

CALGARY METROPOLITAN REGION BOARD

FINANCIAL STATEMENTS

For the year ended December 31, 2022

CALGARY METROPOLITAN REGION BOARD

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INDEPENDENT AUDITOR'S REPORT

To: The Board of
Calgary Metropolitan Region Board

Opinion

We have audited the financial statements of the Calgary Metropolitan Region Board which comprise the statement of financial position as at December 31, 2022, and the statements of operations, change in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2022, its results of operations, change in 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 Board in accordance with the ethical requirements that are relevant to our audit of the 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.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 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:

INDEPENDENT AUDITOR'S REPORT, continued

- 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 Board'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 Board'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 14, 2023



Chartered Professional Accountants

CALGARY METROPOLITAN REGION BOARD
STATEMENT OF OPERATIONS
For the year ended December 31, 2022

	Budget (unaudited)	2022	2021
Revenue			
Alberta Municipal Affairs	\$ 1,000,000	\$ 1,256,504	\$ 1,468,224
Interest	-	14,848	5,985
	1,000,000	1,271,352	1,474,209
Expenses			
Wages and benefits	779,000	789,115	769,939
Consulting fees	755,000	186,537	401,496
Board chair remuneration	110,000	102,469	120,003
Rent	87,000	78,254	73,457
Meeting costs	95,000	33,497	43,595
Office and administration	36,000	22,657	9,169
Professional fees	30,000	18,840	21,002
Dues and subscriptions	-	11,109	17,210
Professional development	-	5,786	6,114
Insurance	-	3,858	3,616
Travel and accommodation	30,000	2,236	1,768
Freight and delivery	-	1,520	67
Interest and bank charges	-	627	788
Amortization	3,299	3,299	1,658
	1,925,299	1,259,804	1,469,882
Excess of revenue over expenses	(925,299)	11,548	4,327
Accumulated surplus, beginning of year	1,982,191	1,982,191	1,977,864
Accumulated surplus, end of year	\$ 1,056,892	\$ 1,993,739	\$ 1,982,191

CALGARY METROPOLITAN REGION BOARD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
For the year ended December 31, 2022

	Budget (unaudited)	2022	2021
Excess of revenue over expenses	\$ (925,299)	\$ 11,548	\$ 4,327
Purchase of tangible capital assets	15,000	(4,923)	(688)
Amortization of tangible capital assets	3,299	3,299	1,658
	18,299	(1,624)	970
Net change in prepaid expenses	-	(4,820)	(3,075)
Change in net financial assets	(907,000)	5,104	2,222
Net financial assets, beginning of year	1,969,260	1,969,260	1,967,038
Net financial assets, end of year	\$ 1,062,260	\$ 1,974,364	\$ 1,969,260

CALGARY METROPOLITAN REGION BOARD**STATEMENT OF CASH FLOWS**

For the year ended December 31, 2022

	2022	2021
Operating transactions		
Excess of revenue over expenses	\$ 11,548	\$ 4,327
Adjustments for items which do not affect cash		
Amortization of tangible capital assets	3,299	1,658
	14,847	5,985
Net change in non-cash working capital items		
Accounts receivable	26,180	(4,698)
Prepaid expenses	(4,820)	(3,075)
Accounts payable and accrued liabilities	(8,700)	(196,964)
Deferred revenue	(256,504)	31,776
	(228,997)	(166,976)
Cash applied to operating transactions	(228,997)	(166,976)
Capital transactions		
Purchase of tangible capital assets	(4,923)	(688)
Investing transactions		
Change in short term investments	(192,435)	639,544
(Decrease) increase in cash and cash equivalents	(426,355)	471,880
Cash and cash equivalents, beginning of year	1,416,801	944,921
Cash and cash equivalents, end of year	\$ 990,446	\$ 1,416,801

CALGARY METROPOLITAN REGION BOARD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

1. Nature of operations

Calgary Metropolitan Region Board is constituted under the Municipal Government Act and was approved by the Minister of Municipal Affairs on January 1, 2018 for the purpose of promoting long term sustainability, ensuring environmentally responsible land-use planning, growth management and efficient land use, developing policies regarding the coordination of regional infrastructure investment and service delivery, and promoting economic well-being and competitiveness of the region.

The members of the Board are City of Airdrie, City of Calgary, City of Chestermere, Town of Cochrane, Town of High River, Town of Okotoks, Rocky View County, and Foothills County.

