

TOWN OF CANMORE

Consolidated Financial Statements

For the year ended December 31, 2023

TOWN OF CANMORE
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For the year ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To: The Mayor and Members of Council of
the Town of Canmore

Opinion

We have audited the consolidated financial statements of the Town of Canmore which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations, remeasurement gains and losses, change in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town of Canmore as at December 31, 2023, the results of its operations, remeasurement gains and losses, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 2 to the financial statements which describes the amendments made to the prior year's figures as a result of adopting the new accounting standard PS 3280 Asset Retirement Obligations.

We draw attention to note 19 which describes additional amendments made to prior year's figures.

Our audit opinion is not modified in respect to these matters.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error

INDEPENDENT AUDITOR'S REPORT, continued

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

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

Lethbridge, Alberta

April 23, 2024



Chartered Professional Accountants

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

Management of the Town of Canmore is responsible for the preparation, accuracy, objectivity and integrity of the accompanying consolidated financial statements and all other information contained within this Financial Report. Management believes that the consolidated financial statements present fairly the Town's financial position as at December 31, 2023 and the results of its operations for the yearend then ended.

The consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The consolidated financial statements include certain amounts based on estimates and judgments. Such amounts have been determined on a reasonable basis in order to ensure the consolidated financial statements are presented fairly in all material respects.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, management has designed and maintains a system of internal controls to produce reliable information and to meet reporting requirements on a timely basis. The system is designed to provide management with reasonable assurance that transactions are properly authorized and assets are properly accounted for and safeguarded.

These systems are monitored and evaluated by management and reliable financial information is available for preparation of the consolidated financial statements.

The Town Council carries out its responsibilities for review of the consolidated financial statements principally through its Finance Committee. This committee meets regularly with management and external auditors to discuss the results of audit examinations and financial reporting matters.

The external auditors have full access to the Finance Committee with and without the presence of management. The Town Council has approved the consolidated financial statements.

The consolidated financial statements have been audited by Avail LLP Chartered Professional Accountants, the independent external auditors appointed by the Town. The accompanying independent Auditor's Report outlines their responsibilities, the scope of the examination and their opinion on the Town's consolidated financial statements.

Sally Caudill

Town Administrator

TOWN OF CANMORE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
Revenue			
Net municipal property taxes (note 15)	\$ 32,162,422	\$ 32,227,337	\$ 28,375,164
User fees and sales of goods	22,376,678	25,366,106	26,443,592
Government transfers for operating (note 16)	1,622,712	2,446,650	1,611,405
Investment income	1,014,450	2,066,091	1,559,601
Penalties and costs of taxes	262,000	265,329	276,572
Development levies	490,000	2,205,616	1,942,764
Licenses and permits	2,159,085	2,330,143	2,528,826
Gain on disposal of tangible capital assets	-	611,096	-
Franchise and concession contracts	3,425,300	3,269,461	3,360,069
Rental	3,134,934	3,313,169	3,201,922
Other	540,808	641,355	331,377
	67,188,389	74,742,353	69,631,292
Expenses (note 17)			
General government			
Legislative	605,909	580,085	537,629
Administration	10,184,010	12,623,540	11,398,081
Protective services			
Other protective services	9,711,001	9,777,850	8,505,192
Transportation services			
Common and equipment pool	925,807	864,567	884,338
Roads, streets, walks and lighting	5,805,941	6,085,512	6,552,803
Public transit	2,071,670	2,070,199	1,515,700
Environmental use and protection			
Water supply and distribution	10,086,710	10,652,182	9,654,645
Waste management	4,502,921	4,758,033	4,356,083
Other environmental use and protection	-	-	6,865
Public health and welfare			
Family and community support services	540,342	513,267	513,724
Cemeteries and crematoriums	71,783	62,717	63,647
Other public health and welfare	944,761	934,195	911,810
Planning and development			
Land use planning, zoning and development	1,763,291	1,584,345	1,334,459
Economic and agricultural development	731,652	706,315	603,179
Public housing operations	2,005,855	4,121,113	6,891,653
Other planning and development	1,301,996	1,285,115	1,232,576
Recreation and culture			
Parks and recreation	4,715,892	4,975,291	4,410,115
Culture - libraries, museums, halls	1,718,369	1,712,155	1,654,274
Other recreation and culture	7,714,254	7,468,931	6,877,722
	65,402,164	70,775,412	67,904,495
Excess of revenue over expenses before capital revenue	1,786,225	3,966,941	1,726,797

TOWN OF CANMORE
CONSOLIDATED STATEMENT OF OPERATIONS
For the year ended December 31, 2023

	Budget (unaudited)	2023	2022 (restated)
Capital revenue			
Government transfers for capital (note 16)	33,120,270	24,421,853	11,946,297
Contributed tangible capital assets	-	8,456,746	2,241,167
	<u>33,120,270</u>	<u>32,878,599</u>	<u>14,187,464</u>
Excess of revenue over expenses	<u>34,906,495</u>	<u>36,845,540</u>	<u>15,914,261</u>
Accumulated operating surplus, beginning of year			
As previously stated	418,404,443	418,404,443	402,858,014
Prior period adjustment (note 19)	-	1,143,457	775,625
	<u>418,404,443</u>	<u>419,547,900</u>	<u>403,633,639</u>
Accumulated operating surplus, end of year	<u>\$ 453,310,938</u>	<u>\$ 456,393,440</u>	<u>\$ 419,547,900</u>

TOWN OF CANMORE
CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES
For the year ended December 31, 2023

	2023	2022
Accumulated remeasurement gains (losses), beginning of year	\$ -	\$ -
Unrealized gains (losses) attributable to:		
Amounts reclassified to statements of operations:	-	-
Net remeasurement gains (losses) for the year	-	-
Accumulated remeasurement gains (losses), end of year	\$ -	\$ -

