

NATURAL RESOURCES CONSERVATION BOARD  
2022-23 ANNUAL REPORT



**NRCB** | Natural Resources  
Conservation Board



## VISION, MISSION AND VALUES

**OUR VISION:** to be a respected decision-maker, exemplifying integrity and foresight in the best interests of Alberta.

**OUR MISSION:** as a quasi-judicial and regulatory agency, the Natural Resources Conservation Board (NRCB) makes impartial and knowledge-based decisions across two distinct mandates:

- Under the *Natural Resources Conservation Board Act*, the NRCB decides if natural resource projects are in the public interest, considering social, environmental, and economic effects, and
- Under the *Agricultural Operation Practices Act*, the NRCB fulfills applications and compliance responsibilities, administers and advances policies, and conducts Board reviews for confined feeding operations.

**OUR VALUES:** in achieving our mission, we honour the NRCB's core values of integrity, fairness, respect, excellence, and service.

## LAND ACKNOWLEDGEMENT

In the spirit of reconciliation, the NRCB acknowledges that we live and work on the traditional territories of the many First Nations, Inuit, and Métis people in Alberta, on the lands of Treaty 6, 7, 8, and Métis Nation Region 2 and 3. We recognize and respect the deep connection these peoples share with the land, and acknowledge the language, culture, and heritage of the Indigenous peoples whose footsteps have marked these lands for centuries.

## PHOTO CREDITS

The NRCB is very fortunate to have a number of talented photographers among its staff and Board and gratefully acknowledges their permission to use the photos in these pages.

Cover photo and back cover photo (river) appears courtesy of Ben Hsu. Cover photo and back cover photo (bridge) and photos on pages 9 and 38-39 appear courtesy of Sylvia Kaminski. Cover photo and back cover photo (cows) and photos on pages 10 and 23 appear courtesy of Cathryn Thompson. Photos on the inside front cover, and pages 1, 5, 11, 12, 13, 18, 17, 21, 28 appear courtesy of Peter Woloshyn. Photo on page 24 appears courtesy of Nora Decosemo.

Board and acting Board member photos on pages 4 and 5 are by Brad Calihoo Photography. The photo of Sean Royer on page 3 is by Peter Woloshyn. The photo of Page Stuart on page 4 and the NRCB staff and Board photo on page 41 are by KBT Photography.



# ACCOUNTABILITY STATEMENT

The NRCB is accountable to the Minister of Alberta Environment and Protected Areas.

The *Natural Resources Conservation Board Act* is the responsibility of Alberta Environment and Protected Areas.

The *Agricultural Operation Practices Act* is the responsibility of Alberta Agriculture and Irrigation. A 2022 mandate and roles document signed by the Minister of Environment and Parks, the Minister of Agriculture, Forestry and Rural Economic Development, the chair, and the chief executive officer of the NRCB describes the purpose of the act, and governance and mandate responsibilities.

The 2022-23 financial reports of the NRCB are provided in the annual report issued by Alberta Environment and Protected Areas, as well as in this annual report.

# GOVERNANCE

The chair and Board members of the NRCB provide strategic direction and are responsible for the overall governance of the organization, its financial reporting, and reviews under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*. The chief executive officer is responsible for corporate services, the delivery of regulatory functions of the *Agricultural Operation Practices Act*, and development of policy to support those functions, and is accountable to the chair and Board members for the general operation of the organization.

The NRCB complies with the requirements of the *Alberta Public Agencies Governance Act* and the Public Agencies Governance Framework. Its mandate and roles document, code of conduct, compensation and expense disclosures, and Board member competency framework are publicly available at [www.nrcb.ca](http://www.nrcb.ca).

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## MESSAGE FROM THE CHAIR

Peter Woloshyn,  
Board Chair

On behalf of the Board of the NRCB, I am pleased to present this 2022-23 annual report. It is as much a testament to the dedication of our team in accomplishing our work over the past fiscal year as it is a report of facts, statistics, and financial information.

I want to begin by extending my heartfelt appreciation to Board members Page Stuart and Sandi Roberts, as well as our four Acting Board members, and express how proud I am to work with this talented, experienced, and competency-based team. Page reached the end of her term in April 2023, and Acting Board member Indra Maharaj resigned her position in February 2023 to accept an appointment as a justice of the Provincial Court of Alberta. Both left their mark on the NRCB and their invaluable contributions helped ensure the continuation of the sound decision-making on complex files that is a hallmark of our organization.

