

**MACKENZIE COUNTY  
REGULAR COUNCIL MEETING**

**Wednesday, October 10, 2007  
10:00 a.m.**

**Council Chambers  
Fort Vermilion, Alberta**

**AGENDA**

			Page
<b>CALL TO ORDER:</b>	1.	a) Call to Order	
<b>AGENDA:</b>	2.	a) Adoption of Agenda	
<b>ADOPTION OF THE PREVIOUS MINUTES:</b>	3.	a) Minutes of the September 21, 2007 Special Council Meeting	7
		b) Minutes of the September 26, 2007 Regular Council Meeting	11
<b>BUSINESS ARISING OUT OF THE MINUTES:</b>	4.	a) b)	
<b>DELEGATIONS:</b>	5.	a) b)	
<b>GENERAL REPORTS:</b>	6.	a) Municipal Planning Commission Meeting Minutes b)	24
<b>PUBLIC HEARINGS:</b>	7.	a) None	
<b>TENDERS:</b>	8.	a) None	



**COUNCIL  
COMMITTEE, CAO  
AND DIRECTORS  
REPORTS:**

- 9. a) Council Committee Reports
- b) CAO & Director Reports

**CORPORATE  
SERVICES:**

- 10. a) Tax Write Off Request
- b) La Crete Heritage Centre 37
- c) Orientation Session – Activation Analysis 41
- d) Information/Correspondence Items 43
- e)
- f)

**PLANNING,  
EMERGENCY, AND  
ENFORCEMENT  
SERVICES:**

- 11. a) Bylaw 653/07 Land Use Bylaw Amendment to Rezone Part of SW 18-116-05-W6M and SE 13-116-06-W6M from Forestry District 1 (F) to Direct Control District 3 (DC3) (Zama Rural) 57
- b) Lots 28 & 29, Block 4, Plan 962-4275 in Zama
- c) Rural High Level Fire Department
- d)
- e)

**OPERATIONAL  
SERVICES:**

- 12. a) Fort Vermilion Office Space 71
- b) Zama Water Line 73
- c) Zama Water Plant 77
- d) Zama Wastewater Project
- e) Public Works Projects Requiring Engineering
- f)
- g)





**IN CAMERA  
SESSION:**

- 13. a) Inter-municipal Negotiations
- b) Personnel
- c) Special Projects
- d)
- e)

**NEXT MEETING  
DATE:**

- 14. a) Regular Council Meeting  
Thursday, October 25, 2007  
10:00 a.m.  
Council Chambers, Fort Vermilion, AB

**ADJOURNMENT:**

- 15. a) Adjournment





## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Minutes of the September 21, 2007 Special Council Meeting</b>

### BACKGROUND / PROPOSAL:

Minutes of the September 21, 2007 Special Council meeting are attached.

### OPTIONS & BENEFITS:

N/A

### COSTS & SOURCE OF FUNDING:

N/A

### RECOMMENDED ACTION:

That the minutes of the September 21, 2007 Special Council meeting be adopted as presented.

Author: C. Gabriel Review by: \_\_\_\_\_ CAO 



**MACKENZIE COUNTY  
SPECIAL COUNCIL MEETING**

**Friday, September 21, 2007**

**10:00 am**

**Council Chambers  
Fort Vermilion, AB**

**PRESENT:** Bill Neufeld Reeve  
Walter Sarapuk Deputy Reeve  
Peter Braun Councillor  
John W. Driedger Councillor  
Ed Froese Councillor  
Greg Newman Councillor  
Jim Thompson Councillor

**ABSENT:** Lisa Wardley Councillor  
Stuart Watson Councillor

**ADMINISTRATION:** Joulia Whittleton Director of Corporate Services  
Eva Schmidt Supervisor of Planning  
Carol Gabriel Executive Assistant

**ALSO PRESENT:** Susan McNeil The Echo  
Dicky Driedger

Minutes of the Special Council meeting for Mackenzie County held on Friday, September 21, 2007 at the Council Chambers in Fort Vermilion, Alberta.

**CALL TO ORDER: 1. a) Call to Order**

Reeve Neufeld called the meeting to order at 9:00 a.m.

**AGENDA: 2. a) Adoption of agenda**

**MOTION 07-09-817 MOVED** by Councillor Braun

That the agenda be adopted as presented.

**CARRIED**

**PLANNING,  
EMERGENCY, AND  
ENFORCEMENT  
SERVICES**

**3. a) Urban Systems – Open House  
Municipal Development Plan & Land Use Bylaw**

Jane Purvis, Planner and Kristie Peter, Planning Consultant with Urban Systems were in attendance to discuss the results of the open houses held in each community regarding the Municipal Development Plan and the Land Use Bylaw.

Reeve Neufeld recessed the meeting at 9:50 a.m. and reconvened the meeting at 10:00 a.m.

**3. b) Integrated Land Use Planning (Ag Land Task Force)**

Members of the Ag Land Task Force Technical Committee were in attendance to discuss Phase I of the Integrated Land Use Plan.

**ADJOURNMENT:**

**4. a) Adjournment**

**MOTION 07-09-818**

**MOVED** by Councillor Froese

That the Special Council meeting be adjourned at 11:15 a.m.

**CARRIED**

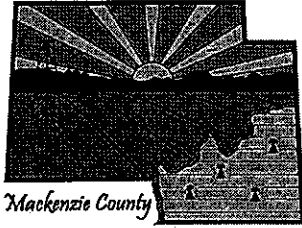
These minutes will be presented to Council for approval on Wednesday, October 10, 2007.

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Bill Neufeld, Reeve

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Carol Gabriel, Executive Assistant



## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Minutes of the September 26, 2007 Regular Council Meeting</b>

### BACKGROUND / PROPOSAL:

Minutes of the September 26, 2007 Regular Council meeting are attached.

### OPTIONS & BENEFITS:

N/A

### COSTS & SOURCE OF FUNDING:

N/A

### RECOMMENDED ACTION:

That the minutes of the September 26, 2007 Regular Council meeting be adopted as presented.

Author: C. Gabriel Review by: \_\_\_\_\_ CAO 





**MACKENZIE COUNTY  
REGULAR COUNCIL MEETING**

**Wednesday, September 26, 2007**

**10:00 a.m.**

**Council Chambers**

**Fort Vermilion, AB**

**PRESENT:** Walter Sarapuk Deputy Reeve  
John W. Driedger Councillor  
Greg Newman Councillor  
Lisa Wardley Councillor  
Stuart Watson Councillor  
Ed Froese Councillor  
Jim Thompson Councillor

**ABSENT:** Bill Neufeld Reeve  
Peter Braun Councillor

**ADMINISTRATION:** William (Bill) Kostiw Chief Administrative Officer  
Carol Gabriel Executive Assistant  
Joulia Whittleton Director of Corporate Services  
Paul Driedger Director of Planning & Emergency Services  
John Klassen Manager of Utilities & Facilities  
Mark Schonken Director of Public Works

**ALSO PRESENT:** Susan McNeil The Echo

Minutes of the Regular Council meeting for Mackenzie County held on September 26, 2007 at the Council Chambers in Fort Vermilion, Alberta.

**CALL TO ORDER: 1. a) Call to Order**

Deputy Reeve Sarapuk called the meeting to order at 10:13 a.m.

**AGENDA: 2. a) Adoption of Agenda**

**MOTION 07-09-819 MOVED** by Councillor Thompson

That the agenda be adopted as presented.

**CARRIED**

**ADOPTION OF THE PREVIOUS MINUTES: 3. a) Minutes of the September 11, 2007 Regular Council Meeting**

**MOTION 07-09-820**

**MOVED** by Councillor Driedger

That the minutes of the September 11, 2007 Regular Council meeting be adopted as amended.

**CARRIED**

**BUSINESS ARISING  
OUT OF THE MINUTES:**

4. a) **Development Permit 13-DP-07 Industrial Shop on SE 32-110-19-W5M (Inter-Municipal Development Plan Corridor)**

**MOTION 07-09-821**

**MOVED** by Councillor Watson

That Development Permit 13-DP-07 on SE 32-110-19-W5M in the name of Bill Jenkins Enterprise Ltd. be approved subject to the following conditions:

1. Minimum building setbacks: 41.15 meters (135 feet) from any road allowances and 15.24 meters (50 feet) from any quarter line.
2. The architecture, construction materials and appearance of the shop shall be to accepted standards and shall compliment the natural features and character of the site and neighbourhood.
3. All conditions and setback requirements by Alberta Infrastructure and Transportation are to be met to their specifications and standards.
4. At all times, the privacy of the adjacent dwellings shall be preserved and the Shop shall not duly offend the surrounding residents by way of excessive lighting, noise, traffic, congestion, late visitations by clients, etcetera.
5. The total site area (lot) shall have a positive surface drainage without adversely affecting the neighbouring properties.
6. **PRIOR** to installation of a new access or changing location of existing access contact Alberta Infrastructure and Transportation standards.

**CARRIED**

**MOTION 07-09-822**

**MOVED** by Councillor Newman

That administration bring back the fee schedule bylaw for review of development fees without permits.

**CARRIED**

**DELEGATIONS:**

5. a) None

**GENERAL REPORTS:**

6. a) **Municipal Planning Commission Meeting Minutes August 1<sup>st</sup> and 23<sup>rd</sup>, 2007**

**MOTION 07-09-823**

**MOVED** by Councillor Froese

That the Municipal Planning Commission meeting minutes of August 1<sup>st</sup> and 23<sup>rd</sup>, 2007 be received for information.

**CARRIED**

6. b) **Mackenzie Housing Management Board Meeting Minutes June 26<sup>th</sup>, July 27<sup>th</sup>, and August 15<sup>th</sup>, 2007**

**MOTION 07-09-824**

**MOVED** by Councillor Wardley

That the Mackenzie Housing Management Board meeting minutes of June 26<sup>th</sup>, July 27<sup>th</sup>, and August 15<sup>th</sup>, 2007 be received for information.

**CARRIED**

6. c) **2007 Ratepayers Meeting Minutes**

**MOTION 07-09-825**

**MOVED** by Councillor Newman

That the 2007 ratepayers meeting minutes be received for information.

**CARRIED**

**TENDERS:**

8. a) None

**COUNCIL COMMITTEE,  
CAO AND DIRECTORS  
REPORTS:**

9. a) **Council Committee Reports**

Deputy Reeve Sarapuk reported on the inaugural flight with Nor-Alta Aviation, Municipal Development Plan open houses in High Level, La Crete, and Zama.

Councillor Driedger reported on the inaugural flight with Nor-Alta Aviation, Municipal Development Plan open houses in La Crete and High Level, Mackenzie Economic Development Corporation, and Mackenzie Housing Management Board.

Councillor Watson reported on the Municipal Development Plan open house in High Level.

Councillor Wardley reported on the health services meeting, Municipal Development Plan open house, annual recreation board meeting, and community meeting being held on October 3.

Councillor Thompson reported on the recreation board meeting, health services plan meeting, community meeting, Municipal Development Plan open house, and the Special Council meeting.

Councillor Newman reported on the Municipal Development Plan open house in La Crete, and the Special Council meeting.

Councillor Froese reported on the Special Council meeting, Municipal Development Plan open houses, and Municipal Planning Commission meetings.

**MOTION 07-09-826**

**MOVED** by Councillor Thompson

That the Council Committee verbal reports be accepted as information.

**CARRIED**

**9. b) CAO & Director Reports**

**MOTION 07-09-827**

**MOVED** by Councillor Newman

That the Director of Corporate Services, Director of Public Works, Director of Planning & Emergency Services, Manager of Utilities & Facilities, and the Chief Administrative Officer reports be accepted for information.

**CARRIED**

Deputy Reeve Sarapuk recessed the meeting at 11:43 a.m. and reconvened the meeting at 12:48 p.m.

**CORPORATE  
SERVICES:**

**MOTION 07-09-828**

**10. a) Assessment Services Contract**

**MOVED** by Councillor Wardley

That the assessment services contract be amended to include an additional year.

**CARRIED**

**MOTION 07-09-829**

**10. b) Mustus Lake Centre Lease**

**MOVED** by Councillor Driedger

That the September 17, 2007 letter with respect to the Mustus Lake Centre lease be tabled to January 2008.

**DEFEATED**

**MOTION 07-09-830**

**MOVED** by Councillor Wardley

That the September 17, 2007 letter with respect to the Mustus Lake Centre lease be received for information and deferred to the Building Committee.

**CARRIED**

**MOTION 07-09-831**

Requires 2/3

**10. c) Stan Fidler Land Purchase**

**MOVED** by Councillor Thompson

That the 2007 capital budget be amended to include the Fidler Lands acquisition as presented, to be funded from the Roads Reserve.

**CARRIED**

**PUBLIC HEARING:**

**7. a) Bylaw 645/07 – Land Use Bylaw Amendment to Rezone Plan 188TR, Block 5, Lot 23 from Hamlet Residential District 1 (HR1) to Public/Institutional District (HP) (Fort Vermilion)**

Deputy Reeve Sarapuk called the public hearing for Bylaw 645/07 to order at 1:10 p.m.

Deputy Reeve Sarapuk asked if the public hearing for proposed

Bylaw 645/07 was properly advertised. Paul Driedger, Director of Planning, answered that the bylaw was advertised in accordance with the Municipal Government Act.

Deputy Reeve Sarapuk asked the Development Authority to outline the proposed Land Use Amendment Bylaw. Paul Driedger, Director of Planning, presented the Development Authority's submission and indicated that first reading was given on August 29, 2007.

Deputy Reeve Sarapuk asked if Council has any questions of the proposed Land Use Amendment Bylaw. There were no questions.

Deputy Reeve Sarapuk asked if any submissions were received in regards to proposed Bylaw 645/07. No submissions were received.

Deputy Reeve Sarapuk asked if there was anyone present who would like to speak in regards to the proposed Bylaw 645/07. There was no indication that anyone present wished to speak to the bylaw.

Deputy Reeve Sarapuk closed the public hearing for Bylaw 645/07 at 1:12 p.m.

**MOTION 07-09-832**

**MOVED** by Councillor Froese

That second reading be given to Bylaw 645/07 being a Land Use Bylaw amendment to rezone Plan 188TR, Block 5, Lot 23 from Hamlet Residential District 1 (HR1) to Public/Institutional District (HP).

**CARRIED**

**MOTION 07-09-833**

**MOVED** by Councillor Thompson

That third reading be given to Bylaw 645/07 being a Land Use Bylaw amendment to rezone Plan 188TR, Block 5, Lot 23 from Hamlet Residential District 1 (HR1) to Public/Institutional District (HP).

**CARRIED**

**7. b) Bylaw 646/07 – Land Use Bylaw Amendment to Rezone Part of NE 10-106-15-W5M from Hamlet Industrial District 1 (HI1) to Hamlet Industrial District 3**

**(H13) (La Crete)**

Deputy Reeve Sarapuk called the public hearing for Bylaw 646/07 to order at 1:16 p.m.

Deputy Reeve Sarapuk asked if the public hearing for proposed Bylaw 646/07 was properly advertised. Paul Driedger, Director of Planning, answered that the bylaw was advertised in accordance with the Municipal Government Act.

Deputy Reeve Sarapuk asked the Development Authority to outline the proposed Land Use Amendment Bylaw. Paul Driedger, Director of Planning, presented the Development Authority's submission and indicated that first reading was given on August 29, 2007.

Deputy Reeve Sarapuk asked if Council has any questions of the proposed Land Use Amendment Bylaw. There were no questions.

Deputy Reeve Sarapuk asked if any submissions were received in regards to proposed Bylaw 646/07. No submissions were received.

Deputy Reeve Sarapuk asked if there was anyone present who would like to speak in regards to the proposed Bylaw 646/07. There was no indication that anyone present wished to speak to the bylaw.

Deputy Reeve Sarapuk closed the public hearing for Bylaw 646/07 at 1:19 p.m.

**MOTION 07-09-834**

**MOVED** by Councillor Thompson

That second reading be given to Bylaw 646/07 being a Land Use Bylaw Amendment to rezone Part of NE 10-106-15-W5M from Hamlet Industrial District 1 (H11) to Hamlet Industrial District 3 (H13).

**CARRIED**

**MOTION 07-09-835**

**MOVED** by Councillor Wardley

That third reading be given to Bylaw 646/07 being a Land Use Bylaw Amendment to rezone Part of NE 10-106-15-W5M from Hamlet Industrial District 1 (H11) to Hamlet Industrial District 3 (H13).

**CARRIED**

**10. d) Budget Meetings and Budget Public Hearing Dates**

**MOTION 07-09-836**

**MOVED** by Councillor Newman

That the following dates be set for the budget deliberations:

- Operating Budget – November 2, 2007
- Capital Budget – November 13, 2007

**CARRIED**

**10. e) 2007-08 Council Meeting Dates**

**MOTION 07-09-837**

**MOVED** by Councillor Driedger

That the Regular Council meetings for the period November 2007 to October 2008 be tabled to the organizational meeting.

**CARRIED**

**11. b) Bylaw 650/07 Honorariums and Related Expenses for Councillors and Approved Committee Members**

**MOTION 07-09-838**

**MOVED** by Councillor Newman

That first reading be given to Bylaw 650/07 being a bylaw to provide for honourariums and related expense reimbursement for councilors and approved committee members be tabled to the organizational meeting.

**CARRIED**

Councillor Driedger left the meeting at 1:44 p.m.

Deputy Reeve Sarapuk recessed the meeting at 1:44 p.m. and reconvened the meeting at 2:02 p.m.

**10. f) Information/Correspondence**

**MOTION 07-09-839**

**MOVED** by Councillor Newman

That the information/correspondence items be accepted for information purposes.

**CARRIED**



**MOTION 07-09-840**

**MOVED** by Councillor Newman

That Councillor Watson and Councillor Wardley be authorized to attend the official dedication and twinning of Hay-Zama Lakes Wildland Provincial Park on October 12, 2007.

**CARRIED**

**MOTION 07-09-841**

**MOVED** by Councillor Froese

That Mackenzie County participate in Project Porchlight, being a not-for-profit campaign to promote energy efficiency.

**CARRIED**

**MOTION 07-09-842**

**MOVED** by Councillor Watson

That administration investigate obtaining the lease of the Hutch Lake Campground and day use area as the Province is in the process of deregulating this park.

**CARRIED**

**PLANNING,  
EMERGENCY, AND  
ENFORCEMENT  
SERVICES:**

**11. a) Bylaw 649/07 Road Closure NW 29-106-15-W5M (Plan 042-4702) (La Crete Rural)**

**MOTION 07-09-843**

**MOVED** by Councillor Thompson

That first reading be given to Bylaw 649/07 being a Road Closure Bylaw for the closure of that portion of internal subdivision road of Plan 042 4702 lying adjacent to and south of Lot 7, Block 1, Plan 042 4702, adjacent to and north of Lot 5, Block 1, Plan 042 4702 and within and west of Lot 6, Block 1, Plan 042 4702 and that written consent be received from all the adjacent landowners indicating that they are in favor of the closure of the subject road. Further, that the applicant shall be responsible for all costs associated with the road closure, land purchase, and consolidation of the parcels.

**CARRIED**

**11. c) Municipal Improvements in North Country Acres (Frank Goertzen Subdivision) and Sidewalk Along 94<sup>th</sup> Avenue (La Crete)**

**MOTION 07-09-844**

**MOVED** by Councillor Wardley

That the sidewalk issue along 94<sup>th</sup> avenue in La Crete be included in the 10 year road plan.

**CARRIED**

**11. d) Encroachments** 

**MOTION 07-09-845**

**MOVED** by Councillor Newman

That Mackenzie County enter into an encroachment agreement, at the Developer's cost for Development Permit 217-DP-07 on Plan 032 1401, Block 29, Lot 1, in the name of Henry and Trudy Martens, for the placement of the fence four feet onto a municipal road plan; that the encroachment agreement be registered on the title by caveat and that all future requests for encroachment agreements be reviewed individually.

**DEFEATED**

**11. e) Town of High Level Referrals Plan 8323083, Block 5, Lot 12 & 13 (High Level)**

**MOTION 07-09-846**

**MOVED** by Councillor Thompson

That Mackenzie County has no concerns for Subdivision application S07-009 on Plan 8323083, Block 5, Lot 12 & 13 within the Town of High Level in the name of Henry, Susan, and Kevin Giesbrecht, to enlarge lot 12 and reduce lot 13 in size.

**CARRIED**

**11. f) Mackenzie County School Zone Review** 

**MOTION 07-09-847**

**MOVED** by Councillor Froese

That the established signage and school zone times remain as is.

**CARRIED**

**OPERATIONAL  
SERVICES:**

**12. a) Road Protection Agreement**

**MOTION 07-09-848**

**MOVED** by Councillor Thompson

That Mackenzie County accepts and implements the Road Protection Agreement as presented.

**CARRIED**

**12. b) 2008 Road Construction Requests**

**MOTION 07-09-849**

**MOVED** by Councillor Wardley

That the following road construction requests be considered in the 2008 budget as per Policy PW019.

Access to:	Along RR or TWP	Distance
SW 31 & NW 30-109-18 W5M	TWP 109-5A	0.5 Miles
SW 30-109-18-W5M	TWP 109-4A	0.5 Miles
SW 29-109-18-W5M	RR 18-5	0.5 Miles

**CARRIED**

**12. c) Stop Sign Request**

**MOTION 07-09-850**

**MOVED** by Councillor Watson

That Mackenzie County place a stop sign at the intersection of TWP 108-3a and RR 13-5, as per attached diagram.

**CARRIED**

**12. d) Tompkins Landing Ice Bridge Tender**

**MOTION 07-09-851**

**MOVED** by Councillor Wardley

That the proposed Tompkins Landing Ice Bridge request for tender be approved as amended.

**CARRIED**

**MOTION 07-09-852**

**MOVED** by Councillor Newman

That the proposed advertisement for the Tompkins Landing Ice Bridge request for tender be approved as presented.

**CARRIED**

**12. e) Rocky Lane Road – Contract Work Proposal**

**MOTION 07-09-853**

**MOVED** by Councillor Froese

That the Rocky Lane Road contract work proposal be received for information.

**CARRIED**

Deputy Reeve Sarapuk recessed the meeting at 3:49 p.m. and reconvened the meeting at 4:02 p.m.

**IN CAMERA SESSION:**

**MOTION 07-09-854**

**MOVED** by Councillor Thompson

That consideration be given to move in-camera to discuss issues under the Freedom of Information and Protection of Privacy Regulations 18 (1) at 4:03 p.m.

- 13. a) Town of High Level Negotiations
- 13. b) Personnel
- 13. c) Organizational Chart
- 13. d) Special Projects
- 13. e) Samlan Enterprises Inc. Bylaw 630/07 for SW 15-110-19-W5M (High Level Rural)
- 13. f) Redistricting Challenge
- 13. g) Forestry Industry
- 13. h) Rural High Level Fire Department (Apparatus Purchase)

**CARRIED**

**MOTION 07-09-855**

**MOVED** by Councillor Wardley

That Council move out of camera at 6:06 p.m.

**CARRIED**

**13. h) Rural High Level Fire Department (Apparatus Purchase)**

**MOTION 07-09-856**

Requires 2/3

**MOVED** by Councillor Wardley

That administration negotiate the purchase of the used 1990 Spartan 100' aerial fire apparatus from Hinsdale Illinois to a maximum of \$250,000.

**CARRIED UNANIMOUSLY**

**MOTION 07-09-857**  
Requires 2/3

**MOVED** by Councillor Thompson

That the capital budget project code 06-23-30-04 be amended from \$150,000 to \$250,000 from the general capital reserve.

**CARRIED**

**NEXT MEETING DATE: 14. a) Regular Council Meeting**

Regular Council Meeting  
Wednesday, October 10, 2007  
10:00 a.m.  
Council Chambers, Fort Vermilion, AB

**ADJOURNMENT: 15. a) Adjournment**

**MOTION 07-09-858** **MOVED** by Councillor Newman

That the Regular Council meeting be adjourned at 6:15 p.m.

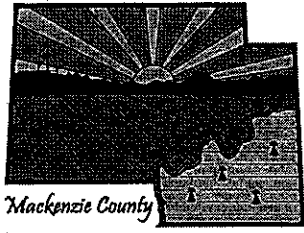
**CARRIED**

These minutes will be presented to Council for approval on Wednesday, October 10, 2007.

\_\_\_\_\_  
Bill Neufeld, Reeve

\_\_\_\_\_  
Carol Gabriel, Executive Assistant





# MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Municipal Planning Commission Meeting Minutes September 4, 2007</b>

**BACKGROUND / PROPOSAL:**

Information item. The adopted minutes of the September 4, 2007 meeting is attached.

**OPTIONS & BENEFITS:**

N/A

**COSTS & SOURCE OF FUNDING:**

N/A

**RECOMMENDED ACTION:**

That the Municipal Planning Commission meeting minutes of September 4, 2007 be received for information.

Author: C. Gabriel Review By: \_\_\_\_\_ CAO [Signature]





**Mackenzie County  
Municipal Planning Commission Meeting**

**Mustus Lake Center (County Office)  
La Crete, Alberta**

**Tuesday, September 4, 2007 @ 10:00 a.m.**

**PRESENT**

Daryl Zielsdorf	Vice-Chair, MPC Member
Ed Froese	Councillor
Jack Eccles	MPC Member
Paul Driedger	Director of Planning
Marion Krahn	Development Officer
Eva Schmidt	Planning Supervisor

**ABSENT**

Peter Braun	Chair, Councillor
Manfred Gross	MPC Member

**1. CALL TO ORDER**

Daryl Zielsdorf called the meeting to order at 10:05 a.m.

**2. ADOPTION OF AGENDA**

**MOTION 07-259** **MOVED** by Jack Eccles

That the agenda be adopted as presented.

**CARRIED**

**3. ADOPTION OF MINUTES**

**MOTION 07-260** **MOVED** by Ed Froese

That the minutes of the August 23, 2007 Municipal Planning Commission meeting be adopted as presented.

**CARRIED**

**4. DEVELOPMENT PERMIT APPLICATIONS**

- a) Development Permit Application 238-DP-07  
Richard Jack; Dugout and Pump House  
SW 36-104-14-W5M; Savage Prairie**

**MOTION 07-261      MOVED** by Ed Froese

That Development Permit 238-DP-07 on SW 36-104-14-W5M in the name of Richard Jack, be approved with the following conditions:

1. Minimum building setbacks: 41.15 meters (135 feet) from any road allowances and 15.24 meters (50 feet) from any quarter line.
2. The architecture, construction materials and appearance of Pump House shall be to accepted standards and shall compliment the natural features and character of the site to the satisfaction of the Development Authority.
3. The total site area (lot) shall have a positive surface drainage without adversely affecting the neighbouring properties.

**CARRIED**

- b) Development Permit Application 240-DP-07  
Nickolas Doerksen; Mobile Home and Addition  
Plan 052 0560, Block 5, Lot 8; La Crete**

**MOTION 07-262      MOVED** by Jack Eccles

That Development Permit 240-DP-07 on Plan 052 0560, Block 5, Lot 8 in the name of Nickolas Doerksen, be approved with the following conditions:

1. Minimum building setbacks: 15.2 meters (50 feet) front yard; 7.6 meters (25 feet) rear yard; 4.6 meters (15 feet) side yard, except in the case of a corner lot where the exterior side yard shall be no less than 50 feet (15.24 meters); 7.6 meters (25 feet) rear yard from the property lines.

2. All mobile homes shall conform to the Alberta Building Code.
3. The architecture, construction materials and appearance of buildings and other structures shall be to accepted standards and shall compliment the natural features and character of the site to the satisfaction of the Development Authority.
4. The outside of the mobile home and addition shall be renovated to include new siding. The renovations shall be done to the satisfaction and discretion of the Development Authority. The Developer has until September 12, 2008 to finish the renovations in accordance with this permit.
5. The undercarriage of the mobile home and addition shall be screened from view by skirting or such other means satisfactory to the Development Authority.
6. Building to be connected to the municipal water and sewer system and the cost of connection fees will be borne by the owner where applicable.
7. The Municipality has assigned the following address to the noted property 9007-93 Avenue. You are required to display the address (9007) to be clearly legible from the street and be on a contrasting background. The minimum size of the characters shall be four inches in height.
8. All parking shall be off street.
9. PRIOR to installation of a new access or changing location of existing access, complete a Request for Access form by contacting the Road/Maintenance Department for Mackenzie County at 928-3983. Access to be constructed to Mackenzie County standards and at the developer's expense.
10. The total site area (lot) shall have a positive surface drainage without adversely affecting the neighbouring properties.

