



Saddle Hills County
2017
Annual Report

For the year ending December 31, 2017



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Message from the Reeve

On behalf of Saddle Hills County Council, I am pleased to present the 2017 Annual Report. Council strongly believes that accountability to our residents and transparency in all our dealings are important qualities for a municipality. We hope that through the increased number of communications in the past year and a number of open houses on various topics, our ratepayers feel more informed and engaged. Council's intent is it to continue this practice and make improvements where necessary. This report is just one of the tools to keep you informed regarding your County's business.



The report contains:

- An overview of our organization - your County's business and how we operate
- The County's 2017 audited financial statements – our financial health and performance
- Highlights of our 2017 activities – our accomplishments
- Highlights of our 2018 budget – what we are working on

Please take your time to review the report and feel free to contact me or one of my fellow councillors with questions, comments, and suggestions.

On behalf of Saddle Hills County's Council and Administration, I sincerely thank our ratepayers, our volunteers, our businesses, and our employees for making Saddle Hills County a great place to call home.

Alvin Hubert
Reeve, Saddle Hills County



Back row: (left to right) Councillor Lawrence Andruchiw, Councillor Willis Fitzsimmons, Councillor Ken Titford, Councillor Ed Armagost and Councillor John Moen. Front row: (left to right) Deputy Reeve Kristen Smith, Reeve Alvin Hubert and CAO Julia Whittleton.



Your Saddle Hills Council



ALVIN HUBERT

Reeve—Ward 2



KRISTEN SMITH

Deputy Reeve—Ward 3



KEN TITFORD

Councillor—Ward 1



ED ARMAGOST

Councillor—Ward 4



WILLIS FITZSIMMONS

Councillor—Ward 5



LAWRENCE ANDRUCHIW

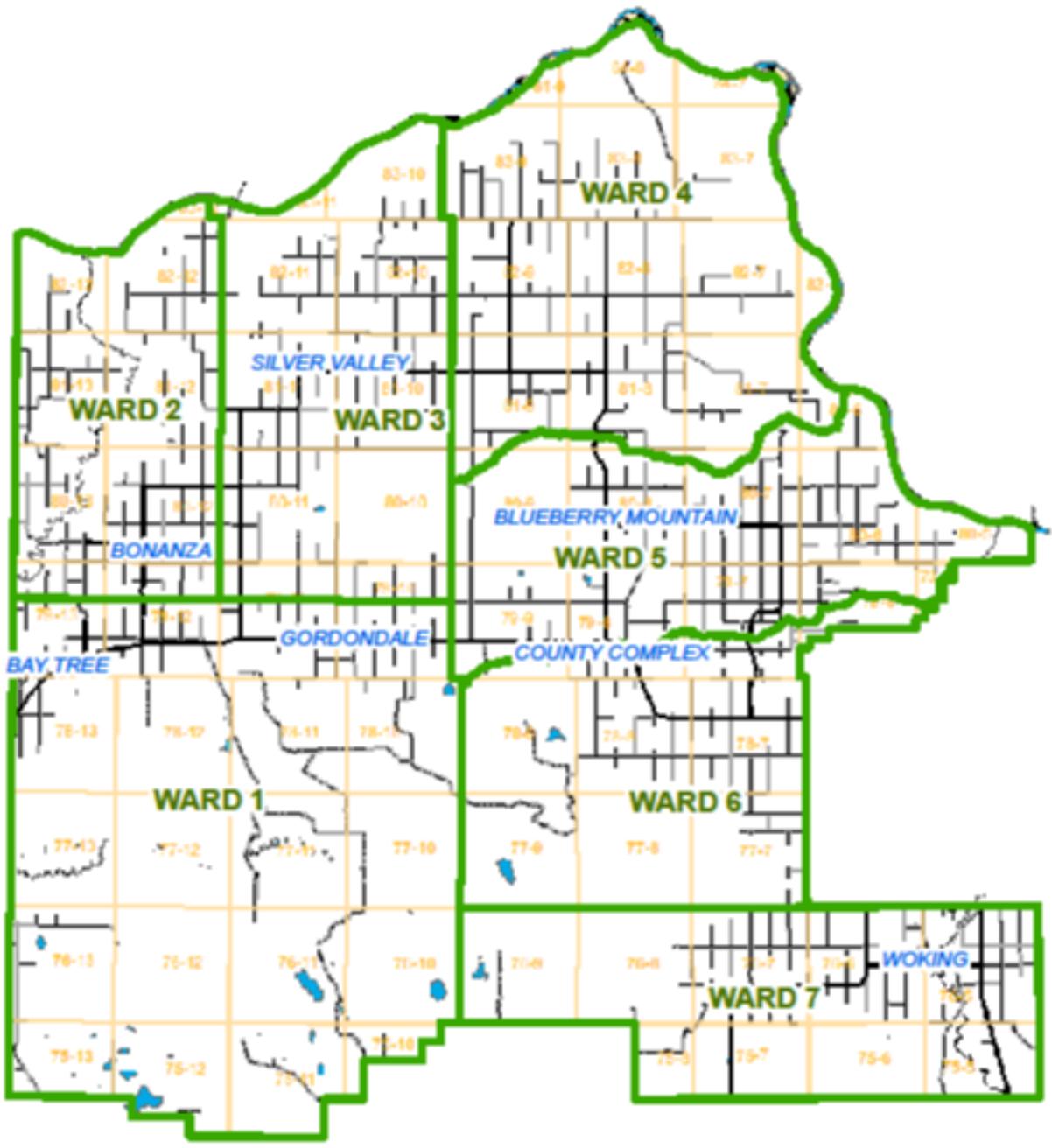
Councillor—Ward 6



JOHN MOEN

Councillor—Ward 7

Note: Councillor Cindy Clarke represented Ward 4 on County Council until the October 16th, 2017 Municipal Election.





2017 Municipal Election

Saddle Hills County ratepayers went to the polls on Monday, October 16, 2017. Prior to Election Day three incumbents were acclaimed – Councillors Ken Titford (Ward 1), Kristen Smith (Ward 3) and Willis Fitzsimmons (Ward 5). Elections were held in Wards 2, 4, 6 and 7.

The results which were announced on Election Day were as follows:

Ward	Name	Elected or Acclaimed
Ward 1	Ken Titford	Acclaimed
Ward 2	Alvin Hubert	Elected
Ward 3	Kristen Smith	Acclaimed
Ward 4	Ed Armagost	Elected
Ward 5	Willis Fitzsimmons	Acclaimed
Ward 6	Lawrence Andruchiw	Elected
Ward 7	John Moen	Elected

The Reeve and Deputy Reeve are selected annually from among councillors. Kristen Smith was selected as Deputy Reeve and Alvin Hubert was selected as Reeve, both selections received unanimous support of Council. Alvin has served the County as Reeve since October 2013.

Council for 2017-2021 Term



(Left to Right) Councillor Lawrence Andruchiw (Ward 6), Councillor Willis Fitzsimmons (Ward 5), Deputy Reeve Kristen Smith (Ward 3), Reeve Alvin Hubert (Ward 2), Councillor John Moen (Ward 7), Councillor Ken Titford (Ward 1), Councillor Ed Armagost (Ward 4)



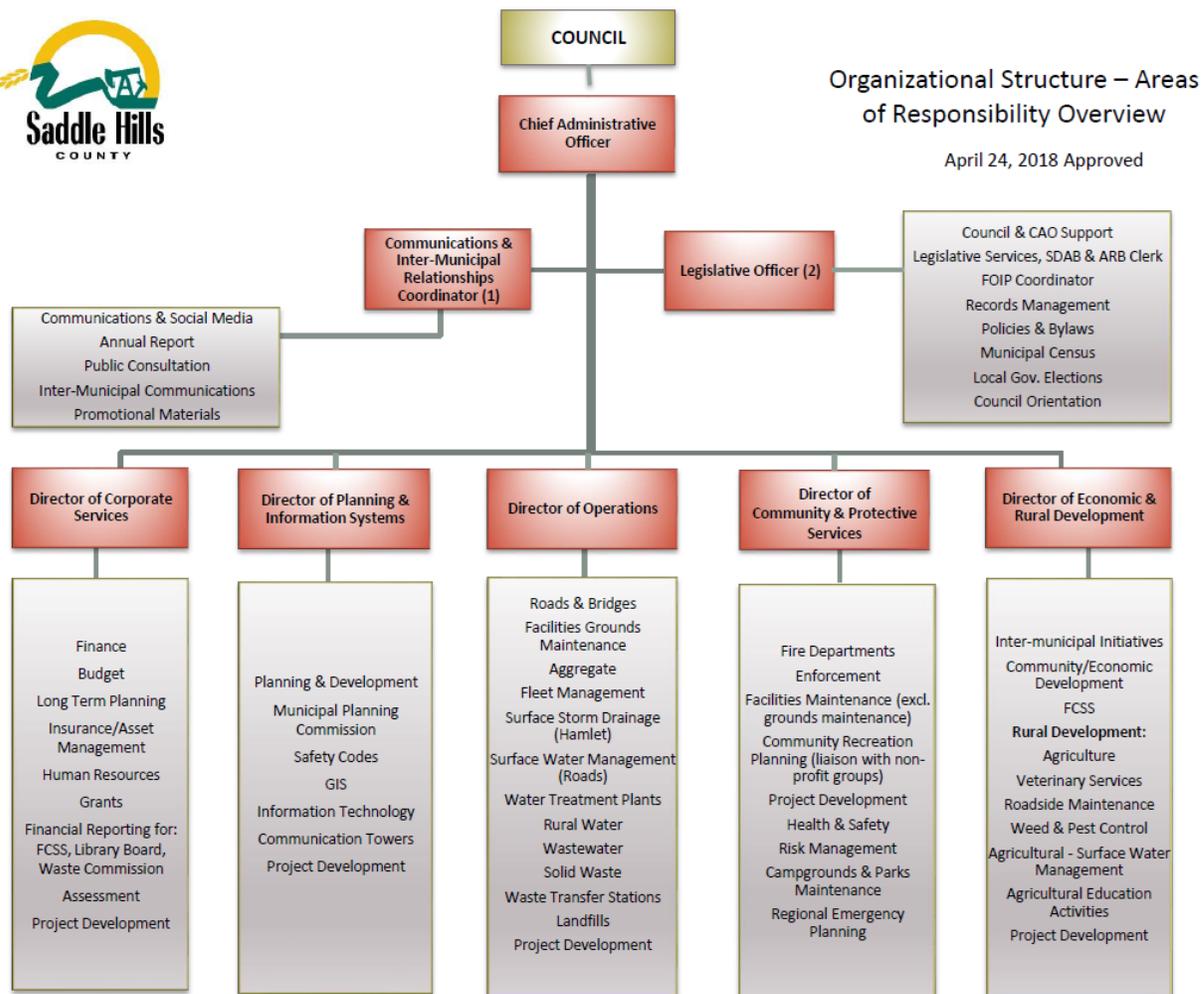
The Organization

Saddle Hills County was incorporated on January 1, 1995 and is governed by Alberta’s Municipal Government Act (MGA). The County provides services and programs as determined by policies, priorities and programs established by the elected Council.

Council is responsible for providing overall governance for our community including establishing municipal service levels, approving the annual budget and local taxation rates. Council has 7 members and is lead by the Reeve. The Reeve is the Chief Elected Officer (CEO) and is elected from within Council. It is the Reeve's responsibility to chair all Council meetings and speak on behalf of Council and the community.

Along with Council’s participation on a variety of regional boards and committees, Council appoints a number of local boards and committees to advise and assist it in its governance role.

Council provides direction to its Administration through the Chief Administrative Officer (CAO). The CAO is responsible for the overall administration of the County as well as advising and making recommendations to Council on matters concerning the municipality.



2017 Boards & Committees

The County participates in the following boards and committees:

- Agricultural Appeal Committee
- Agricultural Service Board
- Audit Committee
- AUPE Negotiating Committee
- Central Peace Assessment Review Board
- Central Peace Health Council
- Central Peace Medical Services Corporation
- Central Peace Regional Emergency Management Committee
- Central Peace Regional Waste Management Commission
- Community Development Advisory Board
- Doctors Recruitment & Retention Committee
- Forestry Issues, Weyerhaeuser, Ainsworth, Canfor
- G5/Central Peace Medical Clinic Committee
- Grande Spirit Foundation
- Grande Prairie Regional Tourism Association
- Industry Liaison Committee
- (Mighty Peace) Watershed Alliance
- Municipal Planning Commission
- Northern Alberta Elected Leaders
- Northern Alberta Mayors and Reeves Committee
- Peace Air Shed Zone Association
- Peace Library System Board
- Peace Region Economic Development Alliance
- Northwest Transportation Advisory Council
- Peace Region Water Study Committee
- Peace Valley Conservation, Recreation & Tourism Society
- Saddle Hills County Municipal Library Board
- Seniors Assisted Living Committee
- Subdivision & Development Appeal Board
- V.S.I. Service (1980) LTD.





Inter-Municipal Initiatives

Central Peace (G5) Municipalities – Collaborating with our neighboring municipalities

The five municipalities located in the Central Peace have a long history of collaborative work on many initiatives that mutually beneficial to our residents. These Central Peace municipalities include Birch Hills County, Municipal District of Spirit River #133, Saddle Hills County, Town of Spirit River and the Village of Rycroft. In 2016, the G5 signed the Inter-Municipal Protocols document to set guidelines and allow greater collaboration between the 5 municipalities. In addition to collaborating in various operational or legislated programs (such as Assessment Review Board, Central Peace Regional Emergency Agency, Central Peace Waste Commission) the municipalities partner in providing various workshops and training opportunities to residents, non-profit groups, and municipal employees across the Central Peace.

The current notable G5 initiatives include:

Central Peace Health Center

A grand opening was held for the Central Peace Health Center to replace the aging Health Clinic in Spirit River. The Center will allow our residents easier access not only to doctors but other health professionals. This will allow our residents reduce their travel to Grande Prairie for appointments because they have a quality cal facility to address their needs. The Center is operated through the Central Peace Medical Services Corporation, in which the five municipalities are the members.