TOWN OF CANMORE
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2023

	Budget (Unaudited)	2023	2022 (restated)
Excess of revenue over expenses	\$ 34,906,495	\$ 36,845,540	\$ 15,914,261
Acquisition of tangible capital assets	(78,773,123)	(36,824,044)	(20,682,101)
Amortization of tangible capital assets	10,959,281	11,474,842	11,091,090
Contributed tangible capital assets	-	(8,456,746)	(2,241,167)
Net (gain) loss on disposal of tangible capital assets	-	(285,278)	160,366
Proceeds on disposal of tangible capital assets	-	656,307	112,825
	(67,813,842)	(33,434,919)	(11,558,987)
Net change in inventory for consumption	-	252,181	1,176,736
Net change in prepaid expense	-	(52,919)	20,188
	-	199,262	1,196,924
Change in net financial assets	(32,907,347)	3,609,883	5,552,198
Net financial assets, beginning of year			
As previously stated	19,788,848	19,728,496	14,236,650
Prior period adjustment (note 19)	-	60,352	-
As restated	419,547,900	19,788,848	14,236,650
Net financial assets (debt), end of year	\$ (13,118,499)	\$ 23,398,731	\$ 19,788,848

TOWN OF CANMORE
CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended December 31, 2023

	2023	2022 (restated)
Operating transactions		
Excess of revenue over expenses	\$ 36,845,540	\$ 15,914,261
Adjustments for items which do not affect cash		
Net (gain) loss on disposal of tangible capital assets	(285,278)	160,366
Amortization of tangible capital assets	11,474,842	11,091,090
Contributed tangible capital assets	(8,456,746)	(2,241,167)
Accretion of asset retirement obligation	195,003	189,692
	39,773,361	25,114,242
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	103,403	(16,972)
Trade and other receivables	(1,676,590)	(885,181)
Inventory for consumption	252,181	1,176,736
Prepaid expenses	(52,919)	20,188
Accounts payable and accrued liabilities	(1,849,939)	6,828,951
Employee benefit obligations	(14,965)	28,120
Deposits	(267,804)	741,409
Deferred revenue	5,076,814	(170,469)
	41,343,542	32,837,024
Capital transactions		
Proceeds on disposal of tangible capital assets	656,307	112,825
Acquisition of tangible capital assets	(36,824,044)	(20,682,101)
Investment in future housing developments	(86,953)	2,543,987
	(36,254,690)	(18,025,289)
Investing transactions		
Purchase of investments	(31,169,899)	(1,786,303)
Proceeds on sale of investments	13,529,698	6,699,151
	(17,640,201)	4,912,848
Financing transactions		
Proceeds of long-term debt	3,500,000	270,493
Repayment of long-term debt	(3,420,864)	(5,480,377)
	79,136	(5,209,884)
(Decrease) increase in cash and temporary investments	(12,472,213)	14,514,699
Cash and temporary investments, beginning of year	62,476,151	47,961,452
Cash and temporary investments, end of year	\$ 50,003,938	\$ 62,476,151

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies

The consolidated financial statements of the Town of Canmore are the representations of management prepared in accordance with generally accepted principles for local government established by the Public Sector Accounting Board of Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

(a) Basis of accounting

The 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.

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

(b) Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses, changes in fund balances and change in financial position of the reporting entity which comprises all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Council for the administration of their financial affairs and resources. These financial statements include the Canmore Community Housing, the Downtown Business Improvement Area, and the Canmore Public Library.

Taxes levied also includes requisitions for educational, health care, social and other external organizations that are not part of the municipal reporting entity.

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

(c) Use of estimates

The preparation of 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 financial statements, and the reported amounts of revenue and expense during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

There is measurement uncertainty related to asset retirement obligations as it involves estimates in determining settlement amount, discount rates and timing of settlement. Changes to any of these estimates and assumptions may result in change to the obligation.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(d) Valuation of financial assets and liabilities

The Town's financial assets and financial liabilities are measured as follows:

Financial statement component	Measurement
Cash	Cost and amortized cost
Short-term investments	Amortized cost
Trade and other receivables	Lower of cost or net recoverable value
Investments	Fair value and amortized cost
Loans receivable and debt charges recoverable	Amortized cost
Accounts payable and accrued liabilities	Cost
Deposit liabilities	Cost
Bank indebtedness and long-term debt	Amortized cost

(e) Inventories for resale

Housing inventory held for resale is recorded at the lower of the purchase price of the property and its net realizable value. Other costs related to the purchase of the PAH units are recorded as resale administration costs. These administration costs include prorated property taxes, legal fees, and other administrative fees.

(f) Investments

Investments in derivatives and equity instruments quoted in an active market are carried at fair value with transactions costs expensed upon initial recognition. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses. When the investment is disposed of the accumulated gains or losses are reclassified to the statement of operations.

Investments in interest bearing securities are recorded at amortized cost. Investment premiums and discounts are amortized on the net present value basis 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.

(g) Deferred revenue

Deferred revenue represent government transfers, donations, and other amounts which have been collected, but for which the related services have yet to be performed or agreement stipulations have not been met. These amounts will be recognized as revenues when revenue recognition criteria have been met. Interest earned on deferred revenues, reserves, and offsite levies are calculated using an average investment earnings monthly.

(h) Long-term debt

Long-term debt is initially recognized net of any premiums, discounts, fees and transactions costs, with interest expense recognized using the effective interest method. Long-term debt is subsequently measured at amortized cost.

