the Federal government delayed release of the codes (April 2022) and now anticipating Province to release codes by year-end.
PW - Work in Progress (2021)								
1747	Lions Park Court Expansion - Design	30,000	8,949	21,051	Yes	Nov-22	n/a	Project substantially complete.
7140	Light Fleet Replacement (2020)	123,000	89,973	50,236	Yes	Nov-22	n/a	Project substantially complete as both EVs are scheduled to be delivered in October.
7141	1 Ton Truck Replacement	310,000	307,671	286,664	Yes	Dec-22	n/a	Vehicle is delivered and awaiting final modifications to be complete (dump box).
7156	Climate Action Plan Initiatives	102,050	65,301	36,749	No	Mar-23	Multi Year	Project is in progress as two projects (low income energy retrofit / community solar uptake) are awarded and work will be completed by early 2023.
7190	EP Rock Wall Refurbishment	100,000	93,000	7,000	No	Jun-23	Multi Year	Project is underway and expected to be complete by mid next year.
7191	Trail Surface Rehabilitation (2021)	380,000	221,045	161,318	No	Aug-23	Multi Year	Project is underway with some work deferred to 2023.
7192	Playground Lifecycle - Peaks	300,000	282,558	191,234	Yes	Oct-22	Warranty Period	Project is substantially complete.
7194	Parks Equipment Lifecycle (2021)	115,000	105,571	76,754	Yes	Oct-22	n/a	Project is substantially complete.
7195	Bylaw Vehicle	80,000	11,417	76,574	Yes	May-22	n/a	Project complete.
7208	Quarry Lake Jumping Platform	100,000	96,716	3,284	No	n/a	n/a	Project will be closed out in 2022 as pricing came in much greater than budget. A new project is included as unfunded in the 2023 proposed capital budget.
7209	Lower Silvertip Human-Wildlife Interaction Management	100,000	100,000	2,380	No	Jun-23	Multi Year	Project is in progress as stakeholder engagement is underway to complete a management plan in 2023.
Public Works Total:		4,140,050	3,782,201	1,385,302				

Town of Canmore
Capital Project Progress as at September 30, 2022

Project #	Project Title	Total Project Budget	2022 Budget	Project Budget Spent to Date	Complete OR Substantially Complete in 2022? YES/NO	Tentative Date of Completion (Month, Year)	WIP Category	Project Status Update
SOLID WASTE SERVICES								
7252	Teepee Town Infill	120,000	120,000	78,055	Yes	Dec-22	n/a	Project is in progress as construction is underway and scheduled to be complete by year-end.
7253	3 Tonne Collection Vehicle Replacement	300,000	300,000	-	No	Sep-23	Multi Year	Vehicle build date is March 2023.
7254	1 Tonne Collection Vehicle Replacement	250,000	250,000	-	No	Sep-23	Multi Year	Vehicle build date is March 2023.
7255	Residential Food Waste Expansion Phase 2	130,000	130,000	101,790	Yes	Nov-22	n/a	Project is in progress as construction is underway and scheduled to be complete by year-end.
SWS - Work in Progress (2021)								
7197	3 Tonne Collection Vehicle Replacement	300,000	228,512	71,488	No	Sep-23	Multi Year	Vehicle build date is March 2023.
7200	1/2 Ton Collection Vehicle (New)	80,000	80,000	65,282	Yes	Aug-22	n/a	Project complete.
Solid Waste Services Total:		1,180,000	1,108,512	316,615				
WATER UTILITY								
7256	Old Canmore Road - Water Upgrade	995,000	995,000	686,976	Yes	Dec-22	Warranty Period	Project complete.
7257	WWTP - BAF & Headworks Lifecycle Phase 4 (2022)	500,000	500,000	268,620	Yes	Dec-22	n/a	Project is substantially complete.
7258	Wellhead Protection Study	200,000	200,000	53,017	No	Sep-23	n/a	Project has been awarded and is underway.
7259	Utility Renewable Energy Study	100,000	100,000	-	No	Feb-23	Multi Year	Project was combined with UMP to review facilities (WWTP) for renewable energy opportunities.
WATER UTILITY - Work in Progress (2021)								
7113	PH2 - Treatment Capacity Upgrade - Design	800,000	376,059	494,440	No	Sep-24	Multi Year	Design is 90% complete, project to be kept open during construction in 2023/2024 in case additional design work required.
7148	WWTP - MCC Lifecycle Phase 1 (2020)	700,000	197,782	548,868	Yes	Dec-22	n/a	Project substantially complete.
7201	South Bow River Loop Feeder Main - Phase 2	3,220,000	711,219	2,508,781	Yes	Nov-22	Warranty Period	Project is substantially complete as the plan is to complete commissioning of PRV in 2022.
7203	Utility Master Plan - Update	360,000	355,992	70,491	No	Feb-23	Multi Year	Project is in progress as draft plan to begin review by stakeholders in November, followed by finalizing / publishing report for Council presentation early next year.
7204	WWTP - MCC Lifecycle Phase 2 (2021)	400,000	284,545	340,678	No	Mar-23	n/a	Project will be substantially complete by year end (still waiting for controller and final drawings).
Water Utility Total:		7,275,000	3,720,597	4,971,872				
Total Capital Budget (including WIP)		129,159,961	53,815,464	88,443,652				



Request for Decision

DATE OF MEETING: October 25, 2022 **Agenda #:** D-4

TO: Finance Committee

SUBJECT: Auditor Appointment for 2022 and 2023

SUBMITTED BY: Palki Biswas, Manager of Finance

RECOMMENDATION: That the Finance Committee appoint Avail CPA as the external financial auditor for the Town of Canmore for the fiscal years ending December 31, 2022, and 2023.