Central Peace Seniors' Housing

The Seniors' Housing initiative began in 2017 by completing the Central Peace Regional Housing Needs Assessment which identified the need to improve the existing supportive living facilities and services for our seniors and others in need. In 2017, the municipalities brought forward the need for increased seniors' housing to our provincial leaders and focused on developing a partnership/collaborative approach to address our needs with the Grande Spirit Foundation as our Regional seniors' housing lodge provider. In 2018, our municipalities will continue building upon their achievements while working with our provincial leaders, with our ultimate goal being to build a new facility in the Central Peace.

Central Peace – Peace Regional Water

Through the Peace Regional Water initiative, the G5 Councils have looked at various options to address one of our greatest regional needs – a reliable long-term raw water source. As our regional demand for water is growing, there is a lot of strength in partnering on this important initiative. In 2017, the municipalities received the Central Peace Regional Water System Strategy and together, they jointly selected their preferred option. This preferred option includes construction of a new raw water intake on the Peace River (near the Dunvegan Bridge area) as well as constructing a regional raw water line to the future site for a regional treatment facility (yet to be determined). While the municipalities have a lot of work ahead of them to make this project a reality, our collaborative work does not go unnoticed by the provincial decision makers – the municipalities will need financial support, as well as many regulatory environmental approvals prior to proceeding.



2017 Audited Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Reeve and Council of Saddle Hills County

We have audited the accompanying financial statements of Saddle Hills County (the "County"), which comprise the statement of financial position as at December 31, 2017, and the statements of operations, change in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saddle Hills County as at December 31, 2017, and the results of its operations, change in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

METRIX GROUP LLP

Chartered Professional Accountants

April 10, 2018
Edmonton, Alberta



2017 Audited Financial Statements

MANAGEMENT'S RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and presentation of the accompanying consolidated financial statements, including responsibility for significant accounting judgements and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgement is required.

In discharging its responsibility for the integrity and fairness of the consolidated financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded, and financial records are properly maintained to provide reliable information for the preparation of the consolidated financial statements.

The elected Reeve and Council of the Saddle Hills County are composed entirely of individuals who are neither administration nor employees of the County. The Reeve and Council have the responsibility of meeting with management and the external auditors to discuss the internal controls over the financial reporting process, auditing matters, and financial reporting issues. The Reeve and Council are also responsible for the appointment of the Reeve's external auditors.

Metrix Group LLP, an independent firm of Chartered Professional Accountants, is appointed by Council to audit the consolidated financial statements and to report directly to them. The external auditors have full and free access to and meet periodically and separately with both the Reeve and Council and management to discuss their audit findings.

Julia Whittleton, Chief Administrative Officer

Cary Merritt, Director of Corporate Services

April 10, 2018



2017 Audited Financial Statements

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	\$ 15,156,731	\$ 16,718,608
Accounts receivable (Note 3)	5,276,225	5,475,877
Long-term investments (Note 4)	<u>62,692,580</u>	<u>60,704,321</u>
	<u>83,125,536</u>	<u>82,898,806</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	4,355,186	5,922,763
Deferred revenue (Note 6)	487,696	375,598
Landfill closure and post-closure costs (Note 7)	<u>5,261,678</u>	<u>5,160,268</u>
	<u>10,104,560</u>	<u>11,458,629</u>
NET FINANCIAL ASSETS	<u>73,020,976</u>	<u>71,440,177</u>
NON-FINANCIAL ASSETS		
Inventory for consumption (Note 8)	1,124,390	936,753
Prepaid expenses	130,842	120,802
Tangible capital assets (Schedule 2)	<u>115,236,866</u>	<u>110,867,199</u>
	<u>116,492,098</u>	<u>111,924,753</u>
ACCUMULATED SURPLUS (Schedule 1, Note 9)	<u>\$189,513,074</u>	<u>\$183,364,930</u>
CONTINGENCIES (Note 12)		

ON BEHALF OF COUNTY COUNCIL:

_____ Reeve

_____ Chief Administrative Officer



2017 Audited Financial Statements

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

	Budget <u>2017</u> (Note 20)	Actual <u>2017</u>	Actual <u>2016</u>
Revenue			
Net taxes for general municipal purposes (Schedule 3)	\$ 28,195,909	\$ 28,026,162	\$ 30,035,251
Oil well drilling equipment tax	1,000,000	2,526,835	1,116,999
Return on investments	1,217,500	1,601,382	1,550,787
Other	3,007,739	802,803	1,492,186
Government transfers (Schedule 4)	809,362	469,070	285,520
User fees and sale of goods	250,550	442,621	194,926
Penalties and costs on taxes	<u>100,000</u>	<u>137,940</u>	<u>176,239</u>
	<u>34,581,060</u>	<u>34,006,813</u>	<u>34,851,908</u>
Expenses			
Road and bridge projects	14,294,205	16,541,197	14,254,849
Administrative	3,192,064	3,200,555	3,275,896
Agriculture and land development	3,251,467	3,139,043	1,885,196
Water and wastewater	1,962,720	1,650,095	646,155
Legislative	1,471,743	1,466,083	2,051,325
Protective services	1,565,898	1,420,364	1,014,857
Recreation and culture	1,371,858	938,008	2,581,445
Common services	908,097	867,314	807,841
Waste management (Note 7)	3,031,628	840,171	5,418,643
Family and community support services	<u>105,826</u>	<u>64,102</u>	<u>70,155</u>
	<u>31,155,506</u>	<u>30,126,932</u>	<u>31,806,362</u>
Excess of Revenue over Expenses Before Other Items	<u>3,425,554</u>	<u>3,879,881</u>	<u>3,045,546</u>
Other Items			
Government transfers for capital (Schedule 4)	4,940,854	2,280,719	2,788,795
Gain (loss) on disposal of tangible capital assets	<u>126,650</u>	<u>(12,456)</u>	<u>(196,097)</u>
	<u>5,067,504</u>	<u>2,268,263</u>	<u>2,592,698</u>
Excess of Revenue over Expenses	<u>\$ 8,493,058</u>	<u>6,148,144</u>	<u>5,638,244</u>
Accumulated Surplus, Beginning of Year		<u>183,364,930</u>	<u>177,726,686</u>
Accumulated Surplus, End of Year		<u>\$189,513,074</u>	<u>\$183,364,930</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY

CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Excess of Revenue over Expenses	<u>\$ 6,148,144</u>	<u>\$ 5,638,244</u>
Acquisition of tangible capital assets	(8,661,119)	(16,127,005)
Proceeds on disposal of tangible capital assets	60,989	88,191
Amortization of tangible capital assets	4,218,008	3,865,823
Loss on sale of tangible capital assets	<u>12,456</u>	<u>196,097</u>
	<u>(4,369,668)</u>	<u>(11,976,894)</u>
Use (acquisition) of supplies inventories	(187,635)	244,722
Use (acquisition) of other assets	<u>(10,042)</u>	<u>(7,085)</u>
	<u>(197,677)</u>	<u>237,637</u>
Increase (Decrease) In Net Financial Assets	1,580,799	(6,101,013)
Net Financial Assets, Beginning of Year	<u>71,440,177</u>	<u>77,541,190</u>
Net Financial Assets, End of Year	<u>\$ 73,020,976</u>	<u>\$ 71,440,177</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	<u>2017</u>	<u>2016</u>
Operating Activities		
Cash from operations		
Excess of revenue over expenditures	\$ 6,148,144	\$ 5,638,244
Amortization	4,218,006	3,865,823
Loss on disposal of tangible capital assets	<u>12,458</u>	<u>199,097</u>
	<u>10,378,608</u>	<u>9,703,164</u>
Change in non-cash working capital balances related to operations:		
Accounts receivable	199,650	976,646
Inventory for consumption	(187,637)	244,723
Prepaid expenses	(10,040)	(7,085)
Accounts payable and accrued liabilities	(1,567,575)	(8,774,577)
Deferred revenue	112,098	70,184
Provision for landfill closure and post-closure (Note 7)	<u>101,410</u>	<u>4,626,793</u>
	<u>(1,352,094)</u>	<u>(2,863,316)</u>
	<u>9,026,512</u>	<u>6,839,848</u>
Capital Activities		
Acquisition of tangible capital assets	(8,661,119)	(16,127,005)
Proceeds on sale of tangible capital assets	<u>60,989</u>	<u>88,191</u>
	<u>(8,600,130)</u>	<u>(16,038,814)</u>
Investing Activities		
Change in long-term investments	<u>(1,988,259)</u>	<u>(6,072,764)</u>
Change in Cash and Cash Equivalents for the Year	(1,561,877)	(15,274,730)
Cash and Cash Equivalents (Note 2), Beginning of Year	<u>16,718,608</u>	<u>31,993,338</u>
Cash and Cash Equivalents (Note 2), End of Year	<u>\$ 15,156,731</u>	<u>\$ 16,718,608</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY
SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 1

	Equity in Tangible Capital Assets	Restricted	Unrestricted	Total
Balance, Beginning of Year	\$ 110,867,198	\$ 72,497,732	\$ -	\$ 183,364,930
Excess of Revenue over Expenses	-	-	6,148,144	6,148,144
Unrestricted funds designated for future use	-	1,778,476	(1,778,476)	-
Disposal of tangible capital assets, net book value	(73,445)	-	73,445	-
Current year funds used for tangible capital assets additions	8,661,119	-	(8,661,119)	-
Annual amortization expense	<u>(4,218,006)</u>	<u>-</u>	<u>4,218,006</u>	<u>-</u>
Balance, End of Year	<u>\$ 115,238,866</u>	<u>\$ 74,276,208</u>	<u>\$ -</u>	<u>\$ 189,513,074</u>

FOR THE YEAR ENDED DECEMBER 31, 2016

	Equity in Tangible Capital Assets	Restricted	Unrestricted	Total
Balance, Beginning of Year	\$ 98,890,304	\$ 78,836,382	\$ -	\$ 177,726,686
Excess of Revenue over Expenses	-	-	5,638,244	5,638,244
Unrestricted funds designated for future use	-	(6,338,650)	6,338,650	-
Disposal of tangible capital assets	(284,288)	-	284,288	-
Current year funds used for tangible capital assets additions	16,127,005	-	(16,127,005)	-
Annual amortization expense	<u>(3,885,823)</u>	<u>-</u>	<u>3,885,823</u>	<u>-</u>
Balance, End of Year	<u>\$ 110,867,198</u>	<u>\$ 72,497,732</u>	<u>\$ -</u>	<u>\$ 183,364,930</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 2

	2017	2016
COST:		
Balance, Beginning of Year	\$ 1,321,040	\$ 1,474,883,000
Acquisition of tangible capital assets	22,196	16,127,005
Disposal of tangible capital assets	(1,343,236)	(594,222)
Balance, End of Year	\$ 1,321,040	\$ 1,615,778
ACCUMULATED AMORTIZATION:		
Balance, Beginning of Year	-	48,592,696
Annual amortization	-	3,865,823
Accumulated amortization on disposals	-	(309,939)
Balance, End of Year	-	52,148,580
2017 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 1,321,040	\$ 1,110,867,138
2016 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	\$ 1,321,040	\$ 1,110,867,138



2017 Audited Financial Statements

SADDLE HILLS COUNTY
SCHEDULE OF PROPERTY TAXES LEVIED
FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 3

	Budget 2017 (Note 20)	Actual 2017	Actual 2016
Taxation			
Real property taxes	\$ 19,188,364	\$ 19,011,988	\$ 19,103,420
Linear	15,586,606	15,587,458	17,648,679
Government grants in lieu of property taxes	-	4,571	5,117
Early payment discount	<u>(560,000)</u>	<u>(556,097)</u>	<u>(600,017)</u>
	<u>34,214,970</u>	<u>34,047,918</u>	<u>36,157,199</u>
Deduct:			
Alberta School Foundation Fund	5,915,166	5,917,867	6,024,764
Senior's Foundation	<u>103,895</u>	<u>103,889</u>	<u>97,184</u>
	<u>6,019,061</u>	<u>6,021,756</u>	<u>6,121,948</u>
Net Taxes for General Municipal Purposes	<u>\$ 28,195,909</u>	<u>\$ 28,026,162</u>	<u>\$ 30,035,251</u>

SADDLE HILLS COUNTY
SCHEDULE OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 4

	Budget 2017 (Note 20)	Actual 2017	Actual 2016
Provincial Transfers			
Operating	\$ 809,362	\$ 469,070	\$ 285,520
Capital	<u>4,940,854</u>	<u>2,280,719</u>	<u>2,788,795</u>
	<u>\$ 5,750,216</u>	<u>\$ 2,749,789</u>	<u>\$ 3,074,315</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2017

SCHEDULE 5

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environment Services	Other	Total
Revenue								
Net taxes for general municipal purposes	\$ 29,026,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 29,026,162
Provincial government transfers	29,400	47,500	2,255,719	262,096	72,661	82,412	-	2,749,790
Oil well drilling equipment taxes	-	-	2,526,835	-	-	-	-	2,526,835
Investment income	1,601,382	-	-	-	-	-	-	1,601,382
Other	234,042	12,944	101,627	33,596	-	-	558,533	940,744
User fees and sale of goods	8,605	562	251,427	27,630	-	154,007	-	442,621
	<u>29,899,591</u>	<u>61,306</u>	<u>5,135,608</u>	<u>302,326</u>	<u>72,661</u>	<u>236,419</u>	<u>558,533</u>	<u>36,287,534</u>
Expenses								
Contracted and general services	170,933	356,781	8,810,595	439,541	59,501	614,207	1,111,331	11,562,889
Salaries, wages and benefits	266,304	509,868	2,529,870	1,169,509	-	941,481	1,964,973	7,371,995
Transfers to governments, agencies and organizations	1,021,500	167,000	-	1,352,700	863,995	206,325	63,400	3,674,920
Materials, goods and supplies	7,346	144,691	1,949,189	106,246	9,836	276,955	224,251	2,720,514
Other	-	-	-	-	-	101,410	477,300	578,710
	<u>1,466,083</u>	<u>1,178,330</u>	<u>13,289,654</u>	<u>3,069,996</u>	<u>933,332</u>	<u>2,140,378</u>	<u>3,831,155</u>	<u>25,908,928</u>
Excess (Deficiency) of Revenue over Expenses Before Amortization	29,433,508	(1,116,934)	(8,154,046)	(2,746,670)	(860,671)	(1,903,959)	(3,272,622)	10,378,606
Amortization	-	242,034	3,251,543	69,047	4,676	349,889	300,816	4,218,006
Loss (Gain) on disposal of tangible capital assets	-	-	73,445	(62,359)	-	(3,000)	(5,630)	12,456
Excess (Deficiency) of Revenue over Expenses	<u>\$ 29,433,508</u>	<u>\$ (1,358,968)</u>	<u>\$ (11,479,034)</u>	<u>\$ (2,783,358)</u>	<u>\$ (853,347)</u>	<u>\$ (2,250,848)</u>	<u>\$ (3,567,806)</u>	<u>\$ 6,148,144</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY
SCHEDULE 6
CONSOLIDATED SCHEDULE OF SEGMENTED INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2016

