

TOWN OF CANMORE

Non-Consolidated Financial Statements

For the year ended December 31, 2023

TOWN OF CANMORE
TABLE OF CONTENTS
For the year ended December 31, 2023

INDEPENDENT AUDITOR'S REPORT	1 - 2
MANAGEMENT REPORT	3
FINANCIAL STATEMENTS	
NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION	4
NON-CONSOLIDATED STATEMENT OF OPERATIONS	5 - 6
NON-CONSOLIDATED STATEMENT OF REMEASUREMENT GAINS AND LOSSES	7
NON-CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS	8
NON-CONSOLIDATED STATEMENT OF CASH FLOW	9
NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS	10 - 31
SCHEDULES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS	32 - 34



INDEPENDENT AUDITOR'S REPORT

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

Opinion

We have audited the non-consolidated financial statements of the Town of Canmore which comprise the non-consolidated statement of financial position as at December 31, 2023, and the non-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 non-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 non-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 20 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 non-consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-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 non-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

INDEPENDENT AUDITOR'S REPORT, continued

standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 non-consolidated financial statements and all other information contained within this Financial Report. Management believes that the non-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 non-consolidated financial statements have been prepared in compliance with legislation, and in accordance with Canadian public sector accounting standards (PSAS).

The non-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 non-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 non-consolidated financial statements.

The Town Council carries out its responsibilities for review of the non-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 non-consolidated financial statements.

The non-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 non-consolidated financial statements.

Sally Caudill

Town Administrator

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

	Budget (unaudited)	2023	2022 (restated)
Revenue			
Net municipal property taxes (note 16)	\$ 32,040,636	\$ 32,104,617	\$ 28,252,444
User fees and sales of goods	22,261,948	23,294,577	20,801,803
Government transfers for operating (note 17)	1,505,710	2,311,787	1,491,626
Investment income	1,000,000	1,891,910	1,489,280
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	1,479,946	1,450,189	1,320,149
Other	513,708	770,264	647,134
	65,138,333	70,504,989	62,110,667
Expenses (note 18)			
General government			
Legislative	605,909	580,086	537,628
Administration	10,184,010	12,601,226	11,398,081
Protective services			
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			
Utilities	10,086,460	10,652,005	9,654,595
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	498,036	458,172	413,698
Public housing operations	622,360	621,850	633,070
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	1,496,267	1,556,412	1,477,078
Other recreation and culture	7,714,504	7,468,931	6,877,722
	63,562,951	66,849,773	61,279,184
Excess of revenue over expenses before capital revenue	1,575,382	3,655,216	831,483

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

	Budget (unaudited)	2023	2022 (restated)
Capital revenue			
Government transfers for capital (note 17)	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>34,695,652</u>	<u>36,533,815</u>	<u>15,018,947</u>
Accumulated operating surplus, beginning of year			
As previously stated	397,254,060	397,254,060	382,542,593
Prior period adjustment (note 20)	-	1,083,105	775,625
	<u>397,254,060</u>	<u>398,337,165</u>	<u>383,318,218</u>
Accumulated operating surplus, end of year	<u>\$ 431,949,712</u>	<u>\$ 434,870,980</u>	<u>\$ 398,337,165</u>

TOWN OF CANMORE
NON-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
NON-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	\$ 34,695,652	\$ 36,533,815	\$ 15,018,947
Acquisition of tangible capital assets	(78,705,100)	(36,724,234)	(20,624,622)
Amortization of tangible capital assets	10,555,991	11,047,856	10,555,991
Contributed tangible capital assets	-	(8,456,746)	(2,241,167)
Net (gain) loss on disposal of tangible capital assets	-	(286,110)	158,138
Proceeds on disposal of tangible capital assets	-	656,307	112,825
	(68,149,109)	(33,762,927)	(12,038,835)
Net change in inventory for consumption	-	(54,954)	28,423
Net change in prepaid expense	-	(52,749)	(41,914)
	-	(107,703)	(13,491)
Increase (decrease) in net financial assets	(33,453,457)	2,663,185	2,966,621
Net financial assets, beginning of year	25,994,768	25,994,768	23,028,147
Net financial assets (debt), end of year	\$ (7,458,689)	\$ 28,657,953	\$ 25,994,768