1. Significant accounting policies, continued

(i) Asset retirement obligation

A liability for an asset retirement obligation is recognized at the best estimate of the amount required to retire a tangible capital asset at the financial statement date when there is a legal obligation for the town to incur retirement costs, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made. The best estimate of the liability includes all costs directly attributable to asset retirement activities, based on information available at year-end. The best estimate of an asset retirement obligation incorporates a present value technique, when the cash flows required to settle or otherwise extinguish an asset retirement obligation are expected to occur over extended future periods.

When a liability for an asset retirement obligation is initially recognized, a corresponding asset retirement cost is capitalized to the carrying amount of the related tangible capital asset. The asset retirement cost is amortized over the useful life of the related asset. Asset retirement obligations which are incurred incrementally with use of the asset are recognized in the period incurred with a corresponding asset retirement cost expensed in the period.

At each financial reporting date, the town reviews the carrying amount of the liability. The town recognizes period-to-period changes to the liability due to the passage of time as accretion expense. Changes to the liability arising from revisions to either the timing, the amount of the original estimate of undiscounted cash flows or the discount rate are recognized as an increase or decrease to the carrying amount of the related tangible capital asset. The town continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

(j) Contaminated sites liability

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of a contaminated site is recognized when a site is not in productive use and is management's estimate of the cost of post-remediation including operation, maintenance and monitoring.

(k) Revenue recognition

Revenue from transactions with no performance obligation is recognized at realizable value when the Town has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event giving rise to an asset.

Revenue from transactions with performance obligations is recognized as the performance obligations are satisfied by providing the promised goods or services to the payor. User fees are recognized over the period of use, sales of goods are recognized when goods are delivered. Licenses and permits with a single performance obligation at a point in time are recognized as revenue on issuance, those which result in a continued performance obligation over time are recognized over the period of the license or permit as the performance obligation is satisfied.

1. Significant accounting policies, continued

(l) Tax revenue

Tax revenues are recognized when the tax has been authorized by bylaw and the taxable event has occurred.

Requisitions operate as a flow through and are excluded from municipal revenue.

(m) Requisition over-levy and under-levy

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

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

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

(n) Development levies

Development levies are recorded when the amount can be reasonably estimated and collection is reasonably assured. All levies are due within 24 months of the signing date of the respective agreement.

(o) 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 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.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(p) 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 consolidated Change in Net Financial Assets for the year.

(i) Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the estimated useful life as follows:

	Years
Land improvements	8 - 30
Buildings	25 - 100
Engineered structures	5 - 100
Machinery and equipment	2 - 40
Vehicles	10 - 40

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

(ii) 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.

(iii) Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

(iv) Inventories

Inventories held for consumption are recorded at the lower of cost and replacement cost.

(v) Cultural and historical tangible capital assets

Works of art for display are not recorded as tangible capital assets. Cultural and historical tangible capital assets are comprised of buildings, bridges, sculptures and artwork.

1. Significant accounting policies, continued

(q) Future change in accounting policy

The following summarizes upcoming changes to Canadian public sector accounting standards. In 2023, the Town will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently.

a) Revenue

PS3400, Revenue establishes standards on how to account for and report on revenue, specifically in regard to revenue arising from transactions with performance obligations (exchange transactions) and those without performance obligations (non-exchange transactions). This standard is applicable for fiscal years beginning on or after April 1, 2023.

b) Purchased Intangibles

PSG-8, Purchased Intangibles, allows for purchased intangible assets to be recognized as assets in the public sector entity's financial statements. This standard is applicable for fiscal years beginning on or after April 1, 2023.

c) Public Private Partnerships

PS3160, Public Private Partnerships, establishes standards on how to account for certain arrangements between public and private entities. The standard provides guidance on situations where a public entity acquires infrastructure asset past the point where it is ready for use. This standard is applicable for fiscal years beginning on or after April 1, 2023.

2. Change in accounting policy

Effective January 1, 2023, the Town adopted the new accounting standard PS 3280 Asset Retirement Obligations and applied the standard using the modified retroactive approach with restatement of prior year comparative information.

On the effective date of the PS 3280 standard, the Town recognized the following to conform to the new standard:

- asset retirement obligations, adjusted for accumulated accretion to the effective date;
- asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use;
- accumulated amortization on the capitalized cost; and
- adjustment to the opening balance of the accumulated surplus/deficit.

Amounts are measured using information, assumptions and discount rates where applicable that are current on the effective date of the standard. The amount recognized as an asset retirement cost is measured as of the date the asset retirement obligation was incurred. Accumulated accretion and amortization are measured for the period from the date the liability would have been recognized had the provisions of this standard been in effect to the date as of which this standard is first applied.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

2. Change in accounting policy, continued

Impact on the prior year's financial statements as a result of the change in accounting policy is as follows:

	2022		As restated
	As previously reported	Adjustment recognized	
Statement of operations			
Revenue	69,748,162	-	69,748,162
Expenses	67,784,770	273,490	68,058,260
Capital revenue	13,856,527	-	13,856,527
Excess of revenue over expenses	15,819,919	(273,490)	15,546,429
Accumulated surplus (deficit), beginning of year	407,109,295	(4,251,282)	402,858,013
Accumulated surplus (deficit), end of year	422,929,214	(4,524,772)	418,404,442
Statement of financial position			
Financial assets	104,161,644	-	104,161,644
Liabilities	77,245,105	7,188,043	84,433,148
Net financial assets (net debt)	26,916,539	(7,188,043)	19,728,496
Non-financial assets	396,012,675	2,663,271	398,675,946
Accumulated surplus (deficit), end of year	422,929,214	(4,524,772)	418,404,442
Statement of change in net financial assets			
Excess of revenue over expenses	15,819,919	(273,490)	15,546,429
Net financial assets, beginning of year	21,235,001	(6,998,351)	14,236,650
Net financial assets, end of year	26,916,539	(7,188,043)	19,728,496

3. Cash and temporary investments

	2023	2022
Cash	\$ 27,782,473	\$ 29,592,939
Temporary investments	22,221,465	32,883,212
	\$ 50,003,938	\$ 62,476,151

Temporary investments are short-term guaranteed investment certificates, term deposits and government guaranteed bonds with original maturities of twelve months or less with interest rates of 1.65% to 4.25%.