**CARRIED**

**c) Development Permit Application 241-DP-07  
Andrew Zacharias; Manufacturing Firm (Shop)  
Plan 072 7718, Block 2, Lot 10; La Crete**

**MOTION 07-263      MOVED** by Ed Froese

That Development Permit 241-DP-07 on Plan 072 7718, Block 2, Lot 10 in the name of Andrew Zacharias, be approved with the following conditions:

1. Minimum building setbacks: 9.1 meters (30 feet) from 106 Avenue and 95 Street; 9.1 meters (30 feet) rear yard; 3.05 meters (10 feet) interior side yard; from the property lines.
2. New construction only. The architecture, construction materials and appearance of buildings and other structures shall be to accepted standards and shall compliment the natural features and character of the site to the satisfaction of the Development Authority.
3. Building to be connected to the Municipal water and sewer system and the cost of connection fees will be borne by the owner where applicable.
4. Prior to commencement of any construction, contact John Klassen, Utilities Supervisor at 928-3835 to identify water line size for service and fire protection.
5. The Municipality has assigned the following address to the noted property 10507-95 Street. You are required to display the address (10507) to be clearly legible from the street and be on a contrasting background. The minimum size of the characters shall be four inches in height.
6. Provide adequate off street parking as follows: The minimum parking standards are 1 space per 45 square meters of building area, which in this case is 10 public parking stalls, 1 space per each full time employee and 1 space for every 2 part time employees. *"One parking space, including the driveway area, shall occupy 27.87 square meters (300 square feet)."*

7. No person shall erect, place or maintain within the site triangle a wall, fence, shrub, trees, hedges, or any object over three feet in height above the lowest street grade adjacent to the intersection.
8. PRIOR to installation of a new access or changing location of existing access, complete a Request for Access form by contacting the Road/Maintenance Department for Mackenzie County at 928-3983. Access to be constructed to Mackenzie County standards and at the developer's expense.
9. The total site area (lot) shall have a positive surface drainage without adversely affecting the neighboring properties.

**CARRIED**

- d) Development Permit Application 242-DP-07  
Hair and Esthetics by Kathryn; Home Based Business  
(Hair and Esthetics)  
Plan 032 5174, Block 34, Lot 8; La Crete**

**MOTION 07-264**    **MOVED** by Jack Eccles

That Development Permit 242-DP-07 on Plan 032 5174, Block 34, Lot 8 in the name of Hair and Esthetics by Kathryn, be approved with the following conditions:

1. This permit may be revoked at any time, if, in the opinion of the Development Authority, the home based business has become detrimental or otherwise incompatible with the amenities of the neighborhood.
2. The home based business shall not involve the storage of goods in the public view, a change in appearance of the residence or its accessory buildings.
3. Shall not employ any employees who do not reside on-site.
4. An unlighted sign to identify the home based business may be placed on the exterior of the house or garage and the sign shall not exceed 1.1 meters (12 square feet).

5. At all times, the privacy of the adjacent dwellings shall be preserved and the home based business shall not unduly offend the surrounding residents by way of excessive lighting, noise, traffic, congestion, late visitations by clients, etcetera.

**CARRIED**

- e) **Development Permit Application 243-DP-07  
Silent Sounds with Deena; Home Based Business (Infant Sign Language)  
Plan 842 0426, Block 5, Lot 29; La Crete**

**MOTION 07-265      MOVED** by Ed Froese

That Development Permit 243-DP-07 on Plan 842 0426, Block 5, Lot 29 in the name of Silent Sounds with Deena, be approved with the following conditions:

1. This permit may be revoked at any time, if, in the opinion of the Development Authority, the home based business has become detrimental or otherwise incompatible with the amenities of the neighborhood.
2. The home based business shall not involve the storage of goods in the public view, a change in appearance of the residence or its accessory buildings.
3. Shall not employ any employees who do not reside on-site.
4. An unlighted sign to identify the home based business may be placed on the exterior of the house or garage and the sign shall not exceed 1.1 meters (12 square feet).
5. At all times, the privacy of the adjacent dwellings shall be preserved and the home based business shall not unduly offend the surrounding residents by way of excessive lighting, noise, traffic, congestion, late visitations by clients, etcetera.
6. All parking shall be off street. No on street parking shall be allowed for the home based business.

**CARRIED**

5. **SUBDIVISION APPLICATIONS**

- a) **Subdivision Application 63-DP-05  
NW 22-110-19-W5M; High Level Rural  
Freewheel Holding Ltd.**

**MOTION 07-266** **MOVED** by Jack Eccles

That a time extension be granted to September 4, 2008 for subdivision application 63-SUB-05 on NW 22-110-19-W5M in the name of Freewheel Holding Ltd.

**CARRIED**

6. **MISCELLANEOUS ITEMS**

- a) **Action List – Information Item**

7. **IN CAMERA**

There are no In Camera items to discuss.

8. **NEXT MEETING DATES**

Municipal Planning Commission meeting dates are scheduled as follows:

- Tuesday, September 18, 2007 in Fort Vermilion at 3:00 p.m.

9. **ADJOURNMENT**

**MOTION 07-267** **MOVED** by Ed Froese

That the meeting be adjourned at 10:50 a.m.

**CARRIED**

These minutes were adopted this 18<sup>th</sup> day of  
September 2007.



To: William (Bill) Kostiw

From: Joulia Whittleton, Director of Corporate Services

Page 1

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**Attended the following meetings:**

September 27 – Managers meeting  
September 28 – Corporate Services Department monthly meeting  
October 1 – Budget meeting with Council  
October 3 – Managers meetings (RFDs)  
October 4 – Public Works budget meeting  
October 5 – Public Works budget meeting  
October 9 – Planning and Development budget meeting

**Personnel update:**

Peter Pynacker started in the Finance Controller position on October 9<sup>th</sup>. We have spent a part of the day on the orientation.

October 15<sup>th</sup> is the closing date for Accounts Receivable/Utilities position.

**Administration:**

⇒ 2008 Operating and Capital Budgets

All departments have been working on their operating budgets, internal operating budgets reviews are in progress and will be completed by October 15<sup>th</sup>. A staff meeting has been scheduled for October 19 at 9:00 a.m. in Fort Vermilion to review the first 2008 operating budget draft and capital proposals reviews. A staff meeting has been scheduled for November 5 at 9:00 a.m. in Fort Vermilion for the 2008 capital budget draft, three-year and seven-year capital proposals.

⇒ Superior Propane – land sale in Zama

This file is under review – received a call from Superior Propane representative inquiring about the title transfer for this property.

Respectfully submitted,



Joulia Whittleton

# 20 Questions

## About Government Financial Reporting

*Federal, Provincial and Territorial Governments*

National Library of Canada Cataloguing in Publication

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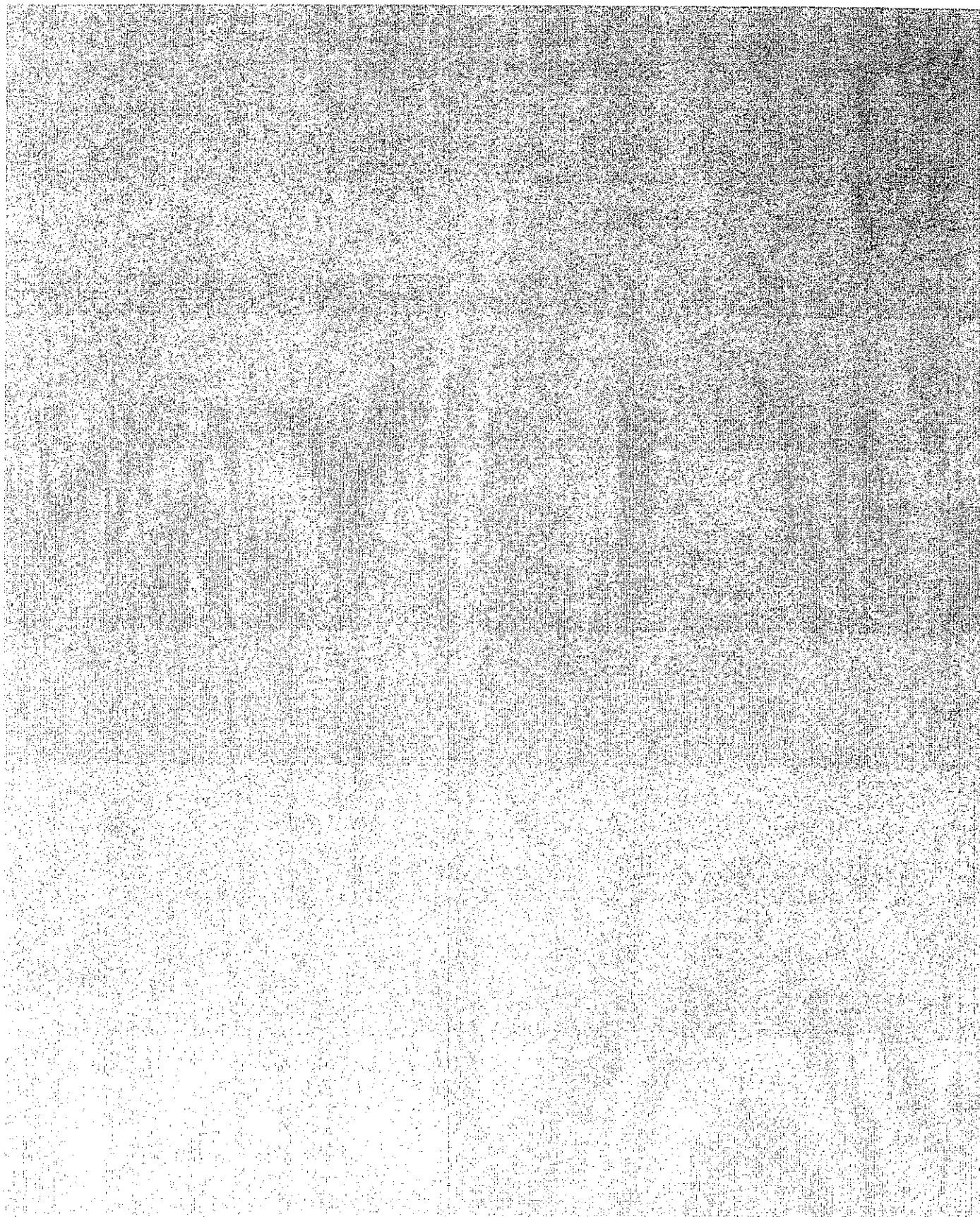
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PUBLIC SECTOR ACCOUNTING BOARD

# 20 Questions

## About Government Financial Reporting

*Federal, Provincial and Territorial Governments*





## WHO SHOULD READ THIS PUBLICATION?

Elected officials of Canada's federal, provincial and territorial governments will find this guide a useful summary of the basic fundamentals of government financial reporting in the context of newly released reporting standards.

Media reporting on government finances will also find the guide useful for understanding the financial information published by governments.

Any taxpayers wishing to learn more about government finances should find this guide a good introduction.

## WHY SHOULD YOU READ THIS GUIDE?

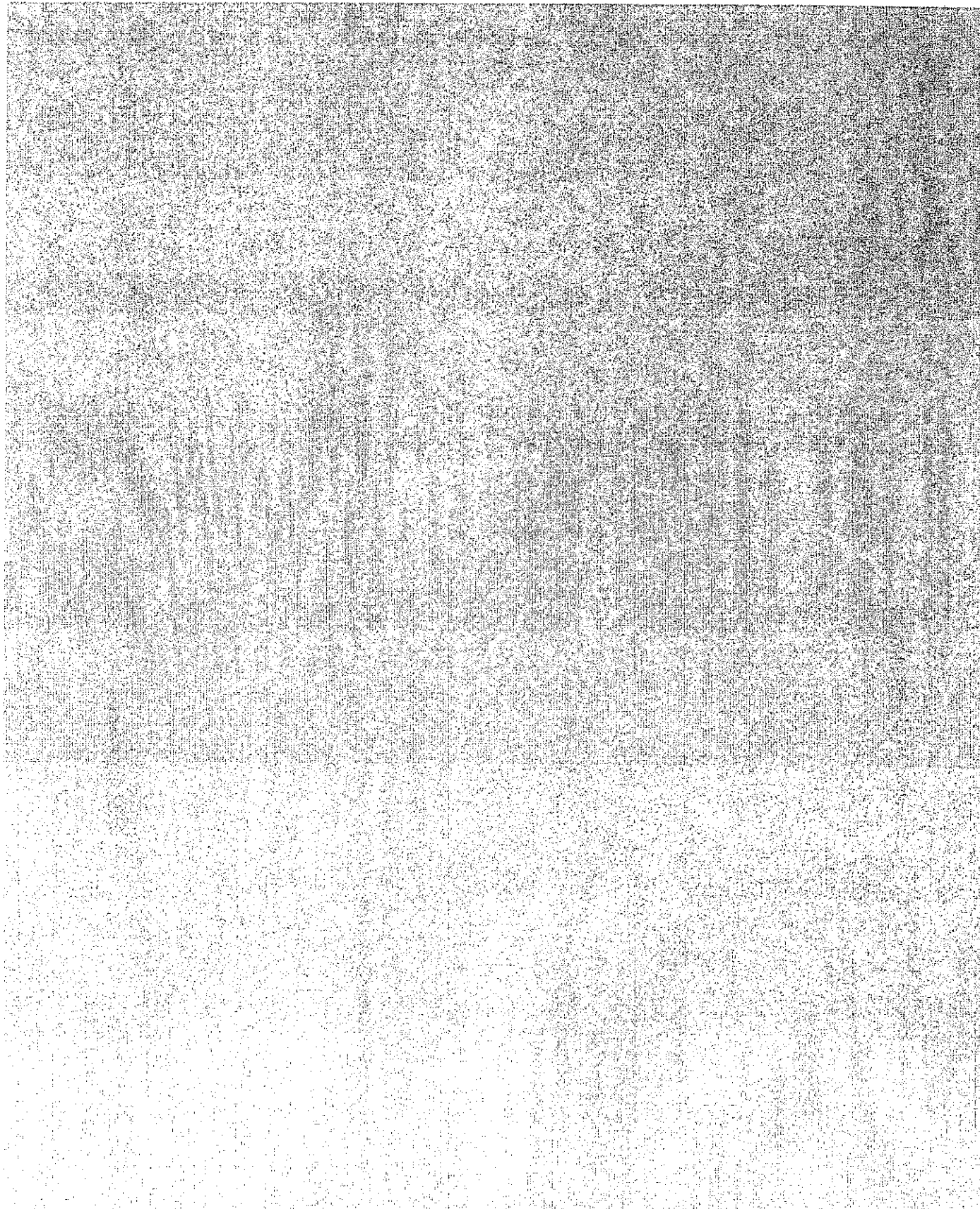
Government spending is responsible for almost half of the country's gross domestic product and governments affect the lives of all Canadians. So, understanding government finances is fundamental to your job as an elected official or reporter of government finances, and most importantly, your role as a Canadian taxpayer. But government is complex and so are its finances, particularly for those without specialized expertise in financial reporting. Even those with some background in private sector accounting and financial reporting can find government financial statements confusing. To clear up some of this confusion, this guide provides a section that contrasts and explains the accounting and reporting done by a business and that done by a government.

The objective of this guide is to make government financial statements more understandable — and less intimidating. It provides enough information so you can ask probing questions about your government's finances and understand the answers. And, it explains some of the features of the new reporting model for federal, provincial and territorial governments.

## WHAT WILL THIS GUIDE TELL YOU?

This guide will help you:

- Enhance your understanding of government financial statements.
- Find out why you need to look beyond the government's annual surplus or deficit.
- Discover why net debt is still an extremely significant number.
- Understand what a government's key financial measures are and what they say about government finances.
- Learn why the government's measure of annual results has changed and the implications of this change.
- Learn why comparisons of budgeted and actual performance are crucial for government accountability.
- Understand why governments need to report their capital assets.
- Learn why governments don't report like businesses.
- Find out what rules govern financial reporting.
- Ask good questions about government finances — and understand the answers.



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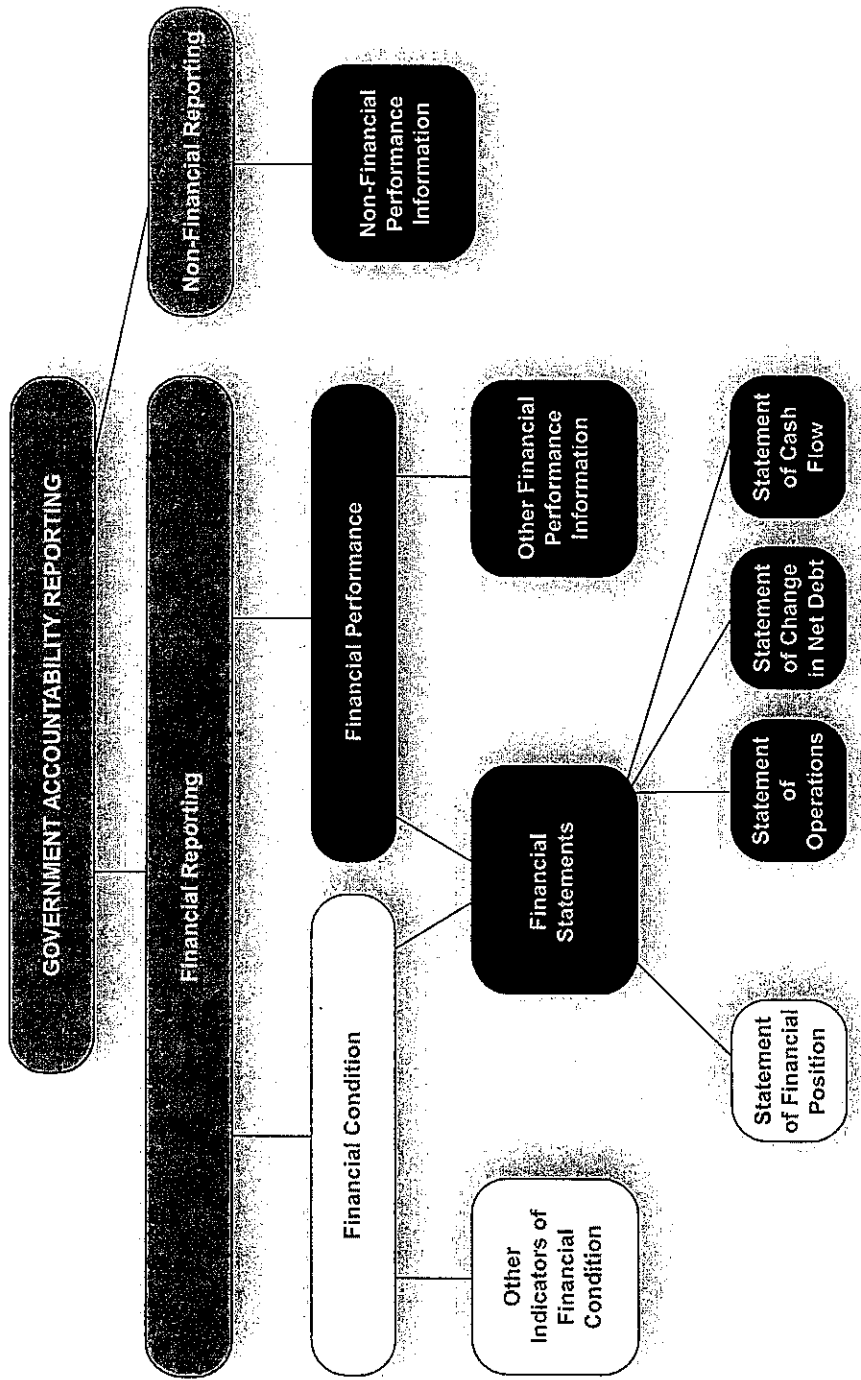
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figure 1

*Government Reporting*



# 1 What is financial reporting?

Governments prepare many types of reports to provide accountability to taxpayers. Those reports use both financial and non-financial information. Financial reporting involves reporting on a government's financial condition and its financial performance. Non-financial performance reporting reports the outcomes of government actions and programs. Examples of such outcomes might be the health or literacy level of the population or the condition of the environment or the crime rate in a jurisdiction.

Financial condition<sup>1</sup> is a broad, complex concept, with both short- and long-term implications, that describes a government's financial health in the context of the overall economic and financial environment. Financial performance considers both the changes in the government's financial position in the year (including its results of operations) and other additional financial performance information such as cost per kilometre of road, the total cost of services outsourced, the cost of individual services provided per capita or financial ratio and trend information.

Financial reporting is essentially a process of communication of financial information. Financial reporting is a key source of the information elected officials need to make informed choices about how to use their government's limited resources to best serve the interests of taxpayers. It also provides accountability about government finances and how governments have used the resources taxpayers have entrusted to them.

Government financial statements are a fundamental component of government financial reporting (as illustrated in figure 1 on the facing page).

Government financial statements traditionally report a government's financial position at the end of the year and its results of operations for that year.

The government's financial position is a snap-shot of where it stands financially in terms of the resources it holds and the debts it owes at a particular point in time, such as the year end. Financial position as measured in the financial statements is only one factor in determining a government's financial condition. Financial condition is a broader concept than financial position. Nevertheless, financial statements provide information that is essential to evaluating a government's financial condition, and they form the cornerstone of a government financial report.

The changes in a government's financial position in a year describe the results of its activities in that year. There are three components to the changes in a government's financial position: its annual surplus or deficit (results of operations), its change in net debt and its change in cash. All three and their relationship to each other are discussed later in this guide. The changes in the government's financial position presented in the financial statements are essential — but not the sole factors in assessing a government's financial performance in an accounting period. Additional financial performance information that draws on data external to the financial statements supplements and adds further depth to the picture of financial performance shown in the financial statements.

1. "The financial condition of a government is its financial health as measured by sustainability, vulnerability and flexibility, looked at in the context of the overall economic and financial environment." "Indicators of Government Financial Condition," Research Report. Toronto: CICA, 1997.

## 2 What is a financial reporting model and why is it important?

### WHAT IS A FINANCIAL REPORTING MODEL?

The term "financial reporting model" is a misnomer as financial reporting is broader than just financial statements. But traditionally, the term "financial reporting model" is used to describe the set of rules, parameters and content requirements that prescribe what must be presented in financial statements.

At a minimum, a financial reporting model prescribes the number, type and format of the financial statements, what information those financial statements should report, when it should be reported and how, as well as the notes required to explain what has been reported in the financial statements.

A financial reporting model dictates the basis of accounting used in compiling a government's accounting records because the accounting system must be able to generate the financial information needed to meet the requirements of the model. The basis of accounting is the prescribed method of accounting (such as cash or accrual) that specifies when revenues, expenses, assets and liabilities should be recognised in the financial statements.

The new reporting model prescribes five indicators or "messages" that should be included in government financial statements: net debt; accumulated surplus/deficit; annual surplus/deficit; change in net debt in the year; and the cash position and the cash flow in the year. Each is needed to help readers understand how well a government has managed its finances in a year and where it stands in terms of resources held and debts owed at the end of that year. The new model also prescribes the full accrual basis of accounting, which means that it incorporates information about the stock and use of a government's capital assets. Accrual accounting is explained on pages 18-19 of this guide.

### WHY IS A FINANCIAL REPORTING MODEL IMPORTANT?

A financial reporting model is important because it provides a framework within which governments can assess their transactions and results and account for and report them on a consistent basis — from year to year and from jurisdiction to jurisdiction.

A reporting model describes the basic information needed for fair presentation of government finances. The criteria accountants use to determine whether financial statements are fairly presented are known as generally accepted accounting principles (GAAP). The nature of GAAP is described on pages 12-13.

*The term "financial reporting model" is used to describe the set of rules, parameters and content requirements that prescribe what must be presented in financial statements.*

### 3 What is PSAB?

“PSAB” is the acronym for the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants (CICA). PSAB has the authority to set accounting standards for the public sector. That authority means that PSAB sets generally accepted accounting principles (GAAP) for governments. GAAP is explained on *pages 12-13* of this guide.

Detailed information about PSAB, such as its Terms of Reference, is provided on its web page at [www.cica.ca/PublicSector](http://www.cica.ca/PublicSector). PSAB follows a “due process” in developing standards. A detailed description of this process is described on the PSAB web page too.

PSAB has a chair and a maximum of 11 members. Members of PSAB or its task forces are not appointed by other organizations. PSAB recruits individuals, and all PSAB Board and task force volunteers serve as individuals and not as representatives of their governments or organizations — a policy which allows for a full and open debate on issues.

Members are recruited based on:

- their commitment to PSAB objectives;
- their technical knowledge; and
- their ability to consider the practical aspects of issues being debated and influence the adoption of standards and the building of consensus on the Board’s positions.

PSAB’s Board and task force members are drawn primarily from the ranks of senior government, including Deputy and Assistant Deputy Ministers of Finance and Municipal Affairs, comptrollers, legislative auditors, budget directors, and municipal treasurers and auditors, but also include academics, bond-raters and other experts in government accounting and auditing. Current members of PSAB are listed in PSAB Who’s Who on PSAB’s web page.

The objectives of PSAB are:

- To issue recommendations and guidance that enhance the usefulness of public sector financial statement information.
- To issue recommendations that enhance the usefulness of public sector financial and non-financial performance information.
- To engage interest and debate by improving stakeholders’ understanding of public finances.
- To effectively coordinate activities with other accounting standard-setters and other public sector related organizations.
- To provide PSAB’s program of standard-setting and communications effectively, efficiently and economically.

In meeting its objectives, PSAB:

- Is committed to serve the public interest.
- Follows due process and respects and encourages input from all of its stakeholders.
- Brings objectivity to the consideration of issues.
- Respects stakeholders’ ability to change.
- Recognizes the need for timely responses to stakeholders’ needs.

## 4 What is "GAAP"?

"GAAP" stands for "generally accepted accounting principles." For governments, the standards set out in the *CICA Public Sector Accounting (CICA PSA) Handbook* are the primary source of GAAP.

Generally accepted accounting principles (GAAP) encompass broad principles and conventions of general application together with rules and procedures that determine accepted accounting practices at a particular time. Establishing generally accepted accounting principles for any sector is an evolutionary process. GAAP evolves and adapts to changes in economic or social conditions.

For senior governments in Canada, these standards are "generally accepted" in the true sense of that phrase. The federal, provincial and territorial governments are sovereign governments. They can't be forced to follow the standards. Yet, there is a very high voluntary compliance with the standards in the *CICA PSA Handbook*.

GAAP for governments have concentrated mainly on the summary financial statements — a set of financial statements tailored to meet the basic financial information needs of a broad range of potential users, such as taxpayers, the media and special interest groups. GAAP govern the format and contents of these multi-purpose financial statements.

Summary financial statements include the financial position and results of all the organizations a government controls. Because they are summary documents, they cannot be expected to fulfill all of the users' needs served by a government's financial reporting system. To do that, governments produce many kinds of other financial reports in addition to the financial statements. For example, individual entities prepare reports to comply with certain legislation; there are reports to measure and report on the performance of individual programs and activities; and there are special purpose reports designed to meet particular needs of specific users. In addition, governments set out their fiscal plan in budgets and estimates of expenses or expenditures. Certain information is better provided, or can only be provided, by financial reports other than summary financial statements.

Nevertheless, summary financial statements are a central feature of government financial reporting. Governments use them to account for their administration of public financial affairs and resources. These financial statements are a primary way to communicate financial information to those not involved in the government's financial administration. They present information that can be integrated with other government financial statements, schedules and reports. They are "general purpose financial statements." Government financial statements prepared according to GAAP are comparable across the country.

"GAAP" stands for "generally accepted accounting principles."

**WHAT YOU SHOULD LOOK FOR:**

- A “clean” audit report on the financial statements. This means that an external auditor has expressed no reservations or concerns about the information reported in the financial statements, how the information is reported or whether any information appears to be missing.
- A note to the financial statements (generally Note 1) outlines the accounting policies a government has used in preparing the statements. This note may also tell you if a government’s financial statements are prepared in accordance with GAAP.

## 5 Why should governments follow GAAP?

In the public sector, a fundamental principle of accountability requires governments to report "credible" financial information to their legislatures and stakeholders.

For financial statements to be credible, readers need to have confidence that the statements follow accepted and identifiable standards established by an arm's length standard-setting body. Standards should not be chosen according to the preferences of individual financial statement preparers or auditors. Accounting principles that are subject to either changes in laws or the needs of special interest groups result in inconsistencies in both the principles and their application. Further, bias can occur when accounting principles are selected with the interest of a particular user, economic or political objective(s) in mind.

When all senior governments follow the same rules in preparing their statements, a reader can compare and contrast the financial statements of one government with another, or of the same government over time, even if the statements have been prepared by different governments. If individual governments of the day follow independently set standards, readers can have confidence that the financial statements are consistent or comparable over time. Without such confidence, the credibility of all government financial statements is compromised.

