

Calgary Metropolitan Region Board  
**Governance Committee Meeting Agenda**

February 25, 2022 – 9:00 AM

Go-To Meeting

**Meetings are recorded & live-streamed**

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***The purpose of this meeting is to convene, discuss and make decisions regarding recommendations to be made to the Calgary Metropolitan Region Board.***

- |                                                                                                                                                                                                  |         |           |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------|
| 1. Call to Order & Opening Remarks                                                                                                                                                               | Clark   |           |
| 2. Adoption of Agenda<br><b><i>For Decision: Motion to adopt and/or revise the Agenda</i></b>                                                                                                    | All     |           |
| 3. Approval of Minutes (Attachment)<br><b><i>For Decision: Motion that the Committee approve the Minutes of December 16, 2021 meeting</i></b>                                                    | All     | <b>3</b>  |
| 4. 2021 Draft Audited Financial Statements (Attachment)<br><b><i>For Recommendation: Motion that the Committee Recommend for approval by the Board the 2021 Audited Financial Statements</i></b> | AVAIL   | <b>7</b>  |
| 5. Vice Chair Election (Attachment)<br><b><i>For Decision: Motion that the Committee elect Mayor Peter Brown as Vice Chair of the Governance Committee</i></b>                                   | Copping | <b>30</b> |
| 6. Q4 Actuals (Attachment)<br><b><i>For Recommendation: Motion that the Committee receive for information and recommend for review by the Board the 2021 Q4 Actuals</i></b>                      | Copping | <b>33</b> |
| 7. Annual Report (Attachment)<br><b><i>For Decision: Motion that the Committee recommend to the Board approval of the Annual Report</i></b>                                                      | Copping | <b>35</b> |
| 8. Next Meeting: Friday May 13, 2022                                                                                                                                                             | Clark   |           |
| 9. Adjournment                                                                                                                                                                                   |         |           |

Governance Committee Members:

Mayor Peter Brown (Airdrie)  
 Cllr Gian-Carlo Carra (Calgary)  
 Mayor Jeff Colvin (Chestermere)  
 Mayor Jeff Genung (Cochrane)  
 Reeve Delilah Miller (Foothills)  
 Cllr Kelly Killick-Smit (High River)  
 Mayor Tanya Thorn (Okotoks)  
 Councillor Kevin Hanson (Rocky View)  
 Mayor Pat Fule (Strathmore)  
 Reeve Amber Link (Wheatland)

Greg Clark, Committee Chair

Upcoming Meetings:

|                                |                                                        |              |
|--------------------------------|--------------------------------------------------------|--------------|
| Board Meeting                  | Friday March 11 @ 8:30 AM<br>Friday April 29 @ 9:30 AM | TBD<br>TBD   |
| Land Use & Servicing Committee | Thursday April 7 @ 9:00 AM                             | GoTo Meeting |
| Governance Committee           | Friday May 12 @ 9:00 AM                                | GoTo Meeting |

Minutes of the Meeting of the Governance Committee  
of the Calgary Metropolitan Region Board on  
Thursday December 16, 2021, by Go-To Meeting

**Delegates in Attendance:**

Deputy Mayor Tina Petrow – City of Airdrie  
Councillor Gian-Carlo Carra – City of Calgary  
Mayor Jeff Colvin – City of Chestermere  
Mayor Jeff Genung – Town of Cochrane  
Reeve Delilah Miller – Foothills County  
Councillor Kelly Killick-Smit – Town of High River  
Councillor Kevin Hanson – Rocky View County  
Councillor Jason Montgomery – Town of Strathmore  
Reeve Amber Link – Wheatland County

**CMRB Administration:**

Greg Clark, Chair  
Jaime Graves, Project Manager-Intermunicipal Servicing  
Liisa Tipman, Project Manager-Land Use  
JP Leclair, GIS Analyst  
Shelley Armeneau, Office Manager

**1. Call to Order**

Chair Greg Clark called the meeting to order at 9:00 AM.

**2. Approval of Agenda**

**Moved by** Mayor Genung, **Seconded by** Councillor Killick-Smit, accepted by Chair.

**Motion:** That the Committee approve the agenda.

**Motion carried unanimously.**

**3. Review Minutes**

**Moved by** Mayor Genung, **Seconded by** Councillor Carra, accepted by Chair.

**Motion:** That the Committee approve the Minutes of the September 2, 2021 meeting.

**Motion carried unanimously.**

**4. Terms of Reference Overview**

Chair Clark reviewed the Terms of Reference and noted that the Governance Committee receives disclosure statements relating to conflicts of interest of the Chair. Therefore, he will be circulating an email to members identifying his participation on other committees and activities.

**Moved by** Councillor Hanson, **Seconded by** Deputy Mayor Petrow, accepted by Chair.

**Motion:** That the Committee receive for information the Board approved Governance Committee Terms of Reference.

**Motion carried unanimously.**

## 5. Vice Chair Selection

**Moved by** Councillor Killick-Smit, **Seconded by** Councillor Carra, accepted by Chair.

**Motion:** That the Committee receive for information the Vice Chair Selection process.

**Motion carried unanimously.**

## 6. Q3 Actuals

Jordon Copping reviewed the Q3 actuals and briefly discussed CMRB's reserve policy, as well as the history of grant monies.

**Moved by** Reeve Link, **Seconded by** Councillor Hanson, accepted by Chair.

**Motion:** That the Committee receive for information and recommend for review by the Board the 2021 Q3 Actuals.

**Motion carried unanimously.**

## 7. Board Chair & Chief Officer Performance Review

Chair Clark reviewed the performance review timelines in the brief. The Committee discussed delaying the goal setting process in order to allow for the strategic planning session tentatively scheduled for March.

**Moved by** Deputy Mayor Petrow, **Seconded by** Councillor Killick-Smit, accepted by Chair.

**Motion** that the Committee receive for information an update on the Board Chair and Chief Officer Performance Review Process.

**Motion carried unanimously.**

## 8. Motions – Receiving for Information

At the December Board meeting a member asked to bring forward a discussion on the intent and meaning of motions to "receive for information", following which the Board referred the matter to the Governance Committee. There was discussion on the history of the Board's decision to receive items for information. Clarity was provided by a member that CMRB Administration's reporting to the Province on decisions made by the Board was the reason for bringing the item forward. There was support for continuing to record the receive for information motions as a measure of the volume of work being done by the Board, and support for changing the way the reporting to the Province incorporates those motions.

**Motion Arising**

**Moved by** Councillor Carra, **Seconded by** Councillor Hanson, accepted by Chair.

**Motion** that the Committee supports the intent of the draft motion below and directs administration to refine the draft for approval of the Board at the January meeting.

Draft Motion:

That the Committee recommend to the Board that motions to Receive for Information be defined as:

A motion to receive for information is made as acknowledgment and to retain the item, matter, report, presentation, recommendation, or other thing in the corporate record without taking additional action;

And

That the votes in favour of a motion to accept for information will not indicate support for the matter addressed and will not be included in any data regarding motions supported unanimously by the Board.

**Motion carried unanimously.**

**9. 2021 Audit and Annual Report**

Jordon Copping provided a verbal update:

Audit: CMRB has reengaged Avail LLP as auditors for the next 3 years, and they are beginning their work on our file at the end of December. The audit process is relatively simple as all work is done through QuickBooks which Avail can access online. Administration's intent is to bring the audited financials to the February Governance meeting.

Annual Report: One of the requirements of CMRB's Regulation is to provide Municipal Affairs with an Annual Report. It was deferred last year due to the heavy lifting of the work to create the Growth and Servicing Plans, but staff are working on a compendium of 2020 and 2021 and will bring it to this Committee in February for discussion and feedback.

**Moved by** Councillor Carra, **Seconded by** Deputy Mayor Petrow, accepted by Chair.

**Motion:** That the Committee receive for information a verbal update on the 2021 Audit and Annual Report.

**Motion carried unanimously.**

**10. Next Meeting**

The Committee discussed a previously circulated meeting schedule and conflicts were identified with the third Thursday of the month. It was agreed most of the meetings would be moved to Fridays. The new proposed 2022 schedule is as follows:

- Friday February 25
- Friday May 13
- Thursday July 28
- Friday October 28

**11. Adjourned @ 10:35 AM.**

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**CMRB Chair, Greg Clark**

DRAFT

|                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>Agenda Item</b>                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>4</b>                                       |
| <b>Submitted to</b>                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Governance Committee</b>                    |
| <b>Purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>For Recommendation</b>                      |
| <b>Subject</b>                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>2021 Draft Audited Financial Statements</b> |
| <b>Meeting Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>February 25, 2022</b>                       |
| <i>That the Governance Committee recommend for approval to the Board the Audited Financial Statements.</i>                                                                                                                                                                                                                                                                                                                                   |                                                |
| <p>Background</p> <ul style="list-style-type: none"> <li>• CMRB Administration has been working with Avail to provide all required documentation for the 2021 audit.</li> <li>• Audited financial statements are required as part of the annual report which the CMRB is mandated to provide to the Minister of Municipal Affairs.</li> <li>• Draft 2021 audit statement and attachments are available for the Committee's review</li> </ul> |                                                |
| <p>Attachments: 1. Draft Financial Statement for 2021</p> <p style="padding-left: 40px;">2. Management Letter</p> <p style="padding-left: 40px;">3. Post Audit Letter</p>                                                                                                                                                                                                                                                                    |                                                |

## 1. Recommendation

That the Governance Committee recommend for approval to the Board the Audited Financial Statements.

**CALGARY METROPOLITAN REGION BOARD**

**FINANCIAL STATEMENTS**

**For the year ended December 31, 2021**

*Draft - February 18, 2022*

Agenda Item 4i



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# CALGARY METROPOLITAN REGION BOARD

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For the year ended December 31, 2021

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CHARTERED PROFESSIONAL ACCOUNTANTS

## 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, 2021, 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, 2021, 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.

February 25, 2022

Chartered Professional Accountants

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2021**

|                                                 | 2021         | 2020         |
|-------------------------------------------------|--------------|--------------|
| <b>Financial assets</b>                         |              |              |
| Cash and cash equivalents                       | \$ 1,416,801 | \$ 944,921   |
| Short term investments (note 3)                 | 1,292,792    | 1,932,336    |
| Accounts receivable (note 4)                    | 50,845       | 46,147       |
|                                                 | 2,760,438    | 2,923,404    |
| <b>Liabilities</b>                              |              |              |
| Accounts payable and accrued liabilities        | 56,147       | 253,111      |
| Deferred revenue (note 5)                       | 735,031      | 703,255      |
|                                                 | 791,178      | 956,366      |
| <b>Net financial assets</b>                     | 1,969,260    | 1,967,038    |
| <b>Non-financial assets</b>                     |              |              |
| Prepaid expenses                                | 9,184        | 6,109        |
| Tangible capital assets (schedule 1)            | 3,747        | 4,717        |
|                                                 | 12,931       | 10,826       |
| <b>Accumulated surplus (note 6, schedule 2)</b> | \$ 1,982,191 | \$ 1,977,864 |

*Commitments* (note 11)

Approved on behalf of the board:

Member \_\_\_\_\_

Member \_\_\_\_\_

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2021

|                                               | Budget<br>(unaudited) | 2021         | 2020         |
|-----------------------------------------------|-----------------------|--------------|--------------|
| <b>Revenue</b>                                |                       |              |              |
| Alberta Municipal Affairs                     | \$ 1,500,000          | \$ 1,468,224 | \$ 2,038,805 |
| Interest                                      | -                     | 5,985        | 25,617       |
|                                               | 1,500,000             | 1,474,209    | 2,064,422    |
| <b>Expenses</b>                               |                       |              |              |
| Wages and benefits                            | 769,000               | 769,939      | 776,548      |
| Consulting fees                               | 925,000               | 401,496      | 978,281      |
| Board chair remuneration                      | 140,000               | 120,003      | 87,199       |
| Rent                                          | 87,000                | 73,457       | 78,861       |
| Meeting costs                                 | 110,000               | 43,595       | 54,765       |
| Professional fees                             | 30,000                | 21,002       | 21,443       |
| Dues and subscriptions                        | -                     | 17,210       | 17,921       |
| Office and administration                     | 39,000                | 9,169        | 7,737        |
| Professional development                      | -                     | 6,114        | 6,276        |
| Insurance                                     | -                     | 3,616        | 5,680        |
| Travel and accommodation                      | 35,000                | 1,768        | 4,010        |
| Interest and bank charges                     | -                     | 788          | 792          |
| Freight and delivery                          | -                     | 67           | 34           |
| Amortization                                  | 1,658                 | 1,658        | 5,972        |
|                                               | 2,136,658             | 1,469,882    | 2,045,519    |
| <b>Excess of revenue over expenses</b>        | (636,658)             | 4,327        | 18,903       |
| <b>Accumulated surplus, beginning of year</b> | 1,977,864             | 1,977,864    | 1,958,961    |
| <b>Accumulated surplus, end of year</b>       | \$ 1,341,206          | \$ 1,982,191 | \$ 1,977,864 |

