

2023



ANNUAL REPORT



Saddle Hills
COUNTY





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2023 REEVE & COUNCIL



2023 set the groundwork for so many of the exciting and groundbreaking initiatives we've seen come to fruition in 2024. We continue to be focused on providing the highest levels of service and the maintenance and growth of community infrastructure, and strive to not only meet but beat resident's expectations as we continue into the future.

We hired Nurse Practitioner, Palvi Sharma, in August, and began to work on the new Saddle Hills County Health Clinic, a project that we have been passionately pursuing for many years. We also continued with the Rural Potable Water Project in the County, hooking up 150 residents to reliable, potable water by the end of 2023.

2023 was a big year for community strength and resiliency. The wildfires experienced in the County highlighted not just the strength of our residents but the resiliency of our community. We saw residents come together in waves to provide support to firefighting efforts, from catering, to equipment, morale building, and much more. It was truly heartwarming to see and we cannot thank you enough.

The County also hosted a variety of community events last year, including the annual Volunteer Appreciation and Community BBQs, as well as the return of the Christmas at the County event and the new Photo Contest Reception. My fellow Councillors and I look forward to these opportunities to meet and connect with residents and discuss the issues most important to them.

In the spirit of community, it is worth noting that a record number of Bursary Applications were received last year, with 12 students receiving funds towards their studies. I know I am not alone in saying, it is exciting to see so many young people pursuing higher education with the goal of enhancing our Peace Region community.

We cannot wait to see what the future has to hold for them and all the residents of Saddle Hills County.



WARD 1 | DANNY ROY, COUNCILLOR

Danny was born and raised in Gordondale on a small, family grain farm. He worked in the oil and gas industry for 25 years, before taking a break to spend time growing his own farm. Danny and his wife, Bev, have enjoyed raising their two children in Saddle Hills County, both of whom have settled, and work, in the Peace Country.



WARD 2 | ALVIN HUBERT, REEVE

Alvin and his wife Janet moved to Saddle Hills County in the early 1980s, where they established a grain farm in the Cotillion area and raised their four children. The family is actively involved in the community, participating in various clubs and events. Alvin has served on council for over a decade and continues to enjoy giving back to the community.



WARD 3 | KRISTEN SMITH, DEPUTY REEVE

Kristen was raised in Fourth Creek on her parents' operation before building a farmstead in Silver Valley with her husband, where they are raising their four children. She previously worked as an assessor for the County and is proud to use her knowledge and long history of volunteer service to serve her ward and the County as a whole.



WARD 4 | ED ARMAGOST, COUNCILLOR

Ed and his family conduct a mixed farm and ranch operation on the same land his parents built their homestead in 1964. Public service is an important part of community life to Ed. He has served as Chief of the Savanna Fire department, the President of the Savanna Ag Society, and as both a member and Chair of the County's Agricultural Service Board.



WARD 5 | WILLIS FITZSIMMONS, COUNCILLOR

Willis and his family moved to Blueberry Mountain in 1976 where they developed the family farm and where their children have raised their own families. Family gatherings at the farm are tradition and Willis and Debbie take pride in making their home a place where can come, relax and enjoy making wonderful memories to cherish.



WARD 6 | GERRY RICHARD, COUNCILLOR

Gerry was born, raised, and has lived in Saddle Hills County his whole life. He began his career in the oil patch before running his own drilling company for 30 years. Alongside his wife Val, he has raised three sons here and together they run White Mountain Wapiti Ranch, a grain farming operation, Pedigree Seed Grower, and Certified Domestic Elk Farm.



WARD 7 | DON HOFFART, COUNCILLOR

Don was born and raised on a cattle and grain farm in Southern Saskatchewan, before moving to Alberta in 1980. He moved into the Westmark area in 2008, after meeting his wife Maureen, where he worked until retirement in 2021. Don and Maureen enjoy spending time with their children and grandchildren.



OUR ORGANIZATION

Saddle Hills County is committed to being a transparent and accountable government. We commit to perform our duties diligently while working towards the best outcome for our ratepayers. We will continue providing regular updates by reporting to our ratepayers through the Saddle Hills County Annual Report, the County Living Newsletter, and on the County website.



Saddle Hills County Council is responsible for providing high quality and accountable government to the residents and ratepayers of the County. Council works closely with the Chief Administrative Officer (CAO) and Administration staff to serve the community.



The CAO is Council’s only employee and is responsible for hiring and managing Administrative Staff to carry out the responsibilities of the County and tasks set by Council.

Each department is responsible for a variety of tasks and services within the organization. A full breakdown of the organization and employees can be found on our website, at saddlehills.ab.ca/staff

**AGRICULTURAL SERVICES**

Agriculture, Veterinary Services, Roadside Maintenance, Facilities Maintenance (Grounds), Weed & Pest Control

**COMMUNICATIONS & INTER-MUNICIPAL RELATIONSHIPS**

Communications & Social Media, Website, Annual Report, Public Consultation & Engagement, Inter-municipal Communications, Promotional Materials, Media Relations, Emergency Communications

**CORPORATE SERVICES**

Finance, Budget, Insurance/Asset Management, Human Resources, Grants, Assessment, Project Development, Records Management, FCSS

**LEGISLATIVE SERVICES**

Council & CAO Support, Legislative Services, SDAB & ARB Clerk, FOIP, Policies & Bylaws, Local Government Elections

**INFORMATION TECHNOLOGY**

Information Technology, Utility Communications Network

**OPERATIONS**

Roads & Bridges, Aggregate, Fleet Management, Water Treatment Plants, Rural Water, Wastewater, Solid Waste, GIS, Project Development

**PLANNING & DEVELOPMENT**

Development Permits, Subdivision Applications, Rezoning Applications, Road Lease, Licensing and Sale Applications, Rural Addressing, Land Use Bylaw Compliance & Enforcement

**PROTECTIVE SERVICES**

Fire Services, Enforcement, Facilities Maintenance (excluding Grounds), Regional Emergency Management, Campgrounds, Safety

BOARDS & COMMITTEES

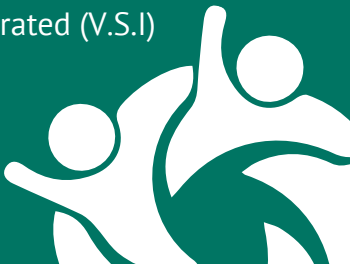
Boards and committees are created to deal with specific issues in the community. They learn about current problems, develop solutions, and make recommendations to Council. Most of our committees are made up of at least one Councillor and several knowledgeable residents of the County.

Public involvement in the issues facing the County is an important part of Council’s governance model and helps us to build and maintain a strong and healthy community. Members of the public interested in getting involved, can complete an Application for Member-at-Large position either online or at the County Administration Building. Full descriptions of all committees and members can be found online, at saddlehills.ab.ca/boards

EXTERNAL

Saddle Hills County Council are sometimes also invited to set as Board Members on external committees. These committees are created by government organizations, interest groups, and non-profits and focus on specific areas of interest in the region. Councillors participate in these committees and then bring their findings back to share with Council as a whole to stay informed on the challenges facing our region and the solutions and ideas being shared.

- CANFOR Grande Prairie Forest Management Advisory Committee (FMAC)
- Central Peace Attraction and Retention Committee
- Environmental Advisory Committee to International Paper
- Grande Prairie Regional Tourism Association
- Mighty Peace Tourism Association
- Mighty Peace Watershed Alliance
- Northern Alberta Elected Leaders
- Northern Alberta Mayors and Reeves Committee
- Northwest Species at Risk Committee
- Peace Air Shed Zone Association
- Peace Region Economic Development Alliance (PREDA), Northwest Transportation Advisory Bureau (NTAB)
- Seniors Housing Committee
- South Peace Regional Archives Society
- Veterinarian Service Incorporated (V.S.I) Service (1980) Ltd.
- Water North Coalition



INTERNAL

- Agricultural Appeal Committee
- Agricultural Service Board
- Audit Committee
- Central Peace Assessment Review Board
- Central Peace Medical Services Corporation
- Central Peace Regional Emergency Management Committee (CP-REM)
- Central Peace Regional Water System Collaboration Committee+
- Central Peace Regional Waste Management Commission
- G5 General Committee
- Grande Spirit Foundation
- Industry Liason Committee
- Intermunicipal Collaboration and Planning Committee (ICPC)
- Intermunicipal (G5) Economic Development Advisory Committee (IEDAC)
- Municipal Planning Commission
- Peace Library System Board
- Saddle Hills County Municipal Library Board
- Strategic Planning Committee
- Subdivision and Development Appeal Board



AGRICULTURAL SERVICES BOARD

The Agricultural Service Board (ASB) represent the agricultural interests of the County and work together, to advise Council on how best to serve our producers. From giving pesticide recommendations to helping ranchers cover veterinary costs, the ASB exists to provide services and create programs to help our community.

MUNICIPAL PLANNING COMMISSION

The Municipal Planning Commission (MPC) is a committee established by Council bylaw that is responsible for making decisions on Development Permit and Subdivision Applications concerning proposed developments in Saddle Hills County.

SUBDIVISION & DEVELOPMENT APPEAL BOARD

The Subdivision and Development Appeal Board (SDAB) is a board established by Council bylaw that makes decisions relative to subdivision and development appeals. If you appeal a decision of the Development Authority ie. the Municipal Planning Commission or Development Officer, your appeal will be heard by the SDAB.