Financial statement preparers or their auditors may have their own ideas as to what accounting standards should say. They might prefer that a particular standard be different, and there may be good theoretical arguments for alternative viewpoints. That is why PSAB's processes for developing accounting standards provide ample opportunity to express individual points of view. Once the standards are established, however, individual preferences must be set aside and the standards followed. That is why PSAB is at arm's length from government financial statement preparers and auditors.

*Accounting principles that are subject to either changes in laws or the needs of special interest groups result in inconsistencies in both the principles and their application.*

## 6 Why should governments use a different reporting model than businesses?

Governments are inherently different from businesses. And, the unique characteristics of government have implications for what a government needs to report in its financial statements.

The objectives of financial reporting for governments and businesses are not the same. For example, government's goal is to provide services and redistribute resources, not make a profit. The *tables on the following two pages, 16-17* summarize this and other unique characteristics of government and their reporting implications. The accounting standards established for business do not require the presentation and disclosure of all of the financial information needed for government accountability and useful for decision-making by the users of government financial statements.

As a result, government financial statements do not look exactly like those of a business. For example, while both report assets and liabilities in describing financial position, government financial statements also require that two indicators of financial position be reported — "net debt" and "the accumulated surplus/deficit." The financial statements of a business do not show net debt — only accumulated surplus/deficit (equity).

One of the reasons government financial statements show net debt as an indicator of financial position and then add non-financial assets (including capital assets) to it to calculate the accumulated surplus/deficit number is because government capital assets are different from those of a business. They can't be used to pay off liabilities unless they are sold. Because of the unique characteristics of government, making government financial statements look like those of a business might be misleading.



## Unique Characteristics of Government

UNIQUE CHARACTERISTIC	EXPLANATION	REPORTING IMPLICATIONS
1 Government's goal is to provide services and redistribute resources, not make a profit.	Government accountability is primarily for the level, quality and cost of services provided. Governments redistribute resources through grants, concessionary loans and other transfers, in accordance with government objectives. In fact, most resource redistribution involves service provision by one level of government or another, except for welfare and other monetary assistance programs.  The ability of a government to afford existing services and meet the need for new services is also key information.	Net cost of services and affordability of services should be reported.  The net economic resources (accumulated surplus/deficit) available to use in providing future services should be reported.
2 Most government tangible capital assets are different in nature from those held by a business.	Most government tangible capital assets represent service capability, rather than future cash inflows to the government. They, and other non-financial assets, represent the portion of the government's financial position that is unexpired service potential. The distinction between a government's financial and non-financial assets is the degree of choice in application associated with them. Financial assets can be used to discharge liabilities or provide services, while non-financial assets are normally used only for service provision, unless they are sold and thus converted back into financial assets.	Financial assets and non-financial assets should be reported separately on the statement of financial position.  The net financial resources/net debt and the net economic resources (accumulated surplus/deficit) measures should both be reported on the statement of financial position as they represent different perspectives of the government's financial position.
3 Government capital spending may not focus on maximizing financial return because government objectives are broader.	A business is interested in what acquired capital will produce — the end product and the related net cash inflows. For government, the end product might not always be financial. Sometimes, it is the process of building capital that achieves a government objective (for example, providing employment or regional development).	Capital spending and its effect on net debt must be highlighted in the financial statements.
4 The principal source of revenue for governments is taxation.	The payment of taxes is obligatory — not part of an exchange transaction nor a voluntary contribution or investment. The bulk of government revenues do not arise from the direct sale of goods and services.	Ability to tax = ability to spend. So net debt needs to be reported because it represents the government's future revenue requirements based on past transactions and events (such as spending) to be met from future taxes and is an indication, therefore, of the affordability of additional spending.
5 Governments hold assets acquired in right of the Crown.	For many governments, the value and use of these items far outweigh the value and use of recognized assets. A business does not have access to these types of assets unless they are paid for.	Practical issues regarding the measurement and valuation of these assets prevent their financial statement recognition; however, disclosure of the existence of these assets is key to understanding the government's total economic resources.

UNIQUE CHARACTERISTIC	EXPLANATION	REPORTING IMPLICATIONS
<p>6 Governments operate in a non-competitive environment.</p>	<p>No competitive market for most government outputs means that there is no independent indication of their value. And many of the services provided by government are unlikely to be provided by anyone else, such as welfare and defence. The benefits of government services cannot be measured solely by a bottom line that shows net revenues or expenses.</p>	<p>Net cost of services and affordability of services are the financial measures required, but these are not enough to show the efficiency and effectiveness of government services.</p> <p>Performance measurement information is needed, too. There is no one measure of government performance. Non-financial performance measures are also needed.</p>
<p>7 A government's budget portrays public policy, establishes estimates of revenues, expense, expenditure and financing requirements, and is an important part of the government accountability cycle.</p>	<p>The budget includes financing requirements for operating and capital spending. It sets tax rates and decides on borrowing requirements. A comparison of actual-to-budget amounts demonstrates public accountability for government finances.</p>	<p>Actual-to-budget comparisons should be provided in the financial statements.</p>
<p>8 Senior governments have debt capacities unparalleled by most other organizations in Canada.</p>	<p>Senior governments' only limits on their borrowing are the ability of their tax base to bear the debt burden and the financial community's assessment of that ability. Businesses are normally reined in sooner than governments. The federal government can control the money supply and has access to international agreements that no other organizations have recourse to. Both factors are taken into account in any assessment of its ability to service its debt load. High debt levels affect the flexibility of governments in providing programs and services, especially in times of economic downturns.</p>	<p>It is essential that debt and net debt be highlighted in government financial statements.</p>
<p>9 Governments are held to a higher standard of accountability than a business or a not-for-profit organization.</p>	<p>A broader public accountability must be demonstrated in government financial statements because the nature of a democratically elected government requires a greater degree of transparency in financial reporting than most private sector reports provide. Governments are accountable to taxpayers on many levels, in contrast to the more limited accountability a company has for return on investment to a limited group of investors.</p>	<p>The "captive" nature of taxpayers as contributors to government finances requires that they be given simple yet robust information about what has been done with their money — that is, complete information about the government's financial position and results is needed and each financial statement should convey clear, key messages about government finances.</p>

2 Some government business enterprises operate in competitive environments. For the purposes of their own financial statements, government business enterprises follow the standards for profit-oriented enterprises in the *CICA Handbook – Accounting*.

# 7 What is accrual accounting?

The "accrual basis of accounting" recognizes the financial effects of transactions in the period(s) in which they occur, irrespective of whether cash has been received or paid. For example, revenue would be recognized for all taxes assessed on income earned by taxpayers in the year even if the cash payment of those taxes is received from taxpayers in a future year. Accrual accounting provides information about assets, liabilities, revenues and expenses, as well as changes in them, that cannot be obtained by accounting only for cash receipts and payments.

In contrast, the "cash basis of accounting" recognizes the financial effects of transactions only when cash has been received or paid. For example, cash payments of taxes received in the current year that are related to taxes assessed on income earned by taxpayers in the prior year would be recorded as revenue in the current year, because that is when the cash was received. Cash information on its own provides insufficient information for decision-making and accountability. It is inadequate for assessing or identifying the assets government controls, the liabilities it is obliged to meet and the revenues and expenses resulting from increases or decreases in those assets and liabilities.

Accrual accounting is part of the new reporting model for the senior governments. That model requires governments to capture information on an accrual basis in their accounting systems and then also tells them how to present this information in their financial reports in a way that provides information for decision-making and accountability.

Back in 1992, when PSAB began to consider how to include capital assets in government financial statements, Canada's senior governments already used a form of accrual accounting. This "modified accrual accounting" concentrated on spending. Under modified accrual accounting, the full purchase price of a capital asset is shown as an expenditure item in the year of purchase and, therefore, the purchase has an immediate effect on the annual results. Modified accrual accounting deducts from the annual results the cost of all resources a government has acquired in the year of acquisition. It provides more information than just cash flows, but does not provide information about a government's inventory of capital assets or the cost of using them to provide services. Modified accrual accounting provides information about financial assets only, but requires a government to book and report all of its liabilities.

A reporting model recommended by PSAB in 1997 was a compromise that represented the only consensus the government community could reach at that time. But the model was complex and confusing. It retained the modified accrual measure of net debt as the indicator of financial position and the modified accrual indicator of the change in net debt as the measure of annual results but allowed one of two reporting formats for the statement of annual results and reported capital asset inventories and the cost of using those assets on a separate statement. Many governments did not use this compromise model and in 2000, PSAB went back to the drawing board to develop a government reporting model that more fully and simply incorporated capital asset information into the financial statements.

*The "accrual basis of accounting" recognizes the financial effects of transactions in the period(s) in which they occur, irrespective of whether cash has been received or paid.*

The new reporting model issued by PSAB in January 2003 asks governments to move to what is called "full accrual accounting." Under full accrual accounting, the annual cost of owning and using a capital asset (estimated depreciation or amortization) is deducted from annual results. That is, a part of the cost of the asset is recognized in annual results in each of the periods of its useful life. So, full accrual accounting charges annual results with the cost of the government resources used in the year. A full accrual model provides more information for governments and financial statement readers about a government's financial position and results. In particular, it provides more information about capital assets.

In fact, the main distinction between the old 1992 and the new 2003 reporting models relates to how capital assets are accounted for and reported. An example illustrates the effect of the change in standards:

**EXAMPLE: A GOVERNMENT BUYS A NEW BUILDING**

Under modified accrual accounting:

- The building is not reported as part of the government's assets on its statement of financial position. Other things being equal, the accumulated surplus decreases (accumulated deficit increases) by the amount of cash used (or debt incurred) to acquire the building in the year the government takes ownership, without any recognition that this cash has purchased an asset that will be used for several years.
- After the year of acquisition, the only part of the annual cost related to the building that is recorded is the annual spending to operate and maintain the building.

Under full accrual accounting:

- The building is included as part of the government's assets. The cash is reduced (or debt is increased) and a new building is included as an asset instead.
- The annual cost of using the building [the depreciation in the reported value of the building] is recognized as an expense as is the annual spending to operate and maintain the building.

**WHAT YOU SHOULD LOOK FOR:**

- A note to the financial statements (generally Note 1), which describes the significant accounting policies the government used to prepare the financial statements. The basis of accounting a government uses is a fundamental policy that affects the choice of and underlies the accounting policies for specific items reported in the financial statements such as capital assets.
- When the basis of accounting description says, for example, that "these financial statements have been prepared using an accrual basis of accounting, except for...", it may be important to seek the reasoning behind the noted exceptions in order to fully understand the policies used in preparing the financial statements. For example, the accounting policy stated for revenue recognition might state that personal and corporate income taxes are recognized on a cash basis (when collected) because of difficulties in measuring such revenues on an accrual basis.

## 8 Why was a new government reporting model needed?

PSAB's goal is better information for decision-making and accountability. The new requirement to use full accrual accounting, and the approval of a new model that provides a comprehensive set of indicators that describe a government's financial position and results, are significant improvements in government financial reporting.

In 1992 PSAB set out to develop a new reporting model because governments had little or no information about their capital assets, resulting in incomplete information for decision-making and providing accountability to taxpayers.

The standards to date had concentrated on making sure that the government's financial assets and liabilities were all reported, and reported appropriately. But, government accounting had reached a point in its development where it became imperative for PSAB, as the standard setter, to look at how capital assets were reflected in government financial statements.

Many in the government community were concerned that the existing modified accrual or "expenditure" model was creating a bias against spending on capital assets — a bias that was contributing to the "infrastructure deficit" in Canada. Governments needing to balance their budgets found that putting off capital spending was an easy way to meet this objective. The phrase "infrastructure deficit" describes the fact that the infrastructure — such as highways, bridges and canal systems — that supports Canada's economy has been deteriorating over the years. Many argue that this problem is a direct result of the old reporting rules that required governments to charge annual results with the full cost of a capital asset when it was acquired. Many

governments were reluctant to spend what was needed to keep assets in good shape because large charges to the bottom line did not make them look good. Capital spending was the easiest thing to put on hold when times got tight and people didn't really notice anything until the infrastructure started falling apart.

The other problem was that the costs of using government capital assets were not considered when key decisions were made, such as the allocation of resources, the setting of user fees and other prices, outsourcing of services, etc. Often, once assets were acquired, they were out of sight, out of mind and did not figure prominently in government decision-making processes in the years subsequent to acquisition.

As well, some people were concerned that showing a statement of a government's financial position without identifying its capital resources was misleading. Even though a government's capital assets are different from its financial assets — capital assets can be used almost solely for providing services and can't be used to discharge liabilities — capital assets are still government resources that will help meet the service needs of taxpayers.

In fact, many governments did not really know what capital assets they had. When PSAB started looking at the reporting model, many governments did not even have an inventory of their assets. And, without such an inventory, it is very difficult to plan for maintenance and replacement of capital assets in a cost-effective way. Governments also had insufficient information to adequately meet their responsibility for the stewardship of the assets entrusted to them by taxpayers.

*PSAB's goal is better information for decision-making and accountability.*

## 9 What are the key features of the new government reporting model?

Just as earnings-per-share figures do not provide enough information about the financial health of a business, one annual results number is insufficient to explain whether a government has had a good year. Financial statements prepared using the new reporting model give readers five messages about the state of a government's finances:

1. The government's net debt position is often called its "future revenue requirements" because this indicator provides a measure of the future revenues required to pay for past transactions and events. Net debt is calculated as the difference between financial assets and liabilities. It provides an indication of the affordability of additional spending. *See statement 1 on page 22.*
2. The government's accumulated surplus/deficit position represents the government's net economic resources. An accumulated surplus is that amount by which all assets (financial and non-financial), exceed all liabilities. An accumulated surplus indicates that a government has net resources (financial and physical) that can be used to provide future services. An accumulated deficit means that liabilities are greater than assets and that the government has been financing annual operating deficits by borrowing. The extent of a government's accumulated surplus/deficit is an indication of its ability to provide future services. *See statement 1 on page 22.*
3. The government's annual surplus/deficit measures, in money terms, whether a government has maintained its net assets in a year. For example, if a government's revenues equal its expenses in the year such that its annual results are \$0, the government is said to have maintained its net assets in the year. The annual surplus or deficit shows whether the revenues raised in the year were sufficient to cover the year's costs. The costs of the year include the cost

of using existing and new capital assets to provide services. *See statement 2 on page 22.*

4. The government's change in net debt in the year is a measure of whether the revenues raised were sufficient to cover government spending. The spending in the year would include any capital spending to acquire new capital assets. An increase in net debt means that more future revenues will be needed to pay for past transactions and events. And, if a government is spending on capital assets, the statement of change in net debt will highlight the actual level of capital spending in the year and compare it to planned capital spending. *See statement 3 on page 23.*
5. The government's cash flows in the year are reported on the Statement of Cash Flow, which shows the change in cash in the year as well as highlights the sources and uses of cash. Capital activities, including the use of cash to acquire capital assets, are highlighted on this statement. *See statements 4a and 4b on page 23*, which illustrate the two allowed formats for this statement. The difference between the two formats relates solely to how the cash flows from operating activities are presented — directly, or indirectly by reconciling from the annual surplus or deficit.

More detail about each of these messages is provided later in this guide.

One further essential feature of the new reporting model is the requirement to report both budget and actual numbers on the Statement of Operations and on the Statement of Change in Net Debt. This provides important accountability to readers of the financial statements. *See "Why are budget and prior year numbers reported in the financial statements?"* later in this guide.

*Financial statements prepared using the new reporting model give readers five messages about the state of a government's finances.*

# 10 What do the new statements look like?

The new reporting model requires that a government's financial statements comprise four statements:

1. a Statement of Financial Position;
2. a Statement of Operations (or annual results);
3. a Statement of Change in Net Debt; and
4. a Statement of Cash Flow (two possible formats allowed).

The following are examples of what the new statements look like:

## statement 1

Government of X  
Consolidated Statement of Financial Position  
as at March 31, 20X4

	20X4 (in \$000,000)	20X3 (in \$000,000)
<b>Financial assets</b>		
Cash and cash equivalents	1,577	1,366
Accounts receivable	1,864	1,708
Portfolio investments	2,122	1,273
Commercial enterprises equity	331	207
Loans	4,909	5,659
Inventories for resale	109	135
<b>Total Financial Assets</b>	<b>10,912</b>	<b>10,348</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	2,383	2,644
Issued debt	9,363	9,796
Pension obligations	4,813	4,890
Other accrued liabilities	1,395	1,510
Deferred revenue	308	331
<b>Total Liabilities</b>	<b>18,262</b>	<b>19,171</b>
<b>Net debt</b>	<b>(7,350)</b>	<b>(8,823)</b>
<b>Non-financial assets</b>		
Tangible capital assets	7,218	7,215
Inventories of supplies	112	222
Prepaid assets	30	20
<b>Total Non-financial Assets</b>	<b>7,360</b>	<b>7,457</b>
<b>Accumulated surplus/(deficit)</b>	<b>10</b>	<b>(1,366)</b>

## statement 2

Government of X  
Consolidated Statement of Operations  
for the year ended March 31, 20X4

	20X4 Budget	20X4 Actual (in \$000,000)	20X3 Actual
<b>Revenues</b>			
Personal income tax	5,392	5,969	5,655
Corporate taxes	2,642	2,659	3,848
Sales tax	1,265	1,408	1,543
Fuel tax	470	547	558
Tobacco tax	345	341	330
Lottery revenues	660	770	705
Health insurance premiums	641	680	652
Fees, permits, licenses and fines	381	651	669
Liquor commission	427	485	465
Income from enterprises	50	525	97
Miscellaneous revenues	100	342	402
Investment income	409	610	747
Canada Health and Social Transfer	940	970	903
Other transfers	355	365	280
	<b>14,277</b>	<b>16,322</b>	<b>16,854</b>
<b>Expenses</b>			
Education	4,329	4,287	4,168
Health	4,541	4,626	4,457
Agriculture, environment, development	1,706	1,856	1,740
Social services	1,694	1,701	1,709
Transportation and utilities	626	823	807
Recreation and culture	281	272	217
General government	551	627	560
Justice	468	487	462
Interest expense	93	267	183
	<b>14,249</b>	<b>14,946</b>	<b>14,303</b>
<b>Annual surplus</b>	<b>28</b>	<b>1,376</b>	<b>2,551</b>
<b>Accumulated deficit at beginning of year</b>	<b>(1,366)</b>	<b>(1,366)</b>	<b>(3,917)</b>
<b>Accumulated surplus/(deficit) at end of year</b>	<b>(1,338)</b>	<b>10</b>	<b>(1,366)</b>

The cost of using capital assets in the year to provide services is reflected in these expenses. In accrual accounting, a government allocates the purchase cost of the asset to each of the periods in which the asset is used to provide services.



**statement 3**

**Government of X  
Consolidated Statement of Change in Net Debt  
for the year ended March 31, 20X4**

	20X4	20X4	20X3
	Budget	Actual	Actual
	<i>(in \$000,000's)</i>		
Annual surplus	28	1,376	2,551
Acquisition of tangible capital assets	(294)	(294)	(250)
Proceeds on sale of tangible capital assets	0	46	72
Amortization of tangible capital assets (depreciation)	226	226	230
(Gain)/loss on sale of tangible capital assets	0	(5)	(19)
Write-downs of tangible capital assets	(68)	(3)	77
Acquisition of supplies inventories	0	0	(324)
Acquisition of prepaid asset	0	(30)	(20)
Use of supplies inventories	0	110	102
Use of prepaid asset	0	20	0
	0	100	(242)
(Increase)/decrease in net debt	(40)	1,473	2,386
Net debt at beginning of year	(8,823)	(8,823)	(11,209)
Net debt at end of year	(8,863)	(7,350)	(8,823)

The change in net debt indicator relates to government spending. A change in net debt reflects the spending to acquire new capital assets in the year less the sale of any old capital assets in the year. The annual surplus/(deficit) is an accrual accounting number. Accrual accounting allocates some of the cost of a capital asset to each of the periods in which the capital asset is used.

The Statement of Change in Net Debt backs out these accrual accounting allocations as well as any gains or losses on sale of capital assets or any write-downs of capital assets.

**statement 4a**

**Government of X  
Consolidated Statement of Cash Flow — Indirect Method  
for the year ended March 31, 20X4**

	20X4	20X3
	<i>(in \$000,000's)</i>	
Operating transactions	1,376	2,551
Annual surplus		
Non-cash items included in annual surplus/(deficit)	504	522
Prepaid expenses	(30)	(20)
Change in deferred revenue	(708)	77
Other		
Cash provided by operating transactions	1,119	3,146
Capital transactions	(294)	(250)
Acquisition of tangible capital assets	46	72
Sale of tangible capital assets	(248)	(178)
Cash applied to capital transactions		
Investing transactions	262	2,997
Proceeds from disposals and redemptions of portfolio investments	768	1,129
Repayment of loans and advances	(594)	(4,089)
Portfolio investments	(290)	(280)
Loans and advances	(17)	(15)
Other		
Cash provided by (applied to) investing transactions	129	(238)
Financing transactions	13,970	3,694
Public debt issues	(14,759)	(6,175)
Public debt retirement	(789)	(2,481)
Cash applied to financing transactions	211	229
Increase in cash and cash equivalents	1,366	1,137
Cash and cash equivalents at beginning of year	1,577	1,366
Cash and cash equivalents at end of year	2,943	2,503

**statement 4b**

**Government of X  
Consolidated Statement of Cash Flow — Direct Method  
for the year ended March 31, 20X4**

	20X4	20X3
	<i>(in \$000,000's)</i>	
Operating transactions	8,239	7,267
Cash received from:		
Taxes	1,541	1,943
Transfers	2,118	3,808
Non-renewable resources	1,581	1,291
Fees, permits, licenses and fines	1,401	983
Entrepries	1,564	1,675
Investments	1,676	1,516
Other	18,120	18,483
Cash paid for:		
Salaries, wages, employment contracts and benefits	1,345	1,276
Material and supplies	3,192	2,936
Grants and other transfers	12,074	10,290
Financing charges	282	733
Travel and communication	108	102
Other	17,001	13,337
Cash provided by operating transactions	1,119	3,146
Capital transactions	(294)	(250)
Acquisition of tangible capital assets	46	72
Sale of tangible capital assets	(248)	(178)
Cash applied to capital transactions		
Investing transactions	262	2,997
Proceeds from disposals and redemptions of portfolio investments	768	1,129
Repayment of loans and advances	(594)	(4,089)
Portfolio investments	(290)	(280)
Loans and advances	(17)	(15)
Other		
Cash provided by (applied to) investing transactions	129	(238)
Financing transactions	13,970	3,694
Public debt issues	(14,759)	(6,175)
Public debt retirement	(789)	(2,481)
Cash applied to financing transactions	211	229
Increase in cash and cash equivalents	1,366	1,137
Cash and cash equivalents at beginning of year	1,577	1,366
Cash and cash equivalents at end of year	2,943	2,503



# 11 What is the difference between gross debt, total liabilities and net debt?

"Gross debt" describes the total debt a government owes to outsiders (i.e., "issued debt"), usually through debentures or bonds. Gross debt represents only a part of a government's total liabilities. It is just one item reported on the Statement of Financial Position (see statement 1 on page 22).

A government's "total liabilities" represent all of the amounts it owes to external parties, including government employees. They include accounts payable, issued debt, employee pension and other retirement obligations, as well as other amounts owing to individuals and organizations outside of the government.

In contrast, "net debt" describes one indicator of government financial position. This indicator takes into account the value of many items reported on the Statement of Financial Position. It is calculated as the difference between the sum of all of a government's financial assets<sup>3</sup> and the sum of all of its liabilities and is explained further in the next section of the guide.

<sup>3</sup> A government's financial assets are assets that are cash or cash equivalents and other assets that are expected to contribute cash inflows to the government. That is, they are assets that could be used to discharge existing liabilities of finance future operations and are not for consumption in the normal course of operations. Capital assets, except for those identified for and capable of sale in the near term, are not financial assets. Capital assets are used to provide services, not finance future operations or pay liabilities, unless they are sold and thereby converted into financial assets.

*A government's total liabilities represent all of the amounts it owes to external parties, including government employees.*

# 12 Why is net debt still an extremely significant indicator?

Net debt was the focus of the old reporting model. Net debt was the measure of financial position and the change in net debt was the measure of the government's results for the year — its "annual surplus/deficit."

Net debt is a number that results from government spending — it arises over time when a government's spending for the year consistently exceeds the amount of revenues that it raises in the year. Government spending represents almost half of Canada's gross domestic product (GDP)<sup>4</sup>. So, net debt has a direct relationship to the economy.

A government's net debt burden is a measure that focuses on accountability for spending decisions when they are made. The net debt burden also gives some indication of the affordability of future government spending because it represents a lien on the ability to provide future services. There is no "right" level of net debt — what is right for a particular jurisdiction will vary according to its financial condition (financial condition was explained on page 9 of the guide).

Net debt is often called a government's "future revenue requirements" because it indicates the amount of future revenues that will be required to pay for past transactions and events. If the difference between financial assets and liabilities is positive, putting the government into a "net financial asset position," this indicator means that the government has net financial resources it can use to finance future operations.

Even though the reporting model has changed, net debt is still an extremely significant indicator because it provides information about the affordability of future services. Having to report it may, therefore, act as a check on a government's spending beyond its means. The extent of a government's net debt and its financial ability to service residual liabilities that cannot be met through the use of existing financial assets is an important test of that government's sustainability.

## WHAT YOU SHOULD LOOK FOR:

- Whether the government's net debt is increasing or decreasing.
- Whether the government's net debt has increased in a year when an annual surplus was reported.

The government's Statement of Change in Net Debt (*discussed later in this publication*) should highlight some of the reasons for the increase or decrease in net debt. This statement should also explain the difference between the government's annual results (surplus or deficit) and the change in net debt.

<sup>4</sup> The Canadian gross domestic product or GDP is the market value of all goods and services produced in Canada in a calendar year. The gross domestic product includes only final goods and services, not goods and services used to make another product. Changes in gross domestic product are an indication of economic output. It is the standard measure of the overall size of the economy. Looking at the government's spending in relation to GDP provides a measure of the size of government in relation to the economy.

*Net debt has a direct relationship to the economy.*

# 13 Why do governments need to report capital assets?

Governments use their capital assets to deliver services over the course of many years. With the new reporting model, governments will no longer show the full cost of an asset as a one-time charge against annual results. In many instances, this meant that capital costs were often not considered in the years after the purchase. Instead, governments will now keep track of their capital property as assets and charge annual results with the cost of using the assets over many years.

Capital assets are not reported as part of a government's financial position because they reduce the government's indebtedness. Government capital assets are generally used to provide services and do not normally generate cash flows that can be used to discharge liabilities. The principal reason for governments recording capital assets is to get a better appreciation of the stock and the cost of using these assets, which should lead to an improved decision-making process regarding their management. But reporting this capital asset information also provides accountability to taxpayers regarding the capital resources acquired, used and managed by governments. Accounting for and reporting the stock and use of capital assets helps:

- provide a context for debating maintenance, renewals, replacement, funding, financing and rate-setting decisions;
- establish a common basis of measurement, allowing for enhanced comparability;
- provide a starting point for evaluating the condition of infrastructure and other assets on a regular basis and for highlighting changes in their condition over time;
- identify the government's flexibility in responding to a community's changing service demands because the government would have a better awareness of its fixed costs and the mix of labour and capital that it can thus employ.

It also helps:

- government provide accountability for the stewardship of the capital resources entrusted to it;
- decision-makers assess current program costs and the need for future infrastructure replacement or improvements.

Having capital asset information prompts decision-makers to consider things such as:

- selling idle assets and using the proceeds to reduce debts, or employ them elsewhere;
- the compounding effect of the cost of infrastructure debt<sup>5</sup> that can result in increased future costs and funding requirements;
- changing plans for infrastructure and other asset growth;
- entering into service agreements with other public or private sector partners;
- removing the assets from service; and
- replacing existing assets, including infrastructure.

## WHAT TO LOOK FOR:

- A description of the capital assets a government owns.
- The extent of the cost of maintenance and replacement of capital assets in a year.
- The effect of capital asset purchases in the year on the level of net debt.

<sup>5</sup> Infrastructure debt is a term used to describe the situation where maintenance is deferred and infrastructure is allowed to deteriorate or be used up beyond the point where its rehabilitation through maintenance alone is possible. In such circumstances, major replacement or refurbishment of components of the system, or the system as a whole, is required.

*The principal reason for governments recording capital assets is to get a better appreciation of the stock and the cost of using these assets, which should lead to an improved decision-making process regarding their management.*

# 14 What does the accumulated surplus/deficit number mean?

The accumulated surplus/deficit and the net debt indicator discussed on page 21 are the two indicators of government financial position.