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

	2023	2022 (restated)
Operating transactions		
Excess of revenue over expenses	\$ 36,533,815	\$ 15,018,947
Adjustments for items which do not affect cash		
Net (gain) loss on disposal of tangible capital assets	(286,110)	158,138
Amortization of tangible capital assets	11,047,856	10,555,991
Contributed tangible capital assets	(8,456,746)	(2,241,167)
Accretion of asset retirement obligation	195,003	189,692
	39,033,818	23,681,601
Net change in non-cash working capital items		
Taxes and grants in place of taxes receivable	103,403	(16,972)
Trade and other receivables	(1,396,997)	568,016
Debt charges recoverable	233,232	222,036
Inventory for consumption	(54,954)	28,423
Prepaid expenses	(52,749)	(41,914)
Accounts payable and accrued liabilities	(1,927,062)	7,176,786
Employee benefit obligations	(13,123)	25,374
Deposits	(267,804)	698,909
Deferred revenue	5,077,514	(120,469)
	40,735,278	32,221,790
Capital transactions		
Proceeds on disposal of tangible capital assets	656,307	112,825
Acquisition of tangible capital assets	(36,724,234)	(20,624,622)
	(36,067,927)	(20,511,797)
Investing transactions		
Purchase of investments	(31,169,899)	(1,786,306)
Proceeds on sale of investments	13,529,698	6,699,151
	(17,640,201)	4,912,845
Financing transactions		
Proceeds of long-term debt	3,500,000	270,493
Repayment of long-term debt	(3,222,243)	(3,165,267)
	277,757	(2,894,774)
(Decrease) increase in cash and temporary investments	(12,695,093)	13,728,064
Cash and temporary investments, beginning of year	58,180,404	44,452,340
Cash and temporary investments, end of year	\$ 45,485,311	\$ 58,180,404

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

1. Significant accounting policies

The non-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 the 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 non-consolidated financial statements do not include the assets, liabilities, revenue and expenses of the Canmore Community Housing, the Downtown Business Improvement Area, and the Canmore Public Library, which are all controlled by the Town; however, the details regarding transactions with these entities are disclosed in the notes.

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 NON-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) 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.

(f) Loans receivable

Loans receivable are initially recognized at cost, net of any transaction costs, with interest income recognized using the effective interest method. Loans receivable are subsequently measured at amortized cost net of any valuation allowances.

(g) Debt charges recoverable

Debt charges recoverable consist of amounts that are recoverable from municipal agencies or other local governments with respect to outstanding debentures or other long-term debt pursuant to annexation orders or joint capital undertakings. These recoveries are recorded at a value that equals the offsetting portion of the unmatured long-term debt, less actuarial requirements for the retirement of any sinking fund debentures.

(h) 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.

(i) 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

(j) 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.

(k) 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.

(l) 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

(m) 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.

(n) 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.

(o) 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.

(p) 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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

1. Significant accounting policies, continued

(q) Non-financial assets

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

(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 on a straight-line basis over the estimated useful life as follows:

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

(r) 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 NON-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	62,227,538	-	62,227,538
Expenses	61,099,108	273,490	61,372,598
Capital revenue	13,856,527	-	13,856,527
Excess of revenue over expenses	14,984,957	(273,490)	14,711,467
Accumulated surplus, beginning of year	386,793,875	(4,251,282)	382,542,593
Accumulated surplus, end of year	401,778,832	(4,524,772)	397,254,060
Statement of financial position			
Financial assets	104,577,762	-	104,577,762
Liabilities	71,394,953	7,188,041	78,582,994
Net financial assets	33,182,809	(7,188,041)	25,994,768
Non-financial assets	368,596,023	2,663,271	371,259,294
Accumulated surplus, end of year	401,778,832	(4,524,770)	397,254,060
Statement of change in net financial assets			
Excess of revenue over expenses	14,984,957	(273,490)	14,711,467
Net financial assets, beginning of year	30,026,496	(6,998,349)	23,028,147
Net financial assets, end of year	33,182,809	(7,188,041)	25,994,768

3. Cash and temporary investments

	2023	2022
Cash	\$ 24,992,069	\$ 27,085,971
Temporary investments	20,493,242	31,094,433
	\$ 45,485,311	\$ 58,180,404

Temporary investments are short-term guaranteed investment certificates and government guaranteed bonds with original maturities of twelve months or less.