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services	Other	Total
Revenue								
Net taxes for general municipal purposes	\$ 30,035,251	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,035,251
Oil well drilling equipment taxes	-	47,500	1,116,999	-	-	-	-	1,116,999
Provincial government transfers	-	-	2,785,795	168,359	72,661	-	-	3,074,315
Investment income	1,550,787	-	-	-	-	-	-	1,550,787
User fees and sale of goods	12,940	175	123,185	-	-	58,626	-	194,926
Other	192,544	2,450	58,300	12,395	-	-	1,402,777	1,658,426
	<u>31,791,522</u>	<u>50,135</u>	<u>4,084,279</u>	<u>180,754</u>	<u>72,661</u>	<u>58,626</u>	<u>1,402,777</u>	<u>37,549,704</u>
Expenses								
Salaries, wages and benefits	274,601	425,108	2,734,065	919,208	-	438,032	1,858,869	6,649,903
Contracted and general services	153,802	262,156	6,245,026	532,981	46,505	604,740	1,189,206	9,034,416
Transfers to governments, agencies and organizations	1,622,795	2,500	-	76,500	2,507,219	-	37,500	4,246,514
Materials, goods and supplies	126	151,412	2,080,152	99,044	23,045	226,008	386,980	2,966,767
Other	-	-	-	-	-	4,626,793	416,147	5,042,940
	<u>2,051,324</u>	<u>841,176</u>	<u>11,059,243</u>	<u>1,627,733</u>	<u>2,576,769</u>	<u>5,895,573</u>	<u>3,888,722</u>	<u>27,949,540</u>
Excess (Deficiency) of Revenue over Expenses Before Amortization	29,740,198	(791,041)	(6,974,964)	(1,446,979)	(2,504,108)	(5,836,947)	(2,485,995)	9,700,164
Amortization	-	173,681	3,195,605	57,462	4,676	169,225	265,174	3,865,823
Loss (Gain) on disposal of tangible capital assets	-	1,132	(87,701)	99,066	-	-	183,493	196,092
Excess (Deficiency) of Revenue over Expenses	<u>\$ 29,740,198</u>	<u>\$ (965,861)</u>	<u>\$ (10,062,860)</u>	<u>\$ (1,603,507)</u>	<u>\$ (2,508,764)</u>	<u>\$ (6,006,172)</u>	<u>\$ (2,934,762)</u>	<u>\$ 5,638,244</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the County are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by the County are as follows:

(a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and change in net financial assets and cash flows of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the County, and are therefore, accountable to the Council for the administration of their financial affairs and resources. They include the County's proportionate share of the Central Peace Regional Waste Management Commission (25%).

The schedule of taxes levied includes requisitions for education and housing that are not part of the municipal reporting entity.

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

(b) Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenue. Expenses are recognized as they are incurred and measurable based upon receipt of goods and services and/or the legal obligation to pay.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

(c) Deferred Revenue

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation and agreement and may only be used in completion of certain programs, in the completion of specific work, or for the purchase of tangible capital assets. These funds and the earnings thereon are accounted for as deferred revenue until the related expenses are incurred, the services are performed or the tangible capital assets are acquired.

(d) 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 expenses during the period. Where management uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. These estimates and assumptions are based on the County's best information and judgement and actual results could differ from these estimates.

(e) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with the banks net of outstanding cheques and term deposits with original maturities of 90 days or less at the date of acquisition and are recorded at cost.

(CONT'D)



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investments

Investments are recorded at amortized cost. Investment premiums and discounts are amortized on a net present value basis over the term of the respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(g) Government Transfers

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return.

Government transfers are recognized in the financial statements as revenue in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the County, and reasonable estimates of the amounts can be made.

(h) Requisition of Over-Levies and Under-Levies

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

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

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

(i) Landfill Closure and Post-Closure Liability

Pursuant to the *Alberta Environmental Protection and Enhancement Act*, the County is required to fund the closure of its landfill sites and provide for post-closure care of the facility. Closure and post-closure activities include the final clay cover, landscaping, as well as surface and ground water monitoring, leachate control, and visual inspection. The requirement being provided for over the estimated remaining life of the landfill sites is based on usage.

(j) Contaminated Sites

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

(k) Employee Future Benefits

Selected employees of the County are members of the Local Authority Pension Plan ("LAPP"), a multi-employer defined benefit pension plan. The trustee of the plan is the Alberta Treasurer and the plan is administered by a Board of Trustees. Since the plan is a multi-employer plan, it is accounted for as a defined contribution plan and, accordingly, the County does not recognize its share of any of the LAPP's surplus or deficit.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) 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:

Land improvements	15-25 years
Buildings	25-50 years
Engineered structures	
Water system	30-75 years
Wastewater system	30-75 years
Roads and bridges	30-75 years
Machinery and equipment	3-20 years
Vehicles	7-20 years

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

ii) Contributions of Tangible Capital Assets

Tangible capital assets received as contributions are recorded at fair value at the date of receipt and also are recorded as revenue.

iii) Leases

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

iv) Inventories

Inventories of materials and supplies for consumption are recorded at the lower of cost or net realizable value with cost determined by the first-in, first-out method. Inventories largely represent the stockpile of gravel maintained for County purposes.

(m) Accumulated Surplus

Accumulated surpluses are established at the discretion of Council to set aside funds for future operating and capital expenditures. Transfers to and/or from reserves are reflected as an adjustment to the respective fund.

Equity in capital assets consist of the net investments in total capital assets after deducting the portion financed by third parties.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017**2. CASH AND CASH EQUIVALENTS**

	<u>2017</u>	<u>2016</u>
Cash	\$ 5,577,748	\$ 3,447,899
Temporary investments	<u>9,578,983</u>	<u>13,270,709</u>
	<u>\$ 15,156,731</u>	<u>\$ 16,718,608</u>

Cash held in deposit accounts earns interest at tiered rates between 0.80% and 1.15%.

A portion of the cash balances above are restricted for reserves and deferred revenue. The total restricted capital, including long-term investments, is \$74,276,208 (2016 - \$72,497,732).

3. ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Accrued interest	\$ 3,055,909	\$ 2,846,832
Trade	1,539,440	1,293,233
Property taxes	511,588	1,611,080
Goods and Services Tax	345,280	78,660
Government grants	<u>-</u>	<u>745,364</u>
	5,452,215	6,575,169
Less: Allowance for doubtful accounts	<u>(175,989)</u>	<u>(1,099,202)</u>
	<u>\$ 5,276,226</u>	<u>\$ 5,475,877</u>

4. LONG-TERM INVESTMENTS

	<u>2017</u>	<u>2016</u>
RBC bond portfolio	\$ 62,691,614	\$ 60,703,355
Alberta Association of Municipal Districts and Counties Member's Equity	856	856
Alberta Capital Finance Authority shares	<u>110</u>	<u>110</u>
	<u>\$ 62,692,580</u>	<u>\$ 60,704,321</u>

RBC bond portfolio has effective interest rates ranging from 1.300% to 3.120% (2016 - 1.104% to 2.750%) with maturity dates from January 29, 2018 to December 2, 2022.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2017</u>	<u>2016</u>
Trade	\$ 3,085,351	\$ 4,900,917
Vacation, sick leave and overtime	1,138,014	929,069
Security deposits	<u>131,821</u>	<u>92,777</u>
	<u>\$ 4,355,186</u>	<u>\$ 5,922,763</u>

The vacation, sick leave and overtime liability is comprised of the vacation, sick leave and overtime that employees are deferring to future years. Employees have either earned the benefits or are entitled to these benefits within the next budgetary years.

6. DEFERRED REVENUE

Deferred revenue consists of the following amounts, which have been restricted by third parties for a specified purpose. These amounts are recognized as revenue in the period in which the related expenses are incurred.

	<u>2016</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2017</u>
Alberta Community Partnership	\$ 250,000	\$ -	\$ 60,659	\$ 189,341
Peace Region Water Study	-	250,000	82,412	167,588
Capital for Emergent Projects	123,598	-	11,532	112,066
Municipal Intern Program	-	44,101	29,400	14,701
Vancouver Foundation	<u>2,000</u>	<u>2,000</u>	<u>-</u>	<u>4,000</u>
	<u>\$ 375,598</u>	<u>\$ 296,101</u>	<u>\$ 184,003</u>	<u>\$ 487,696</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

7. LANDFILL CLOSURE AND POST-CLOSURE COSTS

Alberta environmental law requires closure and post-closure care of landfill sites, which includes final covering and landscaping, pumping of ground water and leachates from the site, ongoing environmental monitoring, and site inspections and maintenance.

The estimated total liability represents the net present value of the discounted cash flows of the total estimated cost for closure and post-closure activities for 25 years after closing using a discount rate of 3.245% and assuming annual inflation of 3.000%.

The accrued liability is based on the cumulative capacity used at year end compared to the total estimated landfill capacity. The estimated remaining capacity of the landfill sites is 847,706 (2016 - 847,706) cubic metres and the total capacity of the site is estimated at 952,000 cubic metres.

The County stopped receiving municipal solid waste at these landfills in prior years. Some of these unused landfills were converted to waste transfer stations. The County intends to commence closure work for a portion of these unused landfills in the near future.

The County obtained revised cost estimates related to its closure and post-closure obligations during the year. These revised cost estimates result in an increase of \$101,410 (2016 - \$4,626,793) to the closure and post-closure obligations, which is included in waste management expense on the Statement of Operations.

	<u>2017</u>	<u>2016</u>
Estimated closure costs	\$ 3,707,571	\$ 3,652,235
Estimated post-closure costs	<u>1,554,107</u>	<u>1,508,033</u>
	5,261,678	5,160,268
Portion of liability remaining to be recognized	<u>—</u>	<u>—</u>
Accrued liability portion	<u>\$ 5,261,678</u>	<u>\$ 5,160,268</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

8. INVENTORY FOR CONSUMPTION

	<u>2017</u>	<u>2016</u>
Gravel	\$ 826,227	\$ 665,269
Parts, culverts and other	<u>298,163</u>	<u>271,464</u>
	<u>\$ 1,124,390</u>	<u>\$ 936,733</u>

9. ACCUMULATED SURPLUS

	<u>2017</u>	<u>2016</u>
Unrestricted surplus	\$ _____	\$ _____
Restricted surplus:		
Operating reserves:		
Operating fund	1,368,794	639,270
Gravel usage	1,100,000	-
Due to others	902,749	1,443,546
Community recreation	374,325	-
Grant programs	83,913	-
ASB brushing and VSI	-	<u>790,560</u>
	<u>3,829,781</u>	<u>2,873,376</u>
Capital reserves:		
Rural water	17,414,506	15,759,585
Well drilling equipment tax	11,698,274	9,522,035
Paving overlay	11,609,125	9,352,572
Infrastructure development	12,553,417	17,547,673
Mobile equipment	6,525,732	4,019,430
Current county facilities	3,790,429	3,912,818
Environmental services	3,693,383	3,224,247
Computer and information technology	1,135,666	921,478
Paving project	731,667	366,945
Emergency command centre	722,592	709,190
General capital	258,241	1,906,130
Utility communication network	117,173	688,940
Community development	100,050	98,195
New county facilities	91,460	-
Municipal development	4,712	4,625
Emergency services equipment	-	<u>1,590,493</u>
	<u>70,446,427</u>	<u>69,624,356</u>
	<u>74,276,208</u>	<u>72,497,732</u>
Equity in tangible capital assets	<u>115,236,866</u>	<u>110,867,198</u>
	<u>\$189,513,074</u>	<u>\$183,364,930</u>



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017**10. SALARIES AND BENEFITS DISCLOSURE**

Disclosure of salaries and benefits for municipal officials, the Chief Administrative Officers and designated officer as required by Alberta Regulation 313/2000 is as follows:

	<u>Salary (1)</u>	<u>Benefits and Allowances (2)</u>	<u>Total</u> <u>2017</u>	<u>Total</u> <u>2016</u>
Councillors				
Division 1	\$ 26,850	\$ 3,499	\$ 30,349	\$ 38,048
Division 2	46,050	4,994	51,044	50,875
Division 3	25,725	4,288	30,013	31,688
Division 4	38,575	4,702	43,277	34,256
Division 5	36,000	3,772	39,772	44,664
Division 6	36,525	6,436	42,961	40,606
Division 7	36,650	3,482	40,132	41,263
Chief Administrative Officers	199,938	27,116	227,054	211,812
Designated Officer	<u>137,499</u>	<u>17,352</u>	<u>154,851</u>	<u>130,811</u>
	<u>\$ 583,812</u>	<u>\$ 75,641</u>	<u>\$ 659,453</u>	<u>\$ 624,023</u>

(1) Salary includes regular base pay, per diems and any other direct cash remuneration.

