

Strathcona County Library Board

FINANCIAL STATEMENTS

Year Ended December 31, 2016



Strathcona County
LIBRARY



STRATHCONA COUNTY LIBRARY BOARD
FINANCIAL STATEMENTS
Year ended December 31, 2016

STRATHCONA COUNTY LIBRARY BOARD
Financial Statements
Year ended December 31, 2016

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Management Report

The accompanying financial statements of Strathcona County Library Board are the responsibility of management. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards. The preparation of the financial statements necessarily includes some amounts which are based on the best estimates and judgements of management.

The Library maintains systems of internal accounting and administrative controls that are designed to provide reasonable assurance that transactions are appropriately authorized and accurately recorded, and that the Library's assets are adequately safeguarded.

The financial statements have been audited by KPMG, LLP, the external auditors, in accordance with Canadian Auditing Standards on behalf of Strathcona County Library Board. Their report to the Board, stating the scope of their examination and opinion on the financial statements, follows.

A handwritten signature in black ink, appearing to read "Sharon Siga", written over a horizontal line.

Sharon Siga
Chief Executive Officer
April 24, 2017

A handwritten signature in blue ink, appearing to read "Candace Tomlinson", written over a horizontal line.

Candace Tomlinson
Accountant
April 24, 2017



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INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Strathcona County Library Board

We have audited the accompanying financial statements of Strathcona County Library Board, which comprise the statement of financial position as at December 31, 2016, the statements of operations and accumulated surplus, change in net debt and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Strathcona County Library Board as at December 31, 2016, and its results of operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chartered Professional Accountants

April 24, 2017
Edmonton, Canada


STRATHCONA COUNTY LIBRARY BOARD


Statement of Financial Position

As at December 31, 2016, with comparative information for 2015

	<u>2016</u>	<u>2015</u>
FINANCIAL ASSETS		
Cash	\$ 1,779	\$ 1,788
Due from Strathcona County (Note 2)	4,898,403	4,618,117
Government transfers receivable	-	4,462
Trade and other receivables	49,443	27,644
	<u>4,949,625</u>	<u>4,652,011</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities	593,988	572,804
Deferred revenue (Note 3)	9,178	19,059
Long-term debt (Note 4)	20,805,495	21,521,883
	<u>21,408,661</u>	<u>22,113,746</u>
NET DEBT	<u>(16,459,036)</u>	<u>(17,461,735)</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 5)	26,165,155	26,882,537
Prepaid expenses	51,901	28,763
	<u>26,217,056</u>	<u>26,911,300</u>
ACCUMULATED SURPLUS (Note 6)	<u>\$ 9,758,020</u>	<u>\$ 9,449,565</u>

Commitments (Note 11)


Anna Pandos
Strathcona County Library Board
April 24, 2017


Lynn Walker
Strathcona County Library Board
April 24, 2017

STRATHCONA COUNTY LIBRARY BOARD
Statement of Operations and Accumulated Surplus
Year ended December 31, 2016, with comparative information for 2015

	<u>2016</u> <u>Actuals</u>	<u>2016</u> <u>Budget</u>	<u>2015</u> <u>Actuals</u>
REVENUE			
Government transfers (Note 8)	\$ 9,742,433	\$ 9,702,417	\$ 9,242,214
Penalties and fines	174,730	177,928	163,389
Other	163,124	114,349	139,687
Investment income	111,826	139,776	120,680
User fees and charges	58,442	43,798	165,801
Contributed tangible capital assets	-	-	3,165
TOTAL REVENUE	<u>10,250,555</u>	<u>10,178,268</u>	<u>9,834,936</u>
EXPENSES			
Salaries, wages and benefits	6,102,554	6,121,902	5,818,031
Amortization of tangible capital assets	1,377,365	1,378,274	1,361,633
Interest on long-term debt	951,982	957,782	983,334
Administrative charges (Note 10)	612,469	629,586	639,496
Supplies and materials	564,259	589,153	536,003
Contracted and general services	329,793	362,476	351,889
Grants & requisitions	-	30,000	-
Loss on disposal of tangible capital assets	-	-	7,598
Other expenses	3,678	4,936	4,491
TOTAL EXPENSES	<u>9,942,100</u>	<u>10,074,109</u>	<u>9,702,475</u>
ANNUAL SURPLUS	308,455	104,159	132,461
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>9,449,565</u>	<u>9,449,565</u>	<u>9,317,104</u>
ACCUMULATED SURPLUS, END OF YEAR	<u><u>\$ 9,758,020</u></u>	<u><u>\$ 9,553,724</u></u>	<u><u>\$ 9,449,565</u></u>

