

MUNICIPAL FINANCIAL INFORMATION RETURN

For the Year Ending December 31, 2019

Municipality Name:

CERTIFICATION

**The information contained in this Financial Information Return is presented fairly
to the best of my knowledge.**



Signature of Duly Authorized Signing Officer

Sharlene Brown

Print Name

April 22nd, 2020

Date



**INDEPENDENT AUDITORS' REPORT
ON MUNICIPAL FINANCIAL INFORMATION RETURN**

To the Mayor and Council of the Town of Black Diamond

Opinion

We have audited the accompanying municipal financial information return of the Town of Black Diamond which comprise the statement of financial position for the year ended December 31, 2019, and the consolidated statements of income, and changes in accumulated surplus for the year then ended.

In our opinion, the accompanying financial information return presents fairly, in all material respects, the financial position of Town of Black Diamond as at December 31, 2019, and the results of its operations and the changes in its net financial debt for the year then ended in accordance with Canadian Public Sector Accounting Standards.

It is understood that this report, as requested by the Minister of Alberta Municipal Affairs, is to be used primarily for statistical purposes. We have issued an audit report dated April 22, 2020 on the financial statements of the Town of Black Diamond for the year ended December 31, 2019 and reference should be made to those audited financial statements for complete information.

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 Information Return section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial information return 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 Information Return

Management is responsible for the preparation and fair presentation of the financial information return in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial information that is free from material misstatement, whether due to fraud or error.

In preparing the financial information return, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Town or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT, continued

Auditor's Responsibilities for the Audit of the Financial Information Return

Our objectives are to obtain reasonable assurance about whether the consolidated financial information return as a whole is 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 this financial information return. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial information return, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention to it in our auditor's report or 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 Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial information return and whether the financial information represents 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 22, 2020

A handwritten signature in black ink that reads "Arail LLP". The signature is written in a cursive, flowing style.

Chartered Professional Accountants

FINANCIAL POSITION

Schedule 9A

		Total 1
Assets	0010	
Cash and Temporary Investments	0020	10,808,373
Taxes and Grants in Place of Taxes Receivable	0030	
. Current	0040	223,790
. Arrears	0050	48,772
. Allowance	0060	
Receivable From Other Governments	0070	
Loans Receivable	0080	
Trade and Other Receivables	0090	827,200
Debt Charges Recoverable	0095	
Inventories Held for Resale	0130	
. Land	0140	
. Other	0150	
Long Term Investments	0170	
. Federal Government	0180	
. Provincial Government	0190	
. Local Governments	0200	
. Other	0210	
Other Current Assets	0230	
Other Long Term Assets	0240	
	0250	
Total Financial Assets	0260	11,908,135
	0270	
Liabilities	0280	
Temporary Loans Payable	0290	
Payable To Other Governments	0300	287,235
Accounts Payable & Accrued Liabilities	0310	675,343
Deposit Liabilities	0340	3,078,969
Deferred Revenue	0350	750,060
Long Term Debt	0360	18,153
Other Current Liabilities	0370	
Other Long Term Liabilities		
	0380	
Total Liabilities	0390	4,809,760
	0395	7,098,375
Net Financial Assets (Net Debt)		
Non Financial Assets	0400	37,494,441
Tangible Capital Assets	0410	46,632
Inventory for Consumption	0420	120,511
Prepaid Expenses	0430	
Other		
Total Non-Financial Assets	0440	37,661,584
Accumulated Surplus	0450	44,759,959

CHANGE IN ACCUMULATED SURPLUS

Schedule 9B

		Unrestricted	Restricted	Equity in TCA	Total
		1	2	3	4
Accumulated Surplus - Beginning of Year	0500	-1,358,845	9,650,159	36,443,937	44,735,251
Net Revenue (Expense)	0505	24,708			24,708
Funds Designated For Future Use.....	0511	-1,189,379	1,189,379		
Restricted Funds - Used for Operations.....	0512	391,347	-391,347		
Restricted Funds - Used for TCA.....	0513		-1,174,668	1,174,668	
Current Year Funds Used for TCA	0514	-205,720		205,720	
Donated and Contributed TCA.....	0516	-16,450		16,450	
Disposals of TCA.....	0517	31,140		-31,140	
Annual Amortization Expense.....	0518	1,215,496		-1,215,496	
Long Term Debt - Issued.....	0519				
Long Term Debt - Repaid.....	0521	-150,242		150,242	
Capital Debt - Used for TCA.....	0522				
	0523				
Other Adjustments.....	0524				
Accumulated Surplus - End of Year.....	0525	-1,257,945	9,273,523	36,744,381	44,759,959

