

MD OF PROVOST NO. 52



FINANCIAL STATEMENT

**FOR THE YEAR ENDING
DECEMBER 31, 2014**

REEVES REPORT 2014

Our MD has experienced another year of growth as well as continuing to address infrastructure improvements. We continue to spend to improve our road network. Our contract with Hauser Construction resulted in about 18 miles of road being rehabilitated which was below our goal as the weather did not fully cooperate. The work on Range Road 11 was on the edge of having to move to another project as it was near saturation at times. In 2014 we started on what we called tier 2 & 3 projects. The goal of our tier 2 projects was to take lesser used roads where there was no definition to the ditches or elevation to the road or the road had started to erode and rehabilitate them. This work was contracted out to local contractors and will continue in 2015. Our tier 3 projects were based on the roads that weren't all season and get the trees out of the right of way, fill in low spots and generally make them passable for today's farm equipment. Again this will continue in 2015.

We hired a new director of public works, Wayne MacLean in early 2014 as our previous director was retiring. We thank Curtis Hughes for his many years of service to the MD and wish him well in his well deserved retirement. A new Collective bargaining agreement was signed to continue through to 2016.

We continue to keep our fleet of equipment modern and add to it as resources are available to make use of it. For instance a crawler with a 6 way blade was purchased to work on our tier 3 projects as well to be used for brushing in the winter. The ASB has added a skid steer with mulcher to compliment the brushing in ditches. Gravel trailers are being purchased to increase our capacity for road gravelling.

We continue to up grade utility provision in the hamlets with up grades in Metiskow & Bodo in past years and now planning for an up grade in Cadogen. We have passed all our audits of our water treatment plants in the MD.

We have engaged a local contractor to crush rocks at our gravel pits. We have taken this rock and broken it so that it could be put through the crusher to make gravel so can be used as is to fill reoccurring soft spots in roads. Our gravel supplies are adequate for the present, but we continue to look for new supplies and will need to find them for the future.

Your MD is in a strong financial position which allows us to continue to invest in our communities. We have on order 2 new tanker pumpers to improve our fire departments, we have under taken with the Town of Provost an exploratory committee to look a new medical centre for our community and continue our traditional support of other areas such as recreation, senior housing which we committed an additional \$1,000,000. to renovate our existing lodge in Provost.

I would like to thank all our staff, administration and fellow councilors for their contributions to the MD in the past year.

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, 2014, 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, 2014, 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.

Hawkins Epp Dumont LLP

Edmonton, Alberta
April 23, 2015

Hawkins Epp Dumont LLP
Chartered Accountants

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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 23, 2015

MUNICIPAL DISTRICT OF PROVOST NO. 52


STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
FINANCIAL ASSETS		
Cash and temporary investments (Note 2)	\$ 25,288,242	\$ 25,470,392
Taxes and grants in place of taxes receivable (Note 3)	275,740	346,646
Trade receivables (Note 4)	89,990	339,800
Accrued interest receivable	46,601	36,887
Land inventory	<u>130,728</u>	<u>136,879</u>
	<u>25,831,301</u>	<u>26,330,604</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	1,152,822	1,133,087
Deferred revenue (Note 6)	97,051	106,218
Provision for gravel pit reclamation	<u>562,400</u>	<u>924,824</u>
	<u>1,812,273</u>	<u>2,164,129</u>
NET FINANCIAL ASSETS	<u>24,019,028</u>	<u>24,166,475</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Schedule 5)	111,402,610	103,251,762
Inventory for consumption (Note 7)	4,408,763	3,634,026
Prepaid assets	<u>420,533</u>	<u>256,165</u>
	<u>116,231,906</u>	<u>107,141,953</u>
ACCUMULATED SURPLUS (NOTE 8)	<u>\$140,250,934</u>	<u>\$131,308,428</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, 2014