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD

Statement of Change in Net Debt

Year ended December 31, 2016, with comparative information for 2015

	<u>2016 Actuals</u>	<u>2016 Budget</u>	<u>2015 Actuals</u>
ANNUAL SURPLUS	\$ 308,455	\$ 104,159	\$ 132,461
Acquisition of tangible capital assets	(659,983)	(648,839)	(667,655)
Amortization of tangible capital assets	1,377,365	1,378,274	1,361,633
Contributed tangible capital assets	-	-	(3,165)
Loss on disposal of tangible capital assets	-	-	7,598
	<u>1,025,837</u>	<u>833,594</u>	<u>830,872</u>
Acquisition of prepaid expenses	(43,896)	-	(28,763)
Use of prepaid expenses	20,758	-	54,825
	<u>(23,138)</u>	<u>-</u>	<u>26,062</u>
DECREASE IN NET DEBT	1,002,699	833,594	856,934
NET DEBT, BEGINNING OF YEAR	<u>(17,461,735)</u>	<u>(17,461,735)</u>	<u>(18,318,669)</u>
NET DEBT, END OF YEAR	<u>\$ (16,459,036)</u>	<u>\$ (16,628,141)</u>	<u>\$ (17,461,735)</u>

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD
Statement of Cash Flows

Year ended December 31, 2016, with comparative information for 2015

	2016	2015
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:		
OPERATING		
Annual surplus	\$ 308,455	\$ 132,461
Items not involving cash:		
Amortization of tangible capital assets	1,377,365	1,361,633
Loss on disposal of tangible capital assets	-	7,598
Contributed tangible capital assets	-	(3,165)
Changes to non-cash assets and liabilities:		
Government transfers receivable	4,462	1,121
Trade and other receivables	(21,799)	1,604
Accounts payable and accrued liabilities	21,184	14,814
Deferred revenue	(9,881)	(1,494)
Prepaid expenses	(23,138)	26,062
	1,656,648	1,540,634
Cash provided by operating activities		
CAPITAL		
Acquisition of tangible capital assets	(659,983)	(667,655)
Cash applied to capital activities	(659,983)	(667,655)
FINANCING & INVESTMENTS		
Change in due from Strathcona County (Note 2)	(280,286)	(187,796)
Long-term debt repaid	(716,388)	(685,288)
Cash applied to financing & investment activities	(996,674)	(873,084)
CHANGE IN CASH DURING THE YEAR	(9)	(105)
CASH, BEGINNING OF YEAR	1,788	1,893
CASH, END OF YEAR	\$ 1,779	\$ 1,788
Cash paid for interest on long term debt	\$ 957,782	\$ 988,882
Cash received from interest	\$ 111,826	\$ 120,680

See accompanying notes to the financial statements.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2016

Strathcona County Library Board (the "Library") operates under the authority of the Alberta Libraries Act and is administered by an independent board which reports to the Council of Strathcona County. The Library is a registered charity.

1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Strathcona County Library Board are prepared by management in accordance with Canadian public sector accounting standards. Significant accounting policies adopted by the Library are as follows:

a) Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

b) Government Transfers

Government transfers are recognized in the financial statements as revenues in the period the events giving rise to the transfer have occurred; provided that the transfer is authorized, eligibility criteria have been met, and reasonable estimates of the amount can be made. Stipulations are terms imposed by a transferring government regarding the use of transferred resources or the actions that must be performed in order to keep a transfer. Any unfulfilled stipulations related to a government transfer would preclude recognition of revenue until such time that all stipulations have been met.

c) Revenue Recognition

Funds that are restricted by a third party are recorded as deferred revenue until the fiscal year the service is performed or the related expenditure is incurred.

