

ANNUAL REPORT

#GOBIGLAKES



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FAUST FCSS OFFICE

Ph: (780) 523-355-3896 Fax: (780) 355-3000

GROUARD FCSS OFFICE

Ph: (780) 751-3806 Fax: (780) 751-3807



HIGH PRAIRIE FCSS OFFICE

Ph: (780) 536-0062 Fax: (780) 523-4902

WELCOME TO BIG LAKES COUNTY

Big Lakes County is a welcoming and thriving community. Situated just a few hours north of Alberta's major cities, our residents enjoy the freedom of the great outdoors. With a service area population of 17,440, Big Lakes expands over 13,942 square kilometers and neighbours the Town of High Prairie, Town of Swan Hills, East Prairie Métis Settlement, Gift Lake Métis Settlement, Peavine Métis Settlement, Driftpile Cree Nation, Kapawe'no First Nation, Pakashan First Nation, Sucker Creek First Nation, and Swan River First Nation.

We are proud of our beautiful lakes, forests, and rolling countryside. are equally proud of our diverse and talented workforce who have helped expand opportunities in Big Lakes. Our abundance of natural resources — oil and gas, agriculture, and forestry continue to expand and strengthen our economy. We've also just scratched the surface in exploring opportunities in tourism, transportation and logistics, education, construction, health, retail, and information and communications technology (ICT). The possibilities are endless in Big Lakes for those with the vision to help see them grow.

Thank you for calling Big Lakes County, home.



COUNCIL INFORMATION

MESSAGE FROM THE REEVE & COUNCIL

On behalf of Council, I am proud to present the Big Lakes County 2018 Annual Report that highlights accomplishments in our County over the past year.

I want to thank all County staff and my colleagues for their dedicated work over the past year. I also want to recognize the nearly 17,500 residents served by Big Lakes County who contribute to making our community a welcoming, inclusive environment for everyone, and a place where we are proud to call home.

As you flip through this report, you will read about growth, opportunity, and progress in our County and what we are working towards for 2019. I am happy to report that Council has continued to build positive relationships with the provincial and federal government representatives in our region. Furthermore, we will continue to work cooperatively with the Town of High Prairie and the Town of Swan Hills in addition to strengthening our regional partnerships with neighbouring First Nations and Métis Settlements.

2018 was a busy year! Not only did we help raise \$25,000 for three charities at our Annual Charity Golf Tournament but in March, Economic Developers Alberta awarded us with the Business Retention and Expansion Award because of the work we do to support local business.

Big Lakes County strived to improve our services, which helped to expand our business and recreational opportunities in 2018. Through continued lobbying efforts made by Council and staff, the County received several provincial and federal grants totalling more than \$4 million to repair and upgrade our roads and bridges and expand our municipal initiatives.

Construction at the Kinuso Pumphouse and Reservoir finished at the end of summer. This state-of-the-art facility can now store more water, which will allow the County to service Spruce Point Park and more rural areas. In 2019, the plan is to complete the Joussard Water Treatment Palnt and Reservoir.

In 2018, the *Municipal Government Act* required municipalities to develop Intermunicipal Collaboration Frameworks (ICF) and Intermunicipal Development Plans (IDP) with neighbouring municipalities.

The ICF process allowed our neighbouring municipalities to come together to review the current intermunicipal services we had in place and discuss how we can make these services better for the area and community at large. The ICF addressed services relating to: recreation, transportation, emergency services, solid waste, administrative services, water and wastewater, broadband services and intermunicipal funding agreements.

The IDP process provided an opportunity for collaboration on matters important to both municipalities including service provision, land use, environmental protection, and future development patterns.

Both the ICF and IDP projects will continue into 2019.

As we move into 2019, I am confident that our Council and staff will continue to keep things moving forward to deliver on our vision of "building a sustainable municipality." As always, your feedback on how we can make the County better is greatly appreciated and will only make us stronger and more resilient moving forward. Cheers to 2018!

Richard Simard Reeve

ELECTED REPRESENTATIVES



DAVID MARX Ward 1: Heart River/Salt Prairie 780-523-2498 ward1@biglakescounty.ca



KEN KILLEEN Ward 4: Kinuso 780-775-2234 ward4@biglakescounty.ca



DONALD BISSELL Ward 7: Enilda/Big Meadow 780-523-2209 ward7@biglakescounty.ca



FERN WELCH Ward 2: Grouard 780-751-2264 ward2@biglakescounty.ca



ROBERT NYGAARD Ward 5: Faust 780-355-2735 ward5@biglakescounty.ca



DON CHARROIS Ward 8: Banana Belt/HP East 780-523-4037 ward8@biglakescounty.ca



KEN MATTHEWS Ward 3: Gilwood North/Triangle 780-523-4073 ward3@biglakescounty.ca



RICHARD SIMARD Ward 6: Joussard 780-523-1812 ward6@biglakescounty.ca



ANN STEWART
Ward 9: Sunset House/Gilwood
South
780-523-2590
ward9@biglakescounty.ca



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

I am pleased to present the 2018 Annual Report for Big Lakes County.

It has been an incredible honour to work for the County for the past 2 years, and particularly exciting for me to take the helm as Big Lakes County's CAO in January 2019. We all wish Roy Brideau, the outgoing CAO, all the best in retirement and thank him for his role in our successful 2018.

Looking back on 2018 I am extremely proud of our collective accomplishments. Although this report will focus on those achievements over the last year, it also represents the culmination of years of passionate councils, staff, volunteers and residents that have made these things possible.

2018 was a busy year that was in large part spent addressing our future and current infrastructure needs as well as taking steps as an organization to continually improve the programs and services that we deliver to our residents.

Our continued lobbying efforts have allowed us to dramatically reduce our costs for many much-needed infrastructure projects specifically when it comes to bridges, and water and wastewater infrastructure. These projects are not always noticeable to the general public but are essential services for the success and safety of our community.

One of the themes of 2018 was intermunicipal cooperation. The County has focused on creating Intermunicipal Collaboration Frameworks and Intermunicipal Development Plans with our rural, urban and first nation neighbours. These plans will assist us in making better planning decisions and will address how we will work together with our neighbours to address transportation, water, wastewater, solid waste, emergency services, recreation and any other topic of mutual importance in the most effective way possible.

Unfortunately, I can't list all our accomplishments in 2018 so please see more specific information about each department and their accomplishments in the rest of this report. We hope you find this report informative and feel a sense of pride for the community we are all collectively building.

Sincerely,

pig-

Jordan Panasiuk Chief Administrative Officer



ANNUAL EVENTS

SPRING

MARCH

Zabava Celebration High Prairie

Swancicle Days
Swan Hills

APRIL

Gun & Sportsman Show High Prairie

Spring Amateur Rodeo High Prairie

SUMMER

MAY

High Prairie Traditional Pow Wow High Prairie

JUNE

Indigenous Day High Prairie

Annual County BBQ High Prairie

Pioneer Thresherman's Mud Bog Racing Triangle (Hwy 2/2A) North Country Fair Driftpile

Swan River Annual Rodeo

East Prairie Métis Settlement Quad Rally

East Prairie Métis

Driftpile Cree Nation Pow Wow Driftpile

Children's Fishing Derby Winagami Lake

Astral Harvest Driftpile

Alberta Old Timer Motocross Swan Hills

JULY

Pioneer Thresherman's Canada Day Celebration Triangle (Hwy 2/2A)

Elks Pro Rodeo High Prairie

Pioneer Thresherman's Annual Hoedown Jamboree Triangle (Hwy 2/ 2A)

AUGUST

Bash'n at the Beach Demolition Derby Spruce Point Park

Big Lakes Charity Golf Tournament High Prairie

FALL/WINTER

SEPTEMBER

Golden Walleye Classic Fishing Tournament Shaw's Point Resort

High Prairie Tradeshow High Prairie

NOVEMBER

High Prairie & District Children's Resource Council Live Auction High Prairie

DECEMBER

Christmas Santa Claus Parade & Light Up High Prairie & Swan Hills

Festival of Trees High Prairie & Swan Hills

BOARDS & COMMITTEES

High Prairie Municipal Library

High Prairie & District Regional

Solid Waste Management

Board

Authority

External Boards/Committees	High Prairie Seed Cleaning	Inter-Municipal Committees	
Alberta CARE	Co-op	Town of High Prairie	
Barrhead Social Housing	Lesser Slave Lake Forest Resource Advisory Committee	Town of Swan Hills	
Big Lakes County Library Board	Lesser Slave Watershed	Internal Boards/Committees	
Community Futures Lesser Slave Lake Region	Council	Agricultural Service Board	
-	Little Smoky Recreation	Assessment Review Board	
Community Partnership Committee (CHWC)	Northern Alberta Elected Leaders	Emergency Management Committee	
F.C.S.S. Advisory Committee	Northern Lakes College		
Golden Triangle Consortia	(NLC) Community Education Committee	External Economic Development	
Grouard/Peace River Trail Committee	Peace Region Economic	Finance Committee	
Heart River Housing	Development Alliance	High Prairie Airport Committee	
High Prairie Aboriginal Interagency	Peace Airshed Zone Association	Inter-Governmental Relations Committee	
High Prairie Chamber of	Peace Library System	Municipal Planning Commission	
Commerce	Smoky Applied Research & Demonstration Assoc.	Peavine Métis Settlement Agreement Committee	
High Prairie & District Children's Resource Council	Species at Risk		
High Prairie & District Recreation Board	Swan Hills Special Waste Liaison Committee	Subdivision & Development Appeal Board	

Tolko Forest Resource Advisory

Committee

Veterinary Services

Water North Coalition

Incorporated (VSI)

Weed & Pest Control Appeal

Board

MUNICIPAL PLANNING COMMISSION

The Municipal Planning Commission (MPC) is a committee of the whole council. The mandate of MPC is to advise and decide on land use, planning, development, and subdivision issues. During MPC meetings, the Planning & Development department will provide the committee with background information on the applications they received. Based on the information received and recommendations from the department, the MPC will decide on whether the application is approved.

MPC Chair Robert Nygaard said, "We are here for our residents. Every time an application is presented to our committee we do our very best to accommodate their needs."

All MPC decisions must conform to the Municipal Development Plan, Area Structure Plan, and the Land Use Bylaw within the limits of discretion provided for in the Bylaws and the Municipal Government Act. However, the MPC may approve a development application even if the proposed development does not comply with the Land Use Bylaw provided the "use" conforms to

the Land Use Bylaw and the development would not unduly interfere with the neighbourhood amenities or effect the use, enjoyment, or value of neighbouring properties.

"My proudest achievement has been helping small businesses to rezone their properties to suit their business needs. Furthermore, I enjoy being on this committee and seeing all that we have accomplished. We work hard to keep development going in the County and we support development," said MPC Chair Robert Nygaard.

The Municipal Planning Commission meetings are open to the public and occur on the 3rd Tuesday of every month at 10:00 a.m. in the Big Lakes County Council Chambers. Please note that while MPC meetings are open to the public, they are not Public Hearings. The most effective way to submit feedback on a proposal is in writing in advance of the meeting to the Planning and Development department, who can then attach it to the public agenda package. Please contact the department at (780) 523-5955.

PUBLIC WORKS

Big Lakes County provides a variety of operational services year

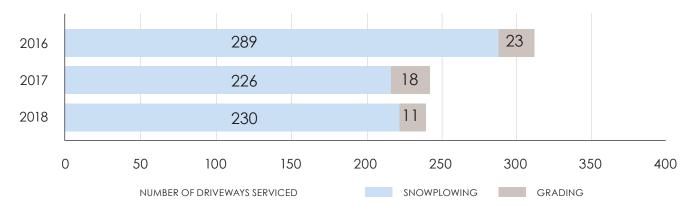




PRIVATE DRIVEWAY SNOWPLOWING & GRADING AGREEMENTS

Private driveway snowplowing and private driveway grading is provided to residents who have entered into an agreement for these services.

In 2018, grading and snowplowing services were provided on a cost recovery basis for a minimum charge \$68.00 plus GST.

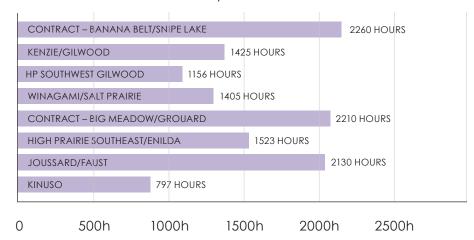




GRADER BEAT HOURS

The County has eight grader beats including two contract graders. Their hours of operation for 2018 are indicated on the graph below.