	<u>2014</u> (Budget) (Note 14)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
REVENUE			
Net municipal property taxes (Schedule 2)	\$18,569,476	\$18,569,702	\$17,766,569
User fees and sales of goods	491,780	730,375	491,011
Government transfers (Schedule 3)	375,118	397,704	447,914
Interest and investment income	348,000	379,862	315,062
Other	102,740	222,461	115,848
Penalties and costs on taxes	110,000	126,928	89,087
Rentals	<u>67,222</u>	<u>69,403</u>	<u>65,429</u>
	<u>20,064,336</u>	<u>20,496,435</u>	<u>19,290,920</u>
EXPENSES			
Transportation services	6,832,080	10,939,772	10,484,770
Administration services	1,229,010	1,515,922	1,192,661
Recreation and culture services	703,598	838,238	725,431
Agriculture and development services	707,763	832,021	807,220
Protective services	412,157	459,975	445,324
Water and wastewater services	196,150	213,400	217,420
Waste management and disposal services	206,231	208,491	206,244
Council and other legislative services	156,400	177,346	146,451
Other	<u>15,802</u>	<u>15,801</u>	<u>16,945</u>
	<u>10,459,191</u>	<u>15,200,966</u>	<u>14,242,466</u>
EXCESS OF REVENUE OVER EXPENSES BEFORE OTHER INCOME	<u>9,605,145</u>	<u>5,295,469</u>	<u>5,048,454</u>
OTHER INCOME			
Contributed tangible capital assets	-	1,248,651	-
Government transfers for capital (Schedule 3)	<u>2,274,044</u>	<u>2,398,386</u>	<u>2,367,491</u>
	<u>2,274,044</u>	<u>3,647,037</u>	<u>2,367,491</u>
EXCESS OF REVENUE OVER EXPENSES	<u>11,879,189</u>	<u>8,942,506</u>	<u>7,415,945</u>
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>131,308,428</u>	<u>131,308,428</u>	<u>123,892,483</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$143,187,617</u>	<u>\$140,250,934</u>	<u>\$131,308,428</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> (Budget) (Note 14)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
EXCESS OF REVENUE OVER EXPENSES	<u>\$ 11,879,189</u>	<u>\$ 8,942,506</u>	<u>\$ 7,415,945</u>
Acquisition of tangible capital assets	(11,716,239)	(12,142,707)	(12,015,829)
Contributed tangible capital assets	-	(1,248,651)	-
Proceeds on disposal of tangible capital assets	-	106,640	1,056,119
Amortization of tangible capital assets	-	4,449,074	3,863,700
Loss on disposal of tangible capital assets	<u>1,000</u>	<u>684,796</u>	<u>964,736</u>
	<u>(11,715,239)</u>	<u>(8,150,848)</u>	<u>(6,131,274)</u>
Acquisition of inventory	-	(774,737)	(106,957)
Acquisition of prepaid assets	<u>-</u>	<u>(164,368)</u>	<u>(4,898)</u>
	<u>-</u>	<u>(939,105)</u>	<u>(111,855)</u>
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	163,950	(147,447)	1,172,816
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>24,166,475</u>	<u>24,166,475</u>	<u>22,993,659</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 24,330,425</u>	<u>\$ 24,019,028</u>	<u>\$ 24,166,475</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
OPERATING ACTIVITIES		
Excess of revenue over expenditures	\$ 8,942,506	\$ 7,415,945
Deduct items not affecting cash:		
Loss on disposal of tangible capital assets	684,796	964,736
Amortization of tangible capital assets	4,449,074	3,863,700
Provision for gravel pit reclamation	147,706	47,914
Disbursed for gravel pit reclamation	(510,129)	(46,935)
Contributed tangible capital assets	(1,248,651)	-
Change in non-cash working capital balances:		
Taxes and grants in place of taxes receivable	70,906	(237,123)
Trade receivables	249,809	100,629
Accrued interest receivable	(9,713)	(15,595)
Prepaid expenses	(164,368)	(4,898)
Inventory	(774,737)	(106,957)
Accounts payable and accrued liabilities	19,735	(1,937,517)
Land inventory	6,150	91,488
Deferred revenue	(9,167)	4,840
	<u>11,853,917</u>	<u>10,140,227</u>
CAPITAL ACTIVITIES		
Purchase of tangible capital assets	(12,142,707)	(12,015,829)
Proceeds on disposal of tangible capital assets	<u>106,640</u>	<u>1,056,119</u>
	<u>(12,036,067)</u>	<u>(10,959,710)</u>
DECREASE IN CASH AND TEMPORARY INVESTMENTS	(182,150)	(819,483)
CASH AND TEMPORARY INVESTMENTS, BEGINNING OF YEAR	<u>25,470,392</u>	<u>26,289,875</u>
CASH AND TEMPORARY INVESTMENTS, END OF YEAR (Note 2)	<u>\$ 25,288,242</u>	<u>\$ 25,470,392</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE 1

SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS

FOR THE YEAR ENDED DECEMBER 31, 2014

	Equity in Tangible Capital Assets	Restricted	Unrestricted	2014 Total	2013 Total
Balance, Beginning of Year	\$ 103,251,762	\$ 21,306,421	\$ 6,750,245	\$ 131,308,428	\$ 123,892,483
Purchase of tangible capital assets	12,142,707	-	(12,142,707)	-	-
Contributed tangible capital assets	1,248,651	-	(1,248,651)	-	-
Annual amortization expense	(4,449,074)	-	4,449,074	-	-
Disposal of tangible capital assets	(791,436)	-	791,436	-	-
Unrestricted funds designated for future use	-	760,085	(760,085)	-	-
Excess of Revenue over Expenses	<u>-</u>	<u>-</u>	<u>8,942,506</u>	<u>8,942,506</u>	<u>7,415,945</u>
Balance, End of Year	<u>\$ 111,402,610</u>	<u>\$ 22,066,506</u>	<u>\$ 6,781,818</u>	<u>\$ 140,250,934</u>	<u>\$ 131,308,428</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE 2

SCHEDULE OF PROPERTY TAXES LEVIED

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> (Budget) (Note 14)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
TAXATION			
Linear property taxes	\$ 13,562,403	\$ 13,562,403	\$ 13,103,721
Real property taxes	<u>10,451,747</u>	<u>10,451,972</u>	<u>9,944,260</u>
	<u>24,014,150</u>	<u>24,014,375</u>	<u>23,047,981</u>
REQUISITIONS			
East Central Alberta C.S.S.	63,811	63,811	62,030
Alberta School Foundation Fund	4,867,863	4,867,862	4,878,029
Provost Seniors Foundation	<u>513,000</u>	<u>513,000</u>	<u>341,353</u>
	<u>5,444,674</u>	<u>5,444,673</u>	<u>5,281,412</u>
NET MUNICIPAL TAXES	<u>\$ 18,569,476</u>	<u>\$ 18,569,702</u>	<u>\$ 17,766,569</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE 3

SCHEDULE OF GOVERNMENT TRANSFERS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u> (Budget) (Note 14)	<u>2014</u> (Actual)	<u>2013</u> (Actual)
TRANSFERS FOR OPERATING			
Provincial government	\$ 322,084	\$ 334,216	\$ 389,747
Local government	<u>53,034</u>	<u>63,488</u>	<u>58,167</u>
	<u>375,118</u>	<u>397,704</u>	<u>447,914</u>
TRANSFERS FOR CAPITAL			
Provincial government	<u>2,274,044</u>	<u>2,398,386</u>	<u>2,367,491</u>
TOTAL GOVERNMENT TRANSFERS	<u>\$ 2,649,162</u>	<u>\$ 2,796,090</u>	<u>\$ 2,815,405</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52
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
REVENUE							
Taxation	\$ 1,275,818	\$ 6,618,378	\$ 523,743	\$ 769,797	\$ -	\$ 9,381,966	\$ 18,569,702
Government transfers	11,694	34,663	233,091	-	-	118,256	397,704
User fees and sales of goods	117,445	110,935	-	109,810	167,681	224,504	730,375
All other	57,893	48,239	4,453	17,658	52,671	237,878	418,792
Investment Income	-	-	-	-	-	379,862	379,862
	<u>1,462,850</u>	<u>6,812,215</u>	<u>761,287</u>	<u>897,265</u>	<u>220,352</u>	<u>10,342,466</u>	<u>20,496,435</u>
EXPENSES							
Materials, goods, contracted and general services	483,080	3,760,075	372,247	147,238	105,275	257,784	5,125,699
Amortization	52,459	4,126,766	70,734	50,261	31,573	117,282	4,449,075
Salaries, wages and benefits	574,942	2,378,214	377,737	100,714	65,729	241,034	3,738,370
Transfers to other governments	252,813	-	-	503,263	-	227,994	984,070
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>1,515,922</u>	<u>10,939,773</u>	<u>832,021</u>	<u>838,237</u>	<u>213,400</u>	<u>861,613</u>	<u>15,200,966</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (53,072)</u>	<u>\$ (4,127,558)</u>	<u>\$ (70,734)</u>	<u>\$ 59,028</u>	<u>\$ 6,952</u>	<u>\$ 9,480,853</u>	<u>\$ 5,295,469</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