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
For the year ended December 31, 2021

|                                                | Budget<br>(unaudited) | 2021         | 2020         |
|------------------------------------------------|-----------------------|--------------|--------------|
| <b>Excess of revenue over expenses</b>         | \$ (636,658)          | \$ 4,327     | \$ 18,903    |
| Purchase of tangible capital assets            | -                     | (688)        | -            |
| Amortization of tangible capital assets        | 1,658                 | 1,658        | 5,972        |
|                                                | 1,658                 | 970          | 5,972        |
| Net change in prepaid expenses                 | -                     | (3,075)      | -            |
| <b>Change in net financial assets</b>          | (635,000)             | 2,222        | 24,875       |
| <b>Net financial assets, beginning of year</b> | 1,967,038             | 1,967,038    | 1,942,163    |
| <b>Net financial assets, end of year</b>       | \$ 1,332,038          | \$ 1,969,260 | \$ 1,967,038 |

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

For the year ended December 31, 2021

|                                                     | 2021         | 2020       |
|-----------------------------------------------------|--------------|------------|
| <b>Operating transactions</b>                       |              |            |
| Excess of revenue over expenses                     | \$ 4,327     | \$ 18,903  |
| Adjustments for items which do not affect cash      |              |            |
| Amortization of tangible capital assets             | 1,658        | 5,972      |
|                                                     | 5,985        | 24,875     |
| Net change in non-cash working capital items        |              |            |
| Accounts receivable                                 | (4,698)      | (423)      |
| Prepaid expenses                                    | (3,075)      | -          |
| Accounts payable and accrued liabilities            | (196,964)    | 122,185    |
| Deferred revenue                                    | 31,776       | (288,806)  |
|                                                     | (166,976)    | (142,169)  |
| Cash applied to operating transactions              | (166,976)    | (142,169)  |
| <b>Capital transactions</b>                         |              |            |
| Purchase of tangible capital assets                 | (688)        | -          |
| <b>Investing transactions</b>                       |              |            |
| Change in short term investments                    | 639,544      | 692,789    |
| <b>Increase in cash and cash equivalents</b>        | 471,880      | 550,620    |
| <b>Cash and cash equivalents, beginning of year</b> | 944,921      | 394,301    |
| <b>Cash and cash equivalents, end of year</b>       | \$ 1,416,801 | \$ 944,921 |

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**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**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, Town of Strathmore, Rocky View County, Foothills County, and Wheatland 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



**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, 2021

**3. Short term investments**

Short term investments consists of Guaranteed Investment Certificates (GICs) that have effective interest rates of 0.10% to 0.35% and mature between March to August 2022.

**4. Accounts receivable**

|                     | 2021             | 2020             |
|---------------------|------------------|------------------|
| GST receivable      | \$ 49,512        | \$ 32,842        |
| Interest receivable | 1,333            | 13,305           |
|                     | <b>\$ 50,845</b> | <b>\$ 46,147</b> |

**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 | 703,255 | 1,500,000 | 1,468,224  | 735,031 |

**6. Accumulated surplus**

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

|                                            | 2021                | 2020                |
|--------------------------------------------|---------------------|---------------------|
| Unrestricted surplus                       | \$ 1,978,444        | \$ 1,973,147        |
| Equity in tangible capital assets (note 7) | 3,747               | 4,717               |
|                                            | <b>\$ 1,982,191</b> | <b>\$ 1,977,864</b> |

**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**7. Equity in tangible capital assets**

|                                       | 2021      | 2020      |
|---------------------------------------|-----------|-----------|
| Tangible capital assets (schedule 1)  | \$ 23,321 | \$ 22,633 |
| Accumulated amortization (schedule 1) | (19,574)  | (17,916)  |
|                                       | \$ 3,747  | \$ 4,717  |

**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 one of the plans covered by the Alberta Public Sector Pensions Plans Act. The LAPP is financed by the employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Board is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of the Board are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the Board to the LAPP in 2021 were \$72,900 (2020 - \$71,901). Total current service contributions by the employees of the Board to the LAPP in 2021 were \$66,630 (2020 - \$65,783).

At December 31, 2020, the LAPP disclosed an actuarial surplus of \$5.0 billion.

**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**11. Commitments**

The Board entered into various consulting agreements prior to December 31, 2021. The Board's total obligation under these agreements are \$23,338. 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 \$54,110.

Payments over the next five years are as follows:

|      |    |           |
|------|----|-----------|
| 2022 | \$ | 33,132    |
| 2023 |    | 20,978    |
|      |    | \$ 54,110 |

**12. Budget amounts**

The 2021 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 | \$ | (636,658) |
| Less: Capital expenditures                |    | (15,000)  |
| Add: Amortization                         |    | 1,658     |
| Transfers from reserves                   |    | 650,000   |
|                                           |    | \$ -      |

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**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended December 31, 2021**

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**13. COVID-19**

Events have occurred as a result of the COVID-19 (coronavirus) pandemic that have caused economic uncertainty. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remain unclear at this time.

Some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, decline in value of financial investments, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses.

The Board has developed policies to ensure the safety of employees is maintained. Management is not aware of any material impairments that will impact the financial assets or liabilities of the company due to the pandemic.

The situation is continually changing and the future impact on the entity is not readily determinable at this time.

**14. Comparative figures**

Where necessary the comparative figures for the 2020 year have been reclassified to conform with 2021 financial statement presentation.

**15. 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, 2021

**Schedule of tangible capital assets**  
**Schedule 1**

|                                  | Office<br>equipment | Computer<br>equipment | Furniture and<br>fixtures | 2021            | 2020            |
|----------------------------------|---------------------|-----------------------|---------------------------|-----------------|-----------------|
| <b>Cost:</b>                     |                     |                       |                           |                 |                 |
| Balance, beginning of year       | \$ 5,285            | \$ 13,629             | \$ 3,719                  | \$ 22,633       | \$ 22,633       |
| Acquisitions                     | -                   | 688                   | -                         | 688             | -               |
| Balance, end of year             | 5,285               | 14,317                | 3,719                     | 23,321          | 22,633          |
| <b>Accumulated amortization:</b> |                     |                       |                           |                 |                 |
| Balance, beginning of year       | 3,171               | 13,629                | 1,116                     | 17,916          | 11,944          |
| Annual amortization              | 1,057               | 229                   | 372                       | 1,658           | 5,972           |
| Balance, end of year             | 4,228               | 13,858                | 1,488                     | 19,574          | 17,916          |
| <b>Net book value</b>            | <b>\$ 1,057</b>     | <b>\$ 459</b>         | <b>\$ 2,231</b>           | <b>\$ 3,747</b> | <b>\$ 4,717</b> |
| <b>2020 net book value</b>       | <b>\$ 2,114</b>     | <b>\$ -</b>           | <b>\$ 2,603</b>           | <b>\$ 4,717</b> |                 |

Draft - February 18, 2022

**CALGARY METROPOLITAN REGION BOARD**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2021

**Schedule of changes in accumulated surplus**  
**Schedule 2**

|                                                        | Unrestricted        | Equity in tangible<br>capital assets | 2021                | 2020                |
|--------------------------------------------------------|---------------------|--------------------------------------|---------------------|---------------------|
| Balance, beginning of year                             | \$ 1,973,147        | \$ 4,717                             | \$ 1,977,864        | \$ 1,958,961        |
| Excess of revenue over expenses                        | 4,327               | -                                    | 4,327               | 18,903              |
| Current year funds used for tangible capital<br>assets | (688)               | 688                                  | -                   | -                   |
| Annual amortization expense                            | 1,658               | (1,658)                              | -                   | -                   |
| Change in accumulated surplus                          | 5,297               | (970)                                | 4,327               | 18,903              |
| <b>Balance, end of year</b>                            | <b>\$ 1,978,444</b> | <b>\$ 3,747</b>                      | <b>\$ 1,982,191</b> | <b>\$ 1,977,864</b> |

Draft - February 18, 2022

February 25, 2022

Board of Directors  
Calgary Metropolitan Region Board  
602 - 11 Ave SW, Unit 305  
Calgary, AB T2R 1J8

Ladies and Gentlemen:

We have completed our audit of the financial statements of the Calgary Metropolitan Region Board for the year ended December 31, 2021. Our audit included consideration of internal control relevant to the preparation of the financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, our review of any given control was limited and would not disclose all weaknesses in the system or all matters which an in-depth study might indicate. As you know, the maintenance of an adequate system of internal controls is the responsibility of the Board of Directors.

During the course of our audit for the year ended December 31, 2021, we identified no significant matters which may be of interest to the Board.

This communication is prepared solely for the information of the Board members and management of the Calgary Metropolitan Region Board and is not intended for any other purpose. We accept no responsibility to a third party who uses this communication.

We would like to thank Jordon and Shelley for their assistance during our audit. Thank you for the continuing opportunity to be of service to your organization and we look forward to serving you in the future. If you have any questions or concerns regarding our audit or any other issues with which you may require our assistance, please do not hesitate to contact us.

Thank you.

Yours truly,

AVAIL LLP

Calvin Scott, CPA, CA

Agenda Item 4ii



February 25, 2022

Board of Directors  
Calgary Metropolitan Region Board  
602 - 11 Ave SW, Unit 305  
Calgary, AB T2R 1J8

Ladies and Gentlemen:

RE: 2021 ANNUAL AUDIT OF CALGARY METROPOLITAN REGION BOARD

We are pleased to provide the following report relating to our audit of the financial statements of Calgary Metropolitan Region Board for the year ending December 31, 2021.

During the course of our audit we identified matters which may be of interest to the Board. The objective of an audit is to obtain reasonable assurance whether the financial statements are free of material misstatement and it is not designed to identify matters that may be of interest to the Board in discharging its responsibilities. Accordingly an audit would not usually identify all such matters.

The matters identified are included in this report which has been prepared solely for the information of the Board and is not intended for any other purpose. As such, we accept no responsibility to a third party who uses this report. Should any member of the audit committee or equivalent wish to discuss or review any matter addressed in this letter or any other matters related to financial reporting, please do not hesitate to contact us at any time.

Our report is intended to assist the Board in fulfilling its obligation with respect to the 2021 financial statements. We have also attached a separate communication regarding the role of the Board and our recommendations for the Board of the Board.

We would be pleased to further discuss any of the issues addressed in the report or any other issue which may be of interest or concern to the Board.

Yours truly,

AVAIL LLP

Calvin Scott, CPA, CA  
Enclosure

Agenda Item 4iii

I. Purpose and Scope of Examination

We refer you to our communication dated February 9, 2022, which outlines the purpose and scope of our examination.

II. Results of Examination

As a result of our examination, we report that, in our opinion, the financial statements as at December 31, 2021 present fairly, in all material respects, the financial position of the Board in accordance with Canadian public sector accounting standards.

Throughout the course of our examination, we received full co-operation from Board officials and employees. No restrictions were imposed on the method or extent of our examination. We were given access to all records, documents and other supporting data and were furnished all information and explanations we required. In addition, we had the opportunity to discuss accounting matters with Board officials.

III. Communication with Board

In accordance with the auditing standard "communications with those having oversight responsibility for the financial reporting process", the following matters are recommended to be communicated to the Board.

| <b>Matters to be Communicated</b>                | <b>Reference/Comment</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Significant Deficiencies in Internal Controls | During our audit, we did not encounter any significant deficiencies in internal controls.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2. Illegal Acts and Fraud                        | An audit conducted in accordance with generally accepted auditing standards does not provide assurance about an entity's compliance with the laws and regulations that may affect it. These standards include, however, a requirement that the nature, extent and timing of the auditors' procedures should be designed so that, in the auditors' professional judgment, the risk of not detecting a material misstatement in the financial statements is reduced to an appropriately low level.<br><br>However, due to the nature of illegal acts, an auditor conducting an audit in accordance with generally accepted auditing standards may not detect an illegal act, or recognize an act as being illegal, even if the effect of its consequences on the financial statements is material.<br><br>Based on the results of our testing, we did not identify any illegal, improper or questionable payments or acts nor any acts committed with the intent to deceive, involving either misappropriation of assets or misrepresentation of financial information. |

|                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. Significant Accounting Principles and Policies                         | We refer you to note 2 to the financial statements for a summary of significant accounting policies adopted by the Board.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 4. Management's Judgments and Accounting Estimates                        | <p>There were no disagreements between management and ourselves regarding management's judgments and accounting estimates.</p> <p>Going Concern Assumption -<br/>It is now a requirement that management make an assessment each year regarding the Board's ability to continue as a going concern. This assessment requires management to make certain judgments about the Board's ability to meet its obligations in the foreseeable future.</p> <p>Management has advised that they are aware of no events or conditions that cast doubt upon the Board's ability to continue as a going concern in the foreseeable future, and there is no intention to liquidate the Board's assets or otherwise cease operations.</p> |
| 5. Written Representation from Management                                 | As requested, management has provided us written representations that it has fulfilled its responsibility for the preparation of the financial statements and that it has provided us with the required information for us to complete our audit.                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 6. Other Information in Documents Containing Audited Financial Statements | Should the Board issue any report during the year that includes the audited financial statements, we will be required to read the unaudited information in the report prior to its release to ensure consistency with the information presented in the financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 7. Disagreements with Management                                          | There were no disagreements between management and ourselves with respect to the Board's accounting policies or presentation and disclosure in the financial statements.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 8. Difficulties Encountered in Performing the Audit                       | The full co-operation of management and other personnel was received during our examination.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 9. Financial Statement Disclosure                                         | There were no contentious financial statement disclosure issues.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 10. Other Matters                                                         | No other matters were noted.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| 11. Emerging Issues                                                       | <p><u>FUTURE ACCOUNTING CHANGES</u></p> <p>The Public Sector Accounting Board has issued the following accounting standards:</p> <p><u>PS 1000 Financial Statement Concepts (effective fiscal years beginning April 1, 2022)</u></p> <p>This section has been amended to allow recognition of purchased intangibles as assets. This amendment is supported by new public sector guideline PSG-8 "Purchased Intangibles". Earlier adoption is permitted.</p>                                                                                                                                                                                                                                                                 |