FINANCIAL ACTIVITIES BY FUNCTION

Schedule 9C

		Revenue		Expense
		1		2
Total General	0700	2,977,317		
Function	0710		1150	
General Government	0720		1160	
Council and Other Legislative	0730		1170	161,140
General Administration	0740	478,912	1180	619,494
Other General Government.....	0750		1190	
Protective Services	0760		1200	
Police	0770		1210	
Fire	0780	205,323	1220	429,253
Disaster and Emergency Measures	0790	378,204	1230	556,028
Ambulance and First Aid	0800		1240	
Bylaws Enforcement	0810	166,125	1250	220,456
Other Protective Services.....	0820		1260	30,597
Transportation	0830		1270	
Common and Equipment Pool	0840	5,000	1280	230,179
Roads, Streets, Walks, Lighting	0850	157,012	1290	914,930
Airport	0860		1300	
Public Transit	0870	55,060	1310	68,629
Storm Sewers and Drainage	0880		1320	
Other Transportation	0890		1330	
Environmental Use and Protection	0900		1340	
Water Supply and Distribution	0910	951,144	1350	1,086,662
Wastewater Treatment and Disposal	0920	890,863	1360	802,528
Waste Management	0930	202,154	1370	205,063
Other Environmental Use and Protection	0940		1380	54,350
Public Health and Welfare	0950		1390	
Family and Community Support	0960	64,317	1400	80,057
Day Care	0970		1410	
Cemeteries and Crematoriums	0980		1420	56,000
Other Public Health and Welfare	0990		1430	
Planning and Development	1000		1440	
Land Use Planning, Zoning and Development	1010	55,149	1450	208,624
Economic/Agricultural Development	1020	19,749	1460	185,747
Subdivision Land and Development	1030		1470	
Public Housing Operations	1040		1480	
Land, Housing and Building Rentals	1050		1490	
Other Planning and Development.....	1060		1500	
Recreation and Culture	1070		1510	
Recreation Boards	1080		1520	
Parks and Recreation	1090	598,948	1530	1,140,145
Culture: Libraries, Museums, Halls	1100		1540	177,314
Convention Centres	1110		1550	
Other Recreation and Culture.....	1120	46,627	1560	
Other Utilities	1125		1565	
Gas	1126		1566	
Electric	1127		1567	
Other	1130		1570	
Total Revenue/Expense	1140	7,251,904	1580	7,227,196
Net Revenue/Expense			1590	24,708

FINANCIAL ACTIVITIES BY TYPE / OBJECT
Schedule 9D

		Total
		1
Revenues	1700	
Taxation and Grants in Place	1710	
. Property (Net Municipal)	1720	2,977,317
. Business	1730	
. Business Revitalization Zone	1740	
. Special	1750	
. Well Drilling	1760	
. Local Improvement	1770	
Sales To Other Governments	1790	
Sales and User Charges	1800	2,025,231
Penalties and Costs on Taxes	1810	78,189
Licenses and Permits	1820	188,197
Fines	1830	
Franchise and Concession Contracts	1840	227,669
Returns on Investments	1850	202,747
Rentals	1860	292,082
Insurance Proceeds	1870	
Net Gain on Sale of Tangible Capital Assets	1880	
Contributed and Donated Assets.....	1885	16,450
Federal Government Unconditional Transfers	1890	
Federal Government Conditional Transfers	1900	
Provincial Government Unconditional Transfers	1910	142,985
Provincial Government Conditional Transfers	1920	673,591
Local Government Transfers	1930	290,315
Transfers From Local Boards and Agencies	1940	
Developer Agreements and Levies	1960	16,481
Other Revenues	1970	120,650
Total Revenue	1980	7,251,904
Expenses	1990	
Salaries, Wages, and Benefits	2000	2,263,645
Contracted and General Services	2010	1,977,969
Purchases from Other Governments	2020	
Materials, Goods, Supplies, and Utilities	2030	721,283
Provision For Allowances	2040	
Transfers to Other Governments	2050	
Transfers to Local Boards and Agencies	2060	855,956
Transfers to Individuals and Organizations	2070	63,343
Bank Charges and Short Term Interest	2080	581
Interest on Operating Long Term Debt	2090	
Interest on Capital Long Term Debt	2100	41,204
Amortization of Tangible Capital Assets	2110	1,215,496
Net Loss on Sale of Tangible Capital Assets.....	2125	20,151
Write Down of Tangible Capital Assets.....	2127	
Other Expenditures	2130	67,568
Total Expenses	2140	7,227,196
Net Revenue (Expense)	2150	24,708