SCHEDULE OF SEGMENTED INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2013

	Administration Services	Transportation Services	Agricultural Services	Recreation and Culture Services	Water and Waste Water Services	All Other	Total
REVENUE							
Taxation	\$ 1,010,517	\$ 6,761,943	\$ 527,035	\$ 679,539	\$ -	\$ 8,787,535	\$ 17,766,569
All other	37,832	35,808	1,680	16,058	65,066	113,920	270,364
Government transfers	11,136	33,116	216,420	-	-	187,242	447,914
Investment Income	-	-	-	-	-	315,062	315,062
User fees and sales of goods	82,376	69,012	-	-	159,135	180,488	491,011
	<u>1,141,861</u>	<u>6,899,879</u>	<u>745,135</u>	<u>695,597</u>	<u>224,201</u>	<u>9,584,247</u>	<u>19,290,920</u>
EXPENSES							
Materials, goods, contracted and general services	443,197	4,457,260	328,174	65,086	110,486	200,432	5,604,635
Amortization	50,800	3,584,892	62,085	29,834	32,972	103,118	3,863,701
Salaries, wages and benefits	534,008	2,051,034	364,953	41,282	62,038	200,424	3,253,739
Transfers to other governments	18,862	-	43,291	549,603	-	296,389	908,145
Repairs and maintenance	53,752	247,468	2,777	-	-	-	303,997
Utilities	33,204	90,695	-	35,182	11,924	2,978	173,983
Insurance	58,838	53,421	5,940	4,444	-	11,623	134,266
	<u>1,192,661</u>	<u>10,484,770</u>	<u>807,220</u>	<u>725,431</u>	<u>217,420</u>	<u>814,964</u>	<u>14,242,466</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	<u>\$ (50,800)</u>	<u>\$ (3,584,891)</u>	<u>\$ (62,085)</u>	<u>\$ (29,834)</u>	<u>\$ 6,781</u>	<u>\$ 8,769,283</u>	<u>\$ 5,048,454</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52
SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2014

SCHEDULE 5

	<u>Land</u>	<u>Buildings</u>	<u>Engineered Structures</u>	<u>Machinery and Equipment</u>	<u>Vehicles</u>	<u>2014</u>	<u>2013</u>
COST:							
Balance, Beginning of Year	\$ 146,426	\$ 7,358,811	\$ 158,830,595	\$ 9,183,618	\$ 4,283,674	\$ 179,803,124	\$ 171,329,169
Additions	-	1,056,289	10,886,852	705,659	742,558	13,391,358	12,015,829
Disposals	-	(32,000)	(2,368,958)	(17,985)	(405,950)	(2,824,893)	(3,541,874)
Balance, End of Year	<u>146,426</u>	<u>8,383,100</u>	<u>167,348,489</u>	<u>9,871,292</u>	<u>4,620,282</u>	<u>190,369,589</u>	<u>179,803,124</u>
ACCUMULATED AMORTIZATION:							
Balance, Beginning of Year	-	823,045	71,036,555	2,727,695	1,964,067	76,551,362	74,208,681
Amortization Expense	-	140,367	3,309,743	706,950	292,014	4,449,074	3,863,700
Disposals	-	(19,840)	(1,670,748)	(11,190)	(331,679)	(2,033,457)	(1,521,019)
Balance, End of Year	-	<u>943,572</u>	<u>72,675,550</u>	<u>3,423,455</u>	<u>1,924,402</u>	<u>78,966,979</u>	<u>76,551,362</u>
NET BOOK VALUE, END OF YEAR	<u>\$ 146,426</u>	<u>\$ 7,439,528</u>	<u>\$ 94,672,939</u>	<u>\$ 6,447,837</u>	<u>\$ 2,695,880</u>	<u>\$ 111,402,610</u>	<u>\$ 103,251,762</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

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 twelve 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, 2014

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

The amortization in the year of acquisition is charged at one half the normal annual rate and no amortization is charged in the year of disposal.

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 taxes are recognized in the year in which they are levied.

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.

