

SPECIAL AREAS BOARD



Report to the Ratepayer—Spring/Summer 2018

Message from the Chair

After our cold, snowy, and seemingly never-ending winter, warmer weather is finally here. We are getting our crews ready for the busy field season ahead and preparing for our upcoming annual ratepayer meetings. These ratepayer meetings will take place throughout the Special Areas until July, and are a great opportunity to sit down to talk about your priorities, give us feedback on our performance, and address any issues you may be having. I encourage everyone to come meet with us and to check out our ratepayer meeting page on our website.

Municipal elections this past fall resulted in changes to both our Advisory Council and to the Special Areas Board. Public service can be very challenging and very rewarding, often on the same day. On behalf of the Special Areas Board, our administration and staff, I want to thank our past and present elected officials for their dedication to the people of the Special Areas. Their commitment to finding the best solutions for the whole of the Special Areas is the foundation of our continued success.

Over the winter, we focused on some key economic development initiatives. In Hanna, our work with the Town and other regional partners continued, with the taskforce developing strategies to address potential changes at the Sheerness Generating Station. As a part of this work, community engagement sessions kicked off our longer-term Community Action Team program. These teams, supported through the Hanna Learning Center, are already resulting in new ideas and new business opportunities for the region. In Oyen, the Oyen Rail Yard and Logistics Park continued to grow, with an anchored tenant planning the construction of their facility this upcoming summer. This exciting project is an example of how we can capitalize on our regional strengths while building capacity for our future. In Consort, increased drilling activity has meant more opportunities for local businesses and services, supporting the economic health of the whole region.

The success of the Special Areas Board as a municipality and as a public land manager was recognized early this winter by Alberta Municipal Affairs. The ministry wrapped up their review of the Special Areas Board, specifically noting the excellent service, conscientious public land administration, and responsive local governance we provide. The ministry also formally recognized the high standard of care and performance the Special Areas Board provides to the people of this region.

I look forward to meeting with you over the summer to hear your thoughts, and wish you a productive season ahead.

Best Regards,

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- 2017— Financial
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- 2018 Budget
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MUNICIPAL

SERVICES

- 2017 Highlights
- 2018 Projects
- 2018 Road Projects

Special Area 2 District Office	(403) 854-5600	212-2nd Ave. W, Box 820, Hanna, AB T0J 1P0
Special Area 3 District Office	(403) 664-3618	319, Main St., Box 30, Oyen, AB T0J 2J0
Special Area 4 District Office	(403) 577-3523	4916-50th St. Box 220, Consort, AB T0C 1B0

2018 ANNUAL RATEPAYER MEETINGS

Annual ratepayer meetings are taking place throughout the Special Areas throughout May and June. Come out and talk about any concerns for you and your area.

**Want to
Talk?**

More information about the upcoming meetings, including meeting dates, times and location will be posted in local newspapers, media publications and online at www.specialareas.ab.ca.

SPECIAL AREAS ADVISORY COUNCIL



BR: Kevin Wilson (3-6), James Madge (2-5), Daryl Swenson (2-7), Brent Horner (2-4), Kevin Bossert (2-1), Brad Slorstad (2-3), Doug Noble (4-3), Graham Schetzlsle (4-1)
FR: Neal Roes (2-2), Brand Osadczuk (2-8), Jordon Christianson (Chair - SAB), Travis Foot (3-4), Barry Redel (4-2), Sam Shadlock (3-5)

EXTERNAL BOARDS AND COMMITTEES:

The “other” part of being on the Special Areas Advisory Council

A big part of the commitment Advisory Councillors make is to represent the Special Areas on various Boards and Committees active throughout our region and the Province. Here are just some of the other places your Advisory Councillor is hard at work representing you and the Special Areas.

This listing is not exhaustive of Boards and Committee appointments. To learn more head to www.specialareas.ab.ca.