REVENUE AND EXPENSE SUPPLEMENTARY DETAIL

Schedule 9E

		Revenue		Expenses	
		Sales and User Charges	Provincial Capital Transfers	Annual Amortization Expense	Capital Long Term Debt Interest Expense
		1	2	3	4
General Government	2200				
Council and Other Legislative	2210				
General Administration	2220	34,140		27,746	
Other General Government.....	2230				
Protective Services	2240				
Police	2250				
Fire	2260	69,456		130,497	
Disaster and Emergency Measures	2270		371,568	181,502	
Ambulance and First Aid	2280				
Bylaws Enforcement	2290	12,535		17,267	
Other Protective Services.....	2300				
Transportation	2310				
Common and Equipment Pool	2320			14,123	3,731
Roads, Streets, Walks, Lighting	2330		94,561	323,119	12,122
Airport	2340				
Public Transit	2350		44,492		
Storm Sewers and Drainage	2360				52
Other Transportation	2370				
Environmental Use and Protection	2380				
Water Supply and Distribution	2390	885,999	33,549	227,793	8,906
Wastewater Treatment and Disposal	2400	802,740	78,575	61,671	15,887
Waste Management	2410	202,154		10,483	
Other Environmental Use and Protection	2420			34,141	
Public Health and Welfare	2430				
Family and Community Support	2440	2,486			
Day Care	2450				
Cemeteries and Crematoriums	2460				
Other Public Health and Welfare	2470				
Planning and Development	2480				
Land Use Planning, Zoning and Development	2490	9,399		3,341	
Economic/Agricultural Development	2500	32		600	
Subdivision Land and Development	2510				
Public Housing Operations	2520				
Land, Housing and Building Rentals	2530				
Other Planning and Development.....	2540				
Recreation and Culture	2550				
Recreation Boards	2560				
Parks and Recreation	2570	6,290	50,848	183,213	506
Culture: Libraries, Museums, Halls	2580				
Convention Centres	2590				
Other Recreation and Culture.....	2600				
Other Utilities	2605				
Gas	2606				
Electric	2607				
Other	2610				
Total	2620	2,025,231	673,593	1,215,496	41,204

TANGIBLE CAPITAL ASSETS SUPPLEMENTARY DETAIL

Schedule 9F

		Tangible Capital Assets		Capital Long Term Debt	
		Purchased	Donated or Contributed	Principal Additions	Principal Reductions
		1	2	3	4
General Government	2700				
Council and Other Legislative	2710				
General Administration	2720				
Other General Government.....	2730				
Protective Services	2740				
Police	2750				
Fire	2760	927,306	16,450		
Disaster and Emergency Measures	2770				
Ambulance and First Aid	2780				
Bylaws Enforcement	2790				
Other Protective Services.....	2800	10,252			
Transportation	2810				
Common and Equipment Pool	2820				4,186
Roads, Streets, Walks, Lighting	2830	96,637			53,504
Airport	2840				
Public Transit	2850				
Storm Sewers and Drainage	2860	8,270			6,646
Other Transportation	2870				
Environmental Use and Protection	2880				
Water Supply and Distribution	2890	95,716			14,596
Wastewater Treatment and Disposal	2900	148,794			39,888
Waste Management	2910				
Other Environmental Use and Protection	2920				
Public Health and Welfare	2930				
Family and Community Support	2940				
Day Care	2950				
Cemeteries and Crematoriums	2960				
Other Public Health and Welfare	2970				
Planning and Development	2980				
Land Use Planning, Zoning and Development	2990				
Economic/Agricultural Development	3000				
Subdivision Land and Development	3010				
Public Housing Operations	3020				
Land, Housing and Building Rentals	3030				
Other Planning and Development.....	3040				
Recreation and Culture	3050				
Recreation Boards	3060				
Parks and Recreation	3070	93,413			31,422
Culture: Libraries, Museums, Halls	3080				
Convention Centres	3090				
Other Recreation and Culture.....	3100				
Other Utilities	3105				
Gas	3106				
Electric	3107				
Other	3110				
Total	3120	1,380,388	16,450		150,242