The year was another busy one for the Board under the *Agricultural Operation Practices Act* with ten request for review decisions released, as well as three written reviews and one oral hearing. Kudos to Board members and Acting Board members for their sound governance work and solid, evidence-based and well-reasoned contributions to Board decisions. The Board of the NRCB runs a lean ship and operates with only three part-time Board members, ably supported by our Board counsel and Board reviews manager. We are able to make this work thanks to the four very strong Acting Board members available to participate on hearing panels at the call of the chair. Acting Board members had 14 panel assignments in the past fiscal year and 51 panel assignments over the past five years, all of which were reviews under the *Agricultural Operation Practices Act*.

Under the *Natural Resources Conservation Board Act*—the legislation under which the NRCB conducts public interest reviews of proposed natural resource projects—the NRCB also has several pending projects waiting in the wings. In 2022-23, work to advance these reviews included providing input on the proposed terms of reference for the environmental impact assessment for the Chin Reservoir Expansion Project. It is one of three irrigation-related projects that may come before the NRCB for public interest review, demonstrating the increasing importance and prevalence of water-related issues in our province. The past fiscal year also marked Sean Royer's first at the helm of the NRCB as CEO and he has certainly made an

impact in that time. In 2022-23 Sean reconnected with all agriculture commodity groups served by the NRCB, recruited some talented and experienced new environmental expertise to the Policy Advisory Group, implemented a new strategic plan for the organization, and has been actively engaged throughout the year with all NRCB staff. Staff engagement has been a full-time job in and of itself as the NRCB has welcomed many new faces to the organization. And on that note, it has been a pleasure to return to the office after two plus years of remote work, and get to know the outstanding new staff of the NRCB.

The NRCB takes its responsibilities seriously to meet its obligations with Indigenous peoples whose rights may be adversely affected by regulatory activities of the NRCB. We also remain committed to providing education and training on Indigenous issues as outlined in call to action 57 of the Truth and Reconciliation Commission of Canada report. In 2022-23, the NRCB began working with an Indigenous-led Alberta agency to create an ongoing, customized Indigenous education and training program for NRCB staff. I hope this program will help us continue to meet our commitments to Indigenous peoples and will mark another small step on our journey toward reconciliation.

Another ongoing priority of the Board is to provide ways for stakeholders to understand the review and hearing processes under both the *Agricultural Operation Practices Act* and the *Natural Resources Conservation Board Act*. We know these processes can be intimidating and complex for participants and as part of our efforts to help Albertans navigate through them we are developing two animated videos to help explain hearings under these two pieces of legislation. We hope that these videos will be a step toward greater understanding and engagement, helping to clarify our role while empowering Albertans to be active participants in the regulation of confined feeding operations and the public interest determinations of natural resource projects.

Finally, I want to extend my sincere appreciation to all NRCB staff. The NRCB is a trusted and credible regulator thanks in large part to your dedication and professionalism and I thank you for your outstanding work and the crucial role you play in serving Albertans.

[Original signed by Peter Woloshyn]

Peter Woloshyn, Board Chair



## MESSAGE FROM THE CEO

Sean Royer,  
Chief Executive Officer

The 2022-23 fiscal year was a time of recalibration for the NRCB. Emerging from the turmoil and restrictions of the COVID-19 pandemic and returning to more in-person activities has given the NRCB the energy to renew our commitment to our mandates, reconnect with colleagues and stakeholders, and prepare new initiatives, all guided by a new three-year strategic plan. The return to face-to-face activities has also provided us the opportunity to re-establish relationships and increase our interactions with municipalities and other stakeholders—an ongoing priority for the NRCB.

The accountability session held in June 2022 to review the delivery of the *Agricultural Operation Practices Act* was one of the first in-person opportunities to renew some of these connections. In attendance were the Minister of Agriculture, Forestry and Rural Economic Development, senior staff from the office of the Minister of Environment and Parks (the Minister could not attend), the chair of the NRCB, and members of the Policy Advisory Group (PAG) representing Alberta's four major livestock sectors (beef, dairy, pork, and poultry), the Intensive Livestock Working Group (ILWG), municipalities, and the non-government environmental sector. The session was a valuable opportunity to hear directly from stakeholders about both successes and challenges related to the regulation of confined feeding operations in Alberta. The open and respectful discussion demonstrated the crucial role PAG's multi-stakeholder advisory process plays in delivering a positive regulatory environment and operationalizing the *Agricultural Operation Practices Act*.

As the year went on the NRCB faced some complex, challenging files that ate up significant resources. These files, along with staff shortages and pandemic-related challenges, delayed the processing of some permit applications, resulting in the NRCB missing one of its performance measures. For the very first time, in 2022-23, the NRCB did not meet its target of issuing 85 per cent of permit decisions within 65 working days of the date the application was deemed complete—instead issuing 76 per cent of decisions within the targeted time frame.