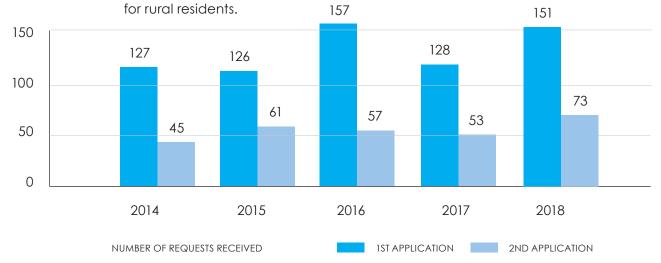
The variances in unit hours are due to weather, number of dust controlled areas and km of roadway in each area.





DUST CONTROL APPLICATIONS

The County applies calcium chloride dust control at its own cost along gravel roads within the Hamlets as per the Dust Control Policy. Rural residents within the County may also apply to have 150m of dust control applied in front of their residence. This service was provided twice last year at a subsidized cost of \$225.00 for the first application of the year and \$112.50 for the second application of the year. The graph below indicates the number of applications received from rural residents in the last five years. In 2018 the County applied 34.78 km of dust control

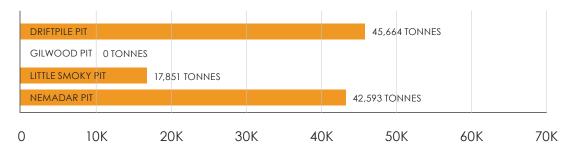




QUANTITY OF GRAVEL PLACED ON COUNTY ROADS

The County is continually working on securing aggregate resources for future road maintenance.

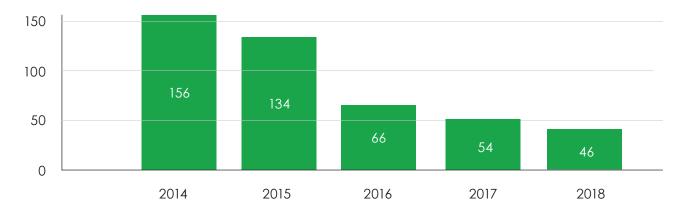
The graph below shows the tonnes of gravel placed on county roads in 2018 and the gravel pit that the gravel was hauled from.





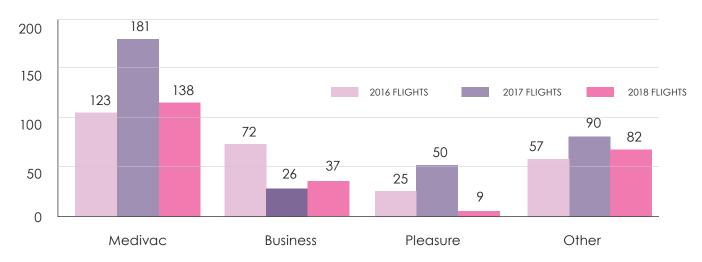
NUMBER OF FLIGHTS RECORDED AT THE SWAN HILLS AERODROME

The Swan Hills Aerodrome, located approximately 4km south of the Town of Swan Hills, is under the management and control of Big Lakes County. This Aerodrome is a Self-Register Aerodrome as this is an unmanned facility. Pilots are asked to record their flight details on the Airport Register.



NUMBER AND TYPE OF FLIGHTS RECORDED AT THE HIGH PRAIRIE AERODROME

In 2017 Big Lakes County took over ownership of the High Prairie Aerodrome located 2km south of the Town of High Prairie. This Aerodrome is also a Self-Register Aerodrome.



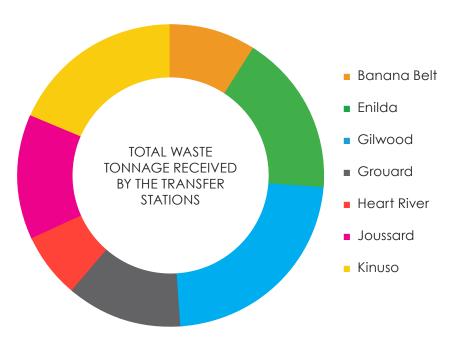
WASTE MANAGEMENT

WASTE

Public Works also administers Waste Management, which includes a Regional Landfill and seven Waste Transfer Stations with one full time Landfill Manager to accept your waste and recycling.

The Landfill Manager reports to the High Prairie & District Regional Solid Waste Management Authority and the Director of Public Works, and ensures that the policies and objectives of the waste authority are implemented

The total tonnage received from all transfer stations in 2018 = 13,903.24





RECYCLING

Currently, there are recycling bins available to our residents in all Hamlets, as well as the ones located in High Prairie.

From there, GFL picks up our recyclable material and ships it to a facility in Edmonton where everything gets sorted and baled. By separating our recyclable material into bins, we make the sorting a bit easier on the back end.

Once a full truck load of each sorted and baled material is ready, they are shipped off to end markets and processed into new raw materials.

Did you know?

- The 'Take it or Leave it' buildings are set up at all manned transfer stations. Items places in 'Take it or Leave it' will be left there for two weeks and then disposed of.
- The Transfer Stations are closed on Christmas Day. The Regional Landfills are closed on Christmas Day, Boxing Day, New Years Day, and Easter Sunday.
- The High Prairie & District Regional Solid Waste Management Authority (HPDRSWMA) was established in 1994 and provides waste management services for the entire Big Lakes County region.



UTILITIES

In 2018, Utilities became part of the Public Works department that administers water and wastewater services to five hamlets, seven rural areas, three water co-op's, and two First Nations.

The department has nine full time staff consisting of the: Director of Public Works, Utilities Manager, Utilities Foreman/Operator, Utilities Coordinator, and five full time Utilities Operators.

Major projects in 2018 included: Kinuso Reservoir & Pump Station, Grouard Reservoir Expansion, Enilda Reservoir Expansion, Joussard Water Treatment Plant & Reservoir, Prairie Echo Waterline & Truck fill (design stage), and Triangle Waterline (design stage).

2018 REVIEW

-) 19 curb stop repairs
- > 5 water mainline repairs
-) 1 sewer line repairs
-) 1 flush point installed/replaced
- 38 meter installations/replacements
- 3 rural Installations

-) 1 installation from curb stop/ main line
-) 14kms of sewer mains flushed
- 9 lift stations cleaned
- > 500+ water samples taken from 11 systems
-) 110 fire hydrants flushed and inspected twice

AGRICULTURAL SERVICES

Big Lakes County Agricultural Services aims to improve and support the economic viability and vibrancy of the agricultural industry within our municipality. This is done through the implementation of Agricultural Service Board programs and priorities, participation in provincial agricultural surveys, support of sustainable agriculture education and collaboration through extension organizations, and meeting municipal responsibilities of the following provincial acts: Weed Control Act, Agricultural Pest Act, and Soil Conservation Act.

Big Lakes County conducts provincially reported agricultural pest surveys annually for Fusarium, Clubroot, Virulent Blackleg, and Grasshopper. In 2018, 275 canola fields were checked for Clubroot with 5 positive findings.

We thank our residents for dealing with their weed infestations diligently - weeds are everyone's concern and it takes a team effort to get them under control. In 2018, a 37% reduction in the occurrence of weed infestations was recorded.

New for the season, Agricultural Services took over the Alberta Transportation weed control contract and has been working towards having CN control in the rail right-of-way. Over 50% of municipal ditches were vegetatively controlled in 2018, making for a very productive season.

The Agricultural Service Board in Big Lakes County consists of a mixture of County Councillors and agricultural producers within the County. In 2018, the Agricultural Service Board Members were as follows:

- Mr. Doug Meneice; Chairperson
- Mr. Duane Nichols; Vice Chairperson
- Mr. Gary Basarb
- Mr. Grant Gaschnitz
- Mr. Lorne Pratt
- Mr. Ron Matula
-) Mr. George Blackhurst
- Deputy Reeve Ken Matthews
- Councillor David Marx
- Councillor Ann Stewart
- Councillor Donald Bissell
- Councillor Ken Killeen

Big Lakes County's Agricultural Service Board is focused on providing quality services and assistance to our ratepayers. Agricultural Services administered the following programs in 2018: vegetative control, Spray Exemption Program, pest management, Agricultural Equipment Rental Program, Weed Control Act, Veterinary Services Incorporated Program, and wolf hunting incentive.







MESSAGE FROM THE AGRICULTURAL SERVICE BOARD CHAIRMAN

Reflections from the past year were a mix of highs and lows, and high fives as we beat mother nature. With a cold, moist spring it was hurry up and wait and suddenly a little hot sun and wind and every grain producer was rolling. The cattlemen went to great lengths to keep cow and calves healthy. Yearling's were also a handful in keeping sickness down.

Crops germinated well, grass and hay were a little slow at coming. Then, FROST! Crops were set back, and alfalfas took a beating. Mid-summer saw smoke, which delayed ripening, but it still turned into a good, average year.

From the Agricultural Service Board side, the January Convention was held in Grande Prairie with a summer tour of Strathcona County. Both were great! Guest speakers at both venues were excellent. Also, a great opportunity to talk to other county reps and make new friends.

The programs initiated by Sheila Kaus, Agricultural Fieldman were a success. Tall Buttercup infestations were down almost 40% over 2018 and

the shelterbelt trees sold better than expected. Veterinary Service Incorporated, weeds, wolf bounty, and beaver control were all hot topics but, in the end, producers and administration accepted the recommendations brought forward. Hopefully 2019 will be a less challenging year!

As Chair, a big thank you to the Board for taking time out of their busy schedules. The commitment is great, and the decisions are occasionally not easy. Thanks to Big Lakes County Council for supporting us and agriculture.

Cheers to 2019!

Agricultural Service Board Chairman

Doug Menice

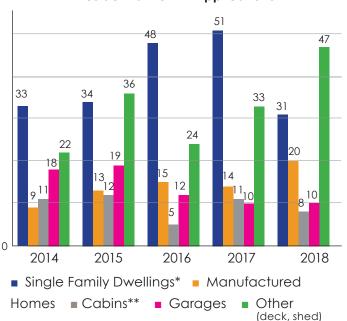
the Planning and Development of department consisted the followina staff: Director of Planning & Development, Development Officer, Pest and Animal Control Officer/Safety Coordinator, Bylaw Enforcement Officer, a half-time Administrative Support position, and the Family & Community Support Services Program (FCSS). FCSS is made up of the Family & Community Support Services Manager, five FCSS Outreach Workers, and contracted Home Support, Youth Program workers, and a bus driver.

The Planning and Development component administers the County's statutory planning documents - the Municipal Development Plan, Land Use Bylaw, and Area Structure Plans by providing recommendations to the subdivision & development authority (Municipal Planning Commission) and Council on applications such as development permits, subdivision approvals, and Land Use Bylaw amendments.

When you are seeking subdivision or development approval, our department must ensure that you have a suitable building site, adequate water and mechanisms to dispose of waste. The Municipal Government Act (MGA) provides direction on many aspects of planning and development and all of our policies, bylaws and procedures must comply with the legislation within the MGA.

Our 2018 development permit statistics show that residential development in the County was lower in value and in numbers of permits than the previous two years. Commercial growth was considerably lower than it was in 2017 in value and numbers; however industrial development in 2018 increased tremendously in value over the past two years. While development permit numbers decreased, the value of development permits issued in 2018 was substantially higher than the past 5 years.

Residential Permit Applications



^{*}Includes additions

**Cabin is a dwelling (not single detached) used as a temporary
residence (until May 2017 had a maximum square footage of
600 sq. ft.)

Development Permit Applications



Development Application by Construction Value

	2015	2016	2017	2018
Industrial	2,515,000	220,000	90,000	2,125,000
Commercial	1,190,250	673,410	435,770	55,000
Residential**	11,683,500	14,245,365	16,015,550	11,751,940
Other*	171,000	490,000	5,038,950	11,321,000

Total 15,559,750 15,628,775 21,580,270 25,252,940

*Other – Public use/institutional facilities, shops, signs, wind turbines, hangar, propane storage (not for sale), family campground, water reservoir, and water treatment plant. The spike in industrial construction value was a result of the new Joussard Water Treatment Facility.

Subdivision Applications

	2015	2016	2017	2018
Urban (Hamlet)	2	3	1	0
Rural	6	12	17	18
Rural Multi-Lot	0	5	0	0
Bareland Condominium	1	2	1	0
Total	9	22	19	18

Completed Subdivisions by Number of Lots

	2015	2016	2017	2018
Urban (Hamlet)	8	2	2	0
Rural	12	4	8	21
Rural Multi-lot	9	3	3	0
Bareland				
Condominium	0	0	2	0
Total	29	9	15	21

Overall, the number of subdivision applications dipped slightly in 2018 and there were no hamlet or rural multi-lot subdivisions in 2018. While the

number of applications deceased in 2018 the number of lots created and registered at Alberta Land Titles increased from 15 in 2017 to 21 in 2018.