CHANGE IN TANGIBLE CAPITAL ASSETS

Schedule 9G

		Balance at Beginning of Year 1	Additions 2	Reductions 3	Balance at End of Year 4
Tangible Capital Assets - Cost					
Engineered Structures	3200				
Roadway Systems.....	3201	7,936,808	662,774		8,599,582
Light Rail Transit Systems.....	3202				
Water Systems.....	3203	7,425,942	434,636		7,860,578
Wastewater Systems.....	3204	2,967,254	189,301		3,156,555
Storm Systems.....	3205	11,022,368	116,816		11,139,184
Fibre Optics.....	3206				
Electricity Systems.....	3207				
Gas Distribution Systems.....	3208				
Total Engineered Structures	3210	29,352,372	1,403,527		30,755,899
Construction In Progress.....	3219	2,045,884	-2,022,293	23,591	
Buildings	3220	6,067,105	6,634		6,073,739
Machinery and Equipment	3230	4,113,472	762,618		4,876,090
Land	3240	1,757,667			1,757,667
Land Improvements.....	3245	1,931,906	59,475		1,991,381
Vehicles	3250	2,244,478	1,186,877	290,896	3,140,459
Total Capital Property Cost	3260	47,512,884	1,396,838	314,487	48,595,235
Accumulated Amortization					
Engineered Structures	3270				
Roadway Systems	3271	1,937,348	218,303		2,155,651
Light Rail Transit Systems	3272				
Water Systems	3273	1,416,947	137,750		1,554,697
Wastewater Systems	3274	482,995	40,826		523,821
Storm Systems	3275	690,807	213,050		903,857
Fibre Optics	3276				
Electricity Systems	3277				
Gas Distribution Systems	3278				
Engineered Structures	3280	4,528,097	609,929		5,138,026
Buildings	3290	1,973,725	142,266		2,115,991
Machinery and Equipment	3300	2,011,024	199,346		2,210,370
Land	3310				
Land Improvements.....	3315	229,494	69,278		298,772
Vehicles	3320	1,426,305	194,677	283,347	1,337,635
Total Accumulated Amortization	3330	10,168,645	1,215,496	283,347	11,100,794
Net Book Value of Capital Property	3340	37,344,239			37,494,441
Capital Long Term Debt (Net)	3350	900,302			750,060
Equity in Tangible Capital Assets	3400	36,443,937			36,744,381

LONG TERM DEBT SUPPORT

Schedule 9H

		Operating Purposes 1	Capital Purposes 2	Total 3
Long Term Debt Support	3405			
Supported by General Tax Levies	3410		391,882	391,882
Supported by Special Levies	3420			
Supported by Utility Rates	3430		358,178	358,178
Other	3440			
Total Long Term Debt Principal Balance	3450		750,060	750,060

LONG TERM DEBT SOURCES

Schedule 9I

		Operating Purposes 1	Capital Purposes 2	Total 3
Alberta Capital Finance Authority	3500		750,060	750,060
Canada Mortgage and Housing Corporation	3520			
Mortgage Borrowing	3600			
Other	3610			
Total Long Term Debt Principal Balance	3620		750,060	750,060

FUTURE LONG TERM DEBT REPAYMENTS

Schedule 9J

		Operating Purposes 1	Capital Purposes 2	Total 3
Principal Repayments by Year	3700			
Current + 1	3710		138,723	138,723
Current + 2	3720		91,751	91,751
Current + 3	3730		97,113	97,113
Current + 4	3740		90,464	90,464
Current + 5	3750		79,691	79,691
Thereafter	3760		252,318	252,318
Total Principal	3770		750,060	750,060
Interest by Year	3780			
Current + 1	3790		37,416	37,416
Current + 2	3800		31,946	31,946
Current + 3	3810		26,585	26,585
Current + 4	3820		20,903	20,903
Current + 5	3830		15,712	15,712
Thereafter	3840		38,718	38,718
Total Interest	3850		171,280	171,280

PROPERTY TAXES AND GRANTS IN PLACE
Schedule 9K

		Property Taxes 1	Grants - in Place 2	Total 3
Property Taxes	3900			
Residential Land and Improvements	3910	3,604,569		3,604,569
Non-Residential	3920			
Land and Improvements (Excluding M & E).....	3935	441,290	6,215	447,505
Machinery and Equipment	3950			
Linear Property	3960	35,155		35,155
Railway	3970			
Farm Land	3980	73		73
Adjustments to Property Taxes	3990			
 Total Property Taxes and Grants In Place	4000	4,081,087	6,215	4,087,302
 Requisition Transfers			4010	
Education				
Residential/Farm Land			4031	867,737
Non-Residential			4035	149,286
Seniors Lodges			4090	47,837
Other			4100	45,125
Adjustments to Requisition Transfers			4110	
 Total Requisition Transfers			4120	1,109,985
 Net Municipal Property Taxes and Grants In Place			4130	2,977,317

GRANTS IN PLACE OF TAXES
Schedule 9L

		Property Taxes 1	Business Taxes 2	Other Taxes 3	Total 4
Federal Government	4200				
Provincial Government	4210	6,215			6,215
Local Government	4220				
Other	4230				
 Total	4240	6,215			6,215

DEBT LIMIT**Schedule 9AA**

1

Debt Limit	5700	9,842,795
Total Debt	5710	750,060
Debt Service Limit	5720	1,640,466
Total Debt Service Costs	5730	176,138

Enter prior year Line 3450 Column 2 balance here:

900,302

EDIT LIST - PLEASE REVIEW AND CORRECT ANY ERRORS NOTED BELOW