The above-mentioned staff shortages and the ensuing new hires changed the complexion of our organization as the NRCB, like so many other entities and sectors around the world, continued to feel the burn of the “Great Resignation”. In 2022-23, we saw a change in almost 25 per cent of NRCB personnel as many experienced staff members retired or departed for new opportunities. But you know what they say: when one door closes, another one opens. With staff departures came the opportunity to bring in fresh new talent and I am delighted to welcome the outstanding new employees who have joined the NRCB this past fiscal year.

To that end, we hope that the NRCB's new hybrid workplace arrangement will be one of the tools that helps retain new and existing staff. In May 2022, the NRCB returned to the office for the first time since the start of the COVID-19 pandemic and embarked on a hybrid workplace pilot that has provided the best of both in-person and remote work worlds. My thanks to all of our talented and dedicated staff for making the challenges of the pandemic era seem to disappear as they simply got on with business as usual in their typical exemplary way.

Finally, 2022-23 saw us launch or lay the groundwork for a number of new initiatives and revamped policies that will help to streamline our processes and better serve Albertans. These include our grandfathering education program, liner inspection program, an updated grandfathering policy, and a fairly significant overhaul to our approvals policy. The goals, as always, are to increase transparency, make our processes clearer and more efficient, reduce risk to the environment, and to continue doing the very best job we can to maintain the trust of Albertans as a respected decision-maker, exemplifying integrity and foresight in the best interests of Alberta.

[Original signed by Sean Royer]

Sean Royer, Chief Executive Officer

# STRATEGIC PRIORITIES

The NRCB's strategic priorities for 2022-23, as identified in its business plan, are:

1. Improve the coordination of project review processes with other provincial and federal review agencies for project applications under the *Natural Resources Conservation Board Act* to ensure reviews are as efficient and effective as possible.
2. Continue to contribute as required to Government of Alberta red tape reduction targets in collaboration with Environment and Protected Areas and Agriculture and Irrigation as applied to the *Agricultural Operation Practices Act* (AOPA), and NRCB operational policies that assist in the delivery of AOPA.
3. Continue to review the permit application, compliance, and review processes to identify opportunities to improve efficiencies in the delivery of the *Agricultural Operation Practices Act*.
4. Fulfill the NRCB's commitment to provide staff with continuous learning opportunities for the cultural awareness and understanding of Indigenous peoples.

## BOARD



**Peter Woloshyn** was appointed Board chair in December 2017. Prior to his appointment, Peter led the NRCB's operations and corporate divisions as chief executive officer for more than 11 years following the re-structuring of the NRCB in 2006. During his tenure as CEO, he created the multi-stakeholder Policy Advisory Group that remains in place today and is pivotal to the success of delivering NRCB's regulatory functions under the *Agricultural Operation Practices Act*. He also oversaw an interim approach to the removal of regulatory obstacles to facilitate approval of biodigesters that use a manure-based feedstock. Peter brings 22 years of experience with Alberta Agriculture and Irrigation to the NRCB in economic analysis, resource economics, and work in crop insurance and reinsurance with Agriculture Financial Services Corporation. He is also a community advisor board member of the University of Alberta's Alberta Land Institute.



**Sandi Roberts** joined the Board of the NRCB as a governance member in October 2020, after three years as an Acting Board member. Sandi has more than 30 years of professional experience, including eight years as an NRCB approval officer, as well as experience as an agricultural engineer. She was a member of council with the Town of Carstairs from 2010 to 2017, where she chaired or participated in numerous sub-committees, including the Policy and Governance Committee, the Municipal Planning Commission, and the Municipal Development Committee. She spent 17 years as an instructor at Olds College, including a three-year stint as coordinator for the agricultural engineering technology program, and a one-year term as acting dean of the trades and technology department. She is a member of the Central Alberta Regional Assessment Review Board and the Intermunicipal Subdivision and Development Appeal Board for Carstairs, Didsbury, Sundre, and Cremona.



Appointed to the Board in June 2017, **Page Stuart's** career has spanned policy, research, operations, and finance across multiple sectors. With a track record developing value-added business opportunities and a keen interest in effective governance, Page has served in a number of advisory and elected volunteer capacities, notably Alberta Cattle Feeders' Association chair, AgCoalition founding co-chair, Canadian Roundtable for Sustainable Beef Indicators co-chair, and Alberta Farm Safety Advisory Council co-chair. Page was a key member of the team receiving the first national environmental stewardship award presented to a feedlot in Canada, and has since championed multiple agricultural sustainability initiatives. She represented the Board on the NRCB's Policy Advisory Group, and is currently working toward completion of a Certificate in Tribunal Administrative Justice. Page volunteers as a director on the board of IntegralOrg, and as board chair of The Family Centre of Northern Alberta.