(CONT'D)

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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, 2014

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(I) Future Accounting Standard Pronouncements

The following summarizes upcoming changes to Public Sector Accounting Standards. In 2015, the Municipal District will continue to assess the impact and prepare for the adoption of these standards.

i) *Liability for Contaminated Sites*

PS 3260, *Contaminated Sites* established standards applying to local governments for fiscal years beginning on or after April 1, 2014. The section defines the activities included with regards to remediation, establishes where to recognize and how to measure the liability, as well as discusses the presentation and disclosure requirements. The Municipal District continues to review policies, procedures and systems to ensure consistent and accurate identification and estimation of reclamation liabilities associated with contaminated sites. The Municipal District has not yet determined what, if any, financial reporting implications may arise from this standard.

ii) *Financial Instruments*

PS 3450, *Financial Instruments* established recognition, measurement and disclosure requirements for derivative and non-derivative financial instruments applying for fiscal years beginning on or after April 1, 2016. The standard requires fair value measurement of derivative and equity instruments; all other financial instruments can be measured at cost/amortized cost or fair value at the election of the government. Unrealized gains and losses are presented in a new statement of re-measurement gains and losses. There is the requirement to disclose the nature and extent of risks arising from financial instruments and clarification is given for the de-recognition of financial liabilities.

2. CASH AND TEMPORARY INVESTMENTS

	<u>2014</u>	<u>2013</u>
Cash	\$ 6,660,742	\$ 5,440,860
Term deposits	<u>18,627,500</u>	<u>20,029,532</u>
	<u>\$ 25,288,242</u>	<u>\$ 25,470,392</u>

Cash equivalents consist of term deposits bearing interest from 1.73% to 2.50% maturing from January 2015 to June 2015.

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLES

	<u>2014</u>	<u>2013</u>
Current taxes and grants in place of taxes	\$ 371,671	\$ 333,475
Arrears taxes	<u>297,546</u>	<u>197,305</u>
	669,217	530,780
Less: Allowance for doubtful accounts	<u>(393,477)</u>	<u>(184,134)</u>
	<u>\$ 275,740</u>	<u>\$ 346,646</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

4. TRADE RECEIVABLES

	<u>2014</u>	<u>2013</u>
Trade	64,060	298,163
Goods and services tax recoverable	<u>25,930</u>	<u>41,637</u>
	<u>\$ 89,990</u>	<u>\$ 339,800</u>

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	<u>2014</u>	<u>2013</u>
Trade	\$ 976,829	\$ 979,001
Employee benefit obligations	<u>175,993</u>	<u>154,086</u>
	<u>\$ 1,152,822</u>	<u>\$ 1,133,087</u>

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>2013</u>	<u>Additions</u>	<u>Revenue Recognized</u>	<u>2014</u>
Operating ASB grant	\$ 70,150	\$ 168,359	\$ (168,359)	\$ 70,150
Pest control officer grant	35,988	55,645	(64,732)	26,901
Shorncliffe Lake	<u>80</u>	<u>-</u>	<u>(80)</u>	<u>-</u>
	<u>\$ 106,218</u>	<u>\$ 224,004</u>	<u>\$ (233,171)</u>	<u>\$ 97,051</u>

7. INVENTORY FOR CONSUMPTION

	<u>2014</u>	<u>2013</u>
Gravel	\$ 3,782,903	\$ 3,238,918
Material and supplies	<u>625,860</u>	<u>395,108</u>
	<u>\$ 4,408,763</u>	<u>\$ 3,634,026</u>

8. ACCUMULATED SURPLUS

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

	<u>2014</u>	<u>2013</u>
Unrestricted surplus	\$ 6,781,818	\$ 6,750,242
Restricted surplus:		
Operating reserves (Note 9)	9,930,096	13,604,090
Capital reserves (Note 9)	12,136,410	7,702,331
Equity in tangible capital assets	<u>111,402,610</u>	<u>103,251,765</u>
	<u>\$140,250,934</u>	<u>\$131,308,428</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