Under the previous accounting standard — modified accrual accounting — net debt was the sole measure of a government's financial position. Under the new full accrual reporting model, with the inclusion of non-financial assets, the net debt indicator describes only one dimension of a government's financial position — its future revenue requirements, calculated as the difference between its financial assets and liabilities. The accumulated surplus/deficit number then provides a complete picture of the government's net economic resources as it is calculated by adding its non-financial assets (the majority are capital assets) to its net debt.

The accumulated surplus/deficit number represents the government's "reported net economic resources." Each of the words in this phrase has a distinct meaning.

Economic resources are resources useful for carrying out economic activities, such as consumption, production and exchange.

Some economic resources are not reported in government financial statements. Natural resources and Crown lands inherited by the government in right of the Crown, rather than having been purchased, are economic resources that are not recognized in government financial statements because the economic value of such items can't be reasonably

quantified. And, there are currently no appropriate public sector recognition and measurement criteria for intangibles, such as air and sea rights. So all intangibles, including those that have been purchased, developed, constructed or inherited in right of the Crown, are not recognized in government financial statements.

The word "net" means that the accumulated surplus/deficit number represents the residual that remains when the government's total liabilities are deducted from its total assets.

## WHAT DOES THE NUMBER TELL YOU?

- The accumulated surplus/deficit or "accumulated surplus/deficit" indicator tells you the net resources a government has to provide future services.
- An accumulated surplus represents that amount by which all assets (financial and non-financial), exceed all liabilities. An accumulated surplus indicates that a government has net resources (financial and physical) that can be used to provide future services. An accumulated deficit means that total liabilities are greater than total assets and that the government has been financing annual operating deficits by borrowing.
- A government's accumulated surplus/deficit is also the sum of its net financial performance — good and bad — since Day 1. What that means is that it represents the sum of all of the annual surpluses and deficits ever reported by that government.

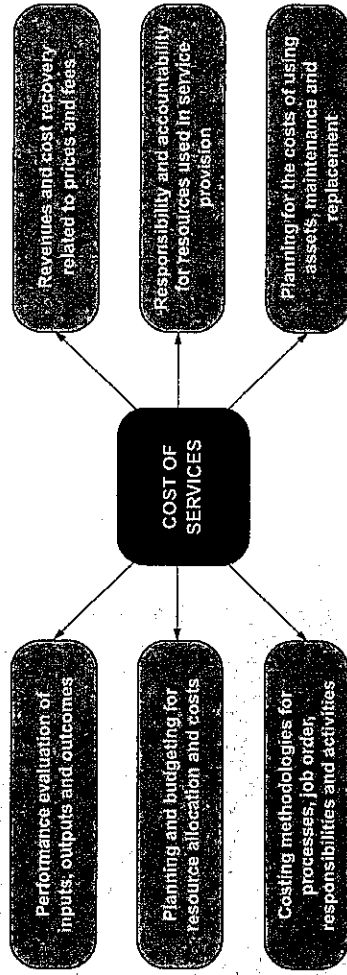
# 15 Why is reporting the cost of services important?

The new reporting model calls for reporting the cost of services or "expenses" in determining a government's annual surplus or deficit. The costs of services must be reported by function (like health, education, transportation) in the financial statements.

Reporting this high-level cost information is important because it:

- provides accountability for the total costs of services for each major government function;
- allows financial statement readers to compare the costs of each government function to its total costs and thus obtain information about the government's priorities; for example, the percentage of government revenues used for education costs could be compared to the amount used for interest costs;
- allows readers to compare costs with those incurred in the prior year and with those budgeted.

The reporting and auditing of high-level cost information also adds credibility to the more detailed costs that underlie the reported numbers. Although the benefits of costs of services information are not realized to any great extent at the financial statement level, real benefits do arise at the program level. The following illustrates the need for cost of services information for planning, budgeting and cost management.



Reporting costs assists management in:

- understanding costs;
- choosing among various service delivery options;
- assisting in cost reduction initiatives;
- establishing charges and fees;
- serving as a basis for transfer payments and subsidies;
- establishing budgets and analyzing variances;
- benchmarking activities and assessing performance;
- improving accountability for allocation and use of resources.

*The reporting and auditing of high-level cost information adds credibility to the more detailed costs that underlie the reported numbers.*

# 16 Does an annual surplus mean that a government has money to spend?

The new model moves governments away from a one-dimensional focus on the bottom line and challenges elected officials, the media and taxpayers to make sure that a government is accountable for a slate of key indicators of financial position and results. And, although the new model changes how a government measures its annual results, and the change may mean that a government generates a surplus or reduces a deficit, it would not mean that the government now has extra profits or cash to spend. A change in how a government measures its annual results does not generate cash or open up spending room. The landscape has remained the same, but the picture is being taken from a different perspective.

To get a more complete picture, you need to look at a government's gross and net debt positions and the sources and uses of its cash, in addition to its annual results. Only then can you truly get a sense of whether the government is doing a good job in managing the resources taxpayers have entrusted to it or whether their future is being mortgaged to support the present.

The main distinction between the old and the new reporting models relates to how capital assets are accounted for and reported. So, whether the change in accounting will have a significant impact on the measure of annual results depends primarily on two factors:

1. How significant capital assets are in financial terms for that particular government.
2. The magnitude of the difference between the cost of using capital in the year (the "depreciation amount") and the cost of acquiring new capital in the year.

Municipal governments are very capital intensive. That means their capital assets form a big part of their total resources, hence a change in accounting for capital could have a significant impact on annual results<sup>6</sup>. In contrast, the federal government is considerably less capital intensive. Federal capital assets do not form as large a portion of total resources. So, a change in how it accounts for capital assets would have less of an impact on annual results. The provinces and territories generally fall somewhere in between municipal governments and the federal government in terms of the financial significance of their capital assets.

Regarding the second factor, there are three main scenarios:

1. If a jurisdiction is in a steady state, so that the cost of using capital assets in a year (the depreciation expense for using those capital assets) is approximately equal to the cost of acquiring new/replacement capital assets (the spending to acquire new capital assets), the impact on the measurement of the annual surplus/deficit because of a change in the accounting for capital assets will not be significant.
2. In contrast, if a jurisdiction has capital assets that are fully used up (depreciated), the cost of acquiring new capital assets would be higher than the cost of using existing and new capital assets in the period because many of the old assets would be fully depreciated. In such circumstances, all other things being equal, a government could end up with an annual surplus or a reduction in its annual deficit merely because of a change in how it accounts for capital assets. That is because, under the new model, the larger cost of acquiring new capital assets would not be charged

*Although the new model changes how a government measures its annual results, and the change may mean that a government generates a surplus or reduces a deficit, it would not mean that the government now has extra profits or cash to spend.*

<sup>6</sup> The new reporting model standards apply only to the federal, provincial and territorial governments in Canada. PSAB has started a project to look at local government financial reporting and capital assets accounting.

to annual results. Instead, only the smaller depreciation amount would be charged. Annual results would look better even though only the accounting policy had changed. Of course, this "improved picture" of annual results should not be looked at in isolation. In many instances, debt is incurred for spending on new capital assets and the debt would show up as a liability right away, perhaps impairing the affordability of future services.

3. If a government has primarily new capital assets in a given year, it may find that the depreciation charge for using the assets in the year is much bigger than the cost of acquiring new capital assets would be. In such circumstances, the change in the accounting for capital assets would make a government's annual surplus/deficit look worse.

#### WHAT YOU SHOULD LOOK FOR:

- The primary reasons for an annual surplus — e.g., operations, or one-time asset sales, or other unusual items.
- The primary reasons for an annual deficit — e.g., operations, or unusual items (natural disaster, health emergency).
- An increase in debt when the government has generated an annual surplus.
- The size of the government's capital asset position in comparison to its accumulated surplus/deficit position.
- Any disclosures on deferred maintenance or capital asset condition in the notes or schedules to the financial statements.
- The capital spending to acquire new capital assets in the period (as shown on the Statement of Change in Net Debt) in comparison to the total depreciation expense charged against annual results in the period related to both old and new capital assets (see the note to the financial statements that details "expenses by object" or the capital asset continuity schedule provided in the notes and schedules to the financial statements).

The Statement of Change in Net Debt is primarily designed to explain the difference between a government's annual surplus or deficit reported on the Statement of Operations and the change in net debt. This statement is important because net debt is still considered to be an extremely significant indicator of government financial position and the affordability of future services.

The statement is also crucial because one of the items that explain the difference between the annual surplus/deficit and the change in net debt is the government's capital spending for the year. The biggest difference in the calculation of the change in net debt and the calculation of the annual surplus/deficit relates to the treatment of capital assets (*see statement 3 on page 23*):

- When calculating the annual surplus/deficit, a government recognizes the costs of using capital assets over the lives of the assets. The full cost is not charged in the period of acquisition, but is spread over future periods, — that is, a portion of the cost of the asset is charged as depreciation cost in each year until the asset is considered to be fully used up.
- When calculating the change in net debt, a government recognizes the whole cost of purchasing an asset at the time the asset is purchased.

The new standards require the Statement of Change in Net Debt to report budgeted numbers as well as actual numbers. So, the budgeted capital spending for the year is also reported in comparison to the capital spending that actually occurred. This reporting gives readers of the financial statements information about whether the government is spending more

or less on capital than planned. All other things being equal, increasing net debt through overspending on capital may impair the affordability of future government services; spending less on capital assets than planned may, over time, run down the government's capital assets.

One of the concerns about moving to a calculation of the annual surplus/deficit that does not include capital spending was that a government might feel that it could invest in a lot of new capital assets and the cost of those assets would be spread over future years, with a minimal effect on the annual results in the year of acquisition. So, budgeted and actual capital spending are highlighted on the Statement of Change in Net Debt. The cash flows related to capital acquisition are also highlighted in the new Statement of Cash Flow. Both pieces of information give financial statement readers enough information about capital spending to ask questions if government spending on capital appears to be getting out of hand.

#### WHAT YOU SHOULD LOOK FOR:

- The primary reasons for a government's change in net debt.
- An increase in net debt when the government has generated an annual surplus.
- Whether the actual capital spending is the same as what was budgeted.
- Explanations for why budgeted and actual capital spending are different [this information is unlikely to be in the financial statements themselves but may be highlighted or addressed in other government documents].

*The Statement of Change in Net Debt is primarily designed to explain the difference between a government's annual surplus or deficit reported on the Statement of Operations and the change in net debt.*



# 18 Why are budget and prior year numbers reported in the financial statements?

Legislators, investors and other users need information that helps them assess a government's results in the management of its resources and financial affairs. A comparison of the actual results with those originally forecast in the budget, and with those of the prior period, is necessary to identify significant differences. To facilitate meaningful comparisons, planned and prior period results need to be reported using the same accounting policies and must be based on a scope<sup>7</sup> consistent with that used to report the actual results of the current period in the financial statements.

The financial statements provide a measure of a government's financial performance in the achievement of its objectives. Financial statements that include a comparison of the government's actual and planned financial results in a year, provide important accountability information about the budget decisions of the current period.

Unlike the continuity and relatively focused direction provided by a company's board of directors, a government's organizational objectives tend to be very broad, are continuously redefined in each annual budget and are often completely revamped whenever there is a change of government. The budget plays a dominant role in portraying public policy. It establishes estimates of revenues and expenses or expenditures. The budget includes financing requirements for both operating and capital spending. It is used to set tax rates and determine borrowing requirements. A government's budget is a crucial element in the accountability cycle and the standard against which subsequent performance is judged. Governments are thus held publicly accountable for the choices they have made, for their programs, the cost of services and the financial position of their jurisdiction.

Two comparisons of actual and budgeted results, on the Statement of Operations and on the Statement of Change in Net Debt, provide the key accountability information integral to evaluating a government's performance in achieving its operational and spending plans.

Including budget figures on the Statement of Change in Net Debt (in addition to the Statement of Operations) enhances accountability. This stems from the availability of information on actual and budgeted spending on capital assets, the display of the actual and budgeted extent to which expenditures of the period were met by revenues and the inclusion of actual and budgeted opening and closing net debt numbers.

If a budget is prepared on a different basis or for a different scope than the financial statements, the government needs to provide a link to the financial statements so that the legislature understands how the results for the period compare to the results planned and the amounts the legislature authorized to accomplish those plans. When neither the budgeted scope nor the basis of accounting used in the budget is consistent with that used for reporting actual results, the financial statements need to provide a reconciliation of the planned information included in the financial statements with that originally budgeted.

In addition to budget numbers, each of the Statement of Operations, the Statement of Change in Net Debt and the Statement of Cash Flow will include comparative numbers for the prior year that can be compared with current year numbers. Changes in performance from the prior year will be apparent. The Statement of Financial Position also provides

*A comparison of the actual results with those originally forecast in the budget, and with those of the prior period, is necessary to identify significant differences.*

<sup>7</sup> The scope of the financial statements refers to a government's "reporting entity" which comprises all of the organizations controlled by that government.

prior year comparative balances. This prior year information highlights areas where the mix of assets and liabilities in the government's financial position has changed from the prior year.

**WHAT YOU SHOULD LOOK FOR:**

- The accounting policies used in the budget in comparison to those used in the financial statements.
- The organizations included in the government's budget in comparison to those included in the financial statements.
- Any large differences between the current and prior year reported numbers.
- Any changes in accounting policy from the policies used in the prior year [this may be explained in the note that explains the accounting policies used in preparing the financial statements, which is generally Note 1, and/or may be explained in a note that explains why prior year numbers have been restated from how they were reported in last year's official published financial statements].
- Explanations of large differences between the current and prior year numbers [these may be provided in documents other than the financial statements].
- Any large differences between the current year actual and budgeted numbers.
- Explanations of large differences between the current year actual and budget numbers [these may be provided in documents other than the financial statements]. In particular, explanations for large differences on the Statement of Operations or a big difference between actual and budgeted capital spending (on the Statement of Change in Net Debt) would be informative.

# 19 What information does the cash flow statement provide?

The Statement of Cash Flow reports the change in cash and cash equivalents in an accounting period, and shows how a government financed its activities and met its cash requirements in that period.

Information about a government's cash flows helps users of its financial statements assess its capacity to generate cash and cash equivalents and its needs for cash resources. A government generates cash to finance its activities and meet its obligations by raising revenue, converting other financial assets into cash and cash equivalents and by external borrowing. Cash flow information helps in evaluating a government's liquidity and assessing its future cash requirements as well as providing accountability for its use of cash resources. Historical cash flow information may be useful as an indicator of the amount, timing and certainty of future cash flows.

The change in a government's cash resources can be explained and must be reported in the context of four major activities — operations, capital, investing and financing.

The amount of cash flows arising from operating activities is a key measure of the extent to which a government has generated sufficient cash flows to maintain its programs and services, invest in new capital assets, repay loans and make new investments without recourse to external sources of financing. Cash flows from operating activities are primarily derived from the government's principal revenue-raising activities. Therefore, they are generally derived from the transactions and other events that enter into the determination of the results of an accounting period.

Unlike the cash flow statement of a business, a government cash flow statement reports cash flow related to capital acquisitions in the capital activities category. Unlike the capital assets of a business, there are no future cash inflows associated with most government assets. Government capital assets embody "future service potential" because they are used almost solely in service provision. So, there is no return on investment associated with these capital investments as there is for a business. Investing is a term that can only be applied to government financial assets. In addition, this highlighting of the cash flows related to capital acquisitions, when considered along with the capital spending information provided on the Statement of Change in Net Debt, gives financial statements readers the information they need to ask questions if they feel that the level of the government's capital spending is not appropriate.

Cash flow information related to investing would include investments made and realized during an accounting period. Cash flow information related to financing would include both domestic and foreign debt issued and repaid during that period.

## WHAT YOU SHOULD LOOK FOR:

- The primary sources of cash — operating or financing?
- The cash outflows to acquire capital assets in the year in comparison to the cash flows from operating activities and the cash flows received from borrowings in the year.

*The Statement of Cash Flow reports the change in cash and cash equivalents in an accounting period, and shows how a government financed its activities and met its cash requirements in that period.*

## 20 What is the purpose of the notes to the financial statements?

Without explanation, many items reported in the financial statements could be misunderstood. Therefore, generally accepted accounting principles (GAAP) require that the four government financial statements be supplemented with a number of additional disclosures or explanations, known collectively as the "notes to the financial statements" or the "notes and schedules to the financial statements." The notes to the financial statements provide some of the most important data in the financial report and can alert readers to the effects of transactions and events they might otherwise overlook.

In fact, fair note disclosure is not separable from fair presentation of financial statements because classification and presentation within the statements of financial position, operations, change in net debt and cash flow provide the basis for fair disclosure, which is augmented and supported by the accompanying notes. When there are transactions, circumstances or events of such size or nature that their disclosure is necessary to understand a government's finances, a government must provide sufficient information about those events to allow readers to understand their effect on the financial statements. This information would include the significant terms and conditions of such transactions, as well as the nature of such circumstances or events and their financial effects.

### WHAT YOU SHOULD LOOK FOR:

- Disclosure and explanation of significant transactions and events in the accounting period.
- Obligations disclosed in the notes but not recognized in the financial statements themselves.
- Resources disclosed in the notes but not recognized in the financial statements themselves.
- Contingencies note disclosure.
- Commitments note disclosure.
- Disclosure regarding operating leases.

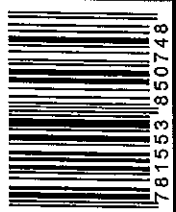
*The notes to the financial statements provide some of the most important data in the financial report and can alert readers to the effects of transactions and events they might otherwise overlook.*

# 20 Questions

## About Government Financial Reporting

Federal, Provincial and Territorial Governments

ISBN 1-55385-074-2



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### FEEDBACK

Let us know how we can improve this guide.

Contact PSAB at [www.cica.ca/PublicSector](http://www.cica.ca/PublicSector)



THE CANADIAN INSTITUTE OF CHARTERED ACCOUNTANTS  
277 Wellington Street West  
Toronto, Ontario  
M5V 3H2





CAO REPORT TO COUNCIL  
October 10, 2007

This report is the last one to the Council of the past three years as October 15<sup>th</sup> is the election/appointment of the next era of Council. I hope you all have been able to fulfill your purpose for being elected or at least feel a real sense of accomplishment as an elected official.

Mackenzie County will continue to grow and prosper as we are truly situated right geographically and with a continuing strong, united Council "team" much is possible.

I feel that we also have developed a strong team of dedicated employees with a strong desire to serve the will of Council as well as assist moving forward on all municipal projects county-wide.

The challenges for the "new" Council will be more and more of a global nature (provincial). Challenges like inter-municipal relations, securing paved highways, enhancing agriculture, attracting the Mackenzie Pipeline and stabilizing development will keep Council and staff very busy, along with our daily business matters. We also must not forget all the smaller local projects that need attention.

The efforts of 2007 Council and staff work and project development will really show up in 2008/2009. There are significant projects in the works for all areas as well as rural and urban projects. Some of these are in progress as we speak and many will be tendered or developed before year end. I also know we are more prepared to have better control of major projects, especially on the engineering and field aspects. This is not to say we can coast as much development on projects is required especially municipal buildings.

In summary, I thank this Council for allowing me to be part of the Mackenzie team and hopefully the "new" Council will keep me around for a while. Attached are several projects that we could review if Council wishes.

William Kostiw  
CAO





Attachments:

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a. EXH Project Report	3
b. Zama 911 (attached) Confidential	
c. Water/Sewer Projects	10
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• Who attends?	
• What meetings does Council wish?	
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i. Fort Vermilion Harvest Day	29
j. Building Committee	30



**MEETING MINUTES**  
**Mackenzie County**  
**Projects Notes**  
**From September 10, 2007**

Attendees: Bill Kostiw (BK), Mackenzie County  
 John Klassen (JK), Mackenzie County  
 Paul Driedger (PD), Mackenzie County  
 Grant Smith (GS), Mackenzie County  
 Peter Braun (PB), Mackenzie County  
 Carol Gabriel (CG), Mackenzie County  
 Bill Neufeld (BN), Mackenzie County  
 Mark Schonken (MSc), Mackenzie County  
 Mark Schwab (MS), EXH – Grimshaw  
 Mark Onaba (MO), EXH – La Crete

Job No.    Project

PROJECTS

<p>1005016</p>	<p><b>Fort Vermilion South Drainage</b></p> <ul style="list-style-type: none"> <li>▪ Cost estimates, etc. will come after A.E. approval.</li> <li>▪ GM noted that there is more ditch cleaning than actual construction required for the project.</li> <li>▪ GS mentioned that landowner (Richards) wants 7:1 slopes</li> <li>▪ GS to provide EXH with easement agreement.</li> <li>▪ GS mentioned that the culvert at the west end of the job is undersized.</li> <li>▪ EXH will review the profile and try to adjust if possible to achieve a more desirable tie in point on the east end.</li> <li>▪ MS discussed his meeting with Terry Sawchuck</li> <li>▪ County to advise on public meeting</li> <li>▪ EXH will revise drawings</li> </ul>
<p>1007116</p>	<p><b>99 Street /North &amp; South La Crete Accesses/94 Avenue Project</b></p> <ul style="list-style-type: none"> <li>▪ BK requested intersectional treatments be done on accesses to 99 St for 30m.</li> <li>▪ Access to R.V dump on north end of 99 St. needs to be improved</li> <li>▪ County noted that waste was the responsibility of the contractor</li> <li>▪ County decided on a Sept 1, 2008 completion date for the project</li> <li>▪ MO &amp; JK to review extending concrete pad on the R.V dump.</li> <li>▪ BN mentioned new approaches, on 99 Street, are to be paved to a maximum width and length of 12m x 7m respectively.</li> <li>▪ Culverts at the UFA entrance to be replaced</li> <li>▪ Timberline culvert to be replaced.</li> <li>▪ Darrell Quist discussed changes to the ACP mix design.</li> </ul>

Action By

EXH  
 Grant S.

*needs open House for A.E. Permit.*

Mark O.  
 John K.

*in progress*



**Job No.**

**Project**

**Action By**

- Tender close September 11/07
- JK will be meeting with landowner to review land purchase

✓ 3006069

**BF 9041 – Gull Creek (NW 2-109-13-W5M)**

- Assessment was completed and submitted on March 2<sup>nd</sup>, 2007.
- Assessment recommended replacement with twin 2000mm diameter culverts
- BF9041 is #1 priority on the recently submitted 3 yr Bridge request and funding for replacement in 2008 is requested.

~~1007166~~

~~**Blumenort Road & Rge Rd. 14-2 Drainage**~~

- County noted that the grave yard located a mile west of Hwy 697 on Blumenort Road was flooding out every spring.
- Wayne Wiens from ASB said most water comes from the West.
- EXH to complete survey and provide draft plan/profile for further discussion with the County.
- County will install a culvert and monitor in the spring

*Done*

EXH

✓ 1007170

**Zama Access Road Base/Pave**

- County would like a ban free structure built to 9.4 m finished ACP top
- BK noted that 4 km of road should be paved and we should include Bearpaw Crescent as a separate schedule for paving.
- BK also mentioned that the County would like a truck turnout to be constructed in the same contract just south of the project.

3007003

**BF 86154 – Prairie Point Access**

- Twin 900mm CSP to be removed and disposed of.
- 2400mm CSP to be installed
- Pineridge logging was the low bidder.

*IN PROGRESS.*

4007029

**102 Street/91 Avenue**

- Existing surface drainage to storm sewer.
- Mostly surface (paving, curb, gutter, sidewalk etc). Possibly some underground.
- RG noted that curb, gutter and sidewalks will be reinforced for extra strength at the alleys and not at the driveways.
- RG mentioned that the Tie in Storm Extension on 109 Ave. will be a separate schedule on the contract.
- Bill K. to advise on tendering of project
- EXH to provide cost estimate for budget purposes for 98<sup>th</sup> Ave.

*one Tender*

EXH

4007029

**Traffic Lights**

- PB agreed to having this project sole sourced to RG's recommended CAN Traffic in St. Albert.
- County will approve at June 25<sup>th</sup> Council meeting.
- County approved cost estimate and requested EXH to proceed with the project.
- CAN Traffic to start work on October 1<sup>st</sup> 2007

EXH

*in Progress*

*(5)*

Job No.    Project

Action By

**DISCUSSION**

<u>Job No.</u>	<u>Project</u>	<u>Action By</u>
----	<b>County Local Roads</b> <ul style="list-style-type: none"><li>▪ The County noted that they will be scheduling 5 local road projects.</li><li>▪ BK mentioned that as far as engineering is concerned, the County would require preliminary surveys for its local road projects.</li><li>▪ County would like EXH to identify R/W and survey profiles of proposed roads.</li><li>▪ County would like all roads constructed to a local road standard.</li><li>▪ JK mentioned that there will be no increases in r/w for any of the 5 projects.</li><li>▪ MS to discuss r/w clearing with Rick Goy.</li><li>▪ Jerry (county) building these projects himself</li><li>▪ County to contact MO if some survey is needed.</li></ul>	County
----	<b>Bridge File Maintenance Contract</b> <ul style="list-style-type: none"><li>▪ County Bridge Maintenance Package to be tendered this year.</li><li>▪ BK would like all the 2007 work to be completed.</li><li>▪ Engineering budget was submitted to BK for 2007 maintenance work.</li><li>▪ BK requested EXH to proceed with tendering the contract.</li><li>▪ County would like EXH to comment on BF 78103 (SE 35-104-14)</li></ul>	EXH
----	<b>Resource Road Applications</b> <ul style="list-style-type: none"><li>• Council decided that RR funding be requested for the following roads;<ul style="list-style-type: none"><li>○ Hwy 88 Connector.<ul style="list-style-type: none"><li>▪ EXH to discuss traffic counts with John W. Driedger</li></ul></li><li>○ Heliport Road.</li><li>○ Zama Access Road</li><li>○ Rocky Lane Road.<ul style="list-style-type: none"><li>▪ Hwy 58 going south to "T" intersection.</li><li>▪ Traffic counts can be conducted any day in September</li></ul></li></ul></li><li>• EXH to proceed with applications.</li></ul>	EXH
----	<b>Hwy 697 Drainage (Buffalo Head Prairie Area)</b> <ul style="list-style-type: none"><li>• EXH to provide proposal to John Engleder.</li></ul>	EXH
----	<b>Mustas Lake Center Subdivision – Design Review</b> <ul style="list-style-type: none"><li>• County would like EXH to review the design that Focus Corp. did for this subdivision.</li><li>• EXH is reviewing the drawings submitted by Focus.</li></ul>	EXH

Prepared by: Mark Onaba & Mark Schwab

(6)

**MUSTUS LAKE BUSINESS PARK  
COMMERCIAL / INDUSTRIAL SUBDIVISION - 2007  
LA CRETE, ALBERTA**

SEWAGE LIFT (PUMPING) STATION SITE #1

**SERVICE AREA**

LOCATION	ESTIMATED STATION DEPTH (9.2 Meter)	
	Service Area (land use)	Service Area (acres/hectares)
NE 10-106-15-W5	Commercial/Industrial	154      62.32
NW 11-106-15-W5	Commercial/Industrial	130      52.61
SW 11-106-15-W5	Urban Residential	93      37.64
SE 10-106-15-W5	Country Residential	63      25.50
SE 15-106-15-W5	Commercial/Industrial	15      6.07
SW 14-106-15-W5	Commercial/Industrial	8      3.24
<b>TOTAL</b>		<b>463 acres    187.38 hectares</b>

**CLASS 'D' COST ESTIMATE**

Pre-Fabricated Lift Station Without Building	Concrete Wet Well Lift Station With Building
9.2 meter depth	9.2 meter depth
\$540,000.00	\$1,250,000.00

*Note: The sewage lift station considered in the June 28, 2007 cost estimate was a 1,800 mm (6 foot) diameter Flygt pre-packaged fiberglass lift station with no building. If the proposed lift station is to service approximately 500 acres in the future the County may want to consider a concrete wet well type lift station with a building. The lift station wet well, lines and pumps cannot be sized until the land uses are defined in order to prepare a Class 'C' cost estimate.*

FOCUS CORPORATION

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September 21, 2007

**PROJECTS REQUIRING INSPECTIONS**

	<b>PROJECT</b>	<b>Type of Project</b>	<b>Type of Inspection Required</b>	<b>Final Inspection Date</b>
1.	<u>Vanguard Realty Ltd.</u> a) Phase 5Ba b) Phase 3Ka & 3Kb c) Phase 3Ka & 3Kb d) Phase 3Kc e) Phase 5C f) Phase 7A	Roads W&S Roads W&S W&S W&S	2 Year 2 Year 1 Year 1 Year 1 Year 1 Year	October 13, 2005 October 12, 2005 October 23, 2006 October 23, 2006 October 23, 2006 October 23, 2006
2.	<u>Quality Investment</u> a) Res. Phase 5 b) Ind. Phase 1 c) Res. Phase 5	W&S W&S Roads	2 Year 2 Year 1 Year	October 12, 2005 October 12, 2005 October 24, 2006
3.	<u>Peter's Subdivision</u> a) Phase 3A b) Phase 1	Water & Roads Water	2 Year 1 Year	October 14, 2005 October 24, 2006
4.	<u>MD23 (5363-</u> a) 046} Knelsen b) 047} Knelsen c) 048/51/55} FTrotter d) 075} MD C. Access e) 072} MD Storm f) 071} MD IndDrainage g) 045} Ruel Cold-Mix h) 062} FTrotter FV Sani i) 059} Knelsen LaCrt j) 060} Knelsen FTV	Roads Roads W&S  Storm & Sewer  Roads W&S Roads Roads	2 Year 2 Year 2 Year 1 Year 1 Year 1 Year 2 Year 1 Year 1 Year 1 Year	October 12, 2005 October 13, 2005 October 12, 2005 October 23, 2006 October 23, 2006 October 23, 2006 October 13, 2005 May 31, 2006 October 24, 2006 October 24, 2006
5.	<u>Lakeside (W. Wiebe)</u> a) Phase 1	W&S and Roads	2 Year (Completed Sept. 13/07)	October 13, 2005 <i>Done</i>
6.	<u>J.L. Inv (Pineridge)</u> a) Phase 4	W&S	1 Year	October 23, 2006
7.	<u>Foothills</u> a) Ind. Subdivision	W&S and Roads	1 Year	November 3, 2006
8.	<u>Zama</u> a) 066} Ind Sub Dechant b) 065} Rds '06 Knelsen	W&S Roads	1 Year 1 Year	October 31, 2006 August 15, 2006

*Peter Freier Road*

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September 25, 2007  
File No. 124472-20

**MUSTUS LAKE BUSINESS PARK  
COMMERCIAL / INDUSTRIAL SUBDIVISION - 2007  
LIFT STATION & FORCEMAIN - SITE 1  
LA CRETE, ALBERTA  
(1800mm diameter x 9.2 meter deep)**

**COST ESTIMATE**

1.	250mm diameter forcemain	
	a) common trench with sewermain; 875 meters @ \$60.00	\$ 52,500.00
	b) separate trench; 245 meters @ \$100.00	24,500.00
	c) auger 109 Avenue, gas main & lagoon tie-in; 125 meters @ \$240.00	30,000.00
	d) clearing & grubbing	5,000.00
	e) air release chamber	8,000.00
2.	Earth excavation, backfill and grading for lift station	70,000.00
3.	Supply packaged lift station (9.2 meter deep x 1800mm diameter)	125,000.00
4.	Install lift station package, includes concrete base slab	50,000.00
5.	Mechanical	20,000.00
6.	Electrical	25,000.00
7.	Electrical service (ATCO)	15,000.00
8.	Graveled driveway & parking area including landscaping and seeding	9,000.00
9.	Additional two meter depth of sewermain to lift station & stub to east	3,000.00
10.	Legal Survey	5,000.00
11.	Materials Testing Allowance	3,000.00
12.	Contingency Allowance @ 10%	44,500.00
13.	Engineering estimated @ 10%	48,000.00
	<b>TOTAL ESTIMATED COST .....</b>	<b>\$537,500.00</b>
		<i>Budget \$540,000.00</i>

Note: *The above cost assumes the subdivision roads have been constructed allowing access to the lift station site. The lift station cost estimate was revised to reflect the new Tender prices received in July 2007 in the Peace River area.*

FOCUS CORPORATION

9





**Mackenzie County**  
PO Box 640, Fort Vermilion, AB T0H 1N0  
Phone: (780) 927-3718 Fax: (780) 927-4266  
Toll Free: 1-877-927-0677  
Email: office@mackenziecounty.com

Copy

October 5, 2007

Mr. John Engleder, P.Eng.  
Regional Director, Peace Region  
Alberta Infrastructure and Transportation  
3<sup>rd</sup> Floor, Provincial Building  
9621 - 96 Avenue  
Peace River, Alberta  
T8S 1T4

Dear Mr. Engleder:

Re: Zama City Water Treatment Plant

This letter is to request your support of the tender for the Water Treatment Plant Project in Zama City.