Superior Safety Codes Inc. is the contract agency that is responsible for reviewing and processing building, electrical, gas, plumbing and private sewage disposal permit applications, permit issuance and inspections of work completed within the County. This agency also provides code advice and consultations, conducts investigations in conjunction with various local and provincial regulatory agencies and investigates safety codes related complaints.

In 2018, the Planning and Development Department was also responsible for bylaw enforcement, policing, compliance certificates, and the municipal land inventory.

Big Lakes County contracts the Town of High Prairie's Community Peace Officers to enforce specified provincial statutes and municipal bylaws. The Peace Officers provide weekly patrols for a total of 20 hours per month and provide bylaw enforcement services to the communities within the County. On behalf of the County, the Peace Officers issued 45 verbal and/or written warnings and 61 provincial/municipal tickets which amounted to about \$13,725 in possible revenue for the County. The tickets issued were for infractions under the Animal Control Bylaw, Unsightly Property Bylaw, Traffic Safety Act, and Gaming/Liquor and Cannabis Act.

The County also has an agreement with the RCMP to provide 2 full time RCMP members to provide drug enforcement, investigation of serious crimes related to drugs, and crime reduction through the Enhanced Policing Program. This program is cost shared between The Town of High Prairie and the County.

BYLAW ENFORCEMENT

The Bylaw Enforcement Officer is employed by the County to enforce its bylaws that have been implemented by the Big Lakes County Council.

Where citizen activities or property conditions don't meet acceptable municipal standards, the Bylaw Enforcement Officer provides education, warnings, inspections, and applies penalties if need be. Bylaw Enforcement works with ratepayers in all areas of the County to ensure that basic community standards are maintained to a reasonable level.

The Bylaw Enforcement Officer is responsible for enforcing bylaws to deal with common complaints such as:

1. Unsightly Properties which can include uncut long grass, garbage storage, the presence of wrecked or dismantled vehicles.

including vehicles that are inoperable and not registered or insured on the ratepayer's properties. UNSIGHTLY PROPERTY BYLAW NO.06-2019

- 2. Recreational vehicle parking where one RV can be stored on the ratepayer's property, for any additional RVs a permit is required. LAND USE BYLAW SECTION 6.34
- 3. Development permits are required for all new development. This includes new accessory buildings/structures such as a shed (larger than 107.6 square feet in size), sea can or deck. Farm buildings, such as barns and granaries, and most agricultural operations are exempt from requiring a development permit. LAND USE BYLAW SECTIONS 3.1, 3.2, AND 6.1

TYPES OF FILES GENERATED PER WARD

Ward 9: Sunset House/Gilwood North

Ward 8: Banana Belt/ High Prairie East

Ward 7: Enilda/ Big Meadow

Ward 6: Joussard

Ward 5: Faust

Ward 4: Kinuso

Ward 3: Gilwood North/Triangle

Ward 2: Grouard

Ward 1: Heart River/Salt Prairie

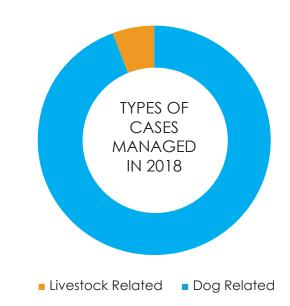


ANIMAL CARE & CONTROL

Big Lakes County's Animal Care & Control program serves the community through enforcement of the Animal Control Bylaw as well as the Livestock Bylaw. This typically means responding to complaints about animals that are at-large, being neglected or abandoned, nuisance animals, and sometimes dangerous animals. Animal Care & Control also assists residents in identifying the best animal husbandry practices for their animals and for the problem's owners may be experiencing with their pets.

In 2018 Animal Care & Control handled 53 cases involving dogs and livestock. This is significantly lower than previous years as fewer complaints were received from residents. As a result of these cases, almost 70 dogs were found running at large and picked up; however, less than 16% of the dogs were claimed by their owners.

Animal Care & Control has been researching and networking with other animal related organizations throughout Alberta to find ways to increase that percentage and get dogs back to their beloved owners. Although this trend can be seen all over the province in rural communities, Big Lakes County is confident that this goal can be achieved through dedication, hard work, building relationships with residents and the introduction of programs and systems aimed at assisting ratepayers with their animals.





DOGS BROUGHT TO

ANIMAL RESCUE



RETURN-TO-OWNER RATE PER WARD

Ward 9: Sunset House/Gilwood North

Ward 8: Banana Belt/ High Prairie East

Ward 7: Enilda/ Big Prairie

Ward 6: Joussard

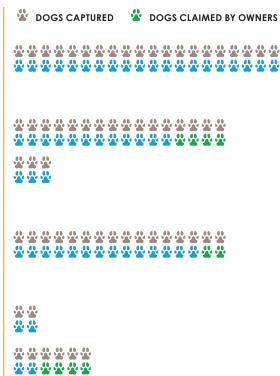
Ward 5: Faust

Ward 4: Kinuso

Ward 3: Gilwood North/Triangle

Ward 2: Grouard

Ward 1: Heart River/Salt Prairie



IN THE WOODS ANIMAL RESCUE SOCIETY

Big Lakes County has worked very closely with "ITWARS" over the past five years with all animals either un-claimed or surrendered being brought to this wonderful not-for-profit organization.

The animals are then spayed or neutered, microchipped, receive vaccinations, and are adopted to approved homes. What a wonderful resource to have near our community!

FAMILY & COMMUNITY SUPPORT SERVICES

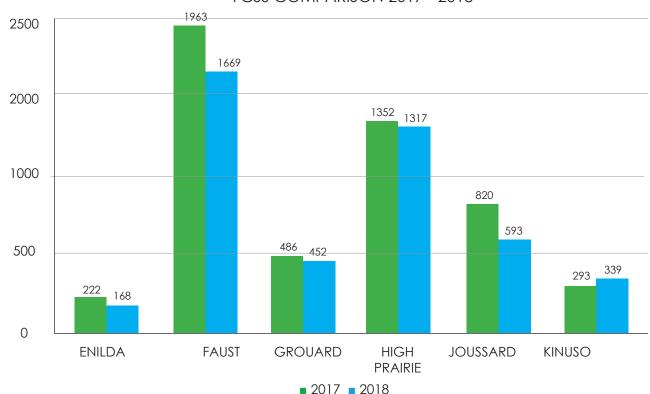
Big Lakes FCSS is a partnership between the Province of Alberta, Big Lakes County, and the Town of High Prairie. Provincially, FCSS is mandated to provide preventative social services under the Alberta FCSS legislation.

In 2018 the FCSS offices in Big Lakes County provided assistance to residents over 4,000 times. This assistance was provided through their six offices and five outreach staff. Outreach staff have assisted residents in completing government paperwork, referrals to other agencies, preparing income tax returns, and so

much more. This assistance is confidential and free.

By providing services to low-income residents under the Community Volunteer Income Tax Program, FCSS has helped ensure that over \$2 million per year comes into the community. This included federal income supplements, working income tax benefits, income tax refunds and child tax benefits. Through this program, FCSS can also help seniors determine is they are getting everything they are entitled to.

FCSS COMPARISON 2017 - 2018





With the continued generosity of donations and support from our residents, we are able to provide Christmas hampers to families in need within the County. In 2018, we provided 48 families with hampers.

FCSS also provided successful youth programs as well as home support services to residents in need, which

often allows people to remain in their own homes and communities for longer. This department continues to host several events throughout the year including volunteer appreciation events in each hamlet to honour volunteers in all the communities on behalf of the Province of Alberta, Big Lakes County, and the Town of High Prairie. FCSS also hosts Family Day and seniors week events in each community.

BIG LAKES FCSS RURAL TRANSPORTATION PILOT PROGRAM!

In 2018 Big Lakes County purchased a 12-passenger wheelchair accessible bus with the help of the Medically At-Risk Driver (MARD) program through the University of Alberta to provide transportation services to County residents. The program is set to begin in 2019.

FCSS MISSION STATEMENT

- To improve the quality of life for our community by assisting people to address their own needs and help themselves.
- To help people help themselves to live a happier and healthier life.
- To educate the community and make people aware of choices and options, thereby giving individuals power over their own lives.

COMMUNITY SERVICES

Community Services facilitates the development of community initiatives, which aim to foster a positive image, stewardship, and sustainable growth.

Community Services serves our county residents through a combination of services that includes Economic Development and Fire Services.









ECONOMIC DEVELOPMENT

The Big Lakes County Economic Development Authority (EDA) entered into its 3rd year in 2018, and it was undoubtedly our best year yet. We achieved many milestones and fulfilled our goal of being recognized in Alberta as a leader in rural economic development in record time. We'd like to congratulate and thank Council, staff, and business leaders for their involvement in the economic success of our area.

The Big Lakes County Economic Development committee facilitates economic development opportunities and seeks to improve conditions for business, investment, and quality of life. The following is what the committee focused on in 2018:

- 1. Continue to build a strong network and reputation for Big Lakes County
- 2. Increase collaboration with neighbours
- 3. Obtain funding to match investments in economic development
- 4. Be a top partner and resource for other governments
- 5. Continue to build economic development capacity within the county

PROVINCIAL AWARD

Big Lakes County won a business retention and expansion award (i.e. work to support local business) from Economic Developers Alberta in March 2018 for our Diversification and Small and Medium-Sized (SME) Supports Initiative. Big Lakes competed against Wetaskiwin, Morinville, the County of Northern Lights, and Sundre.



LOCAL BUSINESS SUPPORTS

Building upon that award-winning project, we launched a Business Supports Program and contracted Joyce Stokes to join the EDA as our Business Supports Advisor. The Program was designed to address results from a county-wide business survey.



START UP, TUNE UP, AND GROW!

We help any business in the Big Lakes County - High Prairie - Swan Hills area navigate the many local, provincial, and federal resources and services available.

Our Business Resources Advisor Joyce Stokes works confidentially with businesses in a one-on-one setting.

Contact Joyce at (780) 523-5955, by email at businesssupports@biglakescounty.ca, or drop by the County office on Tuesday or Wednesday between 8:30am and 4:30pm.

GOBIGLAKES.CA
THE BIG LAKES
RESOURCES HUB



The June 2018 Local Business Survey found that over 80% of businesses in the Big Lakes County, High Prairie, and Swan Hills area are satisfied with doing business locally and are increasingly optimistic about the business climate and future revenues.

They are most satisfied with business factors such as availability of water and affordable housing, zoning, and support from residents and local businesses. They are most concerned about the availability of skilled labour, followed by development/building permit processes, internet and cell serve, municipal property taxes, and roads. Of the businesses survey, 24% were 'green flags' or looking to expand, while 39% were 'red flags' or considering relocating, downsizing, selling or closing.

The EDA is working on four actions to address this feedback from the business community:

- Improve support for local businesses. Hence, the creation of a Business Supports Program.
- Address the areas of concern through communications, consultations, resources, and key projects.
- Address other areas of concerns from the survey. These are business and succession planning, start-up levels, youth entrepreneurship, HR capacity, best practices sharing, information gaps, and market diversification.
- Reachout to green flag and red flag companies through the Business Supports Program.

Business Supports Program

- Business Resource Advisor
- Help navigating provincial & federal resources
 - Business Directory
 - Workshops & sessions
 - Research services
 - & more!

FUNDING

Working with the Grants Department, we secured more than \$215,000 in additional provincial funding for economic development initiatives, including the 3rd largest amount in Alberta from the Community Regional and Economic Supports (CARES) program. The CARES funding totaled \$170,265 for phase II of our Diversification and SME Supports Initiative, which includes working with experts, partners, BLC staff, and local businesses in five key areas: tourism, agriculture, energy, small business, and Information and Communications Technology (ICT). An additional \$45,000 came from the Tourism Growth and Innovation Fund (TGIF) for a Visitor Friendly Assessment (VFA) to improve visitor experiences in the county.

ATTRACTION

We submitted three well-received site selection proposals for value-added agricultural processing, specifically hemp decortication and agriculture plastics recycling. The common challenge remains transportation infrastructure and costs, an issue that is a priority for the EDA in 2019.