(2) Benefits and allowances include the employer's share of the employee benefits and contributions or payments made on behalf of employees including pension and health care benefits.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

11. DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits as defined by Alberta Regulation 255/2000 for the County be disclosed as follows:

	<u>2017</u>	<u>2016</u>
Total debt limit	\$ 51,010,220	\$ 52,277,862
Total debt	<u>-</u>	<u>-</u>
Amount of total debt limit unused	<u>\$ 51,010,220</u>	<u>\$ 52,277,862</u>
Debt servicing limit	\$ 8,501,703	\$ 8,712,977
Debt servicing	<u>-</u>	<u>-</u>
Amount of debt servicing limit unused	<u>\$ 8,501,703</u>	<u>\$ 8,712,977</u>

The debt limit is calculated at 1.50 times revenue of the County (as defined in the Alberta Regulation 255/2000) and the debt service limit is calculated as 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are a conservative guideline used by Alberta Municipal Affairs to identify municipalities that could be at a financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the County. Rather, the financial statements must be interpreted as a whole.

12. CONTINGENCIES

(a) MUNIX

The County is a member of the Alberta Municipal Insurance Exchange ("MUNIX"). Under the terms of membership, the County could become liable for its proportionate share of any claim losses in excess of the funds held by MUNIX. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

(b) Legal Claims

The County is defendant in various lawsuits as at December 31, 2017. Where the occurrence of future events is considered likely to result in a loss with respect to an existing condition, and the amount of the loss can be reasonably estimated, amounts have been included in accrued liabilities. Where the resulting losses, if any, cannot be determined or the occurrence of future events is unknown, amounts have not been recorded.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

13. COMMITMENTS

As at December 31, 2017, the County has the following outstanding commitments:

- (a) Construction of a new medical clinic at Spirit River, along with its regional partners, of approximately \$325,309.
- (b) Base paving of Highway 677 of approximately \$426,781.
- (c) Engineering services for the potential development of a future landfill site, of approximately \$218,032.
- (d) Bridge culvert installation and other work at four different locations, of approximately \$469,208.
- (e) Engineering services for the feasibility of a Gundy Connector between Highway 43 and Highway 49, of approximately \$102,634.

14. LOCAL AUTHORITIES PENSION PLAN

Employees of the County participate in the Local Authorities Pension Plan ("LAPP"), which is covered by the *Public Sector Pension Plans Act*. LAPP services about 253,862 people and 417 employers. Contributions are collected from employees and employers and the money is invested in equities, bonds and other investment vehicles. The investment income and the contributions are used to pay pension benefits to LAPP retirees, now and in the future.

The County is required to make current service contributions to the LAPP of 11.39% of pensionable earnings up to the Canada Pension Plan yearly maximum pensionable earnings and 15.84% on pensionable earnings above this amount. Employees of the County are required to make current service contributions of 10.39% of pensionable earnings up to the yearly maximum pensionable earnings and 14.84% on pensionable earnings above this amount.

Total current and past service contributions made by the County to the LAPP in 2017 were \$576,179 (2016 - \$506,092). Total current and past service contributions made by the employees of the County to the LAPP in 2017 were \$531,922 (2016 - \$466,978).

At December 31, 2016 the LAPP disclosed an actuarial deficit of \$637 million (2015 - \$923 million).



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017

15. FINANCIAL INSTRUMENTS

The County's financial instruments consist of cash and cash equivalents, accounts receivables, long-term investments, accounts payable and accrued liabilities, deferred revenue and provision for landfill closure. It is management's opinion that the County is not exposed to significant interest, currency or credit risk arising from these financial instruments.

The County is subject to credit risk with respect to taxes and grants in lieu of taxes receivable and trade and other accounts receivables. Credit risk arises from the possibility that taxpayers and entities to which the County provides services may experience financial difficulty and be unable to fulfil their obligation. The large number and diversity of taxpayers and customers minimizes the credit risk.

The County is subject to interest rate risk with respect to its cash equivalents and long-term investments. Interest rate risk arises from the risk that the fair value of financial instruments or future cash flows associated with instruments will fluctuate due to changes in market interest rates. The County manages this risk by investing in diverse and low risk assets.

Unless otherwise noted, the carrying value of the financial instruments approximate their fair value.

16. SEGMENTED INFORMATION

The County provides a range of services to its residents. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements as disclosed in Note 1. For additional information see the Consolidated Schedule of Segment Disclosure (Schedule 5).

17. ACCOUNTING POLICY ADOPTION

In June 2010, the Public Sector Accounting Board issued PS - 3260 Liability for Contaminated Sites applicable for fiscal years starting on or after April 1, 2014. Contaminated sites are a result of contamination being introduced into the air, soil, water, or sediment of a chemical, organic, or radioactive material, or live organism that exceeds an environmental standard. The County adopted this accounting standard retroactively as of January 1, 2015. There was no impact to the County's financial statement due to this adoption.

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's financial statement presentation.

19. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council and management.



2017 Audited Financial Statements

SADDLE HILLS COUNTY

NOTES TO FINANCIAL STATEMENTS (CONT'D)

DECEMBER 31, 2017**20. RECONCILIATION OF OPERATING RESULTS TO BUDGETING SYSTEM**

The budget presented in these financial statements are based upon the 2017 operating and capital budgets approved by Council on November 30, 2016.

Amortization was not contemplated on development of the budget and, as such, has not been included. The table below reconciles the approved budget to the budget figures reporting in these financial statements.

	Budget <u>2017</u>	Actual <u>2017</u>	Actual <u>2016</u>
Excess of Revenue over Expenses, per financial statements	\$ <u>8,493,058</u>	\$ <u>6,148,144</u>	\$ <u>5,638,244</u>
Add back:			
Amortization expense	-	4,218,006	3,865,823
Net transfers (to) from reserves	17,989,053	(1,778,476)	6,338,650
Net transfers (to) from capital projects	<u>(8,353,860)</u>	<u>-</u>	<u>-</u>
	<u>9,635,193</u>	<u>2,439,530</u>	<u>10,204,473</u>
Deduct:			
(Gain) loss on disposal of tangible capital assets	(126,650)	12,456	196,097
Purchase of tangible capital assets	<u>(34,845,770)</u>	<u>(8,661,119)</u>	<u>(16,127,005)</u>
	<u>(34,972,420)</u>	<u>(8,648,663)</u>	<u>(15,930,908)</u>
Results of Operations as Budgeted	\$ <u>(16,844,169)</u>	\$ <u>(60,989)</u>	\$ <u>(88,191)</u>

2017 Activity Highlights Operations

ROADS

Saddle Hills County crews devoted a majority of their time in 2017 accomplishing Council's top priority in its 2017 – 2019 Strategic Plan: Road Maintenance. A total of 810 kilometers of road were re-graveled in 2017, which is almost 50% of the County's gravel road network consisting of over 1,800 kilometers.

There were 38 kilometers of road repairs were completed as part of the County's Road Rehabilitation program. Road repairs include shoulder pulling, re-establishing the crown and ensuring the roadway is the proper width according to the road classification.

Multiple slope repairs completed in three locations where slides had occurred. There were a number of small slides at the Doe and the Pouce as well as one larger slide on TWP 762/RR74.

Some of the other projects completed during 2017 were re-decking of the Pouce Bridge, line painting and asphalt crack sealing.

There was a total of 65 culverts were installed which includes 10 approaches that were constructed and/or repaired. The County also installed 4 bridge culverts in 2017.

Construction was completed on two major road projects in 2017. The rebuilding of TWP Road 822 for 4.8 kilometers and the construction of Spirit Ridge Road for 5.6 kilometers. Spirit Ridge Road was a partnership with Tourmaline Oil Corporation. Spirit Ridge Road was officially opened to traffic on Wednesday, September 13, 2017. An opening ceremony was held that day to celebrate the partnership between Tourmaline Oil Corporation and Saddle Hills County.

Roads continue to remain a top priority for Saddle Hills County Council.



Hauling gravel at the Fourth Creek gravel pit



Line painting completed on August 31st



2016 construction of Spirit Ridge Road



Spirit Ridge Road, a joint venture between Tourmaline Oil Corporation and Saddle Hills County.

2017 Activity Highlights Environmental Services



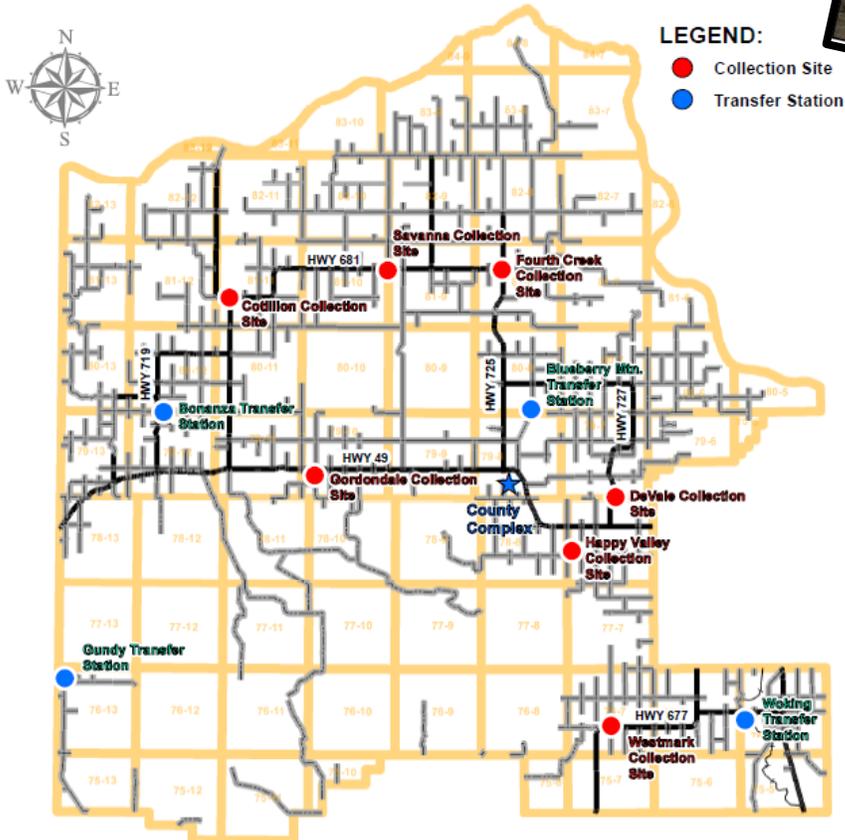
TRANSFER STATIONS

The County began its co-mingled recycling program in 2017, where most food and beverage containers such as cardboard, paper, plastic, aluminum and steel cans are accepted together. New oil collection buildings were installed at Bonanza and Blueberry Transfer Stations in order to enhance and expand the County’s recycling initiative. In 2017, over 3,000 litres of oil was recovered at each site. The County is planning to install a similar oil collection building in Woking.

Using the new Bonanza Oil Recovery Shed are (left to right) CAO, Joulia Whittleton, Transfer Station Attendant, Doug Nickisch and Director of Operations, Ron Pelensky.



TRANSFER STATIONS & COLLECTION SITES



WOKING TRANSFER STATION

UPGRADE

In 2017, the Woking Transfer Station was upgraded by expanding the site, creating an improved dumping facility and enhanced by a collection area with 24 hour access.





2017 Activity Highlights Environmental Services

WATER CISTERN PROGRAM

In 2017, the County introduced a Water Cistern Subsidy program which provides subsidies to residents for the installation of new water cistern systems for residential use. There were 78 applications received for this program which resulted in \$206,325 distributed to many residents in the County.



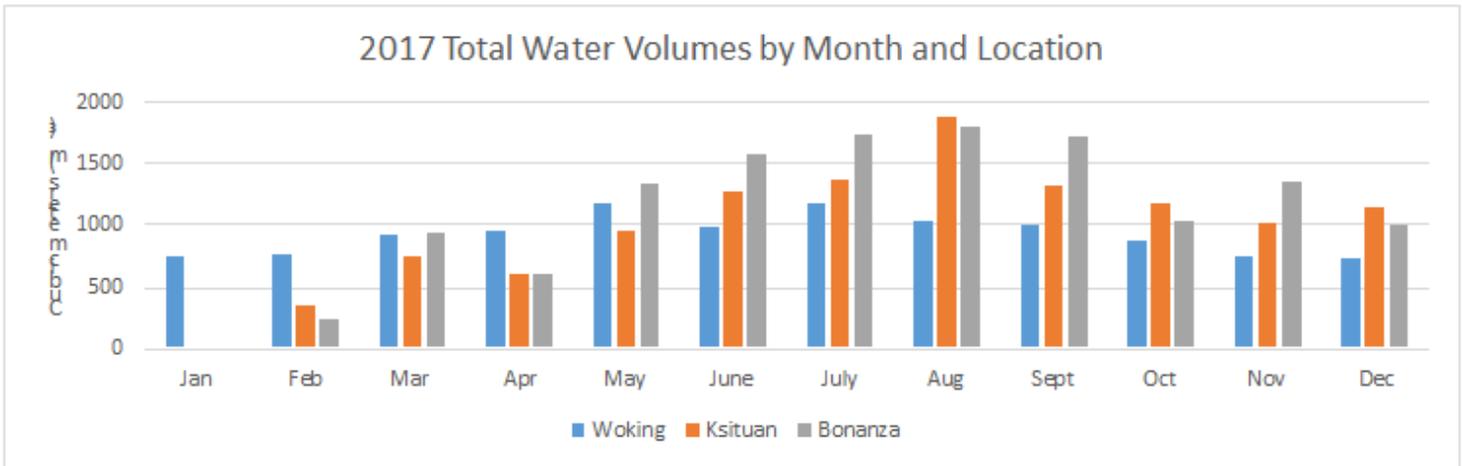
Bonanza Truck Fill



Bonanza Water Treatment Plant

POTABLE WATER

The County began operating its two new water treatment plants at Ksituan and Bonanza. Each of the two water treatment plants have a rural truck fill. Sales for potable water have been increasing steadily each month of operation.



SAVANNA WATER TREATMENT PLANT

Preliminary design was completed for the Savanna Water Treatment Plant in terms of initial planning, site location, cost and timing.