GIVING BACK

Each year, Council approves grants under 5 County grant programs, as well as Student Bursaries, Family and Community Support Services (FCSS), the Home Support Program, Christmas Hampers, and more. Below is a summary of approved grants and sponsorships for 2023. It is important to Council to support residents through the use of these grants and provide meaningful financial support to organizations and individuals within the community.



CAPITAL GRANTS

Community Organizations looking for assistance with capital expenditures to enhance the lifestyle of County residents, such as building or renovating Community Halls, building playgrounds, or other capital projects, are asked to apply for funding through our Capital Grants program.

Bonanza & District Ag Society	\$19,680.80	Savanna Ag Society	\$22,664.96
Cotillion Butte Recreation Assoc.	\$1,297,112.47	Spring Lake Ski Hill Association	\$42,500.00
Fourth Creek Community Association	\$7,500.00	Westmark Farmers League	\$9,345.00
Happy Valley Ag & Recreation Club	90,000.00		\$1,506,147.25
Rycroft Agricultural Society	\$17,344.02		

PROGRAM & ACTIVITY GRANTS

Program and Activity Grants are available to small community groups, clubs and organizations including schools. Activities in which the group, club, or organization (located within Saddle Hills County, and serving children, youth or seniors) may be involved, include athletics, art and culture, crafts, and health and well-being.

Central Peace Community Garden Park	\$500.00	Savanna Daycare	\$20,000.00
Cotillion Butte Recreation Association	\$3,000.00	Savanna Minor Hockey Association	\$4,029.00
East West Woking 4-H Club	\$2,250.00	Savanna School	\$2,500.00
Fourth Creek Community Association	\$4,200.00	Sexsmith Playschool Society	\$3,000.00
Happy Valley Ag & Recreation Club	\$7,480.00	South Peace Rural Community Learning	\$4,500.00
Rycroft Municipal Library	\$6,000.00	Spirit River Regional Academy	\$5,000.00
Savanna 4-H Multi Club	\$2,000.00		\$66,959.00
Savanna Agricultural Society	\$2,500.00		

OPERATING GRANTS

Community Organizations looking for assistance with operating expenses are asked to apply for funding through our Operating Grants program. This program assists with funding for specific operating costs for eligible groups, such as electricity, internet, heating, water, insurance, and other utilities.

Bay Tree Community Park Association	\$727.50	Rycroft Merry Pioneers	\$7,500.00
Blueberry Mountain Goodwill Society	\$10,462.50	Rycroft Municipal Library	\$3,000.00
Bonanza & District Ag Society	\$53,250	Savanna Ag Society	\$68,175.00
Cotillion Butte Recreation Assoc.	\$9,037.50	South Peace Regional Archives	\$10,000.00
Fourth Creek Community Association	\$11,287.50	Spirit River & District Ag Society	\$10,000.00
Gordondale Community Club	\$15,792.82	Spirit River Settlement Historical Society	\$5,000.00
Grande Prairie Palliative Care Society	\$5,000.00	Spring Lake Ski Hill Association	\$23,198.25
Happy Hour Club of Spirit River	\$7,500.00	Town of Spirit River	\$15,000.00
Happy Valley Ag & Recreation Club	\$6,309.64	Westmark Farmers' League	\$8,737.50
Philip J Currie Dinosaur Museum	\$50,000.00	Woking Skating Rink Association	\$3,084.75
Rycroft Agricultural Society	\$10,000.00	Woking Willing Workers	\$7,950.00
Rycroft Arena Fundraising Board	\$10,000.00		\$351,012.96



COMMUNITY SIGNS GRANT PROGRAM

Registered Non-Profit Societies and Community Groups in Saddle Hills County are encouraged to apply for the Community Signs Grant Program, which allows for the installation of signs designating communities within the County ie. Bay Tree, Gordondale.

Happy Valley Ag & Recreation Club	\$11,750.00	Savanna Ag Society (Splash Park)	\$11,750.00
Savanna Ag Society (Rec. Complex)	\$12,500.00		\$36,000.00

CEMETERY MAINTENANCE GRANTS

Community Organizations, Societies, and Non-Profits responsible for the maintenance and upkeep of Cemeteries throughout the County should apply for funding through our Cemetery Maintenance Grants program.

16 Cemeteries, at \$1,000 each	\$16,000.00
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STUDENT BUSARIES

Our Bursary Program is available to eligible local students looking to enter or advance their post-secondary education. Applicants may also qualify for additional matching NADC bursaries.

The Agricultural Service Board has also instated the Veterinary Medicine Bursary Program to help provide improved veterinary services to residents of Saddle Hills County. Eligible students are required to be enrolled in a recognized post-secondary veterinary program and primarily reside in the Central Peace Region.

12 Student Bursaries **\$21,000.00**

OTHER GRANTS & PROGRAMS

Throughout the year, Council also awarded a variety of other grants to organizations, outside of the grant programs. These were based either on requests received by Council throughout the year or, as is the case with the Central Peace Food Bank and STARS, the continuation of a prior commitment to funding.

Blueberry Mountain Military Society	\$50,000.00	STARS (2022-25)	\$200,000.00
Central Peace Food Bank	\$24,000.00	Victim Services	\$30,000.00
Mile 'O' Park	\$111,000.00	Woking Multiplex	\$50,000.00
Savanna School	\$50,000.00		\$3,115,000.00
Spirit River Seniors Lodge	\$2,600,000.00		

HOME SUPPORT PROGRAM

26 Home Support Applications **\$100,000.00**

CHRISTMAS HAMPER PROGRAM

25 Hampers, benefiting 69 residents

2023 PROJECT HIGHLIGHTS

A variety of projects received funding in the 2023 budget, including some long-term carryover projects from previous years. Some projects of note that were completed or progressed in 2023, can be found below.



PEACE RIVER ACCESS AT COTILLION

A project many years in the making, 2023 saw repairs made to the access to the Peace River at the Cotillion Campground. While the project was completed on October 26, 2023, it took many years to obtain design approvals. Improvements saw the access road widened and armoured, as well as armouring of the creek bank south of the access, to train the Sneddon Creek to force waters east and away from the road.

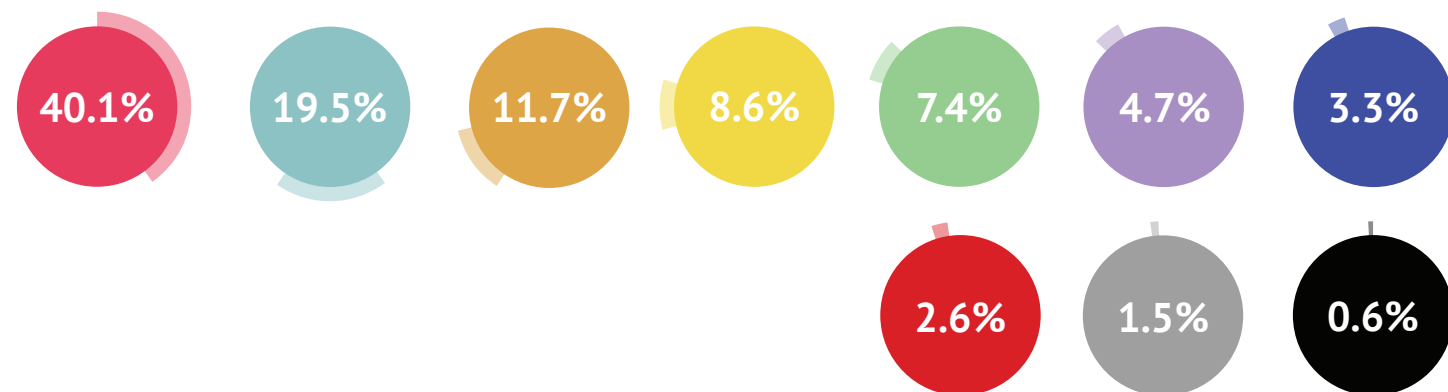


SADDLE HILLS COUNTY HEALTH CLINIC

The end of 2023, saw the hiring of Nurse Practitioner, Palvi Sharma, and began the final steps of the journey to complete the Saddle Hills County Health Clinic. \$20,000 in funding was allocated to proceed with renovations to the County facility, including operational space for the Nurse Practitioner to see patients and administer treatments and a private examination room. Renovations were scheduled for completion, and the practice set to open, in 2024.