The Board is exempt from income taxation under Section 149 of the Canada Income Tax Act.

2. Significant accounting policies

The financial statements are prepared in accordance with Canadian public sector accounting standards and reflect the assets, liabilities, revenues and expenses, and change in the financial position of the Board. Significant aspects of the accounting policies adopted by the Board are as follows:

- (a) Cash and cash equivalents
Cash and cash equivalents consists of cash on deposit and are recorded at cost.
- (b) Short term investments
Short term investments consists of term deposits with original maturities of greater than one month at the date of acquisition and are recorded at cost.
- (c) Revenue recognition
Revenues are recognized in the period in which the transactions or events occurred that gave rise to the revenues. All revenues are recorded on an accrual basis, except when accruals cannot be determined with a reasonable degree of certainty or when their estimation is impracticable.

Restricted investment income is recognized in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Government transfers are recognized in the period when the related expenses are incurred, services performed, or the tangible capital assets acquired

CALGARY METROPOLITAN REGION BOARD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

2. Significant accounting policies, continued

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

	Years
Furniture and fixtures	10
Office equipment	5
Computer equipment	3

The full amount of the annual amortization is charged in the year of acquisition and none in the year of disposal.

(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.

(e) 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.

CALGARY METROPOLITAN REGION BOARD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

3. Short term investments

Short term investments consists of Guaranteed Investment Certificates (GICs) that have effective interest rates of 0.50% to 4.50% and mature between March to October 2023.

4. Accounts receivable

	2022	2021
Interest receivable	\$ 13,493	\$ 1,333
GST receivable	11,171	49,512
	\$ 24,664	\$ 50,845

5. Deferred revenue

Deferred revenue consists of the unspent portion of the Alberta Municipal Affairs conditional grant for core administration costs and coordination of strategic initiatives related to provincially mandated responsibilities.

	Opening	Received	Recognized	Closing
Alberta Municipal Affairs	735,031	1,000,000	1,256,504	478,527

6. Accumulated surplus

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

	2022	2021
Unrestricted surplus	\$ 1,988,368	\$ 1,978,444
Equity in tangible capital assets (note 7)	5,371	3,747
	\$ 1,993,739	\$ 1,982,191

CALGARY METROPOLITAN REGION BOARD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

7. Equity in tangible capital assets

	2022	2021
Tangible capital assets (schedule 1)	\$ 28,244	\$ 23,321
Accumulated amortization (schedule 1)	(22,873)	(19,574)
	\$ 5,371	\$ 3,747

8. Financial instruments

The Board's financial instruments consist of cash and cash equivalents, short term investments, accounts receivables, and accounts payable and accrued liabilities. It is management's opinion that the Board is not exposed to significant interest or currency risks arising from these financial instruments.

The carrying value of these financial instruments approximates their fair value.

9. Economic dependence

The Board is economically dependent on Alberta Municipal Affairs, as Alberta Municipal Affairs provides the Board with a substantial portion of its revenues.

10. Local authorities pension plan

Employees of the Board participate in the Local Authorities Pension Plan (LAPP), which is covered by the Alberta Public Sector Pensions Plans Act. LAPP is financed by the employer and employee contributions and investment earnings.

The Board is required to make current service contributions to the LAPP of 8.45% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 12.80% for the excess. Employees of the board are required to make current service contributions of 7.45% of pensionable salary up to the year's maximum pensionable salary and 11.80% on pensionable salary above this amount.

Total current service contributions by the Board to the LAPP were \$69,656 (2021 - \$72,900). Total current service contributions by the employees of the Board to the LAPP were \$63,112 (2021 - \$66,630).

At December 31, 2021, the LAPP disclosed an actuarial surplus of \$11.9 billion.

CALGARY METROPOLITAN REGION BOARD
NOTES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

11. Commitments

The Board entered into various consulting agreements prior to December 31, 2022. The Board's total obligation under these agreements are \$391,690. These commitments are not recorded in the records until they are payable in accordance with the consulting agreements.

The Board has entered into an operating lease for a building and a digital copier. The Board's total obligation under these leases are \$20,978.

12. Budget amounts

The 2022 budget was approved by the Board and has been reported in the financial statements for information purposes only. The budget amounts have not been audited, reviewed, or otherwise verified.

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

Budgeted deficit per financial statements	\$ (925,299)
Less: Capital expenditures	(15,000)
Add: Amortization	3,299
Transfers from reserves	937,000
<hr/>	
<u>Equals: approved balanced budget</u>	<u>\$ -</u>

13. Approval of financial statements

These financial statements were approved by Board and Management.

