

# **MD OF PROVOST NO. 52**



## **FINANCIAL STATEMENT**

**FOR THE YEAR ENDING  
DECEMBER 31, 2015**

## REEVES REPORT 2015

The MD of Provost has continued another year of growth in assessment, in continuing to address our aging infrastructure with increased investment to rebuild and up grade our roads. We had purposed to increase spending on the road network because our future ability to fund the needs of our municipality could be compromised by the coming MGA review. The review of the act had started by the previous provincial government and rural municipalities with large linear assessments are concerned that the review will redistribute these taxes. It is a situation that will not be known until 2016 when the changes to the MGA are announced. In the mean time we knew what resources we had available for 2015 and aggressively used them on the road network. It must be noted that our road network is ageing and that there are hundreds of miles to upgrade.

Hauser Construction had continued to be our contractor for our major upgrades. There were able to start work in late April and continued to mid November. One project was shifted to address a developing need as well as what time constraints would allow to finish the year with completed projects.

Tier II and III projects were also done in the MD. The III's are a response to our ratepayers concerns of not being able to get larger farm equipment down the "back roads" that have poorly defined ditches that can be higher than the road surface or have grown in with bush, or have poor drainage with water pooling in the road bed. We are not attempting to create all season access but only to have a surface that can handle the needs of modern agriculture.

We continue to use products such as soil cement, fibramat and chip sealing on projects. The intent is to reduce gravel demand, while providing surfaces less prone to dusting and less maintaining. We continue to look for better products for dust controls and for wash board issues at intersections.

Two new tanker pumpers arrived for the use of our fire departments. These trucks have the capacity to carry more water to fires and address a need that the fire departments have identified. A new well was drilled in Czar to provide the fire department with faster all season access to a water source. A regulatory exemption was obtained that the Czar ambulance can now leave the building with only a driver as opposed the past regulation that two people had to be in the ambulance.

The MD had previously committed one million dollars for renovations at Hillcrest Lodge in Provost. These renovations are continuing and the results look great. We have an agreement with the Town of Provost regarding funding of a new Medical Centre building. The building committee in consultation with our doctors have determined that the best location that would still provide access for the doctors to be able to monitor patients in the hospital would be to build on the SW corner of the existing hospital grounds however AHS has denied this request and an appeal has been made to the health minister. This project would be a simple trade of the existing site which would be turned

into a parking lot for the land on AHS property. This would provide additional parking for the Medical Centre as well as for staff at the hospital. This project is being considered at this time because of the concern that the MD has regarding the possible changes to the MGA that may have lasting repercussions to our ability to fund projects such as these. Nearly all of the needed funds have been collected and are in a reserve.

Our Doctor Recruitment committee with the Town of Provost was successful in recruiting a husband and wife team of Physicians for our hospital and look forward to having them both practicing when the regulatory hurdles are cleared.

Our assessment contract with the Wainwright Assessment group was renewed and well as our contract with Hawkings, Epp and Dumont who do the audit work for the MD. Our collective bargaining agreement will need to be updated in 2016.


The MD's grazing leases were put up for public bid as they were at below market values and in some cases were not compliant with the terms of the lease. This resulted in few leases changing hands and the MD is now obtaining what is fair market value for these leases.

Bluearth's wind generation project in the NE corner of the MD completed its construction and the project came on line in December of 2015.

The MD of Provost is in a strong financial position as it has no debt, is able to finance operations throughout the year from its reserves although it does not collect taxes until the end of October. We continue to be concerned that our ability to continue to operate with the status quo is at risk with the election of a new provincial government and the possible changes to the MGA and a result of this and the down turn in the local economy we will be taking a more conservative financial approach in 2016.

I would like to acknowledge our administration, staff, and fellow councilors for their efforts to serve you the rate payers of the MD of Provost in the past year and for the progress that has been made to improve this municipality.

Respectfully Submitted



Allan Murray  
Reeve



**INDEPENDENT AUDITORS' REPORT**

To the Mayor and Members of Council of Municipal District of Provost No. 52  
Provost, Alberta

*Report on the Financial Statements*

We have audited the accompanying financial statements of the Municipal District of Provost No. 52, which comprises the statement of financial position as at December 31, 2015, and the statements of operations and accumulated surplus, changes 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 auditors consider 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 the Municipal District of Provost No. 52 as at December 31, 2015, 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.

*Hawkings Epp Dumont LLP*

Edmonton, Alberta  
April 28, 2016

Hawkings Epp Dumont LLP  
Chartered Accountants

**EDMONTON**

10476 Mayfield Road  
Edmonton, AB T5P 4P4  
1.877.489.9606  
T: 780.489.9606  
F: 780.484.9689

**STONY PLAIN**

#101, 5300 – 50 Street  
PO Box 3188, Station Main  
Stony Plain, AB T7Z 1T8  
T: 780.963.2727  
F: 780.963.1294

**LLOYDMINSTER**

5102 – 48 Street  
PO Box 10099  
Lloydminster, AB T9V 3A2  
T: 780.875.7433  
F: 780.875.5304

**HAWKINGS.COM**





# Municipal District of Provost No. 52

4504 - 53 Avenue; P.O. Box 300; Provost, Alberta T0B 3S0  
Telephone: (780) 753-2434; 857-2434 Fax: (780) 753-6432  
Email: [mdprovost@mdprovost.ca](mailto:mdprovost@mdprovost.ca)  
Website: [www.mdprovost.ca](http://www.mdprovost.ca)

OFFICE OF THE ADMINISTRATOR

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS**

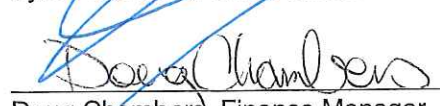
The accompanying financial statements of the Municipal District are the responsibility of management and have been approved by the Municipal District's Council. The financial statements have been prepared in conformity with Canadian public sector accounting standards established by the Canadian Institute of Chartered Accountants, using management's best estimates and judgments, where appropriate. In the opinion of management, these financial statements reflect fairly the financial position, the results of its financial activities and changes in financial position of the Municipal District within reasonable limits of materiality.

A system of internal accounting and administrative controls is maintained by management to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition and that the financial records are properly maintained to provide accurate and reliable financial statements.

Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. Council carries out this responsibility through regular meetings with management throughout the year to review significant accounting and auditing matters.

These financial statements have been audited, in accordance with Canadian generally accepted auditing standards by Hawkings Epp Dumont LLP, who were appointed by Council. Hawkings Epp Dumont LLP have full and unrestricted access to management and Council to discuss their audit and related findings. The Auditors' Report outlining the scope of their examination and their opinion on the financial statements is presented on the preceding page.