## ACTING BOARD MEMBERS



**Walter Ceroici** worked at Alberta Environment and Protected Areas for more than 25 years on policy development in contaminated sites assessment and remediation, waste management, and groundwater resource assessment. From 2007 to 2021 he was director of science and technology for the NRCB and also served as compliance manager and as acting CEO at times. He became an Acting Board member in 2019.



**Earl Graham** spent more than 13 years in municipal politics and has experience with water initiatives, planning services, and as a director of the Rural Municipalities of Alberta. He was appointed as an Acting Board member in 2020.



**Daniel Heaney** has more than 30 years of professional experience in sustainable agriculture, including the impacts of manure management practices on crop production and water quality. He has been an Acting Board member since 2017 and was reappointed in 2020 to a five-year term.



**Indra Maharaj** has more than 30 years of legal experience, including extensive experience in energy regulation along with knowledge of adjudicative tribunals, litigation, and administrative law. She became an Acting Board member in 2020. Indra resigned as an Acting Board member in February 2023 to accept an appointment as a justice of the Provincial Court of Alberta.



# BOARD ACTIVITY 2022-23

## HIGHLIGHTS



In accordance with the NRCB's dual mandates, the Board issues decisions on reviews of approval officer and inspector decisions under the *Agricultural Operation Practices Act*, and reviews proposed major natural resource projects under the *Natural Resources Conservation Board Act*.

Decisions issued by the Board are publicly available on the NRCB website.

## AGRICULTURAL OPERATION PRACTICES ACT

In 2022-23 the Board received requests to review (RFR) nine permit decisions by approval officers. After deliberation, the Board dismissed six of the requests for review and issued decisions detailing the reasoning, as noted below. The Board found that the issues raised in these requests for review were adequately dealt with by the approval officer or were of little merit.

- Double T Cattle Co Ltd.—Board Decision RFR 2022-08 / RA21043 was issued June 24, 2022. The request for review of the approval officer decision to issue the approval focused on the deemed permit (grandfathering determination), consistency with the municipal development plan, effects on the environment, adequacy of manure spreading lands, nuisance impacts, increased traffic and road impacts, water supply, land values, dead animal disposal, and cumulative effects.
- Hutterian Brethren of Parkland—Board Decision RFR 2022-10 / LA22029 was issued October 13, 2022. The request for review of the approval officer decision to issue the approval focused on future plans for the confined feeding operation site, alternate location and village status zoning, water quantity and quality, odour, noise, insects, Avian influenza risk, traffic and roads, and impact on land values and quality of life.
- G&S Cattle Ltd.—Board Decision RFR 2022-11 / RA21045 was issued October 21, 2022. The request for review of the approval officer decision to deny the application focused on assessment of community effects and land use; principles and processes under the *Agricultural Operation Practices Act*; the authority of statutory and non-statutory plans; and the concerns of unaffected persons to the exclusion of agricultural operators.
- [Richard, Linda, and Curtis] McKelvie—Board Decision RFR 2022-12 / RA21030 was issued October 26, 2022. The request for review of the approval officer decision to issue the approval focused on notice, consultation, and assessment of Samson Cree Nation's treaty rights; adverse effects, and non-compliance with the *Agricultural Operation Practices Act*.
- Tateson Ranching Ltd.—Board Decision RFR 2022-13 / LA21057 was issued November 1, 2022. The request for review of the approval officer decision to issue the approval focused on conditions included in the approval related to decommissioning, a runoff control plan, and incorporation of manure on cultivated land.
- Jos and Dorothy Peters—Board Decision RFR 2022-15 / RA16006XB was issued December 6, 2022. The request for review of the approval officer decision to issue the registration focused on short-term manure storage, runoff, manure spreading lands, setback from a common body of water, amendment of an approval condition, non-compliance with the *Agricultural Operation Practices Act*, weed control, and organic certification.



Three of the requests for review received in 2022-23 were granted, with one directed to a virtual hearing, as noted below:

- A&D Cattle Ltd.—Board Decision RFR 2022-06 / LA21037 was issued May 10, 2022 and Review Decision 2022-09 / LA21037 was issued July 27, 2022. The review of the approval officer decision to deny the application focused on the application's consistency with the municipality's statutory plans and whether the decision was unnecessarily delayed. The Board upheld the approval officer decision to deny the application.