|  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | <p><u>PS 3450 Financial Instruments</u><br/><u>(effective fiscal years beginning April 1, 2022)</u></p> <p>Adoption of this standard requires corresponding adoption of PS 2601 Foreign Currency Translation, PS 1201 Financial Statement Presentation, and PS 3401 Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments.</p> <p><u>PS 3280 Asset Retirement Obligations</u><br/><u>(effective fiscal years beginning April 1, 2022)</u></p> <p>This standard provides guidance on how to account for and report a liability for retirement of tangible capital assets. Early adoption of this section may be mandated by the Government of Alberta, pending recommendations from the ARO working group.</p> <p><u>PS 3400 Revenue</u><br/><u>(effective fiscal years beginning April 1, 2022)</u></p> <p>This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange and non-exchange (unilateral) transactions.</p> <p><u>OTHER PROPOSED CHANGES</u></p> <p>The Public Sector Accounting Board has issued an exposure draft that has not yet been finalized:</p> <p><u>PS 1202 – Financial Statement Presentation</u><br/><u>(proposed implementation date of April 1, 2024)</u></p> <p>A new standard has been proposed to replace PS 1201 Financial Statement Presentation and is intended to provide an improved financial reporting framework.</p> <p>Some of the key proposed changes are:</p> <ul style="list-style-type: none"> <li>• liabilities will be separated into two categories: financial and non-financial</li> <li>• the Statement of Financial Position will be restructured to present total assets followed by total liabilities to arrive at net assets</li> <li>• the net debt indicator will be removed from the Statement of Financial Position and will be shown on a separate statement “Statement of Net Financial Assets or Net Financial Liabilities”</li> <li>• the requirement to present a Statement of Changes in Net Financial Assets (Debt) will be removed</li> <li>• other minor changes are proposed to the Statement of Cash Flows and budgeted information</li> </ul> |
|--|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Calgary Metropolitan Region Board  
 Unadjusted Financial Statement Misstatements  
 For the year ended December 31, 2021

| Unadjusted Financial<br>Statement Misstatements | Proposed Adjustments Dr (Cr) |                     |               |             |                   |
|-------------------------------------------------|------------------------------|---------------------|---------------|-------------|-------------------|
|                                                 |                              |                     | Balance Sheet |             |                   |
|                                                 | Opening<br>Equity            | Income<br>Statement | Assets        | Liabilities | Closing<br>Equity |
| Subtotal                                        | -                            | -                   | -             | -           | -                 |
| Income taxes                                    | -                            | -                   | -             | -           | -                 |
| Total                                           | \$ -                         | \$ -                | \$ -          | \$ -        | \$ -              |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| <b>Agenda Item</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>5</b>                    |
| <b>Submitted to</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>Governance Committee</b> |
| <b>Purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>For Decision</b>         |
| <b>Subject</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>Vice Chair Election</b>  |
| <b>Meeting Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <b>February 25, 2022</b>    |
| <i>Motion that the Committee elect Mayor Peter Brown as Vice Chair of the Governance Committee</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                             |
| <p>Background</p> <ul style="list-style-type: none"> <li>• The Committee must elect a Vice Chair.</li> <li>• The CMRB Board approved a Board and Committee Vice Chair Selection Process Policy on February 15, 2019.</li> <li>• At the December 16, 2021 Committee meeting, a brief was provided setting out the approved Vice Chair Selection Process Policy, including a description of the eligibility, term, role, nomination and voting process. This item was received for information with the understanding that an election would take place at the February 25, 2022 meeting.</li> <li>• Mayor Peter Brown was nominated for Vice Chair by email to the Chief Officer from Reeve Amber Link on January 28, 2022.</li> <li>• No additional email nominations were received by the Chief Officer.</li> </ul> |                             |
| Attachment: Board and Committee Vice Chair Selection Process Policy located <a href="#">here</a> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                             |

## 1. Introduction

The Committee is required to elect a Vice Chair. Approval of the Board and Committee Vice Chair Selection Process Policy was approved at the February 15, 2019 Board meeting. This item was brought forward for discussion at the Committee meeting on December 16, 2021. Mayor Peter Brown was nominated by email to the Chief Officer by Reeve Amber Link, and he subsequently accepted the nomination. A reminder email was circulated to members inviting any additional eligible members to volunteer for the position or nominate another eligible individual for the role. No further nominations were received.

## 2. Recommendation

That the Committee elect Mayor Peter Brown as Vice Chair of the Board.

## 3. Approved Policy

### Board and Committee Vice Chair Selection Process Policy

#### Policy Purpose

To create a mechanism by which the Board and Committees of the Board can select a Vice Chair of the Board and of Committees of the Board.

#### Scope

This policy applies to the Board and all Committees of the Board.

#### Policy

##### Eligibility

Members in good standing of the Board or Committee are eligible to seek a Vice Chair position. Only a Mayor or Reeve is eligible to be a Vice Chair of the Board. Any member of a Committee, but not an alternate, is eligible to be Vice Chair.

##### Term

Vice Chair terms shall not exceed one year from the date of their selection, either through acclamation or winning a vote. There is no limit on how many terms a Vice Chair may serve.

##### Role

Vice Chairs will be required to participate in briefings given by CMRB Administration in advance of meetings and may be required to assume Chair duties at Board or Committee meetings. Vice Chairs are eligible to participate fully in any vote of the Board or Committee.

##### Nomination

Eligible members may volunteer for the Vice Chair role or be nominated for the role by another member of the Board or Committee. If a member is nominated by another member of the Board or Committee the nominated member must confirm they are able and interested to seek the position.

If more than one eligible member of the Board or Committee is nominated for the role of Vice Chair then the Chief Officer will conduct a selection process by secret ballot.

##### Voting

Members in good standing of the Board or Committee or their alternate are eligible to vote.

Each municipality is only eligible to cast one ballot and there is no weighting to the ballots, one member one vote. The selection of a Vice Chair requires the support of a simple majority of the Board or Committee.

In the event that no candidate achieves a majority on the first ballot, there will be a second round of voting with only the candidates who received the two highest number of votes in the first round on the ballot.

In the event of a tie after the second ballot, the names of both candidates will be written on a slip of paper and placed in a hat. The Chief Officer will draw one name and that candidate will become the Vice Chair.



|                                                                                                                                                                                    |                                                               |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| <b>Agenda Item</b>                                                                                                                                                                 | <b>6</b>                                                      |
| <b>Submitted to</b>                                                                                                                                                                | <b>Governance Committee</b>                                   |
| <b>Purpose</b>                                                                                                                                                                     | <b>Present to the Governance Committee for Recommendation</b> |
| <b>Subject</b>                                                                                                                                                                     | <b>CMRB 2021 Q4 Actuals</b>                                   |
| <b>Meeting Date</b>                                                                                                                                                                | <b>February 25, 2022</b>                                      |
| <i>That the Committee receive for information and recommend for review by the Board the 2021 Q4 actuals</i>                                                                        |                                                               |
| <p>Background</p> <ul style="list-style-type: none"> <li>The CMRB has been funded by the Government of Alberta through the Alberta Community Partnership grant program.</li> </ul> |                                                               |
| <p>Attachments</p> <ul style="list-style-type: none"> <li>Q4 Actuals</li> </ul>                                                                                                    |                                                               |

## Introduction

CMRB Administration has compiled the Q4 Actuals for review by the Governance Committee.

## Recommendation

That the Governance Committee receive for information and recommend for review by the Board the 2021 Q4 Actuals.

|                                     | 2021 Budget           | 2021 Q4 Budget      | 2021 Q4 Actual         | Q4 Variance           | YTD Budget            | YTD Actual            | YTD Variance        |
|-------------------------------------|-----------------------|---------------------|------------------------|-----------------------|-----------------------|-----------------------|---------------------|
| <b>REVENUE</b>                      |                       |                     |                        |                       |                       |                       |                     |
| GoA Grant                           | \$1,500,000.00        | \$0.00              | \$ 1,500,000.00        | \$1,500,000.00        | \$1,500,000.00        | \$1,500,000.00        | \$0.00              |
| Interest on GIC                     | \$0.00                | \$0.00              | \$ 9,242.38            | \$9,242.38            | \$0.00                | \$17,956.55           | \$17,956.55         |
| Withdrawal from Reserves            | \$650,000.00          | \$50,000.00         | \$ -                   | -\$50,000.00          | \$650,000.00          | \$648,785.86          | -\$1,214.14         |
| <b>TOTAL Revenue</b>                | <b>\$2,150,000.00</b> | <b>\$50,000.00</b>  | <b>\$ 1,509,242.38</b> | <b>\$1,459,242.38</b> | <b>\$2,150,000.00</b> | <b>\$2,166,742.41</b> | <b>\$16,742.41</b>  |
| <b>EXPENDITURES</b>                 |                       |                     |                        |                       |                       |                       |                     |
| <b>CAPITAL EXPENSES</b>             |                       |                     |                        |                       |                       |                       |                     |
| Computers & Hardware                | \$6,000.00            | \$1,500.00          | \$ -                   | \$1,500.00            | \$6,000.00            | \$687.97              | \$5,312.03          |
| Office Furniture                    | \$6,000.00            | \$1,500.00          | \$ -                   | \$1,500.00            | \$6,000.00            | \$0.00                | \$6,000.00          |
| Phone/Internet Hardware             | \$3,000.00            | \$750.00            | \$ -                   | \$750.00              | \$3,000.00            | \$0.00                | \$3,000.00          |
| <b>TOTAL CAPITAL EXPENSES</b>       | <b>\$15,000.00</b>    | <b>\$3,750.00</b>   | <b>\$ -</b>            | <b>\$3,750.00</b>     | <b>\$15,000.00</b>    | <b>\$687.97</b>       | <b>\$14,312.03</b>  |
| <b>OPERATING EXPENSES</b>           |                       |                     |                        |                       |                       |                       |                     |
| <b>STAFFING COSTS</b>               |                       |                     |                        |                       |                       |                       |                     |
| Salary                              | \$655,000.00          | \$161,000.00        | \$ 157,580.61          | \$3,419.39            | \$655,000.00          | \$649,641.33          | \$5,358.67          |
| Benefits                            | \$117,000.00          | \$29,250.00         | \$ 28,443.30           | \$806.70              | \$117,000.00          | \$113,773.20          | \$3,226.80          |
| Board Chair                         | \$140,000.00          | \$35,000.00         | \$ 20,500.00           | \$14,500.00           | \$140,000.00          | \$119,412.11          | \$20,587.89         |
| <b>TOTAL STAFFING COSTS</b>         | <b>\$912,000.00</b>   | <b>\$225,250.00</b> | <b>\$ 206,523.91</b>   | <b>\$18,726.09</b>    | <b>\$912,000.00</b>   | <b>\$882,826.64</b>   | <b>\$29,173.36</b>  |
| OFFICE LEASE                        | \$87,000.00           | \$21,750.00         | \$ 19,718.85           | \$2,031.15            | \$87,000.00           | \$73,456.99           | \$13,543.01         |
| <b>OFFICE OPERATING COST</b>        |                       |                     |                        |                       |                       |                       |                     |
| General Operating Costs             | \$36,000.00           | \$9,000.00          | \$ 23,135.48           | -\$14,135.48          | \$36,000.00           | \$37,291.90           | -\$1,291.90         |
| Professional Fees                   | \$30,000.00           | \$7,500.00          | \$ 717.50              | \$6,782.50            | \$30,000.00           | \$21,002.24           | \$8,997.76          |
| <b>TOTAL OFFICE OPERATION COSTS</b> | <b>\$66,000.00</b>    | <b>\$16,500.00</b>  | <b>\$ 23,852.98</b>    | <b>-\$7,352.98</b>    | <b>\$66,000.00</b>    | <b>\$58,294.14</b>    | <b>\$7,705.86</b>   |
| TRAVEL COSTS                        | \$35,000.00           | \$8,750.00          | \$ 1,768.03            | \$6,981.97            | \$35,000.00           | \$1,768.03            | \$33,231.97         |
| <b>MEETING COSTS</b>                |                       |                     |                        |                       |                       |                       |                     |
| Meeting Venue/Catering              | \$55,000.00           | \$13,750.00         | \$ 3,743.36            | \$10,006.64           | \$55,000.00           | \$3,743.36            | \$51,256.64         |
| Per Diem                            | \$55,000.00           | \$13,750.00         | \$ 9,098.28            | \$4,651.72            | \$55,000.00           | \$39,598.28           | \$15,401.72         |
| <b>TOTAL MEETING COSTS</b>          | <b>\$110,000.00</b>   | <b>\$27,500.00</b>  | <b>\$ 12,841.64</b>    | <b>\$14,658.36</b>    | <b>\$110,000.00</b>   | <b>\$43,341.64</b>    | <b>\$66,658.36</b>  |
| <b>CONSULTANT COSTS</b>             |                       |                     |                        |                       |                       |                       |                     |
| Growth/ Servicing Plan              | \$250,000.00          | \$62,500.00         | \$ -                   | \$62,500.00           | \$250,000.00          | \$250,000.00          | \$0.00              |
| Regional Initiatives                | \$500,000.00          | \$125,000.00        | \$ 24,773.42           | \$100,226.58          | \$500,000.00          | \$53,601.55           | \$446,398.45        |
| REF Consultants                     | \$100,000.00          | \$25,000.00         | \$ 13,025.82           | \$11,974.18           | \$100,000.00          | \$50,476.72           | \$49,523.28         |
| <b>TOTAL CONSULTANT COSTS</b>       | <b>\$850,000.00</b>   | <b>\$212,500.00</b> | <b>\$ 37,799.24</b>    | <b>\$174,700.76</b>   | <b>\$850,000.00</b>   | <b>\$354,078.27</b>   | <b>\$495,921.73</b> |
| CONTINGENCY                         | \$75,000.00           | \$18,750.00         | \$ -                   | \$18,750.00           | \$75,000.00           | \$47,417.21           | \$27,582.79         |
| <b>TOTAL EXPENDITURE</b>            | <b>\$2,150,000.00</b> | <b>\$534,750.00</b> | <b>\$ 302,504.65</b>   | <b>\$232,245.35</b>   | <b>\$2,150,000.00</b> | <b>\$1,461,870.89</b> | <b>\$688,129.11</b> |