  
Tyler Lawrason, Chief Administrative Officer

  
Doug Chambers, Finance Manager

Provost, Alberta  
April 28, 2016



MUNICIPAL DISTRICT OF PROVOST NO. 52

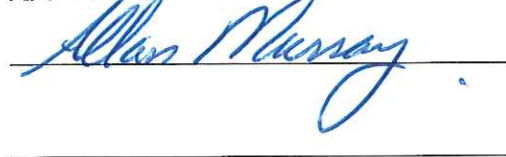
STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2015

	<u>2015</u>	<u>2014</u>
<b>FINANCIAL ASSETS</b>		
Cash and temporary investments (Note 2)	\$ 24,530,403	\$ 25,288,242
Taxes and grants in place of taxes receivable (Note 3)	229,808	275,740
Trade receivables (Note 4)	72,170	89,990
Accrued interest receivable	-	46,601
Land inventory	<u>120,457</u>	<u>130,728</u>
	<u>24,952,838</u>	<u>25,831,301</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 5)	1,117,294	1,152,822
Deferred revenue (Note 6)	148,746	97,051
Provision for gravel pit reclamation	<u>453,282</u>	<u>562,400</u>
	<u>1,719,322</u>	<u>1,812,273</u>
<b>NET FINANCIAL ASSETS</b>	<u>23,233,516</u>	<u>24,019,028</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 5)	119,793,505	111,402,610
Inventory for consumption (Note 7)	4,807,868	4,408,763
Prepaid assets	<u>199,296</u>	<u>420,533</u>
	<u>124,800,669</u>	<u>116,231,906</u>
<b>ACCUMULATED SURPLUS (NOTE 8)</b>	<u>\$148,034,185</u>	<u>\$140,250,934</u>

Contingencies (Note 10)

APPROVED ON BEHALF OF COUNCIL:



**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u> (Budget) (Note 14)	<u>2015</u> (Actual)	<u>2014</u> (Actual)
<b>REVENUE</b>			
Net municipal property taxes (Schedule 2)	\$22,145,384	<b>\$22,131,032</b>	\$18,569,702
User fees and sales of goods	558,660	<b>722,993</b>	730,375
Government transfers (Schedule 3)	393,704	<b>379,595</b>	397,704
Interest and investment income	328,000	<b>295,825</b>	379,862
Other	173,027	<b>255,616</b>	222,461
Penalties and costs on taxes	125,000	<b>120,027</b>	126,928
Rentals	<u>67,123</u>	<u><b>72,944</b></u>	<u>69,403</u>
	<u>23,790,898</u>	<u><b>23,978,032</b></u>	<u>20,496,435</u>
<b>EXPENSES</b>			
Transportation services	6,472,155	<b>11,841,255</b>	10,248,086
Administration services	1,364,010	<b>1,719,618</b>	1,516,002
Agriculture and development services	767,040	<b>879,855</b>	832,021
Recreation and culture services	773,996	<b>878,185</b>	842,628
Protective services	485,761	<b>562,863</b>	462,395
Other	95,077	<b>483,736</b>	15,801
Waste management and disposal services	271,493	<b>269,317</b>	208,491
Water and wastewater services	215,400	<b>210,223</b>	213,400
Council and other legislative services	<u>180,450</u>	<u><b>174,078</b></u>	<u>177,346</u>
	<u>10,625,382</u>	<u><b>17,019,130</b></u>	<u>14,516,170</u>
<b>ANNUAL SURPLUS BEFORE OTHER REVENUE (EXPENSES)</b>	<u>13,165,516</u>	<u><b>6,958,902</b></u>	<u>5,980,265</u>
<b>OTHER REVENUE (EXPENSES)</b>			
Contributed tangible capital assets	-	-	1,248,651
Government transfers for capital (Schedule 3)	1,590,322	<b>2,383,171</b>	2,398,386
Gain (loss) on disposal of tangible capital assets	<u>(1,000)</u>	<u><b>(1,558,822)</b></u>	<u>(684,796)</u>
	<u>1,589,322</u>	<u><b>824,349</b></u>	<u>2,962,241</u>
<b>ANNUAL SURPLUS</b>	<u>14,754,838</u>	<u><b>7,783,251</b></u>	<u>8,942,506</u>
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>	<u>140,250,934</u>	<u><b>140,250,934</b></u>	<u>131,308,428</u>
<b>ACCUMULATED SURPLUS, END OF YEAR</b>	<u><b>\$155,005,772</b></u>	<u><b>\$148,034,185</b></u>	<u><b>\$140,250,934</b></u>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**STATEMENT OF CHANGES IN NET FINANCIAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u> (Budget) (Note 14)	<u>2015</u> (Actual)	<u>2014</u> (Actual)
<b>ANNUAL SURPLUS</b>	\$ <u>14,754,838</u>	\$ <u>7,783,251</u>	\$ <u>8,942,506</u>
Acquisition of tangible capital assets	(16,210,348)	(15,177,013)	(12,142,707)
Contributed tangible capital assets	-	-	(1,248,651)
Proceeds on disposal of tangible capital assets	-	182,863	106,640
Amortization of tangible capital assets	-	5,044,433	4,449,074
Loss on disposal of tangible capital assets	<u>-</u>	<u>1,558,822</u>	<u>684,796</u>
	<u>(16,210,348)</u>	<u>(8,390,895)</u>	<u>(8,150,848)</u>
(Acquisition) use of inventory	-	(399,105)	(774,737)
(Acquisition) use of prepaid assets	<u>-</u>	<u>221,237</u>	<u>(164,368)</u>
	<u>-</u>	<u>(177,868)</u>	<u>(939,105)</u>
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	(1,455,510)	(785,512)	(147,447)
<b>NET FINANCIAL ASSETS, BEGINNING OF YEAR</b>	<u>24,019,028</u>	<u>24,019,028</u>	<u>24,166,475</u>
<b>NET FINANCIAL ASSETS, END OF YEAR</b>	\$ <u>22,563,518</u>	\$ <u>23,233,516</u>	\$ <u>24,019,028</u>



**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>2015</u>	<u>2014</u>
<b>OPERATING ACTIVITIES</b>		
Annual surplus	\$ 7,783,251	\$ 8,942,506
Non-cash items included in annual surplus:		
Loss on disposal of tangible capital assets	1,558,822	684,796
Amortization of tangible capital assets	5,044,433	4,449,074
Provision for gravel pit reclamation	(109,119)	(362,423)
Contributed tangible capital assets	-	(1,248,651)
Change in non-cash working capital balances:		
Taxes and grants in place of taxes receivable	45,932	70,906
Trade receivables	17,819	249,809
Accrued interest receivable	46,601	(9,713)
Prepaid expenses	221,237	(164,368)
Inventory	(399,105)	(774,737)
Accounts payable and accrued liabilities	(35,528)	19,735
Land inventory	10,271	6,150
Deferred revenue	<u>51,697</u>	<u>(9,167)</u>
	<u>14,236,311</u>	<u>11,853,917</u>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets	(15,177,013)	(12,142,707)
Proceeds on disposal of tangible capital assets	<u>182,863</u>	<u>106,640</u>
	<u>(14,994,150)</u>	<u>(12,036,067)</u>
<b>DECREASE IN CASH AND TEMPORARY INVESTMENTS</b>	(757,839)	(182,150)
<b>CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR</b>	<u>25,288,242</u>	<u>25,470,392</u>
<b>CASH AND TEMPORARY INVESTMENTS, END OF YEAR (Note 2)</b>	\$ <u>24,530,403</u>	\$ <u>25,288,242</u>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**SCHEDULE 1**