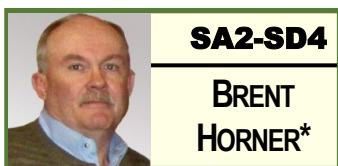
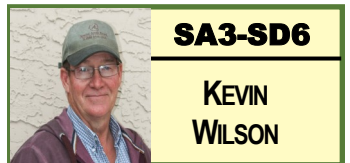
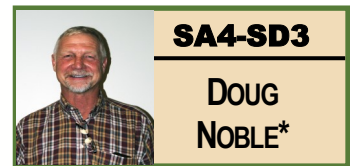
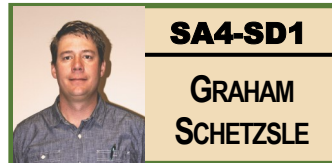
<u>Kevin Bossert (2-1)</u> BCWMC—Waste Mgmt. Hanna & District Medical Society	<u>Neal Roes (2-2)</u> Ag. Service Board (SA2) Carolside South Irrigation (CSIAC) SAEWA—Waste	<u>Brad Slorstad (2-3)</u> Canadian Badlands Ltd. Carolside South Irrigation (CSIAC) Municipal Planning Commission Palliser Economic Partnership	<u>Brent Horner (2-4)</u> <i>Special Areas Board</i> Acadia Foundation	<u>James Madge (2-5)</u> Chinook Applied Research Assoc. (CARA) HKRWSC—Water
<u>Daryl Swenson (2-7)</u> <i>Special Areas Board</i> Acadia Foundation SE Alta. Watershed Alliance	<u>Brad Osadczuk (2-8)</u> Acadia Foundation Ag. Service Board (SA2) Prairie Conservation Forum	<u>Travis Foot (3-4)</u> Ag. Service Board (SA3) Big Country Medical/Dental Center Red Deer River Watershed Alliance SAMDA Economic Partnership	<u>Sam Shadlock (3-5)</u> Ag. Service Board (SA3) SAMDA Economic Partnership	<u>Kevin Wilson (3-6)</u> Big Country Medical/Dental Center BCWMC—Waste Mgmt. Canadian Badlands Ltd. Municipal Planning Commission
<u>Graham Schetzlsle (4-1)</u> Acadia Foundation Ag. Service Board (SA4) BCWMC—Waste Mgmt. Canadian Badlands Ltd. Consort & District Medical	<u>Barry Redel (4-2)</u> Ag. Service Board (SA4) Consort & District Medical Municipal Planning Commission SMRWSC—Water	<u>Doug Noble (4-3)</u> <i>Special Areas Board</i> East Central Housing Society Endangered Species Conservation Committee (Provincial)		

SPECIAL AREAS ADVISORY COUNCIL

The function of the locally elected Special Areas Advisory Council is to confer with and advise the Special Areas Board and the Minister of Municipal Affairs on matters affecting the Special Areas.

The Special Areas is divided into 13 subdivisions, and each subdivision elects an Advisory Councillor for a four-year term to sit on the Advisory Council in accordance with the *Local Authorities Election Act*.

To learn more about the Advisory Council, or to get contact information for your Advisory Councillor, contact your local District Office or Youngstown Service Center.