The project was publicly retendered following proper AIT procedure and the lowest tender received was from Nason Contracting Group Ltd. for \$10,101,435.99. This tendered cost is in line with the Current Project Estimates and the additional funding from AIT as referred to in the Ministers letter of September 10, 2007. The County Engineers, ISL Engineering and Land Services of Edmonton, will provide you with all the necessary information on the project.

Therefore we respectfully request your approval of the Project as expeditiously as possible to enable the Contractor to start construction prior to November 1, 2007.

Thank you for your consideration and we look forward to working with you as we improve the quality of life for our common taxpayers.

Sincerely,

William (Bill) Kostiw  
Chief Administrative Officer

cc. County Council  
Deon Wilner ISL

FAXED Oct 5/07  
From ISL sheet.  
John at PR.

(10)

Date. **October 5, 2007**Project No: **12411**No. of Pages (incl. cover): **23**

To: **Alberta Infrastructure and Transportation**  
Attention: **Wayne Franklin**  
Fax Number: **1-780-624-2440**  
Project: **Hamlet of Zama Water Supply System Upgrading - Contract #1**  
Reference: **Nason Contracting Group Bid**  
From: **Deon Wilner**

The contents of this fax are confidential and are intended for the addressee. If the reader is not the intended recipient or its agent, be advised that any distribution, copying or dissemination of the contents of this fax is strictly prohibited. If you have received this fax in error, please notify the sender immediately.

Wayne,

The tender for the Hamlet of Zama Water Supply System Upgrading - Contract #1 closed at 2:00 PM on Friday, October 5, 2007. The project was advertised on Alberta Purchasing Connection and at the Edmonton and Calgary Construction Associations and tendered for a period acceptable to Alberta Infrastructure and Transportation, as per my e-mail to you on September 11, 2007. Only one bid was received. Nason Contracting Group Ltd. submitted a compliant bid in the amount of \$10,101,435.99 (excl. GST).

Please find attached the bid received from Nason Contracting Group Ltd. Also included is a letter received with the bid package from Nason Contracting Group Ltd. the letter outlines a potential cost saving of \$163,802.00, if the project can be awarded within ten (10) working days and Nason Contracting Group Ltd. start work on site by November 1, 2007. If Nason is unable to commence work by November 1, 2007 the project start will be delayed to spring 2008 resulting in the loss of the potential cost saving offered and increased construction administration fees, as this project will no longer be running concurrent with two other projects in Zama.

Also please find attached a letter provided by Nason Contracting Group Ltd. after the bid was opened to explain the increased bid price from the price provided by Nason Contracting Group Ltd. some months ago (negotiated contract). To note, ISL Engineering and Land Services added cash allowances to be carried by bidders in there price to account for items that were not included or not adequately identified in the originally prepared bid package (by others). These cash allowances will be used in lieu of what would have been significant change orders to the contract once construction started. We feel reasonably confident, bar any unforeseen conditions that the change in contract value due to change orders will be kept to an absolute minimum.

ISL Engineering and Land Services feel that the bid provided by Nason Contracting Group Ltd. is reasonable given the current market conditions and recommends that the project be awarded to Nason Contracting Group Ltd. within ten working days in order to realize an immediate \$163,802.00 cost saving over the stated bid price.

If you have any questions feel free to contact me at (780) 438-9000 or on my cell at (780) 232-1234.

Regards,

Deon

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Email: tgreen@nason.ca  
Phone: (780) 470-7126  
Fax: (780) 470-7142

Oct 5, 2007

Mackenzie County  
PO Box 640  
Ft Vermilion, AB  
T0H 1N0

**Attention:** Bill Kostiw

**RE: Zama Water Treatment Plant Tender  
Cost Increase Explanation**

In order to expedite the review of the tender and subsequent award of the project, we have taken the initiative to provide a breakdown to detail and explain the increase in price for the above noted project from the previous quotation.

In general terms, the cost increase is a result of the following considerations and factors.

1. Winter construction hoarding and heating costs
2. Decreased labour productivity due to winter construction
3. Increases in some piping and construction materials
4. Increase in quotations from equipment suppliers
5. Additional Prime Cost Sums

We have provided a detailed breakdown on the following page for your review. In general terms, the increases can be summarized as follows.

Item	Description	Cost
1	Oct 5, 2007 Tender Submission	\$10,101,434.00
2	July 11, 2007 Submission	\$9,359,555.00
	<b>Total Increase</b>	<b>\$741,879.00</b>

**RE: Zama Water Treatment Plant  
Price Increase Explanation**

**Prime Cost Sums as per Addendum No.2**

Item	Description	Cost
6.1	Miscellaneous Mechanical Work at Existing Well Sites	\$20,000.00
6.2	ATCO power supply to Water Treatment Plant	\$75,000.00
6.3	Motor Control Centre Upgrades at Existing Water Treatment Plant	\$30,000.00
6.4	Training	\$150,000.00
6.5	SCADA System Configuration, PLC Programming	\$150,000.00
<b>Total</b>		<b>\$425,000.00</b>

**Construction Cost Increase**

Division	Description	Cost
1. NCGL	Heaters, hardware, and propane usage due to winter construction	
2. NCGL	Increased general condition costs due to increased duration of project, additional travel, bonding, insurance.	
3. NCGL	Separate engineers office	
4. Earthworks	Local sub-contractor increased pricing due to winter construction	
5. Earthworks	Imported granular material for backfill at aeration and between old and new reservoir	
6. Earthworks	Placing and removing frozen backfill	
7. Structures	Winter hoarding costs	
8. Structures	Additional travel due to extended schedule	
9. Structures	Lower productivity due to winter construction	
10. Mechanical	Increase equipment pricing from vendors and increased piping and coating prices	
11. Mechanical	Additional costs for 2 year warranty	
12. Electrical	Addition of radio system to base pricing	
<b>Total</b>		<b>\$316,879.00</b>

13-

Oct 5, 2007

**RE: Zama Water Treatment Plant  
Price Increase Explanation**

Additional construction costs and Prime Cost Sums can be summarized as follows.

Item	Description	Cost
1	NCGL Construction Costs	\$316,879.00
2	Additional Prime Cost Sums	\$425,000.00
	<b>Total</b>	<b>\$741,879.00</b>

If the owner can award the project within 10 working days as per our proposed cost savings for a timely award of the contract, the overall increase to the previous pricing is as follows.

Item	Description	Cost
1	NCGL Construction Costs	\$316,879.00
2	Additional Prime Cost Sums	\$425,000.00
3	Price reduction for award within 10 working days	-\$163,802.00
	<b>Total</b>	<b>\$578,077.00</b>

Factoring in the acceptance of the timely award by the owner, the actual increases in construction cost less the Prime Cost Sums added by the owner, amounts to an increase of \$153,797.00. We also would like to state that the change to a 2-year warranty added an additional cost of \$52,500.00 to the previous quotation. Subtracting this from the above noted total, the net increase in construction cost is actually \$101,297.00.

Given the delay of 3 months in the start of the project, we believe this relatively small increase in cost for winter construction, clearly illustrates our commitment to the project and provides real value to the owner. We look forward to working with Mackenzie County and ISL on the construction and implementation of the Zama Water Treatment Plant. Please call if you require additional information or clarifications.

Yours truly,

**Nason Contracting Group**



Taylor Green

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**aamdc**  
trade • jubilee

Partners in Advocacy & Business

## Fall 2007 Convention

Agenda

**Monday**

NOVEMBER 19, 2007

- 9:00am – 6:00pm **AAMDC Registration/Information Desk**  
*Foyer to Grande Ballroom, Main Level, Delta*
- 8:00am – 2:00pm **Pre-Convention Workshop:  
Councillor Orientation and Refresher Session**  
*Grande Ballroom, Main Level, Delta*
- Orientation to AAMDC
    - Policy and Communication
    - Trade Division
    - Insurance Services
  - Society of Local Government Managers
  - Alberta Rural Municipal Administrators Association
  - Mock Council Meeting – Brownlee LLP
  - Roles and Responsibilities of Reeves/Mayors, Council and Administration
  - Municipal Governance & Legislation
  - Council Conflict Resolution
  - Peer Network
- 2:00pm **Reeves/Mayors Meeting**  
*Imperial Ballroom, Level P1, Coast*
- 3:00pm **Convention Opening**  
*Grande Ballroom, Main Level, Delta*
- Procession
  - O Canada by Paul Lorieau
  - Invocation by Chaplain Kurt Schmidlin
  - Greetings from the **Honourable Ray Danyluk**, Minister of Municipal Affairs and Housing
  - Greetings from **Stephen Mandel**, City of Edmonton
  - Introduction of Fraternal Delegates
  - In Memoriam
  - R. W. Hay Award
  - President's Report
  - Financial Statements
  - Bylaw Amendments
  - Resolutions Committee
- 5:00pm – 6:30pm **Municipal Affairs and Housing Open House**  
*Palm Room, Main Level, Coast*
- 6:00pm – 10:00pm **Welcoming Reception**  
*Imperial Ballroom, Level P1, Coast*

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**Tuesday**

NOVEMBER 20, 2007

6:30am – 8:00am	<b>Breakfast</b> <i>Atrium Café, Main Level, Coast</i>
7:00am – 5:00pm	<b>AAMDC Registration/Information Desk</b> <i>Foyer to Grande Ballroom, Main Level Delta</i>
8:00am	<b>The Honourable Ray Danyluk, Minister of Municipal Affairs</b> <i>Grande Ballroom, Main Level, Delta</i>
8:20am	<b>Introduction of 2007 Municipal Interns</b>
8:30am	<b>The Honourable Luke Ouellette</b> Minister of Infrastructure and Transportation
8:50am	<b>Federation of Canadian Municipalities Update</b>
9:10am	<b>Tim Stone – an update on FCM</b>
9:20am	<b>Dr. Kevin Taft, Opposition Leader and MLA for Edmonton-Riverview</b>
9:40am	<b>Coffee Break</b>
10:00am – Noon	<b>Breakout Sessions</b> <ul style="list-style-type: none"><li>▪ Dealing with the Media</li><li>▪ Land Use Framework Update</li><li>▪ New AAMDC Advisory Service Program</li></ul> <b>Study Tour</b> <ul style="list-style-type: none"><li>▪ Tour of the Legislature Building</li></ul>
Noon	<b>Buffet Luncheon</b> <i>Jubilee Ballroom, Level P2, Coast</i>
1:00pm	<b>KEYNOTE SPEAKER –</b> <i>Grande Ballroom, Main Level, Delta</i>
2:30pm	<b>Coffee Break</b>
2:45pm – 5:00pm	<b>Resolution Session</b>
7:30pm – 11:30pm	<b>Finning (Canada) Hospitality Evening</b> <i>Grande Ballroom, Main Level, Delta</i>

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**Wednesday**

NOVEMBER 21, 2007

6:30am – 8:00am	<b>Brownlee LLP Breakfast</b> <i>Atrium Café, Main Level, Coast</i>
7:30am – 5:00pm	<b>AAMDC Registration Information/Information Desk</b> <i>Foyer to Grande Ballroom, Main Level, Delta</i>
8:00am	<b>The Honourable Ted Morton</b> Minister of Sustainable Resource Development
8:30am	<b>The Honourable Rob Renner</b> Minister of the Environment
9:00am	<b>Nominations for President</b>
9:20am	<b>AAMDC Strategic Plan</b>
9:40am	<b>Rahim Jaffer, MP for Edmonton - Strathcona</b>
10:00am	<b>Coffee Break</b>
10:30am	<b>Alberta First Responders Radio Communication System</b>
11:00am	<b>Update from the EUB (re: split into 2 separate orgs)</b>
11:30am	<b>Election for President</b>
Noon	<b>Rural CEA's Luncheon</b> Courtesy of: <ul style="list-style-type: none"><li>▪ AMEC Infrastructure Limited</li><li>▪ EXH Engineering</li><li>▪ Stewart, Weir &amp; Co. Ltd.</li></ul> <i>Jubilee Ballroom, Level P2, Coast</i>
1:00pm	<b>Nominations for Vice President</b> <i>Grande Ballroom, Main Level, Delta</i>
1:15pm -3:15pm	<b>Breakout Sessions</b> <ul style="list-style-type: none"><li>▪ Dealing with the Media</li><li>▪ Land Use Framework Update</li><li>▪ New business services and Trade Division</li></ul>
3:30pm	<b>Election for Vice President</b> <i>Grande Ballroom, Main Level, Delta</i>
4:00pm	<b>Election for District Directors</b> <ul style="list-style-type: none"><li>▪ District 2: <i>Imperial Ballroom, Level P1, Coast</i></li><li>▪ District 3: <i>Edmond's Room, Main Level, Coast</i></li><li>▪ District 5: <i>Palm Room, Main Level, Coast</i></li></ul>
6:00pm	<b>AAMDC/Brownlee LLP Association Banquet</b> <i>Jubilee Ballroom, Level P2, Coast</i>

ISL

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**Thursday**  
NOVEMBER 22, 2007

6:30am – 8:00am	<b>Breakfast</b> <i>Atrium Café, Main Level, Coast</i>
7:30am – Noon	<b>AAMDC Registration/Information Desk</b>
8:00am	<b>Address by Federal Minister</b>
8:30am	<b>The Honourable George Groeneveld</b> Minister of Agriculture and Food
8:45am	<b>Minister's Awards for Municipal Excellence Ceremony</b>
9:30am	<b>Coffee Break</b>
9:45am – 11:30am	<b>Ministerial Forum</b>
11:30am	<b>The Honourable Ed Stelmach, Premier</b>
Noon	<b>Unfinished Business</b> <ul style="list-style-type: none"><li>▪ Door Prize Draws</li><li>▪ <i>God Save the Queen</i> by Derril Butler</li></ul>
12:15pm	<b>Municipal Affairs and Housing Luncheon</b> <i>Jubilee Ballroom, Level P2, Coast</i>
1:30 pm – 5:00pm	<b>Elected Officials Training Session</b>

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# Stewart, Weir & Co. Ltd.

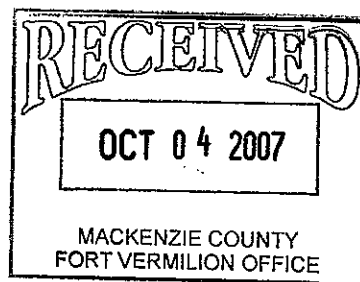
Surveying ▪ Geomatics ▪ Engineering

Tuesday, October 02, 2007

Mackenzie County  
Box 640  
Fort Vermilion, Alberta, T0H 1N0

**Attention: Bill Kostiw**

Dear Bill,



**RE: Stewart, Weir & Co. Ltd Changes**

This is to advise you of changes being made within the Stewart, Weir family in general and in the Grande Prairie Office specifically.

Effective October 22, 2007, Brian Nonay will be taking over as the Grande Prairie Office Regional Manager. Brian has worked in the region as both an Interim Manager and a Project Manager over the past few years and is familiar with our work, our staff, and our clients' expectations. Brian will do a terrific job.

Cory Taylor has moved from our Sherwood Park Office to Grande Prairie and started work here on September 24. Cory is a Professional Engineer who has been involved with design, tender package preparation, and project administration for several years. He is a strong addition and will be representing our company in the above areas. We welcome him and his family to our community and wish them the best.

I am moving into a different role with Stewart, Weir effective October 22, 2007. My new position will involve corporate work related to business development, business planning, and other similar duties. I will be working out of both the Grande Prairie Office and the Sherwood Park Office. I will be spending as much time as is required providing support to Brian Nonay (and our clients) as we move through this transition process.

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My new role will involve meeting all of our clients to determine future needs so that our company can be prepared to meet those needs. Insuring that we understand your goals and expectations will allow us to plan our business to make sure we are ready to contribute to your success.

I am thrilled to be offered this position. I believe that this is the next step in our corporate evolution and I am looking forward to the challenges.

I want to thank you for your support over the past nine years. I know that there are other excellent companies out there and feel privileged that you chose us to work with you. Our continued success depends on us meeting or exceeding your expectations and I firmly believe that we have put the necessary people in place to make this happen.

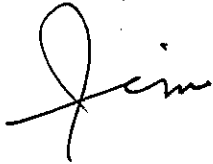
I look forward to getting together with you in the near future to address any outstanding issues and to look into ways of strengthening our relationship.

Please note that my phone numbers (814-5880, 518-7606) and my email address ([Jim.Uhl@swg.ca](mailto:Jim.Uhl@swg.ca)) remain the same.

As always, I appreciate your comments and questions. Please feel free to call.

Thank you,

**STEWART, WEIR & CO. LTD.**



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Jim Uhl, Grande Prairie Regional Manager

Bill,  
I am now working on "new"  
work & would like to see  
if there is any way we can  
provide a wider range of services.



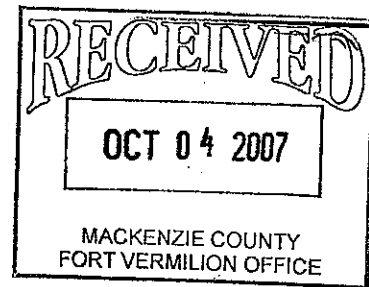
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**Regional Economic  
Development Initiative**  
for Northwest Alberta



Mr. Bill Kostiw  
Chief Administrative Officer, Mackenzie County  
Box 640  
Fort Vermilion, AB  
T0H 1N0

October 1, 2007

**Re: Municipal Funding Formula**

Mr. Bill Kostiw

The Regional Economic Development Initiative for Northwest Alberta (REDI) believes in promoting, supporting and enhancing economic growth and diversification in Northwest Alberta through regional cooperation and partnerships. Thanks to the commitment and financial support of your community, the REDI Alliance is able to undertake a number of important projects that benefit our region.

In an effort to determine REDI membership fees for the 2008-2009 operating year, REDI requests that your municipality review the number of businesses currently operating in Mackenzie County and submit the figure to REDI by January 11, 2008. Your assistance in this endeavor is greatly appreciated.

If you require further information concerning the collection of this information do not hesitate to contact the REDI Office.

Sincerely

Walter Sarapuk  
REDI Chair



**Regional Economic  
Development Initiative**  
for Northwest Alberta

incredible!

Mr. Bill Kostiw  
Chief Administrative Officer, Mackenzie County  
Box 640  
Fort Vermilion, AB  
T0H 1N0

October 1, 2007

**Re: Downhill Ski Facility For Northwestern Alberta Feasibility Study**

Mr. Bill Kostiw

The Regional Economic Development Initiative for Northwest Alberta (REDI) believes in the necessity of keeping regional and other vested stakeholders informed about its activities and successes. Our organization undertakes a number of exciting and successful initiatives each year and this past year has been no different.

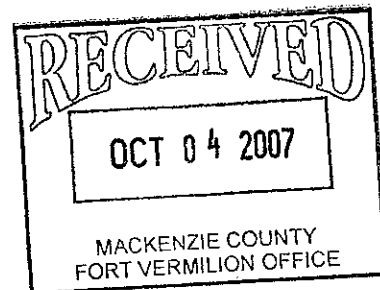
Enclosed, you will find a copy of the Downhill Ski Facility for Northwestern Alberta Feasibility Study that REDI employed Grande Prairie Regional College to complete. This study examines regional interest in the development of a downhill ski facility.

I trust that you will find the study informative and useful.

Sincerely

A handwritten signature in black ink, appearing to read "Walter Sarapuk". The signature is written in a cursive style and is positioned above the printed name.

Walter Sarapuk  
REDI Chair





September 28, 2007

Bill Kostiw  
Municipal District of Mackenzie No. 23  
PO Box 640  
Fort Vermilion, AB T0H 1N0

Dear Bill;

I am writing to provide you some information on the Global Networking Symposium on BioEnergy: Biofuels and Beyond, which is being held in Calgary (Canada) on November 13 & 14, 2007, at the Roundup Centre, Calgary Stampede Grounds.

We have assembled an impressive lineup of leading global experts on energy (renewable and non-renewable), agriculture, forestry, the environment, investments and carbon emission trading. Also, there will be plenty of time for you to meet and network with our presenters and the key industry executives attending the symposium. Our great lineup of speakers will answer your questions on:

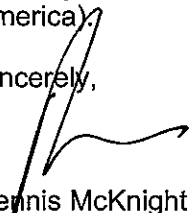
- How long before the oil runs out?
- Opportunities for agriculture & forestry in BioEnergy
- Making sense of carbon emission trading
- The food vs. fuel debate
- The latest update on the next generation of biofuels
- Is green investing in green?
- Which clean technologies is smart money investing in?

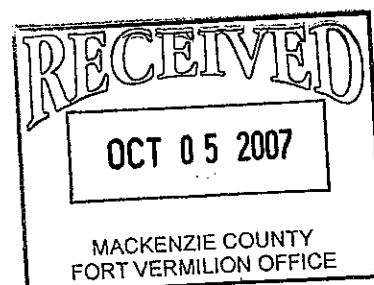
The symposium is designed to present you with the win-win-win scenarios for the environment, the energy industry and the economy.

Please take a minute and review the brochure. If you care to join us, there is a registration form inside the brochure, or you can register online by visiting our website: [theinnovators.net/bioenergy2007](http://theinnovators.net/bioenergy2007).

Please join us at the Global Networking Symposium on BioEnergy: Biofuels and Beyond, November 13 & 14, 2007 in Calgary. Expand your knowledge, your network and your horizons! Call me directly with any comments or questions you may have at 403-265-3441 or 1-877-265-3350 (toll free North America).

Sincerely,

  
Dennis McKnight  
President  
The Innovators





FAX TRANSMISSION

NEWS RELEASE OF ANNUAL MEETING FOR IMMEDIATE RELEASE

TO: All M.D.'s and Counties,

From; Alberta Surface Rights Federation  
Tom Nahirniak  
Box 55, Round Hill, AB.,  
Ph/Fax 780-672-6021

Number of Pages- 2 (includes cover page)

Please give copies of our meeting notice to all Councilors as they are also landowners as a number of issues will effect them on their land or will effect the county they represent.

EVERYONE WELCOME.

Thank You

  
Tom Nahirniak, Executive Secretary

**ALBERTA SURFACE RIGHTS FEDERATION**  
**Box 55, Round Hill, AB., T0B 3Z0., Ph/fax 780-672-6021**  
**SPECIAL MEETING**  
**Thursday November 8, 2007**

At the Norsemen Inn, 6505-48 Ave., Camrose AB., (Hiway 13, west end).

All Acreage and Landowners and Interested Persons WELCOME

**9:00 –am –Registration-** \$20.00, includes lunch, Coffee.

**9:30 - am - Opening of meeting,**

\*-Update on CBM (MAC) meetings- Tom Nahirniak

\*-Update on well site Reclamation – Tom & Karl Zages.

**10:30 – am - Coffee.**

**10:45 – am - David Core, President & CEO**

Canadian Alliance of Pipeline Landowner's Associations (CAPLA)

On what his group does to help landowner's

**12:00 – pm – Lunch.**

**1:15 – pm - Oscar Steiner, On bringing some one to speak on SOUR GAS.**

Oscar's Ph/fax- 780-922-3321 or at [asteiner@interbaun.com](mailto:asteiner@interbaun.com)

**1:30 - pm – 1- David Macinnis,**

President of Canadian Energy Pipeline Association (CEPA),

\*- A brief summary on who CEPA is and what they do.

\*- On pipeline development and the economic impact in your area.

\*- Information for landowners and communities on how to effectively deal with pipeline companies.

\*- The benefits that pipelines development brings to Canadian communities.