In order to facilitate temporary financing for expenses, the Town has credit facilities totaling \$2,500,000 that could be utilized. An updated borrowing bylaw passed by Council would be required to access these facilities. As at December 31, 2023, there were no amounts drawn on these credit facilities (2022 - nil).

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

4. Taxes and grants in place of taxes receivables

	2023	2022
Taxes and grants in place of taxes receivable	\$ 498,105	\$ 597,029
Arrears	112,589	117,068
	\$ 610,694	\$ 714,097

5. Trade and other receivables

	2023	2022
Accrued receivables	\$ 2,629,844	\$ 1,258,995
Utilities	2,085,623	1,808,243
Trades receivables	1,715,721	2,199,393
Goods and Services Tax (GST)	802,642	616,964
Accrued interest	761,973	736,249
Other receivables	628,485	327,063
Due from related organizations	50,441	58,183
Local improvement tax	-	14,046
Allowance for doubtful accounts	(78,000)	(99,000)
	\$ 8,596,729	\$ 6,920,136

6. Investments

	2023		2022	
	Carrying value	Market value	Carrying value	Market value
Principal protected notes - cost	\$ 24,398,500	\$ 23,970,387	\$ 20,747,600	\$ 19,125,618
Bonds - amortized cost	26,995,821	25,104,253	13,006,523	11,736,530
	\$ 51,394,321	\$ 49,074,640	\$ 33,754,123	\$ 30,862,148

Principal protected notes and government guaranteed bonds have effective interest rates of 1.65% to 4.92% (2022 - 1.65% to 3.45%) with maturity dates from 2024 to 2035.

Investment income recognized in the statement of operations includes \$768,279 (2022 - \$765,045) of interest income.

Unrealized gains on equity instruments carried at fair value of \$0 (2022 - \$0) have been recognized in the statement of remeasurement gains and losses.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

7. Employee benefit obligations

	2023	2022
Vacation	\$ 248,854	\$ 263,819

The vacation liability is comprised of the vacation 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.

8. Deferred revenue

	2023	2022
Alberta Community Resilience Program (ACRP) - Cougar Creek	\$ 10,301,499	\$ 6,513,032
Alberta Community Resilience Program (ACRP) - Steep Creek	7,224,057	7,015,350
Municipal Sustainability Initiative (MSI) - Capital	2,321,139	3,785,467
Alberta Municipal Water/Wastewater Partnership (AMWWP)	1,800,000	-
Canada Community Building Fund (CCBF)	1,647,215	511,210
Disaster Recovery Program (DRP)	268,067	268,067
Canmore Transit Partnership	209,402	370,000
Clean Energy Improvement Program (CEIP)	132,715	175,689
Family Resource Network (FRN)	32,399	58,705
Lafarge	1,300	2,000
Labour Market Partnership	-	50,000
Municipal Climate Change Action Centre (MCCAC)	-	59,405
Municipal Stimulus Program	-	52,054
	\$ 23,937,793	\$ 18,860,979

Deferred revenue is comprised of the funds noted above, the use of which, together with any earnings thereon, is restricted by agreement. These funds are recognized as revenue in the period they are used for the purpose specified.

Funding in the amount of \$3,024,102 was received in the current year from the Municipal Sustainability initiative. Of the \$3,024,102 received, \$2,622,876 is from the capital component of the program and is restricted to eligible capital projects, as approved under the funding agreement. The remaining \$401,226 is from the operating component of the program and is restricted to eligible operating projects, as approved under the funding agreement.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

9. Long-term debt

	2023	2022
Tax supported debentures	\$ 30,256,742	\$ 33,245,752
Self supported debentures	3,285,387	3,518,619
Bank of Montreal	5,286,641	5,485,263
Federation of Canadian Municipalities - capital	3,500,000	-
Federation of Canadian Municipalities - operating	270,493	270,493
	\$ 42,599,263	\$ 42,520,127
Current portion	\$ 2,637,991	\$ 3,420,822

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2024	\$ 2,637,991	\$ 1,258,076	\$ 3,896,067
2025	2,840,545	1,177,696	4,018,241
2026	2,933,486	1,091,046	4,024,532
2027	3,029,581	1,001,178	4,030,759
2028	2,296,292	929,108	3,225,400
Thereafter	28,861,368	6,074,234	34,935,602
	\$ 42,599,263	\$ 11,531,338	\$ 54,130,601

Debenture debt is repayable to Treasury Board and Finance and bears interest at rates ranging from 1.789% to 6% per annum and matures in periods 2027 through 2045. The average annual interest rate is 3.19% for 2022 (3.18% for 2022).

Bank of Montreal (BMO) debt is repayable at \$26,483 monthly including interest at 2.21%. The loan matures in 2026.

All debt is issued on the credit and security of the Town at large.

Interest on long-term debt amounted to \$1,337,055 (2022 - \$1,302,007).

The Town's total cash payments for interest in 2022 were \$1,448,711 (2022 - \$1,496,278).

During the year there was a loan issued from the Federation of Canadian Municipalities to help fund the Fire Station. This loan is repayable by semi annual interest only payments at 4.57% until 2025. Beginning in 2026, the loan will be repaid at \$141,172, semi annually including interest at 4.57% This loan matures in 2043.