RURAL POTABLE WATER

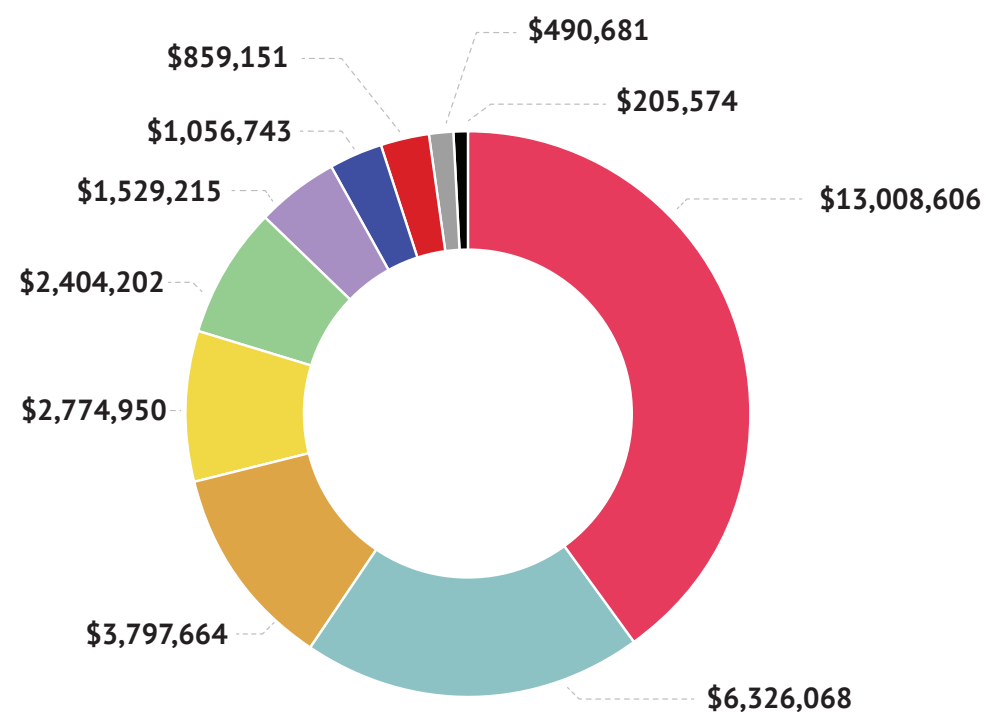
At the end of 2023, Council approved Policy UT02- Remote Potable Water Hauling Subsidy Program, which allows for the reimbursement of potable water hauling costs for domestic use in areas prescribed by Council. Eligible residences will be reimbursed for potable water hauling costs at a rate of \$15 per cubic meter, not exceeding 120 cubic meters, to a maximum of \$1,800 per year. The subsidy was put in place to accommodate the residences that do not fall within an advertised rural potable water line development area. The program allows for one application per residence and was launched in the Gundy area. Installation of the rural potable water network continued in 2023, with 150 homes and businesses getting hooked up to the network during the year. 320 km of pipeline was installed and a total of 100 residences began receiving water, 93 in Bonanza and 7 in Ksituan.



ADMINISTRATIVE: \$3,797,664 | 11.7%
 AGRICULTURE & LAND DEVELOPMENT: \$1,529,215 | 4.7%
 COMMON SERVICES: \$1,056,743 | 3.3%
 FAMILY & COMMUNITY SUPPORT SERVICES (FCSS): \$205,574 | 0.6%
 LEGISLATIVE: \$6,326,068 | 19.5%
 PROTECTIVE SERVICES: \$2,404,202 | 7.4%
 RECREATION & CULTURE: \$490,681 | 1.5%
 ROAD & BRIDGE PROJECTS: \$13,008,606 | 40.1%
 WASTE MANAGEMENT: \$859,151 | 2.6%
 WATER & WASTEWATER: \$2,774,950 | 8.6%

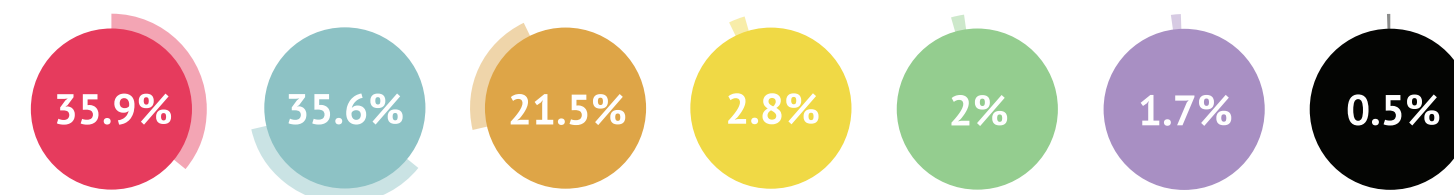
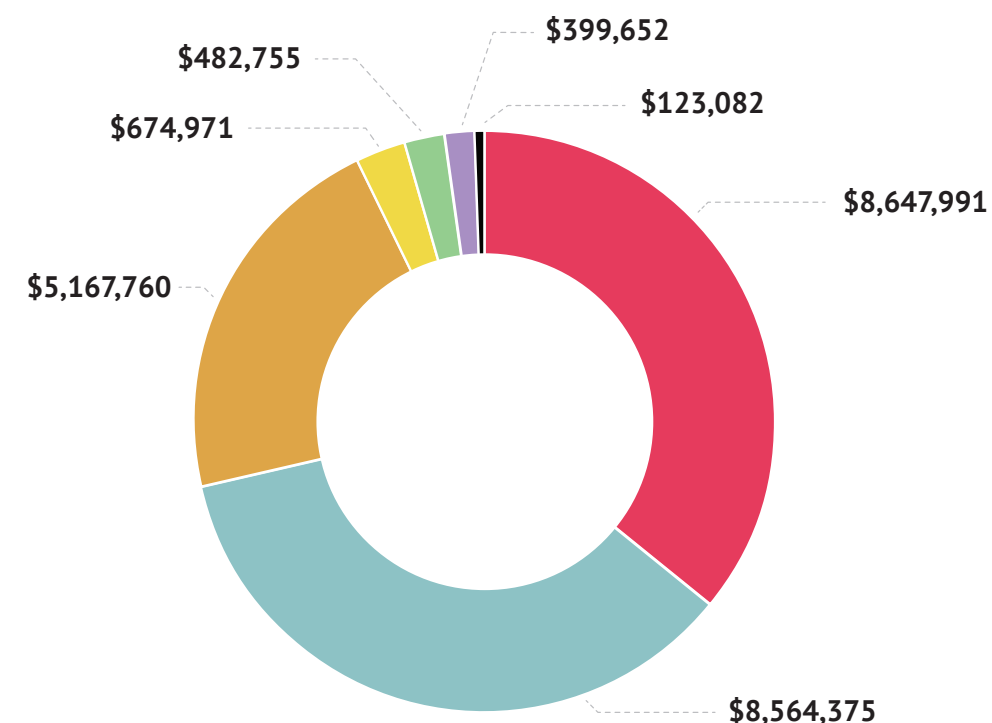
OPERATING EXPENSES

TOTAL: \$32,452,854



CAPITAL PROJECTS

TOTAL: \$24,060,586



BRIDGE PROJECTS: \$399,652 | 1.7%
 BUILDINGS: \$674,971 | 2.8%
 LAND & LAND IMPROVEMENTS: \$482,755 | 2%
 MACHINERY & EQUIPMENT: \$5,167,760 | 21.5%
 POTABLE WATER PROJECTS: \$8,564,375 | 35.6%
 ROAD PROJECTS: \$8,647,991 | 35.9%
 VEHICLES: \$123,082 | 0.5%



AGRICULTURAL SERVICES

The Agricultural Service Board release their own Annual Report each year, as mandated under the Agricultural Service Board Act. A summary of activities detailed in this report, can be found here. For a copy of the full report, please visit our website at saddlehills.ab.ca/ASB.

2023 was a busy year for the department. **Seven** seasonal staff were hired and trained. Weed Inspectors completed inspections for noxious and prohibited noxious weeds, carried out control measures, and participated in provincial surveys for insect pests and crop diseases, while labourers managed vegetation at County infrastructure. The contract mowers began in late July at the County office and moved west, finishing in late August.

Roadside herbicide application was completed in-house and in 2023, a second spray truck was purchased, allowing the department to be more effective in their roadside application. Approximately **1,200** hectares of County ditch in the East half of the County received a blanket spray with Navius Flex, a three-year residual broadleaf herbicide. Seasonal staff also completed spot spraying to control small infestations.

Five fence line spraying agreements and **nine** small area spray agreements were signed and completed. **20** weed notices were issued from the inspections done in 2023.

The notices issued were for Scentless Chamomile, Oxeye Daisy, Yellow Toadflax, Canada Thistle, White Cockle, Common Tansy and Woolly Burdock. **Five** weed notices went to enforcement level this year.



The Agricultural Services drone was utilized, most notably, to get an overview of the pasture rejuvenation plot trials conducted by the Peace Country Beef and Forage Association (PCBFA) and to inspect a noxious weed site located in an isolated creek, as well as obtaining aerial photos for the construction project on the Sneddon Creek, near the Cotillion Campground.

In 2023 there were **three** new Veterinarian Services Incorporated (V.S.I.) numbers given out to Saddle Hills County ratepayers.

Reports of coyote predation decreased in occurrence throughout 2023. In 2023, **0** Compound 1080 tablets were given out, down from **30** in 2022. Wolf predation remained low in 2023, with a total of **3** wolves being brought in by producers.



Over **300** canola fields were inspected for both Virulent Black Leg and Clubroot in 2023. After the discovery of the first incidence of Clubroot in the County in 2022, no further infestations were discovered in 2023.

Despite the removal of Fusarium Graminearum from the APA, Saddle Hills participated in a provincial study looking at ergot, kernel bunt and dwarf bunt, and deoxynivalenol (DON) mycotoxin. **5** cereal fields were sampled and sent away for testing. County staff assisted Alberta Agriculture, Forestry and Rural Development with the provincial Grasshopper Survey in July. Numbers varied across the County, but the overall average population was below the economic threshold.

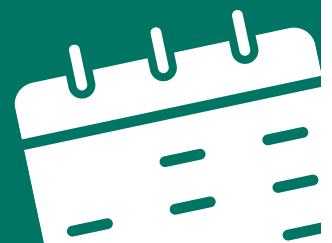
Two Bertha Armyworm traps were erected within Saddle Hills County in 2023, one located in Fourth Creek and one near Woking. The Woking trap reported consistently low numbers each week, while the Fourth Creek trap reported low counts in June and high numbers throughout July. **Two** Wheat Midge traps were also placed, with one in Happy Valley and the other in Blueberry Mountain. Saddle Hills County encouraged producers to monitor all their fields to ensure the economic threshold for any insect was reached before taking action.