**1:45 – pm - 2-- (speaker will be confirmed ), the National Energy Board, (NEB).**

\*-“The Role of the NEB in Land Matters”

\*- On how the NEB gives approvals for Interprovincial and International Pipelines

**2:00 - pm - Questions to the PANEL, -1- David Macinnis, CEPA:**

-2- (Speaker, to be confirmed) ,NEB:

-3- and David Core, CAPLA

**3:30 – pm – New Business, ? Annual Meeting in February, 2008.**

**For more information -**

President Tony Nichols, Ph.-403-882-2343, Fax 882-2373

Executive Secretary - Tom Nahirniak, Ph/fax-780-672-6021: [tnahir@telus.net](mailto:tnahir@telus.net)

Assistant Secretary – Brent Mailer, Ph. 403 876-2132, Fax - 403-876-2820

Perry Nelson, Ph/fax-780-753-6860

The Norsemen Inn has a special room rate of \$89.00 plus tax=\$97.50. Please phone ahead if possible for reservations 780-672-9171. Toll free 1-877-477-9171. Fax 780-672-0130

## Meeting Dates from October 5 – October 20, 2007

Date/Time	Meeting Description/Location	Attendance
<b>October 8, 2007</b>		
	County Offices Closed (Thanksgiving)	
<b>October 9, 2007</b>		
12:00 pm	EXH Project Meeting Green Room – La Crete	CAO John
7:30 pm	Fort Vermilion Candidate's Forum Seniors Club – Fort Vermilion	
<b>October 10, 2007</b>		
10:00 am	Council Meeting Council Chambers – Fort Vermilion	Council CAO Directors
5:00 pm	REDI Management Meeting High Level	D. Reeve Sarapuk Councillor Braun
7:00 pm	Fort Vermilion Get to Know You Night	
<b>October 11, 2007</b>		
9:00 am	Managers Meeting Council Chambers – Fort Vermilion	CAO Directors
1 – 8:00 pm	Advance Poll Green Room (La Crete) & Fort Vermilion Seniors Club	
6:00 pm	La Crete Recreation Board Meeting	Councillor Braun
<b>October 12, 2007</b>		
9:00 am	Municipal Planning Commission Meeting Green Room – La Crete	Councillor Braun Councillor Froese
11:30 am	Official Dedication and Twinning of Hay-Zama Lakes Wildland Provincial Park Chateh School	Councillor Watson Councillor Wardley
<b>October 15, 2007</b>		
10 am – 8pm	Election Day Green Room (La Crete) & Seniors Club (Fort Vermilion)	
<b>October 16, 2007</b>		
10:00 am	Managers Meeting Council Chambers – Fort Vermilion	CAO Directors

7:00 pm	FV Recreation Board Community Complex – Fort Vermilion	Councillor Thompson
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**October 18, 2007**

1:00 pm	Safety Codes Council & Logging Companies – Private Sewage La Crete	Council Municipal Planning Commission
	Cental, AB Premier's Dinner Red Deer, AB	Reeve Neufeld CAO

**October 19, 2007**

ARMA High Prairie, AB	CAO
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**Upcoming meetings:**

October 22	Mackenzie Housing Management Board
October 23	Municipal Planning Commission (FV)
October 24	Organizational Meeting (10:00 am FV)
October 25	Council Meeting (10:00 am FV)
October 30 & 31	Orientation Session - Activation Analysis
November 2	Council Budget Meeting (Operating)
November 6	Building Committee
November 6	Regional ASB Conference
November 9	Mackenzie Regional Governance Forum
November 12	County Offices Closed
November 13	Council Budget Meeting (Capital)
November 14	Council Meeting (10:00 am FV)
November 14	Sale of Land Public Auction
November 19 – 22	AAMD&C Fall Convention
November 28	Council Meeting (10:00 am FV)
November 28 – 30	AUMA Convention
December 11	Council Meeting (10:00 am FV)
December 15	County Christmas Supper



# FORT VERMILION HARVEST DAY

## AGRICULTURAL AWARENESS & DRESSING ROOM FUNDRAISER

Sponsored by the Fort Vermilion Agricultural Society & the Fort Vermilion Recreation Board

### CANOLA GROWING COSTS PER ACRE

#### ACTUAL COST

FARMER'S OWN SEED  
10 lbs. @ .30cents = \$3.00/acre  
FERTILIZER Purchased Dec 2006  
260 lbs. 31-20-2-8 \$50/acre  
HERBICIDE  
Weed Control \$18.60/acre  
**\$71.60/acre**

Land Rent \$25-30/acre  
Donated by Simpson Family Farm Ltd.

Seeding \$15/acre  
Donated by Simpson Family Farm Ltd.

Herbicide Application \$4.25/acre  
Donated by the Newman Family

Swathing \$10/acre  
Donated by the Boese & Newman Families

Combining & Trucking to Bin \$25/acre  
Donated by

Storing Grain \$6/acre  
Donated by Simpson Family Farm Ltd.

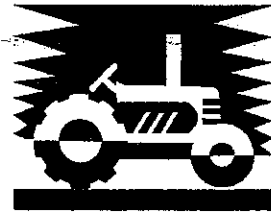
Haul to Elevator \$6/acre

Drying Costs

**TOTAL COST \$167.85/ACRE**

#### FYI—POTENTIAL COSTS

CERTIFIED SEED 5lbs @ \$6.50=\$32.50/acre  
FERTILIZER Purchased in May, 2007  
260 lbs. 31-20-20-8 \$70/acre  
HERBICIDE  
Weed Control \$18.60/acre  
Insect control \$5.40/acre  
Custom Application \$4.25/acre  
Disease Control \$20.00/acre  
Custom Application \$4.25/acre  
**\$155.00/acre**

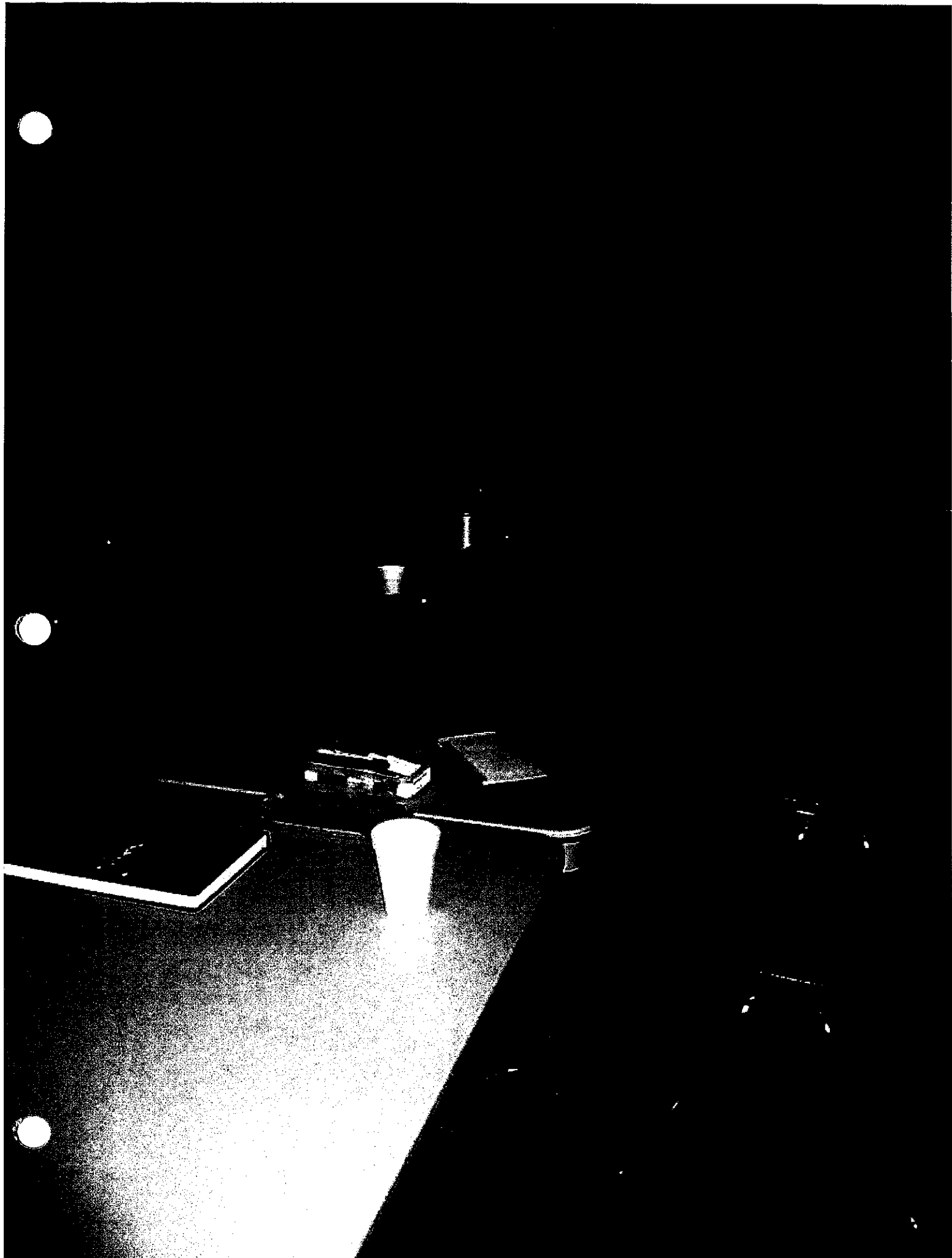


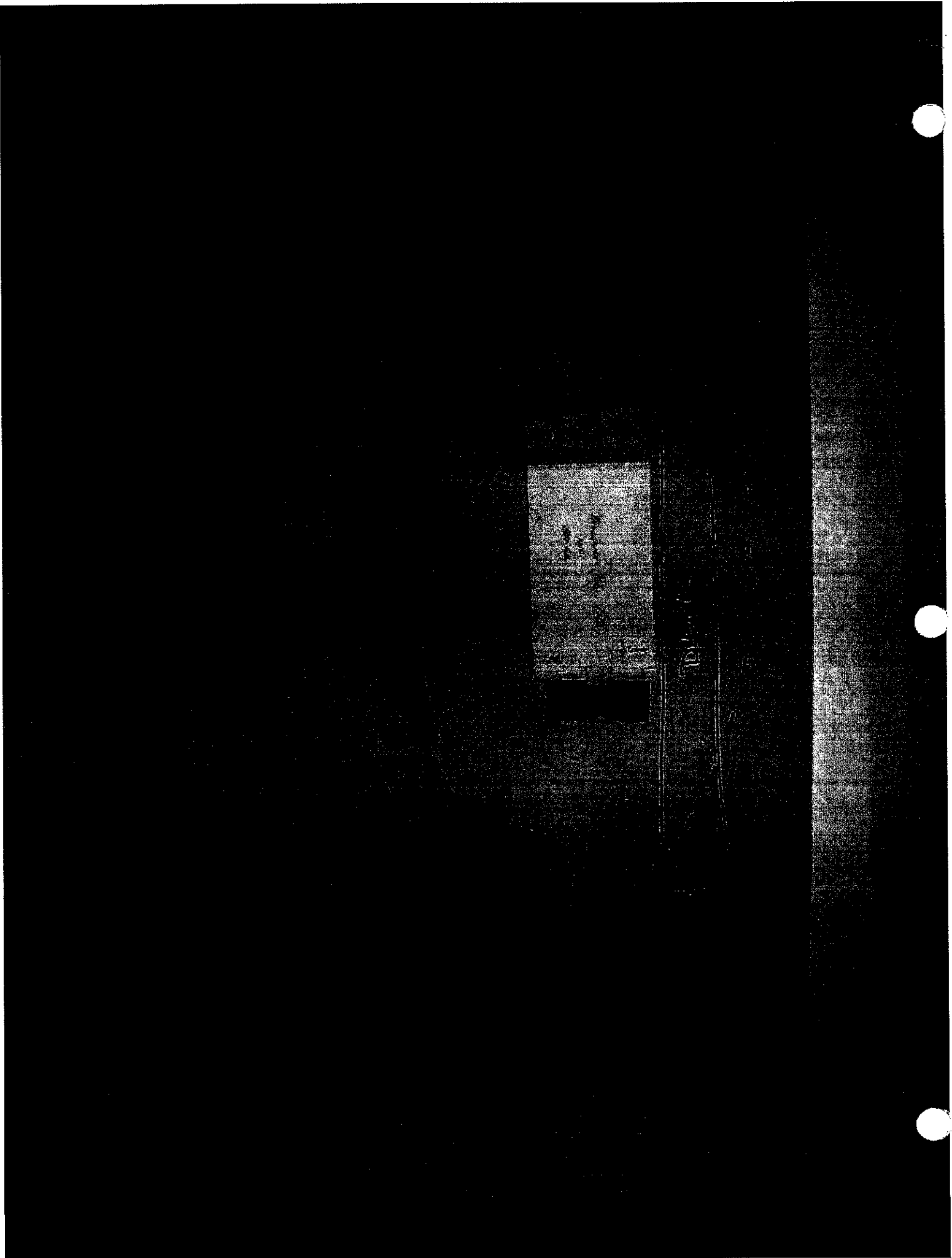
#### FYI—NEW EQUIPMENT COSTS

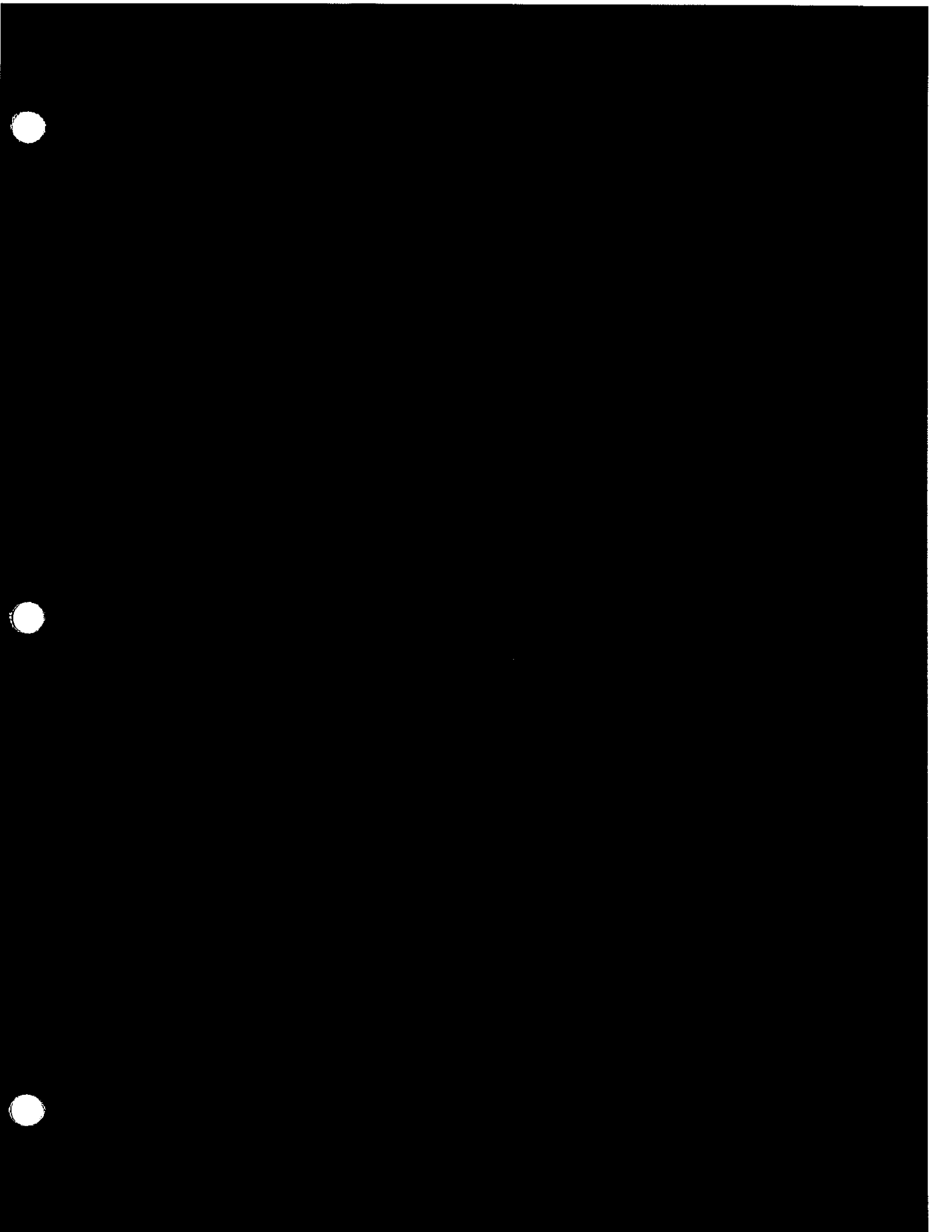
Combine list price	\$240,000
Swather	\$ 80,000
Air Seeder	\$190,000
Tractor	\$240,000
High Clearance Sprayer	\$240,000

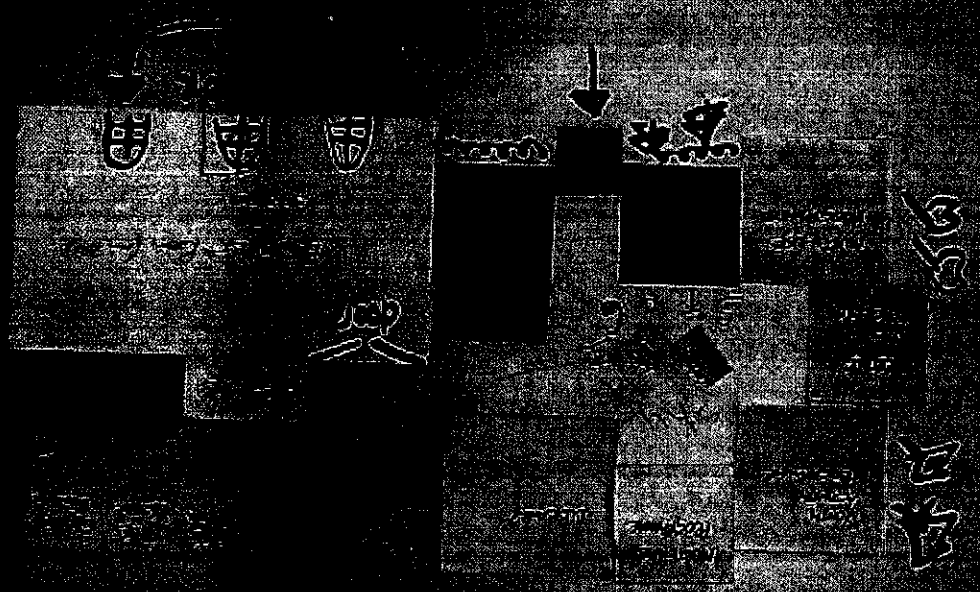
#### REVENUE YIELD & PRICE

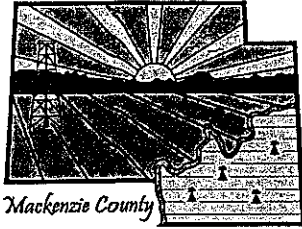












## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>Joulia Whittleton, Director of Corporate Services</b>
<b>Title:</b>	<b>Request for tax write-off</b>

**BACKGROUND / PROPOSAL:**

The property listed under tax roll 076706 was assessed in 2006 using the development permit data. The assessor had not performed a physical assessment of this property.

The property owner had not appealed the assessment of his property in 2006. The property owner has not paid his 2006 taxes.

**OPTIONS & BENEFITS:**

We received a request from the property owner to write off a portion of his 2006 tax because the property was not assessed correctly (please see letter attached).

2005 assessment for 2006 taxation - as shown on the roll	2005 assessment for 2006 taxation - actual
\$14,050 – land \$96,420 – buildings	\$14,050 - land

	Levy	Penalties	Total
2006 levy as currently charged	\$1,150.08	\$215.29	\$1,365.37
2006 levy calculated for the land only	\$148.64	\$27.83	\$176.47
<b>Write-off</b>	<b>\$1,001.44</b>	<b>\$191.46</b>	<b>\$1,192.90</b>

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO \_\_\_\_\_





**COSTS & SOURCE OF FUNDING:**

Operating Budget

**RECOMMENDED ACTION:**

That \$1,192.90 of the 2006 outstanding levy and penalties charged to tax roll 076706 be written off.



ATTN: MID COUNCIL

Date: 6/13/2007  
User: 16

WAYNE & PAT MERcredi

5605 main Rd.  
11.03 F.V.

To MAD23 Council

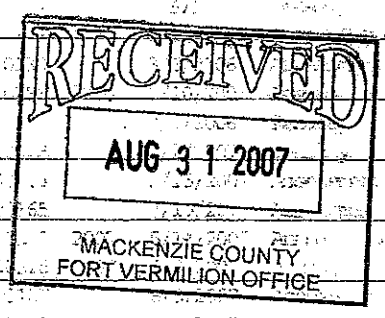
Your assessment of 5605 main rd a  
lot 11.03, is wrong. The company you use  
for assessments made the mistake of charging me  
for my neighbor's improvements. Your staff  
amended 2007 taxes and informed me the  
council could amend 2006 taxes. I've enclosed  
the documents for this land. I do not see  
why I should pay taxes & penalties for someone's  
mistake. I hope this matter can be delt  
with as soon as possible.

Thank You

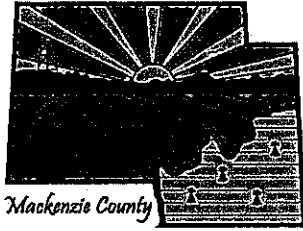
Patricia Mercredi

Patricia

Please Respond.







**MACKENZIE COUNTY  
REQUEST FOR DECISION**

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>Joulia Whittleton, Director of Corporate Services</b>
<b>Title:</b>	<b>La Crete Heritage Centre</b>

**BACKGROUND / PROPOSAL:**

The County has an agreement in place with the La Crete Agricultural Society for the La Crete Heritage Centre. Under this agreement, the County is paying for all utilities for the Centre effective January 1, 2006 to December 31, 2010.

**OPTIONS & BENEFITS:**

We received a request from La Crete Agricultural Society. The Society is requesting amending the agreement by including insurance coverage (see letter attached).

\$6,491 is the property insurance cost for the Heritage Centre for July 1, 2007 to July 1, 2008 period.

**COSTS & SOURCE OF FUNDING:**

Operating Budget

**RECOMMENDED ACTION:**

For discussion.

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO \_\_\_\_\_



La Crete Agricultural Society  
Box 791  
La Crete, AB  
T0H 2H0

September 24, 2007

Mackenzie County  
Box 640  
Fort Vermilion, AB  
T0H 1N0

Attn: Councilors

We are requesting that you amend the utilities contract with the La Crete Heritage Centre dated the 20<sup>th</sup> day of March, 2007 to include insurance coverage on the Heritage Centre. The current contract covers the utilities only. Please take up this issue on your next board meeting.

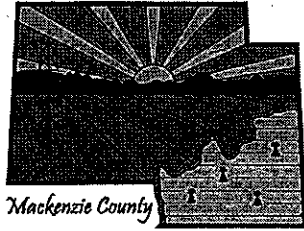
Thank you,



George Friesen  
For La Crete Agricultural Society







## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Orientation Session – Activation Analysis</b>

### BACKGROUND / PROPOSAL:

Due to previous commitments, Activation Analysis is unable to attend the Orientation Session scheduled for October 24 & 25, 2007. They would like to reschedule to October 30 & 31, 2007.

### OPTIONS & BENEFITS:

### COSTS & SOURCE OF FUNDING:

### RECOMMENDED ACTION:

That the Orientation Session with Activation Analysis be held on October 30<sup>th</sup> and 31<sup>st</sup>, 2007.

Author: C. Gabriel Review By: \_\_\_\_\_ CAO \_\_\_\_\_







**Mackenzie County  
Action List as of September 26, 2007**

***Council Meeting Motions Requiring Action***

<b>Motion</b>	<b>Action Required</b>	<b>Action By</b>	<b>Status</b>
<b>April 11, 2006 Council Meeting</b>			
06-270	That the MD pursue an option to draft a memorandum of understanding for consultation with the First Nations.	Bill K. Joulia	Under review
<b>June 13, 2006 Council Meeting</b>			
06-420	That administration reviews available options and develop a plan to divert water from the Hamlet of Zama.	John Bill Dave	In progress
<b>October 10, 2006 Council Meeting</b>			
06-714	That the Wolfe Lake Water Point be referred to the Operations Committee for review.	John Ed/Bill N. Eva	In progress
06-727	That administration review health services in the municipality and report back to Council.	Bill N. Bill	Ongoing
<b>November 9, 2006 Council Meeting</b>			
06-831	That administration work with Apache on long term water and road agreements.	Bill K. John Joulia Lisa	In progress
06-835	That administration prepare a draft subdivision design for lots along Tower Road in Zama and other appropriate areas in conjunction with the storm water master plan.	Eva John Joulia Lisa	In progress
<b>December 11, 2006 Special Council Meeting</b>			
06-949	That administration investigate the purchase of the Fort Vermilion Medical Clinic.	Bill K. John D.	In progress
<b>January 24, 2007 Council Meeting</b>			
07-076	That the purchasing and tendering policy be moved to the Finance Committee for review.	Joulia	Finance Committee
07-080	That administration look at options for the La Crete and Zama airports.	Lisa, Peter Bill N., Bill K.	In progress

Motion	Action Required	Action By	Status
07-093	That administration and the local Councillor negotiate a final settlement for the access request to NW 23-109-12 W5M, as discussed in-camera.	Bill K. Walter Joulia	In progress
March 28, 2007 Council Meeting			
07-296	That Council review the 10 year infrastructure plans on an annual basis with engineers in each community.	LC – Bill, Peter, John K., Mark, Joulia FV – Bill K, Jim, Greg, Walter, Joulia, Dave Zama – Bill K, Lisa, Stuart, John K., Joulia	In progress
May 8, 2007 Council Meeting			
07-437	That administration and the Agriculture Service Board look into the High Level drainage project.	Bill K. Grant Stuart Walter	In progress
07-449	That Mackenzie County lobby the federal government and Assistant RCMP Commissioner in regards to the member shortage.	Bill K. Bill N. Greg	In progress
May 23, 2007 Council Meeting			
07-05-469	That administration investigate the issues regarding the St. Mary's Elementary School playground.	Ron John K. Jim Dave RCMP	In progress
June 25, 2007 Council Meeting			
07-06-592	That administration proceed with traffic counts on the identified list of possible resource road projects for 2008.	John K. Ron Mark	In progress
July 10, 2007 Council Meeting			
07-07-673	That administration set up a meeting with the Town of Rainbow Lake regarding shared services.	Bill K. Bill N.	In progress
07-07-675	That the Reeve and Chief Administrative Officer be authorized to negotiate with Alberta Transportation for paving of Highway 88 as soon as possible.	Bill K. Bill N.	In progress
July 25, 2007 Council Meeting			
07-07-690	That the review of hamlet boundaries be tabled for further information.	Bill K., Mark Joulia, Eva	In progress

Motion	Action Required	Action By	Status
07-07-720	That Council proceed with tasks 1, 2, 3, 6, 7, and 9 as indicated on the proposed Action Plan prepared by Activation Analysis.	Management Committee Joulia	In progress
<b>August 14, 2007 Council Meeting</b>			
07-08-730	That individual hamlet signage packages be developed in conjunction with a local Councillor for the use of off-highway vehicles within hamlet boundaries, with installation completed before this fall.	John Ron Dave	In progress
07-08-731	That first reading to Bylaw 644/07, being the Off-Highway Vehicles Bylaw be tabled for a period of two months.	Jason John Ron	
07-08-758	That Lots 29 & 28, Block 4, Plan 962 4275 in Zama be sold to the highest bidder with a condition that these lots be consolidated and developed within one year from a land title transfer date.	Eva Joulia	In progress
<b>August 29, 2007 Council Meeting</b>			
07-08-737	That Bylaw 506/05, being the Municipal Parks Bylaw, be tabled to the next meeting.	Jason Eva	In progress
07-08-746	That administration discuss direct control with Footner Forest Products.	Bill K. Eva	In progress
<b>September 11, 2007 Council Meeting</b>			
07-09-785	That the public land (tax sale) auction date be set for Wednesday, November 14 <sup>th</sup> , 2007 to be held in the Council Chambers at 4511-46 Ave, Fort Vermilion, Alberta.	Bill K. Joulia	In progress
07-09-808	That the Intersection Improvements at Blumenort Road Highway 697:04 Kilometre 53.67 tender be rejected and that administration bring back alternative options.	Bill K. John Mark	In progress
07-09-812	That administration proceed with the establishment of a fire service, including the purchase of appropriate equipment and staffing, for the High Level rural area to ensure that the level of service continues into the new year.	Bill K.	In progress

Motion	Action Required	Action By	Status												
07-09-813	That a letter be sent offering to purchase three quarters of land from Jake Elias subject to legal advice.	Bill K. John W. D.	In progress												
September 26, 2007 Council Meeting															
07-09-822	That administration bring back the fee schedule bylaw for review of development fees without permits.	Joulia	Oct. 25/07												
07-09-830	That the September 17, 2007 letter with respect to the Mustus Lake Centre lease be received for information and deferred to the Building Committee.	Bill K. Building Committee	Nov. 6/07												
07-09-841	That Mackenzie County participate in Project Porchlight, being a not-for-profit campaign to promote energy efficiency.	John Joulia	In progress												
07-09-842	That administration investigate obtaining the lease of the Hutch Lake Campground and day use area as the Province is in the process of deregulating this park.	John Mark Eva	In progress												
07-09-844	That the sidewalk issue along 94 <sup>th</sup> avenue in La Crete be included in the 10 year road plan.	John Mark													
07-09-849	<p>That the following road construction requests be considered in the 2008 budget as per Policy PW019.</p> <table border="1" data-bbox="315 1289 1003 1465"> <thead> <tr> <th data-bbox="315 1289 626 1346">Access to:</th> <th data-bbox="626 1289 841 1346">Along RR or TWP</th> <th data-bbox="841 1289 1003 1346">Distance</th> </tr> </thead> <tbody> <tr> <td data-bbox="315 1346 626 1402">SW 31 &amp; NW 30-109-18 W5M</td> <td data-bbox="626 1346 841 1402">TWP 109-5A</td> <td data-bbox="841 1346 1003 1402">0.5 Miles</td> </tr> <tr> <td data-bbox="315 1402 626 1434">SW 30-109-18-W5M</td> <td data-bbox="626 1402 841 1434">TWP 109-4A</td> <td data-bbox="841 1402 1003 1434">0.5 Miles</td> </tr> <tr> <td data-bbox="315 1434 626 1465">SW 29-109-18-W5M</td> <td data-bbox="626 1434 841 1465">RR 18-5</td> <td data-bbox="841 1434 1003 1465">0.5 Miles</td> </tr> </tbody> </table>	Access to:	Along RR or TWP	Distance	SW 31 & NW 30-109-18 W5M	TWP 109-5A	0.5 Miles	SW 30-109-18-W5M	TWP 109-4A	0.5 Miles	SW 29-109-18-W5M	RR 18-5	0.5 Miles	John	In progress
Access to:	Along RR or TWP	Distance													
SW 31 & NW 30-109-18 W5M	TWP 109-5A	0.5 Miles													
SW 30-109-18-W5M	TWP 109-4A	0.5 Miles													
SW 29-109-18-W5M	RR 18-5	0.5 Miles													
07-09-850	That Mackenzie County place a stop sign at the intersection of TWP 108-3a and RR 13-5, as per attached diagram.	John	In progress												
07-09-856	That administration negotiate the purchase of the used 1990 Spartan 100' aerial fire apparatus from Hinsdale Illinois to a maximum of \$250,000.	Bill K.	In progress												



## ***Managing growth pressures***

October 2, 2007

## **Alberta rolls out new environmental strategy to protect air, land and water**

### ***Industrial Heartland first project under new approach***

*Edmonton...* The Alberta government has unveiled a broad new approach to address cumulative effects on the environment, with the first application of the plan set for the Industrial Heartland, a 317-square-kilometer area just northeast of Edmonton.