**denotes the Advisory Councillor is appointed to the Special Areas Board*

FINANCE & ADMINISTRATION

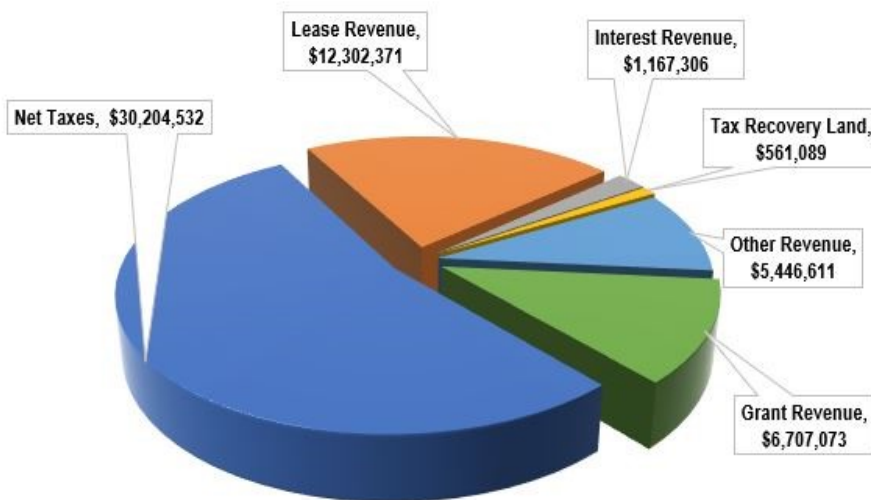
Year in Review—2017

The Special Areas Board is in a strong financial position with sufficient financial resources to fund future operational and capital requirements. The Board has accumulated unrestricted operational surplus available for funding future expenditures of \$9.0 million. As well, the Board has transferred the funds received from the Tax Recovery Land sales into a Reserve totaling \$54.9 million. Total revenue decreased in 2017 in part due to an decrease in overall assessment, and bad debts from the Oil & Gas industry.

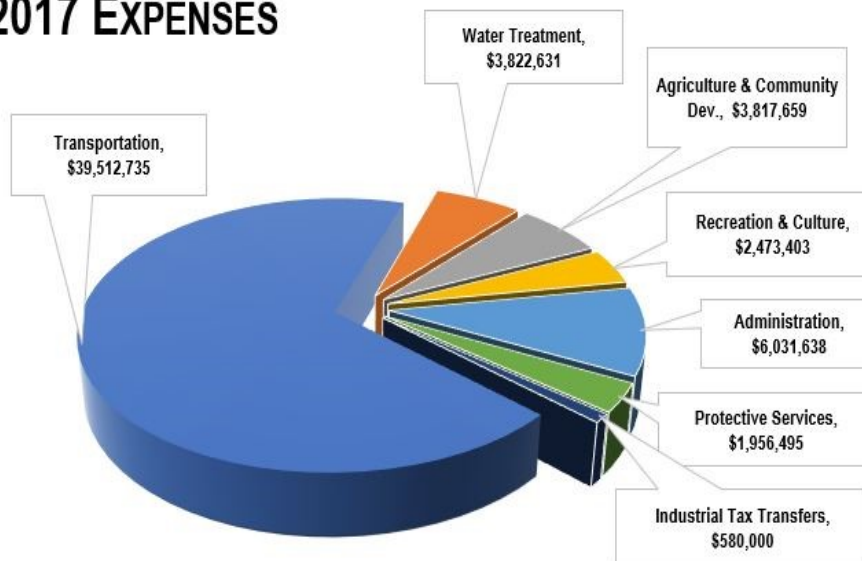
The Board continued to focus on working on secondary highway networks. Some major road projects completed in 2017 included the paving of ~43 km of Hwy 876 from the Red Deer River north and the rebuild of Solon Road. Other projects completed in 2017 included renovations at the Hanna Administration building, as well as gates and spillway construction at Bartman Dam.

In 2017, the Board supported our local communities and ratepayers by sustaining predictable funding to local recreational boards and targeting local economic development projects throughout the Special Areas, including the Oyen Rail Yard & Logistics Park.

2017 REVENUE



2017 EXPENSES



2018 Budget Highlights

	2018 Budget*	2017 Actual*
Total Revenue	\$ 52.2 million	\$ 56.4 million
Total Expenditures	\$ 55.0 million	\$ 58.7 million
Total (Deficit)	(\$ 2.8 million)	(\$ 2.3 million)
*Calculated using a modified cash basis		

A deficit of \$2.8 million is anticipated for 2018, representing a small increase from 2017.

- ◆ The deficit in 2018 will be funded out of the accumulated operational reserves of \$9.0 million.
- ◆ We anticipate moving towards a balanced budget in 2019 as the staged surfacing work on three-digit highways begins to wind down and our assessment base stabilizes.

PROPERTY ADMINISTRATION

2018 Community Pastures Update

The Special Areas Board manages over 172,000 acres at five community pastures located throughout our region: Buffalo-Atlee, Bullpound, Remount, Sounding Creek, and Richdale.

For the 2018 season, our community pastures remain relatively healthy despite last year's dry and challenging conditions. The Canadian Food Inspection Agency (CFIA) investigation into bovine TB is nearing completion, with no further impacts at Buffalo-Atlee expected. The 2018 grazing fee rates for community pastures are set at \$0.71/head/day (an increase of \$0.02/head/day), with rates for calves left unchanged at \$8/calf/season.