INNOVATION

Big Lakes County has entered into a unique pilot project, a first of its kind in North America, with US-based website company GoDaddy. Dedicated efforts between the EDA's leadership and executives at GoDaddy led to the opportunity for 12 local businesses to receive free hosting from GoDaddy for one year. The project, which launches in 2019, aims to improve overall online presence for Big Lakes County's business community, as well as increase sales and improve talent attraction for participating businesses.

RECOGNITION

Big Lakes County received public recognition as an example of economic development excellence on three occasions from senior-level government officials, including a provincial minister. The positive comments were part of official standing committee proceedings. Of the hundreds of communities and projects that could have been cited, Big Lakes County was the first and one of 4 communities mentioned.

In March, the Ministry of Alberta Economic Development and Trade invited EDA Executive Director Lisa Baroldi and economic development leaders from three other communities throughout Alberta to present their successful CARES projects at the annual Economic Developers of Alberta conference in Banff. The communities were selected among 176 possible options and Big Lakes County was the only northern community. The presentation slide is below.

COLLABORATION

Big Lakes County is collaborating with neighbours in key areas. The regional broadband project includes more than a dozen communities in the region. Our Visitor Friendly Assessment included High Prairie, Swan Hills, Sucker Creek First Nation, and Driftpile First Nation. This information was provided to each community to inform their own decision-making. Invitations to participate in next steps are forthcoming. The Big Lakes County Business Supports Program is available for all communities within the Big Lakes County boundaries. Finally, Big Lakes County invited communities in the region to discuss how to best work together. This leadership led to the Government of Alberta commissioning a thirdparty assessment of economic development in the region.

SECTOR TOUR - TOURISM

In June 2017, Big Lakes County hosted a tourism tour that included provincial government tourism experts. Impressed with our focus and efforts, these representatives invited Big Lakes County to be one of four communities to host a Tourism Entrepreneurship Startup Seminar (TESS). They also invited us to apply for funding for a Visitor Friendly Assessment (VFA).



THE TOUR GROUP LEARNING TO COOK BANNOCK OVER THE FIRE DURING THE TOURISM TOUR

Big Lakes County was awarded funding in March and selected Expedition Management to conduct the VFA. Expedition presented its summer assessment findings to over 30 municipal and industry representatives in October. The group was most interested in moving forward in 2019 to improve signage and wayfinding, which the assessment found was a major challenge that visitors face. The winter visitor friendly assessment and project final report are due in 2019.

"Thanks for this fantastic summary. It's great to see the progress being made in Big Lakes County with your guidance." – Ashley Kalk, Tourism Development Officer, Alberta Culture and Tourism



LEFT TO RIGHT: ASHELY KALK (ALBERTA CULTURE AND TOURISM), TRACY DESJARDINS (TRAVEL ALBERTA), LISA BAROLDI (BIG LAKES COUNTY EDA), CHARMAINE WILLIER (INDIGENOUS TOURISM ASSOCIATION OF CANADA), JUSTIN ROUSSEAU (EXPEDITION MANAGEMENT)

"It has been a pleasure to connect with the Big Lakes County Economic Development Authority as community members and business owners. We were very impressed with the forestry/transportation tours and gained valuable insights as far as the challenges and solutions met by fellow business owners in this community. We were especially happy with the tourism strategy session in Joussard as it relates specifically to our business and we can honestly say that we benefited directly from it." - Arlen & Diane Quartly, Nicole Quartly - Sunstone Energy Services Ltd., High Prairie, Sunstone Inn Bed & Breakfast, Joussard

SECTOR TOURS - FORESTRY & TRANSPORTATION & LOGISTICS

In October, Big Lakes County hosted industry experts in forestry and transportation & logistics for a 1.5-day tour to visit local assets and to brainstorm solutions for industry challenges and how best to pursue opportunities. The tour has led to initiatives to address labour shortages, transportation infrastructure, a drone strategy, and continued information sharing and local business support.



THE TOUR GROUP AT TOLKO'S FACILITIES WITH TOLKO PLANT MANAGER ANDREI DOLGIREV

"I found the whole experience really beneficial and enjoyable. As I said on the tour, I had no idea as to the scale of forestry projects in the area. And it was so good just to see and hear about all the other activity in the HP area. I hope we can stay in touch and maybe work together in the future." – Lawrence Schmidt, Director, Market Access and Intergovernmental Relations, Alberta Transportation

"I would like to thank you for the invitation and the excellent work you did for the Forestry/ Transportation Tour. I really appreciated the opportunity and it means a lot to me and is helping in the success of my company and employees. I cannot express enough the importance of getting leaders and business minded people in our community into the same room sharing stories and discussing their issues." – Kevin Meunier, Owner, KMW Industries



TOURING WEST FRASER



COUNCILLORS ANN STEWART AND FERN WELCH THANKING LEE BARTON AND RICHARD BRIAND OF WEST FRASER FOR THEIR PARTICIPATION IN THE TOUR DISCUSSIONS.

FIRE SERVICES

Big Lakes County has 80 volunteer firefighters who are stationed at the Enilda, Grouard, Joussard, Faust, and Kinuso Fire Districts. These volunteer firefighters are dedicated to keeping you safe by providing efficient, effective, and responsive fire and emergency services.

The Boat Program based at the Faust Fire District was well utilized in 2018 with overland flooding between the Driftpile River and the Swan River. Residents in these areas were affected in that some were unable to access roadways due to the flooding. During this time, Big Lakes County Fire Services deployed the rescue boat to perform welfare checks on affected residents in addition to assisting EMS with two medical emergencies as well as ferrying two County residents who voluntarily evacuated. In addition to successfully deploying this valuable resource, Big Lakes County Public Works Department Staff, FCSS, RCMP, Lakeshore Regional Police Service, Alberta Health Services EMS from High Prairie and Slave Lake and Alberta Agriculture & Forestry's Wildfire Management all worked together to help ensure the safety and needs of our County residents were met in a timely fashion. The single event was a great demonstration of how County Departments and allied agencies are able to work together to achieve the common goal.

Two new fire trucks were received by Big Lakes County Fire Services in June of 2018. The first

was a Wildland-Urban Interface (WUI) Engine built on a Freight-liner chassis which replaced a 1998 GMC C8500 in the Enilda Fire District. This engine can respond to a variety of emergencies including structure fires, vehicle fires, grass fires and WUI fires. Firefighters in the Enilda Fire District have been in a steady state of regular training since June, ensuring each operator has a firm understanding of the engine's operability and capacity.

The second fire truck received in 2018 was a Rapid Attack-Light Rescue unit which replaced a 2004 Dodge Ram being used as a rescue unit for motor vehicle collision response. This new unit was built on a Ford F-550 chassis and carries 400 gallons of water and is Class A foamcapable. This unit was put into service as a multi-use resource for the County. It provides first response to wildland fire events, wildland-urban fire events and provides direct support to motor vehicle collisions, providing back-up to primary resources.

In 2018, with the support of County Council, firefighter personal protective clothing began being replaced as part of Big Lakes County's replacement initiative. This initial replacement saw County firefighters measured and sized for bunker gear to replace expired gear or gear no longer safe for active use on an active scene or training.

2018 EMERGENCY RESPONSE CALLS

In 2018, the five County Fire Districts and two contracted municipal Fire Departments attended a wide variety of calls that saw 149 emergency responses, County-wide.

Mutual Aid	
False Alarm	
HAZMAT	lacktriangle
Water Rescue	lacktriangle
Electrical Hazard	
EMS Assist	
Wildland Fire	0000000000000000000
Structure Fire	
Vehicle Fire	
Motor Vehicle	0000000000000000
Collisions	000000000000000
	000000000000000
Other (CO alarm, gas leak, etc.)	

CORPORATE SERVICES

Big Lakes County's Corporate Services department includes many of the less visible departments within the County, including Financial Services, Taxation, Geographic Information Systems, Information Technology, and Grants. While many of these services involve assisting other departments within the County, there are also several public-facing services that we offer.



YOU HAVE QUESTIONS, WE HAVE ANSWERS

The collection of taxes is a very important function for Big Lakes County. The taxation department works closely with our contracted assessors to ensure that property values are properly recorded, and that taxes charged are correct. The taxation department also manages the collection of outstanding taxes, as well as the payment of requisitions collected on behalf of the Alberta School Foundation Fund and local seniors' housing foundations.

Here are just a few answers to some of the questions we get asked throughout the year.

What would cause my property assessment to change, when I have not changed anything on my property?

As properties are assessed every year based on a mass appraisal approach, market values will have an effect on the assessed value. Even though you may not have changed anything on your property, assessed values change based on the change in market values year to year.

What gives the assessor the right/permission to enter onto private property?

Section 294 of the Municipal Government Act states that after giving reasonable notice to the owner or occupier of any property, an assessor may at any reasonable time, for the purpose of preparing an assessment or determining if the property is to be assessed. Big Lakes County strives to protect our citizens. We notify property owners on Facebook and on our County website when our assessors are in the area.

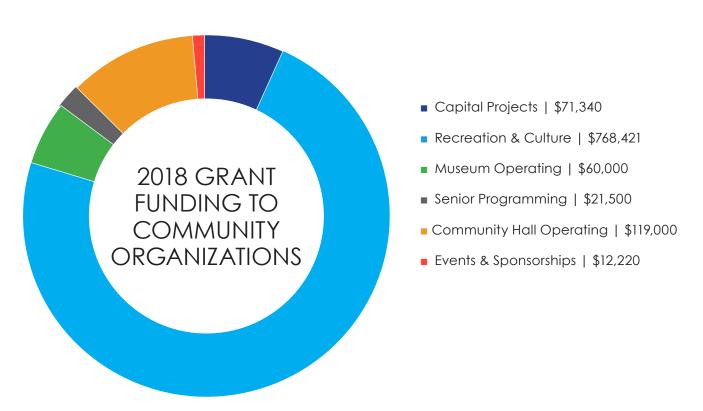
How are my taxes calculated?

Taxes are calculated based on the assessed value of your property. Three separate tax rates are applied to the assessed value:

- The municipal tax levy is the rate that Big Lakes County applies to property values in order to fund County expenditures.
- is an amount that the County is required to charge property owners on behalf of Alberta Education. The amounts collected are used to fund education programming in Alberta.
- The Seniors' Requisition is an amount that the County is required to charge property owners on behalf of local seniors' support organizations Heart River Housing and Barrhead and District Social Housing. The amounts collected are used to fund seniors' housing facilities.

GRANTS

The grants department is responsible for both grants where the County distributes funding to local community groups and non-profit organizations, as well as grants where the County receives funding from other levels of government for capital projects and other initiatives.



Local Non-Profit Support

In 2018, Big Lakes County supported our community organizations with a total of \$1,052,481 in grant funds. These funds were given to community organizations to increase the availability of social, physical and educational opportunities to our residents.

Our various grant programs support community organizations and benefit residents by subsidizing community halls' annual operating expenses to make their facilities more accessible, enhancing cultural and recreation opportunities for residents, increasing access to historical and educational services, repairing or improving their facilities to create a safer or more enjoyable spaces, and by supporting local events and initiatives.

GRANTS AWARDED TO THE COUNTY

Big Lakes County strives to provide high-quality services to our ratepayers at the lowest cost possible. That's why we actively seek grant funding opportunities that allow us to pursue projects and new initiatives at a reduced cost to our ratepayers. In 2018, \$4,899,352 in grant funding was announced for Big Lakes County to do precisely that — do more for our ratepayers at a lower cost.

As you can see from the list below, we utilized every possible grant opportunity to pursue projects across the spectrum. Because of these efforts, the County's departments we able to pursue more projects. For example, our Economic Development Authority was able to complete a Visitor Friendly Assessment; the results will help us improve business opportunities for our tourism operators and will make our County a more enjoyable place to live, work, and visit.

Another notable grant win is the funds we received through the Strategic Transportation Infrastructure Fund (STIP) Community Airport Program to improve the High Prairie Airport. In 2019, we will repave the runway and install new and improved lighting. These upgrades, made possible by grant funding, will increase accessibility and will make our airport a more desirable place to land and use.