Federation of Canadian Municipalities operating loan is for the Clean Energy Improvement program. This loan is not repayable until 2026 at which time it will be repaid by semi annual principal only payments of \$6,291. This loan matures in 2047.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

10. Asset retirement obligation

Asbestos abatement

The Town owns buildings which contain asbestos and, therefore, the Town is legally required to perform abatement activities upon renovation or demolition of these buildings. Abatement activities include handling and disposal of the asbestos in a prescribed manner when it is disturbed.

Engineering Structures

The Town owns and operates a wastewater treatment plant, wastewater lift station, and pumphouses where there is a legal obligation for decommissioning and land reclamation upon the permanent retirement of such assets from services. Retirement costs include decommissioning of the infrastructure, reclamation of land surface, revegetation, and work around water considerations according to the method the retirement obligation is likely to be fulfilled.

Machinery and equipment

The Town owns a fuel tank where there is a legal obligation under an environmental code of practice to dispose of the asset in a prescribed manner at the end of its useful life.

At December 31, 2023, the undiscounted amount (2022 - discounted) of estimated future cash flows required to settle these obligations are \$7,383,046 (2022 - \$7,188,043) and are discounted using a rate of 2.80%.

The Town has not designated assets for settling the abatement and retirement activities.

Asset retirement obligations are expected to be settled over the next 2 to 50 years.

	2023	2022 (restated - see note 2)
Balance, beginning of year	\$ 7,188,043	\$ 6,998,351
Liabilities incurred	-	-
Liabilities settled	-	-
Change in estimated cash flows	-	-
Accretion expenses	195,003	189,692
Balance, end of year	\$ 7,383,046	\$ 7,188,043

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

11. Debt limits and debt servicing limit

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town be disclosed as follows:

	2023	2022 (restated)
Total debt limit	\$ 105,757,481	\$ 93,166,001
Total debt	37,042,129	36,764,372
	\$ 68,715,352	\$ 56,401,629
Debt servicing limit	\$ 17,626,247	\$ 15,527,667
Debt servicing	3,578,268	4,305,313
	\$ 14,047,979	\$ 11,222,354

The debt limit is calculated at 1.5 times revenue of the municipality (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations 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 financial statements must be interpreted as a whole.

A municipality may choose to calculate its debt limit on a consolidated basis with its government reporting entities as per subsection 6(1) of Alberta's Debt Limit Regulation. The Town has elected not to include the government reporting entities in the debt limit calculation. The debt limit calculation includes the Town's revenue and debt only.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

12. Reserves

Council has set up reserves for various purposes. These reserves are either required by legislation or set up at the discretion of Council to provide funding for future expenses.

	2023	2022
Operating		
Downtown Business Improvement Area	\$ 24,758	\$ 24,758
General operating	2,521,851	2,561,740
Library	160,000	160,000
Tax stabilization	4,235,065	4,633,019
	<u>6,941,674</u>	<u>7,379,517</u>
Capital		
Accessory dwelling grant - CCH	83,500	100,000
Art trust fund	372,623	312,526
Asset replacement	12,253,693	14,005,913
Cash in lieu - bear bins	106,377	77,793
Cash in lieu - municipal reserve	132,537	186,437
Cash in lieu - parking	664,414	507,241
Development Application Reserve	1,249,925	1,120,130
Economic development	976,239	894,930
Flood mitigation maintenance	1,383,504	1,072,506
General capital	6,698,253	8,705,156
Housing development - CCH	1,433,703	1,409,855
Integrated transportation management	1,367,509	548,160
Matching down deposit - CCH	422,947	422,947
Offsite levies	9,019,484	7,514,536
Photo radar	233,710	414,357
Recreation levy	50,510	49,051
Solid waste - collection	858,131	836,893
Solid waste - recycling	892,527	1,017,556
Special Initiatives - CCH	372,000	372,000
Sustainability	295,030	201,393
Vital homes	2,973,018	2,018,852
Wastewater utility	10,168,001	8,341,078
Water utility	4,492,790	4,285,844
Work in progress - debt	243,886	2,450,132
Work in progress - taxes	1,453,122	915,328
	<u>58,197,433</u>	<u>57,780,614</u>
	<u>\$ 65,139,107</u>	<u>\$ 65,160,131</u>

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

13. Equity in tangible capital assets

	2023	2022 (restated)
Tangible capital assets (schedule 2)	\$ 590,795,597	\$ 546,414,432
Accumulated amortization (schedule 2)	(160,350,093)	(149,403,847)
Asset retirement obligation (note 10)	(7,383,046)	(7,188,043)
Long-term debt (note 9)	(42,599,263)	(42,520,127)
Operating debt (note 9)	270,493	270,493
	\$ 380,733,688	\$ 347,572,908

14. Accumulated operating surplus

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

	2023	2022 (restated)
Unrestricted surplus	\$ 10,520,645	\$ 6,814,861
Internally restricted reserves (note 12)	65,139,107	65,160,131
Equity in tangible capital assets (note 13)	380,733,688	347,572,908
	\$ 456,393,440	\$ 419,547,900

15. Net municipal property taxes

	Budget (Unaudited)	2023	2022
Net municipal taxes (after requisitions)			
Real property taxes	\$ 31,627,422	\$ 31,679,666	\$ 27,833,033
Linear property taxes	450,000	466,293	467,227
Business taxes	85,000	81,378	74,904
	32,162,422	32,227,337	28,375,164
Requisitions			
Alberta School Foundation Fund	24,785,773	24,743,443	23,927,648
Bow Valley Regional Housing Authority	1,540,394	1,545,585	1,492,772
Designated Industrial Property Tax	4,192	4,200	4,050
	\$ 26,330,359	\$ 26,293,228	\$ 25,424,470