Agricultural Services focused heavily on outreach and extension services in 2023.

A Tree Care Workshop with a hands-on demo of tree planting and care with Toso Botic took place in May, with seventeen ratepayers attending. In July, Agricultural Services partnered with Landview Drones to host a Drone School where producers were able to learn practical uses for drones on-farm, as well as how to operate a drone safely and successfully. There were five attendees at this event.

A Livestock Health and Nutrition Seminar was held on October 11, 2023 at the Gordondale Hall. Dr. Evan Lowe from Emerson Trail Vet Services presented on proper calving protocols and Blue Rock Nutrition's presentation focused on proper animal nutrition, especially during drought/feed shortages. There were over 70 attendees.

On November 8, 2023, a farm transition workshop was held at Fourth Creek Hall in Partnership with FCC. This workshop focused on succession planning and transition process between generations.



OPERATIONS & ENV. SERVICES

The Operations Department had another successful year, using the dry season as an opportunity to complete many maintenance projects within the County that were previously delayed due to weather.

BRIDGE MAINTENANCE

The County has 178 bridges that are monitored by the Alberta Transportation Bridge Information and Maintenance System. These bridges receive scheduled inspections to determine their condition and identify maintenance issues and potential replacements. Maintenance cost for these bridges is the responsibility of Saddle Hills County.

Fall of 2022, saw a temporary bridge installed on Township Road 830, east of Range Road 84, as the bridge (BF 75809) was failing. In September 2023, both the temporary and original bridge were removed and a 3,300 mm culvert was installed, using a combination of contractors and County suppliers.

Repair work, as identified through regular inspections, was conducted on the five major truss bridges in the County during the summer months. In total, \$236,000 in repairs was completed to fix cracks, dents, bullet holes, bearing replacements, and other various damages. Currently, replacement estimates for similar bridges is approximately \$6,000 per m2 of deck, therefore work to extend their life expectancy is vital.



Sergeant Creek



Doe Creek

DISASTER RECOVERY

The County continues to make repairs to infrastructure affected by the 2018 and 2020 flooding events. The Sergeant Creek slide repair was completed in 2023, using sheet piles and a bin wall to support the side slopes and the Doe Creek retaining wall. Both projects were completed using funding obtained through the Disaster Recovery Program (DRP).

ROAD MAINTENANCE & IMPROVEMENTS

600 km of road, approximately a third of the municipality, received crushed gravel this year, and grader maintenance of roads was operated on four 10-hour days during the summer and fall months, with half the crew working Monday to Thursday, and the other half working Tuesday to Friday. This ensured that there was sufficient coverage and made more efficient use of the longer days. Roadside and drainage brushing began in the late fall.

Beginning in the spring and commencing again in fall, approximately half of the County's rights-of-way were scoured to remove rocks and repair the ends of culverts. The rocks collected were used for erosion repairs around the County.



Pavement overlays were completed on Highway 725, for four miles north of the Fourth Creek Hall, and on the Pilsworth Road, for eight miles north of Highway 49, in cooperation with Alberta Transportation. Additionally, 3.2 km of Range Road 95, between Township Road 794 and Township Road 800, and 3.2 km of Range Road 135, between Township Road 763 and Township Road 765, were constructed using day labour equipment.

There were 90 centerline and approach culverts installed and improved in 2023. In total, 42 applications were processed for approaches, with an additional 13 applications submitted by ratepayers for permission to improve drainage by upgrading their own ditching and approaches within the County rights-of-way. Every attempt was made to get these approvals into the ratepayers' hands as quickly as possible.

RURAL POTABLE WATER

The Water Cistern Subsidy provides a one-time subsidy to County residents for the installation of a new water cistern for residential use, covering up to 75% of the cost, up to a maximum of \$5,000 per residence.

The subsidy covers the purchase, installation, and related expenses for the cistern, including things like the building to house the cistern, the purchase and installation of a water pump, related lines, and mechanical or electronic components, other required expenses associated with the installation.

In 2023, Saddle Hills County approved **40** Water Cistern Subsidies, for a total of \$100,000, and paid out **\$75,165.90** in completed installations. While the remaining funds were approved, these systems have not yet been installed by the applicants.

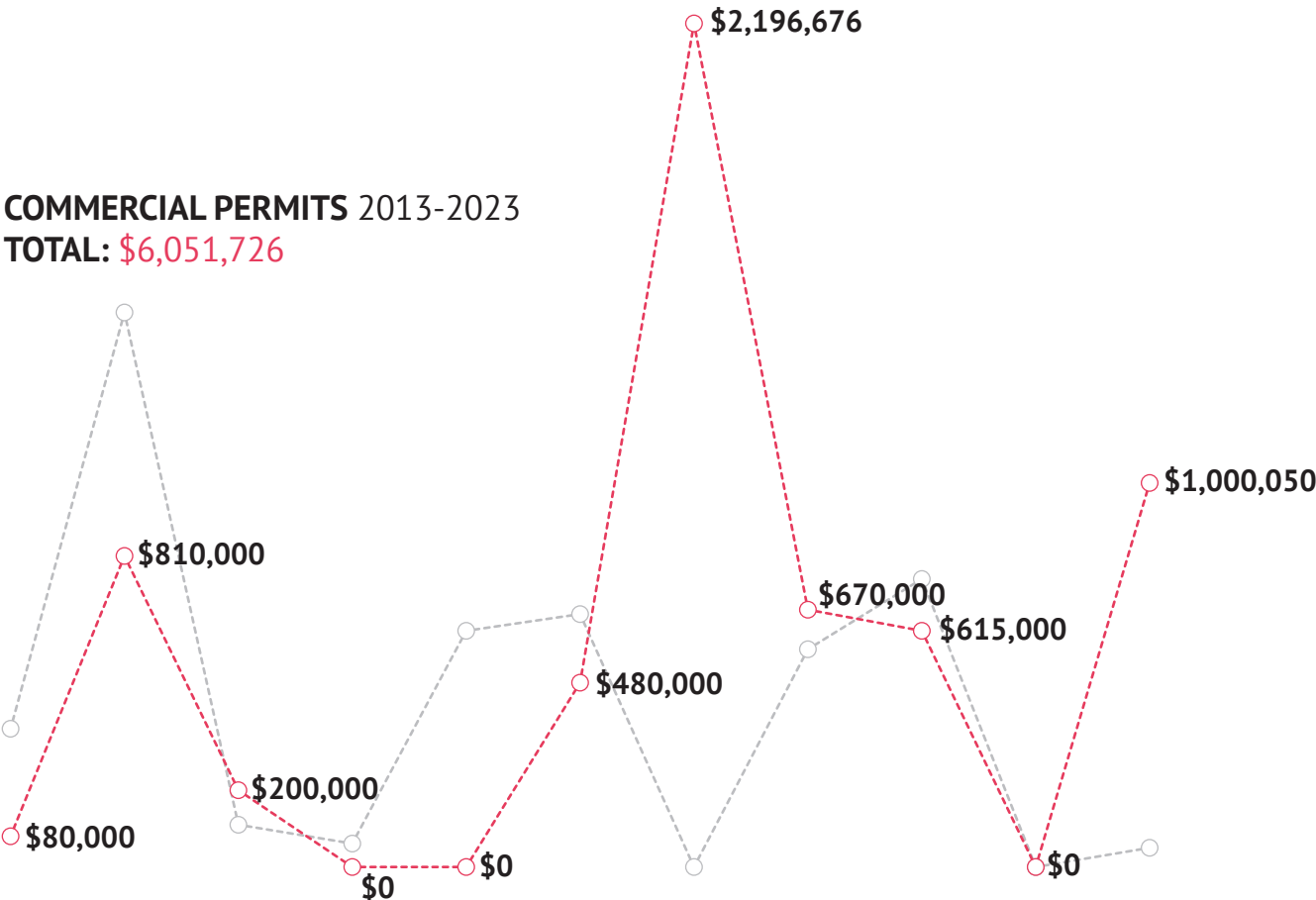
PLANNING & DEVELOPMENT

During 2023, Saddle Hills County’s Planning Department approved **15** Oil and Gas Permits, **20** Residential Permits, **5** Recreation Permits, **1** Tower Permit, **1** Industrial Permit, **2** Commercial Permits, and **1** Public Use Permit, for a total of **45** Development Permits, valued at **\$151,880,400**.