The following table details the funding announcements that we received in 2018:

Grant Announcement	Funding Amount
Municipal Sustainability Initiative (MSI) Operating & Capital Allocations	\$1,290,773
Strategic Transportation Infrastructure Fund (STIP) Local Road and Bridge	\$1,676,945
Strategic Transportation Infrastructure Fund (STIP) Community Airport Program	\$720,695
Gas Tax Fund	\$226,297
Agricultural Service Board (ASB)	\$208,359
Alberta Community Partnership (ACP) Intermunicipal Collaboration Framework	
& Intermunicipal Development Fund	\$180,552
Community and Regional Economic Support (CARES)	\$170,265
Family and Community Support Services (FCSS)	\$153,287
Municipalities for Climate Innovation Program	\$107,200
Municipal Asset Management Program	\$50,000
Tourism Growth and Innovation Fund	\$45,000
Alberta Community Partnership (ACP) Municipal Internship Program	\$43,814
Tire Marshalling Area Grant	\$26,165

GEOGRAPHIC INFORMATION SERVICES

This department involves the use of a great deal of data and specialized software to produce maps and key locational information. For example, the GIS department creates route maps for our gravel hauling staff that help to reduce total mileage by eliminating redundancies.

Some key projects undertaken within 2018 were:

- Assigning and correcting residential and commercial addresses and facilitating the installation of correct signage.
- Preliminary work for the creation of a comprehensive asset management system, which will allow for more detailed decision-making regarding the County's infrastructure. For instance, the asset management program will allow County staff to track specific lengths of water mains and provide information about composition, age, expected useful life, and expected replacement cost, which will facilitate better planning.
- Creating and updating data at the Faust cemetery regarding occupied plots, and installing markers.
- Developed both maps and online applications for field staff, including agriculture, utilities and public works.



FINANCIAL STATEMENT DISCUSSION & ANALYSIS

Combined with the County's consolidated financial statements, the Financial Statement Discussion and Analysis (FSD&A) section of the Annual Report is prepared by management in accordance with the principles and standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada, as well as the Municipal Government Act and provincial and federal regulations.

The FSD&A aims to provide commentary on the past year's financial results, including a summary of the sources, allocation and use of the economic resources, while capturing significant differences between the reported year and previous year as well as budgeted and actual results.

Management has made every effort to ensure the financial statements present a fair accounting of the County's consolidated operating and capital activities for the fiscal year ended December 31, 2018. The County's financial results are recognized and reported in observation of the County's policies and bylaws, where Council provides governance and guidance to policy and bylaw changes and approval.

OPERATING REVENUES & EXPENSES

The County's revenue totaled \$26.6 million in 2018; an increase of 2.1% from the prior year. Most of the revenue that the County collects comes from property taxes, and the majority of property tax revenue is generated from linear properties as discussed below.

Property taxes	81%
User fees & sales of goods	10%
Government transfers for operating	3%
Interest & investment income	3%
Oil well drilling taxes	1%
- Other	207



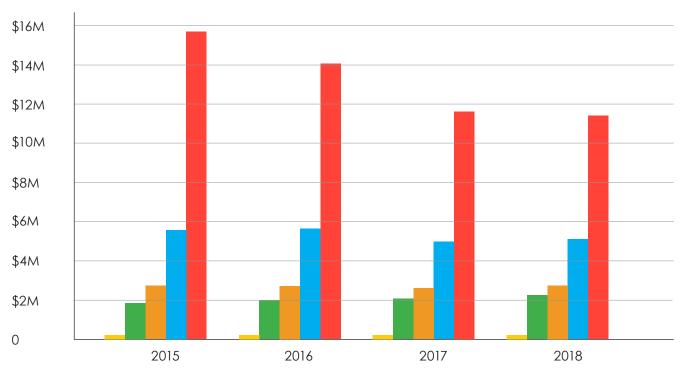
TAX REVENUE TRENDS - BY SOURCE*

Taxation revenue was relatively stable in 2018 – which was a welcome change from the marked decline experienced over the previous several years. While linear properties generated slightly less tax revenue in 2018, this decline was offset by increases in the other property types. Tax revenue is affected by both tax rates and property assessment values, as discussed below.

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TAV DEVENUE TRENDS

	2015	2016	2017	2018
Farmland	\$ 150,925	\$ 151,141	\$ 151,477	\$ 153,272
Residential	1,789,204	1,893,852	2,002,192	2,187,042
Non-residential	2,668,260	2,649,955	2,542,760	2,682,392
Machinery & Equipment	5,517,896	5,583,914	4,918,988	5,054,900
Linear Properties	15,666,860	14,033,582	11,582,505	11,371,980
Total	\$25,793,144	\$24,312,444	\$21,197,922	\$21,449,586



^{*} Tax revenues include grants received in place of taxes, but exclude requisitions for seniors and schools

ASSESSMENT & MILL RATE

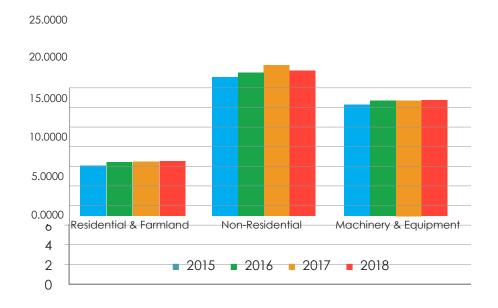
In 2018, Big Lakes County increased municipal taxes for residential and farmland properties slightly to 4.305 "mills" or an effective tax rate of 0.004305% per \$100,000 of assessed value. This means that if a property was assessed at \$100,000, the municipal taxes payable would have been \$430.50. Non-residential and machinery & equipment municipal tax rates were held steady at 14.50 mills

While the municipal tax rate is the only one that's controlled by Big Lake County, landowners are also charged taxes to support the Alberta School Foundation Fund (ASFF) as well as local seniors' housing foundations. Amounts collected for ASFF and seniors' foundations are requisitioned by these organizations – Big Lakes County is given a dollar amount to collect, and the amount is allocated among all the assessed property value within the County.

2018 TAX RATES

	Municipal	School	Senior	Total
Residential & Farmland	4.305	2.4331	0.1530	6.8911
Non-residential	14.500	3.7950	0.1530	18.4480
Machinery & Equipment	14.500	N/A	0.1530	14.6530

COMBINED TAX RATE TREND



Where do my taxes go?

The total property taxes collected annually are portioned out to the Alberta School Foundation Fund (ASFF), local seniors' housing foundations, and finally to general municipal revenue.

The portions of property tax that are directed to ASFF and seniors organizations are requisitioned by these organizations - Big Lakes County is informed how much is needed, and we are required to collect funds on these organizations' behalf. Big Lakes County cannot control these rates; only the municipal tax rate.

Why did my taxes change from last year?

Taxes payable can change based on a number of different factors. For 2017, municipal tax rates didn't change, but amounts for ASFF and seniors' organizations did. In addition, taxes are calculated as a rate multiplied by the assessed value of a property. If your property's assessed value changed, the taxes payable followed suit.

PROPERTY VALUE - TRENDS

Property values within the county stabilized in 2018 after several years of decline. In particular, linear property (largely represented by oil and gas infrastructure) leveled out – which is of particular importance given that those properties generate a significant amount of taxes for Big Lakes County.

ASSESSED VALUES - BY PROPERTY Type

	2015	2016	2017	2018
Farmland Property	\$ 35,678,430	\$ 35,615,610	\$ 35,636,830	\$ 35,603,170
Residential Property	420,656,660	447,061,490	471,905,700	508,023,540
Machinery & Equipment	380,868,730	374,070,230	340,141,610	348,613,850
■ Non-residential	184,537,960	186,652,330	177,649,180	184,992,560
Linear — Regular Property	1,060,251,970	979,573,050	777,148,810	763,681,760
■ Linear — Power Generation	8,893,390	11,011,910	10,698,060	20,592,680
Total	\$ 2,090,887,140	\$2,033,984,620	\$1,813,180,190	\$1,861,507,560

PROPERTY ASSESSMENT TRENDS



OPERATING EXPENSE COMPOSITION

Of all the services that the County provides for residents and ratepayers, transportation services come at the highest overall cost. Big Lakes County maintains 1,351 kilometres of roadways, and transportation costs include both summer and winter road maintenance, gravelling, bridge inspections and maintenance, as well as clearing brush and ditches.

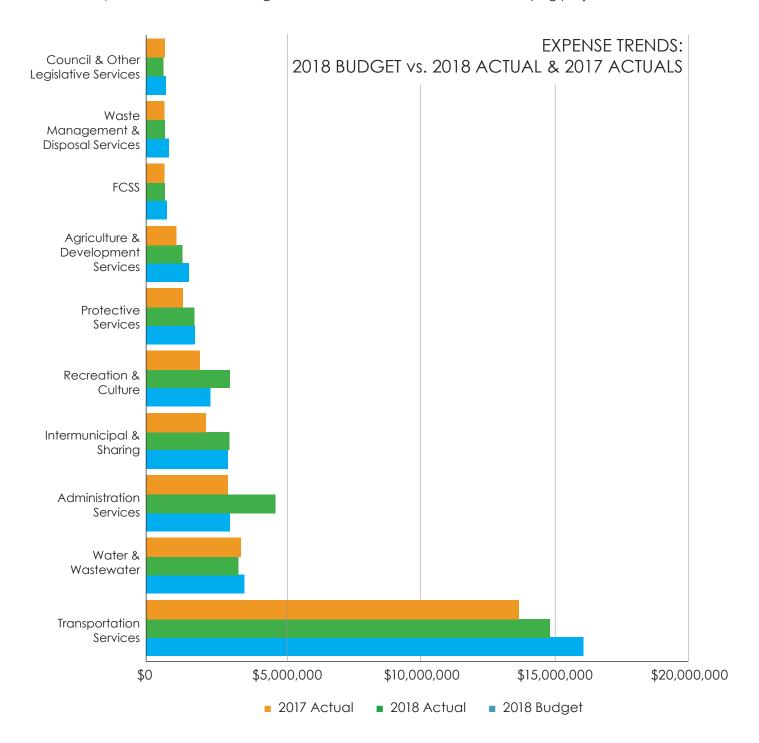
Other significant costs include the treatment, distribution, and management of potable water and wastewater, as well administrative services and cost-sharing agreements.



■ Transportation Services	Protective Services
■ Water & Wastewater	Agriculture & Development Services 4%
Administration	■ FCSS 2%
■ Intermunicipal Cost Sharing	■ Waste Management
Recreation & Culture	■ Council & Other Legislative Services 2%

EXPENSE TRENDS

Generally, expenses in 2018 were consistent with both budgeted amounts and with the prior year. The most significant variances were that administration services came in \$1.2 million greater than budgeted amounts due to the unexpected write-downs of receivable balances, and that transportation services came in \$1.3 million less than budgeted amounts due to wet weather delaying projects.