The other two requests for review received in 2022-23 were directed to written review:

- John Schooten and Sons Custom Feedyard Ltd.—Board Decision RFR 2022-04 / LA21053 was issued April 26, 2022 and Review Decision 2022-07 / LA21053 was issued June 6, 2022. The review of the approval officer decision to issue the approval focused on the applicant's request to remove a condition included in the permit requiring a traffic impact assessment and to modify a condition requiring annual submission of soil testing records. The Board directed the approval officer to issue an amended approval.
- Hutterian Brethren Church of Cleardale—Board Decision RFR 2022-14 / FA21002 was issued November 15, 2022 and Review Decision 2022-16 / FA21002 was issued December 19, 2022. The review of the approval officer decision to deny the application focused on whether the Board should exercise its authority to approve the beef confined feeding operation, notwithstanding an inconsistency with the Clear Hills County municipal development plan. The Board directed the approval officer to issue the approval.

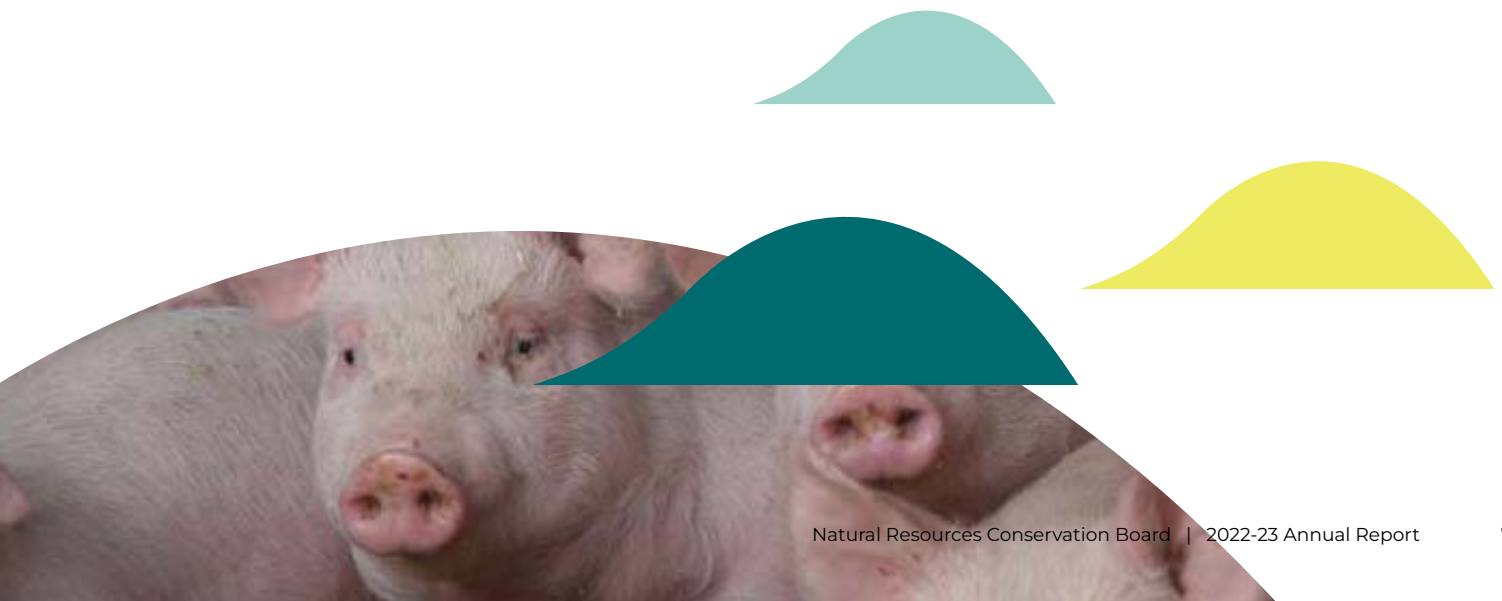
One request for review was received in 2021-22 with the review granted and directed to written review in 2022-23, as noted below:

- R & T Penner Farms Ltd.—Board Decision RFR 2022-03 / RA22002 was issued April 4, 2022 and Review Decision 2022-05 / RA22002 was issued May 9, 2022. The review of the approval officer decision to deny the application focused on whether the Board should exercise its authority to approve the poultry confined feeding operation expansion, notwithstanding an inconsistency with the Camrose County municipal development plan. The Board directed the approval officer to issue the approval.

## ACTIVE FILES

One file remained active at the conclusion of 2022-23, as noted below:

- Rimrock Cattle Company Ltd.—One request for review of NRCB decision RA22026, which denied an approval application for an expansion at an existing confined feeding operation due to inconsistency with the municipal development plan, was submitted by the operator on March 13, 2023. Board Decision RFR 2023-01 / RA22026 was issued in 2023-24 dismissing the request.