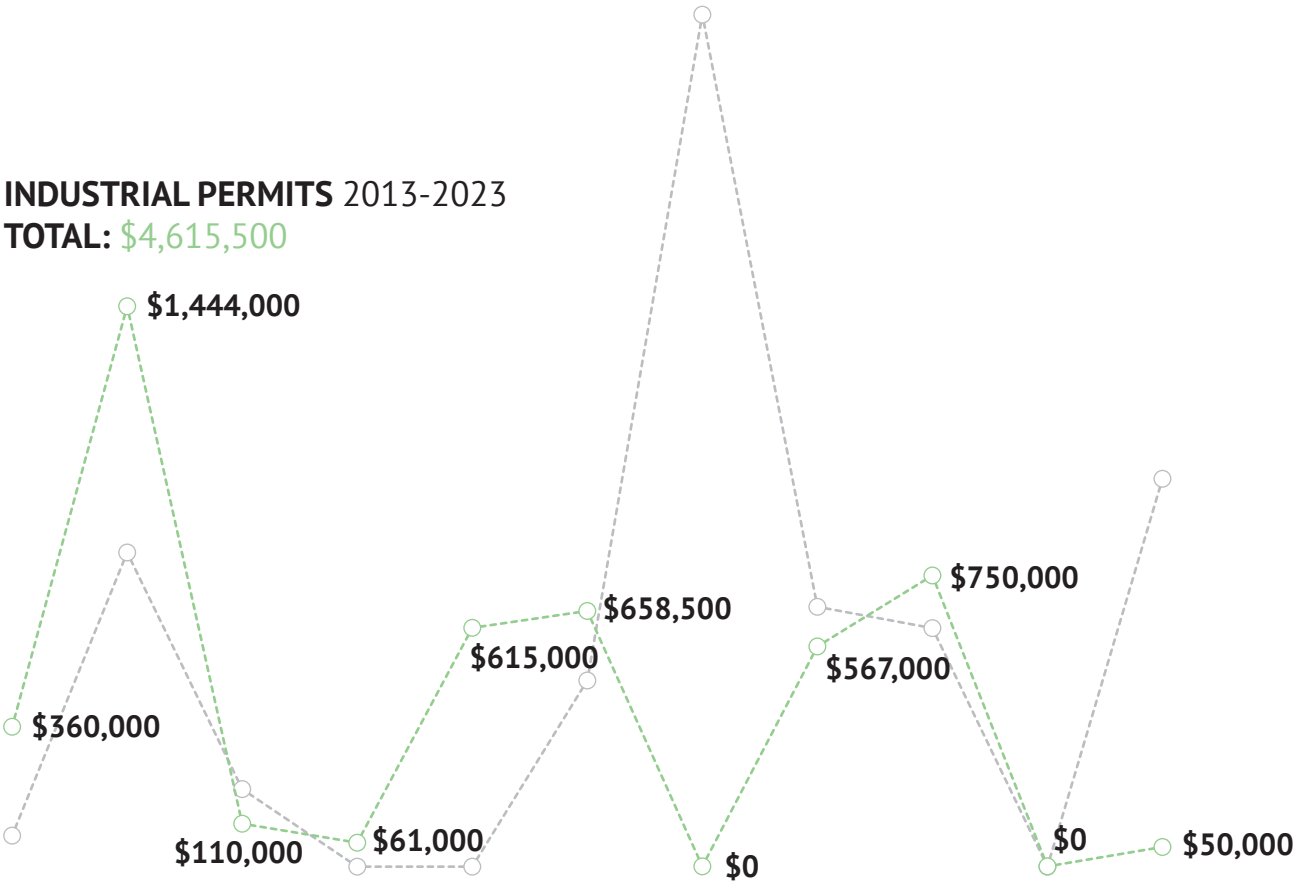
For full details of the permitting process, including how to apply for development permits and the types of developments permitted in the County, please visit our website at saddlehills.ab.ca/planning

Oil & Gas	\$100,000	Residential	\$50,000	Recreation	\$250,000
Oil & Gas	\$250,000	Residential	\$150,000	Recreation	\$50,000
Oil & Gas	\$200,000	Residential	\$50,000	Recreation	\$58,000
Oil & Gas	\$75,000	Residential	\$75,000	Recreation	\$50,000
Oil & Gas	\$15,500	Residential	\$600,000	Recreation	\$82,000
Oil & Gas	\$700,000	Residential	\$250,000		\$490,000
Oil & Gas	\$6,900,000	Residential	\$350,000		
Oil & Gas	\$15,000,000	Residential	\$300,000	Tower	\$100,000
Oil & Gas	\$100,000	Residential	\$250,000		\$100,000
Oil & Gas	\$125,000	Residential	\$450,000		
Oil & Gas	\$76,000,000	Residential	\$50,000	Industrial	\$50,000
Oil & Gas	\$30,000,000	Residential	\$320,000		\$50,000
Oil & Gas	\$14,000,000	Residential	\$850,000		
Oil & Gas	\$42,350	Residential	\$150,000	Commercial	\$50
Oil & Gas	\$960,000	Residential	\$300,000	Commercial	\$1,000,000
	\$144,467,850	Residential	\$500,000		\$1,000,050
		Residential	\$17,500		
		Residential	\$50,000	Public Use	\$975,000
		Residential	\$20,000		\$975,000
		Residential	\$15,000		
			\$4,797,500	GRAND TOTAL:	\$151,880,400