BAY TREE TO BONANZA RURAL WATER LINE

In 2017, the County began planning for the *Bonanza – Bay Tree Rural Potable Water Project* – a rural distribution line from Bonanza to Bay Tree. The project will include a Bonanza Water Treatment Plant upgrade, a water supply mainline, and servicing lines to residences.

2017 Activity Highlights

Planning & Development

DEVELOPMENT & SUBDIVISION

The Planning department is responsible for processing applications for development, subdivision and rezoning; providing certificates of compliance; creating and updating planning documents; preparing reports to council and boards; as well as other land use and planning related matters.

Administration is fully prepared to assist landowners and/or developers to guide them through the necessary processes when they are considering any improvements to their land. Improvements may include an addition to a building, a new development or use of land, subdivision of a parcel of land into one or more lots, or rezoning their property if their proposed use requires it.

Land use planning is more important than ever, as the demands on the land and infrastructure increase and compete with limited resources. The purpose of land use planning is to foster growth through a transparent and unbiased process that considers all of the relevant factors involving new or changes to existing development while minimizing impacts on existing land uses.

By engaging in this process the County ensures that development of the land is sustainable for future generations, while maximizing the use of services required to support growth in a manner that supports Council's vision and the best interests of the community as a whole.

MUNICIPAL DEVELOPMENT PLAN & LAND USE BYLAW UPDATE

The land use planning function is governed by provincial legislation as well as by municipal bylaws and policies. Much of 2017 was spent reviewing and updating two of the most important land use planning bylaws – the Municipal Development Plan (MDP), and the Land Use Bylaw (LUB).

A series of public open houses and workshops and series of mass mail outs were held throughout the year and across the County to encourage and obtain public input into the new documents and they were adopted by Council in 2018.

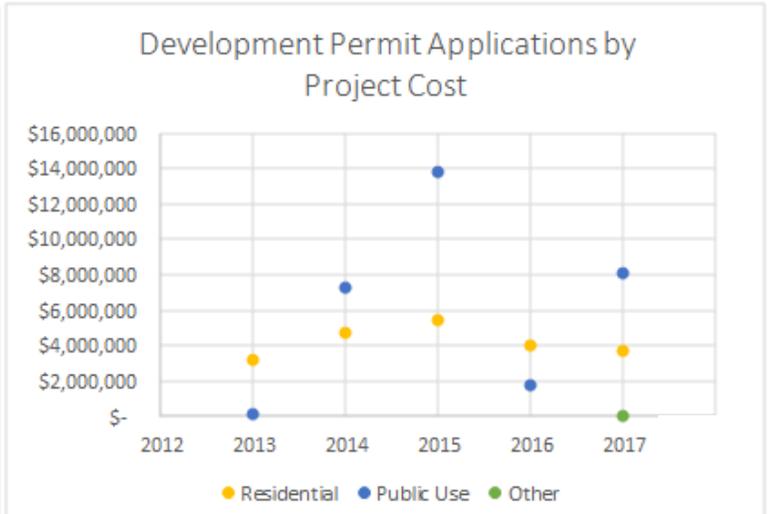
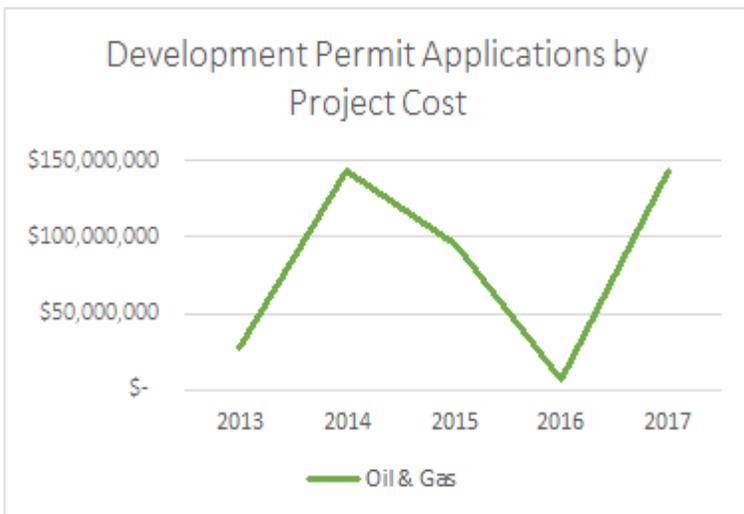
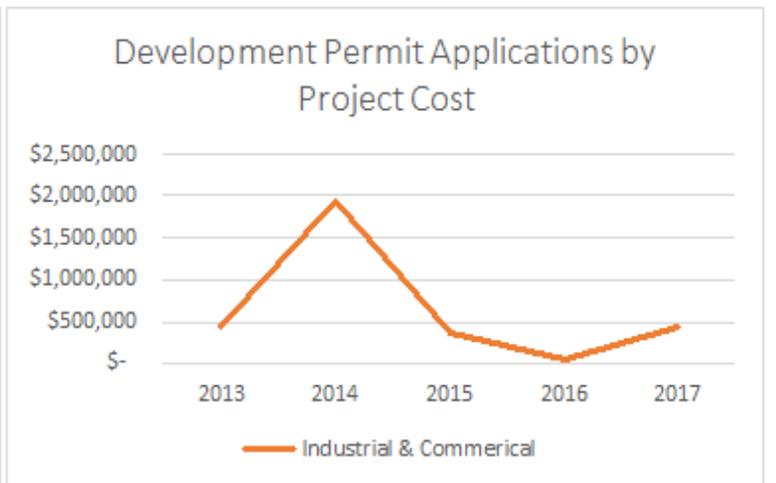
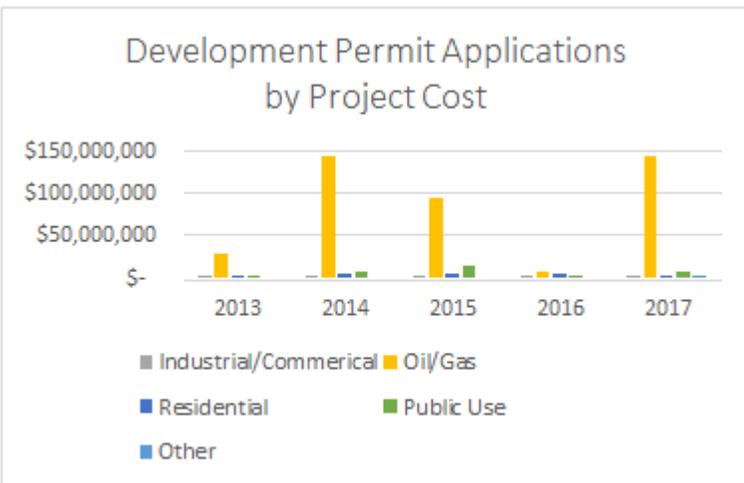
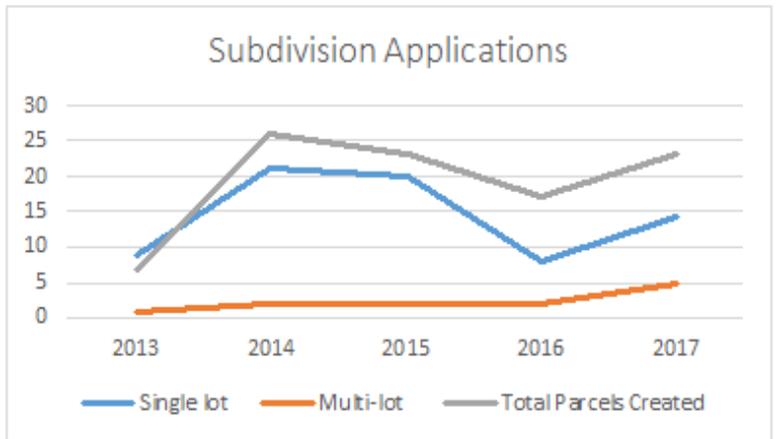
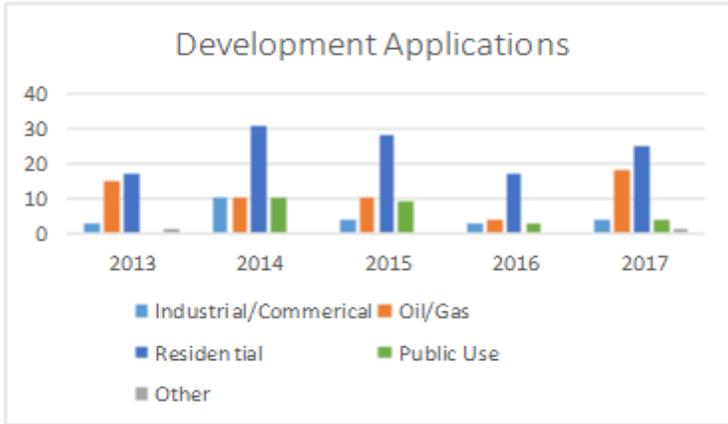


A series of open houses and other public consultations were held in 2017 in order to gather public input on the County's new Municipal Development Plan and Land Use Bylaw.



2017 Activity Highlights Planning & Development

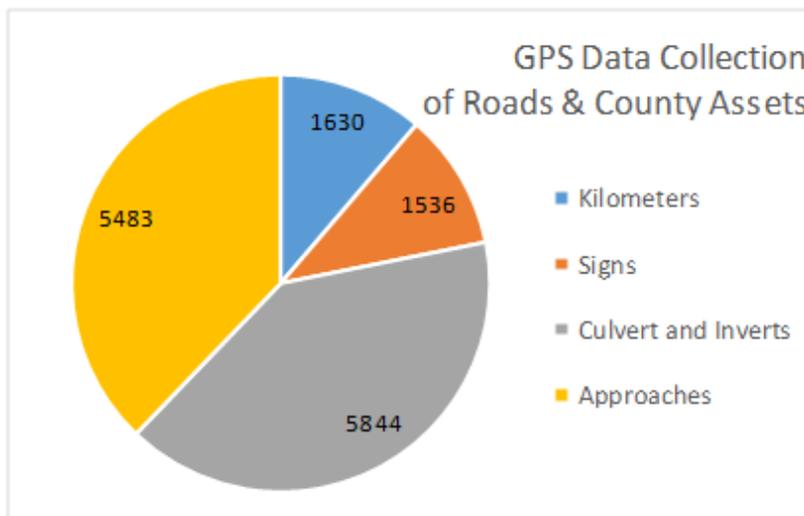
DEVELOPMENT & SUBDIVISION TRENDS WITHIN THE COUNTY



2017 Activity Highlights Information Systems

GEOGRAPHICAL INFORMATION SYSTEM (GIS)

In 2017, the GIS department at Saddle Hills County commenced Phase 2 of a three-year data collection project to refresh the County’s GIS data to include road features such as signs, culverts and approaches. The Operations department is able to use this data in their planning, budgeting and asset management of the County’s road network infrastructure. The data collection refresh will be completed during the summer of 2018.

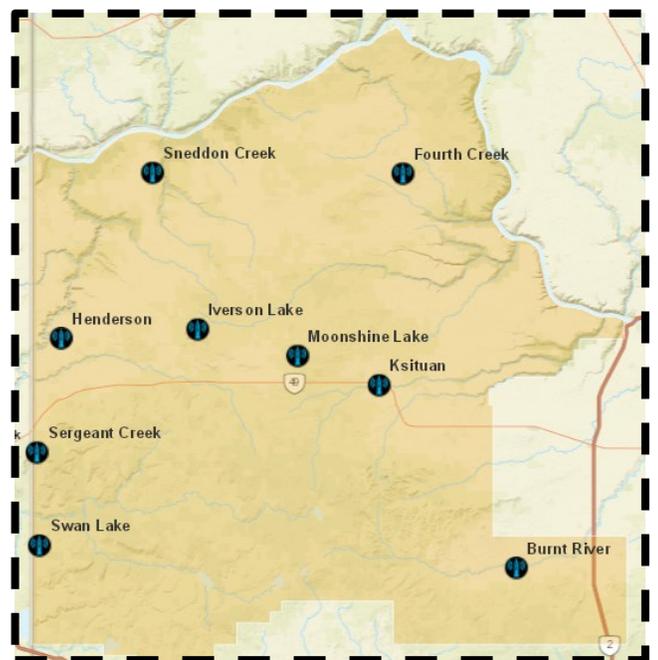


INFORMATION TECHNOLOGY (IT)

The IT department is responsible for computer systems, photocopiers, mobile devices, audio/visual equipment and much more. IT has become a major service, not only to administrative personnel, but to ratepayers with added services to existing and future projects such as: G5 initiatives, Water Treatment Plants and the Utility Communications Network (UCN).

UTILITY COMMUNICATIONS NETWORK (UCN)

The UCN (i.e. communications towers) consists of nine towers providing capital infrastructure for wireless service providers to lease space in order to install their equipment and offer their services. The County has also partnered with TELUS to build the Silver Valley TELUS Tower in order to increase services to our residents and industry with better mobility coverage and more options for rural internet services.



Utility Communication Network (UCN) sites.



2017 Activity Highlights

Community & Protective Services



Future site of Woking Fire Hall

CENTRAL PEACE – REGIONAL EMERGENCY MANAGEMENT (CP-REM)

The new Regional Emergency Plan was introduced and implemented in 2017. The new plan is based on the Incident Command System (ICS) which is being adopted by Emergency Management Agencies across Canada. This plan is part of a Regional Emergency Management Program that allows the 5 Central Peace Municipalities to respond as a single organization in the event of an Emergency or Disaster.

All residents are encouraged to “Know the risks; Make a plan; and Get an emergency kit”.



SAVANNA & WOKING FIRE HALL SITES

Sites were chosen for the replacement of Savanna and Woking Fire Halls.

The sites were acquired; site sub-grade work was completed, along with building design and engineering.

RECREATION REVIEW AND RECREATION PLAN

the Recreation Review was completed in 2017 and a Recreation Plan was accepted by Council.