EXECUTIVE SUMMARY

Our current auditors, Avail CPA have provided audit services to the Town of Canmore for the last eleven years. The current contract with Avail CPA expired for the fiscal year ending December 31, 2021. An extension for another two years is being requested for external auditing services for the fiscal years ending December 31, 2022, and 2023.

RELEVANT COUNCIL DIRECTION, POLICY, OR BYLAWS

Section 280 (1) of Alberta’s Municipal Government Act (MGA) requires the appointment of one or more municipal auditors.

On September 27, 2019, the Finance Committee appointed Avail CPA as the external financial auditor for the Town of Canmore for the fiscal years ending December 31, 2019, 2020, and 2021.

DISCUSSION

Contract extension proposal was evaluated based on ability to meet mandatory requirements, price, proposed auditing approach, partner, supervisory and staff qualifications and experience, references for the firm (including culture, customer service, etc.).

Avail CPA’s emphasis on customer service and proposed approach to the audit, combined with competitive/fixed pricing, resulted in the decision of accepting their contract extension for the next two years. Additionally, Administration has been very satisfied with the audit services provided by them in the past eleven years.

The Town will complete a “request for proposal” in 2024 as the five-year term with Avail will be over by then.

ANALYSIS OF ALTERNATIVES

N/A

FINANCIAL IMPACTS

The proposed 2022 audit fees for the main Town of Canmore audit (including FCSS and in-person presentation of audit results in April 2023) is \$37,700 plus GST, which represents an increase of \$7,700 from the 2019, 2020 and 2021 audit fees. The increase in the fees for 2022 and 2023 is due to the current economic conditions with high inflation and travel costs. The proposed fees for 2023 will remain the same.

STAKEHOLDER ENGAGEMENT

None.

ATTACHMENTS

None.

AUTHORIZATION

Submitted by: Palki Biswas
Manager of Finance Date: October 19, 2022

Approved by: Therese Rogers
General Manager of Corporate Services Date: October 19, 2022

October 6, 2022

To the Finance Committee
Town of Canmore
902 7 Avenue
Canmore, AB T1W 3K1

Ladies and Gentlemen:

RE: 2022 ANNUAL AUDIT OF TOWN OF CANMORE

We have been engaged to provide the following services for the Town of Canmore for the year ending December 31, 2022:

- Audit the consolidated statement of financial position and the related consolidated statement of operations, changes in net financial assets (debt), and cash flow
- Prepare the income tax returns and associated schedules
- Review of the Family and Community Support services (FCSS)

We are pleased to provide the following report relating to our audit of the financial statements for the Town of Canmore. The matters identified are included in this report which has been prepared solely for the information of the Finance Committee and is not intended for any other purpose. As such we accept no responsibility to a third party who uses this report. Our report is intended to assist the Finance Committee in fulfilling its obligation with respect to the 2022 financial statements. We would be pleased to further discuss any of the issues addressed in the report or any other issue which may be of interest or concern.

Yours truly,

AVAIL LLP



Calvin Scott, CPA, CA
Enclosure

I. Purpose and Scope of Examination

Management, with the oversight of those charged with governance, is responsible for the preparation of the financial statements and accompanying notes. Avail LLP will advise management about appropriate accounting principles and their application and assist in the preparation of the financial statements, but the responsibility for the financial statements remains with management. This includes responsibilities related to internal control, such as designing and maintaining accounting records, selecting and applying accounting policies, safeguarding assets and preventing and detecting fraud and error.

Our responsibility as auditors is to report to the Finance Committee whether these financial statements present fairly, in all material respects, the financial position and results of operations and cash flows in accordance with Canadian public sector accounting standards. This audit is performed to obtain reasonable but not absolute assurance as to whether the financial statements are free of material misstatements. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed.

Our audit includes:

- Assessing the risk that the financial statements may contain misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole; and
- Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

As part of our audit, we will obtain a sufficient understanding of the business and the internal control structure of Town of Canmore to plan the audit. This will include management's assessment of:

- The risk that the financial statements may be materially misstated as a result of fraud and error; and,
- The internal controls put in place by management to address such risks.

Since our audit does not involve a detailed examination of all transactions, it could not necessarily be expected to detect all misstatements, particularly intentional misstatements concealed through collusion. The discovery of such irregularities may, of course, result from our examination and, if so, we will report on any such significant matters to you.