	Equity in Tangible <u>Capital Assets</u>	<u>Restricted</u>	<u>Unrestricted</u>	<u>2015 Total</u>	<u>2014 Total</u>
Balance, Beginning of Year	\$ 111,402,610	\$ 22,066,506	\$ 6,781,818	\$ 140,250,934	\$ 131,308,428
Purchase of tangible capital assets	15,177,013	-	(15,177,013)	-	-
Annual amortization expense	(5,044,433)	-	5,044,433	-	-
Disposal of tangible capital assets	(1,741,685)	-	1,741,685	-	-
Unrestricted funds designated for future use	-	1,662,297	(1,662,297)	-	-
Annual Surplus	<u>-</u>	<u>-</u>	<u>7,783,251</u>	<u>7,783,251</u>	<u>8,942,506</u>
Balance, End of Year	<u>\$ 119,793,505</u>	<u>\$ 23,728,803</u>	<u>\$ 4,511,877</u>	<u>\$ 148,034,185</u>	<u>\$ 140,250,934</u>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**SCHEDULE OF PROPERTY TAXES LEVIED**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**SCHEDULE 2**

	<u>2015</u> (Budget) (Note 14)	<u>2015</u> (Actual)	<u>2014</u> (Actual)
<b>TAXATION</b>			
Linear property taxes	\$ 14,954,900	\$ <b>14,954,902</b>	\$ 13,562,403
Real property taxes	<u>12,936,142</u>	<u><b>12,921,788</b></u>	<u>10,451,972</u>
	<u>27,891,042</u>	<u><b>27,876,690</b></u>	<u>24,014,375</u>
<b>REQUISITIONS</b>			
East Central Alberta C.S.S.	68,093	<b>68,093</b>	63,811
Alberta School Foundation Fund	5,187,065	<b>5,187,065</b>	4,867,862
Provost Seniors Foundation	<u>490,500</u>	<u><b>490,500</b></u>	<u>513,000</u>
	<u>5,745,658</u>	<u><b>5,745,658</b></u>	<u>5,444,673</u>
<b>NET MUNICIPAL TAXES</b>	\$ <u>22,145,384</u>	\$ <u><b>22,131,032</b></u>	\$ <u>18,569,702</u>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**SCHEDULE OF GOVERNMENT TRANSFERS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

**SCHEDULE 3**

	<u>2015</u> (Budget) (Note 14)	<u>2015</u> (Actual)	<u>2014</u> (Actual)
<b>TRANSFERS FOR OPERATING</b>			
Provincial government	\$ 331,806	\$ 316,638	\$ 334,216
Local government	<u>61,898</u>	<u>62,957</u>	<u>63,488</u>
	<u>393,704</u>	<u>379,595</u>	<u>397,704</u>
<b>TRANSFERS FOR CAPITAL</b>			
Provincial government	<u>1,590,322</u>	<u>2,383,171</u>	<u>2,398,386</u>
<b>TOTAL GOVERNMENT TRANSFERS</b>	<u>\$ 1,984,026</u>	<u>\$ 2,762,766</u>	<u>\$ 2,796,090</u>



MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE 4A

SCHEDULE OF SEGMENTED INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2015

	Administration Services	Transportation Services	Agricultural Services	Recreation and Culture Services	Water and Waste Water Services	All Other	Total
<b>REVENUE</b>							
Taxation	\$ 1,482,135	\$ 6,935,205	\$ 577,424	\$ 594,377	\$ -	\$ 12,541,891	\$ 22,131,032
Government transfers	12,215	33,367	217,291	-	-	116,722	379,595
User fees and sales of goods	81,674	155,566	-	186,142	103,650	195,961	722,993
All other	65,583	53,985	5,644	26,001	-	297,374	448,587
Investment income	-	-	-	-	-	295,825	295,825
	<u>1,641,607</u>	<u>7,178,123</u>	<u>800,359</u>	<u>806,520</u>	<u>103,650</u>	<u>13,447,773</u>	<u>23,978,032</u>
<b>EXPENSES</b>							
Materials, goods, contracted and general services	849,951	3,756,113	364,010	175,144	55,914	250,567	5,451,699
Salaries, wages and benefits	615,097	2,765,029	420,913	115,996	110,561	255,374	4,282,970
Transfers to other governments	27,219	-	-	474,696	-	845,951	1,347,866
Repairs and maintenance	60,895	511,695	7,227	-	-	-	579,817
Utilities	29,725	84,274	-	36,542	10,782	3,713	165,036
Insurance	58,720	61,012	8,209	4,142	-	15,226	147,309
	<u>1,641,607</u>	<u>7,178,123</u>	<u>800,359</u>	<u>806,520</u>	<u>177,257</u>	<u>1,370,831</u>	<u>11,974,697</u>
<b>NET REVENUE (DEFICIT) BEFORE AMORTIZATION</b>	-	-	-	-	(73,607)	12,076,942	12,003,335
Amortization	49,666	4,661,194	79,497	62,531	42,098	149,447	5,044,433
<b>NET REVENUE (DEFICIT)</b>	<u>\$ (49,666)</u>	<u>\$ (4,661,194)</u>	<u>\$ (79,497)</u>	<u>\$ (62,531)</u>	<u>\$ (115,705)</u>	<u>\$ 11,927,495</u>	<u>\$ 6,958,902</u>

The accompanying notes are an integral part of these financial statements.

MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE 4B

SCHEDULE OF SEGMENTED INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2014

	Administration Services	Transportation Services	Agricultural Services	Recreation and Culture Services	Water and Waste Water Services	All Other	Total
<b>REVENUE</b>							
Taxation	\$ 1,276,431	\$ 5,927,484	\$ 523,743	\$ 588,795	\$ -	\$ 10,253,249	\$ 18,569,702
Government transfers	11,694	34,663	233,091	-	-	118,256	397,704
All other	57,893	48,239	4,453	17,658	52,671	237,878	418,792
Investment Income	-	-	-	-	-	379,862	379,862
User fees and sales of goods	117,445	110,935	-	185,913	91,578	224,504	730,375
	<u>1,463,463</u>	<u>6,121,321</u>	<u>761,287</u>	<u>792,366</u>	<u>144,249</u>	<u>11,213,749</u>	<u>20,496,435</u>
<b>EXPENSES</b>							
Materials, goods, contracted and general services	700,973	3,068,389	372,247	151,628	52,605	260,284	4,606,126
Salaries, wages and benefits	574,942	2,378,214	377,737	100,714	118,399	241,034	3,791,040
Transfers to other governments	34,920	-	-	503,263	-	227,994	766,177
Repairs and maintenance	57,869	518,170	4,772	-	-	-	580,811
Utilities	36,496	100,707	-	32,201	10,823	2,931	183,158
Insurance	58,263	55,841	6,531	4,560	-	14,588	139,783
	<u>1,463,463</u>	<u>6,121,321</u>	<u>761,287</u>	<u>792,366</u>	<u>181,827</u>	<u>746,831</u>	<u>10,067,095</u>
<b>NET REVENUE (DEFICIT) BEFORE AMORTIZATION</b>	-	-	-	-	(37,578)	10,466,918	10,429,340
Amortization	52,459	4,126,765	70,734	41,128	40,707	117,282	4,449,075
<b>NET REVENUE (DEFICIT)</b>	<u>\$ (52,459)</u>	<u>\$ (4,126,765)</u>	<u>\$ (70,734)</u>	<u>\$ (41,128)</u>	<u>\$ (78,285)</u>	<u>\$ 10,349,636</u>	<u>\$ 5,980,265</u>

The accompanying notes are an integral part of these financial statements.