CALGARY METROPOLITAN REGION BOARD
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

Schedule of tangible capital assets	Schedule 1					
	Office equipment	Computer equipment	Furniture and fixtures	2022	2021	
Cost:						
Balance, beginning of year	\$ 5,285	\$ 14,317	\$ 3,719	\$ 23,321	\$ 22,633	
Acquisitions	-	4,923	-	4,923	688	
Balance, end of year	5,285	19,240	3,719	28,244	23,321	
Accumulated amortization:						
Balance, beginning of year	4,228	13,858	1,488	19,574	17,916	
Annual amortization	1,057	1,870	372	3,299	1,658	
Balance, end of year	5,285	15,728	1,860	22,873	19,574	
Net book value	\$ -	\$ 3,512	\$ 1,859	\$ 5,371	\$ 3,747	
2021 net book value	\$ 1,057	\$ 459	\$ 2,231	\$ 3,747		

CALGARY METROPOLITAN REGION BOARD
SCHEDULES TO THE FINANCIAL STATEMENTS
For the year ended December 31, 2022

Schedule of changes in accumulated surplus

Schedule 2

	Unrestricted	Equity in tangible capital assets	2022	2021
Balance, beginning of year	\$ 1,978,444	\$ 3,747	\$ 1,982,191	\$ 1,977,864
Excess of revenue over expenses	11,548	-	11,548	4,327
Current year funds used for tangible capital assets	(4,923)	4,923	-	-
Annual amortization expense	3,299	(3,299)	-	-
Change in accumulated surplus	9,924	1,624	11,548	4,327
Balance, end of year	\$ 1,988,368	\$ 5,371	\$ 1,993,739	\$ 1,982,191

SIGNATURE CERTIFICATE



REFERENCE NUMBER

93FF78B7-60EB-40DF-B77F-5757142945DE

TRANSACTION DETAILS

Reference Number
93FF78B7-60EB-40DF-B77F-5757142945DE

Transaction Type
Signature Request

Sent At
05/04/2023 11:45 EDT

Executed At
05/08/2023 10:57 EDT

Identity Method
email

Distribution Method
email

Signed Checksum
319ecabf1caaf2ba80110cc2094a38af195093fa391d114a4f5f37ba5f67a229

Signer Sequencing
Disabled

Document Passcode
Disabled

DOCUMENT DETAILS

Document Name
Financial Statements For Signing

Filename
financial_statements_for_signing.pdf



Pages
15 pages

Content Type
application/pdf

File Size
176 KB

Original Checksum
851b5c4992d3d63c4a552eba9730027e181c700b7d194aeb62839c9595d65f19

SIGNERS

SIGNER	E-SIGNATURE	EVENTS
<p>Name Kevin Hanson</p> <p>Email krhanson@rockyview.ca</p> <p>Components 1</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum 0074b07493d0ccaa02a5f9b663a944368856def77aef3ce09798c9e40d8ee4ec</p> <p>IP Address 96.53.4.10</p> <p>Device Firefox Mobile iOS via iOS</p> <p>Drawn Signature </p> <p>Signature Reference ID 252D983B</p> <p>Signature Biometric Count 4</p>	<p>Viewed At 05/08/2023 10:57 EDT</p> <p>Identity Authenticated At 05/08/2023 10:57 EDT</p> <p>Signed At 05/08/2023 10:57 EDT</p>
<p>Name Greg Clark</p> <p>Email gclark@calgarymetroregion.ca</p> <p>Components 1</p>	<p>Status signed</p> <p>Multi-factor Digital Fingerprint Checksum d0b3d926c6c2862a9439f1afd55b0d1091f68eda1dc55bf67def52cccbd3db50</p> <p>IP Address 104.224.126.69</p> <p>Device Mobile Safari via iOS</p> <p>Drawn Signature </p> <p>Signature Reference ID 157BF76B</p> <p>Signature Biometric Count 1</p>	<p>Viewed At 05/04/2023 12:04 EDT</p> <p>Identity Authenticated At 05/04/2023 12:04 EDT</p> <p>Signed At 05/04/2023 12:04 EDT</p>

AUDITS

TIMESTAMP	AUDIT
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05/04/2023 11:45 EDT	Kevin Hanson (krhanson@rockyview.ca) was emailed a link to sign.
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