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

16. Government transfers

	Budget (Unaudited)	2023	2022
Transfers for operating:			
Provincial conditional grants	\$ 1,622,712	\$ 2,385,736	\$ 1,610,905
Federal conditional grants	-	60,914	500
	<u>1,622,712</u>	<u>2,446,650</u>	<u>1,611,405</u>
Transfers for capital:			
Provincial government	33,120,270	19,277,176	11,041,245
Federal government	-	5,144,677	905,052
	<u>33,120,270</u>	<u>24,421,853</u>	<u>11,946,297</u>
	<u>\$ 34,742,982</u>	<u>\$ 26,868,503</u>	<u>\$ 13,557,702</u>

17. Expenses by object

	Budget (Unaudited)	2023	2022 (restated)
Salaries, wages and benefits	\$ 25,970,684	\$ 25,946,844	\$ 23,231,409
Contracted and general services	20,857,368	21,020,933	18,504,212
Materials, goods, supplies and utilities	5,012,314	6,541,767	9,524,413
Bank charges and short term interest	351,300	222,365	164,869
Interest on long term debt	1,478,904	1,337,055	1,302,007
Other expenses	73,167	3,025,496	3,103,056
Transfers to organizations and others	699,146	685,289	633,381
Amortization of tangible capital assets	10,959,281	11,474,842	11,091,090
Accretion of asset retirement obligation	-	195,003	189,692
Loss on disposal of tangible capital assets	-	325,818	160,366
	<u>\$ 65,402,164</u>	<u>\$ 70,775,412</u>	<u>\$ 67,904,495</u>

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

18. Salary and benefits disclosure

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

	(1) Salary	(2) Benefits & allowances	2023	2022
Council				
Krausert, Sean	\$ 108,980	\$ 14,548	\$ 123,528	\$ 118,315
Foubert, Tanya	48,302	5,660	53,962	48,599
McCallum, Joanna	46,902	9,716	56,618	52,477
Mah, Jeff	45,102	9,716	54,818	50,685
Marra, Karen	44,952	7,797	52,749	49,847
Graham, Wade	41,977	9,716	51,693	50,760
Hilstad, Jeffrey	38,356	9,716	48,072	48,435
Chief administrative officer (1)	227,682	30,944	258,626	264,275
Designated officers (21)	\$ 2,598,673	\$ 401,279	\$ 2,999,952	\$ 2,849,505

(1) Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration.

(2) Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long- and short-term disability plans, professional memberships, and tuition.

Benefits and allowances figures also include the employer's share of the costs of additional taxable benefits including special leave with pay, financial planning services, retirement planning services, concessionary loans, travel allowances, car allowances, and club memberships.

19. Prior period adjustment

The prior year numbers have been adjusted to reflect unrecorded contributed assets pertaining to 2018 and 2022, as well as, to reduced the accrued liabilities that were double recorded. The effects of these adjustments are as follows:

- an increase in equity invested in tangible capital assets of \$775,602 as of January 1, 2022.
- an increase in equity invested in tangible capital assets of \$1,083,105 as of January 1, 2023.
- an increase in tangible capital assets of \$1,083,105 as of December 31, 2022.
- an increase in contributed tangible capital assets revenue of \$330,937 as of December 31, 2022.
- an increase in amortization of tangible capital assets expense of \$23,460.
- a decrease in accrued liabilities of \$60,352 as of December 31, 2022.
- a decrease in public housing operations expenses of \$60,352 as of December 31, 2022.
- an increase in unrestricted accumulated surplus of \$60,352 as of January 1, 2023.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

20. Commitments and contingencies

- (a) The Town has entered into an agreement with EPCOR Water Services Inc. to take over all aspects of the management, operation and maintenance relating to the operation of the water works system, the waste water system, the storm drainage system, and the utility metering system for and on behalf of the Town. The term of the agreement is five years and four months from the commencement date of September 1, 2021 ending on December 31, 2026. The annual charges for core services work was \$3,442,379 for the 2023 year not including Rehabilitation Fund Maintenance and Repairs, Biosolids Services, Out-of-Scope Work or Capital Work.
- (b) The Town has entered into a contract with Superior Safety Codes Inc. to provide professional safety code services. The contract is from September 1, 2022 to August 31, 2025. The contractor shall be paid an hourly rate of \$155/hour for inspections, plan reviews, code advice and compliance monitoring.
- (c) The Town has entered into an agreement with RCMP to provide policing services. The Town pays 90% of the actual Full-Time Equivalent utilization each quarter and actual overtime hours plus quarterly accommodation charges for the 2024 - 2025 contract year.
- (d) The Town has an agreement with Benchmark Assessment Consultants Inc. to provide assessment services. Assessment services are required by the municipalities in order to carry out the assessment of property within each municipality, primarily for taxation purposes. The contract is from October 7, 2019 to October 31, 2024. Under the terms of the agreement the Town is committed to \$270,830 for 2024.
- (e) Land held by Canmore Community Housing (Palliser Lot 7) suffered flood damage in June, 2013 and its value is currently in question. Presently, the land is valued at \$1,768,000. Based on the available information, it is reasonably possible that an impairment in value has occurred. Management is currently in the process of determining how much, if any, impairment has occurred. It is not possible at this time to estimate the dollar value of potential impairment.
- (f) The Town has approved the Cougar Creek Debris Flow Retention Structure capital project for an estimated cost of \$78,000,000. The construction for the capital project began in 2020 and \$62,900,000 has been spent as of year end. The capital project is expected to be completed in 2025.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

21. Related party transactions

During the year the Town entered into the following transactions with related parties:

	2023	2022
Bow Valley Regional Housing Association		
Included in accounts payable	\$ 1,540	\$ 1,351
Included in accounts receivable	3,751	-

The Bow Valley Regional Housing Association was established as a management body by a Provincial Ministerial Order dated June 19, 1997, and is regulated by the Alberta Housing Act and its regulations. The management body operates and maintains social housing accommodations and is administered by a Board comprised of seven members, two of which are appointed by the Town. The management body requisitions the member municipalities to fund operations.