**MUNICIPAL DISTRICT OF PROVOST NO. 52**  
**SCHEDULE OF TANGIBLE CAPITAL ASSETS**  
**FOR THE YEAR ENDED DECEMBER 31, 2015**

SCHEDULE 5

	<u>Land</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>2015</u>	<u>2014</u>
<b>COST:</b>							
Balance, Beginning of Year	\$ 146,426	\$ 8,383,100	\$ 167,348,489	\$ 9,871,292	\$ 4,620,282	\$ 190,369,589	\$ 179,803,124
Additions	-	103,526	12,680,942	1,041,020	1,351,525	15,177,013	13,391,358
Disposals	-	-	(3,820,546)	(463,054)	(241,550)	(4,525,150)	(2,824,893)
Balance, End of Year	<u>146,426</u>	<u>8,486,626</u>	<u>176,208,885</u>	<u>10,449,258</u>	<u>5,730,257</u>	<u>201,021,452</u>	<u>190,369,589</u>
<b>ACCUMULATED AMORTIZATION:</b>							
Balance, Beginning of Year	-	943,572	72,675,550	3,423,455	1,924,402	78,966,979	76,551,362
Amortization Expense	-	163,198	3,810,478	735,247	335,510	5,044,433	4,449,074
Disposals	-	-	(2,300,084)	(282,204)	(201,177)	(2,783,465)	(2,033,457)
Balance, End of Year	-	<u>1,106,770</u>	<u>74,185,944</u>	<u>3,876,498</u>	<u>2,058,735</u>	<u>81,227,947</u>	<u>78,966,979</u>
<b>NET BOOK VALUE, END OF YEAR</b>	<u>\$ 146,426</u>	<u>\$ 7,379,856</u>	<u>\$ 102,022,941</u>	<u>\$ 6,572,760</u>	<u>\$ 3,671,522</u>	<u>\$ 119,793,505</u>	<u>\$ 111,402,610</u>

The accompanying notes are an integral part of these financial statements.

## **MUNICIPAL DISTRICT OF PROVOST NO. 52**

### **NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

The Municipal District of Provost No. 52 (the "Municipal District") is a municipality in the Province of Alberta incorporated on March 1, 1943 and operates under the provisions of the *Municipal Government Act*.

#### **1. SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Municipal District are the representations of management prepared in accordance with Canadian public sector accounting standards for local governments established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants ("CICA"). Significant aspects of the accounting policies adopted by the Municipal District are as follows:

##### **(a) Reporting Entity**

The financial statements reflect the assets, liabilities, revenues and expenses, and changes in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Municipal District, and are therefore, accountable to the Council for the administration of their financial affairs and resources. The Municipal District's financial statements do not include their proportionate share of the M.D. #52 Waste Management Authority (20%).

##### **(b) Basis of Accounting**

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable.

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

Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

##### **(c) Cash and Temporary investments**

Cash and temporary investments consist of cash on deposit and term deposits with original maturities of three months or less at the date of acquisition and are recorded at cost.

##### **(d) Land Inventory**

Land inventory is recorded at the lower of cost or net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks, and street lighting are recorded as physical assets under their respective function. The cost of land is written off against equity in land inventory as it is sold.

(CONT'D)



## MUNICIPAL DISTRICT OF PROVOST NO. 52

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

#### 1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

##### (e) Provision for Gravel Pit Reclamation

Pursuant to the *Alberta Environmental Protection and Enforcement Act*, the Municipal District is required to fund the future reclamation of its gravel pits. Closure activities include the final top soil cover, landscaping and visual inspection. The requirement is being provided for based on the estimated length of time until all the gravel has been extracted.

##### (f) 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 Change in Net Financial Assets for the year.

##### Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Donated assets are capitalized and are recorded at their estimated fair value upon acquisition and are also recorded as revenue. Work in progress represents assets which are not available for use and therefore are not subject to amortization. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful life as follows:

	Years
Buildings	25 - 50
Engineered structures	
Roadway system	5 - 65
Water system	45 - 75
Wastewater system	45 - 75
Machinery and equipment	3 - 40
Vehicles	10 - 40

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.

##### Inventory for consumption

Inventory for consumption is valued at the lower of cost or net realizable value with cost determined using the average cost method.

##### (g) Tax Revenue

Property tax revenue is based on assessments determined in accordance with the *Municipal Government Act*. Tax mill rates are established annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal.

(CONT'D)

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(g) Tax Revenue (Cont'd)**

Constructions and borrowing costs associated with local improvement projects are recovered through annual special property tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the Municipal District and are recognized as revenue in the year they are levied.

**(h) 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.

**(i) Requisition Over-Levy and Under-Levy**

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.

**(j) Pension Expenses**

Contributions for current and past service pension benefits are recorded as expenses in the year in which they become due.

**(k) Use of Estimates**

The preparation of financial statements in conformity with Canadian public sector accounting principles 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 measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

The Municipal District uses estimates for the useful lives and related amortization of tangible capital assets, allowance for doubtful accounts, accrued liabilities and the provision for gravel pit reclamation.

(CONT'D)

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**(I) 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 post-remediation including operation, maintenance and monitoring.

**2. CASH AND TEMPORARY INVESTMENTS**

	<u>2015</u>	<u>2014</u>
Cash	\$ 3,025,425	\$ 6,660,742
Temporary investments	<u>21,504,978</u>	<u>18,627,500</u>
	<u>\$ 24,530,403</u>	<u>\$ 25,288,242</u>

Temporary investments are short-term deposits with original maturities of three months or less bearing interest at rates ranging from 1.65% to 2.70% maturing during 2016.

**3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES**

	<u>2015</u>	<u>2014</u>
Current taxes and grants in place of taxes	\$ 434,131	\$ 371,671
Arrears taxes	<u>381,412</u>	<u>297,546</u>
	815,543	669,217
Less: Allowance for doubtful accounts	<u>(585,735)</u>	<u>(393,477)</u>
	<u>\$ 229,808</u>	<u>\$ 275,740</u>

**4. TRADE RECEIVABLES**

	<u>2015</u>	<u>2014</u>
Trade	21,289	64,060
Goods and services tax recoverable	<u>50,881</u>	<u>25,930</u>
	<u>\$ 72,170</u>	<u>\$ 89,990</u>

**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	<u>2015</u>	<u>2014</u>
Trade	\$ 934,899	\$ 976,829
Employee benefit obligations	<u>182,395</u>	<u>175,993</u>
	<u>\$ 1,117,294</u>	<u>\$ 1,152,822</u>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**6. DEFERRED REVENUE**

Deferred revenue consists of grants received from other levels of government that have not yet been utilized. Deferred revenue is recognized as revenue in the period in which the related expenditures are incurred.