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 NON-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
Due from related organizations	1,706,707	2,115,623
Trade receivables	1,373,818	1,684,010
Goods and Services Tax (GST)	749,648	596,150
Accrued interest	711,394	705,389
Other receivable	628,485	327,063
Local improvement tax	-	14,046
Allowance for doubtful accounts	(78,000)	(99,000)
	\$ 9,807,519	\$ 8,410,519

6. Debt charges recoverable

	2023	2022
Current debt charges recoverable	\$ 244,991	\$ 233,232
Non-current debt charges recoverable	3,040,396	3,285,387
	\$ 3,285,387	\$ 3,518,619

The Town sold the Hector property to Canmore Community Housing (CCH) for the assumption of the outstanding debenture. Long-term financing totaling \$3,285,387 (2022 - \$3,518,619) plus interest at 4.98% is recoverable from CCH with respect to this financing. Amounts are recoverable in semi-annual blended installments of \$202,795, and mature June 15, 2034.

	Principal	Interest	Total
2024	\$ 244,991	\$ 160,600	\$ 405,591
2025	257,344	148,247	405,591
2026	270,319	135,272	405,591
2027	283,948	121,642	405,590
2028	298,265	107,326	405,591
Thereafter	1,930,520	300,228	2,230,748
	\$ 3,285,387	\$ 973,315	\$ 4,258,702

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

7. 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.

8. Employee benefit obligations

	2023	2022
Vacation	\$ 235,597	\$ 248,720

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.

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

9. 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
Labour Market Partnership	-	50,000
Municipal Stimulus Program	-	52,054
Municipal Climate Change Action Centre (MCCAC)	-	59,405
	\$ 23,936,493	\$ 18,858,979

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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

10. Long-term debt

	2023	2022
Tax supported debentures - capital	\$ 30,256,742	\$ 33,245,753
Self supported debentures - operating	3,285,387	3,518,619
Federation of Canadian Municipalities - capital	3,500,000	-
Federation of Canadian Municipalities - operating	270,493	270,493
	\$ 37,312,622	\$ 37,034,865
Current portion	\$ 2,434,978	\$ 3,222,243

Principal and interest repayments are due as follows:

	Principal	Interest	Total
2024	\$ 2,434,978	\$ 1,143,290	\$ 3,578,268
2025	2,633,000	1,067,442	3,700,442
2026	2,721,307	985,425	3,706,732
2027	2,812,665	900,294	3,712,959
2028	2,794,369	813,232	3,607,601
Thereafter	23,916,303	3,978,019	27,894,322
	\$ 37,312,622	\$ 8,887,702	\$ 46,200,324

Debenture debt is repayable to Alberta Capital Finance Authority 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 2023 (3.18% for 2022). Debenture debt is issued on the credit and security of the town at large.

Interest on long-term debt amounted to \$1,217,877 (2022 - \$1,176,457).

The Town's total cash payments for interest in 2023 were \$1,157,715 (2022 - \$1,187,658).

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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

11. 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 expense	195,003	189,692
Balance, end of year	\$ 7,383,046	\$ 7,188,043

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

12. 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
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.