COMMERCIAL PERMITS 2013-2023
TOTAL: \$6,051,726



INDUSTRIAL PERMITS 2013-2023
TOTAL: \$4,615,500

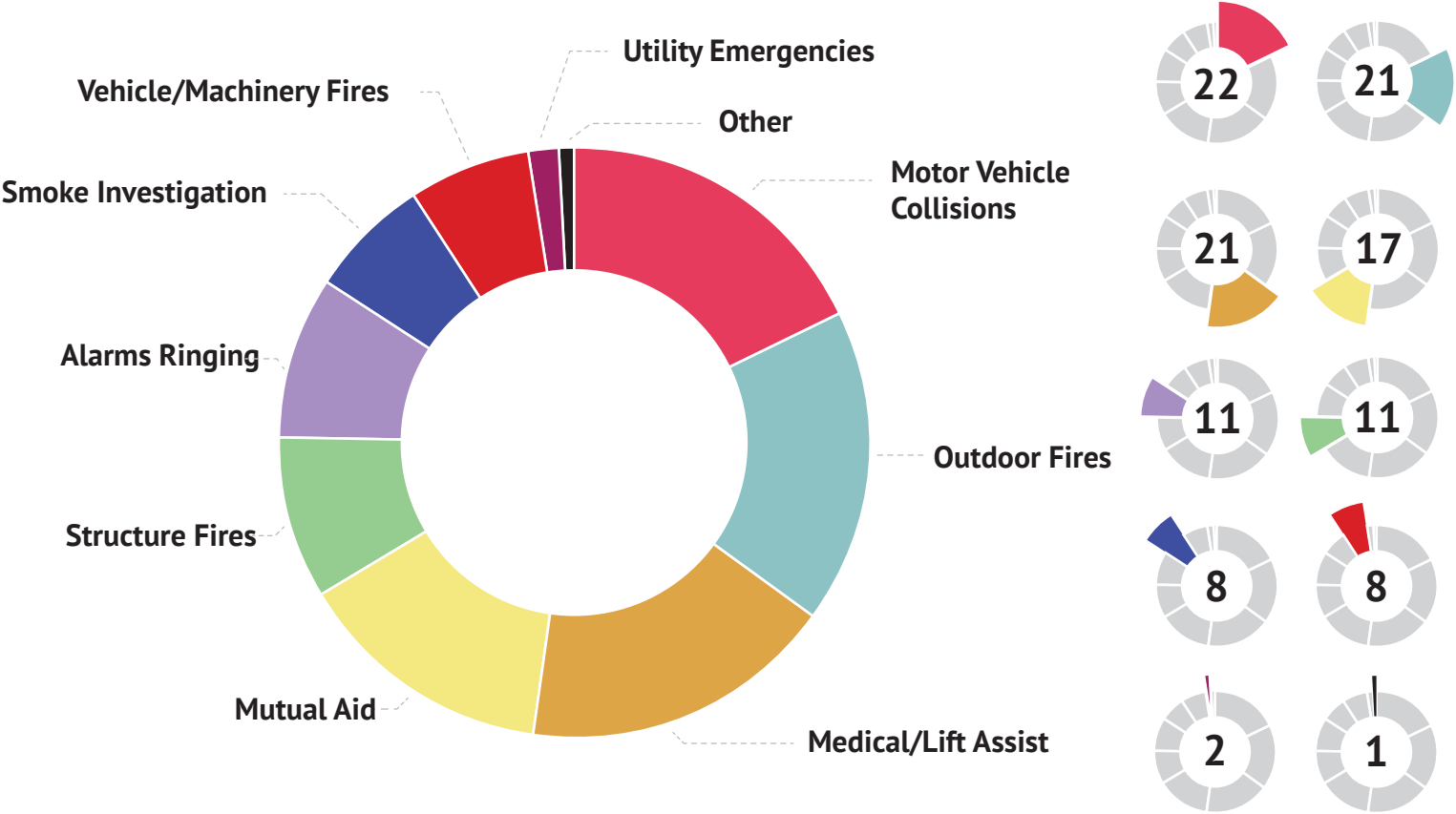




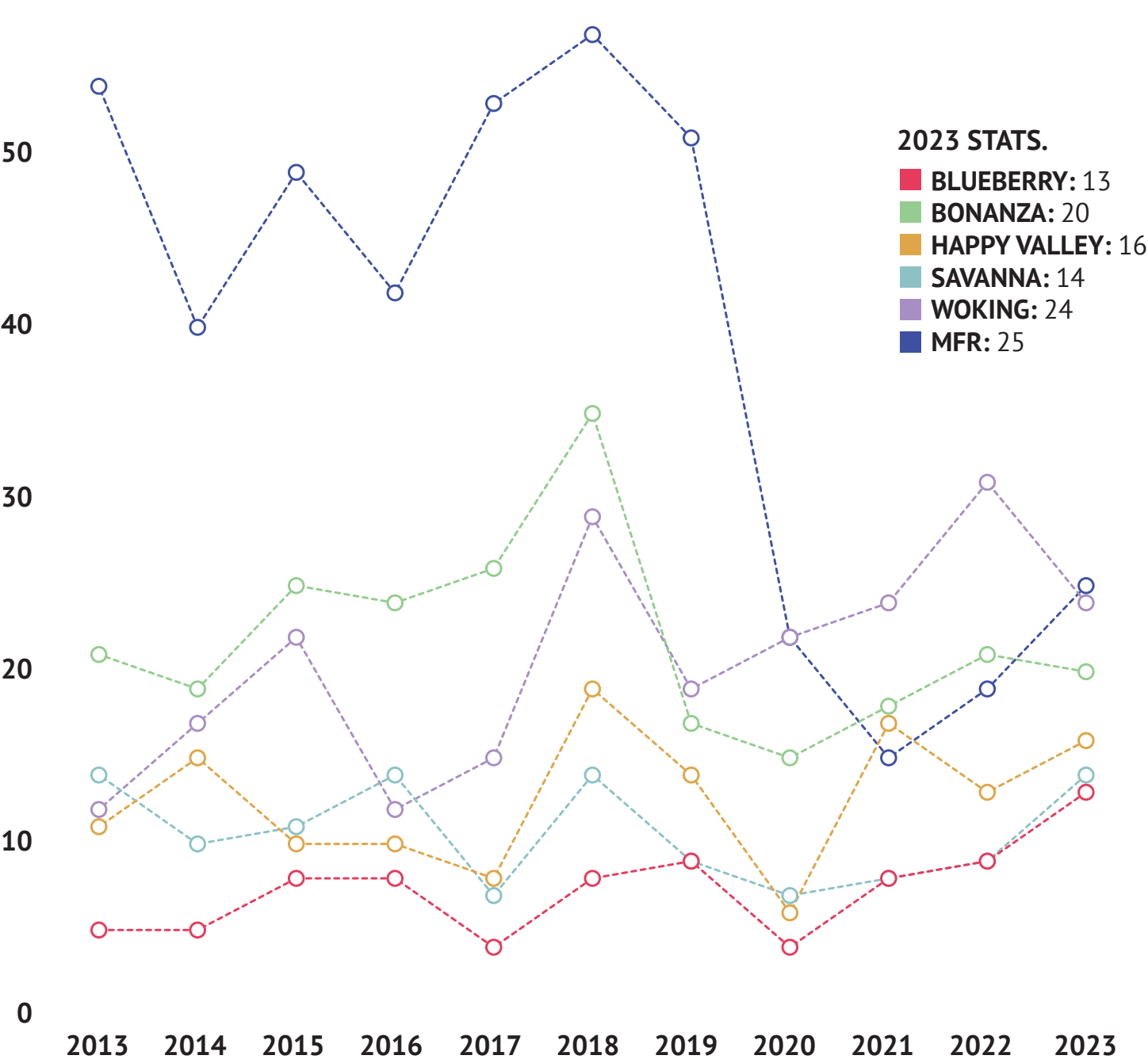
PROTECTIVE SERVICES

Saddle Hills County has five volunteer fire departments, located in Bonanza, Blueberry, Happy Valley, Savanna, and Woking, as well as Medical First Responders throughout the County. The County also provides funding to the Tomslake Fire Department to assist the residents of Gundy, as well as working closely with the Central Peace Fire and Rescue Commission.

2023 CALL BREAKDOWN BY TYPE
(ALL DEPARTMENTS)



CALL BREAKDOWN BY DEPARTMENT
2013-2023



The Saddle Hills County Protective Services Department also oversees the Community Peace Officer and Bylaw Enforcement. Long-time Saddle Hills County Peace Officer, Norm Backer, retired in July 2023, after 7 years at the County. The County's current Peace Officer, Wayne Olson, was not hired until January 2024. In the absence of a Community Peace Officer, the CAO acts as the Bylaw Enforcement Officer.

The Saddle Hills County Enforcement Program is implemented in a careful and systematic manner, with a significant focus on education and prevention. The vast majority of traffic stops result in written warnings being issued rather than violation tickets, except in the case of repeat offenders or extreme offenses.



To the Aduit Committee of Saddle Hills County

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Saddle Hills County (the “Municipality”), which comprise the consolidated statement of financial position as at December 31, 2023, and the consolidated statements of operations and accumulated operating surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Municipality as at December 31, 2023, and the results of its operations, its remeasurement gains and losses, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Municipality in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

Those charged with governance are responsible for overseeing the Municipality’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Municipality’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Municipality’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Debt Limit Regulation

In accordance with Alberta regulation 255/2000, we confirm that the Municipality is in compliance with the Debt Limit Regulation. A detailed account of the Municipality’s debt limit can be found in note 13.

Supplementary Accounting Principles and Standards Regulation

In accordance with Alberta regulation 313/2000, we confirm that the Municipality is in compliance with the Supplementary Accounting Principles and Standards Regulation.

Peace River, Alberta

April 4, 2024



Chartered Professional Accountants

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	\$	\$
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	5,367,266	3,909,848
Accounts receivable (Note 3)	3,918,274	2,039,853
Long-term investments (Note 4)	110,268,496	104,688,597
	119,554,036	110,638,298
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	10,651,438	5,474,487
Deferred revenue (Note 6)	7,130,137	11,088,768
Landfill closure and post-closure costs (Note 7)	5,895,530	5,785,402
Asset Retirement Obligation (Note 9)	520,000	-
	24,197,105	22,348,657
NET FINANCIAL ASSETS		
	95,356,931	88,289,641
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 2)	177,837,443	161,197,765
Inventory for consumption (Note 8)	2,114,498	1,844,075
Capitalized Asset Retirement Obligation (Note 10)	411,333	-
Prepaid expenses	416,785	397,809
	180,780,059	163,439,649
ACCUMULATED SURPLUS (Schedule 1, Note 11)		
	276,136,990	251,729,290
Contingencies and Commitments - See Note 14 and 15		

See accompanying notes to the financial statements

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	2023	2022
	\$	\$	\$
REVENUE			
Net municipal property taxes (Schedule 3)	41,585,677	41,801,191	38,360,858
Oil well drilling equipment tax	-	-	-
Return on investments	1,603,000	3,515,039	1,968,887
Other	266,600	1,093,510	3,288,206
Government transfers for operating (Schedule 4)	196,600	241,360	198,827
User fees and sale of goods	641,100	701,938	789,349
Penalties and costs on taxes	95,000	40,533	63,337
Total Revenues			
	44,387,977	47,393,571	44,669,464
EXPENSES			
Operating			
Road and bridge projects	15,334,403	13,008,606	14,019,048
Administrative	6,488,592	3,797,664	4,649,824
Agriculture and land development	1,895,023	1,529,215	1,270,810
Protective services	2,098,728	2,404,202	1,867,189
Water and wastewater	3,313,025	2,774,950	2,423,431
Recreation and culture	722,249	490,681	370,790
Legislative	8,346,315	6,326,068	3,140,417
Waste management	1,060,244	859,151	822,229
Common services	1,397,473	1,056,743	1,041,918
Family and community support services	230,900	205,574	181,971
Total Expenses			
	40,886,952	32,452,854	29,787,627
EXCESS OF REVENUE OVER EXPENSES - BEFORE OTHER			
	3,501,025	14,940,717	14,881,837
OTHER			
Government transfers for capital (Schedule 4)	42,109,206	9,126,653	738,082
Gain (loss) on disposal of tangible capital assets	1,524,500	340,330	(87,745)
EXCESS OF REVENUE OVER EXPENSES			
	47,134,731	24,407,700	15,532,174
ACCUMULATED SURPLUS, BEGINNING OF YEAR			
	251,729,290	251,729,290	236,197,116
ACCUMULATED SURPLUS, END OF YEAR			
	298,864,021	276,136,990	251,729,290

See accompanying notes to the financial statements

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023

	Budget	2023	2022
	\$	\$	\$
EXCESS OF REVENUE OVER EXPENSES	47,134,731	24,407,700	15,532,174
Acquisition of tangible capital assets	(90,081,361)	(24,060,586)	(14,658,605)
Proceeds on disposal of tangible capital assets	-	2,519,173	29,773
Amortization of tangible capital assets	5,241,600	5,242,066	4,944,624
(Gain) loss on sale of tangible capital assets	-	(340,330)	87,745
Capitalized asset retirement obligation	-	(411,333)	-
	(84,839,761)	(17,051,010)	(9,596,463)
Acquisition of supplies inventories	-	(2,114,498)	(1,844,075)
Use of supplies inventories	-	1,844,075	1,764,961
Acquisition of prepaid assets	-	(416,786)	(397,809)
Use of prepaid assets	-	397,809	379,593
	-	(289,400)	(97,330)
INCREASE IN NET FINANCIAL ASSETS	(37,705,030)	7,067,290	5,838,381
NET FINANCIAL ASSETS, BEGINNING OF YEAR	88,289,641	88,289,641	82,451,260
NET FINANCIAL ASSETS, END OF YEAR	50,584,611	95,356,931	88,289,641

SADDLE HILLS COUNTY
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	2023	2022
	\$	\$
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Excess of revenues over expenses	24,407,700	15,532,174
(Gain) loss on sale of tangible capital assets	(340,330)	87,745
Non-cash items included in excess (shortfall) of revenues over expenses:		
Amortization of tangible capital assets	5,242,066	4,944,624
Non-cash changes to operations (net change):		
Decrease (increase) in trade and other receivables	(1,878,421)	524,556
Decrease (increase) in inventory for consumption	(270,423)	(79,114)
Decrease (increase) in prepaid expenses	(18,976)	(18,216)
Decrease (increase) in capitalized asset retirement obligation	(411,333)	-
Increase (decrease) in accounts payable and accrued liabilities	5,176,950	2,196,026
Increase (decrease) in deferred revenue	(3,958,631)	696,906
Increase (decrease) in provision for landfill closure and post-closure (Note 7)	110,128	131,993
Increase (decrease) in asset retirement obligation	520,000	-
Cash provided by operating transactions	28,578,730	24,016,694
CAPITAL		
Acquisition of tangible capital assets	(24,060,586)	(14,658,605)
Sale of tangible capital assets	2,519,173	29,773
Cash applied to capital transactions	(21,541,413)	(14,628,832)
INVESTING		
Decrease (increase) in investments	(5,579,899)	(7,397,778)
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	1,457,418	1,990,084
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	3,909,848	1,919,764
CASH AND CASH EQUIVALENTS, END OF YEAR	5,367,266	3,909,848
See accompanying notes to the financial statements		
	2023	2022
	\$	\$
Cash and cash equivalents is made up of:		
Cash and temporary investments (Note 2)	5,367,266	3,909,848