Unrestricted contributions are recognized as revenue in the year they are received or receivable. The Library Board may then choose to restrict these funds internally by putting these funds into a reserve. Reserves are part of the Accumulated Surplus.

d) Gifts in Kind

Contributed materials and supplies are recorded at fair value when they would have otherwise been purchased and when a fair value can be reasonably estimated. Contributed services of volunteers are not recognized in these financial statements as their fair value cannot be reasonably determined.

e) Pension Plan

The Library is a member of the Local Authorities Pension Plan (LAPP) and the APEX Supplementary Pension Plan. Both LAPP and APEX are multi-employer defined benefit pension plans. Contributions to the plans for current and past service are recorded as expenses in the year in which they become due.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

f) **Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations.

i. **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 the estimated useful life as follows:

Asset	Useful Life – Years
Buildings	50
Machinery & Equipment	4 – 10
Library Materials	10
Vehicles	20

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under Construction are not amortized until the asset is available for productive use.

ii. **Contributions of Tangible Capital Assets**

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

iii. **Leases**

Leases are classified as capital or operating leases. Leases which transfer substantially the entire benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

iv. **Cultural and Historical Assets**

Works of art for public display are not recorded as tangible capital assets and are not amortized.

g) **Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality.

Estimates have been used to determine accrued liabilities and tangible capital asset amortization periods.

Actual results could differ from those estimates.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2016

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

h) Future Accounting Policies

The following summarizes upcoming changes to public sector accounting standards issued by the Public Sector Accounting Standards Board. In 2017, the Library will continue to assess the impact and prepare for the adoption of these standards. While the timing of standard adoption may vary, certain standards must be adopted concurrently. The requirements in Financial Statement Presentation (PS1201), Financial Instruments (PS3450), Foreign Currency Translations (PS2601) and Portfolio Investments (PS3041) must be implemented at the same time.

Public Sector Accounting Standard	Name	Effective date (fiscal years beginning on or after...)
PS2200	Related Party Transactions	April 1, 2017
PS3420	Inter-Entity Transactions	April 1, 2017
PS3210	Assets	April 1, 2017
PS3320	Contingent Assets	April 1, 2017
PS3380	Contractual Rights	April 1, 2017
PS3430	Restructuring Transactions	April 1, 2018
PS1201	Financial Statement Presentation	April 1, 2019
PS3450	Financial Instruments	April 1, 2019
PS2601	Foreign Currency Translation	April 1, 2019
PS3041	Portfolio Investments	April 1, 2019

2. DUE FROM STRATHCONA COUNTY

The Library does not maintain its own operating bank account and has funds on deposit with Strathcona County which are available for operations when needed. The funds earn interest at a rate equivalent to that which Strathcona County earns on its short-term investments.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2016

3. DEFERRED REVENUE

Deferred revenue comprises the amounts noted below, the use of which, together with any earnings thereon is externally restricted. These amounts are recognized as revenue in the period they are used for the purpose specified.

	Balance at December 31, 2015	Contributions	Contributions Recognized	Balance at December 31, 2016
Rotary Club of Sherwood Park Heartland	\$ 11,559	\$ -	\$ 7,042	\$ 4,517
Enbridge	7,500	-	7,500	-
Government of Alberta	-	15,537	10,876	4,661
	<u>\$ 19,059</u>	<u>\$ 15,537</u>	<u>\$ 25,418</u>	<u>\$ 9,178</u>

4. LONG-TERM DEBT

Strathcona County holds debentures repayable to Alberta Capital Finance Authority on behalf of the Library. The Library has an agreement with Strathcona County to repay the principal and interest on the debentures. These debentures bear interest at rates ranging from 4.04% to 4.74% (2015 – 4.04% to 4.74%), and mature in periods 2034 through 2036 (2015 – 2034 through 2036). Debenture debt is issued on the credit and security of Strathcona County as large.

Long-term debt principal and interest payments are due as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 748,903	\$ 925,268	\$ 1,674,171
2018	782,897	891,274	1,674,171
2019	818,437	855,734	1,674,171
2020	855,593	818,578	1,674,171
2021	894,440	779,731	1,674,171
Thereafter	16,705,225	5,692,210	22,397,435
Total Long-Term Debt	<u>\$ 20,805,495</u>	<u>\$ 9,962,795</u>	<u>\$ 30,768,290</u>

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2016

5. TANGIBLE CAPITAL ASSETS

Cost	Balance at December 31, 2015	Additions	Contributed Assets	Disposals	Balance at December 31, 2016
Buildings	\$ 25,000,000	\$ -	\$ -	\$ -	\$ 25,000,000
Machinery & Equipment	2,697,206	30,198	-	(35,229)	2,692,175
Library Materials	5,593,015	629,785	-	(381,219)	5,841,581
Vehicles	499,697	-	-	-	499,697
	\$ 33,789,918	\$ 659,983	\$ -	\$ (416,448)	\$ 34,033,453