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

13. 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		
General operating	\$ 2,521,851	\$ 2,561,740
Tax stabilization	4,235,065	4,633,019
	6,756,916	7,194,759
Capital		
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	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
Integrated transportation management	1,367,509	548,160
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
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
	55,885,283	55,475,812
	\$ 62,642,199	\$ 62,670,571

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

14. Equity in tangible capital assets

	2023	2022 (restated)
Tangible capital assets (schedule 2)	\$ 560,136,838	\$ 515,852,707
Accumulated amortization (schedule 2)	(154,263,511)	(143,742,309)
Asset retirement obligation (note 11)	(7,383,046)	(7,188,043)
Long-term debt (note 10)	(37,312,622)	(37,034,865)
Operating debt (note 10)	270,493	270,493
Debt charges recoverable (note 6)	3,285,387	3,518,619
	\$ 364,733,539	\$ 331,676,602

15. 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	\$ 7,495,242	\$ 3,989,992
Internally restricted reserves (note 13)	62,642,199	62,670,571
Equity in tangible capital assets (note 14)	364,733,539	331,676,602
	\$ 434,870,980	\$ 398,337,165

16. Net municipal property taxes

	Budget (unaudited)	2023	2022
Net municipal taxes (after requisitions)			
Real property taxes	\$ 31,505,636	\$ 31,556,946	\$ 27,710,313
Linear property taxes	450,000	466,293	467,227
Government grants in place of property taxes	85,000	81,378	74,904
	32,040,636	32,104,617	28,252,444
Requisitions			
Alberta School Foundation Fund	23,899,698	24,743,443	23,927,648
Bow Valley Regional Housing	1,492,772	1,545,585	1,492,772
Downtown Business Improvement Area	122,720	121,786	122,720
Designated Industrial Property Tax	4,050	4,200	4,050
	\$ 25,519,240	\$ 26,415,014	\$ 25,547,190

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

17. Government transfers

	Budget (unaudited)	2023	2022
Transfers for operating:			
Provincial conditional grants	\$ 1,505,710	\$ 2,250,873	\$ 1,491,126
Federal conditional grants	-	60,914	500
	1,505,710	2,311,787	1,491,626
Transfers for capital:			
Provincial government	33,120,270	19,277,176	11,041,245
Federal government	-	5,144,677	905,052
	33,120,270	24,421,853	11,946,297
	\$ 34,625,980	\$ 26,733,640	\$ 13,437,923

18. Expenses by object

	Budget (unaudited)	2023	2022 (restated)
Salaries, wages and benefits	\$ 24,512,412	\$ 24,424,398	\$ 21,984,065
Contracted and general services	20,356,026	20,321,818	18,050,878
Materials, goods and utilities	4,506,349	4,052,624	3,989,253
Bank charges and short term interest	220,000	221,831	164,644
Interest on long term debt	1,306,545	1,217,877	1,176,457
Other expenditures	73,167	3,025,496	3,103,056
Transfers to local boards and agencies	2,032,461	2,017,884	1,907,010
Amortization of tangible capital assets	10,555,991	11,047,856	10,555,991
Loss on disposal of tangible capital assets	-	324,986	158,138
Accretion of asset retirement obligation	-	195,003	189,692
	\$ 63,562,951	\$ 66,849,773	\$ 61,279,184

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

19. 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)	(2)	2023	2022
	Salary	Benefits & allowances		
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.

20. Prior period adjustment

The prior year numbers have been adjusted to reflect unrecorded contributed assets pertaining to 2018 and 2022. 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.

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

21. 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) 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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

22. Related party transactions

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

	2023	2022
Canmore Community Housing		
Debenture receivable	\$ 3,285,387	\$ 3,518,619
Appropriation	450,000	450,000
Mountain Haven Cooperative Homes acquisition receivable	1,176,265	1,756,575
PAH line of credit	480,000	300,864
Peaks Landing Land Sale	-	155,894

The Canmore Community Housing (CCH) is a non-profit organization which was established in 2000 to provide housing solutions for a healthy and balanced community in Canmore. CCH is wholly-owned by the Town, which appoints a volunteer Board of Directors to govern and provide direction.

All amounts are non-interest bearing and due on demand, except for the debenture receivable. The debenture receivable is repayable in semi-annual payments of \$202,795 including interest at 4.98%. The debenture is due in 2034.

The Town has established a repurchasing line of credit to CCH up to a maximum of \$1,500,000 for the purchase of PAH units. These loans are secured by the PAH units until repaid to the Town and do not bear interest. The loans are repayable to the Town 14 days after the resale date of the unit. As at December 31, 2023 the line of credit balance was \$480,000 (2022 - \$300,864).