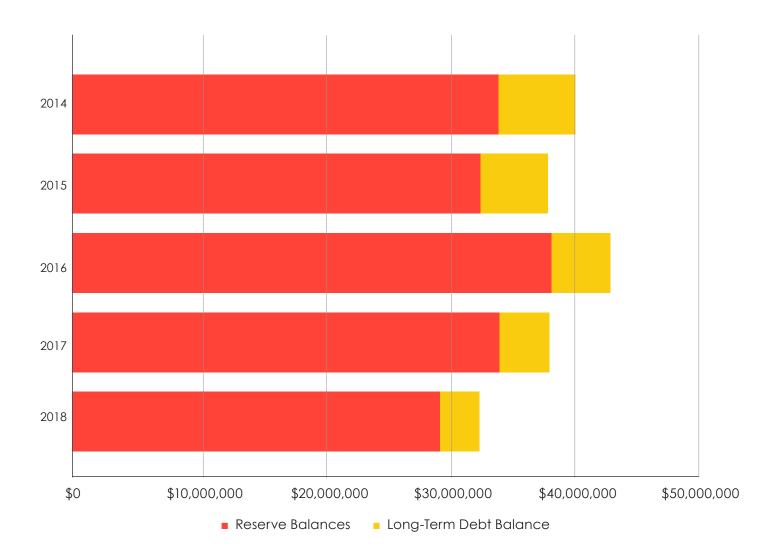
DEBT & RESERVES

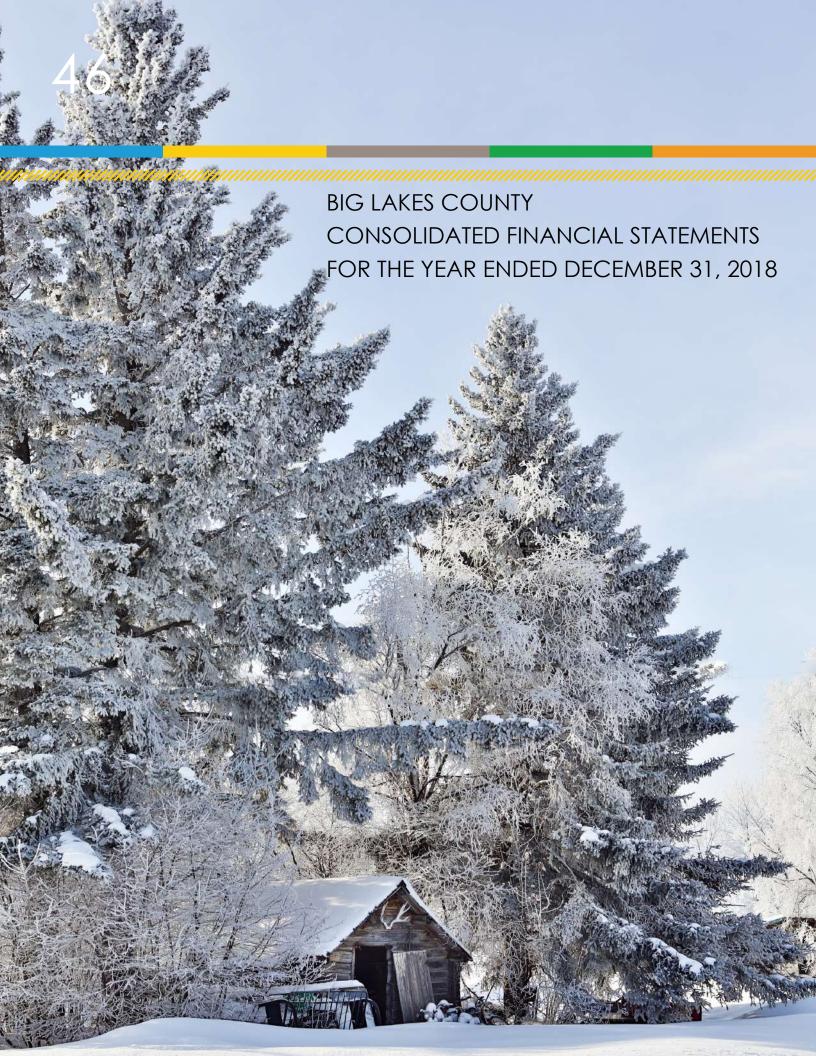
While revenue in 2018 increased by 2.1% from 2018, expenses increased by 15.6%. These combined trends mean that the County generated a deficit of \$6.6 million before other revenue and expenses. A deficit occurs when a municipality's expenditures are greater than its revenues – it cannot bring in enough income to cover its costs. When a deficit occurs, the shortfall must be funded by either drawing funds from reserves (savings, or surplus funds from good years), or taking on debt.

Despite drawing from reserves for regular operations in 2017 and 2018, the County still has healthy reserve balances, particularly when compared to debt; Big Lakes County is currently using only 8% of its available debt limit.

Most municipalities in Alberta borrow from the Alberta Capital Finance Authority (ACFA) when they don't have sufficient funds, particularly for larger infrastructure projects like new roads and bridges.

The Municipal Government Act regulates the amount of debt that municipalities are allowed to take on, as it is important that municipalities have the capacity to repay debt when it is due.





INDEPENDENT AUDITORS' REPORT

To the Reeve and Council of Big Lakes County

We have audited the accompanying consolidated financial statements of Big Lakes County (the County), which comprise the consolidated statement of financial position as at December 31, 2018, and the consolidated statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the County as at December 31, 2018, the consolidated results of its operations and accumulated surplus, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the County's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the County or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the County's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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



Chartered Professional Accountants April 10, 2019 Edmonton, Alberta

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

To the Reeve and Council of Big Lakes County High Prairie, Alberta

The integrity, relevance and comparability of the data in the accompanying consolidated financial statements are the responsibility of management.

The consolidated financial statements are prepared by management, in accordance with Canadian public sector accounting standards. They necessarily include some amounts that are based on the best estimates and judgments of management.

To assist in its responsibility, management maintains accounting, budget and other controls to provide reasonable assurance that transactions are appropriately authorized, that assets are properly accounted for and safeguarded, and that financial records are reliable for preparation of the consolidated financial statements.

Metrix Group LLP, Chartered Professional Accountants, have been appointed by the Big Lakes County Council to express an opinion on the Big Lakes County consolidated financial statements.

Original signed by

Jordan Panasiuk

Chief Administrative Officer

Original signed by

Heather Nanninga, CPA, CA Director of Corporate Services

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BIG LAKES COUNTY Consolidated Statement of Financial Position As at December 31, 2018

	2018	2017
FINANCIAL ASSETS		
Cash and cash equivalents (Note 2)	33,822,632	41,875,678
Receivables (Note 3)	12,930,937	8,992,665
Loan receivable (Note 4)	197,249	305,417
Land held for resale	249,025	214,025
	47,199,843	51,387,785
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	5,228,855	4,454,042
Deposits	137,224	132,496
Deferred revenue (Note 6)	2,035,335	1,657,242
Long-term debt (Note 7)	3,220,197	3,975,068
	10,621,611	10,218,848
NET FINANCIAL ASSETS	36,578,232	41,168,937
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 9)	288,988,268	284,167,892
Inventories for consumption (Note 8)	553,638	888,384
Prepaid expenses and other assets	183,970	194,431
	289,725,876	285,250,707
ACCUMULATED SURPLUS (NOTE 10)	\$ 326,304,108	\$ 326,419,644

Contingencies (Note 13)

ON BEHALF OF COUNCIL:

Original signed by
Richard Simard, Reeve
Original signed by
Ken Matthews, Deputy Reeve

BIG LAKES COUNTY Consolidated Statement of Operations and Accumulated Surplus For the Year Ended December 31, 2018

	2018	2018	2017
	(Budget)	(Actual)	(Actual)
	(Note 22)	(()
	(
REVENUE			
Net taxation (Schedule 2)	\$ 21,459,092	\$ 21,473,792	\$ 21,295,453
User fees and sales of goods	2,553,283	2,642,236	2,590,753
Government transfers for operating (Schedule 3)	1,214,965	944,183	857,737
Interest and investment income	402,000	729,772	416,474
Oil well drilling taxes	250,000	369,549	475,154
Penalties and costs on taxes	206,000	340,640	295,727
Rentals	38,800	50,065	52,627
Other	30,800	22,633	26,955
Fines, licenses and permits	18,000	12,099	21,356
	26,172,940	26,584,969	26,032,236
EXPENSES			
Transportation services	16,311,412	15,043,363	13,899,223
Water and wastewater services	3,606,601	3,382,011	3,485,670
Administration services (<i>Note 3</i>)	3,609,951	4,762,582	2,984,791
Intermunicipal cost sharing (Note 16 (a))	3,000,798	3,052,945	2,168,390
Recreation and culture services	2,336,869	2,058,532	1,948,740
Protective services	1,750,926	1,734,134	1,301,139
Agriculture and development services	1,522,531	1,293,621	1,057,624
Family and Community Support Services	708,364	628,59 8	609,420
Waste management and disposal services	775,438	626,771	605,048
Council and other legislative services	665,000	577,730	637,565
	34,287,890	33,160,287	28,697,610
ANNUAL DEFICIT BEFORE			
OTHER REVENUE (EXPENSES)	(8,114,950)	(6,575,318)	(2,665,374)
•		• • • •	
OTHER REVENUE (EXPENSES)			
Government transfers for capital (Schedule 3)	16,223,290	6,622,642	9,658,674
Gain (loss) on disposal of tangible capital assets	(117,150)	(162,860)	94,435
Restructuring - transfers of tangible capital assets	-	-	154,904
	16,106,140	6,459,782	9,908,013
ANNUAL SURPLUS (DEFICIT)	7,991,190	(115,536)	7,242,639
ACCUMULATED SURPLUS, BEGINNING OF YEAR	326,419,644	326,419,644	319,177,005
·			
ACCUMULATED SURPLUS, END OF YEAR	\$334,410,834	\$326,304,108	\$326,419,644

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BIG LAKES COUNTY Consolidated Statement of Changes in Net Financial Assets For the Year Ended December 31, 2018

	2018 (Budget) <i>(Not</i> e <i>22</i>)	2018 (Actual)	2017 (Actual)
ANNUAL SURPLUS (DEFICIT)	\$ 7,991,190	\$ (115,536)	\$ 7,242,639
Acquisition of tangible capital assets Tangible capital assets - restructuring Proceeds on disposal of tangible capital assets Amortization of tangible capital assets (Gain) loss on disposal of tangible capital assets	(30,355,742) - - 7,733,750 (117,150)	(13,257,241) - 301,080 7,972,925 162,860	(14,344,037) (154,904) 393,469 7,733,926 (94,435)
	(22,739,142)	(4,820,376)	(6,465,981)
(Acquisition) use of inventories for consumption (Acquisition) use of prepaid expenses	-	334,746 10,461	674,374 (24,168)
	_	345,207	650,206
INCREASE (DECREASE) IN NET FINANCIAL ASSETS	(14,747,952)	(4,590,705)	1,426,864
NET FINANCIAL ASSETS, BEGINNING OF YEAR	41,168,937	41,168,937	39,742,073
NET FINANCIAL ASSETS, END OF YEAR	\$ 26,420,985	\$ 36,578,232	\$ 41,168,937

BIG LAKES COUNTY Consolidated Statement of Cash Flows For the Year Ended December 31, 2018

	2018		2017
OPERATING ACTIVITIES			
Annual surplus (deficit)	\$ (115,536) \$	7,242,639
Non-cash items included in annual surplus	• •		, .
Loss on disposal of tangible capital assets	162,860	ı	(94,435)
Amortization of tangible capital assets	7,972,925		7,733,926
Restructuring - transfers of tangible capital assets	•		(154,904)
Change in non-cash working capital balances			
Receivables	(3,938,272)	(7,144,722)
Prepaid expenses	10,461		(24,168)
Inventories for consumption	334,746	i	674,374
Accounts payable and accrued liabilities	774,813	,	586,303
Deposit liabilities	4,728	;	17,766
Deferred revenue	378,093	,	(306,389)
Land held for resale	(35,000)	_
Loan receivable	108,168	1	104,982
	5,657,986	<u>; </u>	8,635,372
FINANCING ACTIVITIES			
Long-term debt repayments	(754,871	<u>) </u>	(727,353)
CAPITAL ACTIVITIES			
Purchase of tangible capital assets	(13,257,241)	(14,344,037)
Proceeds on disposal of tangible capital assets	301,080		393,469
	(12,956,161)	(13,950,568)
INCREASE IN CASH AND CASH EQUIVALENTS			
DURING YEAR	(8,053,046	9	(6,042,549)
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	41,875,678	<u> </u>	47,918,227
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 33,822,632	.	41,875,678

BIG LAKES COUNTY Schedule of Equity in Tangible Capital Assets For the Year Ended December 31, 2018

Schedule 1

	2018	2017
BALANCE, BEGINNING OF YEAR	\$280,192,824	\$272,999,490
	40.000.044	44044007
Purchase of tangible capital assets	13,257,241	
Cost of tangible capital assets disposed of	(1,649,570)	(1,013,129)
Accumulated amortization of tangible capital assets		
disposed of	1,185,630	714,095
Restructuring - transfers of tangible capital assets	-,,	154,904
Amortization of tangible capital assets	(7,972,925)	•
Long-term debt repayments	754,871	727,353
BALANCE, END OF YEAR	\$285,768,071	\$280.192.824
	,,	
Equity in Tangible Capital Assets is Comprised of the Following:		
Tangible capital assets (net book value)	\$288,988,268	\$284,167,892
Capital long-term debt	(3,220,197)	(3,975,068)
Oapitationg-term debt	(0,220,197)	(0,870,000)
	6005 760 074	#000 400 PO4
	\$285,768,071	\$280,192,824

BIG LAKES COUNTY Schedule of Net Taxation For the Year Ended December 31, 2018

Schedule 2

	2018 (Budget)	2018 (Actual)	2017 (Actual)
TAXATION			
Real property taxes	14,082,446	14,075,765	14,332,002
Linear property taxes	11,371,979	11,371,987	11,546,807
Government grants in place of property taxes	1,105,412	1,105,483	982,319
Designated industrial property taxes	43,701	43,701	-
Local improvement taxes	-	22,039	22,888
	26,603,538	26,618,975	26,884,016
REQUISITIONS			
Alberta School Foundation Fund	4,817,489	4,818,226	5,303,989
Heart River Housing	283,256	283,256	284,574
Designated industrial property	43,701	43,701	<u> </u>
	5,144,446	5,145,183	5,588,563
NET MUNICIPAL TAXES	\$ 21,459,092	\$ 21,473,792	\$ 21,295,453

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BIG LAKES COUNTY Schedule of Government Transfers For the Year Ended December 31, 2018