The 11 recommendations in the Recreation Plan serve as a guideline for Council and staff when making decisions about recreation programs and facilities within the County.

As a result of these recommendations, Feasibility Studies were conducted for 3 proposed facilities. Two of these projects will subsequently receive financial support from the County.



Another positive result of the Recreation Plan has been the training of a Certified Playground Inspector. This person will ensure that playgrounds belonging to the County are inspected on an annual basis and that any safety concerns identified are corrected. This inspection service is available to all community groups with playgrounds in the County.

2017 Activity Highlights

Community & Protective Services

COMMUNITY PEACE OFFICER

2017 was the first full year of operation for the Saddle Hills County Enforcement Program. The program continues to have an emphasis on safety and education before enforcement. A great deal of energy has been spent on informing residents about the Enforcement Program and educating offenders.

The Community Peace Officer continues to focus on a Compliance Assurance Program which is achieved through education and explaining to residents, landowners and others what is expected of them through visits to:

- Schools
- Community events
- Campgrounds
- Roadside meetings

PEACE OFFICER ACTIVITY — 2017	
Type of Incident	# of Occurrences
NO DRIVER'S LICENCE	6
DRIVE UNINSURED ON HIGHWAY	7
EXCEED SPEED IN SCHOOL ZONE	23
COMMERCIAL FAIL STOP AT STOP SIGN	20
COMMERCIAL EXCEED 17,000 KG LOCAL RD	15
EXCEED POSTED SPEED HIGHWAY	137
EXCEED 4 METER REAR OVERHANG	2
EXCEED POSTED SPEED WOKING	29
TRESPASS ON PRIVATE LAND	4
UNAUTHORIZED OPERATORATION OF OFF HIGHWAY VEHICLE	4
ABANDONED/SEIZED VEHICLE	3
COMMERCIAL EXCEED 2.6 METER WIDTH	2
OPERATE WITHOUT LICENCE PLATE	1
UNAUTHORIZED OPERATION CONST. EQUIP	4
TRESPASS ON PREMISES	4
UNDUE CARE AND ATTENTION	2
STRAY ANIMALS AT LARGE	3
FAIL TO POST PROPER SIGNAGE OVER BAIT	1
FORM 7 ENDORSED WARRANT FOR ARREST	1
UNAUTHORIZED BURN WITHOUT PERMIT	1
UNLAWFUL CONSUMPTION OF LIQUOR	1
EXCEED POSTED SPEED LOCAL CONST. ZONE	6
SPECIAL EVENTS	7
BREAK ENTER THEFT LIQUOR AND MONEY	3
ALLOW ANIMALS TO BE IN DISTRESS	1
ILLEGAL PARKING LOCAL ROADWAY	2
LITTER ON LOCAL ROAD	2
EXCEED 80 KILOMETERS	3
UNSECURED LOAD	2
IMROPER DISPOSAL	3
INSURANCE	3
FAIL TO STOP	2
FAIL CARRY DOCUMENTS	4

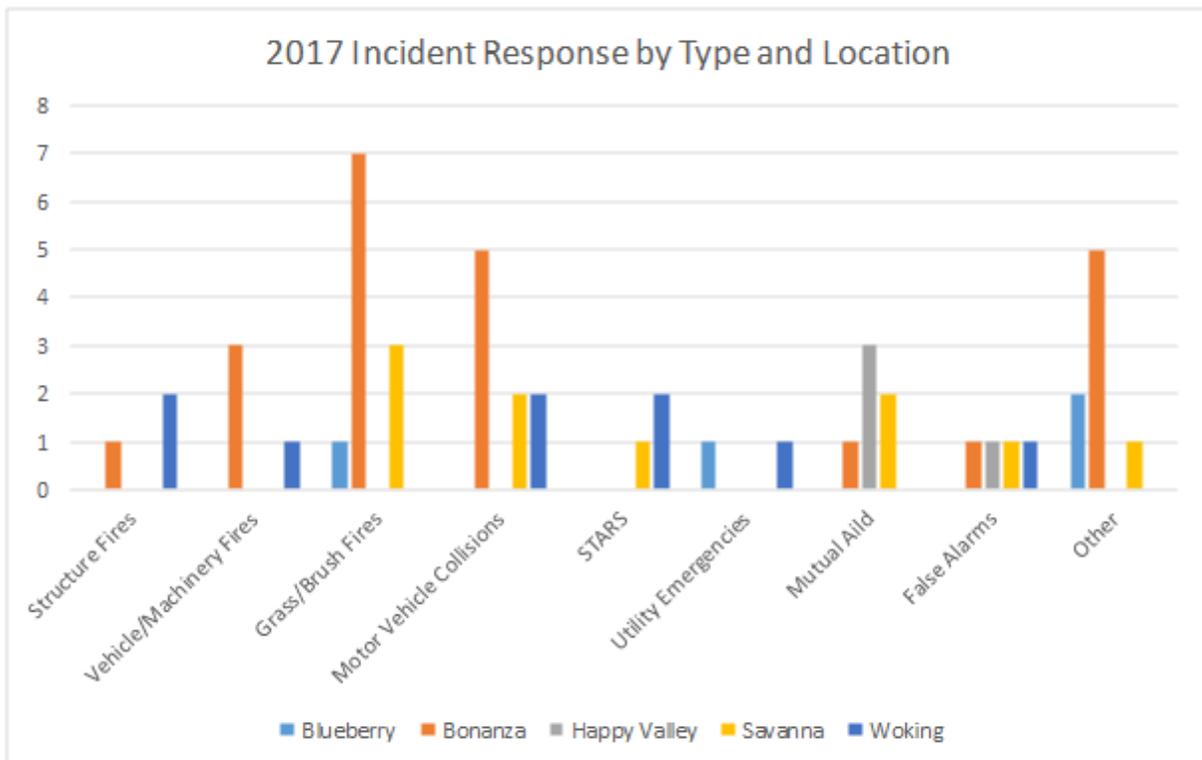




2017 Activity Highlights Community & Protective Services

DETAILED INCIDENT RESPONSE STATISTICS

INCIDENT TYPE	BLUEBERRY	BONANZA	HAPPY VALLEY	SAVANNA	WOKING	TOTAL
STRUCTURE FIRES	-	1	-	-	2	3
VEHICLE/MACHINERY FIRES	-	3	-	-	1	4
GRASS/BRUSH FIRES	1	7	-	3	-	11
MOTOR VEHICLE COLLISIONS	-	5	-	2	2	9
DANGEROUS GOODS	-	-	-	-	-	-
STARS	-	-	-	1	2	3
UTILITY EMERGENCIES	1	-	-	-	1	2
MUTUAL AID	-	1	3	2	-	6
FALSE ALARMS	-	1	1	1	1	4
OTHER	2	5	-	1	-	8
TOTAL	4	23	4	10	9	50



2017 Activity Highlights

Community & Economic Development

FAMILY & COMMUNITY SUPPORT SERVICES (FCSS)

Family and Community Support Services (FCSS) is a unique 80/20 funding partnership between the Government of Alberta and participating municipalities. In 2017, the FCSS Program received \$72,661 in provincial funds and Saddle Hills County contributed 20% as required for the municipal funding.



The FCSS Regulation sets out the service requirements that a municipality must meet to be eligible for funding. The Regulation states: “Services under a program must be of a preventive nature that enhances the social well-being of individuals and families through promotion or intervention strategies provided at the earliest opportunity.” The Regulation also states: “Services under a program must do one or more of the following:

- help people to develop independence, strengthen coping skills and become more resistant to crisis;
- help people to develop an awareness of social needs;
- help people to develop interpersonal and group skills which enhance constructive relationships among people;
- help people and communities to assume responsibility for decisions and actions which affect them; provide supports that help sustain people as active participants in the community.”

The County splits up their funding to help youth, adults, families, seniors, and the community as described below:

Youth:

The County uses the FCSS funding for children and youth within the following programs.

- The Peace Wapiti School Liaison Program that provides essential supports for all students at the three schools within the County.
- Three preschools (Bonanza, Savanna and Woking).
- St. John’s Babysitting Basics course for 13 Savanna students.
- School presentations (self-esteem, bullying).
- Trip to the Royal Canadian Circus for 75 students from Bonanza and Savanna Schools.
- Woking Snow Angels program.
- Teen Wellness Fair attended by 120 grade 7-9 Central Peace students.

Adults:

The County assists residents in finding resources and supports that meet their individual needs. The County also hosts an annual Women’s Day event at Bonanza Hall to celebrate women.

Seniors:

Provided funding to Fourth Creek Community Association for their Seniors Lunch Program which is part of their Community Engagement Programming. Provided funding to Gordondale Community Hall for their Seniors Strawberry Tea which was attended by more than 60 seniors, and this program is part of their Community Engagement Programming.



2017 Activity Highlights

Community & Economic Development

Families:

There are a many different organizations that are provided external funding through the FCSS grant to facilitate the following programs:

- Positive Discipline Parenting Workshop at Savanna School facilitated by the Grande Prairie YMCA.
- Central Peace Early Childhood Coalition STEAMbox program.
 - STEAMbox encourages and guides parents to engage in meaningful, mindful and intentional play at an early and critical period in children's lives. STEAMbox kits are distributed in partnership with local libraries.
- Saddle Hills County has partnered with Central Peace FCSS to coordinate the annual Christmas Hamper Program and delivered these hampers to County residents in need.

Community:

The County has provided external funding to the Fourth Creek Community Association and Gordondale Community Hall for their Community Engagement Programming that includes:

- Fourth Creek Community Kitchen
- Fourth Creek Fitness Classes
- Fourth Creek Drop-in quilting and craft times
- Gordondale Seniors Strawberry Tea
- Gordondale Christmas Potluck & Bingo
- Gordondale Family Engagement Nights

SADDLE HILLS COUNTY NON-PROFIT SESSIONS

Saddle Hills County coordinated 3 non-profit development sessions in fall of 2017, with 6 additional sessions to be provided in 2018. These sessions were facilitated by Alberta Culture and Tourism and Community Futures Grande Prairie, and the attendance varied from 5 to 20 participants. These sessions helped strengthen our local non-profits so that they are better able to carry out the good work they do within the County.

COMPUTER TRAINING SESSIONS

Saddle Hills County has partnered with Fourth Creek Community Association to provide monthly computer training sessions on the last Tuesday of each month. The County initially partnered with Peace Region Internet Society (PRIS) to provide this computer training service for the our residents. Later in the year, the Fourth Creek Community Association partnered with the County to continue these sessions to our residents. The County has been very grateful for the partnership between the Fourth Creek Community Association to ensure everyone has the opportunity to learn.

HOME SUPPORT SERVICES PROGRAM

In October 2017, Saddle Hills County implemented *Policy CD01 Home Support Services Program*. This program is available to seniors, adults and families who may be recovering from treatment, illness, surgery, dealing with loss or grief of a loved one, or experiencing complications or difficulty coping. This Home Support Services Program is based on income and utilizes a sliding scale for fees, with invoicing to the client completed on a monthly basis.



2017 Activity Highlights Community & Economic Development

CHILDCARE SUBSIDY PROGRAM

Since 2014, Saddle Hills County has offered a unique Childcare Subsidy Program to residents and non-resident employees of Saddle Hills County. The purpose of this program is to assist Saddle Hill County residents in obtaining affordable child care services so residents are able to obtain employment.

This program is available to families that have children under six years old, who are self-employed business owners (home-based, commercial or farm families), and those who are employed or are attending a post-secondary institution full-time. Applicants can apply to receive the Childcare Subsidy for medical reasons if they supply the County with supporting documentation.

HAMLET OF WOKING—HOUSING & LOT DEVELOPMENT

The County had previously entered into an agreement with Jandel Homes to encourage development and, as a result, additional lots were subdivided and developed in 2016. The Agreement with Jandel Homes expired in 2017 and was not renewed. In November 2017, Council decided to consolidate County owned lots in Woking and place them up for sale. Council also decided to retain lot 24 for the County’s future use and complete required drainage elevation works on other lots in Woking. Jandel Homes has been granted first right of refusal on the sale of County owned lots until December 31, 2018.

YOUTH ENTREPRENEURSHIP SESSIONS

Saddle Hills County coordinated facilitators from Community Futures Grande Prairie and Agriculture Financial Services Corporation (AFSC) Spirit River office to provide information on the following topics to students at Savanna School:

What is Entrepreneurship? Are you an entrepreneur?

Business ideas	Business planning	Starting a business	Marketing your business
<ul style="list-style-type: none"> • Generating business ideas • Understanding gaps • Following your passion 	<ul style="list-style-type: none"> • How to write a plan, Vision, Mission • Market research 	<ul style="list-style-type: none"> • How to get started • Financing • Operations 	<ul style="list-style-type: none"> • Marketing your business • Methods and tools • Social media

RURAL VENTURES CO-OPERATIVE

The County received Community and Regional Economic Support (CARES) funding for a feasibility study into a rural ventures cooperative. This feasibility study was completed in 2017 by Community Futures Grande Prairie and provided valuable information on opportunities available within the County and strategies that could be developed. The final report was accepted for information by Council in 2018.



2017 Activity Highlights Agricultural Services Board (ASB)

OUTREACH & EXTENSION SERVICES

The Board works closely with the Peace Country Beef & Forage Association (PCBFA) to promote extension services in the County. Collaboration has been important with other not for profit invasive species organizations to facilitate an oil and gas best practices guide for Alberta which focuses on Clubroot.

PEST INSPECTIONS

Virulent Blackleg and Clubroot were inspected for in 25 canola fields with 1 in the Happy Valley area testing positive for Virulent Blackleg, no Clubroot was found in the County; but Clubroot was confirmed in several fields in the Big Lakes and the MD of Greenview No. 16. There were 25 wheat samples taken for Fusarium Graminearum testing with 3 positive hits, one of which was previously located by Alberta Agriculture in 2016.

PEST NOTICES

Thousands of dirty rig mats were being cleaned at a location north of the Bonanza Store. In order to mitigate the threat of Clubroot in Saddle Hills County, 38 truckloads of mineral soil debris were hauled to the secure landfill site and buried under two meters of fill.