1

2

3

1 The full amount was not withdrawn

2 Training does not have a separate line item in budget 2021 so is rolled into office expenses. Some training for 2022 was prepaid in 2021.

3 CMRB is underbudget due to: online meetings, lower travel costs, fewer IREFs submitted than budgeted for and pausing working on regional initiatives until after the municipal elections.

## Agenda Item 6i

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|
| <b>Agenda Item</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <b>7</b>                             |
| <b>Submitted to</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Governance Committee</b>          |
| <b>Purpose</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>For Recommendation</b>            |
| <b>Subject</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <b>Draft 2020-2021 Annual Report</b> |
| <b>Meeting Date</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>February 25, 2022</b>             |
| <i>That the Governance Committee recommend for approval to the Board the Draft 2020-2021 Annual Report.</i>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                      |
| <p>Background</p> <ul style="list-style-type: none"> <li>• A CMRB annual report is required to be submitted to the Minister no later than 120 days after year end, which is May 1, 2022. Creating an annual report is considered standard practice for corporate entities. The next scheduled meeting of the Governance Committee is May 13, 2022.</li> <li>• Audited financial statements are required as part of the annual report which the CMRB is mandated to provide to the Minister of Municipal Affairs. The draft 2021 audited financial statements are the topic of another agenda item of this Governance Committee meeting.</li> <li>• The province did not require a 2020 Annual Report from the CMRB for 2020 due to the significant work of finalizing the Growth Plan and Servicing Plan in Q1 and Q2 of 2021. However, CMRB did present the 2020 CMRB audited financial statements to the Minister of Municipal Affairs.</li> <li>• The 2020-2021 Annual Report will be:             <ol style="list-style-type: none"> <li>1. Recommended to the Board for approval by the Governance Committee;</li> <li>2. Approved by the Board; and</li> <li>3. Sent by CMRB Admin to the Minister of Municipal Affairs.</li> </ol> </li> </ul> |                                      |
| <p>Attachments:</p> <ul style="list-style-type: none"> <li>• Draft 2020-2021 Annual Report, Strut Creative</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                      |

## 1. Recommendation

That the Governance Committee recommend for approval to the Board the Draft 2020-2021 Annual Report.

Agenda Item 7



# 2020-2021 ANNUAL REPORT

Agenda Item 7i

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DRAFT





2021 was a year of significant change, transition and accomplishment for the Calgary Metropolitan Region Board.

## MESSAGE FROM THE BOARD CHAIR AND CHIEF OFFICER

The onset of the COVID-19 pandemic drove a need to change how we connect, how we work and how we build relationships. The need to work remotely during the pandemic greatly impacted the ability of the CMRB to deliver its mandate, and it impacted the camaraderie built among Board members.

However, through these challenges the Board, committee members, and administration team of the CMRB worked with municipal administrations to continue to develop the Growth and Servicing Plans. The pivot to working virtually was made in a seamless fashion with the Board holding the first online meeting a week after the first lockdown was implemented by the province. In addition, all meetings throughout the year met the requirement of the Municipal Government Act to be held in public and the CMRB now has an online archive of meetings for review by members of the public.

While the main focus of the 2020 was continued development of the Growth and Servicing Plans, other important work was completed by the Board. The following five policies were updated or created to provide more flexibility and to strengthen the governance of the CMRB.

- Signing Authority Policy
- Procedural Policy on Motions
- Pecuniary Conflict of Interest Procedure
- Policy on External Stakeholder Participation in CMRB Initiatives
- Public Engagement Policy

In addition, CMRB Administration working with the Technical Advisory Group made up of member municipality experts, streamlined the Regional Evaluation Framework (REF) process, reducing total review time by 20%. This faster process will give greater certainty to municipalities, developers and investors and will be implemented with the new REF process.

2021 was a year of significant change, transition, and accomplishment for the Calgary Metropolitan Region Board. Early in the year our founding Chair Chris Sheard handed his duties on to our new Chair Greg Clark. We want to share our gratitude for the strong foundation created by Chris Sheard, who established a nimble governance model and laid the groundwork for the successful completion of the Growth and Servicing Plans.

For a second year the global pandemic continued to create challenges for all Albertans, and the CMRB was no exception. As a result, the Minister of Municipal Affairs granted an extension from the original deadline of December 31, 2020, to March 1, 2021, which was further extended to June 1, 2021. The Board used this time wisely, crafting updated Vision and Mission statements that helped guide the Growth and Servicing Plans and will also frame our work going forward.

The draft Growth and Servicing Plans were approved by the Board in May 2021 and submitted to the Minister of Municipal Affairs for his review. This represents the culmination of more than three years of hard work and our thanks go out to each board member, designate, administration staff, and the CMRB team for your part in achieving this significant milestone. We also want to acknowledge the strong support received from the Minister of Municipal Affairs and the Municipal Affairs staff team; our important work would not be possible without their ongoing support. The process of developing the Plans was not easy or without challenges, but the debate was respectful even where some members disagreed with the purpose and structure of the Board.

Throughout 2021 the Board continued the important work of reaching out to Indigenous communities in and around the region. We held facilitated workshops with Indigenous leaders representing all communities in the region; this work established a strong foundation for continued relationship-building that will benefit Indigenous people and all citizens of the region.

The Board also completed an initial options assessment and framework for regional economic development. Over the course of three facilitated workshops the Board created a starting point for future discussions about how we may work together to attract talented people and new business investment to the region.

October's municipal election saw the addition of five new representatives to the ten-member Board. This turnover represents an opportunity for renewal while retaining the history of our journey to date. Our thanks go out to all outgoing Board members, and we welcome our new additions. CMRB administration led a systematic onboarding process, which included providing an overview of the Board mandate and background, outreach for meetings with each Board member and member council, and our first in-person Board meeting since the start of the pandemic.

Perhaps the best summary for our work going forward comes from the updated vision statement: We grow together. In addition to our important work with Indigenous communities and on regional economic development, we look forward to receiving feedback from the Minister on the Growth and Servicing Plans. When we do, we will implement those plans in service of current and future citizens of the region by providing certainty to member municipalities and investors to ensure our region grows efficiently and with shared purpose.



**Jordon Copping**  
Chief Officer



**Greg Clark**  
Board Chair

### **In Memoriam**

*We would like to remember Councillor and Former Reeve Larry Spilak who passed away in November of 2020. Larry was a strong advocate for Foothills County and for rural Alberta, and he brought a practical and collaborative viewpoint to every Board and Committee meeting.*

*We would also like to remember Okotoks Mayor Bill Robertson who passed away in July of 2021. Bill was a fierce advocate for the region and used his long experience with regional planning to move the Growth and Servicing Plans forward.*

*Our thoughts go out to Larry and Bill's families. All members of the board, and all citizens of the region owe them a debt of gratitude. They are missed.*

### **COVID Statement**

COVID-19 has created many challenges for every resident and business within the region. The Region and the world were forced to transform operations in all areas of life in mid-March 2020.

Thanks to online platforms the Board, Committees, and members of municipal administrations were able to work together to complete the requirements of the Calgary Metropolitan Region Board Regulation. During the 2020-2021 period, the Calgary Metropolitan Region Board (CMRB) transitioned from working on the Growth and Servicing Plans in person to working through these important projects using online meeting platforms. Public engagements were transitioned from in-person events to website surveys and virtual open houses. Although these adaptations changed how the Growth & Servicing Plans were developed, the CMRB was able to connect with thousands of residents and businesses through its online platform and garner hundreds of thoughtful comments.

Due to the global pandemic, it took a little longer than expected to complete the Plans. The Minister of Municipal Affairs granted the CMRB a six-month extension for completion of the Growth and Servicing Plans from December 31, 2020, to June 1, 2021. During this time, the CMRB remained committed to hearing input from residents, businesses, stakeholders, and experts, conducting a third round of public engagement to garner feedback on the proposed Growth Plan.

Completion of the Growth and Servicing Plans demonstrate an exceptional commitment by every member municipality to strengthening the Calgary Metropolitan Region.



# ABOUT THE CALGARY METROPOLITAN REGION BOARD

The Board is made up of an elected official from each of the Calgary Metropolitan Region's 10 member municipalities. Over the 2020-2021 period, the Board has achieved the impressive feat of building the vision and function of the CMRB while completing the requirements of the Calgary Metropolitan Region Board Regulation.

Through a competitive recruitment process, the Board unanimously hired a new Board Chair, Mr. Greg Clark in January 2021. Chair Clark and former Chair Sheard had a brief overlap to create a smooth transition for Board operations. The Board is extremely grateful for the leadership qualities of Chris Sheard and wish him all the best in the future.

## 2020-2021 Board Members

Between 2020 and 2021, the inaugural Board was effective in fulfilling the requirements of the CMRB Regulation. Board members included:

- Peter Brown, Mayor, City of Airdrie
- Naheed Nenshi, Mayor, City of Calgary
- Marshall Chalmers, Mayor, City of Chestermere
- Jeff Genung, Mayor, Town of Cochrane
- Larry Spilak and Suzanne Oel, Reeve Foothills County
- Craig Snodgrass, Mayor, Town of High River
- Bill Robertson, Mayor, Town of Okotoks
- Greg Boehlke and Dann Henn, Reeve Rocky View County
- Pat Fule, Mayor, Town of Strathmore
- Amber Link, Reeve, Wheatland County

*It is with great sadness that the Board mourns the loss of two Board members. The contributions of Reeve Larry Spilak of Foothills County and Mayor Bill Robertson of the Town of Okotoks to the Board and to their respective communities will long be remembered.*

## 2021 Board Members

In October 2021, with the province-wide municipal elections, the CMRB welcomed its second Board. This Board will lead the Region beyond the requirements of the CMRB Regulation and explore other aspects of supporting the wellbeing and competitiveness of the region. Board members include:



**Peter Brown**  
Mayor  
City of Airdrie



**Jyoti Gondek**  
Mayor  
City of Calgary



**Jeff Colvin**  
Mayor  
City of Chestermere



**Jeff Genung**  
Mayor  
Town of Cochrane



**Delilah Miller**  
Reeve  
Foothills County



**Craig Snodgrass**  
Mayor  
Town of High River



**Tanya Thorn**  
Mayor  
Town of Okotoks



**Kevin Hanson**  
Councillor  
Rocky View County



**Pat Fule**  
Mayor  
Town of Strathmore



**Amber Link**  
Reeve  
Wheatland County



## Board Mandate & Vision

Through collaboration and a willingness to tackle regional issues, the Board led the development of the Region's first Growth Plan and Servicing Plan. These documents are a big first step in realizing the Board's mandate to support the long-term sustainability of the Region by:

- Ensuring environmentally responsible land-use planning, growth management and efficient use of land,
- Developing policies regarding the coordination of regional infrastructure investment and service delivery,
- Promoting the economic wellbeing and competitiveness of the Calgary Metropolitan Region (CMR), and
- Developing policies outlining how the Board shall engage the public.

The Board's vision statement answers the "why" question — why we work together. It provides the strategic direction that guides regional development toward 2051.

Working together, the Board identified the following seven pillars to guide the work of the Region through the development of its plans, policies, and into its future work:

- Vibrant Inclusive Communities
- An Amazing Quilt of Rural & Urban
- Blueprint for Growth
- Economic Well-being
- Protect and Enjoy the Environment
- Water Stewardship
- Shared Services Optimization

To review the Board vision in full, see Appendix 1.