Centennial Museum Society of Canmore

Appropriation	\$ 194,250	\$ 185,000
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The Centennial Museum Society of Canmore is a non-profit organization registered in the Province of Alberta. The Town supports the museum through funding operations. Council reviews the program plan annually and approves funding.

Bow Valley Regional Transit Services Commission

Appropriation	\$ 2,052,699	\$ 1,503,396
Included in accounts payable	5,750	-

The Bow Valley Regional Transit Services Commission was established as a service commission by a Provincial Ministerial Order dated April 21, 2011, and is regulated by the Municipal Government Act and its regulations. The service commission operates and maintains transit services and is administered by a Board comprised of six members, two of which are appointed by the Town. The service commission requisitions the member municipalities to fund operations.

Bow Valley Regional Waste Management Commission

Appropriation	\$ 84,500	\$ 84,500
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The Bow Valley Waste Management Commission is a regional services commission serving the Town of Canmore, Town of Banff and the Municipal District of Bighorn No 8. The commission provides solid waste management services and is administered by a Board comprised of six members, two of which are appointed by the Town. The Town of Canmore operates the Town of Canmore Waste Transfer Station through contract with the Commission.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

21. Related party transactions, continued

Canadian Mountain Arts Foundation

Appropriation	\$ 252,500	\$ 236,000
Included in accounts payable	1,279	414

The Town has retained the services of Canadian Mountain Arts Foundation to create, operate and manage a community arts centre in Canmore Arts Centre Advisory Committee Report. The foundation is administered by a Board comprised of nine members, one of which is appointed by the Town.

22. Financial instruments

The Town's financial instruments consist of cash and temporary investments, accounts receivable, investments, debt charges recoverable, accounts payable and accrued liabilities, deposit liabilities, requisition over-levy, and long-term debt. It is management's opinion that the Town is not exposed to significant interest or credit risk arising from these financial instruments.

The Town 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 Town 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 value of the financial instrument approximates fair value.

23. Approval of financial statements

These financial statements were approved by Council and Management.

24. Contaminated sites liability

The Town adopted PS3260 liability for contaminated sites. The Town did not identify any financial liabilities in 2023 (2022 - nil) as a result of this standard.

TOWN OF CANMORE
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

25. Budget amounts

The 2023 budget for the Town was approved by Council on December 20, 2022. The budget has been reported in the consolidated financial statements for information purposes only. These budget amounts have not been audited, reviewed, or otherwise verified.

The approved budget contained reserve transfers, capital additions and principal payments on debt as expenditures. Since these items are not included in the amounts reported in the consolidated financial statements, they have been excluded from the budget amounts presented in these financial statements.

In addition, the approved budget did not contain an amount for amortization expense. In order to enhance comparability, the actual 2022 amortization expense has been included as a budget amount.

Budgeted surplus per financial statements	\$ 34,906,495
Less: Capital expenditures	(78,773,123)
Long-term debt repayments	(3,747,979)
Add: Amortization	10,959,281
Transfers from reserves	14,221,398
Proceeds from long-term debt	22,557,830
<hr/>	
Equals: Budgeted surplus	<u>\$ 123,902</u>

26. Segmented disclosure

The Town provides a range of services to its ratepayers. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in note 1.

Refer to the schedule of segmented disclosure (schedule 3).

27. Comparative figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

TOWN OF CANMORE
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of changes in accumulated operating surplus	Schedule 1				
	Unrestricted	Restricted reserves	Equity in tangible capital assets	2023	2022 (restated)
Balance, beginning of year					
As previously stated	\$ 6,754,509	\$ 65,160,131	\$ 346,489,803	\$ 418,404,443	\$ 402,858,014
Prior period adjustment (note 19)	60,352	-	1,083,105	1,143,457	775,625
As restated	6,814,861	65,160,131	347,572,908	419,547,900	403,633,639
Excess of revenue over expenses	36,845,540	-	-	36,845,540	15,914,261
Unrestricted funds designated for future use	(15,876,787)	15,876,787	-	-	-
Restricted funds used for operations	1,110,365	(1,110,365)	-	-	-
Restricted funds used for tangible capital assets	-	(14,787,446)	14,787,446	-	-
Current year funds used for tangible capital assets	(22,036,598)	-	22,036,598	-	-
Contributed tangible capital assets	(8,456,746)	-	8,456,746	-	-
Disposal of tangible capital assets	371,029	-	(371,029)	-	-
Amortization of tangible capital assets	11,474,842	-	(11,474,842)	-	-
Asset retirement obligation accretion expense	195,003	-	(195,003)	-	-
Long-term debt related to tangible capital assets issued	3,500,000	-	(3,500,000)	-	-
Long-term debt related to tangible capital assets repaid	(3,420,864)	-	3,420,864	-	-
Change in accumulated surplus	3,705,784	(21,024)	33,160,780	36,845,540	15,914,261
Balance, end of year	\$ 10,520,645	\$ 65,139,107	\$ 380,733,688	\$ 456,393,440	\$ 419,547,900