In September 2017, a large grassfire near Bindloss burned approximately 10,500 acres in the Remount community pasture. As a result, 2018 allotments at Remount have been reduced by 20% to ensure the impacted areas are given a chance to recover. All other community pasture allotments are at 100% capacity for this season.

In 2018, we estimate community pastures in the Special Areas will serve 142 patrons and supply grazing allotments for approximately 7100 animals over the season.

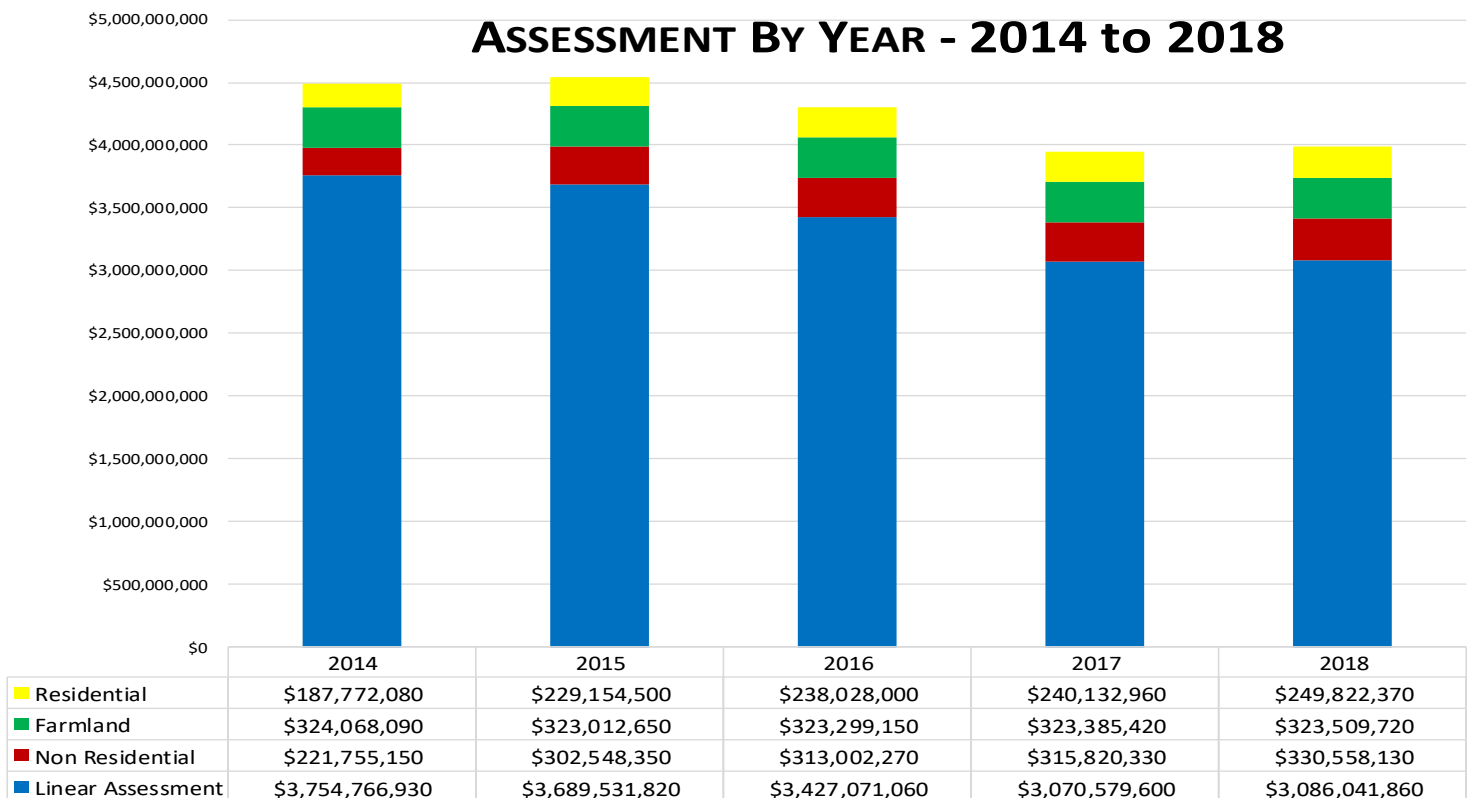
2018 ASSESSMENT BULLETIN

Assessments of residential properties in the Special Areas have seen some minor fluctuations, with some seeing minor changes in their assessed values. Anyone wishing to discuss their property assessment is encouraged to contact the Assessment Department as soon as possible so any issues may be resolved prior to the final appeal date.