HERBICIDE APPLICATION

Blanket roadside spraying occurred on 1,143 kilometers of roadside in 2017 compared to 562 kilometers of roadside being treated in 2016.



WEED INSPECTIONS

In 2017, there were 7 seasonal employees appointed as weed inspectors, 406 weed inspections were completed in the County. Out of those inspections, 119 of those reported noxious or prohibited noxious weeds. Absinth Wormwood, a early detection rapid response (EDRR) species, was found in the County and was treated. Follow up to these inspections will be completed in 2018.

On May 26, 2017 Saddle Hills County hosted Authorized Assistant Training with Clear Hills and Big Lakes County sending their weed inspectors for the day.

WEED NOTICES

There were 42 quarters received weed notices in 2017. A handful of them had weed notices issued to the land owner and the occupant which resulted in over 50 weed notices being issued. The plants associated were scentless chamomile, orange hawkweed and burdock. As a comparison, 5 weed notices were issued in 2016 and 1 was issued in 2015. Enforcement action was required in several areas of the County.

The County was able to communicate with ratepayers quite extensively. The ASB staff addressed inquiries and reports of issues within the County on a day-to-day basis. Increased awareness of all programs had decreased the number of weed complaints at the municipal level from 58 to 42. A new "Agriculture" section was developed on the website which speaks to our program areas and provides pertinent information to our Ratepayers.



ASB seasonal staff attending a parade to promote "Destroy Daisies" which is an initiative that promotes the eradication of scentless chamomile in the County.

2017 Activity Highlights

Agricultural Services Board (ASB)

LIVESTOCK

In 2017, two Livestock production courses were held and 17 people attended. There was also a significant uptake of the Veterinary Services Incorporated (VSI) program in 2017 with 15 new applications. As part of the VSI program, the Manager of Rural Development was involved with 3 vet visits in both Fairview and Dawson Creek. The Livestock Protection manual has been updated and is now available on the County's website.

ROADSIDE MOWING

All County rights of way were mowed through a contract which began on July 17, 2017 in the West ½ of the County and was completed on August 23, 2017. County infrastructure, such as tower sites, fire halls and transfer stations were also mowed by the contractor or completed in house.

LANDSCAPING

At the County Complex, there were several deciduous trees planted as well as perennials within the newly built flower beds. Haskap shrubs were ordered to be placed near the flag poles on the east side of the County Complex.

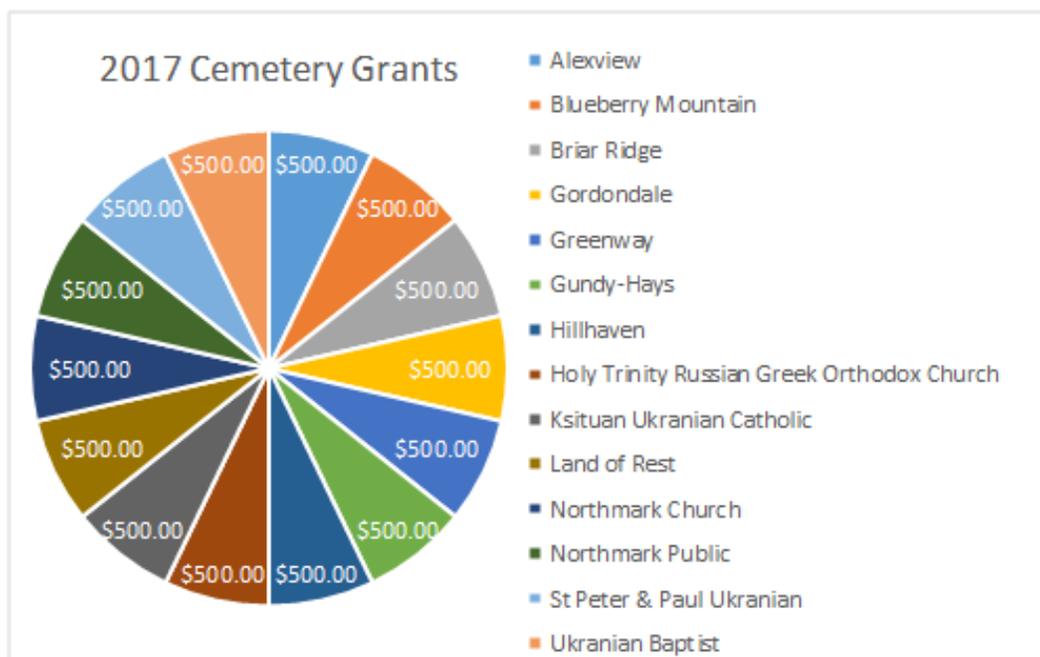
Council also requested that the Saddle Hills County signs receive a beautification treatment. Each of the 4 Saddle Hills County signs had "Welcome To" added to them; as well as landscaping bricks and perennials added to the bases of the signs in order to create a more welcoming aesthetic sign for folks entering and leaving the County.



For more information please contact our Agricultural Coordinator at the County office at (780) 864-3760 or visit the Alberta Agricultural and Forestry website for the Agricultural Pests Act, Soil Conservation Act, Weed Control Act & Regulations as well as the Alberta Invasive Plant Identification Guide.



PROGRAM & ACTIVITY GRANTS	AMOUNT
Groove Fitness	\$ 2,098
Goodwill Quilters	\$ 2,500
Fourth Creek Fitness / Spirit River Active Aging	\$ 1,000
Savanna School Snack Committee	\$ 2,000
Savanna School Grade 7/8 Edmonton Class Trip	\$ 3,000
Spirit River Regional Academy – Grade 6 Class Trip	\$ 3,000
Savanna Creations	\$ 25,000
Spirit Arts Dance Society	\$ 5,000
Ste. Marie School	\$ 20,000
Town of Spirit River (1)	\$ 1,500
Town of Spirit River (2)	\$ 1,623
Bonanza & District Agricultural Society	\$ 3,195
Gordondale Community Club	\$ 1,300
Kinette Club of Spirit River	\$ 5,000
Rycroft Municipal Library	\$ 1,200
Savanna Minor Hockey	\$ 4,000
Spirit River Seawolves Swim Club	\$ 7,500
Woking Communities in Bloom	\$ 10,000
TOTAL	\$ 98,916



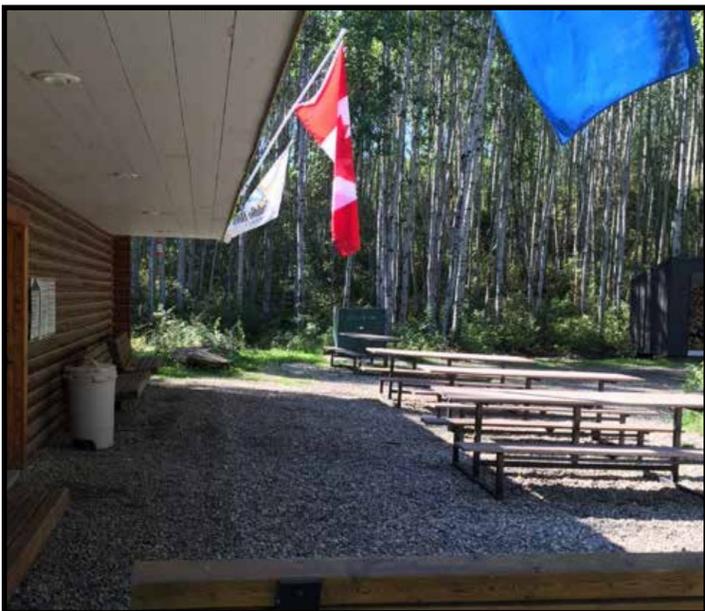


2017 Community Grants

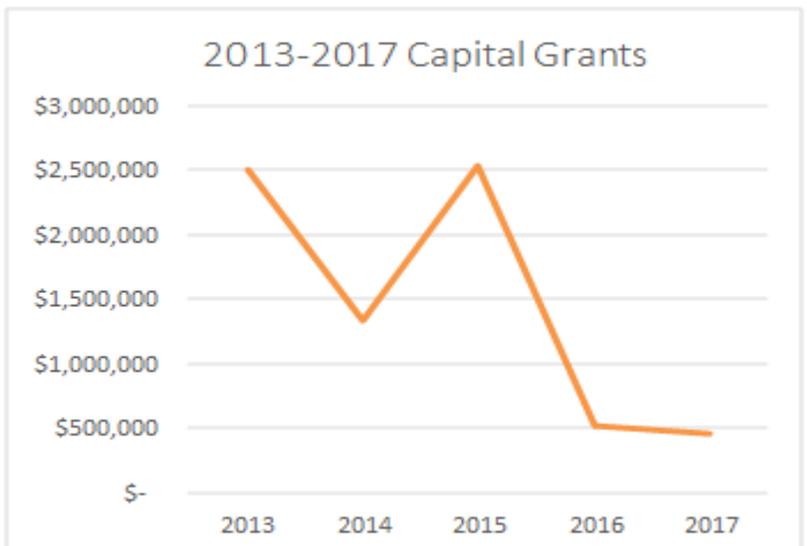
OPERATING GRANTS	AMOUNT
Woking Skating Rink Association	\$ 2,443
Bay Tree Community Park Association	\$ 383
Blueberry Mountain Goodwill Society	\$ 14,775
Bonanza & District Agricultural Society	\$ 28,875
Cotillion Butte Recreation Society	\$ 7,010
Fourth Creek Community Association	\$ 6,017
Gordondale Community Club	\$ 5,786
Gundy Community Rec Society	\$ 4,875
Savanna Agricultural Society	\$ 40,275
Silvery Valley Community Club	\$ 4,275
Westmark Farmer's League	\$ 5,565
Woking Willing Workers	\$ 5,663
Happy Hour Club of Spirit River	\$ 2,000
Rycroft Agricultural Society	\$ 10,000
Rycroft Arena Fundraising Board	\$ 10,000
Spirit River Settlement Historical Society	\$ 2,000
Town of Spirit River	\$ 44,300
Friends of Rycroft Community Hall Association	\$ 6,000
Rycroft Merry Pioneers	\$ 2,000
TOTAL	\$ 202,242



CAPITAL GRANTS	AMOUNT
Town of Spirit River	\$ 3,561
Silver Valley Community	\$ 4,500
Mile Zero Roping Club	\$ 4,500
St. Peter & Paul Ukrainian Orthodox Church	\$ 4,960
Bay Tree Community Recreation Society	\$ 6,000
Gundy Community Recreation Society	\$ 11,660
Woking Willing Workers	\$ 14,950
Bonanza Bring It Society (up to)	\$ 20,000
Spirit River Settlement Historical Society	\$ 25,000
Westmark Farmer's League	\$ 50,000
Savanna Agricultural Society	\$ 50,000
Rycroft Ag Society	\$ 30,000
Gordondale Community Hall (up to)	\$ 20,000
Bonanza & District Agricultural Society	\$ 75,000
Fourth Creek Community Hall (up to)	\$ 50,000
Saddle Hills County (equestrian study) (up to)	\$ 50,000
Blueberry Mountain Goodwill Society	\$ 35,000
TOTAL	\$ 455,131