Accumulated Amortization	Balance at December 31, 2015	Disposals	Amortization Expense	Balance at December 31, 2016
Buildings	\$ 2,750,000	\$ -	\$ 500,000	\$ 3,250,000
Machinery & Equipment	1,492,866	(35,229)	280,651	1,738,288
Library Materials	2,527,096	(381,219)	571,729	2,717,606
Vehicles	137,419	-	24,985	162,404
	\$ 6,907,381	\$ (416,448)	\$ 1,377,365	\$ 7,868,298

Net Book Value	Net Book Value December 31, 2015	Net Book Value December 31, 2016
Buildings	\$ 22,250,000	\$ 21,750,000
Machinery & Equipment	1,204,340	953,887
Library Materials	3,065,919	3,123,975
Vehicles	362,278	337,293
	\$ 26,882,537	\$ 26,165,155

a) Assets under Construction

Assets under construction are amortized when the assets are put into service. At December 31, 2016, there were no assets under construction (2015 - nil).

b) Contributed Tangible Capital Assets

Contributed assets are recognized at fair market value at the date of contribution. There were no contributed assets received during 2016 (2015 – \$3,165).

c) Tangible Capital Assets Disclosed at Nominal Values

Where an estimate of fair value could not be made, the tangible capital asset is recognized at a nominal value. The Library has not assigned nominal values to any assets.

d) Write-down of Tangible Capital Assets

The Library did not write down any tangible capital assets in 2016 or 2015.

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2016

6. ACCUMULATED SURPLUS

Accumulated surplus consists of equity in tangible capital assets and reserves as follows:

	2016	2015
Equity in Tangible Capital Assets	\$ 5,359,660	\$ 5,360,654
Reserves:		
Stabilization & Contingency Reserves	469,554	439,104
Project Reserves	119,480	131,796
Special Purpose Reserves	72,412	101,888
Infrastructure Lifecycle, Maintenance and Replacement Reserves	3,736,914	3,416,123
	4,398,360	4,088,911
	\$ 9,758,020	\$ 9,449,565

7. EQUITY IN TANGIBLE CAPITAL ASSETS

	2016	2015
Tangible Capital Assets (Note 5)	\$ 26,165,155	\$ 26,882,537
Long-Term Debt (Note 4)	(20,805,495)	(21,521,883)
	\$ 5,359,660	\$ 5,360,654

8. GOVERNMENT TRANSFERS

The following government transfers have been included in revenues:

	2016	2015
Municipal Government Strathcona County	\$ 9,172,097	\$ 8,709,316
Provincial Government		
Alberta Municipal Affairs - Unconditional Per Capita Grant	530,563	513,320
Alberta Municipal Affairs - Public Library Development Initiative	10,876	-
Alberta Labour - Summer Temporary Employment Grant	3,773	-
	545,212	513,320
Federal Government		
Young Canada Works	17,197	17,079
Canada Summer Jobs	7,927	2,499
	25,124	19,578
Total Government Transfers	\$ 9,742,433	\$ 9,242,214

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2016

9. PENSION PLAN

Local Authorities Pension Plan (LAPP)

Library employees participate in the Local Authorities Pension Plan (LAPP), a defined benefit pension plan established in 1962 for the employees of local authorities in Alberta. LAPP is governed by the Local Authorities Pension Board of Trustees and administered by Alberta Pensions Services Corporation.

The Library was required to make current service contributions to LAPP of 11.39% (2015 – 11.39%) of pensionable payroll up to the yearly maximum pensionable earnings (YMPE) and 15.84% (2015 – 15.84%) thereafter. Employees of the Library are required to make current service contributions of 10.39% (2015 – 10.39%) of pensionable salary up to YMPE, and 14.84% (2015– 14.84%) thereafter.

Total current service contributions by the Library to LAPP in 2016 were \$537,434 (2015 - \$505,900). Total current service contributions by the employees of the Library to LAPP in 2016 were \$493,280 (2015 - \$462,719).

As stated in their 2015 Annual Report, LAPP serves 244,621 members and 426 employers. It is financed by employer and employee contributions and investment earnings of the LAPP fund. At December 31, 2015, (the last date for which information is available), LAPP reported an actuarial deficiency of \$923,416,000.