Please contact the Assessment Department at (403) 854-5632 or email at SABassessment@specialareas.ab.ca.

For further information related to assessments or the complaint process, or to access any forms for this process, please visit us online at www.specialareas.ab.ca.

ASSESSMENT BY YEAR - 2014 to 2018





MUNICIPAL SERVICES

2017 Highlights

Roads & Transportation Services

We completed 53 km of road soil/surface stabilization work, more than 27 km of road construction, and major backtrail repairs.

On three-digit highways, major projects included: surfacing work on Hwy 586 (9.7 km), Hwy 862 (12.8 km), Hwy 855 (14.6 km), and Hwy 886 (16.5 km); construction work on Hwy 586 (16.6 km), and paving work on Hwy 876 (42.9 km). On our local roads major projects included surfacing work on Girletz Road (21.5 km), Sedalia Road (6.5 km), Pioneer Elevator Road (1.6 km), and the Oyen Rail Yard (0.5 km)

Water/Waste Water

We continued to upgrade water infrastructure throughout our hamlets and systems in line with our infrastructure plan. The extension of the regional waterline from Monitor to Pemukan was commissioned and was operational. We continued to support our neighboring municipalities in their provision of water services, including Oyen, Cereal and Empress.

Fire Protective Services

2017 was a very busy year for our emergency and fire services, with Special Areas fire departments responding to 368 calls. This is a 200% increase over the previous record of 190 calls in 2015. Dry and challenging conditions made 2017 a difficult one, with multiple major grassfires throughout the Special Areas over the late summer/fall. The largest of these took place near Bindloss and burnt over 90,000 acres.

The dedication of our volunteer firefighters, their families and their employers made it possible for our departments to deliver exceptional service. The Board continued to ensure volunteer fire departments were equipped with the right tools and equipment, using grant funding and partnerships with local municipalities and volunteer groups to support emergency response capability for this region.

WHAT'S NEW FOR 2018?

WATER PROJECTS

- ◆ Hamlet of Jenner—distribution system
- ◆ Hamlet of Wardlow—SCADA /water plant
- ◆ Hamlet of Sedalia—north well drilling

PARKS PROJECTS

- ◆ Prairie Oasis Park
 - ◆ Marina Fuel Dispenser
 - ◆ Accessible Washroom (near Concession)
- ◆ Blood Indian Park
 - ◆ Dock Improvements
 - ◆ North Block Playground Completion
- ◆ Carolside Campground
 - ◆ Dock Improvements
 - ◆ Washroom Upgrades
 - ◆ Overnight Camping Area

FIRE PROJECTS

- ◆ Fire Truck—Empress
- ◆ Tanker Trucks—Jenner, Veteran
- ◆ Rapid Response Unit—Cereal

ROAD INFRASTRUCTURE PROJECTS

- ◆ Three-Digit Highways (Surfacing Work)
 - ◆ Hwy 586
 - ◆ Hwy 862
 - ◆ Hwy 886
 - ◆ Old Hwy 895
- ◆ Local Roads (Construction Work)
 - ◆ Janz/Ferenz Road
 - ◆ Bailey Road
 - ◆ Duque Road
 - ◆ Krause Road
 - ◆ Simpson Road

Municipal Parks

Municipal Parks provided family-friendly recreation for our communities while supporting tourism in our region. Prairie Oasis Park saw the beginnings of a new playground in the new camping loop, with Blood Indian Park getting the new cold storage building.

Blood Indian Park was excited to host the National Campout for Junior Forest Wardens, with over 750 people camped out along the north shoreline for a week in July. For the first time, over 29,000 Tiger Trout were stocked into the reservoir in the fall.