TOWN OF CANMORE
SCHEDULES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of tangible capital assets	Schedule 2								
	Land	Land improvements	Buildings	Engineered structures	Machinery and equipment	Vehicles	Construction in progress	2023	2022 (restated)
Cost:									
Balance, beginning of year	\$ 54,524,872	\$ 24,942,152	\$ 102,379,536	\$ 301,421,612	\$ 20,190,930	\$ 7,294,570	\$ 35,660,760	\$ 546,414,431	\$ 525,285,168
Acquisitions	8,190,252	3,484,383	6,032,483	1,419,693	1,368,751	253,388	24,531,840	45,280,790	22,923,268
Transfers	-	605,584	7,603,892	334,433	659,408	740	(9,204,057)	-	-
Disposals	-	(227,852)	(7,404)	(70,114)	(266,649)	(45,072)	(282,533)	(899,624)	(1,794,004)
Balance, end of year	62,715,124	28,804,267	116,008,507	303,105,624	21,952,440	7,503,626	50,706,010	590,795,597	546,414,432
Accumulated amortization:									
Balance, beginning of year	-	14,348,096	27,989,648	92,860,687	10,883,977	3,321,440	-	149,403,847	139,833,571
Annual amortization	-	1,078,284	2,659,067	5,970,925	1,255,953	510,612	-	11,474,841	11,091,089
Disposals	-	(213,432)	(7,404)	(44,248)	(220,922)	(42,589)	-	(528,595)	(1,520,813)
Balance, end of year	-	15,212,948	30,641,311	98,787,364	11,919,008	3,789,463	-	160,350,093	149,403,847
Net book value	\$ 62,715,124	\$ 13,591,319	\$ 85,367,196	\$ 204,318,260	\$ 10,033,432	\$ 3,714,163	\$ 50,706,010	\$ 430,445,504	\$ 397,010,585
2022 net book value (restated)	\$ 54,524,872	\$ 10,594,056	\$ 74,389,887	\$ 208,560,925	\$ 9,306,953	\$ 3,973,130	\$ 35,660,760	\$ 397,010,585	

Engineered structures, land and land improvements of \$8,456,746 (2022 - \$2,241,167) were acquired as contributed tangible capital assets.

Public Sector Accounting Standards requires the review of the amortization method and estimate of the useful life of the remaining unamortized portion of tangible capital assets on a regular basis.

The Town revised the estimated useful life of certain buildings and engineered structures to correspond with new information obtained during the implementation of the new accounting standard PS 3280 Asset Retirement Obligations. The revisions were accounted for prospectively as a change in accounting estimate.

TOWN OF CANMORE
SCHEDULE TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

Schedule of segmented disclosure

Schedule 3

	General government	Protective services	Transportation services	Environmental services	Public health services	Planning and development	Recreation and culture	Total
Revenue								
Net municipal property taxes	\$ 31,776,911	\$ -	\$ -	\$ -	\$ -	\$ 450,426	\$ -	\$ 32,227,337
User fees and sales of goods	74,137	3,074,036	20,348	16,830,194	124,502	2,034,961	3,207,928	25,366,106
Government transfers for operating	1,159,450	424,689	-	-	715,648	-	146,863	2,446,650
Investment income	1,891,910	-	-	-	-	159,189	14,992	2,066,091
Penalties and costs of taxes	265,329	-	-	-	-	-	-	265,329
Development levies	1,310,310	-	-	895,306	-	-	-	2,205,616
Licenses and permits	12,050	56,696	-	-	-	2,259,927	1,470	2,330,143
Gain on disposal of capital assets	-	-	611,096	-	-	-	-	611,096
Franchise and concession contracts	3,141,494	-	79,500	-	-	-	48,467	3,269,461
Rental	-	-	-	-	-	1,899,465	1,413,704	3,313,169
Other	406,262	194	9,000	-	75,735	32,180	117,984	641,355
	40,037,853	3,555,615	719,944	17,725,500	915,885	6,836,148	4,951,408	74,742,353
Expenses								
Salaries, wages and benefits	6,487,100	4,441,210	1,561,926	1,621,596	1,229,797	3,396,181	7,209,034	25,946,844
Contracted and general services	2,963,268	4,418,602	3,494,189	7,078,380	111,270	1,036,963	1,918,261	21,020,933
Materials, goods, supplies and utilities	124,655	213,598	1,256,743	1,098,620	145,081	2,446,238	1,256,832	6,541,767
Bank charges and short term interest	27,324	88,405	-	177	-	19,230	87,229	222,365
Interest on long term debt	455,522	-	-	590,505	-	291,028	-	1,337,055
Other expenditures	2,198,625	-	302,539	94,976	7,277	236	421,843	3,025,496
Transfers to organizations and others	177,356	62,290	-	84,500	-	101,508	259,635	685,289
Amortization of tangible capital assets	482,091	553,745	2,404,819	4,630,819	16,085	404,673	2,982,610	11,474,842
Loss on disposal of tangible capital assets	284,256	-	-	36,885	-	832	3,845	325,818
Accretion of asset retirement obligation	3,424	-	61	173,759	670	-	17,089	195,003
	13,203,621	9,777,850	9,020,277	15,410,217	1,510,180	7,696,889	14,156,378	70,775,412
Excess (deficiency) of revenue over expenses before capital revenue	26,834,232	(6,222,235)	(8,300,333)	2,315,283	(594,295)	(860,741)	(9,204,970)	3,966,941
Other								
Government transfers for capital	150,320	1,340,192	17,706,009	3,858,776	30,015	-	1,336,541	24,421,853
Contributed tangible capital assets	-	-	27,037	73,885	-	8,106,700	249,124	8,456,746
	150,320	1,340,192	17,733,046	3,932,661	30,015	8,106,700	1,585,665	32,878,599
Excess (deficiency) of revenue over expenses	\$ 26,984,552	\$ (4,882,043)	\$ 9,432,713	\$ 6,247,944	\$ (564,280)	\$ 7,245,959	\$ (7,619,305)	\$ 36,845,540