9. RESERVES

	<u>2014</u>	<u>2013</u>
OPERATING RESERVES		
Recreation	\$ 4,788,389	\$ 4,454,969
Health services	3,014,085	2,014,085
Hillcrest Lodge	1,000,000	-
Subdivision	540,964	536,712
Roads	191,021	140,000
Fire	184,999	151,417
Administration building	78,260	128,260
Other	56,500	61,000
Agricultural Services Board	29,000	29,000
Water and sewer	21,000	46,000
Ambulance	14,088	14,088
Airport	6,790	6,790
Emergency management	5,000	49,656
Operating contingencies	-	5,971,092
Gravel pit reclamation	-	1,021
	<u>9,930,096</u>	<u>13,604,090</u>
CAPITAL RESERVES		
Roads	9,601,959	4,667,665
Fire	1,319,684	593,610
Water and sewer	342,485	277,342
Recreation	309,899	465,894
Administration	267,191	1,346,335
Agricultural services	129,949	177,228
Airport	113,520	93,520
Disaster services	30,546	30,546
Municipal planning and development	12,986	42,000
Ambulance	8,191	8,191
	<u>12,136,410</u>	<u>7,702,331</u>
Total Reserves	<u>\$ 22,066,506</u>	<u>\$ 21,306,421</u>

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

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 2014 were \$248,885 (2013 - \$199,653). Total current service contributions made by the employees of the Municipal District to the LAPP in 2014 were \$229,132 (2013 - \$182,384).

At December 31, 2013, the LAPP disclosed an actuarial deficiency of \$4.86 billion (2012 - \$4.978 billion).

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

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:

	<u>Salary</u>	<u>Benefits and Allowances</u>	<u>2014</u>	Total <u>2013</u>
Councillors				
Division 1	\$ 8,773	\$ 3,631	\$ 12,404	\$ 8,376
Division 1	-	-	-	1,150
Division 2	9,301	1,290	10,591	8,361
Division 3	-	-	-	6,572
Division 3	9,004	3,641	12,645	1,151
Division 4	8,700	3,075	11,775	9,963
Division 5	-	-	-	5,830
Division 5	9,621	365	9,986	1,156
Division 6	9,082	133	9,215	7,720
Division 7	<u>9,894</u>	<u>3,209</u>	<u>13,103</u>	<u>9,993</u>
	<u>\$ 64,375</u>	<u>\$ 15,344</u>	<u>\$ 79,719</u>	<u>\$ 60,272</u>
Designated officers (3)	<u>\$ 247,470</u>	<u>\$ 56,260</u>	<u>\$ 303,730</u>	<u>\$ 290,330</u>
Chief Administrative Officer	<u>\$ 115,245</u>	<u>\$ 24,616</u>	<u>\$ 139,861</u>	<u>\$ 137,288</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, 2014

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>2014</u>	<u>2013</u>
Total debt limit	\$ 30,744,653	\$ 28,936,380
Total debt	<u>-</u>	<u>-</u>
Amount of debt limit unused	<u>\$ 30,744,653</u>	<u>\$ 28,936,380</u>
Service on debt limit	\$ 5,124,109	\$ 4,822,730
Service on debt	<u>-</u>	<u>-</u>
Amount of service on debt limit unused	<u>\$ 5,124,109</u>	<u>\$ 4,822,730</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 2014</u>	<u>Actual 2014</u>	<u>Actual 2013</u>
Excess of Revenue over Expenses	\$11,879,189	\$ 8,942,506	\$ 7,415,945
Add back:			
Amortization expense	-	4,449,074	3,863,700
Deduct:			
Transfers (to) from reserves	(136,800)	(760,085)	(260,407)
Capital purchases	<u>(11,716,239)</u>	<u>(12,142,707)</u>	<u>(12,015,829)</u>
Results of Operations as Budgeted	<u>\$ 26,150</u>	<u>\$ 488,788</u>	<u>\$ (996,591)</u>

The budget figures presented in these financial statements are based on the budget that was approved by Council on May 22, 2014.

MUNICIPAL DISTRICT OF PROVOST NO. 52

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2014

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 \$198,431 (2013 – \$198,431) to the Authority for annual fees. The transaction was measured at the exchange amount.

18. 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.