In prior years, the Town advance advanced \$4,245,000 to CCH for the purpose of acquiring 17 rental units from Mountain Haven Cooperative Homes (MHCH), now called Wolf Willow Condo Corporation. The full amount is to be repaid to the Town by CCH from any eventual proceeds from the sale of the 17 units. There are no fixed repayment terms and the receivable is non-interest bearing. During the year, \$580,310 has been repaid.

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 of operations. Council reviews the program plan annually and approves funding.

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

22. Related party transactions, continued

Canmore Public Library

Appropriation	\$ 947,980	\$ 888,294
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The Town provides the Canmore Public Library with significant funding in order to maintain its operations. The Canmore Public Library is a non-profit organization providing library services to the Town.

Downtown Business Improvement Area

Appropriation	\$ 121,786	\$ 122,720
Included in accounts receivable	-	86

The Downtown Business Improvement Area was established by adoption of a municipal bylaw by the Town effective January 1, 2006. Appropriations made to the Downtown Business Improvement Area are made to cover property taxes requisitioned in the same amount.

Bow Valley Regional Transit Services Commission

Appropriation	\$ 2,052,699	\$ 1,503,386
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 6 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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

22. 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 9 members, one of which is appointed by the Town.

The above mentioned transactions occurred in the normal course of operations and were recorded at the exchange amount, which was the amount agreed to between the related parties.

23. 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.

24. Approval of financial statements

These financial statements were approved by Council and Management.

25. 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 NON-CONSOLIDATED FINANCIAL STATEMENTS
For the year ended December 31, 2023

26. Budget amounts

The 2023 budget for the Town was approved by Council on December 20, 2022. The budget has been reported in the non-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 non-consolidated financial statements.

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

Budgeted surplus per financial statements	\$ 34,695,652
Less: Capital expenditures	(78,705,100)
Long-term debt repayments	(3,327,748)
Add: Amortization	10,555,991
Transfers from reserves	14,223,375
Proceeds from long-term debt	22,557,830
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Equals: Balanced budget	\$ -
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27. 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 non-consolidated financial statements as disclosed in Note 1.

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

28. 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 NON-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	\$ 3,989,990	\$ 62,670,571	\$ 330,593,499	\$ 397,254,060	\$ 382,542,593
Prior period adjustment (note 20)	-	-	1,083,105	1,083,105	775,625
As restated	3,989,990	62,670,571	331,676,604	398,337,165	383,318,218
Excess of revenue over expenses	36,533,815	-	-	36,533,815	15,018,947
Unrestricted funds designated for future use	(15,845,873)	15,845,873	-	-	-
Restricted funds used for operations	1,086,799	(1,086,799)	-	-	-
Restricted funds used for tangible capital assets	-	(14,787,446)	14,787,446	-	-
Current year funds used for tangible capital assets	(21,936,788)	-	21,936,788	-	-
Contributed tangible capital assets	(8,456,746)	-	8,456,746	-	-
Disposal of tangible capital assets	370,197	-	(370,197)	-	-
Amortization of tangible capital assets	11,047,856	-	(11,047,856)	-	-
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	(2,989,011)	-	2,989,011	-	-
Change in accumulated surplus	3,505,252	(28,372)	33,056,935	36,533,815	15,018,947
Balance, end of year	\$ 7,495,242	\$ 62,642,199	\$ 364,733,539	\$ 434,870,980	\$ 398,337,165