Under the new approach, a series of comprehensive, science-based targets, outcomes and actions have been set for Alberta's Industrial Heartland to protect the air, land and water of the Capital Region.

"As we face unprecedented growth in our province, with development on a scale we have not seen before, we must be assured we balance that growth with protection of the environment," said Premier Ed Stelmach. "Albertans must know that their government is looking at the big picture, and preserving our environmental heritage for future generations."

The actions for Alberta's Capital Region model the new cumulative effects management framework, which will be rolled out in other areas within the province. The Industrial Heartland application will also become the key environmental component of the Capital Region Integrated Growth Management plan, currently underway for the region.

"This new framework moves us away from looking at impacts of development on a project-by-project basis, to a system which considers all the potential impacts within a region," said Rob Renner, Minister of Environment. "Every landscape is different, and this approach allows us to adapt our system to meet the immediate needs of a region, like the Industrial Heartland."

The plan for the Heartland lays out clear targets for air quality, puts in place a water management framework to ensure water quality and quantity are protected, and establishes guidelines to protect the land in the region. The targets, outcomes and actions apply to all major industrial users in the region. The airshed targets will be validated with stakeholders and are scheduled to come into effect January 2009. The other outcomes and actions are effective immediately. Discussions on implementation of the plan will occur over the coming months with the public and affected stakeholders.

Some of the concrete actions for the Industrial Heartland include:

- all large industrial facilities within the Industrial Heartland will be subject to a cumulative airshed target of 25,000 tonnes per year of NOX and 28,000 tonnes per year of SO<sub>2</sub>;
- using science-based thresholds, baseline data and limits on 100 different parameters to ensure water quantity and quality outcomes are achieved; and,
- protecting the regional wetlands and groundwater, ensuring that land is reclaimed and mitigating any potential

harmful changes to wildlife or habitat by implementing minimum setbacks from the North Saskatchewan river.

“Over the coming months, we will be talking to some of our key stakeholders about the cumulative effects approach,” said Renner. “Albertans will have a key role to play in helping to balance sustainability with appropriate growth.” He noted that elements of the framework, including the approach to shared objectives, have already been tested through other initiatives, like the province’s *Water for Life* strategy.

The Industrial Heartland region includes four affected municipalities and has a strong existing industrial base - oil and gas, processing and petrochemical facilities.

For more information about the Industrial Heartland project, or the cumulative effects management framework, visit [www.environment.alberta.ca](http://www.environment.alberta.ca)

Managing cumulative effects on the environment is key to Premier Ed Stelmach's plan to managing growth pressures. Other priorities for the government are to govern with integrity and transparency, provide safe and secure communities, improve Albertans' quality of life, and build a stronger Alberta.

-30-

**Attachments:** Question and answer document and map of the region are attached.

**Media enquiries may be directed to:**

Jim Law  
Communications  
Alberta Environment  
780-427-6267

Cheryl Robb  
Communications  
Alberta Environment  
780-427-6267

To call toll free within Alberta dial 310-0000.

October 2, 2007

## Cumulative Effects Management Framework

The Alberta government announced a broad new approach to address cumulative effects on the environment and the first application of the plan in the Industrial Heartland, a 317-square kilometer area just northeast of Edmonton. The government also announced a series of comprehensive, science-based targets, outcomes and actions that have been set for Alberta's Industrial Heartland to protect the air, land and water of the Capital Region.

### **Why is the Government of Alberta changing its approach to managing environmental impacts?**

The current regulatory system is primarily based on managing and mitigating the impacts of individual projects, often through legislation aimed at specific resources, such as timber or water.

The system is limited in its ability to address the cumulative effects of a number of individually regulated projects and unregulated activities, or to consider impacts across air, land and water in an integrated manner.

### **What does the cumulative effects management framework approach mean?**

Because every landscape is different, and requires setting different outcomes to protect the environment, the cumulative effects management framework will consider environmental implications of development on a regional basis.

Under this approach, the Alberta government will adopt new methods to protect the environment, including setting regional environmental objectives, building external partnerships and developing long-term shared outcomes.

The new approach will evolve the present environmental management system to make sure the cumulative effects of development are considered as part of regular business.

Regional assessments and projections will be addressed over more meaningful geographic scales and time spans. The existing project-based environmental impact assessment process will be streamlined, with more focus on environmental assessments that deal directly with the shared environmental objectives for the region.

### **Does this approach replace the existing regulatory framework?**

The new approach is neither a replacement of existing project regulatory requirements, under such legislation as the *Environmental Protection and Enhancement Act*, nor is it another layer of requirements for industry.

Environmental regulation will have its place in the new system and individual companies will still need to know and be held accountable to enforceable requirements. Each department and board will continue to fulfill its mandate. The new approach enables a full spectrum of non-regulatory and policy tools, including economic incentives, education and voluntary action all aimed at achieving the objectives.

### **Will this approach be used in the oil sands?**

Yes - in fact, some elements of this approach have already been used with respect to the oil sands, most notably the Athabasca River Water Management Framework. This framework sets strict limits on the amount of water oil sands

companies can remove from the river, protecting the river ecosystem and balancing the needs of local communities and industry. There will be more work done in the oil sands region with the development of an updated Regional Sustainable Development Strategy.

**How does the cumulative effects approach connect to the *Water for Life* strategy and the Land Use Framework?** The cumulative effects management framework adopts a similar approach to resolving related issues and will contribute to the progress of those other initiatives.

**What are the next steps for the framework?**

Consultations with key stakeholders about the approach used in the cumulative effects management framework will occur over the coming months. All Albertans are also invited to submit comments about the framework. Deadline for submission of comments is November 30, 2007.

Other elements of the framework will be modeled in two other projects - one in east central Alberta, and one in southern Alberta. These other projects will build the shared governance framework, including an opportunity for public input, helping to set shared outcomes for that region.

**Questions and Answers: Industrial Heartland**

**What is the Industrial Heartland project about?**

There is significant proposed industrial development for the region. An additional eight proposed upgrader developments are expected to process approximately 1.5 million barrels per day.

Phase I of the Industrial Heartland project provides strategies, actions and targets to sustain the quality of the capital region's environment. Because of the pace of growth in the region and the need for immediate action, the Alberta government has set emission targets to protect our air, will establish a watershed management framework for the North Saskatchewan River to protect our water and set policy directions to protect our land.

Phase II of the project will allow municipalities, local residents, non-governmental organizations and industry the opportunity to review and confirm these strategies and targets.

**How does this connect to the Capital Region Integrated Growth Management Plan?**

The Industrial Heartland application will become the key environmental component for the Capital Region Integrated Growth Management Plan.

**What are the next steps?**

As part of Phase II of the Industrial Heartland project, the environmental outcomes set for the Industrial Heartland will be reviewed with stakeholders to determine the best and fastest way to implement them.

A regional working group has been established to further refine the water management framework. An Air Working Group will be established, helping to determine the allocation of the airshed objectives, and the best and fastest way to implement the allocation system. A sulphur management working group will also be formed, assisting operators with best practices, helping to reduce the risk to human health or the environment.

Public information sessions will be held this fall with local residents, allowing them to further understand the Industrial Heartland project.

*Air*

**What are the environmental targets for air?**

There will be a limit on total emissions in the airshed for nitrogen oxide (NOX) of 25,000 tonnes per year and total

emissions of sulphur dioxide (SO<sub>2</sub>) of 28,000 tonnes per year. These limits will be allocated between all current and projected facilities in the Industrial Heartland that emit more than 100 tonnes per year of either NO<sub>x</sub> or SO<sub>2</sub>.

**Where do these air targets apply and when will they come into effect?**

The targets apply to the entire Industrial Heartland airshed. The targets will be validated with stakeholders and are scheduled to come into effect January 2009.

**How will the targets for air be affected by pending federal targets?**

The federal regulatory framework is looking at sector-based allocations within an overall national emissions cap, while Alberta is taking an airshed approach. Alberta will work with the federal government to ensure that the shared environmental outcomes are being achieved.

*Water*

**What are the outcomes for water?**

In order to protect the water quality and quantity of the North Saskatchewan river, a water management framework will be developed. This framework will set minimum water quantity and quality thresholds, ensuring adequate river flow, water quality and biotic requirements are met.

In addition, a working group has been set up to develop an integrated regional solution to address the water quantity and quality issues including the possibility of using recycled water from the Capital Region or other municipal sources for the upgraders.

*Land*

**What are the actions for land?**

Land management will consist of site planning targets to protect wetlands; prevent groundwater contamination; protect the North Saskatchewan River through increased setbacks; and, the development of a sulphur management plan to ensure efficient handling and storage of the sulphur stockpiles.

**When will these actions come into effect?**

The guidelines for protection of wetlands are already in place, and other issues - such as setbacks and sulphur management - will be dealt with through the approval process.

**Where can I find out more?**

For more information, including technical specifics, please visit [www.environment.alberta.ca](http://www.environment.alberta.ca).

-30-

To view copy of the map click on the following link [Industrial heartland map.pdf](#)

**Media enquiries may be directed to:**

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*The Northern Alberta Development Council (NADC) met in Worsley, September 11-12, 2007 for its regular administration meeting and Regional Stakeholders' Forum.*

## **NADC learns more about Mountain Pine Beetle**

Alberta Sustainable Resource Development (SRD) gave a presentation on the status of the Mountain Pine Beetle (MPB) infestation in Alberta. The infestation was identified as a potential threat to the ecology, water, wildlife and community stability of affected areas. Preventing its spread is the primary objective of the provincial MPB Action Plan. The strategy is to aggressively detect, survey and control infested trees and to be pre-emptive in reducing the number of highly susceptible stands. The risk of spread depends largely on winter survival rates and MPB population trends. An MPB Advisory Committee advises the Minister of SRD on matters pertinent to Alberta's response to the MPB threat. More information on MPB can be found at: [www.srd.alberta.ca/forests/health/pestalerts/mountainpinebeetles.aspx](http://www.srd.alberta.ca/forests/health/pestalerts/mountainpinebeetles.aspx).

## **NADC Health Committee update**

The NADC met with the Minister of Health and Wellness in August to talk about northern health issues. Funding formulas, infrastructure, education and recruitment of health professionals, and differential fee payments were some of the topics discussed. It was encouraging that a number of NADC recommendations were being addressed in this year's budget. The NADC will continue to work with northern stakeholders and the ministry to advance the region's health issues.



## **NADC contact information:**

Phone: (780) 624-6274 Peace River  
(780) 623-6982 Lac La Biche  
Dial 310-0000 first for toll free access  
Email: [nadc.council@gov.ab.ca](mailto:nadc.council@gov.ab.ca)

[www.nadc.gov.ab.ca](http://www.nadc.gov.ab.ca)

## **Education, housing and infrastructure among issues raised at Regional Stakeholders Forum**

Community leaders made presentations to the NADC on topics ranging from education to housing and infrastructure to economic development.

*Education:* Declining high school and post-secondary enrolments are presenting challenges and opportunities for northern educational institutions. The Peace River School Division outlined a "campus" high school concept for its northwest sector to provide a better standard of education in a rural area with falling enrolments. A program coordinator from the Northern Alberta Institute of Technology (NAIT) highlighted new programs under development. The Grande Prairie Regional College delegate asserted that social infrastructure was the "forgotten" infrastructure. He talked about the positive relationship between post-secondary education and quality of life. The decline in northern post-secondary enrolment pointed to the need for a new strategy to support youth in transitioning to post-secondary education.

*Housing:* A lack of funding for seniors housing and homelessness were identified as issues. One presenter advocated for more provincial funding for seniors housing in rural areas to keep seniors in their local communities. Another presenter pointed out that homelessness was not only a "big city" problem as shown by the significant increase of homeless women using the local women's shelter.

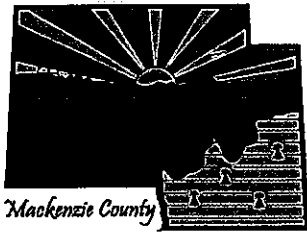
*Transportation Infrastructure:* Benefits of minimizing the impact of transportation infrastructure development were recognized. The further development of an East-West Connector between Fort McMurray and Peace River would create a single footprint for transportation and transmission infrastructure. In addition, the connector road proposed by Clear Hills County would provide access to its rich resources with minimal impact.

*Economic Development:* Primary and value-added agriculture production, and tourism infrastructure and product development were viewed as important factors in community and economic development.

*The next NADC meeting is scheduled for November in Fort McMurray. Confirmed dates will be available on our website.*







# MACKENZIE COUNTY

## REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Bylaw 653/07- Land Use Bylaw Amendment to Rezone Part of SW 18-116-05-W6M and SE 13-116-06-W6M from Forestry District 1 (F) to Direct Control District 3 (DC3) (Zama Rural)</b>

### BACKGROUND / PROPOSAL:

Mackenzie County has received a request to rezone Part of SW 18-116-05-W6M and Part of SE 13-116-06-W6M in the Zama Lake area from Forestry District "F" to Direct Control District 3 "DC3". The applicant requested the rezoning as required in Development Permit 233-DP-07, condition three, in order to accommodate an existing non-hazardous regional industrial landfill.

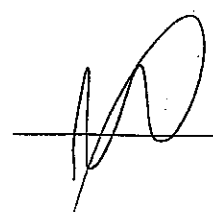
### OPTIONS & BENEFITS:

Newalta Corporation is a company that operates a Class II Industrial landfill and oilfield waste management plant. They have been in operation since 1998 when they purchased the facility from Northern Oil Separators who had been in operation since the mid 80's.

The Zama Waste Management Facility provides waste management services to the oil & gas industry in the surrounding area. A Class II Industrial Landfill is currently permitted to only accept residuals generated as a result of the facility's (waste treatment plant) processing. Newalta has recently applied to transfer their permit for the landfill portion from under Alberta Energy and Utilities Board (AUEB) to Alberta Environment's (AENV) jurisdiction to allow the operator to accept third-party generated waste for direct landfill disposal. The waste management facility will remain under AUEB's approval.

**Author:** Eva Schmidt,  
Planning Supervisor

**Reviewed by:** \_\_\_\_\_

**CAO** 

The type of waste that will be accepted by third parties will includes the following and does not expect to alter the type of waste accepted at the landfill in any way.

Sludge, tank and treater bottoms — from processing activities;

Drilling sump material — drilling mud contaminated with hydrocarbons (both crude oil and refined from inverted drilling fluid) and produced water (salt);

Flare pit soil — soil contaminated with hydrocarbons, salts, and/or metals removed during reclamation activities; and

Solids contaminated with hydrocarbons and salts — resulting from spill clean-ups.

On August 29, 2006, Development Permit 233-DP-07 was approved by the Municipal Planning Commission on Part of SW 18-116-05-W6M and Part of SE 13-116-06-W6M for a Class 2 Industrial Landfill. As a condition of the permit, Newalta Corporation was required to rezone Part of SW 18-116-05-W6M and Part of SE 13-116-06-W6M from Forestry District "F" to Direct Control District 3 "DC3" as the use is in non-conformance with the Mackenzie County Land Use Bylaw.

## **7.6 DIRECT CONTROL DISTRICT 3 "DC3"**

The general purpose of this district is to accommodate the development of forest-based industries and related land uses.

### **A. PERMITTED USES**

- (1) Forest-based industry

### **B. DISCRETIONARY USES**

- (1) Ancillary building or use.
- (1) Extensive agriculture
- (2) Farm buildings
- (4) Industrial plant
- (5) Natural resource extraction industry
- (6) Operations and facilities required to support the forest-based industrial operation
- (7) Petroleum facility
- (8) Regional landfill
- (9) Security suite

### **C. DEVELOPMENT STANDARDS**

Council, at their discretion, will determine development standards required for the development of the specific forest-based industry.

**Author:** Eva Schmidt,  
Planning Supervisor

**Reviewed by:** \_\_\_\_\_

**CAO** \_\_\_\_\_

**D. ADDITIONAL REQUIREMENTS**

- (1) The design, character and appearance of buildings shall be at the discretion of Council.
- (2) Council may require a buffer between the forest-based industry and surrounding properties.
- (3) Council may request additional information required to evaluate a forest-based industrial proposal.

**E. LANDSCAPING**

In accordance to Section 4.23 of this Bylaw.

**COSTS & SOURCE OF FUNDING:**

All costs will be borne by the applicant.

**RECOMMENDED ACTION:**

That first reading be given to Bylaw 653/07 being a Land Use Bylaw amendment to rezone Part of SW 18-116-05-W6M and Part of SE 13-116-06-W6M from Forestry District "F" to Direct Control District 3 "DC3".

**Author:** Eva Schmidt,  
Planning Supervisor

**Reviewed by:** \_\_\_\_\_

**CAO** \_\_\_\_\_



**BYLAW NO. 653/07**

**BEING A BYLAW OF  
MACKENZIE COUNTY  
IN THE PROVINCE OF ALBERTA**

**TO AMEND THE  
MACKENZIE COUNTY LAND USE BYLAW**

**WHEREAS**, Mackenzie County has adopted the Mackenzie County Land Use Bylaw, and

**WHEREAS**, Mackenzie County has a General Municipal Plan adopted in 1995, and

**WHEREAS**, the Council of Mackenzie County, in the Province of Alberta, has deemed it desirable to amend the Mackenzie County Land Use Bylaw to accommodate a regional landfill.

**NOW THEREFORE**, THE COUNCIL OF MACKENZIE COUNTY, IN THE PROVINCE OF ALBERTA, DULY ASSEMBLED, HEREBY ENACTS AS FOLLOWS:

1. That the land use designation of the subject parcel known as Part of SW 18-116-05-W6M and Part of SE 13-116-6-W6M be rezoned from Forestry District "F" to direct Control District 3 "DC3" as outlined in attached Schedule A.

First Reading given on the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Bill Neufeld, Reeve

\_\_\_\_\_  
Carol Gabriel, Executive Assistant

Second Reading given on the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Bill Neufeld, Reeve

\_\_\_\_\_  
Carol Gabriel, Executive Assistant

Third Reading and Assent given on the \_\_\_\_\_ day of \_\_\_\_\_, 2007.

\_\_\_\_\_  
Bill Neufeld, Reeve

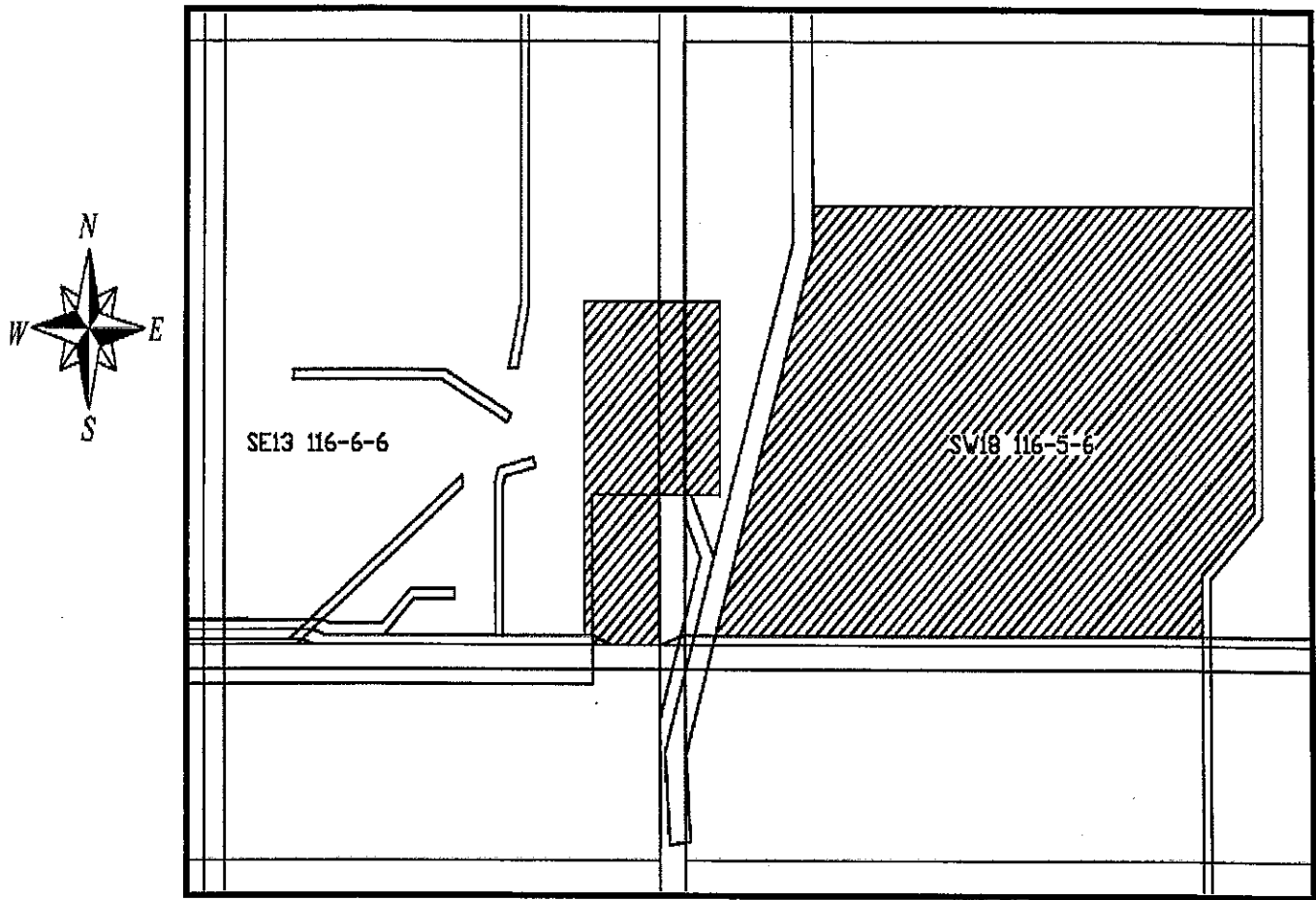
\_\_\_\_\_  
Carol Gabriel, Executive Assistant

**BYLAW No. 653/07**

**SCHEDULE "A"**

1. That the land use designation of the following property known as:

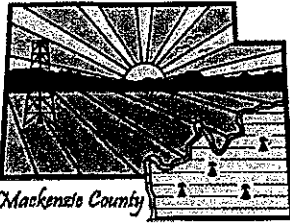
Part of SW 18-116-05-W6M and part of SE 13-116-06-W6M be rezoned from Forestry District "F" to Direct Control District 3 "DC3" in Zama Lake Area.



\_\_\_\_\_  
Bill Neufeld, Reeve

\_\_\_\_\_  
Carol Gabriel, Executive Assistant

EFFECTIVE THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2007.



# LAND USE BYLAW AMENDMENT APPLICATION

APPLICATION NO. 653/07

NAME OF APPLICANT <u>Newalta Corporation</u>		
ADDRESS <u>#1200, 333-11th Ave SW</u>		
TOWN <u>Calgary, AB</u>		
POSTAL CODE <u>T2R 1L9</u>	PHONE (RES.)	BUS. <u>(403) 266-6556</u>

COMPLETE IF DIFFERENT FROM APPLICANT		
NAME OF REGISTER OWNER <u>Crown Land - application submitted</u>		
ADDRESS <u>to SRD for MLL (see Application No. 070024)</u>		
TOWN		
POSTAL CODE	PHONE (RES.)	BUS.

LEGAL DESCRIPTION OF THE LAND AFFECTED BY THE PROPOSED AMENDMENT

QTR./LS. <u>SW</u>	SEC. <u>18</u>	TWP. <u>116</u>	RANGE <u>05</u>	M. <u>6</u>	OR	PLAN	BLK	LOT
SE <u>13</u> 116      06      6 or of								

LAND USE CLASSIFICATION AMENDMENT PROPOSED:

FROM: Forestry TO: Direct Control District 3 (DC3)

REASONS SUPPORTING PROPOSED AMENDMENT:

Newalta recently received a development permit (Application No. 233-DP-07) to construct and operate a Class II non-hazardous industrial landfill in Zama, Alberta. One of the conditions of this approval is to re-zone the affected land to Direct Control District 3 (DC3).

I/WE HAVE ENCLOSED THE REQUIRED APPLICATION FEE OF \$150.00

U. Mi. Mar Isaac  
APPLICANT

RECEIPT NO. \_\_\_\_\_  
September 21, 2007  
DATE

NOTE: REGISTERED OWNER'S SIGNATURE REQUIRED IF DIFFERENT FROM APPLICANT.

REGISTERED OWNER

DATE

Newalta will forward copy of MLL from SRD upon receipt.





## Mackenzie County

4511-46<sup>th</sup> Avenue

P.O Box 640, Fort Vermilion, AB T0H 1N0  
Phone (780) 927-3718 Fax (780) 927-4266

### Development Approving Authority


Application No.: 233-DP-07  
Legal Description: SW 18-116-5-W6M  
Applicant: Newalta Corporation  
Address: 1200,333-11th Ave SW  
Calgary AB T2R 1L9  
Development: Class II Industrial Landfill  
DECISION: APPROVED (See Attached Conditions)

### Development Permit

This permit is issued subject to the following conditions:

- (a) That the development or construction of the said land(s) will not begin until September 13, 2007.
- (b) That the development or construction shall comply with the conditions of the decision herein contained or attached.
- (c) That the development or construction will be carried out in accordance with the approved plans and application.
- (d) That this permit shall be invalid should an appeal be made against the decision. Should the Subdivision and Development Appeal Board approve the issue of this permit, this permit shall be valid from the date of decision, and in accordance with the conditions, of the Subdivision and Development Appeal Board.
- (e) This permit is valid for a period of 12 months from the date of issue or the date of an approved decision of the Subdivision and Development Appeal Board. If at the expiry of this period the development or construction has not been commenced or carried out with reasonable diligence this permit shall be invalid.

Date August 29, 2007

  
Municipal Planning Commission



## Mackenzie County

P.O Box 640, Fort Vermilion, AB T0H 1N0  
Phone (780) 927-3718 Fax (780) 927-4266

# Development Approving Authority

## 233-DP-07

### CONDITIONS OF APPROVAL

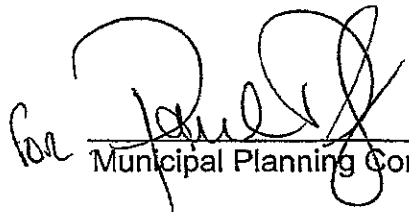
1. Minimum setbacks: 41.14 meters (135 feet) from road allowance; 15.34 meters (50 feet) from any other property lines.
2. Must obtain approval from all other governing bodies as required.
3. Part of SW 18-116-5-W5 and Part of SE 13-116-6-W6M containing the Class II Industrial Landfill sites shall be rezoned to Direct Control District 3 "DC3".
4. The total site area (lot) shall have a positive surface drainage without adversely affecting the neighboring properties.