## CMRB Structure

The CMRB is comprised of the Board, an administration team, and two committees of elected officials that support the work of the Board: Land Use and Servicing Committee and Governance Committee. The Land Use and Servicing Committee is a working Committee that gives direction to Administration on studies, reports, and work in progress. The Governance Committee oversees the Board's budget, policies, and procedures.

There have been some significant changes to the CMRB in 2020 and 2021 to reduce red tape, create greater efficiencies, and improve outcomes through greater coordination.

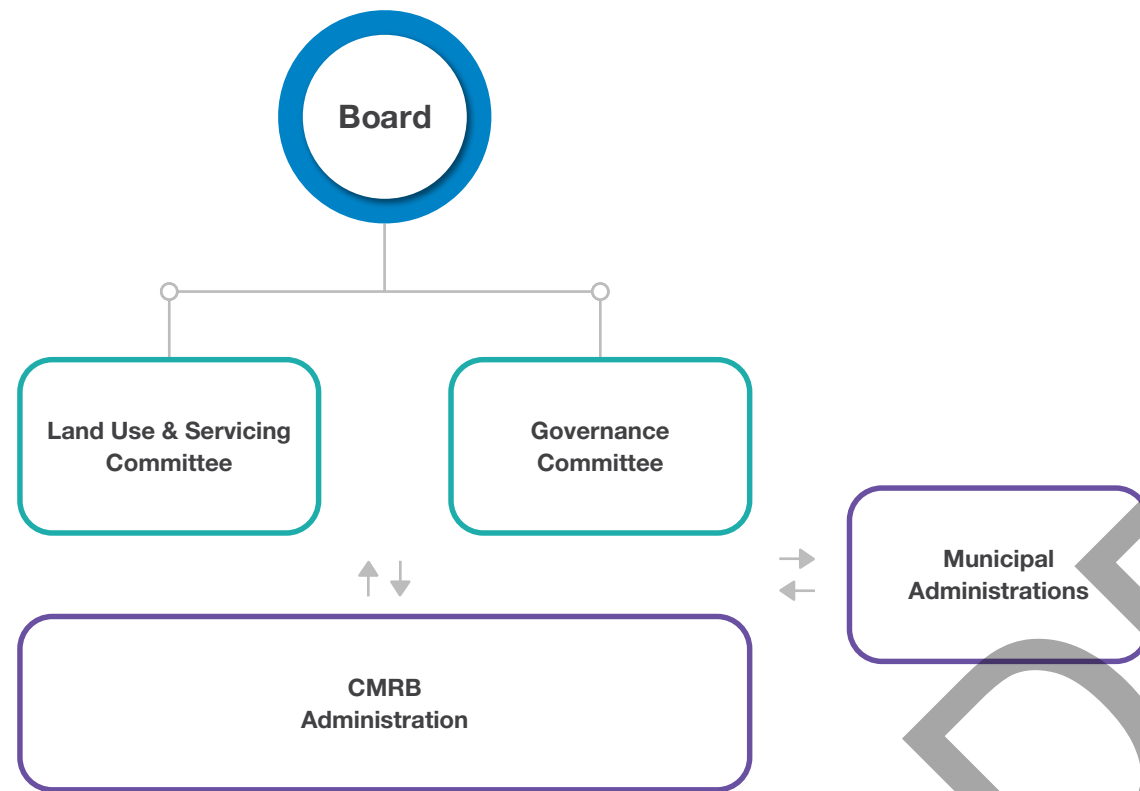
- In 2020, the Land Use Committee and the Intermunicipal Servicing Committee were brought together to create greater efficiency around meetings and to reflect the integrated nature of these two topic areas.



## VISION STATEMENT

Building on thousands of years of history, we welcome everyone to join us in living happy, healthy and prosperous lives in a spectacular natural environment. We are a world leading region built on hard work, resilience, helping others and a deep respect for nature. We use our land wisely, share our services and care for our wildlife, air and water. We grow together.

**CMRB STRUCTURE**

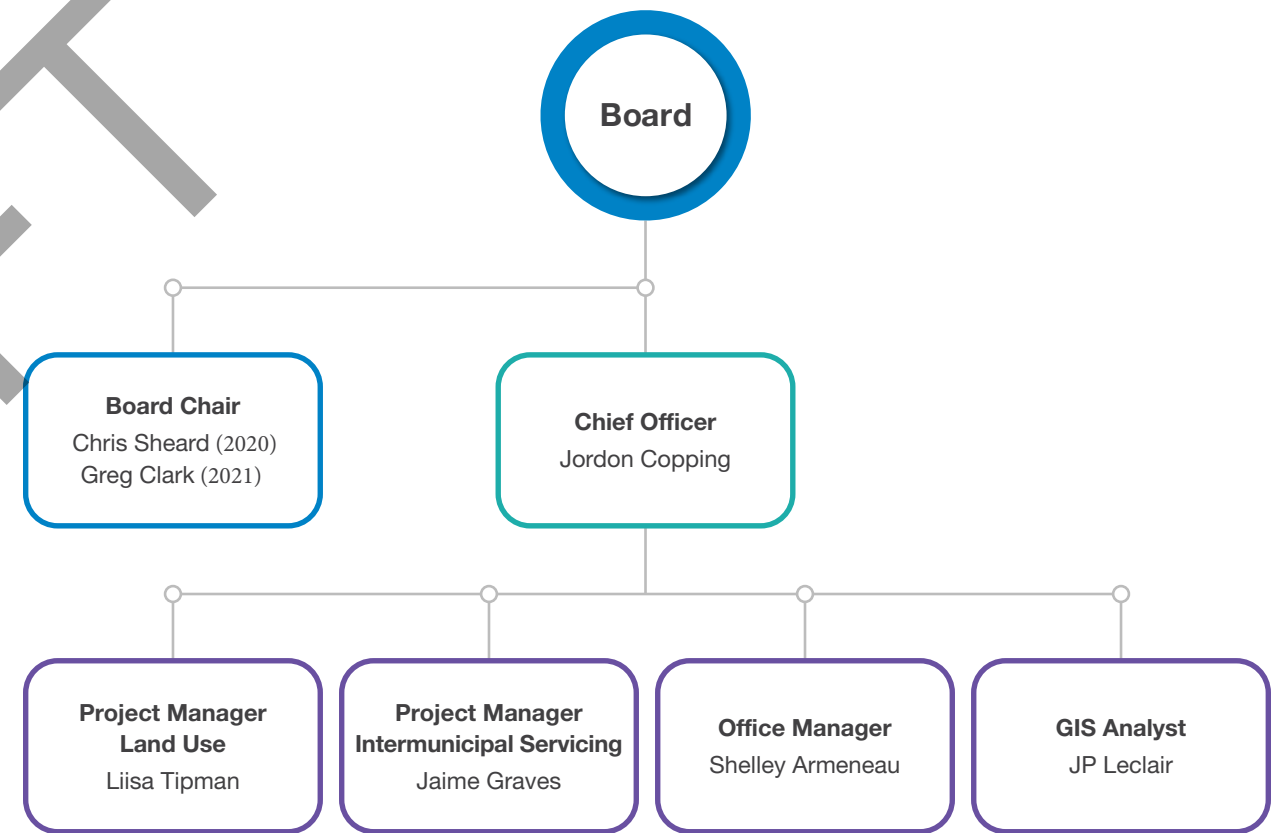


- In 2021, the Advocacy Committee was dissolved. The Advocacy Committee provided a coordinated response to the Government of Alberta on issues where one regional voice was needed. In place of the Advocacy Committee, items of provincial advocacy have been added to every meeting agenda adding greater emphasis to this important function of the Board.

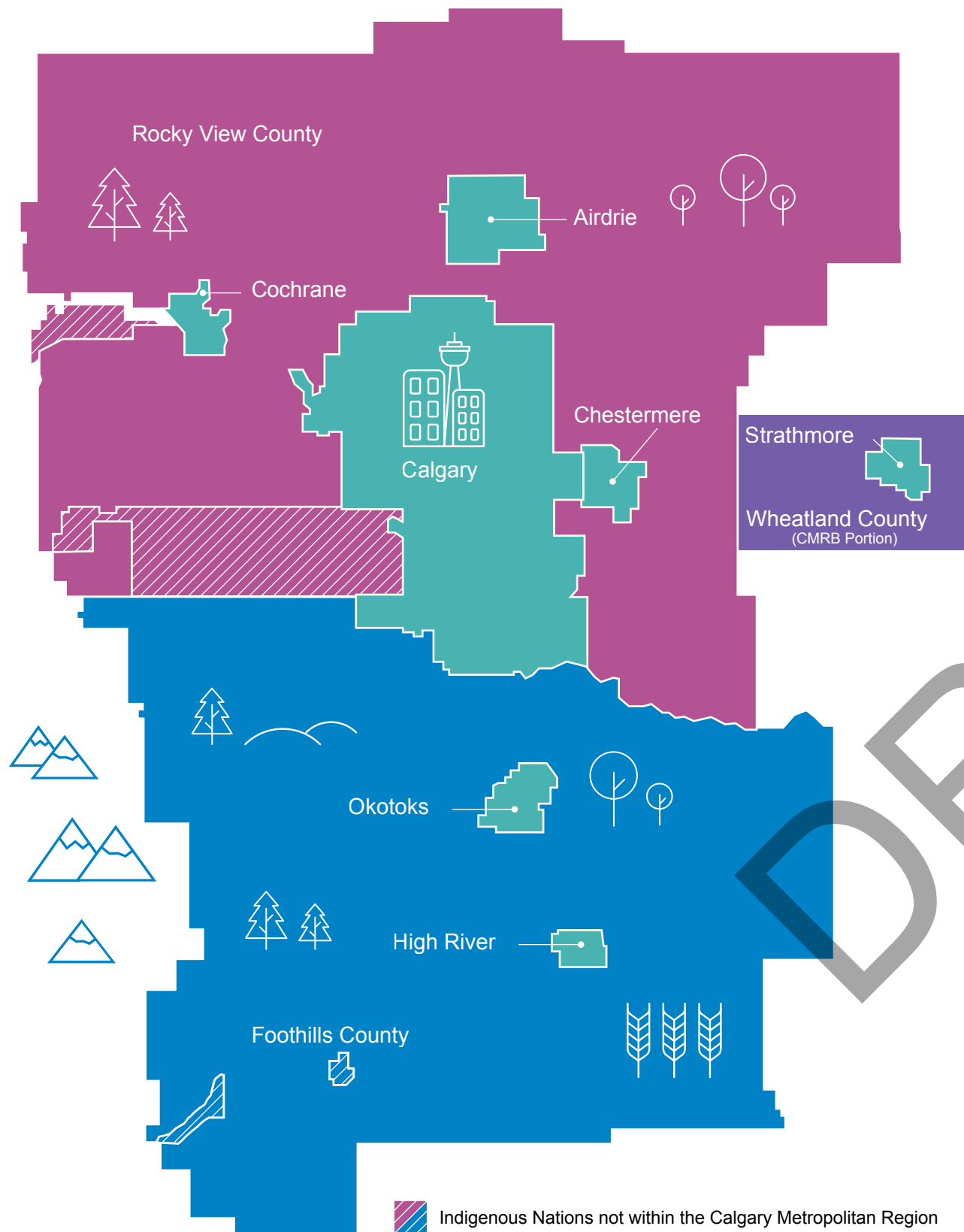
CMRB Administration provides support to the Board and Committees. During the 2020-2021 period, CMRB Administration consisted of:

- Chief Officer – Jordon Copping
- Project Manager, Land Use – Liisa Tipman
- Project Manager, Intermunicipal Servicing – Jaime Graves
- Office Manager – Shelley Armeneau
- GIS Analyst – JP Leclair

**ORGANIZATIONAL STRUCTURE**



In addition to CMRB Administration, representatives of member municipal administrations provide support to both elected officials and CMRB Administration. The CMRB is grateful for the level of effort, energy, and ideas the representatives of municipal administrations have brought to the processes of the CMRB, making the work of the CMRB truly regional.



## BUILDING THE REGION – 2020-2021 WORK OF THE CMRB

The Calgary Metropolitan Region Board Regulation provides the Board with its mandate and includes requirements to create a growth plan, servicing plan, regional evaluation framework, and a dispute resolution mechanism.

Over the 2020-2021 timeframe, CMRB successfully fulfilled the core requirements of the CMRB Regulation.

- Calgary Metropolitan Region Growth Plan (awaiting ministerial approval)
- Calgary Metropolitan Region Regional Evaluation Framework (awaiting ministerial approval)
- Calgary Metropolitan Region Servicing Plan (filed with the Minister)

### Growth Plan and Servicing Plan – Creating a Framework for Prosperity

On May 21, 2021, the Board approved the first Growth and Servicing Plans for the CMR. The Plans are a best-practice guide for achieving long-term prosperity in the CMR, establishing a common approach to sustainable growth. As the Region adds another million people, greater cooperation amongst municipalities that make up the CMR will be needed to create a resilient and globally competitive region.