# NATURAL RESOURCES CONSERVATION BOARD ACT

In accordance with the *Natural Resources Conservation Board Act*, projects for which Alberta Environment and Protected Areas orders the submission of an environmental impact assessment are also subject to a review by the Board to determine whether the projects are in the public interest.

The Board's formal review process begins after an environmental impact assessment has been deemed complete by Alberta Environment and Protected Areas and the Board has determined that the applicant has addressed any deficiencies. The timeframe for commencing the Board's public interest review then depends on the time required by both the NRCB and Alberta Environment and Protected Areas to review the application, and the time required by the applicant to complete the application/environmental impact assessment. The Board determines whether a public hearing is required under its governing legislation.

## PENDING PROJECT APPLICATIONS

As of March 31, 2023, the following project applicants have been directed by Alberta Environment and Protected Areas to prepare environmental impact assessments. The applications have not yet been submitted to the Board for review:

- Castle Mountain Resort: Castle Mountain Resort Expansion (Pincher Creek)
- Eastern Irrigation District: Snake Lake Reservoir Expansion (County of Newell)
- Source Energy Services Holdings Ltd.: Peace River Open Pit Silica Sand Mine (Peace River)
- St. Mary River Irrigation District: Chin Reservoir Expansion (MD of Taber/Lethbridge County)

## PERFORMANCE

### CORE BUSINESS ONE:

Public interest reviews of proposed natural resource projects under the *Natural Resources Conservation Board Act* and reviews of approval officer or inspector decisions under the *Agricultural Operation Practices Act*

### STRATEGIC PRIORITY:

Improve the coordination of project review processes with other provincial and federal review agencies for project applications under the *Natural Resources Conservation Board Act* to ensure reviews are as efficient and effective as possible.

#### STRATEGY:

Renew the processes for *Natural Resources Conservation Board Act* natural resource project reviews with relevant provincial and federal review agencies to ensure reviews are coordinated, with goals of improving efficiency, effectiveness, and communication. The NRCB will continue to maintain a strong role in developing the terms of reference for environmental impact assessments to ensure that all relevant information is included in the project review process.

#### RESULTS ACHIEVED:

**Coordination with review agencies**—NRCB staff met with representatives from agencies including Alberta Environment and Protected Areas, Alberta Transportation, and the Aboriginal Consultation Office regarding the Snake Lake Reservoir Expansion project and regarding the proposed terms of reference for the environmental impact assessment for the Chin Reservoir Expansion project. The NRCB continues to pursue opportunities to advance process efficiencies in natural resource project reviews.

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### STRATEGIC PRIORITY:

Continue to contribute as required to Government of Alberta red tape reduction targets in collaboration with Environment and Protected Areas and Agriculture and Irrigation as applied to the *Agricultural Operation Practices Act* (AOPA), and NRCB operational policies that assist in the delivery of AOPA.

#### STRATEGY:

Investigate further red tape reduction opportunities and efficiencies to streamline the request for review process under the *Agricultural Operation Practices Act*.

#### RESULTS ACHIEVED:

**Red tape reduced and further opportunities identified**—The Board has identified opportunities to strengthen the request for review process and reduce the process burden on stakeholders. However, some of the other opportunities would require legislative changes.

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### STRATEGIC PRIORITY:

Continue to review the permit application, compliance, and review processes to identify opportunities to improve efficiencies in the delivery of *Agricultural Operation Practices Act*.

#### STRATEGY:

Proactively provide opportunities for all participants to understand *Natural Resources Conservation Board Act* and *Agricultural Operation Practices Act* review and hearing processes through guides; public information sessions; and prompt, accurate responses to direct inquiries.

#### RESULTS ACHIEVED:

**Creating opportunities for increased understanding**—The NRCB began work on two animated videos to explain the hearing processes under the *Agricultural Operation Practices Act* and the *Natural Resources Conservation Board Act*. These videos will be posted to the NRCB website when complete. The NRCB also simplified its request for review form. In addition, staff responded to a number of information requests regarding Board reviews under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*.