APEX

The APEX supplementary pension plan is an Alberta Urban Municipality Association (AUMA) sponsored defined benefit pension plan covered under the provisions of the Alberta Employment Pension Plans Act. It commenced on July 23, 2009, and provides supplementary pension benefits to a prescribed class of employees. The plan supplements the Local Authorities Pension Plan.

Contributions are made by the prescribed class of employees and the Library. The employees and the Library are required to make current service contributions to APEX of 2.5% (2015 – 2.5%) and 3.0% (2015 – 3.0%), respectively, of pensionable earnings up to \$144,500 (2015 - \$140,945).

Total current service contributions by the Library to APEX in 2016 were \$14,132 (2015 - \$4,228). Total current service contributions by the employees of the Library to APEX in 2016 were \$11,777 (2015 - \$3,524).

The cost of post-retirement benefits earned by employees under APEX program is actuarially determined using the projected benefit method prorated on service and management's best estimate of salary and benefit escalation and retirement ages of employees. The cost of post-retirement benefits for APEX is fully funded.

10. ADMINISTRATIVE CHARGES

Operating expenditures include administrative charges from Strathcona County as follows:

	2016	2015
Building Maintenance	\$ 391,937	\$ 415,520
Personnel Services	105,596	106,086
Financial Services	55,891	54,509
General Services	33,490	36,341
Insurance	25,555	27,040
	\$ 612,469	\$ 639,496

STRATHCONA COUNTY LIBRARY BOARD
Notes to Financial Statements
Year ended December 31, 2016

11. COMMITMENTS

Leases

The Library has ongoing operating leases for office equipment. The future minimum lease payments are as follows:

2017		\$ 12,569
2018		13,733
2019		8,727
		\$ 35,029

Maintenance Contract

The Library has maintenance contracts for various RFID (Radio Frequency Identification) equipment. The future minimum contract payments are as follows:

2017		\$ 32,938
		\$ 32,938

Database Subscription

The Library has a subscriber agreement for a database. The future payments are as follows (USD):

2017		\$ 11,813
		\$ 11,813

Metro-Area Group Library Network (MAGNET)

The Library is committed to an annual payment for central site computer and support services under the Metro-Area Group Library Network (MAGNET) co-owners agreement. In 2016, the Library's share of central costs was \$21,778 (2015 - \$22,067). The Library may terminate its participation by delivering written notice to the MAGNET committee on or before December 31st of any year to become effective on December 31st of the year immediately following.

STRATHCONA COUNTY LIBRARY BOARD

Notes to Financial Statements

Year ended December 31, 2016

11. COMMITMENTS (CONTINUED)

Agreements with Strathcona County

The Library has chosen to contract some services supplied by Strathcona County departments. Service Level Agreements were signed with Human Resources (HR) and Financial Services (FIN) in 2016 and with Information Technology Services (ITS) in 2017. These agreements formalize arrangements for the provision of specified services. The term of these agreements is from January 1, 2017 to December 31, 2021. An annual review for all agreements will take place in May or June of each year. The future contracts at this time are as follows:

	<u>IT</u>	<u>HR</u>	<u>FIN</u>	<u>Total</u>
2017	\$ 17,974	\$ 115,027	\$ 59,085	\$ 192,086
2018	17,974	115,027	59,085	192,086
2019	17,974	115,027	59,085	192,086
2020	17,974	115,027	59,085	192,086
2021	17,974	115,027	59,085	192,086
	<u>\$ 89,870</u>	<u>\$ 575,135</u>	<u>\$ 295,425</u>	<u>\$ 960,430</u>

Facility Collaboration Agreement with Strathcona County

The Library is located in the Strathcona County Community Centre. The Library is committed to pay a portion of the on-going operating costs (i.e. building site maintenance, janitorial services, utilities, security, telephone, mail and snow removal), to Strathcona County under the Facility Collaboration Agreement. This agreement was under negotiation since 2010 and was signed subsequent to year end. The term of the agreement is November 1, 2010 to October 31, 2060.

This amount will change on a yearly basis depending on the cost of the services required. The future contracts at this time are as follows:

2017	\$ 440,687
2018	440,687
2019	440,687
2020	440,687
2021	440,687
Thereafter	<u>17,113,345</u>
	<u>\$ 19,316,780</u>