Through the Growth and Servicing Plans, the CMR will benefit from greater efficiencies that are beyond the reach of any single municipality. Enabling more strategic investment in infrastructure services such as water and wastewater servicing, the regional transportation network, and recreation, will result in:

- Increase competitiveness on a global stage
- Attract the next wave of young talent and economic growth
- Save taxpayer dollars through more efficient service delivery
- Reduce land consumption
- Reduce intermunicipal conflicts over time through implementation of a common vision
- Create greater market certainty by identifying preferred locations for growth

### Growth Plan

The scenario development approach used in the preparation of the Growth Plan is rooted in information gathering and visioning tasks completed in the beginning stages of the process. This approach was guided by Mr. Peter Calthorpe, a globally recognized pioneer in innovative approaches to regional planning and design, urban revitalization, and community planning. The scenario process included four scenarios:

- Business As Usual
- Transit Oriented Development
- Compact
- Synthesis

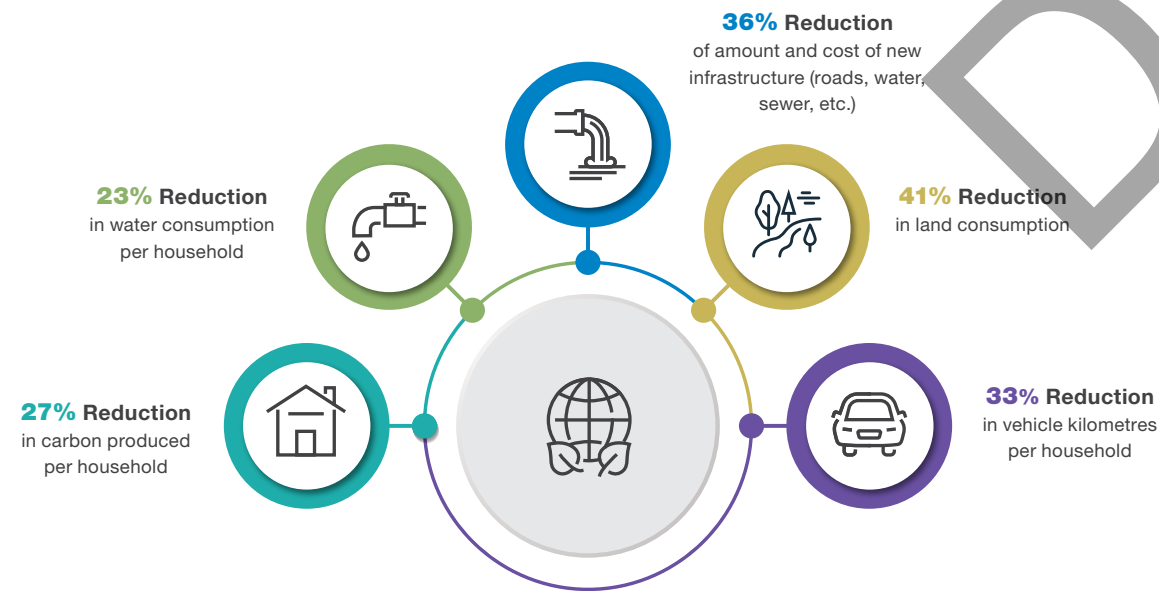
Building on best practices, team discussions, and initial visioning and mapping exercises with CMRB member staff and elected officials, a baseline scenario and two alternative regional scenarios were developed. A fourth and final synthesis scenario, upon which the policies of the Growth Plan are based, is projected to create a stronger and more sustainable region. The benefits of the Synthesis scenario are summarized below.

There are many benefits to working together as a region. The scenario planning analysis compared various costs, savings, and impacts in land use, infrastructure, and environmental goals among the three scenarios. The scenarios vary in location of

development, land use mix, average density, infill and redevelopment proportions, and higher order transit investment.

Although the Growth Plan offers policy strategies for many aspects of development in the region, the Plan has an innovative focus on growth management, laying out preferred areas where growth should occur as well as the minimum standards of quality for development in those areas. Over time, this clarity will lead to better intermunicipal and regional cooperation, creating efficiency and cost-effectiveness in servicing that benefits residents, promotes better communities, and conserves agricultural land.

**SYNTHESIS SCENARIO REGIONAL BENEFITS** (Compared to Business-as-Usual)



**Growth Plan Policy Strategies**

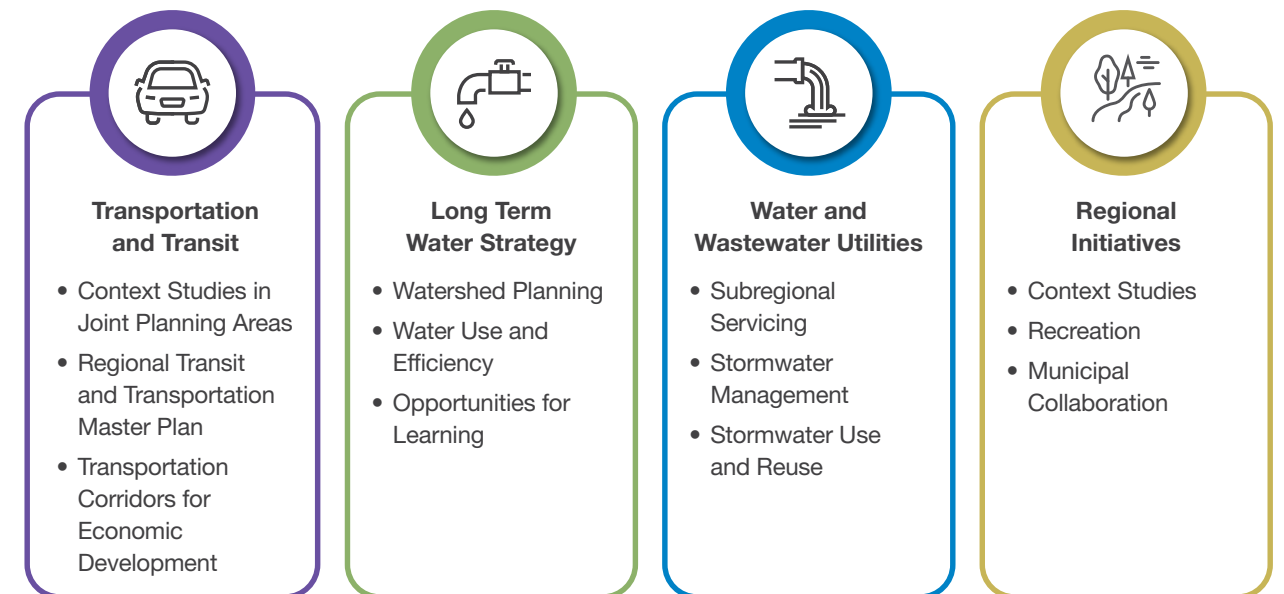
The Growth Plan includes policy strategies to implement the vision of a strong and internationally competitive region:

- Promoting compact, mixed-use land uses (called place types) that, along with greater infill and redevelopment, improve environmental, social, and economic outcomes.
- Establishing Joint Planning Areas that improve multi-jurisdictional cooperation, efficient service delivery, and equitable distribution of shared obligations.
- Supporting traditional rural areas that are reinforced with clustered country residential development, agricultural conservation, appropriate commercial areas, and growth in priority growth hamlets where a mix of uses and higher densities can be achieved.

**Servicing Plan**

The Servicing Plan contains strong links to the Growth Plan. It establishes preferred growth areas as preferred servicing areas. Meaning services such as regionalscale water and wastewater servicing, recreation, and other regional services can be planned and provided in more cost-effective and proactive ways. This approach aligns with the Board mandate to promote the long-term sustainability of the region, ensure environmentally responsible land use planning, facilitate growth management and the efficient use of land, and promote the economic competitiveness and wellbeing of the CMR.

**SERVICING PLAN PRIORITIES**





### Engagement Activities – Reaching Out & Working Together

The Growth Plan was prepared through extensive collaboration among the member municipalities via the Board, Land Use and Servicing Committees and various Technical Advisory Groups comprised of subject matter experts from the member municipalities. Residents throughout the Region were able to provide input through an extensive public engagement process held in three phases during the development of the Growth Plan.

An external Technical Advisory Group, made up of technical experts from various stakeholder groups and the Province of Alberta, was also directly involved in the preparation. The external Technical Advisory Group was engaged to test and refine assumptions. The external Technical Advisory Group included Alberta Transportation, BILD Calgary Region, NAIOP Commercial Real Estate Development Association, Alberta Environment and Parks, and Bow River Basin Council, and others.

### Supporting Research and Reports – Building Knowledge of the Region

CMRB Administration and Technical Advisory Groups authored and tendered over a dozen reports and studies prior to development of the Growth Plan. The reports create a common set of facts, definitions, and priorities that supported the development of the Growth and Servicing Plans. This information offered important context to the work of the Board on the Plans, enabling the Region to create meaningful and action-oriented Plans.

Reports reviewed and approved by the Board in 2020/2021 include:

- Transit Background Report
- Agriculture Background Report
- Regional Employment Forecasts
- Options for Enhancing Regional Recreation
- South and East Calgary Regional Transportation Study
- Integration Memo of Regional Transportation Studies

### REACHING OUT AND WORKING TOGETHER



**Regional Evaluation Framework (REF) – Implementing the Growth Plan**

The REF is the approval process by which the Board ensures new statutory plans align with the policies of the Growth Plan. Statutory Plans include municipal long-range land use plans (named Municipal Development Plans) and large-scale community plans (named Area Structure Plans and Area Redevelopment Plans). Intermunicipal Development Plans must also be reviewed and approved by the Board. Statutory plans and certain statutory plan amendments must be approved by the Board before they can come into effect and be constructed.

**Interim Regional Evaluation Framework**

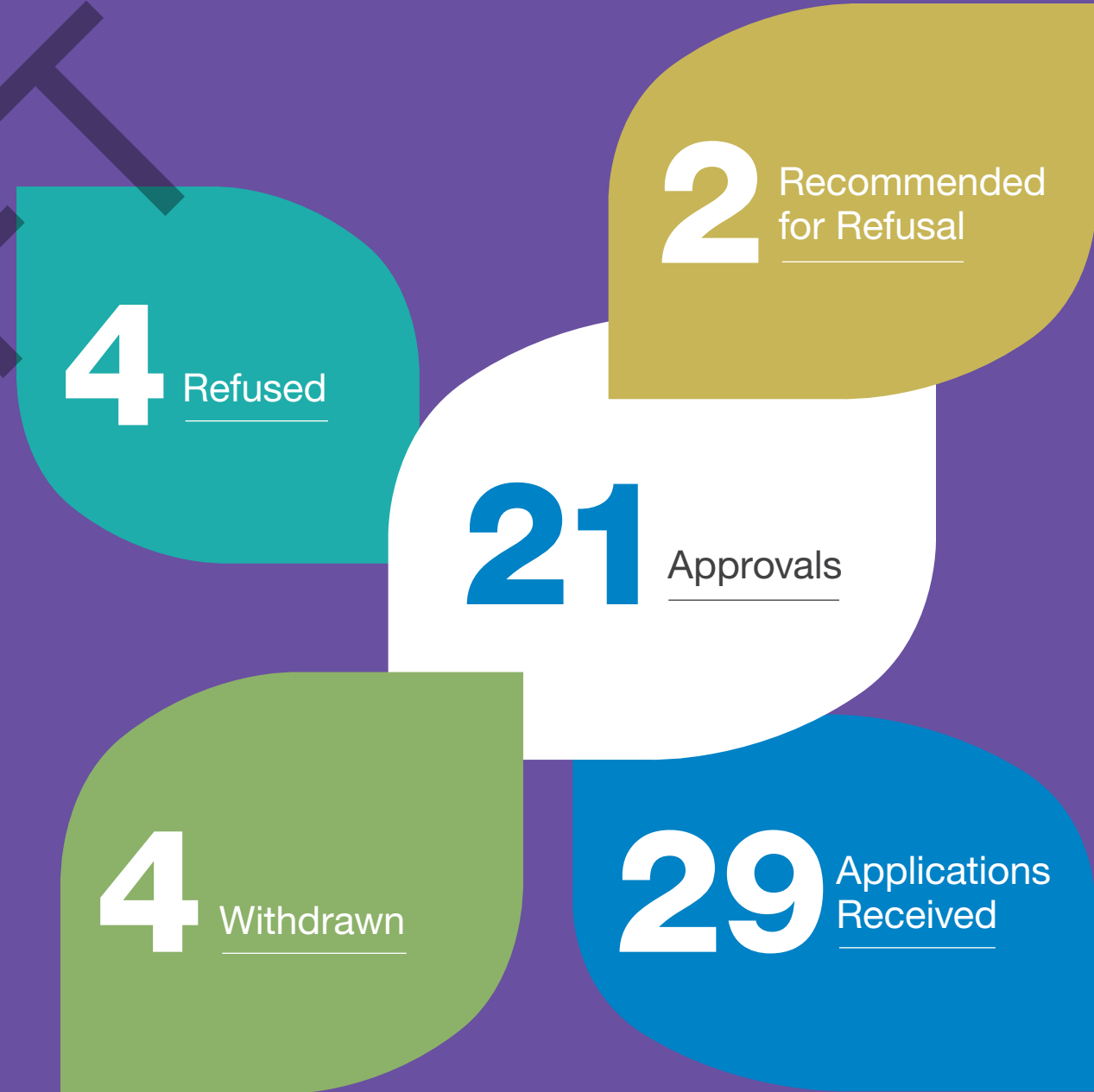
The Board unanimously approved an interim REF (IREF) in October 2018 and the Minister of Municipal Affairs approved the IREF in December 2018. The IREF process is built on the values of efficiency, objectivity, and fairness. The process is designed to be expedient while allowing Board members the opportunity to review IREF applications for alignment with the Interim Growth Plan and the values of the Board. In 2020 and 2021 the Board reviewed 29 IREF applications and approved 21 applications.