TOWN OF CANMORE
SCHEDULES TO THE NON-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	\$ 47,545,169	\$ 24,447,336	\$ 79,723,130	\$ 301,421,612	\$ 19,760,131	\$ 7,294,570	\$ 35,660,760	\$ 515,852,707	\$ 494,773,496
Acquisitions	8,106,800	3,484,383	6,032,483	1,419,693	1,352,393	253,388	24,531,840	45,180,980	22,865,789
Transfers	-	605,584	7,603,892	334,433	659,408	740	(9,204,057)	-	-
Disposals	-	(227,852)	(7,404)	(70,114)	(263,874)	(45,072)	(282,533)	(896,849)	(1,786,578)
Balance, end of year	55,651,969	28,309,451	93,352,101	303,105,624	21,508,058	7,503,626	50,706,010	560,136,838	515,852,707
Accumulated amortization:									
Balance, beginning of year	-	13,853,280	23,100,550	92,860,687	10,606,351	3,321,440	-	143,742,308	134,701,932
Annual amortization	-	1,078,284	2,258,101	5,970,925	1,229,933	510,612	-	11,047,855	10,555,991
Disposals	-	(213,432)	(7,404)	(44,248)	(218,979)	(42,589)	-	(526,652)	(1,515,614)
Balance, end of year	-	14,718,132	25,351,247	98,787,364	11,617,305	3,789,463	-	154,263,511	143,742,309
Net book value	\$ 55,651,969	\$ 13,591,319	\$ 68,000,854	\$ 204,318,260	\$ 9,890,753	\$ 3,714,163	\$ 50,706,010	\$ 405,873,327	\$ 372,110,398
2022 net book value (restated)	\$ 47,545,169	\$ 10,594,056	\$ 56,622,580	\$ 208,560,925	\$ 9,153,780	\$ 3,973,130	\$ 35,660,760	\$ 372,110,400	

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 NON-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	\$ 31,654,191	\$ -	\$ -	\$ -	\$ -	\$ 450,426	\$ -	\$ 32,104,617
User fees and sales of goods	74,138	3,074,036	20,348	16,830,194	124,502	34,686	3,136,673	23,294,577
Government transfers for operating	1,159,450	424,689	-	-	715,648	-	12,000	2,311,787
Investment income	1,891,910	-	-	-	-	-	-	1,891,910
Penalties and costs of taxes	265,329	-	-	-	-	-	-	265,329
Development levies	1,310,310	-	-	895,306	-	-	-	2,205,616
Licenses and permits	12,050	56,697	-	-	-	2,259,926	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	-	-	-	-	-	38,312	1,411,877	1,450,189
Other	406,263	194	9,000	-	75,735	178,578	100,494	770,264
	39,915,135	3,555,616	719,944	17,725,500	915,885	2,961,928	4,710,981	70,504,989
Expenses								
Salaries, wages and benefits	6,487,103	4,441,210	1,561,926	1,621,596	1,229,797	2,768,278	6,314,488	24,424,398
Contracted and general services	2,963,266	4,418,602	3,494,189	7,078,380	111,270	434,210	1,821,901	20,321,818
Materials, goods and utilities	124,656	213,598	1,256,743	1,098,620	145,081	4,527	1,209,399	4,052,624
Bank charges and short term interest	27,324	88,405	-	-	-	18,873	87,229	221,831
Interest on long term debt	455,522	-	-	590,505	-	171,850	-	1,217,877
Other expenditures	2,198,625	-	302,539	94,976	7,277	236	421,843	3,025,496
Transfers to local boards and agencies	177,356	62,290	-	84,500	-	551,508	1,142,230	2,017,884
Amortization of tangible capital assets	459,778	553,745	2,404,819	4,630,819	16,085	-	2,982,610	11,047,856
Loss on disposal of tangible capital assets	284,256	-	-	36,885	-	-	3,845	324,986
Accretion of asset retirement obligation	3,424	-	61	173,759	670	-	17,089	195,003
	13,181,310	9,777,850	9,020,277	15,410,040	1,510,180	3,949,482	14,000,634	66,849,773
Excess (deficiency) of revenue over expenses before capital revenue	26,733,825	(6,222,234)	(8,300,333)	2,315,460	(594,295)	(987,554)	(9,289,653)	3,655,216
Other								
Government transfers for capital	150,320	1,340,193	17,706,008	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	1,340,193	17,733,045	3,932,661	30,015	8,106,700	1,585,665	32,878,599
Excess (deficiency) of revenue over expenses	\$ 26,884,145	\$ (4,882,041)	\$ 9,432,712	\$ 6,248,121	\$ (564,280)	\$ 7,119,146	\$ (7,703,988)	\$ 36,533,815