Audit Committee (or Equivalent) Members' Responsibilities

The audit committee's (or equivalent) role is to act in an objective, independent capacity as a liaison between the auditors, management and the Finance Committee, to ensure the auditors have a facility to consider and discuss governance and audit issues with parties not directly responsible for operations.

The audit committee's (or equivalent) responsibilities include:

- Being available to assist and provide direction in the audit planning process when and where appropriate;
- Meeting with the auditors as necessary and prior to release and approval of financial statements to review audit, disclosure and compliance issues;
- Where necessary, reviewing matters raised by the auditors with appropriate levels of management, and reporting back to the auditors their findings;
- Making known to the auditors any issues of disclosure, corporate governance, fraud or illegal acts, non-compliance with laws or regulatory requirements that are known to them, where such matters may impact the financial statements or auditor's report;

- Providing guidance and direction to the auditors on any additional work they feel should be undertaken in response to issues raised or concerns expressed;
- Making such enquiries as appropriate into the findings of the auditors with respect to corporate governance, management conduct, cooperation, information flow and systems of internal controls; and
- Reviewing the draft financial statements prepared by management, including the presentation, disclosures and supporting notes and schedules, for accuracy, completeness and appropriateness, and approve same to be passed to the Finance Committee for approval.

II. Communication with the Finance Committee

In accordance with the auditing standard "communications with those having oversight responsibility for the financial reporting process", the following matters are recommended to be communicated to the Finance Committee prior to the completion of the audit.

Matters to be Communicated	Reference/Comment
1. Management and the Auditors' Responsibility Under Generally Accepted Auditing Standards	Discussed under the heading "Purpose and scope of examination."
2. Planning	<p>Our risk-based approach focuses on obtaining sufficient appropriate audit evidence to reduce the risk of material misstatement in the financial statements to an appropriately low level. This means that we focus our audit work on higher risk areas that have a higher risk of being materially misstated.</p> <p>Materiality in an audit is used to:</p> <ul style="list-style-type: none"> • Guide planning decisions on the nature and extent of our audit procedures; • Assess the sufficiency of the audit evidence gathered; and • Evaluate any misstatements found during our audit. <p>Materiality is defined as: Materiality is the term used to described the significance of financial statement information to decision makers. An item of information, or an aggregate of items, is material if it is probable that its omission or misstatement would influence or change a decision. Materiality is a matter of professional judgment in the particular circumstances.</p> <p>We plan to use a materiality of \$1,900,000. The materiality for last year's audit was \$1,900,000.</p> <p>In responding to our risk management, we will use a combination of tests of controls, tests of details and substantive analytical procedures. The objective of the tests of controls is to evaluate whether certain controls operated effectively. The objective of the tests of details is to detect material misstatements in the account balances and transaction streams. Substantive analytical procedures are used to identify differences between recorded amounts and predictable expectations in larger volumes of transactions over time.</p>

<p>3. Timing of the Audit Engagements</p>	<ul style="list-style-type: none"> • March 7-9 - Fieldwork • April 18 - Council / Finance Committee meeting • May 1 - deadline for submission to Municipal Affairs • •
<p>4. Illegal Acts, Intentional Misstatements, Fraud and Errors</p>	<p>Our auditing procedures, including tests of your accounting records, are limited to those considered necessary in the circumstances and would not necessarily disclose all illegal acts, fraud, intentional misstatements or errors should any exist. We will conduct the audit under Canadian auditing standards (CAS), which include procedures to consider (based on the control environment, governance structure and circumstances encountered during the audit), the potential likelihood of fraud and illegal acts occurring.</p> <p>These procedures are not designed to test for fraudulent or illegal acts, nor would they necessarily detect such acts or recognize them as such, even if the effect of their consequences on the financial statements is material. However, should we become aware that an illegal or possible illegal act or an act of fraud may have occurred, other than one considered clearly inconsequential, we will communicate this information directly to the audit committee (or equivalent).</p> <p>It is management's responsibility to detect and prevent illegal actions. If such acts are discovered or audit committee members become aware of circumstances under which the Town may have been involved in fraudulent, illegal or regulatory non-compliance situations, such circumstances must be disclosed to us.</p>
<p>5. Major Issues Discussed with Management that Influence Audit Appointment</p>	<p>No major issues were discussed with management prior to our appointment as auditors.</p>
<p>6. Written Representations from Management</p>	<p>At the conclusion of the audit, prior to the release of our auditors' report, we will request that management provide us with written representation that it has fulfilled its responsibility for the preparation of the financial statements and that it has provided us with the required information for us to complete our audit. We will not be able to provide an audit opinion if management does not provide this written representation.</p>
<p>7. Auditors' Independence</p>	<p>We provide you with the following to assist in your assessment of our independence:</p> <ul style="list-style-type: none"> • All partners and senior staff have confirmed that they do not hold any investment in the Town of Canmore. • Financial statements issued by Avail LLP are subject to a partner review process. This process requires that a partner review items significant to the audit such as planning, materiality, application of GAAP and financial statement items and disclosure. • We are aware of no relationship between the Town and Avail LLP that, in our professional judgment, may reasonably be thought to bear on our

	independence.
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