**Regional Evaluation Framework**

The IREF process provided an opportunity for the Board to learn more about its values related to the REF process and how the process of reviewing and approving plans should be conducted. The REF was approved by the Board on May 21, 2021, along with the Growth and Servicing Plans, and is awaiting approval from the Minister of Municipal Affairs. Once in effect, the CMRB will use the REF and the Growth Plan to review and approve statutory plans in the Region.

The Board-approved REF process includes a reduction of process, cutting red tape and reducing processing timelines for member municipalities by about 20 percent. The CMRB REF process will now take less than two months to complete, including time for review by both CMRB Administration, a third-party review, and the Board.

**2020 & 2021 IREF DECISIONS**





A common value among Board members is the need to establish meaningful and mutually beneficial relationships with Indigenous Nations and communities within and around the region.

## FURTHER BOARD INITIATIVES

In addition to the Growth and Servicing Plans, the Board completed initiatives that speak to the efficient, purposeful operation of the Board.

### Board Governance and Policies

The Terms of Reference were reviewed and normalized for all committees of the Board in 2021. On the recommendation of the Governance Committee the Board dissolved the Advocacy Committee, creating further efficiencies in the organization. On the recommendation of the CMRB's Governance Committee, the Board approved additional policies to improve the clarity and transparency of the operations of the Calgary Metropolitan Region Board. These policies include:

- Pecuniary Conflict of Interest (Feb 2020),
- External Stakeholder Participation (Nov 2020),
- Reserve Funds (Feb 2021), and
- Closed Sessions (Sept 2021).

### Dispute Resolution Mechanism

The Calgary Metropolitan Region Board Regulation requires the development of a dispute resolution mechanism. The Dispute Resolution and Appeal Bylaw was unanimously approved by the Board on May 14, 2021. It was approved by the Minister of Municipal Affairs on September 22, 2021, and is now in effect. The dispute resolution mechanism is expected to reinforce the objectivity of Board decisions and provide members with additional opportunities to discuss important regional matters.

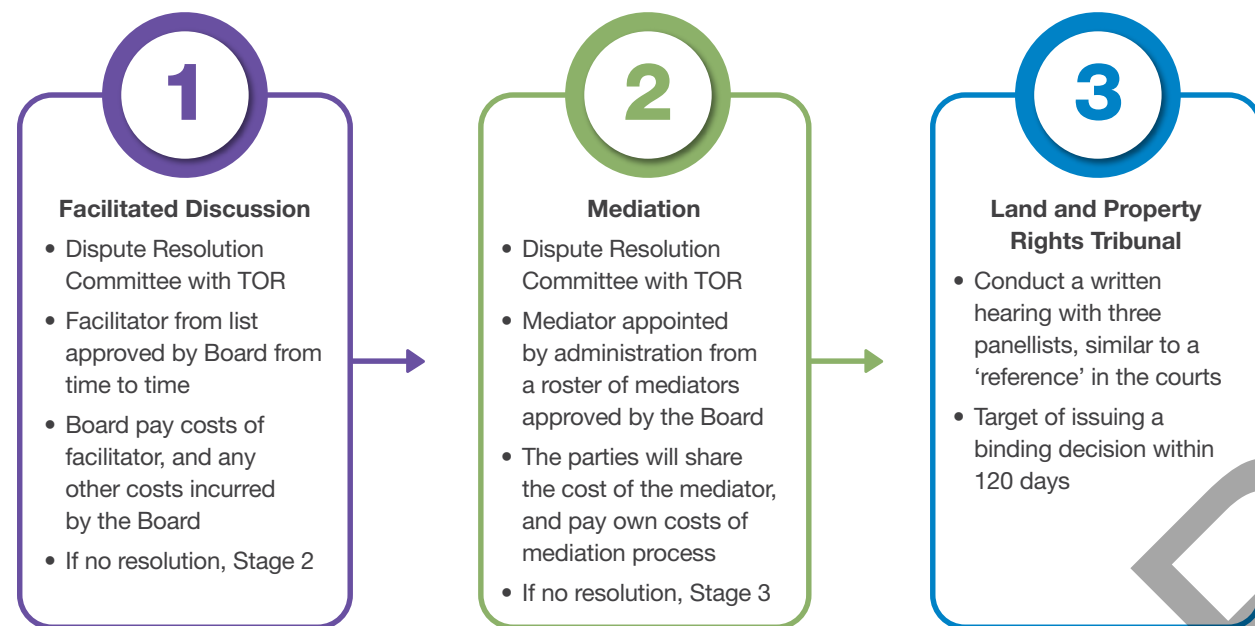
In 2019 and 2020, the Governance Committee, with feedback and support from the region's chief administrative officers, completed a series of discussions to develop a dispute resolution mechanism. Once a dispute resolution process was agreed to, CMRB Administration developed a corresponding Dispute Resolution Mechanism Bylaw which includes two tracks: one track for Regional Evaluation Framework decisions and one for non-Regional Evaluation Framework decisions.

### Regional Economic Development Workshops

A core pillar of the Calgary Metropolitan Region Board Regulation is to promote the economic wellbeing of the Region. Since 2018, this core value has been woven into the values expressed in the Growth Plan and the Servicing Plan. These plans promote sustainable land development, cost-effective delivery of regional servicing, regional transportation planning, and growth in the agricultural economy.

On several occasions, the Board expressed a strong interest in further exploring regional economic development, moving beyond thinking of regional economic development only in terms of regional land use planning. The Board wished to answer the question: how can the regional mandate be used to draw investors to the Region, promoting it as a top place to do business?

**REF DECISION APPEAL PROCESS**



In response to this question, the CMRB Administration organized economic development workshops in 2021 for the CMRB. The Board also retained an international team of consultants to present international economic development trends and successes to the Board and provide interactive, facilitated workshops including an overview of opportunities in the regional economy and paths forward for the Board to consider. As noted, this information will inform a portion of the Board's strategic sessions proposed for early 2022.

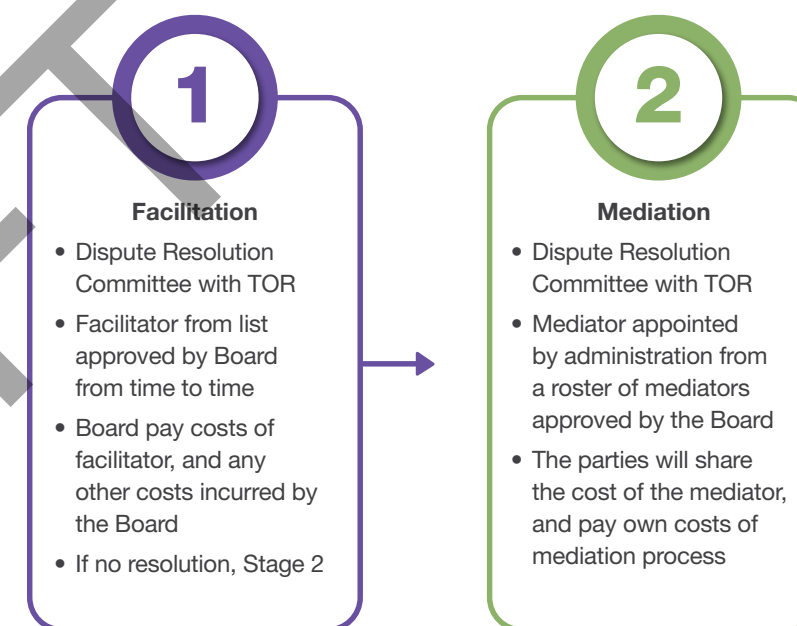
**Truth and Reconciliation**

A common value among Board members is the need to establish meaningful and mutually beneficial relationships with Indigenous Nations and communities within and around the region.

To learn more about its role in supporting Truth and Reconciliation, the CMRB held professionally facilitated workshops in June 2021 for mayors and reeves, councillors, and administrations to increase Indigenous Awareness. Additional work is underway to advance the Calls to Action by engaging with the Nations and communities to build meaningful and mutually beneficial long-term relationships with Indigenous Nations in and around the Region.

As part of the development of the Growth and Servicing Plans, the Board engaged additional consulting support to further the process of relationship building with Indigenous Nations and communities. Thanks to the work of Indigenous engagement consultants, CMRB Administration met

**NON-REF DECISION RECONSIDERATION PROCESS**



with representatives of Siksika Nation and Stoney Nakoda Nations (Wesley, Bearspaw and Morley Nations) in 2020 to explore common interests such as water management and economic development.

**Board Advocacy**

The strength of the CMRB comes from working together. The CMRB continued to advocate with a unified voice on matters of common interest in 2020 and 2021. This included correspondence with Government of Alberta representatives around Family and Community Support Services funding, the centralization of EMS dispatch, expediting first

responders' access to COVID vaccines, promoting the funding of high-priority regional transportation projects, and potential improvements to solid waste composting facilities.

In addition to correspondences, CMRB meetings focused on the work of the region and became a forum for mayors and reeves to discuss COVID-19 responses, focusing on citizen and employee safety, citizen and business relief measures, economic and social recovery, and connecting with the Government of Alberta.



## LOOKING FORWARD

The October 2021 municipal elections established a new CMRB Board. With the completion of all time-bound requirements of the Calgary Metropolitan Region Board Regulation in 2021, the Board can explore other aspects of its mandate. In 2022, the Board will begin to set its priorities for the future, implement the Growth Plan and Servicing Plans, and measure and monitor the success of the Plans. This is an exciting time as the CMRB works towards a strong and sustainable region.



## APPENDIX 1 – BOARD VISION

### Vibrant Inclusive Communities

- Our residents enjoy some of the best quality of life in the world. They are safe, supported and free to pursue their hopes and dreams.
- People have the opportunity to live affordably close to where they work and play.
- The Calgary Metropolitan Region is known for its strong, diverse, well run and united communities.

### An Amazing Quilt of Rural & Urban

- The Calgary Metropolitan Region is known globally for having the best of both urban and rural life successfully thriving side-by-side to everyone's benefit.
- Our residents are proud of each of the unique parts of the region and the opportunities this diversity provides. It is at the heart of our quality of life and prosperity.
- Our municipalities have well defined boundaries and planned transitions that provide a strong unique identity and a sense of arrival.

### Blueprint for Growth

- We successfully use our commitment to preferred place types and specified growth areas to accomplish our vision while reducing water consumption, vehicle mileage, carbon emissions, land consumption and the cost of infrastructure.
- The region is built on a backbone of excellent integrated multi-modal transportation which ensures efficient and effective movement of people and goods.

### Economic Wellbeing

- The Calgary Metropolitan Region is a globally recognized economy, attracting the best and brightest in a variety of economic sectors to support regional prosperity and a high quality of life.
- The Calgary Metropolitan Region has a strong and coordinated approach to regional economic growth.
- The members of the region support each other and embrace that members share in regional prosperity.

### Protect and Enjoy the Environment

- We enjoy and protect our spectacular natural environment which has been a source of our quality of life and prosperity for thousands of years.
- The Calgary Metropolitan Region is a global leader in minimizing the undesirable impacts of development on our natural environment including land, water, air and wildlife.
- The members of the region work proactively with each other and our neighboring regions to ensure our vision is shared and achieved.

### Water Stewardship

- We work together to ensure our scarce fresh water is shared in a way that meets the needs of our current and future residents and our ecosystem. Our strategy works even in times of drought and flood.
- The members of the Calgary Metropolitan Region work together to manage fresh water, wastewater and stormwater in a way that minimizes waste and provides safe and healthy water for our growing region.
- The members of the region work proactively with each other and our neighbors to ensure flood prone areas are understood and proactively managed.

### Shared Services Optimization

- Residents of the Calgary Metropolitan Region experience borderless delivery of essential services based on a fair cost-benefit model.
- The members of the region work proactively with each other and our neighboring regions to deliver services in a more efficient and sustainable way.
- The members of the Calgary Metropolitan Region are able to do more with less by finding ways to stretch every capital and operational dollar.

## APPENDIX 2 – AUDITED FINANCIAL STATEMENTS 2020

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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, 2020, 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, 2020, 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 8, 2021



Chartered Professional Accountants

**MANAGEMENT REPORT**

The financial statements are the responsibility of the management of the Calgary Metropolitan Region Board.

These financial statements have been prepared from information provided by management. Financial statements are not precise since they include certain amounts based on estimates and judgments. Management has determined such amounts on a reasonable basis in order to ensure that the financial statements are presented fairly, in all material respects.