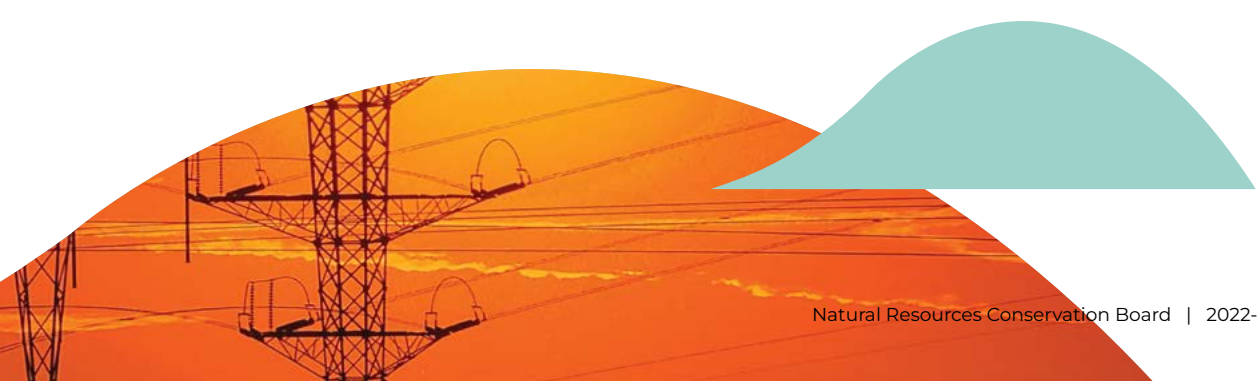
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### STRATEGY:

Continue to evaluate and refine access to the complete public record for public interest determinations under the *Natural Resources Conservation Board Act* and reviews under the *Agricultural Operation Practices Act*.

#### RESULTS ACHIEVED:

**Improved public access**—The NRCB livestreamed the A&D Cattle Ltd. virtual public hearing under the *Agricultural Operation Practices Act*, to make it accessible to the public, and posted the livestream and recordings to its website. Hearing exhibits referenced by parties were immediately visible to all parties participating in the virtual proceedings, resulting in seamless access to evidence. All documents relating to public interest reviews under the *Natural Resources Conservation Board Act* and hearings under the *Agricultural Operation Practices Act* were shared with interested or affected parties and posted to the NRCB website. The NRCB continued to improve the database and search function for these documents to make them more easily accessible on the website





## ADDITIONAL PRIORITIES:

### STRATEGIC PRIORITY:

Ensure the NRCB continues to meet its consultation obligations with Indigenous peoples whose rights may be adversely affected by regulatory activities of the NRCB.

### RESULTS ACHIEVED:

**Supporting Indigenous engagement**—The NRCB continued to work to minimize process barriers, support collaborative conversations, and ensure the voices of Indigenous peoples are fully represented within the NRCB’s regulatory processes. In 2022-23 this included continuing to develop communication materials intended to support this work, such as updating the NRCB fact sheet: “Indigenous Consultation and Participation in Natural Resource Development Project Reviews under the *Natural Resources Conservation Board Act*.”

**EFFICIENCY IN BOARD DECISIONS**

The Board issued 100% of decisions in 2022-23 within its targeted number of working days.

## PERFORMANCE MEASURES AND RESULTS

### EFFICIENCY OF REVIEWS

2020-21

2021-22

2022-23

#### Target 100%

Percentage of NRCB decisions issued within 80 working days of the conclusion of reviews under the *Natural Resources Conservation Board Act* (NRCBA)

N/A  
No NRCBA reviews completed

100%  
1 NRCBA review complete

N/A  
No NRCBA reviews completed

Percentage of NRCB decisions issued within 30 working days of the conclusion of hearings under the *Agricultural Operation Practices Act* (AOPA)

100%  
11 AOPA RFRs<sup>1</sup> and 1 AOPA hearing

100%  
6 AOPA RFRs and 3 AOPA hearings

100%  
9 AOPA RFRs and 4 AOPA hearings

1. RFRs are requests for review from directly affected parties. The Board must issue a decision (with reasons) to either grant or deny a request for review. If the Board finds merit in an RFR it grants a hearing. Hearings are oral or written. Oral hearings may be virtual or in person.





# SCIENCE AND TECHNOLOGY

## HIGHLIGHTS

In 2022-23, SciTech staff conducted a status review and provided technical advice to NRCB field staff and the Board on:



The NRCB science and technology (SciTech) division provides scientific and technical support to the Board and operations. SciTech staff provide technical review and advice in a number of areas including engineering, air quality, groundwater, surface water, and soil sciences. The division also has access to additional expertise from other sources when needed, such as the consulting community, and from the Alberta Energy Regulator and Alberta Utilities Commission through service sharing agreements.

Conducting technical reviews of environmental impact assessments for project applications under the *Natural Resources Conservation Board Act* continues to be a key responsibility of SciTech. Staff review the terms of reference and environmental impact assessments (EIAs) for proposed natural resource projects and provide feedback to Alberta Environment and Protected Areas. NRCB Board members assigned to review the project rely on information and support provided by SciTech members to make a decision on whether a project is in the public interest. In 2022-23, SciTech staff reviewed and provided feedback on the proposed terms of reference for the Snake Lake Expansion Project and Chin Reservoir Expansion Project. SciTech staff also worked with Environment and Protected Areas to provide procedural guidance on EIAs to proponents of a new irrigation district in south-eastern Alberta which will draw water from the Red Deer River basin.