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 1

				2023	2022
	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	\$	\$
BALANCE, BEGINNING OF YEAR	-	90,531,525	161,197,765	251,729,290	236,197,116
Excess of revenues over expenses	24,407,700	-	-	24,407,700	15,532,174
Unrestricted funds designated for future use	(7,876,689)	7,876,689	-	-	-
Restricted funds used for operations	-	-	-	-	-
Current year funds used for tangible capital assets	(24,060,586)	-	24,060,586	-	-
Disposal of assets (at net book value)	2,178,842	-	(2,178,842)	-	-
Annual amortization expense	5,242,066	-	(5,242,066)	-	-
Long term debt repaid	-	-	-	-	-
Capitalized asset retirement obligation	(420,000)	-	420,000	-	-
Asset retirement obligation	520,000	-	(520,000)	-	-
Annual amortization of asset retirement obligation	8,667	-	(8,667)	-	-
				-	-
Change in accumulated surplus	-	7,876,689	16,531,011	24,407,700	15,532,174
BALANCE, END OF YEAR	-	98,408,214	177,728,776	276,136,990	251,729,290

See accompanying notes to the financial statements

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 2

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles
COST:						
BALANCE, BEGINNING OF YEAR	2,563,206	5,306,626	30,022,636	179,842,414	13,288,735	1,749,563
Acquisition of tangible capital assets	24,884	457,871	674,971	17,612,018	5,167,760	123,082
Disposal of tangible capital assets	-	-	-	(942,931)	(3,887,117)	(647,704)
BALANCE, END OF YEAR	2,588,090	5,764,497	30,697,607	196,511,501	14,569,378	1,224,941
ACCUMULATED AMORTIZATION:						
BALANCE, BEGINNING OF YEAR	-	1,074,343	4,002,930	58,066,032	6,994,233	1,437,877
Annual amortization	-	229,402	575,543	3,170,462	1,123,478	143,181
Accumulated amortization on disposals	-	-	-	(663,217)	(1,987,989)	(647,704)
BALANCE, END OF YEAR	-	1,303,745	4,578,473	60,573,277	6,129,722	933,354
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	2,588,090	4,460,752	26,119,134	135,938,224	8,439,656	291,587
2022 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	2,563,206	4,232,283	26,019,706	121,776,382	6,294,502	311,686

See accompanying notes to the financial statements

	2023 \$	2022 \$
COST:		
BALANCE, BEGINNING OF YEAR	232,773,180	218,707,631
Acquisition of tangible capital assets	24,060,586	14,658,605
Disposal of tangible capital assets	(5,477,752)	(593,056)
BALANCE, END OF YEAR	251,356,014	232,773,180
ACCUMULATED AMORTIZATION:		
BALANCE, BEGINNING OF YEAR	71,575,415	67,106,329
Annual amortization	5,242,066	4,944,624
Accumulated amortization on disposals	(3,298,910)	(475,538)
BALANCE, END OF YEAR	73,518,571	71,575,415
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	177,837,443	161,197,765
2022 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	161,197,765	

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF PROPERTY TAXES LEVIED
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 3

	Budget	2023	2022
	\$	\$	\$
TAXATION			
Real property taxes	26,629,774	26,778,959	25,102,416
Linear property taxes	22,025,878	22,022,269	20,459,792
Government grants in place of property taxes	3,418	7,269	7,113
	48,659,070	48,808,497	45,569,321
REQUISITIONS			
Alberta School Foundation Fund	6,690,900	6,627,954	6,860,333
Seniors Foundation	160,393	160,393	138,705
Designated Industrial Property	222,100	218,959	209,425
	7,073,393	7,007,306	7,208,463
NET MUNICIPAL TAXES			
	41,585,677	41,801,191	38,360,858

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 4

	Budget	2023	2022
	\$	\$	\$
TRANSFERS FOR OPERATING			
Provincial Government	196,600	241,360	198,827
Federal Government	-	-	-
	196,600	241,360	198,827
TRANSFERS FOR CAPITAL			
Provincial Government	42,109,206	9,126,653	738,082
Federal Government	-	-	-
	42,109,206	9,126,653	738,082
TOTAL GOVERNMENT TRANSFERS			
	42,305,806	9,368,013	936,909

See accompanying notes to the financial statements

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 5

	Budget	2023	2022
	\$	\$	\$
CONSOLIDATED EXPENSES BY OBJECT			
Salaries, wages and benefits	9,363,708	8,521,205	7,718,045
Contracted and general services	11,061,904	9,426,557	8,218,203
Materials, goods, supplies and utilities	4,396,500	2,653,042	4,469,364
Transfers to governments, agencies and organizations	10,392,240	6,454,543	3,447,226
Amortization of tangible capital assets	5,241,600	5,242,066	4,944,624
Amortization of asset retirement obligation	-	8,667	-
Other expenses	431,000	146,774	990,165
	40,886,952	32,452,854	29,787,627

See accompanying notes to the financial statements

SADDLE HILLS COUNTY
CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE
FOR THE YEAR ENDED DECEMBER 31, 2023
SCHEDULE 6

	General Government	Protective Services	Transportation Services	Planning & Development	Recreation & Culture	Environmental Services
REVENUE						
Net municipal taxes	41,801,191	-	-	-	-	-
Government transfers	-	-	3,765,354	166,247	75,113	5,361,299
Oil well drilling equipment taxes	-	-	-	-	-	-
User fees and sales of goods	53,805	37,266	249,510	3,733	5,931	351,693
Investment income	3,515,039	-	-	-	-	-
Other revenues	90,951	509,952	262,415	36,840	65,590	102,985
	45,460,986	547,218	4,277,279	206,820	146,634	5,815,977
EXPENSES						
Contract & general services	1,426,320	1,050,231	5,689,533	406,033	93,999	665,669
Salaries & wages	2,488,815	428,831	3,387,114	647,644	146,779	1,422,022
Goods and supplies	143,767	144,454	1,770,503	175,607	73,499	344,952
Transfers to governments, agencies and organizations	5,520,085	354,728	-	195,025	315,133	69,572
Other expenses	36,641	-	-	-	-	110,133
	9,615,628	1,978,344	10,847,150	1,424,309	629,410	2,612,348
NET REVENUE BEFORE AMORTIZATION	35,845,358	(1,431,126)	(6,569,871)	(1,217,489)	(482,776)	3,203,629
Amortization expense	332,160	(425,858)	(3,218,203)	(104,906)	(66,846)	(1,013,089)
Amortization of ARO						(8,667)
Gain (Loss) on disposal of tangible capital assets	-	-	340,330	-	-	-
NET REVENUE	35,513,198	(1,856,984)	(9,447,744)	(1,322,395)	(549,622)	2,181,873

	Other	Total \$
REVENUE		
Net municipal taxes	-	41,801,191
Government transfers	-	9,368,013
Oil well drilling equipment taxes	-	-
User fees and sales of goods	-	701,938
Investment income	-	3,515,039
Other revenues	65,310	1,134,043
	65,310	56,520,224
EXPENSES		
Contract & general services	94,772	9,426,557
Salaries & wages	-	8,521,205
Goods and supplies	160	2,653,042
Transfers to governments, agencies and organizations	-	6,454,543
Other expenses	-	146,774
	94,932	27,202,121
NET REVENUE BEFORE AMORTIZATION	(29,622)	29,318,103
Amortization expense	(81,004)	(5,242,066)
Amortization of ARO		(8,667)
Gain (Loss) on disposal of tangible capital assets	-	340,330
NET REVENUE	(110,626)	24,407,700

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

a) Reporting Entity

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, changes 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 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 also 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. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

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

Government transfers, contributions and other amounts are received from third parties pursuant to legislation, regulation or agreement and may only be used for certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

f) Investments

Investments consist of deposit notes, coupons, securities, mutual funds and guaranteed investment certificates. Deposit notes, coupons, securities, mutual funds and guaranteed investment certificates are recorded at amortized cost. Investment premiums and discounts are amortized over the term of the respective investments. When there has been a loss in the 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 in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be determined.

h) Requisition Over-Levies and Under-Levies

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

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

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

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

k) Employee Future Benefits

Selected employees of the County are members of the Local Authority Pension Plan (“LAPP”), a multi-employer define benefit pension plan. The trustee of the plan is the Alberta Treasurer and the plan is employer define 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.

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:

	YEARS
Land Improvements	15-25
Buildings	25-50
Engineered Structures	
Water system	30-75
Wastewater system	30-75
Roads and bridges	30-75
Machinery and equipment	3-20
Vehicles	7-20

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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.

n) Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital asset. Asset retirement activities include all activities relating to an asset retirement obligation. These may include, but are not limited to:

- a) decommissioning or dismantling a tangible capital asset that was acquired, constructed or developed;
- b) remediation of contamination of a tangible capital asset created by its normal use;
- c) post-retirement activities such as monitoring; and
- d) constructing other tangible capital assets to perform post-retirement activities.