#### Please note

1. Mackenzie County does not conduct independent environmental or land suitability checks. If the applicant is concerned about the suitability of the property for any purpose, the owner/applicant should conduct the proper tests. The Mackenzie County, when issuing a development permit, makes no representation in regards to the suitability of the property for any purpose or as to the presence or absence of environmental contaminants of the property.
2. Obtain all the required Safety Codes Permits pertaining to your development. These permits consist of Building, Gas (Propane), Electrical, Plumbing and Private Sewage Disposal Systems.
3. Call 'Alberta-1st-Call' before you dig. (1-800-242-3447).

It is the responsibility of the developer to ensure that the proposed development meets the requirements of the provincial Safety Codes Act. For more information on the necessary Safety Codes Permits, contact the Superior Safety Codes Office at 928-4772.

August 29, 2007  
Date of Issue of Notice of Decision

  
Municipal Planning Commission



# Development Permit Application

## APPLICANT INFORMATION

I/We hereby make application under the provisions of the Land Use Bylaw for a Development Permit in accordance with the supporting information submitted which will form part of this application.

I/We understand that this application will not be accepted without the following: (a) appropriate development information  
\$25 (residential, farm, public institution)  
\$50 (commercial, industrial, home based business)

Name of Applicant	Mailing Address	Postal Code	Phone Number
Newalta Corporation	#1200, 333-11 <sup>th</sup> Ave SW, Calgary, AB	T2R 1L9	(403) 266-6556

Registered Landowner	Mailing Address	Postal Code	Phone Number
Crown land - application submitted to SRD for MLL (Application No. 070024)			

OTR./L.S.	SEC	TWP	RG	M	PLAN NO.	BLK	LOT	Civic Address
SW	18	116	05	6				

Quarter Section     Hamlet Lot     Acreage / Size    21.56

What is the property currently being used for: undeveloped Crown land; current FMA holders required to withdraw land for MLL issue

The proposed development is for:  Commercial     Industrial     Residential     Farm     Home Occupation     Other

Description of proposed development: Class II industrial landfill

The property is adjacent to:  Street/Avenue     Provincial Highway     Local (MD) Road     No Road

Proposed commencement and completion of development: Start Date: Early 2008    End Date: Approx 25 years

Square footage of development:    Length:    Width:    NOTE: landfill cells will be progressively developed within the acreage as required.

Approximate construction value (if applicable): \$ 1.5 to 2 million

### DECLARATION

I/We hereby declare that the information on this application is, to the best of my/our knowledge, factual and correct.

Vicki MacIsaac	<i>Vicki MacIsaac</i>	August 14, 2007
Permit Applicant Name (Please print)	Permit Applicant Signature	Date

N/A - copy of MLL will be forwarded upon receipt		
Land Owner Name (Please print)	Signature of Land Owner	Date

NOTE: The signature of the Registered Land Owner is required if the applicant is not the registered landowner. The signing of this application, by the applicant and/or registered landowner, grants permission for necessary inspections of the property to be conducted by authorized persons of the Municipal District of Mackenzie No 23.

### For Administrative Use Only

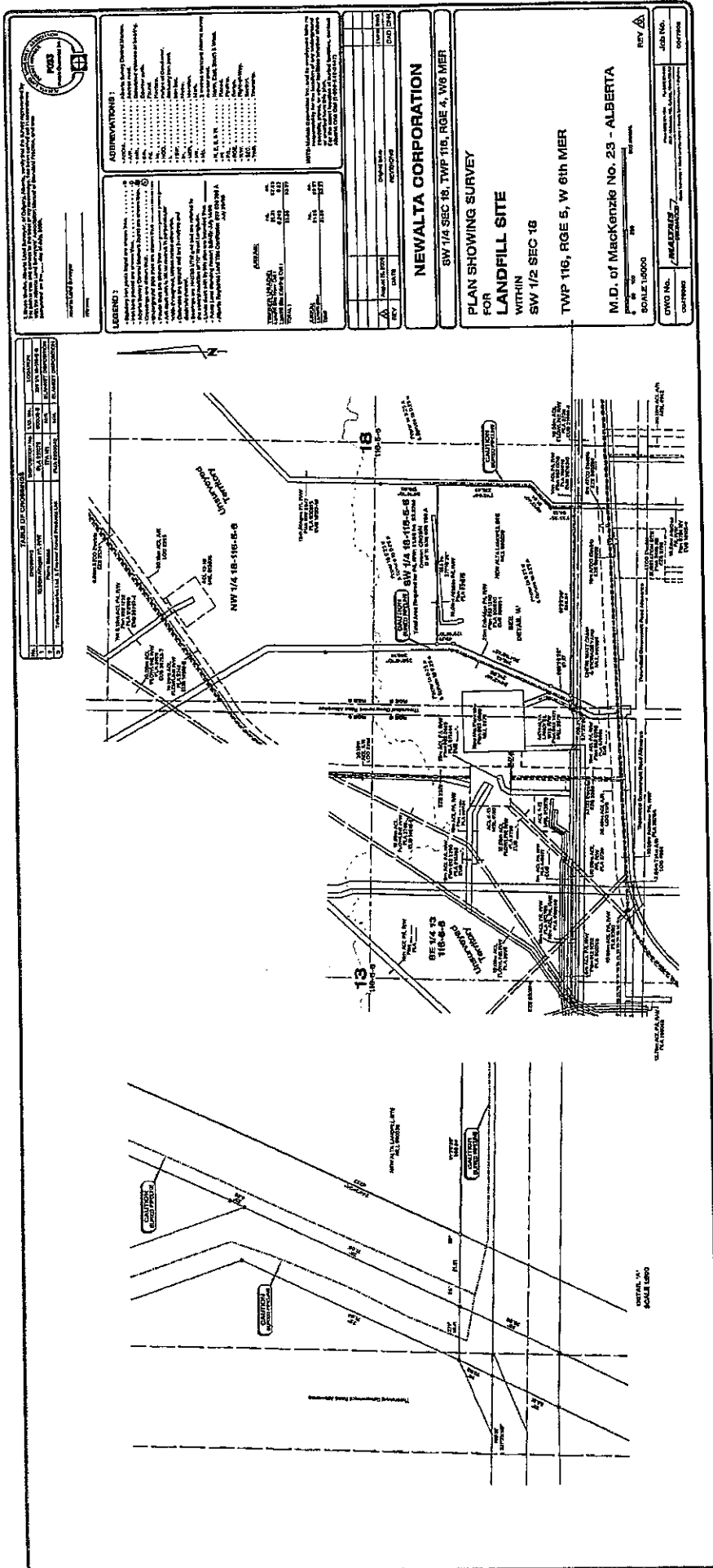
Development Permit Application No: 233-07-07    Date Received: Aug 21/07    Date Accepted: \_\_\_\_\_

Land Use Classification: F    Tax Roll No: \_\_\_\_\_

Proposed Use of land or Building: Industrial

Development Application Fee Enclosed:  Yes     No    Amount \$ 50.00    Receipt No: \_\_\_\_\_

La Crete Office: P.O. Box 1690 La Crete AB T0H 2H0 Phone: (780) 928-3983 Fax: (780) 928-3636  
Email: mikrahn@md23.ab.ca, eschmidt@md23.ab.ca  
Fort Vermilion Office: P.O. Box 640 Fort Vermilion AB T0H 1N0 Phone: (780) 927-3718 Fax: (780) 927-4266  
Email: llambert@md23.ab.ca



**AGREEMENTS**

1. The Surveyor has examined the title and the original survey records and has found them to be correct and in accordance with the law.

2. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

3. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

4. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

5. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

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9. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

10. The Surveyor has examined the original survey records and has found them to be correct and in accordance with the law.

REV	DATE	DESCRIPTION
1		
2		
3		
4		
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7		
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10		

**NEWALTA CORPORATION**

SW 1/4 SEC 18, TWP 116, RGE 4, W6 MER

**PLAN SHOWING SURVEY FOR LANDFILL SITE**

WITHIN

SW 1/2 SEC 18

TWP 116, RGE 5, W 6th MER

M.D. of MacKenzie No. 23 - ALBERTA

SCALE 1:5000

REV 1

JOB No. 00000000

**TABLE OF COORDINATES**

SECTION	TOWNSHIP	RANGE	MERIDIAN	AREA (ACRES)
18	116	4	W6	160.00
17	116	4	W6	160.00
19	116	4	W6	160.00
20	116	4	W6	160.00
21	116	4	W6	160.00
22	116	4	W6	160.00
23	116	4	W6	160.00
24	116	4	W6	160.00
25	116	4	W6	160.00
26	116	4	W6	160.00
27	116	4	W6	160.00
28	116	4	W6	160.00
29	116	4	W6	160.00
30	116	4	W6	160.00
31	116	4	W6	160.00
32	116	4	W6	160.00
33	116	4	W6	160.00
34	116	4	W6	160.00
35	116	4	W6	160.00
36	116	4	W6	160.00
37	116	4	W6	160.00
38	116	4	W6	160.00
39	116	4	W6	160.00
40	116	4	W6	160.00

MACKENZIE COUNTY

**EXAMINED**

APPROVED WITH CONDITIONS

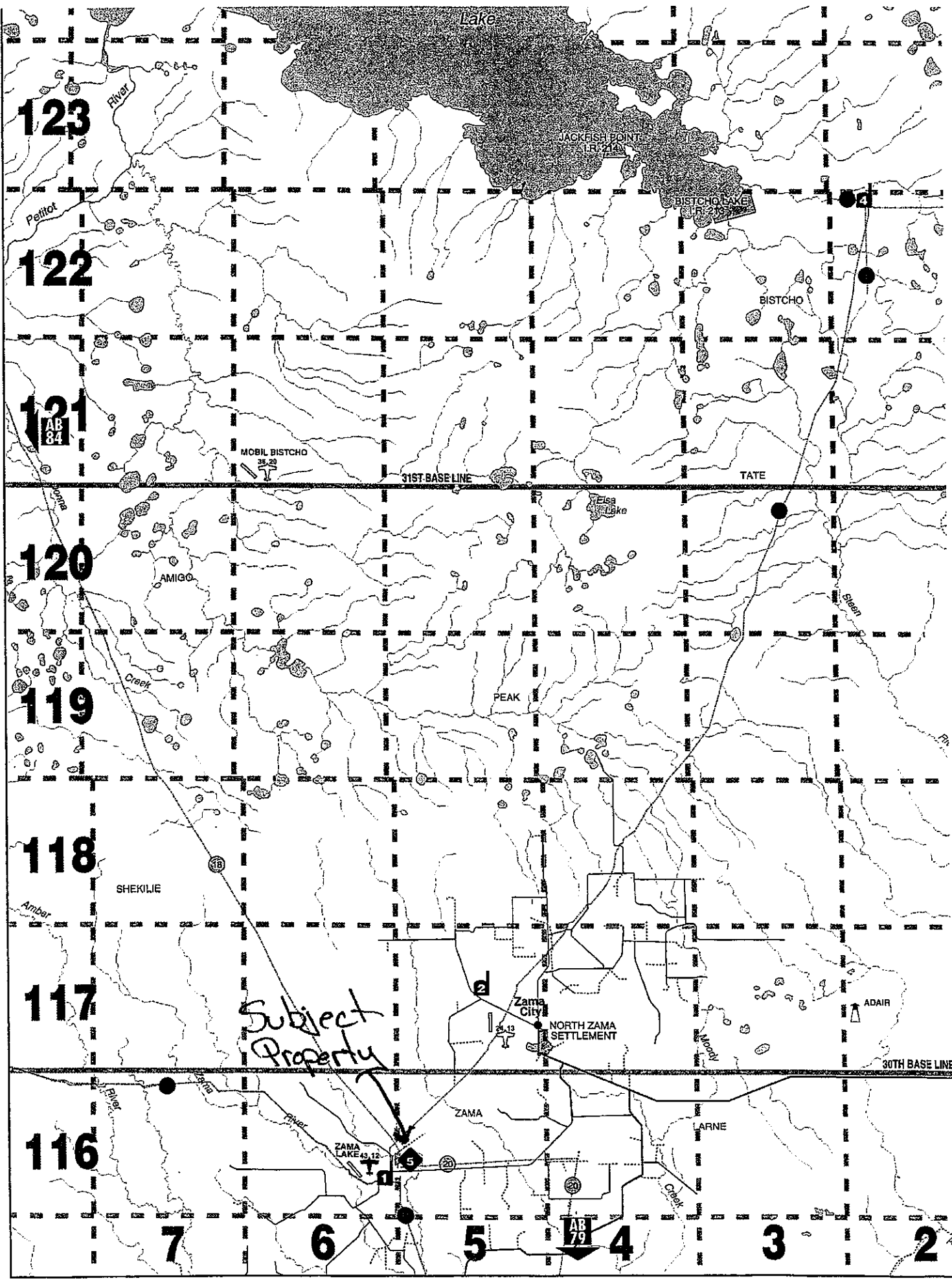
APPROVED

REFUSED

**AUG 29 2007**

DEVELOPMENT AUTHORITY





*Subject Property*







**COSTS & SOURCE OF FUNDING:**

All costs will be borne by the developer.

**RECOMMENDED ACTION:**

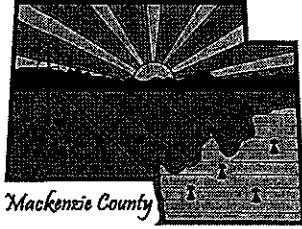
**MOTION 1**

**Author:** Eva Schmidt,  
Planning Supervisor

**Reviewed by:** \_\_\_\_\_

**CAO** \_\_\_\_\_





**MACKENZIE COUNTY  
REQUEST FOR DECISION**

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>William Kostiw, Chief Administrative Officer</b>
<b>Title:</b>	<b>Fort Vermilion Office Space</b>

**BACKGROUND / PROPOSAL:**

The County will be renting offices in the old office building.

**OPTIONS & BENEFITS:**

Administration estimated the following costs:

Office equipment and furniture (including computer equipment)	\$10,000.00
October – December, 2007 rent	Rent = \$7,500.00 Utilities = \$4,500.00
<b>TOTAL</b>	<b>\$22,000.00</b>

**COSTS & SOURCE OF FUNDING:**

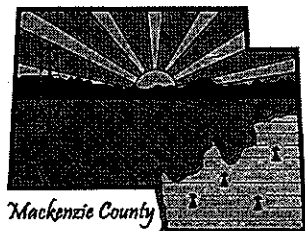
2007 budget includes \$50,000 for a professional review of the space availability in our Fort Vermilion office

**RECOMMENDED ACTION:**

That \$22,000.00 be allocated towards 2007 office furniture, equipment and rent costs for the Fort Vermilion office space from the 2007 approved capital project Fort Vermilion Office Expansion.

Author: J. Whittleton Review Date: \_\_\_\_\_ CAO \_\_\_\_\_





## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	Regular Council Meeting
<b>Meeting Date:</b>	October 10, 2007
<b>Presented By:</b>	William Kostiw, Chief Administrative Officer
<b>Title:</b>	Zama Water Line

### BACKGROUND / PROPOSAL:

See attached letter from the Minister.

### OPTIONS & BENEFITS:

### COSTS & SOURCE OF FUNDING:

### RECOMMENDED ACTION:

**Author:** W. Kostiw      **Review By:** \_\_\_\_\_ **CAO** \_\_\_\_\_





ALBERTA  
MINISTER OF INFRASTRUCTURE  
AND TRANSPORTATION

AR33207

September 24, 2007

Mr. Bill Neufeld  
Reeve  
Mackenzie County  
Box 640  
Fort Vermilion, AB T0H 1N0

Dear Reeve Neufeld:

I am pleased to advise your council that additional funding for the Zama Groundwater Supply and Supply Line Upgrade project has been approved.

The approved project cost has been increased from \$800,000 to \$2,073,325.00. The approved project grant will continue to be based on a 75% provincial/25% municipal cost-share ratio. The final grant amount will be based on the actual eligible costs at the time of project completion. Mackenzie County will continue to be responsible for any Goods and Services Tax (GST) associated with this project.

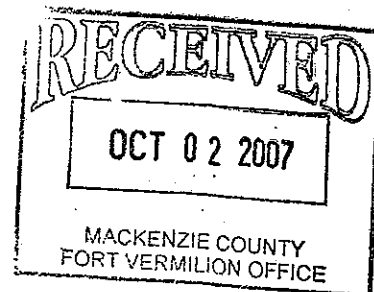
Mr. Frank Oberle, your M.L.A. for Peace River, and I are very supportive of this project.

For further information, please contact Mr. John Engleder, Regional Director in Peace River, at (780) 624-6280, toll free by first dialing 310-0000.

Sincerely,

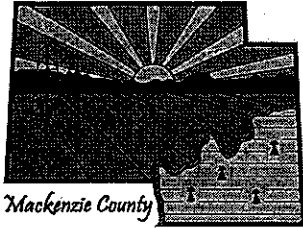
Luke Ouellette  
Minister of Infrastructure and Transportation  
M.L.A., Innisfail-Sylvan Lake

cc: Mr. Frank Oberle, M.L.A., Peace River  
John Engleder









## MACKENZIE COUNTY REQUEST FOR DECISION

<b>Meeting:</b>	Regular Council Meeting
<b>Meeting Date:</b>	October 10, 2007
<b>Presented By:</b>	William Kostiw, Chief Administrative Officer
<b>Title:</b>	Zama Water Plant

### BACKGROUND / PROPOSAL:

See attached letter from the Minister.

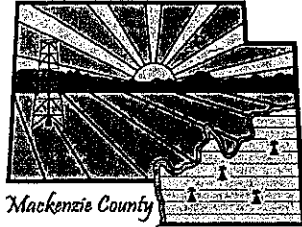
### OPTIONS & BENEFITS:

### COSTS & SOURCE OF FUNDING:

### RECOMMENDED ACTION:

Author: W. Kostiw Review By: \_\_\_\_\_ CAO \_\_\_\_\_





## MACKENZIE COUNTY REQUEST FOR DECISION

**Meeting:** Regular Council Meeting

**Meeting Date:** October 10, 2007

**Presented By:** Mark Schonken, Director of Public Works & Agriculture

**Title:** Zama Water Treatment Plant

**BACKGROUND / PROPOSAL:**

The Zama Water Treatment Plant was re-tendered with the assistance of ISL as a result of AIT not approving of the prequalification process. The tenders closed on Friday October 5. The opening was done at ISL's offices in Edmonton in the presence of the CAO.

**OPTIONS & BENEFITS**

The **only** tender that was received was from Nason Contracting. The re-tender process ensured that the process as required by AIT was followed, although there was not a saving on the new submission.

**COSTS & SOURCE OF FUNDING:**

Description	Net Cost
Construction bid price	10,101,436
Engineering and other services	808,000
<b>Total Cost</b>	<b>10,909,436</b>

**RECOMMENDED ACTION:**

To award the tender for the construction of the Zama Water Treatment Plant to Nason Contracting, subject to AIT approval.

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO \_\_\_\_\_





ALBERTA  
MINISTER OF INFRASTRUCTURE  
AND TRANSPORTATION

---

AR32699

September 10, 2007

Mr. Bill Neufeld  
Reeve  
Mackenzie County  
PO Box 640  
Fort Vermilion, AB T0H 1N0

Dear Reeve Neufeld:

I am writing in response to Mackenzie County's submission for additional funding for the Hamlet of Zama City water treatment system upgrade project.

Mr. Frank Oberle, your M.L.A. for Peace River, and I are very supportive of the Zama City water treatment system upgrade project. Once the county publicly tenders the subject work, Alberta Infrastructure and Transportation will be in a position to respond to the county's request for additional grant funding.

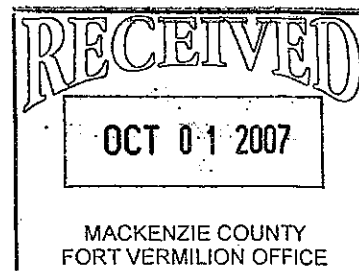
If you require further information, please contact Mr. John Engleder, Regional Director in Peace River at (780) 624-6280, toll-free by first dialing 310-0000.

Thank you for providing an update on this project.

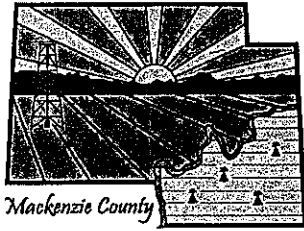
Sincerely,

Luke Ouellette  
Minister of Infrastructure and Transportation  
M.L.A., Innisfail-Sylvan Lake

cc: Mr. Frank Oberle, M.L.A., Peace River







## MACKENZIE COUNTY REQUEST FOR DECISION

**Meeting:** Regular Council Meeting

**Meeting Date:** October 10, 2007

**Presented By:** Mark Schonken

**Title:** CAO Vehicle

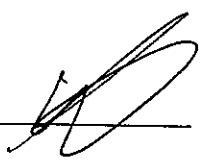
**BACKGROUND / PROPOSAL:**

The current vehicle used by CAO was damaged in 2006, subsequent maintenance costs incurred and anticipated future costs on the vehicle might justify replacement of the vehicle. Furthermore, continuous costs incurred on the vehicle relating to the ABS system might also justify replacement in terms of safety concerns.

A comparison of the costs incurred for the CAO vehicle to a similar vehicle in the County's fleet is:

Description	CAO	Similar
Labour	17,503	4,576
Materials	-	1,376
Miscellaneous	2,867	2,536
<b>Total</b>	<b>20,370</b>	<b>8,488</b>

It should be noted that the comparative vehicle is a year older than the CAO vehicle.

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO 





**OPTIONS & BENEFITS**

Description	Note	Dodge	Ford	GMC	Chev
Purchase price	1	19,651	21,089	22,268	23,214
Future trade	2	(16,000)	(18,000)	(20,000)	(20,000)
<b>Net variance</b>		<b>3,651</b>	<b>3,089</b>	<b>2,268</b>	<b>3,214</b>
Warranty		60,000km	60,000km	160,000km	160,000km
Options included		-	-	On-star included	
Safety rating		Fair	Fair	Including side impact curtains	
Comfort	3	Poor	Fair	Good	Good
Off-road		Good ride height	Heavier suspension	Lower ride height	
GVWR rating of 10		8	10	9	9
Supplier location		La Crete	High Level	Barrhead	High Level

Notes:

1. The purchase prices include the trade value that will be received for the current vehicle.
2. Future trade value estimated on current expectations after two years.
3. This is general conclusion without scientific substance.

**COSTS & SOURCE OF FUNDING:**

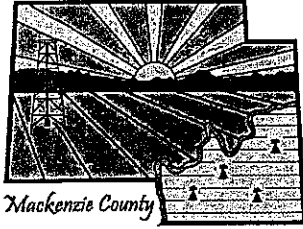
Description	Net Cost	V & E Reserve
Min	19,651	
Max	23,214	

**RECOMMENDED ACTION:**

Replace the current CAO vehicle in current year with any of the above options, however, the best option is probably the Ford considering the gravel road conditions.

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO 





# MACKENZIE COUNTY

## REQUEST FOR DECISION

<b>Meeting:</b>	<b>Regular Council Meeting</b>
<b>Meeting Date:</b>	<b>October 10, 2007</b>
<b>Presented By:</b>	<b>Mark Schonken, Director of Public Works &amp; Agriculture</b>
<b>Title:</b>	<b>Blue Hills Drainage</b>

**BACKGROUND / PROPOSAL:**

The tender submissions were received for the Blue Hills Drainage project on September 24, 2007.

**OPTIONS & BENEFITS**

Three tenders were submitted and are listed below:

Description	Bid Amount
Pineridge Logging	128,815.00
Decant Construction	160,522.50
Forest Trotter	173,700.00

**COSTS & SOURCE OF FUNDING:**

Description	Net Cost
Contract amount less site occupancy	124,315.00
Contingency (10%)	12,430.00
Potential Site Occ.	1,000.00
Engineering	35,000.00
<b>Total Cost</b>	<b>172,745.00</b>

Author: \_\_\_\_\_ Review Date: \_\_\_\_\_ CAO \_\_\_\_\_



**RECOMMENDED ACTION:**

To award the tender for the construction of the Blue Hills Drainage to Pineridge Logging Ltd, the lowest bidder.



# **MACKENZIE COUNTY**

## **Planning and Emergency Services**

### **Department Review**

***(CONFIDENTIAL AND WITHOUT PREJUDICE)***

#### **EXECUTIVE SUMMARY**

Upon the request of Bill Kostiw, Chief Administrative Officer for Mackenzie County, I have prepared a summary of recommendations pertaining to the Planning and Emergency Services Department for Mackenzie County as I know them from my previous employment with the County as the Director of Planning and Emergency Services.

These recommendations are for your review only and not intended to deter away from anything that the County may already have incorporated since my employment with the County.

The most important change that I would recommend is to split the management of the Planning and Emergency departments. This would allow each individual Director to work on long term department planning and goals to provide for a more efficient operation.

#### **Planning**

1. Hire a Planner to fill the Director of Planning position. With the amount of growth, diverse communities and economic opportunities throughout the region it would be beneficial to have a Planner on the County management team.

#### **Emergency Medical Services**

1. Appoint Jason Gabriel as the Director of Protective Services to oversee the Fire Services, Emergency Medical Services and Municipal Enforcement.
2. Enter into agreement with Peace Country Health to assist with patient transfers between PCHR medical facilities and NLHR medical facilities. This will generate additional revenue.

3. Pursue additional contracts with the Northern Lights Health Authority for the transfers between Fort Vermilion Hospital and High Level Hospital, First Nations (both Assumption and Beaver First Nation have approached us) to increase revenues and call volume.
4. Construct new EMS facility in Fort Vermilion to accommodate the ambulances and practitioner living quarters similar to the High Level EMS facility.
5. The La Crete EMS facility will need some renovations immediately to conform to building and fire codes (also identified in the engineers evaluation report) to accommodate both ambulances and practitioner living quarters.
6. Incorporate the EMS facility into the proposed new County administration building in La Crete (if the facility is not too far for the practitioners to respond from the residential district).
7. Keep the first ambulance that needs to be replaced as per the emergency services replacement schedule as a spare unit (licensed with the province) to utilize when the other units are out of service for repairs or additional resources are required.

### **Fire Services**

1. Assign Walter Krahn as the fulltime Fire Chief who primary responsibilities would be as Safety Codes Officer for fire investigations, fire permit approvals, occupant load certificates, inspections, firesmart planning, industry emergency response plan reviews, reviewing the standard operating procedures "SOP", and assisting the volunteer Fire Chiefs.
2. If negotiations fail between the County and Town of High Level establish an integrated fire/ems service. This will require an additional eight fulltime members (4 per shift) plus additional volunteers, an aerial apparatus, pumper truck, and rescue unit to be prepared and respond to emergencies.
3. Purchase the Council approved used aerial apparatus, which could be sold or incorporated elsewhere in the County where you have similar industry operations if the negotiations are successful.



4. Construct a 40ft wide x 60ft deep (2 bays) onto the existing EMS facility in High Level to accommodate a ladder truck, pumper truck and a rescue unit if inter-municipal negotiations fail. An estimate received for the addition is \$172,000.
5. Landscape and pave the High Level EMS facility yard to accommodate the parking and driving area for the emergency and staff vehicles.
6. Purchase property for the construction of a fire station in Tompkins within the next couple of years.
7. Replacement of the 1979 pumper unit and providing a support vehicle for the transportation of personnel and small tools at LCFR Station 2 (Tompkins District).
8. Interior renovations and replacing some overhead doors at the Zama Firehall to bring it to a proper standard depending on what the engineering evaluation report indicates.

### **Enforcement Services**

1. Assign Ron Dyck to assist with the emergency services, the school bicycle safety program throughout the County (which he does an excellent job of), deal with the communications system, work on the County Health and Safety Program and work on the County disaster plan, which needs to be reviewed and updated.

### **Disaster Services**

1. Appoint Ron Dyck as the Deputy Director of Disaster Services "DDDS) as he also has had the required disaster services training and would be an excellent resource for that position (currently the Director of Emergency Services is the DDDS).
2. Review and update the Municipal Emergency Plan.

### **Communications**

1. Contract the emergency services dispatching services for Mackenzie County to a service provider that utilizes Computer Aided Dispatch "CAD" that records and tracks all the communications which will reduce the Counties liability issues it currently has with the dispatching not being properly recorded and tracked.