The Board maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that the financial information is relevant, reliable and accurate and that the Board's assets are properly accounted for and adequately safeguarded.

The elected Board of the Calgary Metropolitan Region Board is responsible for ensuring that management fulfils its responsibilities for financial statements. The Board carries out its responsibility principally through the Governance committee.

The Board meets annually with management and the external auditors to discuss internal controls over the financial reporting process, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Board also considers the engagement or re-appointment of the external auditors. The Board reviews the monthly financial reports.

The Board's financial statements have been audited by Avail LLP Chartered Professional Accountants, the external auditors, in accordance with Canadian generally accepted auditing standards on behalf of the Board. Avail LLP has full and free access to the Board members.

*Gordon Copping*

Chief Officer

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF FINANCIAL POSITION**  
**As at December 31, 2020**

|                                                 | 2020                | 2019                |
|-------------------------------------------------|---------------------|---------------------|
| <b>Financial assets</b>                         |                     |                     |
| Cash and cash equivalents                       | \$ 944,921          | \$ 394,301          |
| Short term investments (note 3)                 | 1,932,336           | 2,625,125           |
| Accounts receivable                             | 13,305              | 14,292              |
| GST receivable                                  | 32,842              | 31,432              |
|                                                 | <u>2,923,404</u>    | <u>3,065,150</u>    |
| <b>Liabilities</b>                              |                     |                     |
| Accounts payable and accrued liabilities        | 253,111             | 130,926             |
| Deferred revenue (note 4)                       | 703,255             | 992,061             |
|                                                 | <u>956,366</u>      | <u>1,122,987</u>    |
| <b>Net financial assets</b>                     | <u>1,967,038</u>    | <u>1,942,163</u>    |
| <b>Non-financial assets</b>                     |                     |                     |
| Prepaid expenses                                | 6,109               | 6,109               |
| Tangible capital assets (schedule 1)            | 4,717               | 10,689              |
|                                                 | <u>10,826</u>       | <u>16,798</u>       |
| <b>Accumulated surplus (note 5, schedule 2)</b> | <u>\$ 1,977,864</u> | <u>\$ 1,958,961</u> |

Commitments (note 10)

Approved on behalf of the board:

Member



Member





**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF OPERATIONS**  
For the year ended December 31, 2020

|                                                     | Budget<br>(unaudited) | 2020             | 2019             |
|-----------------------------------------------------|-----------------------|------------------|------------------|
| <b>Revenue</b>                                      |                       |                  |                  |
| Alberta Municipal Affairs                           | \$ 1,750,000          | \$ 2,038,805     | \$ 2,258,861     |
| Interest                                            | 40,000                | 25,617           | 60,555           |
|                                                     | <u>1,790,000</u>      | <u>2,064,422</u> | <u>2,319,416</u> |
| <b>Expenses</b>                                     |                       |                  |                  |
| Consulting fees                                     | 1,452,000             | 978,281          | 1,141,440        |
| Wages and benefits                                  | 762,000               | 776,548          | 780,397          |
| Board chair remuneration                            | 140,000               | 87,199           | 104,878          |
| Rent                                                | 80,000                | 78,861           | 70,928           |
| Meeting costs                                       | 130,000               | 54,765           | 93,796           |
| Professional fees                                   | 30,000                | 21,443           | 26,870           |
| Dues and subscriptions                              | -                     | 15,965           | 15,379           |
| Office and administration                           | 36,000                | 7,737            | 9,579            |
| Professional development                            | -                     | 6,278            | 3,538            |
| Insurance                                           | -                     | 5,680            | 5,480            |
| Travel and accommodation                            | 45,000                | 4,010            | 20,242           |
| Utilities                                           | -                     | 1,956            | 1,663            |
| Interest and bank charges                           | -                     | 790              | 810              |
| Freight and delivery                                | -                     | 34               | 429              |
| Advertising and promotion                           | -                     | -                | 775              |
| Amortization                                        | 5,972                 | 5,972            | 5,972            |
|                                                     | <u>2,680,972</u>      | <u>2,045,519</u> | <u>2,282,176</u> |
| <b>(Deficiency) excess of revenue over expenses</b> | (890,972)             | 18,903           | 37,240           |
| <b>Accumulated surplus, beginning of year</b>       | 1,958,961             | 1,958,961        | 1,921,721        |
| <b>Accumulated surplus, end of year</b>             | \$ 1,067,989          | \$ 1,977,864     | \$ 1,958,961     |

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**  
For the year ended December 31, 2020

|                                                     | Budget<br>(unaudited) | 2020         | 2019         |
|-----------------------------------------------------|-----------------------|--------------|--------------|
| <b>(Deficiency) excess of revenue over expenses</b> | \$ (890,972)          | \$ 18,903    | \$ 37,240    |
| Acquisition of tangible capital assets              | 15,000                | -            | -            |
| Amortization of tangible capital assets             | 5,972                 | 5,972        | 5,972        |
|                                                     | <u>20,972</u>         | <u>5,972</u> | <u>5,972</u> |
| Net change in prepaid expenses                      | -                     | -            | 5,934        |
| <b>Change in net financial assets</b>               | (870,000)             | 24,875       | 49,146       |
| <b>Net financial assets, beginning of year</b>      | 1,942,163             | 1,942,163    | 1,893,017    |
| <b>Net financial assets, end of year</b>            | \$ 1,072,163          | \$ 1,967,038 | \$ 1,942,163 |

**CALGARY METROPOLITAN REGION BOARD**  
**STATEMENT OF CASH FLOWS**  
For the year ended December 31, 2020

|                                                     | 2020       | 2019       |
|-----------------------------------------------------|------------|------------|
| <b>Operating transactions</b>                       |            |            |
| (Deficiency) excess of revenue over expenses        | \$ 18,903  | \$ 37,240  |
| Adjustments for items which do not affect cash      |            |            |
| Amortization of tangible capital assets             | 5,972      | 5,972      |
|                                                     | 24,875     | 43,212     |
| Net change in non-cash working capital items        |            |            |
| Accounts receivable                                 | 987        | 5,439      |
| GST receivable                                      | (1,410)    | (21,354)   |
| Prepaid expenses                                    | -          | 5,934      |
| Accounts payable and accrued liabilities            | 122,185    | 39,777     |
| Deferred revenue                                    | (288,806)  | (258,860)  |
| Cash applied to operating transactions              | (142,169)  | (185,852)  |
| <b>Investing transactions</b>                       |            |            |
| Change in short-term investments                    | 692,789    | 199,875    |
| <b>Increase in cash and cash equivalents</b>        | 550,620    | 14,023     |
| <b>Cash and cash equivalents, beginning of year</b> | 394,301    | 380,278    |
| <b>Cash and cash equivalents, end of year</b>       | \$ 944,921 | \$ 394,301 |

**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

**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 as follows; City of Airdrie, City of Calgary, City of Chestermere, Town of Cochrane, Town of High River, Town of Okotoks, Town of Strathmore, Rocky View County, Foothills County, and Wheatland 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, 2020

**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    |
| Buildings              | 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, 2020

**3. Short term investments**

Short term investments consists of Guaranteed Investment Certificates (GICs) that have effective interest rates of 0.20% to 1.95% and mature between March to August 2021.

**4. Deferred revenue**

|                           | 2019    | Received  | Recognized | 2020    |
|---------------------------|---------|-----------|------------|---------|
| Alberta Municipal Affairs | 992,061 | 1,750,000 | 2,038,806  | 703,255 |

Deferred revenue consists of the unspent portion of the Alberta Municipal Affairs conditional start-up and core operations grant.

**5. Accumulated surplus**

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

|                                            | 2020         | 2019         |
|--------------------------------------------|--------------|--------------|
| Unrestricted surplus                       | \$ 1,973,147 | \$ 1,948,272 |
| Equity in tangible capital assets (note 6) | 4,717        | 10,689       |
|                                            | \$ 1,977,864 | \$ 1,958,961 |

**6. Equity in tangible capital assets**

|                                       | 2020      | 2019      |
|---------------------------------------|-----------|-----------|
| Tangible capital assets (schedule 1)  | \$ 22,633 | \$ 22,633 |
| Accumulated amortization (schedule 1) | (17,916)  | (11,944)  |
|                                       | \$ 4,717  | \$ 10,689 |

**7. 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.

**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

**8. 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.

**9. Local authorities pension plan**

Employees of the Board participate in the Local Authorities Pension Plan (LAPP), which is one of the plans covered by the Alberta Public Sector Pensions Plans Act. The plan serves about 274,000 people and 420 employers. The LAPP is financed by the employer and employee contributions and by investment earnings of the LAPP Fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Board is required to make current service contributions to the LAPP of 9.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 13.84% on pensionable earnings above this amount. Employees of the Board are required to make current service contributions of 8.39% of pensionable salary up to the year's maximum pensionable salary and 12.84% on pensionable salary above this amount.

Total current service contributions by the Board to the LAPP in 2020 were \$71,901 (2019 - \$71,897). Total current service contributions by the employees of the Board to the LAPP in 2020 were \$65,783 (2019 - \$65,783).

At December 31, 2019, the LAPP disclosed an actuarial surplus of \$7.9 billion.

**10. Commitments**

The Board has entered into operating leases for a building and a digital printer. The Board's total obligation under these leases are \$83,807.

Payments over the next five years are as follows:

|      |    |               |
|------|----|---------------|
| 2021 | \$ | 29,697        |
| 2022 |    | 33,132        |
| 2023 |    | 20,978        |
|      | \$ | <u>83,807</u> |

**CALGARY METROPOLITAN REGION BOARD**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

**11. Approval of financial statements**

These financial statements were approved by Board and Management.

**12. Budget amounts**

The 2020 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 | \$ | (890,972) |
| Less: Capital expenditures                |    | (15,000)  |
| Add: Amortization                         |    | 5,972     |
| Transfers from reserves                   |    | 900,000   |
| <u>Equals: approved budgeted surplus</u>  | \$ | <u>-</u>  |

**13. COVID-19**

Events have occurred as a result of the COVID-19 (coronavirus) pandemic that have caused economic uncertainty. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of government responses, remain unclear at this time.

Some of the key impacts include, but are not limited to, interruptions of production and supply chains, unavailability of personnel, reductions in revenue, decline in value of financial investments, disruptions or stoppages in non-essential travel, and the closure of facilities and businesses.

The company has developed policies to ensure the safety of employees is maintained. Management is not aware of any material impairments that will impact the financial assets or liabilities of the company due to the pandemic.

The situation is continually changing and the future impact on the entity is not readily determinable at this time.



**CALGARY METROPOLITAN REGION BOARD**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

| Schedule of tangible capital assets |                 |                        |                    | Schedule 1       |                  |
|-------------------------------------|-----------------|------------------------|--------------------|------------------|------------------|
|                                     | Buildings       | Furniture and fixtures | Computer equipment | 2020             | 2019             |
| <b>Cost:</b>                        |                 |                        |                    |                  |                  |
| Balance, beginning of year          | \$ 5,285        | \$ 3,719               | \$ 13,629          | \$ 22,633        | \$ 22,633        |
| Balance, end of year                | 5,285           | 3,719                  | 13,629             | 22,633           | 22,633           |
| <b>Accumulated amortization:</b>    |                 |                        |                    |                  |                  |
| Balance, beginning of year          | 2,114           | 744                    | 9,086              | 11,944           | 5,972            |
| Annual amortization                 | 1,057           | 372                    | 4,543              | 5,972            | 5,972            |
| Balance, end of year                | 3,171           | 1,116                  | 13,629             | 17,916           | 11,944           |
| <b>Net book value</b>               | <b>\$ 2,114</b> | <b>\$ 2,603</b>        | <b>\$ -</b>        | <b>\$ 4,717</b>  | <b>\$ 10,689</b> |
| <b>2019 net book value</b>          | <b>\$ 3,171</b> | <b>\$ 2,975</b>        | <b>\$ 4,543</b>    | <b>\$ 10,689</b> |                  |

**CALGARY METROPOLITAN REGION BOARD**  
**SCHEDULES TO THE FINANCIAL STATEMENTS**  
For the year ended December 31, 2020

| Schedule of changes in accumulated surplus |                     |                                   | Schedule 2          |                     |
|--------------------------------------------|---------------------|-----------------------------------|---------------------|---------------------|
|                                            | Unrestricted        | Equity in tangible capital assets | 2020                | 2019                |
| Balance, beginning of year                 | \$ 1,948,272        | \$ 10,689                         | \$ 1,958,961        | \$ 1,921,721        |
| excess of revenue over expenses            | 18,903              | -                                 | 18,903              | 37,240              |
| Annual amortization expense                | 5,972               | (5,972)                           | -                   | -                   |
| Change in accumulated surplus              | 24,875              | (5,972)                           | 18,903              | 37,240              |
| <b>Balance, end of year</b>                | <b>\$ 1,973,147</b> | <b>\$ 4,717</b>                   | <b>\$ 1,977,864</b> | <b>\$ 1,958,961</b> |

# APPENDIX 3 – AUDITED FINANCIAL STATEMENTS 2021

DRAFT



**Calgary Metropolitan  
Region Board**

Calgary Metropolitan Region Board  
Suite 305, 602 – 11th Avenue S.W.  
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