2014 TRANSFER PAYMENTS TO OTHER LOCAL GOVERNMENTS, GRANTS & REQUISITIONS FROM OPERATIONS

REQUISITION / GRANT RECIPIENT	M.D. DEPARTMENT	AMOUNT
ALBERTA SCHOOL FOUNDATION FUND	TRANSFER OF REQUISITION	4,867,862.33
BODO COMMUNITY ASSOCIATION	RECREATION GRANT	4,000.00
CADOGAN AGRICULTURAL SOCIETY	GRANT	15,000.00
CADOGAN AGRICULTURAL SOCIETY	RECREATION GRANT	10,000.00
CAPT AYRE LAKE IMPROVEMENT ASSOCIATION	RECREATION: CAPT AYRE LAKE	4,000.00
EAST CENTRAL ALBERTA CATHOLIC SEPARATE SCHOOL	TRANSFER OF REQUISITION	63,811.31
EASTPARK EDUCATIONAL OPPORTUNITIES COUNCIL	GRANT	2,419.76
FAMILY & COMMUNITY SUPPORT SERVICES	TRANSFER OF REQUISITION	15,801.35
HARDISTY & DISTRICT HANDIVAN SOCIETY	GRANT	3,000.00
HUGHENDEN LIONS CLUB	GRANT	8,000.00
MD #52 LIBRARY BOARD	CULTURE	42,328.00
MD #52 WASTE MANAGEMENT AUTHORITY	WASTE MANAGEMENT	196,630.72
PARKLAND REGIONAL LIBRARY	CULTURE	17,160.00
PROVOST LIONS HANDI VAN SOCIETY	GRANT	6,500.00
PROVOST SENIOR CITIZENS HOME FOUNDATION	TRANSFER OF REQUISITION	513,000.00
ROSENHEIM HISTORICAL SOCIETY	RECREATION: PROVOST & DIST REC	2,500.00
SHORNCLIFFE PARK IMPROVEMENT ASSOCIATION	RECREATION: SHORNCLIFFE LAKE	4,550.00
TOWN OF HARDISTY	FIRE: WEST END	7,020.00
TOWN OF PROVOST	FIRE: EAST END	6,742.18
TOWN OF PROVOST	OTHER GOVT: COMMUNITY BBQ	6,540.07
TOWN OF PROVOST	OTHER GOVT: DOCTOR'S HOUSE	4,920.82
TOWN OF PROVOST	OTHER GOVT: INS - HEALTH FOUND.	1,055.22
TOWN OF PROVOST	RECREATION: PROVOST & DIST REC	207,116.69
TOWN OF PROVOST	WASTE MGMT (RECYCLING)	1,800.00
VILLAGE OF HUGHENDEN	RECREATION: WEST END	33,000.00
WEST RECREATION COUNCIL	RECREATION: WEST END	178,608.61

MILL RATE COMPARISON- M.D. of PROVOST NO. 52						
Residential	EAST			WEST		
	2012	2013	2014	2012	2013	2014
ASFF	2.4124	2.5055	2.3562	2.4124	2.5055	2.3562
Municipal	2.6665	2.7636	2.8552	2.6665	2.7636	2.8552
Uncollectibles	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Fire	0.1189	0.1173	0.2049	0.1189	0.1173	0.2049
Recreation	0.7539	0.7843	0.3431	0.7539	0.7843	0.3431
Waste Management	0.0190	0.0225	0.0423	0.019	0.0225	0.0423
FCSS	0.0093	0.0079	0.0069	0.0093	0.0079	0.0069
Hillcrest	0.1256	0.1586	0.2232	0.1256	0.1586	0.2232
Total Public School	6.1056	6.3597	6.0318	6.1056	6.3597	6.0318
Farmland						
	2012	2013	2014	2012	2013	2014
ASFF	2.4124	2.5055	2.3562	2.4124	2.5055	2.3562
Municipal	5.3330	5.5272	5.7104	5.3330	5.5272	5.7104
Uncollectibles	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Fire	0.1189	0.1173	0.2049	0.1189	0.1173	0.2049
Recreation	0.7539	0.7843	0.3431	0.7539	0.7843	0.3431
Waste Management	0.0190	0.0225	0.0423	0.019	0.0225	0.0423
FCSS	0.0093	0.0079	0.0069	0.0093	0.0079	0.0069
Hillcrest	0.1256	0.1586	0.2232	0.1256	0.1586	0.2232
Total Public School	8.7721	9.1233	8.8870	8.7721	9.1233	8.8870
Non Residential/Industrial						
	2012	2013	2014	2012	2013	2014
ASFF	3.7301	3.7160	3.4405	3.7301	3.7160	3.4405
Municipal	5.3330	5.5272	5.7104	5.3330	5.5272	5.7104
Uncollectibles	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Fire	0.1189	0.1173	0.2049	0.1189	0.1173	0.2049
Recreation	0.7539	0.7843	0.3431	0.7539	0.7843	0.3431
Waste Management	0.0190	0.0225	0.0423	0.0190	0.0225	0.0423
FCSS	0.0093	0.0079	0.0069	0.0093	0.0079	0.0069
Hillcrest	0.1256	0.1586	0.2232	0.1256	0.1586	0.2232
Special Industrial	2.2063	2.2063	2.2063	2.2063	2.2063	2.2063
Total Public School	12.2961	12.5401	12.1776	12.2961	12.5401	12.1776
M & E Total	8.5660	8.8241	8.7371	8.5660	8.8241	8.7371
Pipeline / Linear						
	2012	2013	2014			
ASFF	3.7301	3.7160	3.4405			
Municipal	5.3330	5.5272	5.7104			
Uncollectibles	0.0000	0.0000	0.0000			
Fire	0.1189	0.1173	0.2049			
Recreation	0.7539	0.7843	0.3431			
Waste Management	0.0190	0.0225	0.0423			
FCSS	0.0093	0.0079	0.0069			
Hillcrest	0.1256	0.1586	0.2232			
Special Industrial	2.2063	2.2063	2.2063			
Total Public School	12.2961	12.5401	12.1776			