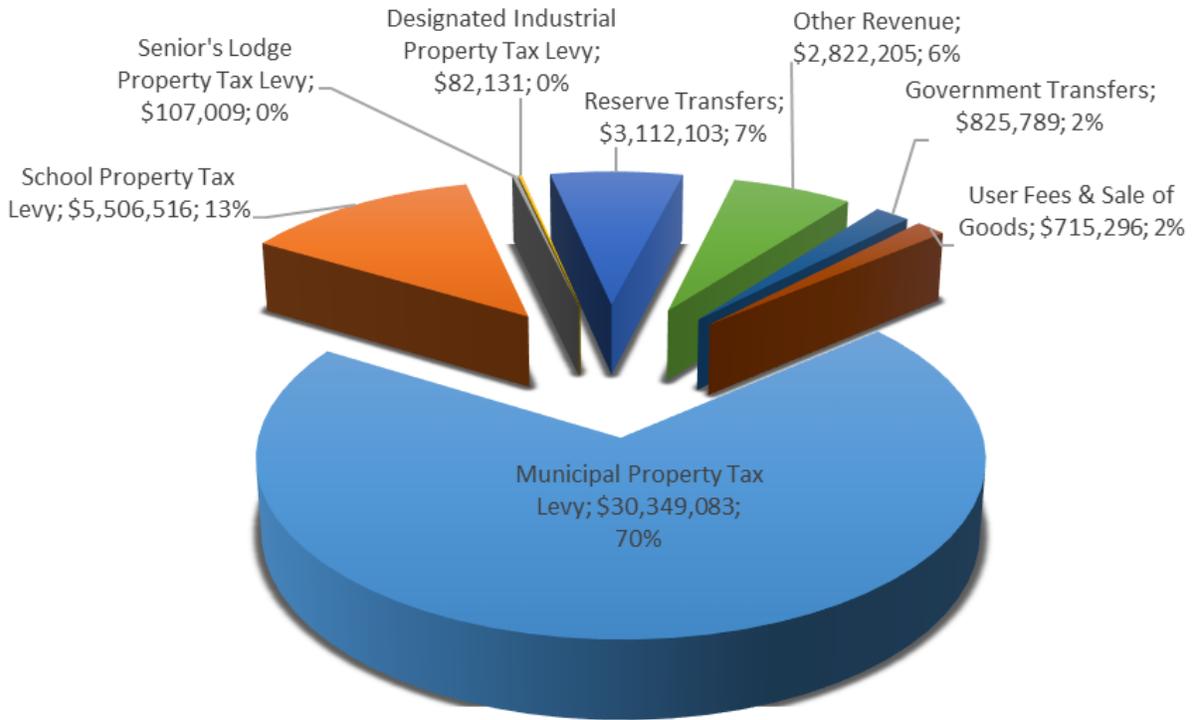
Cotillion Campground & Park



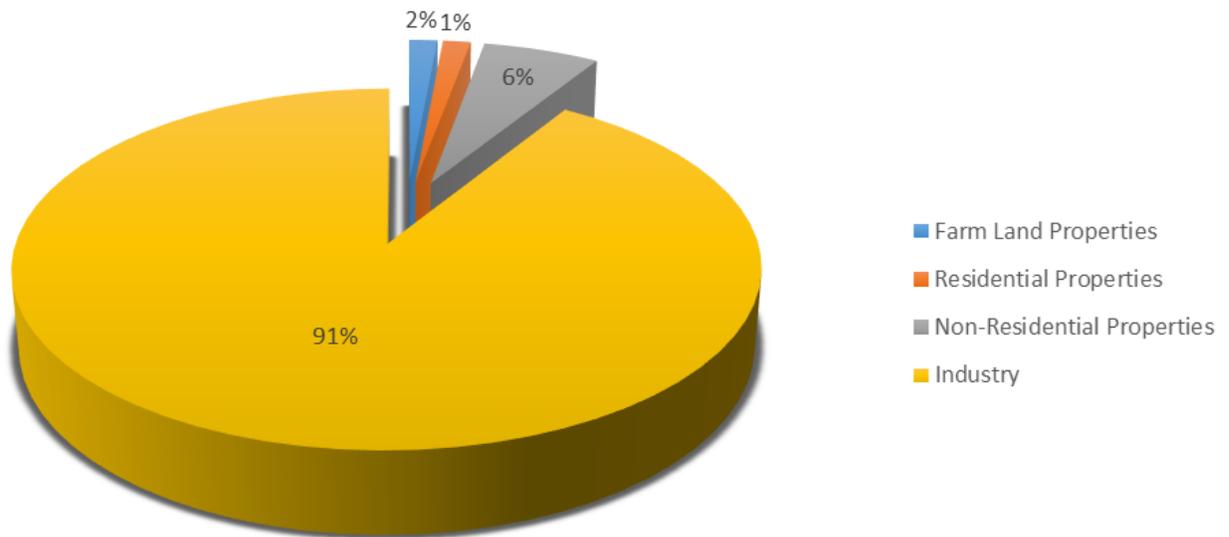


2018 Budget Highlights

2018 Operating Revenue (\$43,520,132)



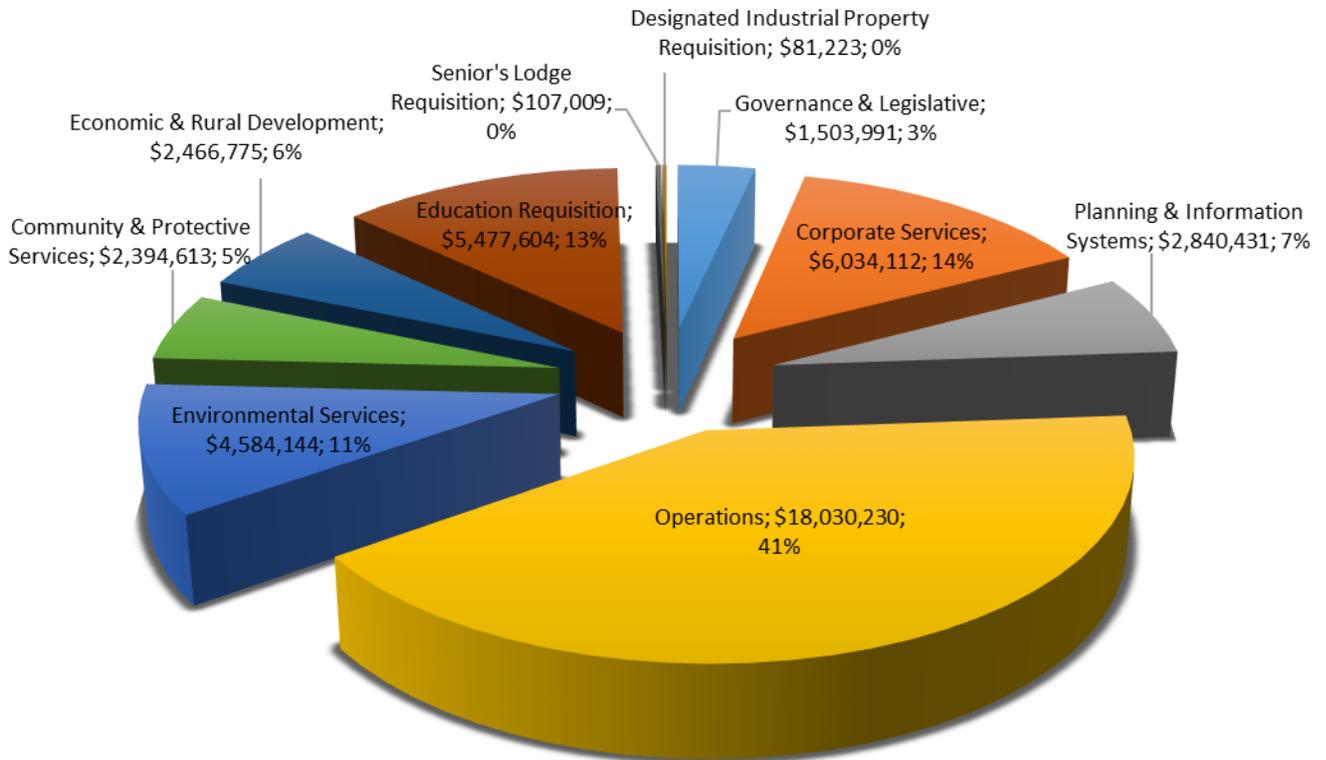
2018 Municipal Property Tax Revenue (\$30,848,240)



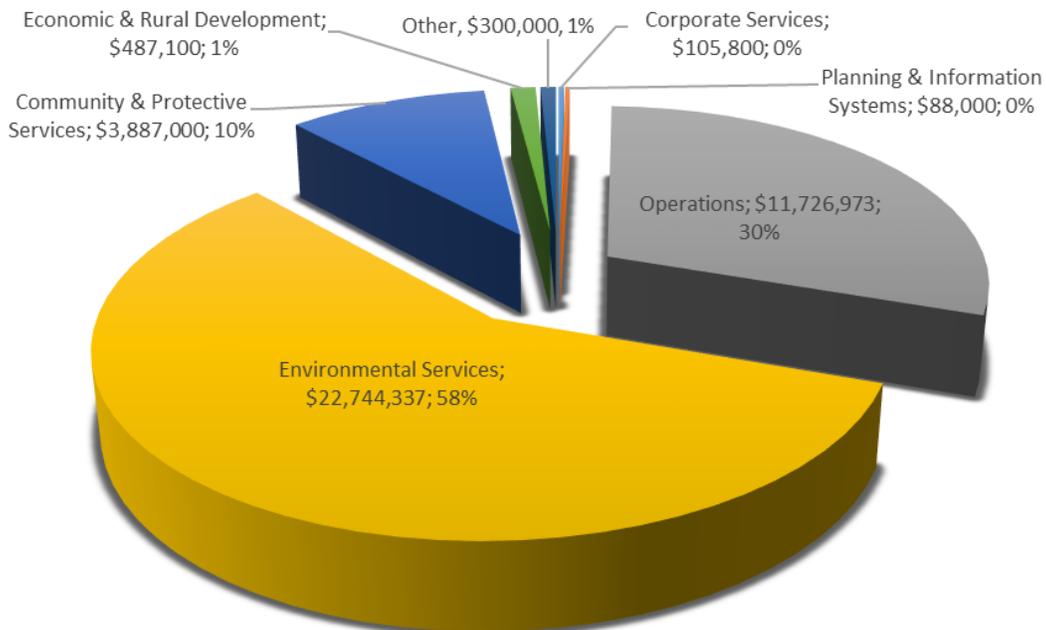


2018 Budget Highlights

2018 Operating Expenses (\$43,520,132)



2018 Capital Projects Budget (\$39,339,210)





2018 Capital Budget

TOTAL	\$ 39,339,210
Administration	\$ 261,300
Irrigation & Landscaping at Complex	\$ 160,000
Server Room A/C	\$ 6,500
Staff Lunchroom Improvements	\$ 24,000
Custom Parade Trailer	\$ 15,800
Ford Expedition Eddie Bauer	\$ 55,000
Medical Services	\$ 300,000
G5 Medical Clinic	\$ 300,000
Protective Services	\$ 3,287,000
Fire Hall – Woking	\$ 321,000
Fire Hall – Savanna	\$ 332,000
Savanna Fire Hall Construction	\$ 2,520,000
AFRRCS Network Improvements	\$ 101,000
Air Lifting Bags	\$ 6,000
Portable Fire Pump	\$ 7,000
Recreation	\$ 569,500
Peace River - Boat Launch	\$ 50,000
Cotillion Park - Power Line	\$ 350,000
Cotillion Park – Expansion	\$ 50,000
Hilltop Lake Playground Replacement	\$ 55,000
Woking Playground Replacement	\$ 64,500
Assessment	\$ 35,000
Jeep Wrangler Replacement	\$ 35,000
Information Technology	\$ 88,000
SRV Host 2 (Server Replacement)	\$ 20,000
SRV Host 2 (Server Replacement)	\$ 25,000
Backup system	\$ 33,000
Records Management	\$ 10,000



2018 Capital Budget

Water		\$ 19,331,783
Bonanza & Ksituan Water Treatment Plants		\$ 191,443
Reservoir & WTP Improvements – Bonanza		\$ 639,591
Reservoir & WTP Improvements – Ksituan		\$ 444,591
Gravel around dugout & landscaping – Bonanza		\$ 100,000
Gravel around dugout & landscaping – Ksituan		\$ 100,000
Concrete around Bonanza WTP		\$ 40,000
Concrete around Ksituan WTP and truck fill		\$ 40,000
WTP Upgrade and Clear Well Expansion - Woking		\$ 1,556,000
Pump and accessories		\$ 80,000
Savanna Water Project		\$ 12,750,000
Potential Rural Potable Waterline Bay tree to Bonanza Project		\$ 3,132,158
GMC 2500 Sierra Replacement		\$ 40,000
Cement Pad for Truck Fill Ksituan		\$ 100,000
Line Locator		\$ 20,000
Woking WTP FOB System		\$ 80,000
Water Valve (C.I.B)		\$ 8,000
Bonanza & Ksituan WTP Straddle Stacker		\$ 10,000
Economic Development		\$ 50,000
Woking Development Project		\$ 50,000
Solid Waste & Sewage		\$ 3,412,554
Sanitary Sewage Lift Station Upgrade – Woking		\$ 502,980
Sewage Lagoon (engineering)		\$ 100,199
Blueberry Landfill (construction)		\$ 2,200,000
Blueberry Landfill (engineering)		\$ 205,040
Transfer Station Upgrades		\$ 173,812
Bonanza Transfer Station Utility Vehicle		\$ 14,000
Gundy Transfer Station Improvements		\$ 165,000
Woking Oil Recycling		\$ 30,000
Woking Transfer Station - Tire Storage		\$ 21,523
Engineering & Infrastructure		\$11,726,973
Gravel/Plow Truck		\$ 239,850
Sander, Wing Plow		\$ 73,000
Gravel Pup		\$ 38,500
Tridem		\$ 38,500



Engineering & Infrastructure (continued)

Gravel Pup	\$ 38,500
Lowboy	\$ 95,000
BF #75359, SW 6-81-11-W6	\$ 384,557
BF #71657, Engineering Design Only SW 11-80-8-W6	\$ 288,837
BF #77071, Engineering Design Only SW 30-79-7-W6	\$ 526,822
Henderson Creek Road Re-alignment	\$ 100,000
BF #77763, NW 8-83-9-W6	\$ 22,687
BF #09510, Engineering Design Only SE 36-76-13-W6	\$ 100,000
TWP 822	\$ 90,318
Gundy Connector Study	\$ 112,066
GMC 2500 Sierra Replacement	\$ 40,000
GMC 2500 Sierra Replacement	\$ 40,000
CAT Grader 140M2 AWD Replacement (upgrade)	\$ 514,206
CAT Grader 140M2 AWD Replacement	\$ 471,891
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Freightliner Cab/Chassis 1145D Insurance Replacement	\$ 149,100
Brushing Head for Excavator	\$ 75,000
RR 72 Upgrade – Engineering	\$ 130,000
Tandem Axle 20' Trailer	\$ 9,000
Water Tanker Trailer Replacement	\$ 50,000
Tri Axle Single Wheel Trailer Replacement	\$ 21,000
16 FT Enclosed Trailer w/ Steamer	\$ 40,000
BF #74437	\$ 790,000
BF #78845	\$ 375,000
BF #86168	\$ 280,000
Blade for Skid Steer	\$ 5,500
Broom for Skid Steer	\$ 7,000
Chuck Blade for Mini Hoe	\$ 7,000
RR 102 Upgrading	\$ 627,000
RR 102 Paving	\$ 1,192,000
RR 134 Upgrade	\$ 1,783,000
Mack Cab/Chassis Replacement	\$ 155,260



2018 Capital Budget

Engineering & Infrastructure (continued)

Wobbly Packer	\$	15,312
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Grader Windrow Eliminator	\$	26,000
Snow Gate	\$	20,000
Road Construction - NE 17-79-9-W6	\$	85,000
Road Construction - NE 1/2 -19-82-7-W6	\$	90,000
Tri Axle Gravel Truck Replacement	\$	205,300

Agriculture

\$ 277,100

Ford F250 Longbox Replacement	\$	45,000
Ford F250 Longbox Replacement	\$	45,000
GMC 2500 Sierra Replacement	\$	40,000
Sprayer Replacement	\$	50,000
Dodge/5500 Cab Chassis (Spray Truck)	\$	70,000
C-Can	\$	5,000
Quad with Winch	\$	12,600
Zero Turn Mower	\$	9,500

*Please note that some projects may be contingent on a provincial grant approval.

Contact Information

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For more information on County projects and programs visit our website at:

www.saddlehills.ab.ca



Saddle Hills County Staff

Spring 2017