	<u>2014</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2015</u>
Operating ASB grant	\$ 70,150	\$ 168,359	\$ (168,359)	\$ 70,150
Pest control officer grant	26,901	55,644	(48,931)	33,614
Prepaid lease payments	-	38,082	-	38,082
Alberta transportation	-	6,900	-	6,900
	<u>\$ 97,051</u>	<u>\$ 268,985</u>	<u>\$ (217,290)</u>	<u>\$ 148,746</u>

**7. INVENTORY FOR CONSUMPTION**

	<u>2015</u>	<u>2014</u>
Gravel	\$ 4,061,505	\$ 3,782,903
Material and supplies	<u>746,363</u>	<u>625,860</u>
	<u>\$ 4,807,868</u>	<u>\$ 4,408,763</u>

**8. ACCUMULATED SURPLUS**

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

	<u>2015</u>	<u>2014</u>
Unrestricted surplus	\$ 4,511,877	\$ 6,781,818
Restricted surplus:		
Operating reserves (Note 9)	11,983,315	9,930,096
Capital reserves (Note 9)	11,745,488	12,136,410
Equity in tangible capital assets	<u>119,793,505</u>	<u>111,402,610</u>
	<u>\$148,034,185</u>	<u>\$140,250,934</u>



**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**9. RESERVES**

	<b><u>2015</u></b>	<b><u>2014</u></b>
<b>OPERATING RESERVES</b>		
Recreation	\$ 4,788,389	\$ 4,788,389
Health services	3,014,085	3,014,085
Gravel pit reclamation	2,434,000	-
Subdivision	544,010	540,964
Hillcrest Lodge	532,065	1,000,000
Fire	249,999	184,999
Roads	191,021	191,021
Administration building	78,260	78,260
Water and sewer	57,000	21,000
Other	41,500	56,500
Agricultural Services Board	29,000	29,000
Ambulance	12,196	14,088
Airport	6,790	6,790
Emergency management	<u>5,000</u>	<u>5,000</u>
	<b><u>11,983,315</u></b>	<b><u>9,930,096</u></b>
<b>CAPITAL RESERVES</b>		
Roads	9,939,459	9,601,959
Water and sewer	456,772	342,485
Fire	312,213	1,319,684
Recreation	297,049	309,899
Agricultural services	277,561	129,949
Administration	277,191	267,191
Airport	133,520	113,520
Disaster services	30,546	30,546
Municipal planning and development	12,986	12,986
Ambulance	<u>8,191</u>	<u>8,191</u>
	<b><u>11,745,488</u></b>	<b><u>12,136,410</u></b>
<b>Total Reserves</b>	<b><u>\$ 23,728,803</u></b>	<b><u>\$ 22,066,506</u></b>

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**10. CONTINGENT LIABILITIES**

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

In the ordinary course of business, various claims and lawsuits are brought against the Municipal District. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amounts already accrued.

The Municipal District is a member of the MD #52 Waste Management Authority (the "Authority"). Under the terms of this membership, the Municipal District could become liable for its proportionate share of any environmental liabilities if the Authority does not have sufficient reserves.

**11. LOCAL AUTHORITIES PENSION PLAN**

Employees of the Municipal District participate in the *Local Authorities Pension Plan* ("LAPP"), which is one of the plans covered by the *Alberta Public Sector Pension Plans Act*. The LAPP is financed by employer and employee contributions and by investment earnings of the LAPP Fund.

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

The Municipal District is required to make current service contributions to the LAPP consisting of 11.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan ("CPP") and 15.84% on pensionable earnings above this amount. Employees of the Municipal District are required to make current service contributions of 10.39% of pensionable salary up to the year's maximum pensionable salary and 14.84% on pensionable salary above this amount.

Total current service contributions made by the Municipal District to the LAPP in 2015 were \$281,572 (2014 - \$248,885). Total current service contributions made by the employees of the Municipal District to the LAPP in 2015 were \$259,231 (2014 - \$229,132).

At December 31, 2014, the LAPP disclosed an actuarial deficiency of \$2.45 billion (2013 - \$4.86 billion).

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**12. SALARY AND BENEFITS DISCLOSURE**

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

	<u>Salary</u>	<u>Benefits and Allowances</u>	<u>2015</u>	Total <u>2014</u>
Elected Officials:				
Division 1	\$ 11,521	\$ 4,369	\$ 15,890	\$ 12,404
Division 2	11,734	1,810	13,544	10,591
Division 3	11,549	4,370	15,919	12,645
Division 4	11,433	4,264	15,697	11,775
Division 5	11,758	373	12,131	9,986
Division 6	12,090	3,080	15,170	9,215
Division 7	<u>12,750</u>	<u>4,410</u>	<u>17,160</u>	<u>13,103</u>
	<u>\$ 82,835</u>	<u>\$ 22,676</u>	<u>\$ 105,511</u>	<u>\$ 79,719</u>
Designated officers (4)	<u>\$ 341,719</u>	<u>\$ 77,670</u>	<u>\$ 419,389</u>	<u>\$ 303,730</u>
Chief Administrative Officer	<u>\$ 118,086</u>	<u>\$ 26,375</u>	<u>\$ 144,461</u>	<u>\$ 139,861</u>

Executive salaries and benefit obligations have been fully funded by the Municipal District. Salary includes regular base pay, bonuses, lump sum payments, honoraria and any other direct cash remuneration.

Benefits and allowances include the employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short-term disability plans, professional membership dues, and tuition.

# MUNICIPAL DISTRICT OF PROVOST NO. 52

## NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

### 13. DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits, as defined by *Alberta Regulation 255/00*, for the Municipality be disclosed as follows:

	<u>2015</u>	<u>2014</u>
Total debt limit	\$ 35,967,048	\$ 30,744,653
Total debt	<u>-</u>	<u>-</u>
Amount of debt limit unused	<u>\$ 35,967,048</u>	<u>\$ 30,744,653</u>
Service on debt limit	\$ 5,994,508	\$ 5,124,109
Service on debt	<u>-</u>	<u>-</u>
Amount of service on debt limit unused	<u>\$ 5,994,508</u>	<u>\$ 5,124,109</u>

The debt limit is calculated at 1.5 times revenue of the Municipal District (as defined in *Alberta Regulation 255/00*) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limits requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the Municipal District. Rather, the financial statements must be interpreted as a whole.

### 14. BUDGET DATA

The Municipal District compiles a budget on a modified accrual basis. The budget expenses transfers to reserves and all tangible capital asset purchases rather than including amortization expense. The reconciliation below adjusts excess revenue over expenses to align with the budget process. It should not be used as a replacement for the statement of operations and accumulated surplus. Users should note that this information may not be appropriate for their purposes.

	<u>Budget 2015</u>	<u>Actual 2015</u>	<u>Actual 2014</u>
Excess of Revenue over Expenses	\$14,754,838	\$ 7,783,251	\$ 8,942,506
Add back:			
Amortization expense	-	5,044,433	4,449,074
Deduct:			
Transfers (to) from reserves	1,455,510	(1,662,297)	(760,083)
Capital purchases	<u>(16,210,348)</u>	<u>(15,177,013)</u>	<u>(12,142,707)</u>
Results of Operations as Budgeted	\$ <u>-</u>	\$ <u>(4,011,626)</u>	\$ <u>488,790</u>

The budget figures presented in these financial statements are based on the budget that was approved by Council on May 14, 2015.