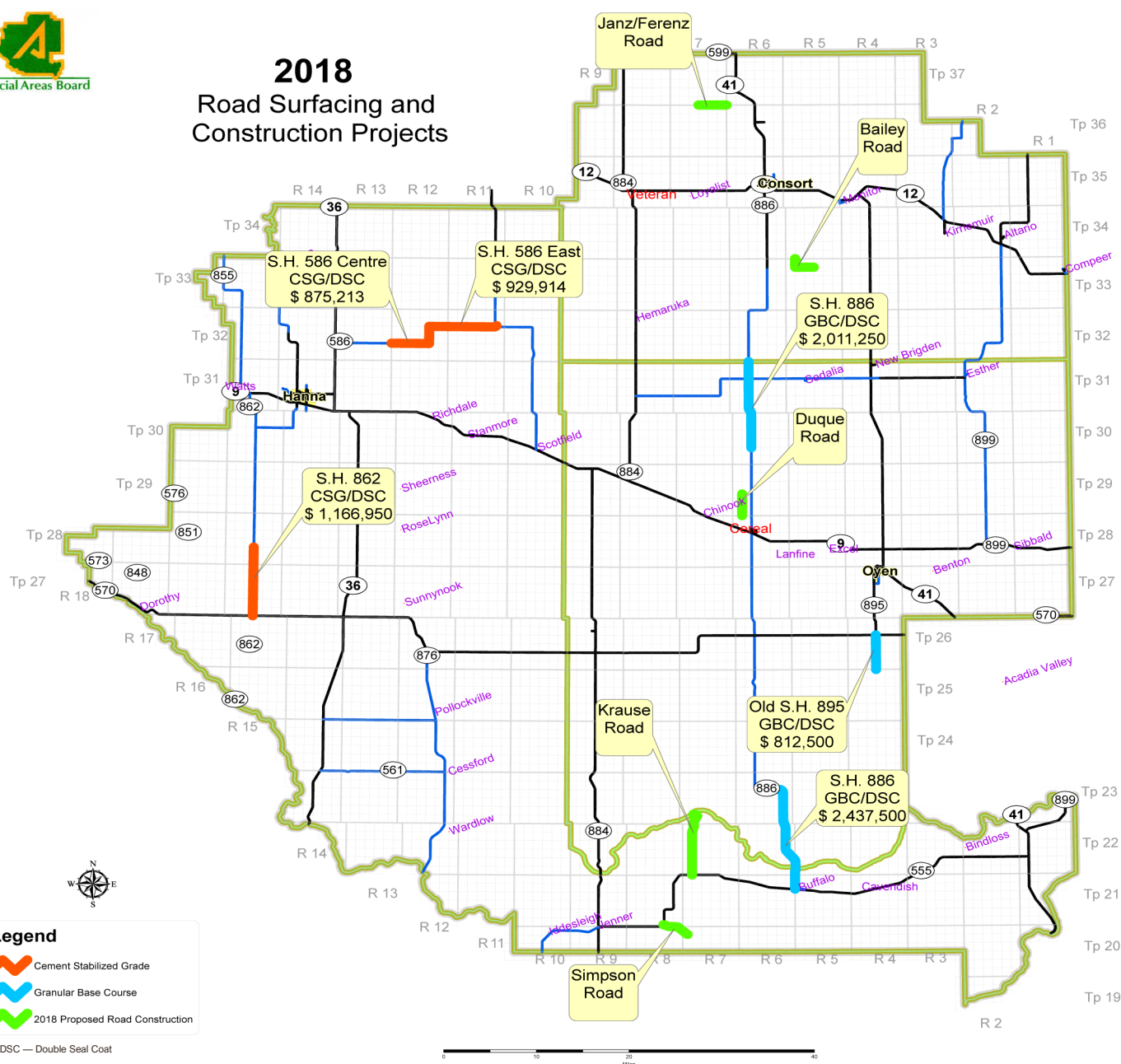
SPECIAL AREAS BOARD



Report to the Ratepayer—Spring/Summer 2018



2018 Road Surfacing and Construction Projects



ROAD SURFACING PROJECTS

- Hwy 586 Center—CSG/DSC
- Hwy 586 East—CSG/DSC
- Hwy 862—CSG/DSC
- Hwy 886 North—GBC/DSC
- Hwy 886 South—GBC/DSC
- Old 895—GBC/DSC