A liability for an asset retirement obligation is recognized when, as at the financial reporting date:

- a) there is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- b) the past transaction or event giving rise to the liability has occurred;
- c) it is expected that future economic benefits will be given up; and
- d) a reasonable estimate of the amount can be made.

When a liability for an asset retirement obligation is recognized, asset retirement costs related to recognized tangible capital assets in productive use are capitalized by increasing the carrying amount of the related asset and are amortized over the estimated useful life of the underlying tangible capital asset. Asset retirement costs related to unrecognized tangible capital assets and those not in productive use are expensed.

2. CASH AND INVESTMENTS

	2023	2022
	\$	\$
Cash	5,297,708	3,840,290
Restricted deposits	69,558	69,558
Temporary investments	-	-
	5,367,266	3,909,848

Cash held in deposit accounts earn interest at tiered rates between 4.86% and 5.41%.

A portion of the cash balances above are restricted for reserves and deferred revenue. The total restricted capital, including long-term investments is \$105,538,351 (2022 - \$101,620,293).

3. ACCOUNTS RECEIVABLE		
	2023	2022
	\$	\$
Accrued interest receivable - investments	2,823,365	1,383,647
Trade	436,156	301,545
Property taxes	434,879	165,236
Goods and Services Tax	223,874	203,108
	3,918,274	2,053,536
Less: Allowance for doubtful accounts	-	(13,683)
	3,918,274	2,039,853

4. LONG-TERM INVESTMENTS

Investments have carrying and market value as follows:

	2023 Carrying Amount	2023 Market Value	2022 Carrying Amount	2022 Market Value
	\$	\$	\$	\$
Rural Municipality of Alberta Member’s Equity	856	856	856	856
RBC Investment Portfolio				
Cash Accounts	60,627	60,627	103,611	103,611
Guaranteed Investment Certificates	64,577,783	64,577,783	67,163,140	67,163,140
Coupons	35,455,790	34,786,890	37,420,990	36,340,671
Mutual Funds	10,173,440	10,173,440	-	-
	110,268,496	109,599,596	104,688,597	103,608,278

RBC investment portfolio has effective interest rates ranging from 1.050% to 5.396% (2022 - 1.050% to 5.150%) with maturity dates from January 17, 2024 to December 20, 2028.

Market values are based on quoted market values received on December 31, 2023. The market values fluctuate with changes in market interest rates. Should there be a loss in value that is not considered temporary, the respective investment is written down to recognize the loss.

5. ACCOUNTS PAYABLE & ACCRUED LIABILITIES		
	2023	2022
	\$	\$
Trade	8,956,320	3,952,408
Vacation, sick leave and overtime	1,590,814	1,374,977
Security deposits	104,304	147,102
	10,651,438	5,474,487
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 year.		

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.

	2022	Additions	Revenue Recognized	2023
	\$	\$	\$	\$
Municipal Sustainability Initiative - Capital	979,555	-	979,555	-
Capital for Emergency Projects	109,213	-	-	109,213
Central Peace Regional Water - Phase 1 & 2	10,000,000	-	2,979,076	7,020,924
	11,088,768	-	3,958,631	7,130,137

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 5.28% and assuming annual inflation of 3.00%.

The accrued liability is based on the cumulative capacity used at year end compared to the total estimated landfill capacity. The total capacity of the sites is estimated at 952,000 cubic metres. All of the sites are at full capacity.

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 reviewed to cost estimates related to its closure and post-closure obligations during the year. These cost estimates result in an increase of \$110,128 (2022 - \$131,993 increase) to the closure and post-closure obligations, which is included in waste management expense on the Statement of Operations.

	2023	2022
	\$	\$
Estimate closure costs	4,293,159	4,183,215
Estimate post-closure costs	1,602,371	1,602,187
	5,895,530	5,785,402
Portion of liability remaining to be recognized	-	-
Accrued liability portion	5,895,530	5,785,402

8. INVENTORY FOR CONSUMPTION

	2023	2022
	\$	\$
Gravel	1,316,301	1,156,754
Parts, culverts and other	798,197	687,321
	2,114,498	1,844,075

9. ASSET RETIREMENT OBLIGATION

Effective January 1, 2023, the County adopted the new accounting standard PS 3280 Asset Retirement Obligations and applied the standard using the prospective application approach.

On the effective date of the PS 3280 standard, the County recognized the following to conform to the new standard;
a) asset retirement obligations;
b) asset retirement cost capitalized as an increase to the carrying amount of the related tangible capital assets in productive use; and
c) accumulated amortization on the capitalized cost.

Amounts are measured using information, assumptions that are current on the effective date of the standard.

	2023
	\$
Waste Lagoons	
Woking	100,000
Savanna	100,000
Ksituan	100,000
Bonanza	100,000
	400,000
Water Treatment Plants	
Woking	15,000
Savanna	35,000
Bonanza	35,000
Ksituan	35,000
	120,000
	520,000

10. CAPITALIZED ASSET RETIREMENT OBLIGATION

Capitalized asset retirement obligation consists of the increase to the carrying amount of the related tangible capital assets in productive use.

These amounts are amortized over the estimated useful life of the capitalized asset retirement obligation.

	2023		
	Cost	Accumulated Amortization	Net Book Value
	\$	\$	\$
Waste Lagoons	300,000	6,000	294,000
Water Treatment Plants	120,000	2,667	117,333
	420,000	8,667	411,333

The Ksituan waste lagoon is a provincial lease and therefore there is no associated capital asset owned by the County, therefore the full estimate for the asset retirement obligation of \$100,000 has been expensed in the current year.

11. ACCUMULATED SURPLUS

	2023	2022
	\$	\$
Unrestricted surplus		
Restricted surplus:		
Operating reserves:		
Operating fund	2,251,865	2,510,722
Gravel usage	1,544,690	794,690
Emergency command centre	752,156	752,156
Grant programs	534,543	103,813
Saddle Hills advantage	500,000	500,000
Community facility	47,477	47,477
Due to others	9,548	10,275
	5,640,279	4,719,133
Capital reserves:		
Rural water	20,160,557	6,835,800
Mobile equipment	18,272,971	16,113,004
Current county facilities	14,320,310	12,530,821
Utility communication network	12,008,885	6,203,820
Paving overlay	8,396,147	12,955,335
New county facilities	6,213,139	6,515,299
General capital	6,062,491	14,381,871
Infrastructure development	5,523,306	2,180,389
Environmental services	1,015,109	4,111,308
Computer and information technology	773,001	778,586
Municipal development	22,019	21,425
Well drilling equipment tax	-	3,184,734
	92,767,935	85,812,392
	98,408,214	90,531,525
Equity in tangible capital assets	177,728,776	161,197,765
	276,136,990	251,729,290

12. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	2023			2022
	\$	\$		\$
	Salary ¹	Benefits & allowances ²	Expense reimbursement ³	Total
Councillors				
Division 1	57,105	4,581	4,599	66,285
Division 2	63,300	4,628	4,680	72,608
Division 3	56,680	4,581	5,926	67,187
Division 4	47,460	4,581	2,858	54,889
Division 5	62,040	4,371	9,116	75,527
Division 6	52,020	4,581	5,564	62,165
Division 7	57,060	4,581	9,864	71,505
Chief Administrative Officer	246,526	28,519	-	275,045
Designated Officer	153,583	18,959	330	172,872
	795,774	79,382	42,937	918,093

- Salary includes regular base pay, per diems and any other direct cash remuneration.
- 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.
- Direct reimbursement of expenses

13. 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:

	2023	2022
	\$	\$
Total debt limit	71,090,357	67,004,196
Total debt	-	-
Amount of debt limit unused	71,090,357	67,004,196
Debt servicing limit	11,848,393	11,167,366
Debt servicing	-	-
Amount of debt servicing limit unused	11,848,393	11,167,366

The debt limit is calculated at 1.50 times revenue of the County (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at 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.

14. 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, 2023. 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.

15. COMMITMENTS

- As at December 31, 2023, the County has the following outstanding commitments:
- (a) Rural Waterlines Project, of approximately \$11,142,583.
 - (b) Regional Raw Water Line Project, of approximately \$3,668,981.
 - (c) Regional Water Treatment Plant Project, of approximately \$80,573.
 - (d) Construction of new Blueberry Firehall, of approximately \$2,429,895.
 - (e) Construction of 26 Senior’s Residences in Spirit River, of approximately \$1,000,000.

16. LOCAL AUTHORITIES PENSION PLAN

Employees of the County participate in the Local Authorities Pension Plan (LAPP), which is covered by the Alberta Public Sector Pension Plans Act. 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 8.45% of pensionable earnings up to the year’s maximum pensionable earnings under the Canada Pension Plan and 12.23% on pensionable earnings above this amount. Employees of the County are required to make current service contributions of 7.45% of pensionable salary up to the year’s maximum pensionable salary and 11.23% on pensionable salary above this amount.

Total current service contributions by the County to the LAPP in 2023 were \$527,491 (2022 - \$473,057). Total current service contributions by the employees of the County to the LAPP in 2023 were \$473,404 (2022 - \$425,075).

At December 31, 2022, the LAPP disclosed a surplus of \$12.67 billion (2021 - \$11.92 billion surplus).

17. 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 fulfill 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 approximates fair value.

18. SEGMENTED DISCLOSURE

Saddle Hills 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 Schedule of Segmented Disclosure (Schedule 6).

19. COMPARATIVE FINANCIAL STATEMENTS

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

20. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council and management.



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