M.D. OF PROVOST NO. 52 NEWSLETTER 2015

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.

PENALTIES ON TAXES

2015 penalty dates are Nov. 2, 2015 – 10% on current
Feb. 1, 2016 – 15% on arrears

GENERAL ASSESSMENT

The 2015 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 May 15th 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 or 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. There is a small amount of revenue for the Waste Management Authority for these items.

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. Call the Director of Public Works (753-0726) to make sure they are available. 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***

M.D. OF PROVOST NO. 52

BOX 300

PROVOST, AB

T0B 3S0

2014-2015 COUNCILLORS FULL NAMES & ADDRESSES (October 23rd, 2014)

DIVISION 1 DEPUTY-REEVE	LONNIE KOZLINSKI BOX 1317 PROVOST, AB T0B 3S0	753-6576 HOME Email: lkozlinski@mdprovost.ca
DIVISION 2 REEVE	ALLAN MURRAY BOX 24 HAYTER, AB T0B 1X0	753-1494 CELL 753-6531 HOME & FAX Email: amurray@mdprovost.ca
DIVISION 3	BILL WOLFE BOX 27 CADOGAN, AB T0B 0T0	753-0102 CELL 753-6344 HOME 753-8064 FAX Email: bwolfe@mdprovost.ca
DIVISION 4	BARRIE TRIPP BOX 27 PROVOST, AB T0B 3S0	753-8769 753-6722 753-6727 FAX Email: btripp@mdprovost.ca
DIVISION 5	RICHARD CHARLTON BOX 236 CZAR, AB T0B 0Z0	857-2269 HOME 209-1136 CELL Email: rcharlton@mdprovost.ca
DIVISION 6	DARRYL MOTLEY R.R.#1 CZAR, AB T0B 0Z0	209-4413 CELL 857-2131 857-0007 FAX Email: dmotley@mdprovost.ca
DIVISION 7	DARRYL CARSON BOX 27 HUGHENDEN, AB T0B 2E0	856-2164 HOME Email: dcarson@mdprovost.ca
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: mdprovost@mdprovost.ca MD of Provost Website: www.mdprovost.ca		
TYLER LAWRASON, ADMINISTRATOR – email: tlawrason@mdprovost.ca		OFFICE 753-2434 CELL: 753-0176 HOME: 857-0003
DANA LAYE, EXECUTIVE ASSISTANT TO THE ADMINISTRATOR – email: dlaye@mdprovost.ca		OFFICE: 753-2434
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PUBLIC WORKS PROVOST SHOP		SHOP 753-2168 FAX 753-2199
PUBLIC WORKS HUGHENDEN SHOP		SHOP 856-3654
WAYNE MACLEAN, DIRECTOR OF PUBLIC WORKS email: wmaclean@mdprovost.ca		CELL 753-0726
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IRVIN BETHGE, SPECIAL PROJECTS COORDINATOR email: ibethge@mdprovost.ca		CELL 209-1508
IAN GREEN, PEACE OFFICER email: igreen@mdprovost.ca		CELL 753-1981
ANDRE GUILBAULT, ASSESSOR email: wag-andy@telus.net WAINWRIGHT ASSESSMENT GROUP		OFFICE 753-2434 WAINWRIGHT 842-5002 CELL 806-1134