## MUNICIPAL DISTRICT OF PROVOST NO. 52

### NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2015

#### 15. SEGMENTED DISCLOSURE

The Municipal District provides a range of services to its ratepayers. 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 financial statements as disclosed in Note 1. Refer to the Schedule of Segmented Information (Schedule 4A and 4B).

#### 16. FINANCIAL INSTRUMENTS

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

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

Unless otherwise noted, the carrying values of the financial instruments approximates fair value.

#### 17. GOVERNMENT PARTNERSHIP

The Town of Provost, the Village of Amisk, the Village of Czar, the Village of Hughenden and the Municipal District of Provost No. 52 jointly participate in the M.D. #52 Waste Management Authority ("the Authority") to maintain, control, and manage a regional landfill site and transfer stations. The proportionate share of ownership, management, and liability of the Authority held by each member is as follows:

The Town of Provost	20%
Village of Amisk	20%
Village of Czar	20%
Village of Hughenden	20%
Municipal District of Provost No. 52	20%

The parties have agreed to proportionately share costs associated with expenditures arising from the operation of the Authority. The cost sharing proportions are based on each member's population figures available from *Alberta Municipal Affairs*.

During the year, the Municipal District paid \$259,442 (2014 – \$198,431) to the Authority for annual fees. The transaction was measured at the exchange amount.

**MUNICIPAL DISTRICT OF PROVOST NO. 52**

**NOTES TO FINANCIAL STATEMENTS**

**DECEMBER 31, 2015**

**18. ADOPTION OF NEW ACCOUNTING STANDARDS**

In June 2010, the Public Sector Accounting Board issued *PS - 3260 Liability for Contaminated Sites* 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 Municipal District adopted this accounting standard retroactively as of January 1, 2015. There was no impact to the Municipal District's financial statements due to this standard.

**19. COMPARATIVE FIGURES**

Certain comparative figures have been restated to conform to the current year's presentation.

**20. APPROVAL OF FINANCIAL STATEMENTS**

Council and management have approved these financial statements.

# MISSION STATEMENT AND OBJECTIVES

The Municipal District of Provost No. 52 continually strives to provide a rural environment where residents may enjoy an excellent quality of life.

## SERVICE DELIVERY OBJECTIVES

- To conserve agricultural land.
- To maintain and develop a viable Roads Transportation Network.
- To promote a diversified agricultural industry and environmentally sound natural resource development.
- To protect residents by providing effective emergency response and crime prevention services.
- To participate in regional partnerships that promote the availability of health care, education and recreation services and facilities.
- To offer resources and support voluntary efforts to provide social programs.

## 2015 TRANSFER PAYMENTS TO OTHER LOCAL GOVERNMENTS, GRANTS & REQUISITIONS FROM OPERATIONS

REQUISITION / GRANT RECIPIENT	M.D. DEPARTMENT	AMOUNT
ALBERTA SCHOOL FOUNDATION FUND	TRANSFER OF REQUISITION	5,187,065.21
BODO COMMUNITY ASSOCIATION	RECREATION GRANT	2,000.00
EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOL	TRANSFER OF REQUISITION	68,093.25
EASTPARK EDUCATIONAL OPPORTUNITIES COUNCIL	GRANT	2,719.27
FAMILY & COMMUNITY SUPPORT SERVICES	TRANSFER OF REQUISITION	15,801.35
HARDISTY & DISTRICT HANDIVAN SOCIETY	GRANT	3,000.00
MD #52 LIBRARY BOARD	CULTURE	43,380.00
MD #52 WASTE MANAGEMENT AUTHORITY	WASTE MANAGEMENT	259,642.24
PARKLAND REGIONAL LIBRARY	CULTURE	17,686.24
PROVOST LIONS HANDI VAN SOCIETY	GRANT	6,500.00
PROVOST SENIOR CITIZENS HOME FOUNDATION	GRANT	467,934.53
PROVOST SENIOR CITIZENS HOME FOUNDATION	TRANSFER OF REQUISITION	490,500.00
ROSENHEIM HISTORICAL SOCIETY	GRANT	10,000.00
ROSENHEIM HISTORICAL SOCIETY	RECREATION: PROVOST & DIST REC	2,500.00
SHORNCLIFFE PARK IMPROVEMENT ASSOCIATION	RECREATION: SHORNCLIFFE LAKE	8,500.00
SKYLINE CHURCH HISTORICAL SOCIETY	GRANT	5,000.00
TOWN OF PROVOST	FIRE: EAST END	81,056.56
TOWN OF PROVOST	OTHER GOVT: COMMUNITY BBQ	6,666.23
TOWN OF PROVOST	OTHER GOVT: DOCTOR'S HOUSE	14,350.90
TOWN OF PROVOST	OTHER GOVT: INS - HEALTH FOUND.	1,108.77
TOWN OF PROVOST	RECREATION: PROVOST & DIST REC	196,698.84
TOWN OF PROVOST	WASTE MGMT (RECYCLING)	1,800.00
VILLAGE OF CZAR	FIRE: WEST END	19,715.94
VILLAGE OF HUGHENDEN	RECREATION: WEST END	3,750.00
WEST RECREATION COUNCIL	RECREATION: WEST END	200,180.70



ANNUAL MILL RATE COMPARISON- M.D. of PROVOST NO. 52						
<b>Residential</b>						
	<b>2013</b>	<b>2014</b>	<b>2015</b>			
ASFF	2.5055	2.3562	2.3940			
Municipal	2.7636	2.8552	3.4292			
Uncollectibles	0.0000	0.0000	0.0000			
Fire	0.1173	0.2049	0.1727			
Recreation	0.7843	0.3431	0.2221			
Waste Management	0.0225	0.0423	0.0663			
FCSS	0.0079	0.0069	0.0065			
Hillcrest	0.1586	0.2232	0.2007			
Total Residential mill rate	<b>6.3597</b>	<b>6.0318</b>	<b>6.4915</b>			
<b>Farmland</b>						
	<b>2013</b>	<b>2014</b>	<b>2015</b>			
ASFF	2.5055	2.3562	2.3940			
Municipal	5.5272	5.7104	6.8583			
Uncollectibles	0.0000	0.0000	0.0000			
Fire	0.1173	0.2049	0.1727			
Recreation	0.7843	0.3431	0.2221			
Waste Management	0.0225	0.0423	0.0663			
FCSS	0.0079	0.0069	0.0065			
Hillcrest	0.1586	0.2232	0.2007			
Total Farm mill rate	<b>9.1233</b>	<b>8.8870</b>	<b>9.9206</b>			
<b>Non Residential/Industrial</b>						
	<b>2013</b>	<b>2014</b>	<b>2015</b>			
ASFF	3.7160	3.4405	3.5016			
Municipal	5.5272	5.7104	6.8583			
Uncollectibles	0.0000	0.0000	0.0000			
Fire	0.1173	0.2049	0.1727			
Recreation	0.7843	0.3431	0.2221			
Waste Management	0.0225	0.0423	0.0663			
FCSS	0.0079	0.0069	0.0065			
Hillcrest	0.1586	0.2232	0.2007			
Special Industrial	2.2063	2.2063	2.2063			
Total Non-residential mill rate	<b>12.5401</b>	<b>12.1776</b>	<b>13.2345</b>			
Total Machinery & Equip mill rate	<b>8.8241</b>	<b>8.7371</b>	<b>9.7329</b>			