Schedule 3

	2018 (Budget)	2018 (Actual)	2017 (Actual)
TRANSFERS FOR OPERATING			
Provincial government	1,020,884	750,102	697,871
Local governments	194,081	194,081	159,866
	1,214,965	944,183	857,737
TRANSFERS FOR CAPITAL			
Provincial government	16,123,290	6,353,198	7,980,346
Federal government	, , , <u>-</u>	269,444	1,678,328
Local governments	100,000		
	16,223,290	6,622,642	9,658,674
TOTAL GOVERNMENT TRANSFERS	\$ 1 7, 438 ,255	\$ 7,566,825	\$ 10,516,411

BIG LAKES COUNTY Schedule of Segmented Information For the Year Ended December 31, 2018

	Administration	Transportation	Drotoctivo	 Hillity	Recreation and Culture	ΔII	
	Services	Services	Services	S	Services	Other	Total
REVENUE							
Taxation	2,859,066	8,097,902	1,328,624	1,179,202	1,959,137	6,049,861	21,473,792
User fees and sales of goods	16,688	645,312	49,760	1,620,025	540	214,953	2,547,278
Government transfers	22,969	19,876	100,000	,	97,627	703,710	944,182
All other	98,237	36,681	2,422	7,069	1,228	1,474,080	1,619,717
	2,996,960	8,799,771	1,480,806	2,806,296	2,058,532	8,442,604	26,584,969
EXPENSES							
Materials, goods, and contracted							
and general services	2,530,069	5,470,096	790,701	1,579,092	532,882	1,097,155	11,999,995
Salaries, wages, and benefits	1,806,591	2,836,227	362,520	867,754	254,884	1,266,953	7,394,929
Transfers to other governments		,	135,845	17,244	1,270,231	3,170,535	4,593,855
Utilities	59,879	170,985	49,685	174,708	•		455,257
Repairs and maintenance	37,305	124,661	100,224	138,296	•	10,020	410,506
Insurance	63,118	54,312	41,831	20,820	535	332	180,948
Interest on long-term debt		143,490	,	8,382	,	,	151,872
Amortization	265,622	6,243,592	253,328	1,202,485	'	7,898	7,972,925
	200 COL 2	45 0 40 0 60	1 707 107	000	0 0 0	00000	700 001
	4,702,304	10,045,505	1,704,104	4,000,701	2,000,022	0,007,090	33,100,207
NET REVENUE (DEFICIT)	\$ (1,765,624)	\$ (6,243,592) \$	(253,328)	\$ (1,202,485) \$,	\$ 2,889,711	\$ (6,575,318)

BIG LAKES COUNTY Schedule of Segmented Information For the Year Ended December 31, 2017

	Administration Services	Transportation Services	Protective Services	Utility	Recreation and Culture Services	All	Total
REVENUE							
Taxation	2,636,975	7,219,471	925, 441	1,073,511	1,842,214	7,597,841	21,295,453
User fees and sales of goods	20,223	542,025	74,150	1,835,023	332	119,000	2,590,753
Government transfers	64,261	35,068	65,785		103,607	589,016	857,737
All other	3,415	38,596	3,081	10,405	2,587	1,230,209	1,288,293
	2,724,874	7,835,160	1,068,457	2,918,939	1,948,740	9,536,066	26,032,236
EXPENSES							
Materials, goods, and contracted							
and general services	879,909	4,342,669	424,629	1,614,002	478,535	982,414	8,722,158
Salaries, wages, and benefits	1,725,532	2,860,345	361,469	931,410	164,586	1,200,429	7,243,771
Transfers to other governments	•		122,866	23,770	1,305,081	2,281,853	3,733,570
Repairs and maintenance	4,389	243,969	69,013	151,105	1	2,640	471,116
Utilities	54,897	163,460	52,417	165,543	1		436,317
Insurance	60,147	966,09	38,063	23,843	538	178	183,765
Interest on long-term debt		163,721	•	9,266	•	1	172,987
Amortization	259,917	6,064,064	232,684	1,171,781	ı	5,480	7,733,926
	2,984,791	13,899,224	1,301,141	4,090,720	1,948,740	4,472,994	28,697,610
NET REVENUE (DEFICIT)	\$ (259,917)	\$ (6,064,064) \$		(232,684) \$ (1,171,781) \$	1	\$ 5,063,072	\$ (2,665,374)

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Big Lakes County (the "County") are the representations of the County's management prepared in accordance with Canadian public sector accounting standards. Significant aspects of the accounting policies adopted by the County are as follows:

(a) Reporting Entity

These consolidated financial statements include the assets, liabilities, revenue and expenses and changes in net financial assets of the County. This entity is comprised of all the organizations that are owned or controlled by the County and are, therefore, accountable to the Council for the administration of their financial affairs and resources. These consolidated financial statements include the Big Lakes County Library Board financial statements.

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

(b) Basis of Accounting

The County follows the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable.

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

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

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

(c) Cash and Cash Equivalents

Cash and cash equivalents include items that are readily convertible to known amounts of cash and are subject to an insignificant risk of change in value.

(d) Investments

Investments are recorded at amortized cost. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

(e) Inventories for Consumption

Inventories of materials and supplies for consumption are recorded at the lower of cost or net realizable value with cost determined using the average cost method.

(f) Land Held for Resale

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

(CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(q) Loans Receivable

Loans receivable are recorded at cost. Interest revenue is recognized as revenue in the year it is earned.

(h) Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

Buildings	20 - 50 years
Engineered structures	·
Paved roadways	
Тор	20 years
Base	80 years
Gravel roadways	
Тор	15 years
Base	30 years
Concrete	25 years
Bridges	12 - 58 years
Wastewater systems	50 & 75 years
Water systems	50 & 75 years
Machinery and equipment	5 - 20 years
Vehicles	5 - 30 years

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

Works of art for display are not recorded as tangible capital assets but are disclosed.

(i) Tax Revenue

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

Construction and borrowing costs associated with local improvement projects are recovered through annual special property tax assessments during the period of the related borrowings. These levies are collectible from property owners for work performed by the County.

(j) Requisition Over-levies and Under-levies

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

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

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

(CONT'D)

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Contaminated Sites

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. A liability for remediation on contaminated sites is recognized, net of any recoveries, when an environmental standard exists, contamination exceeds the environmental standard, the County is directly responsible for or accepts responsibility for the liability, future economic benefits will be given up, and a reasonable estimate of the liability can be made.

(I) Use of Estimates

The preparation of the consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the period. Where measurement uncertainty exists, the consolidated financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

The County has used estimates to determine an allowance for doubtful accounts, accrued liabilities, the useful lives of tangible capital assets and liabilities for remediation on contaminated sites.

2. CASH AND CASH EQUIVALENTS

	2018	2017
Guaranteed Investment Certificates	\$ 33,450,073	\$ 30,089,047
Operating bank accounts	320,781	6,754,873
Savings accounts	48,923	5,029,144
Cash on hand	2,855	2,614
	\$ 33,822,632	\$ 41,875,678

Guaranteed Investment Certificates bear interest at rates ranging from 1.50% to 2.82% per annum and mature at dates between February 2019 - September 2021.

Included in cash and cash equivalents are restricted amounts aggregating \$2,035,335 (2017 - \$1,657,242) to be used for specific capital and other projects, as detailed in *Note* 6.

3. RECEIVABLES

	2018	2017
Trade and other	\$ 9,668,595 \$	7,121,970
Taxes and grants in place of taxes	4,268,953	1,750,263
Goods and Services Tax	518,542	212,855
Utilities	162,209	133,409
	14,618,299	9,218,497
Less: Allowance for doubtful accounts	(1,687,362)	(225,832)
	\$ 12,930,937	8,992,665

The allowance for doubtful accounts is included in Administration Services expenses on the Consolidated Statement of Operations and Accumulated Surplus.



4. LOAN RECEIVABLE

The County passed Bylaw 04-2010 on March 10, 2010 authorizing Council to lend \$1,000,000 to Heart River Housing for the purposes of lodge and renovation projects at the Pleasantview Lodge in the Town of High Prairie and the Red Willow Lodge in the Town of Valleyview. The loan is unsecured, bears interest at 0.50% above the Royal Bank five-year term Guaranteed Investment Certificate rate which is currently 3.00%, and is payable in quarterly blended amounts of \$29,030, due August 15, 2020.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2018		2017
Trade and other accounts payable Earned vacation liability	\$ 4,779,08 438,46		3,989,096 454,757
Accrued interest on long-term debt	11,30	3	10,189
	\$ 5,228,85	5 \$	4,454,042

6. DEFERRED REVENUE

Deferred revenue is comprised of the following amounts, which have been received from third parties for a specified purpose. Additions are comprised of both contributions and interest earned during the year. These amounts are recognized as revenue in the period in which the related costs are incurred.

	2017	Additions	Revenue ecognized	2018
Municipal Sustainability Initiative Federal Gas Tax Fund	\$ 1,122,051 391,206	\$ 12,751 226,297	\$ -	\$ 1,134,802 617,503
Alberta Community Partnership	92,550	180,522	(132,982)	140,090
Community and Regional Economic Support	30,964	170,265	(93,128)	108,101
Other Visitor Friendly Assessment	20,471 -	28,024 45,000	(20,157) (38,499)	28,338 6,501
•	\$ 1,657,242	\$ 662,859	\$ (284,766)	\$ 2,035,335

7. LONG-TERM DEBT 2018 2017 Alberta Capital Financing Authority debentures \$ 3,220,197 \$ 3,975,068

Debenture debt is issued on the credit and security of the County at large, bears interest at rates ranging from 3.344% to 6.000% per annum and matures in years 2019 through 2027.

The County's cash payments for interest in 2018 were \$150,757 (2017 - \$178,275).

Principal and interest payments are due as follows:

	<u>Princi</u>	<u>pal</u>	<u>Interest</u>		<u>Total</u>
2019	\$ 783	3,446 \$	122,182	\$	905,628
2020	45 ⁻	1,197	95,509		546,706
2021		9,809	76,897		546,706
2022		9,196	57,510		546,706
2023	509	9,392	37,314		546,706
Thereafter		7,157	18,834		535,991
	\$ 3,220	0,197 \$	408,246	\$	3,628,443

8. INVENTORIES FOR CONSUMPTION

	2018		2017
Gravel Material and supplies	\$ 307,054 246,584		652,989 235,395
	\$ 553,638	3 \$	888,384

9. TANGIBLE CAPITAL AS	SSETS							
o. TANOIDEE GAI TIAL A							2018	2017
							Net Book	Net Book
							Value	Value
Engineered structure								
Roadways and brid	lges					\$	211,659,054	\$ 206,365,176
Water systems							21,839,439	20,128,592
Wastewater systen	าร						17,219,537	17,750,584
Drainage systems							3,944,035	4,109,033
Airport							510,303	550,489
							255,172,368	248,903,874
Puildings							12,681,479	10 220 033
Buildings Construction in progr	occ.						7,181,560	10,229,933 11,661,301
Machinery and equip							5,275,492	5,409,118
Land	ment						4,710,140	4,589,534
Vehicles							2,688,734	
Land improvements							1,278,495	2,035,167 1,338,965
Land Improvements							1,270,433	1,330,803
						\$	288,988,268	\$ 284,167,892
	Cost Beginni	na o	f					Cost End of
	Year	9 0	Additions		Disposals		Transfers	Year
					•			
Engineering structure								
Roadways and bridges	\$ 300,997,382	\$	10,335,339	\$	(389,373)	\$	-	\$ 310,943,348
Water systems	31,065,187		2,211,041		-		-	33,276,228
Wastewater systems	23,450,825		_		_		-	23,450,825
Drainage systems	7,319,078		-		-		-	7,319,078
Airport	4,355,755		-		-		-	4,355,755
	367,188,227		12,546,380		(389,373)		_	379,345,234
Machinery and					, , ,			
equipment	10,100,417		428,495		_		_	10,528,912
Vehicles	5,011,244		1,628,418		(1,089,018)		-	5,550,644
Buildings	15, 474,154		2,818,564		-		-	18,292,718
Land	4,589,534		120,606		_		-	4,710,140
Land improvements	2,253,572		23,340		_		-	2,276,912
Construction in progress	11,661,301		(4,308,562)		(171,179)		-	7,181,560
	\$ 416,278,449	\$	13,257,241	\$	(1,649,570)	s	_	\$ 427,886,120
	Ψ - 10 ₁ 210, 140	Ψ	19,201,271	Ψ	(1,0-0,010)	Ψ	-	₩ HZT,000,120
Accı	imulated Amortiz	atior	1					Accumulated
	Beginning of		Current					Amortization
	Year	Α	mortization	Dis	posals		Transfers	End of Year
Engineered structures	¢ 04 600 000	٠	4 990 070	æ	(200 00 4)	æ		¢ 00.004.004
Roadways and bridges		\$	4,880,372	\$	(228,284)	Ф	-	\$ 99,284,294
Water systems	10,936,595		500,194		-		-	11,436,789
Wastewater systems	5,700,241		531,047		-		-	6,231,288
Airport	3,805,266		40,186		-		-	3,845,452
Drainage systems	3,210,045		164,998		-		-	3,375,043
	118,284,353		6,116,797		(228,284)		_	124,172,866
Machinery and	110,204,000		0,110,731		(220,204)		-	127,172,000
equipment	4,691,299		562,121		_		_	5,253,420
Buildings	5,244,221		367,018		-			5,611,239
Vehicles	2,976,077		843,179		(957,346)		_	2,861,910
Land improvements	914,607		83,810		(857,540)		-	998,417
дана впрточениента	314,007		00,010		<u>-</u>		<u>-</u>	550, 4 17
	\$ 132,110,557	\$	7,972,925	\$	(1,185,630)	\$	-	\$ 138,897,852
			,,		<u> </u>	_		