ROAD CONSTRUCTION PROJECTS

- Janz/Ferenz Road
- Bailey Road
- Duque Road
- Krause Road
- Simpson Road

Visit us at www.specialareas.ab.ca or find us on Facebook, Instagram and Twitter

RANGE MANAGEMENT

Avoiding Grazing During Vulnerable Periods

After the long, cold winter we had this year, producers are looking forward to getting their animals onto spring pasture. Before you turn your herd out to pasture, you need to consider the long-term consequences early season grazing has on your pasture's health and long-term productivity. Grasses have a growth curve, important information you should use when planning your herd's grazing in 2018.

PHASE 1:

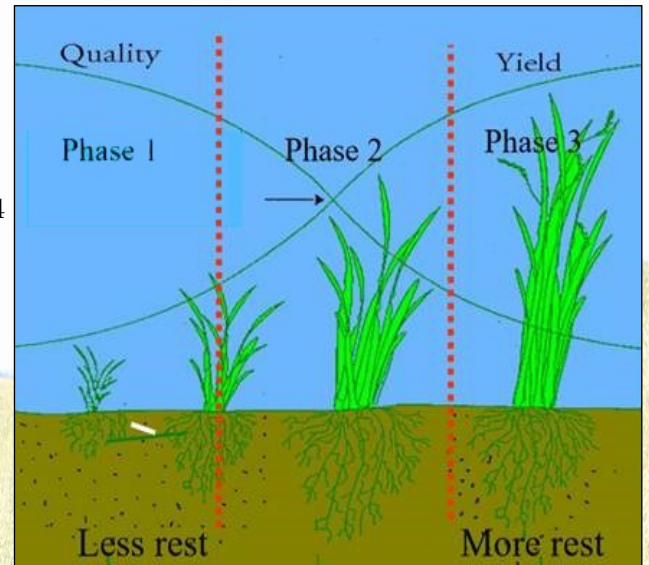
Starting off in early spring, plants are using the energy stored in their roots (or crowns) to initiate the new growth of leaves. This is when grasses **are most vulnerable to grazing.**

PHASE 2:

Is when grasses have enough leaf area to collect solar energy and are no longer relying on energy reserves, also known as 3-4 leaf stage. In Phase 2, the plant is collecting enough energy to deposit reserves back into the roots. **Light to moderate grazing levels will not damage the plants at this stage.**

PHASE 3:

Is when the plant starts to reach maturity, with small draws from energy reserves when the plant is setting seed for reproduction. **Deferring grazing to Phase 3 on native pasture will allow the grasses to re-seed, rejuvenating the long-term productivity of these pastures.**



The forage quality curve is inversely related to the growth curve of plants. Timing grazing to allow plants to reach Phase 2 will protect the long-term productivity and overall performance of your pasture.

So what does this mean for producers this year? With the long, cold, snowy winter many producers are looking at small (and dwindling) feed stacks, \$200/ton hay, and a spring very late in arriving. For most, delaying putting cattle onto pasture is not a viable option. If this is your situation, there are steps you can take to mitigate the damage cattle may have on pastures this spring. Move your cattle rapidly through all your pasture—only allow one bite off each plant, leaving enough leaf area behind to keep photosynthesis happening. This translates to a greater investment of time, as this often looks like moving cattle once a week—or even every day. **Not allowing cattle to return to the previously grazed area until the plants have reached the Phase 2 of growth is critical to protect the long-term health of your pasture in vulnerable periods.** Maintaining a flexible grazing system allows you to manage your pastures more effectively when compared to a fixed system with cattle not moving for weeks/months. Flexible grazing systems help you to protect your pastures for the years to come.

Want to learn more about flexible grazing systems? Interested in other ways you can protect the long-term health and productivity of your pasture? We have resources and information to help and would be happy to work with you to find sustainable solutions to your range management challenges. Be sure to contact your local Special Areas Agrologist at (403) 854-5647 or through email at Nolan.ball@specialareas.ab.ca.