## M.D. OF PROVOST NO. 52 NEWSLETTER 2016

### FIRE SAFETY REMINDER

All ratepayers are reminded that fire safety starts with you – and that all burning within the M.D. must be conducted responsibly and in accordance with the M.D.'s fire control bylaw. Ratepayers are reminded that incinerators, fire pits and barbecue pits must:

- have a spark arrestor mesh screen of 13 mm or less to contain sparks over the fire at all times.
- be supervised at all times by a responsible adult person until such time that fire has been extinguished. A fire shall be deemed to include hot ashes and smoldering embers resulting from the fire.
- burn only Class "A" materials (clean wood, paper, twigs and garden chippings and garden debris) charcoal briquettes, propane or natural gas fuels.
- have a flame height which does not exceed 90 cm (3.38 feet) above the incinerator, barbecue or fire pit.

A fire permit is required for ALL outdoor fires, not classed as "small open fires" by Bylaw #2229, structure fires or the discharge of fireworks. For more information or to obtain a fire permit ratepayers are advised to visit our website at [mdprovost.ca](http://mdprovost.ca).

### PENALTIES ON TAXES

2016 penalty dates are October 31, 2016 – 10% on current  
January 31, 2017 – 15% on arrears

### GENERAL ASSESSMENT

The 2016 Assessment and Tax Notices will be sent together. **Please watch for them in June or early July.** Assessments are now updated annually based on changes to market conditions, etc. within the municipality.

## **TAX NOTICES**

Tax Notices are sent to the owner of the land that is stated on the registered title at the time the notice is prepared. A tax notice is deemed to have been received 7 days after it is sent. If your mailing address has changed, it is up to you to notify the MD office. **If you do not receive a tax notice for your property, it is your responsibility to contact the MD office.** Nonpayment of taxes will result in penalties added and eventually sale of land under the Municipal Government Act.

## **BUILDING, ELECTRICAL, GAS AND PLUMBING PERMITS**

The MD of Provost No. 52 administers the Safety Codes Act of Alberta in the disciplines of Building, Electrical, Gas and Plumbing. Superior Safety Codes Inc., an accredited agency, has been contracted to provide permit issuance and inspections pursuant to the Act. Permits may be obtained from Superior Safety Codes Inc. at 1-888-358-5545.

## **DEVELOPMENT PERMIT APPLICATION**

### **Control of Development**

**No development shall be undertaken within the municipality,** other than that designated in Section 7 of the MD's Land Use Bylaw, unless an application for it has been approved and a development permit has been issued. For the designations in Section 7 please contact the MD office.

### **Application for a Development Permit**

An application for development permit shall be made to the Development Officer in writing, and shall be accompanied by:

- (a) a site plan showing the legal description and the front, rear and side yards if any, and any provision for off-street vehicle parking, and entry and exit points to and from the site;
- (b) floor plans and elevations and sections of any proposed buildings;
- (c) any other reasonable information that the Development Officer/Municipal Planning Commission deems is necessary to render a decision on the application;
- (d) a development permit fee as established by resolution of Council.

## **UNAUTHORIZED USE OF ROAD ALLOWANCES**

The M.D. of Provost No. 52 would like to remind its residents that the title to all road allowances within the M.D., **whether presently in use as a roadway or not**, is vested in the Crown in Right of Alberta and that the M.D. has the direction, control and management of all roadways within the M.D. except provincial highways. Any unauthorized use presently being made of road allowances within the M.D. by anyone does not give the user any right to continued use or to compensation in the event that a decision is made to develop the road allowance as a roadway.

## **SNOWPLOW POLICY**

Please remember if you wish to have your lane snowplowed this winter pick up a "Custom Work" agreement at the M.D. office or from your grader operator as soon as possible. The agreements are valid for 3 years. **For those renting, both yourself and the owner are required to sign the agreement.**

If you plow your own lane, please do not leave any ridges or piles on the M.D. road as it creates a hazard to the travelling public.

The MD has the right to refuse the snowplowing and lane maintenance agreement if so deemed unfeasible after inspection of the site.

## **ROAD SIGNS**

Traffic signs are erected to maintain safety on our roads. Please notify the M.D. office immediately if you see any signs down, missing or in need of repair. We need your help to assist us in keeping an accurate record of the signs and keep them in good condition. It is illegal to erect signs of any kind on the road allowance without receiving consent from the Municipal District.

## **DON'T LITTER**

Dumping of garbage on road allowances, in road ditches and along unused road allowances is prohibited. This includes ROCKS. Help keep our M.D. clean. All loads to transfer sites and the landfill are to be tarped and secure.

## **DUST CONTROL**

To assist those wanting dust control on a municipal road used by the general public which runs past their house, it is policy to offer the application of calcium chloride, MG-30 or oil as a means of dust control to resident ratepayers at 25% of product cost for the initial application. The application deadline will be April 15<sup>th</sup> of each year, and late requests will not be accepted. Applications will be accepted for a minimum distance of 500 feet and up to a maximum of 1000 feet per site.

The applicant will recognize roadways are subject to seasonal weather changes, traffic volume and vehicle weight. Dust controls will be maintained as required at the discretion of the MD of Provost, which may impact the effectiveness and life expectancy of the dust suppressant. Applicants may apply for a second application of calcium chloride or MG-30 at the same rate as the initial application (25% of product cost) to be received by July 31 of the same year. Late requests will not be accepted. All calcium dust controls will be bladed in the spring.

The MD guarantees that the dust control will be applied in the same year in which the application is received. The MD retains the right to refuse the application of dust control if such is deemed unfeasible after inspection of the site.

Ratepayers acknowledge and agree that the MD makes no guarantee as to the life expectancy of the material process.

**Please call the MD Administration Office if you would like your name on the list for the above.**

## **SWEET SALES OIL**

Ratepayers will be allowed to apply sweet sales oil for dust control providing there is no cost to the M.D. All work will be under the supervision of the Director of Public Works and requests must be made in writing. The M.D. reserves the right to maintain all dust control areas as deemed necessary at its sole discretion, and no municipal machinery shall be used to spread this oil for ratepayers.

## **USED OIL**

Used oil can be disposed of at the Hughenden Transfer Site and the Landfill. Used oil filters and plastic oil containers can be disposed of at the Landfill or any manned Transfer Site.

## **PROVOST NEWS CIRCULATION**

It is the policy of the M.D. of Provost No. 52, under Bylaw 764, to circulate the Provost News in which the M.D. reports to all **ratepayers** who do not already subscribe.

Those wishing to receive the Provost News must contact the M.D. office. It is not necessary to contact the M.D. office if you already receive a regular subscription.