March Marc
Restricted surplus
Operating reserves (Note 11) 8,135,003 8,553,430 Capital reserves (Note 11) 20,958,795 25,365,274 Equity in tangible capital assets (Schedule 1) 285,768,071 280,192,824 \$326,304,108 \$326,419,644 \$326,304,108 \$326,419,644 \$326,304,108 \$326,419,644 \$2018 2017 Operating Reserves Working capital \$5,543,854 \$6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Capital reserves (Note 11) 20,958,795 25,365,274 Equity in tangible capital assets (Schedule 1) \$326,304,108 \$326,419,644 11. RESTRICTED SURPLUS Operating Reserves 2018 2017 Working capital Resurfacing Community facilities \$5,543,854 \$6,043,854 Community facilities 384,142 384,142 Contingency Medical equipment 293,913 293,913 Medical equipment 258,500 258,500
Equity in tangible capital assets (Schedule 1) 285,768,071 280,192,824
Table 11. RESTRICTED SURPLUS Operating Reserves 2018 2017 Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Table 11. RESTRICTED SURPLUS Operating Reserves 2018 2017 Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Operating Reserves \$ 5,543,854 \$ 6,043,854 Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Operating Reserves \$ 5,543,854 \$ 6,043,854 Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Operating Reserves Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Working capital \$ 5,543,854 \$ 6,043,854 Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Resurfacing 960,786 960,786 Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Community facilities 384,142 384,142 Contingency 293,913 293,913 Medical equipment 258,500 258,500
Contingency 293,913 293,913 Medical equipment 258,500 258,500
Medical equipment 258,500 258,500
Winter maintenance control 104,387 104,387
Community Enhancement Fund 100,000 100,000
Culture 99,479 99,479
Enhanced policing 82,000 82,000
Family and Community Support Services 81,547 79,919
Water offsite levies 39,400 39,400
Sewer offsite levies 25,400 25,400
Planning and development 4,000 2,000
\$ 8,135,003 \$ 8,553,430
Capital Reserves
Sewer \$ 4,016,234 \$ 4,022,283
Transportation 3,817,159 4,815,403
Equipment replacement 3,519,961 2,667,247
Water 3,373,554 7,590,093
Gravel source and pit reclamation 2,152,334 1,932,334
Fire facility 1,301,904 1,265,437
Fire equipment 974,284 1,454,141
Building 602,199 602,199
Economic Development 287,403
Computer equipment 270,098 267,381
Recreation and cultural 255,710 255,710
Waste transfer stations 239,684 239,684
Big Meadow Water Co-op 78,917 78,917
ASB equipment 65,029 96,519
Other 5,543 5,543
High Prairie airport reserve (1,218) 72,383
\$ 20,958,795 \$ 25,365,274



12. CREDIT FACILITY

The County has access to a revolving line of credit with a limit of \$6,000,000, bearing interest at prime rate. At December 31, 2018, the balance owing was \$NIL (2017 - \$NIL).

13. CONTINGENCIES

In June 1994, the County entered into an agreement with Alberta Transportation to take over the responsibilities related to the transportation function of the former Improvement District. Under this agreement, the County has assumed a contingent liability estimated at \$324,953, related to gravel pits and stock pile reclamation. This contingency has not been accrued in these financial statements; however, should the liability be realized, the County has established a reserve to fund these costs.

14. SALARY AND BENEFITS DISCLOSURE

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

	Ве	enefits and Salary	A	Total Illowances	2018	2017
Councillors:						
Ward 3 - Matthews		53,250		15,000	68,250	61,500
Ward 6 - Simard (Reeve)		38,850		11,600	50,450	4,550
Ward 9 - Stewart		39,300		10,800	50,100	49,100
Ward 7 - Bissell		35,800		10,800	46,600	6,800
Ward 1 - Marx		34,050		11,800	45,850	46,650
Ward 2 - Welch		29,425		10,800	40,225	6,550
Ward 4 - Killeen		29,300		10,800	40,100	38,200
Ward 5 - Nygaard		29,300		10,800	40,100	42,025
Ward 8 - Charrois		28,550		10,800	39,350	32,850
Ward 2 - Sutherland				-	-	28,550
Ward 6 - Podollan		-		-	_	28,550
Ward 7 - Matula		-		-	-	29,400
	\$	317,825	\$	103,200	\$ 421,025	\$ 374,725
Designated officers (7) (2017 - 8)	\$	771,828	\$	4,546	\$ 776,374	\$ 789,020
Chief Administrative Officer	\$	233,389	\$	2,202	\$ 235,591	\$ 196,498

Salary includes regular base pay, bonuses, lump sum payments, honoraria and any other direct cash remuneration.

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

15. LOCAL AUTHORITIES PENSION PLAN

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

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

The County is required to make current service contributions to the LAPP of 10.39% of pensionable earnings up to the year's maximum pensionable earnings under the Canada Pension Plan and 14.84% on pensionable earnings above this amount. Employees of the County are required to make current service contributions of 9.39% of pensionable earnings up to the year's maximum pensionable earnings and 13.84% on pensionable earnings above this amount.

Total current service contributions by the County to the LAPP in 2018 were \$588,736 (2017 - \$573,971). Total current service contributions by the employees of the County to the LAPP in 2018 were \$538,609 (2017 - \$528,604).

At December 31, 2017 the Plan disclosed an actuarial surplus of \$4,835.5 million (2016 - deficit of \$637.4 million).

16. CONTRACTUAL OBLIGATIONS

(a) Town of Swan Hills Viability Agreement

Under the terms of this agreement the County is required to provide conditional and unconditional grants to the Town of Swan Hills for 20 years with extensions as mutually agreed upon ending on December 31, 2034. The agreement will be open for review on the fifth and every proceeding five-year anniversary or as mutually agreed by the parties.

In the years 2017 to 2034, the County agrees to pay the Town of Swan Hills \$950,000 annually for projects to be determined by the Town of Swan Hills. Additionally, starting in 2017, the County agrees to pay an annual capital grant to the Town of Swan Hills based on the following formula: the County's the total linear assessment for that year shall be compared with the 2016 total linear assessment for the County, and the percentage increase or decrease, as the case may be, shall be the percentage increase or decrease of this capital grant with the base amount of \$1,000,000 for that year.

(b) Town of High Prairie Cost-Sharing Agreement

Under the terms of this agreement the County is committed to pay 50% of the net operating costs of the High Prairie Municipal Library Board, High Prairie and District Fire Department, High Prairie and District Recreation Board, 90% of the High Prairie and District Municipal Airport, 20% of the reclamation costs and annual monitoring costs of the High Prairie Landfill Site, and 50% of the annual recycling contract and toxic waste roundup. This agreement is to be for five years ending December 31, 2019.

Furthermore, the County has committed financial support to the Town of High Prairie annually for capital projects that are mutually beneficial based on the following formula: the County's the total linear assessment for that year shall be compared with the 2016 total linear assessment for the County, and the percentage increase or decrease, as the case may be, shall be the percentage increase or decrease of this capital grant with the base amount of \$1,000,000 for that year.



17. DEBT LIMITS

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

	2018		2017
Total debt limit	\$ 39,877,454	\$	39,048,354
Total debt (Note 7)	(3,220,197)		(3,975,068)
Amount of debt limit unused	\$ 36,657,257	\$	35,073,286
Service on debt limit	\$ 6,646,242	\$	6,508,059
Service on debt (Note 7)	(905,628))	(905,628)
Amount of service on debt limit unused	\$ 5,740,614	\$	5,602,431

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

18. FINANCIAL INSTRUMENTS

The County's financial instruments consist of cash and cash equivalents, receivables, loan receivable, accounts payable and accrued liabilities, and long-term debt. It is management's opinion that the County is not exposed to significant interest or currency risk arising from these financial instruments.

The County is subject to credit risk with respect to receivables and loan receivable. Credit risk arises from the possibility that the County's customers may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of customers minimizes the County's credit risk.

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

19. RELATED PARTY TRANSACTIONS

Accounts payable includes \$52,253 due to (2017 - \$23,027 due to) the High Prairie and District Regional Solid Waste Management Authority.

Other revenue includes management fees of \$10,000 (2017 - \$10,000) from the High Prairie and District Regional Solid Waste Management Authority.

These transactions are recorded at their exchange amounts as agreed to by the related parties.

20. FUNDS HELD IN TRUST

As trust assets are not owned by the County, the trusts have been excluded from the financial statements. A summary of trust funds held by the County is as follows:

	2018	2017
		<u>. </u>
Tax sale surplus	34,864	34,369

21. SEGMENTED INFORMATION

The County provides a wide range of services to its citizens. For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in Note 1. For additional information see the Schedule of Segment Disclosure (Schedule 4).

22. BUDGET FIGURES

The 2018 budget data presented in these financial statements is based on the operating and capital budgets approved by Council on June 18, 2018. The chart below reconciles the approved financial plan to the figures reported in these financial statements.

	2018 (Budget)	2018 (Actual)
Annual Surplus	\$ 7,991,19) \$ (115,536)
Add back (deduct):		
Amortization expense	7,733,750	7,972,924
Transfers from capital reserves	13,863,45	2 4,406,479
Transfers from / (to) operating reserves	1,522,22	• •
Purchase of tangible capital assets	(30,355,74)	2) (13,257,241)
Principal debt repayments	(754,87	
	\$	- \$ (1,329,818)

23. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by Council.

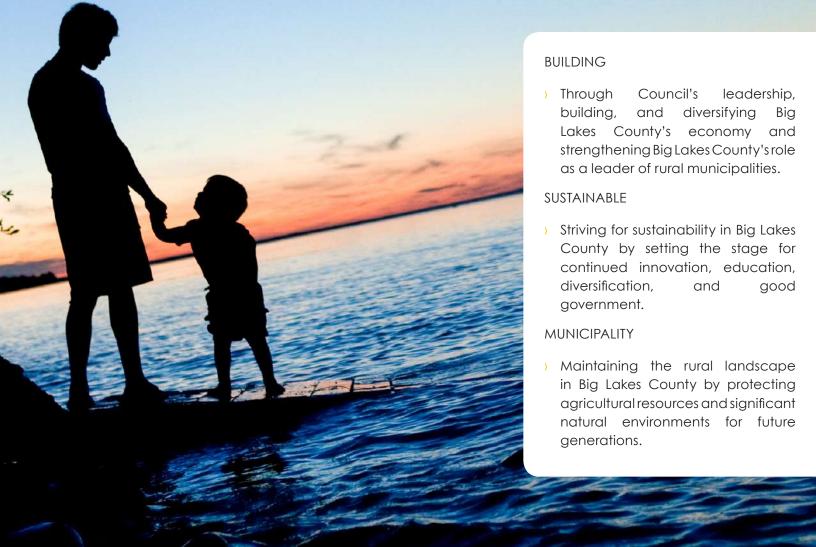
OUR MISSION & VISION

MISSION STATEMENT

Big Lakes County will endeavor to enhance our overall community by encouraging responsible development that supports our resource based industries, our agriculture base and the overall education of our people. This means investing in core services like infrastructure, communities, and other municipal services. Through Council policy and resolutions, we will promote responsible development, environmental security, positive Inter-Municipal relations, safety and work with the private, public and governmental partners.

VISION

Building a Sustainable Municipality.





DIRECTORS



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