## **DUGOUTS**

Dugouts are considered as development and therefore must comply with setback regulations. As stated in the Land Use Bylaw, there is to be no development within 40 metres of the center line of any municipal road allowance. Any excavation or stockpiles within the 40 metre setback are considered non-conforming and are not permitted.

Please contact the MD office if unsure as to policy regarding development.

## **MOVING CATTLE**

Cattle Moving Signs are available at both the Provost and Hughenden Shops. The Peace Officer may also be available to help notify traffic that a move is in process. He can be reached at 753-1981.

## **A SLOW DOWN REMINDER - 30 Km/hr.**

School Zone Times (School Days Only)

8:00 am – 9:30 am

11:30 am – 1:30 pm

3:00 pm – 4:30 pm

Playground Zones (Everyday)

8:30 am to 1 hour after sunset

In rural and urban areas:

Red flashing lights on a school bus means **STOP** (this means traffic from both directions)

Amber flashing lights on a school bus means **SLOW DOWN AND BE PREPARED TO STOP**

Failure to follow this legislation can result in a fine plus demerits

The bus driver may take the license plate number and the registered owner can be charged

***FOR MORE INFO. CHECK OUT THE MD OF PROVOST'S WEBSITE AT [www.mdprovost.ca](http://www.mdprovost.ca)***

M.D. OF PROVOST NO. 52  
BOX 300  
PROVOST, AB  
T0B 3S0

2015-2016 COUNCILLORS FULL NAMES & ADDRESSES (October 22<sup>nd</sup>, 2015)

DIVISION 1	LONNIE KOZLINSKI BOX 1317 PROVOST, AB T0B 3S0	753-6576 HOME 753-1556 CELL <a href="mailto:lkozlinski@mdprovost.ca">lkozlinski@mdprovost.ca</a>
DIVISION 2 REEVE	ALLAN MURRAY BOX 24 HAYTER, AB T0B 1X0	753-1494 CELL 753-6531 HOME & FAX <a href="mailto:amurray@mdprovost.ca">amurray@mdprovost.ca</a>
DIVISION 3	BILL WOLFE BOX 27 CADOGAN, AB T0B 0T0	753-0102 CELL 753-6344 HOME 753-8064 FAX <a href="mailto:bwolfe@mdprovost.ca">bwolfe@mdprovost.ca</a>
DIVISION 4	BARRIE TRIPP BOX 27 PROVOST, AB T0B 3S0	753-8769 CELL 753-6722 HOME 753-6727 FAX <a href="mailto:btripp@mdprovost.ca">btripp@mdprovost.ca</a>
DIVISION 5 DEPUTY-REEVE	RICHARD CHARLTON BOX 236 CZAR, AB T0B 0Z0	857-2269 HOME 209-1136 CELL <a href="mailto:rcharlton@mdprovost.ca">rcharlton@mdprovost.ca</a>
DIVISION 6	DARRYL MOTLEY R.R.#1 CZAR, AB T0B 0Z0	209-4413 CELL 857-2131 HOME 857-0007 FAX <a href="mailto:dmotley@mdprovost.ca">dmotley@mdprovost.ca</a>
DIVISION 7	DARRYL CARSON BOX 27 HUGHENDEN, AB T0B 2E0	856-2164 HOME Email: <a href="mailto:dcarson@mdprovost.ca">dcarson@mdprovost.ca</a>
Office Hours are 8:30 a.m. – 4:30 p.m. Telephone: 780-753-2434 or 780-857-2434 Fax: 780-753-6432 MD of Provost E-mail: <a href="mailto:mdprovost@mdprovost.ca">mdprovost@mdprovost.ca</a> MD of Provost Website: <a href="http://www.mdprovost.ca">www.mdprovost.ca</a>		
TYLER LAWRASON, ADMINISTRATOR – email: <a href="mailto:tlawrason@mdprovost.ca">tlawrason@mdprovost.ca</a>		OFFICE 753-2434 CELL: 753-0176 HOME: 857-0003
DANA LAYE, EXECUTIVE ASSISTANT TO THE ADMINISTRATOR – email: <a href="mailto:dlaye@mdprovost.ca">dlaye@mdprovost.ca</a>		OFFICE: 753-2434
DOUG CHAMBERS, FINANCE OFFICER email: <a href="mailto:dchambers@mdprovost.ca">dchambers@mdprovost.ca</a>		OFFICE 753-2434
MICHELLE FORMANEK, TAX & PAYROLL CLERK email: <a href="mailto:mformanek@mdprovost.ca">mformanek@mdprovost.ca</a>		OFFICE: 753-2434
KENT KOZLINSKI, PEST CONTROL OFFICER		CELL 209-1710
JOHN DEGENSTIEN, DEVELOPMENT OFFICER email: <a href="mailto:jdegenstien@mdprovost.ca">jdegenstien@mdprovost.ca</a>		OFFICE 753-2434 CELL 753-0509
KEITH HAGEN, UTILITIES OFFICER email: <a href="mailto:khagen@mdprovost.ca">khagen@mdprovost.ca</a>		OFFICE 753-2168 CELL (587) 878-1078
BOB HAWRILIUK, ASST. DEVELOPMENT OFFICER email: <a href="mailto:bhawriliuk@mdprovost.ca">bhawriliuk@mdprovost.ca</a>		OFFICE 753-2434 CELL: 753-1865
MARILYN REINHART, ACCOUNTS COORDINATOR email: <a href="mailto:mreinhardt@mdprovost.ca">mreinhardt@mdprovost.ca</a>		OFFICE: 753-2434
MAXINE MAILER, DATA ENTRY CLERK email: <a href="mailto:mmailer@mdprovost.ca">mmailer@mdprovost.ca</a>		OFFICE: 753-2434
JULIANNA LAKEVOLD, OFFICE ASSISTANT email: <a href="mailto:jlakevold@mdprovost.ca">jlakevold@mdprovost.ca</a>		OFFICE: 753-2434
JULIE JAMIESON, INVENTORY PROCUREMENT OFFICER email: <a href="mailto:jjamieson@mdprovost.ca">jjamieson@mdprovost.ca</a>		OFFICE 753-2168 FAX 753-2199
PUBLIC WORKS PROVOST SHOP		SHOP 753-2168 FAX 753-2199
PUBLIC WORKS HUGHENDEN SHOP		SHOP 856-3654
RAINA LAYE, PUBLIC WORKS ADMINISTRATIVE ASSISTANT email: <a href="mailto:rlaye@mdprovost.ca">rlaye@mdprovost.ca</a>		SHOP 753-2168
IRVIN BETHGE, SPECIAL PROJECTS COORDINATOR email: <a href="mailto:ibethge@mdprovost.ca">ibethge@mdprovost.ca</a>		SHOP 753-2168
IAN GREEN, PEACE OFFICER email: <a href="mailto:igreen@mdprovost.ca">igreen@mdprovost.ca</a>		CELL 753-1981
ANDRE GUILBAULT, ASSESSOR email: <a href="mailto:wag-andy@telus.net">wag-andy@telus.net</a> WAINWRIGHT ASSESSMENT GROUP		OFFICE 753-2434 WAINWRIGHT 842-5002 CELL 806-1134