The SciTech division provides scientific and technical support to NRCB field operations staff involved in *Agricultural Operation Practices Act* permitting and compliance activities. This work includes performing desktop and file reviews for compliance monitoring of water wells and leak detection networks, as well as field testing and assessments to collect site-specific information on soil, air, groundwater, or surface water parameters that can be used to advise regulatory decisions on mitigating risks of environmental impacts. SciTech staff continue to chair and participate on the Monitoring Review Team that provides technical advice to NRCB inspectors and approval officers on complex and challenging confined feeding operation files.

SciTech staff continue to co-chair and participate on the Technical Advisory Group, whose goal is to develop technical guidelines intended to clarify the implementation of the *Agricultural Operation Practices Act*. In 2022-23, the Technical Advisory Group, which has representation from the livestock industry and Alberta Agriculture and Irrigation, published five new or updated guidelines, reviewed the progress on all geotechnical guidelines, and considered priorities for additional guidelines.



# RESEARCH & COLLABORATION



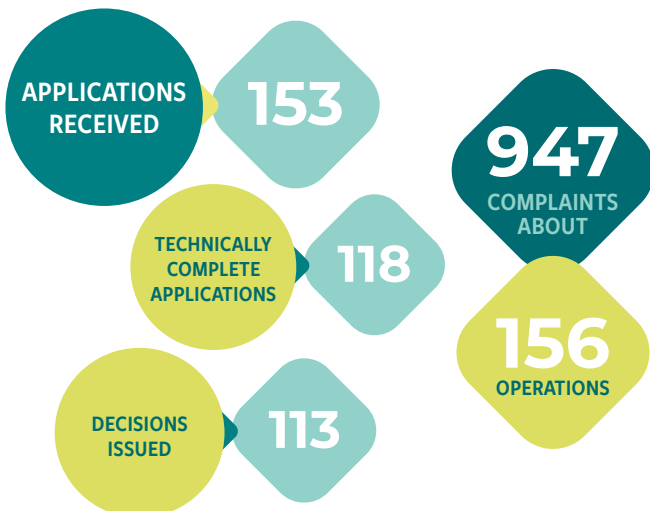
A priority for the SciTech division continues to be involvement in collaborative work with other agencies on studies to evaluate risks to the environment associated with confined feeding operations and livestock manure management. In 2022-23, the NRCB partnered with the Alberta Cattle Feeders' Association, Alberta Agriculture and Irrigation, the University of Calgary, and the University of Saskatchewan to submit a successful proposal to Results Driven Agriculture Research seeking funding for a research project to investigate whether roller compacted concrete can meet the groundwater protection requirements of the *Agricultural Operation Practices Act* when used as a liner at confined feeding operations. Field work for this research will get underway in 2023-24.

The NRCB has also been working with the Calgary Region Airshed Zone (CRAZ) and Environment and Protected Areas to provide air quality monitoring in areas of intense odours that may be related to feedlots. In 2022-23 the NRCB provided funding to CRAZ to install and maintain a total reduced sulphur analyzer in a portable air monitoring laboratory deployed in High River, and procured an odour monitoring station to validate continuous monitoring methods for measuring odours in communities and targeting potential sources of odours.

SciTech continues to represent the NRCB on the Water for Life Cross Ministry Support Team, various watershed planning and advisory councils, airshed organizations, Alberta Water Council, and other provincial groups and committees.

## FIELD SERVICES

### HIGHLIGHTS



NRCB field services has two distinct roles: on the applications side, approval officers issue permits in accordance with the requirements of the *Agricultural Operation Practices Act*; on the compliance side, inspectors follow up on conditions in permits and respond to complaints. In 2022-23, staff collectively travelled more than 245,000 kilometres to respond to complaints and for permitting activities. Field services staff have expertise in a number of areas including agriculture, agronomy, biology, engineering, environmental sciences, and enforcement. In complex situations or when additional expertise is required, field services relies on the NRCB's science and technology division.

# 2022 ACCOUNTABILITY SESSION



An accountability session was held on June 7, 2022 to review the delivery of the *Agricultural Operation Practices Act*. In attendance were the Minister of Agriculture, Forestry and Rural Economic Development, senior staff from the office of the Minister of Environment and Parks (the Minister could not attend), the chair of the NRCB, and members of the Policy Advisory Group representing Alberta's four major livestock sectors (beef, dairy, pork, and poultry), the Intensive Livestock Working Group (ILWG), municipalities, and the non-government environmental sector. The full report of the accountability session is available at [www.nrcb.ca](http://www.nrcb.ca).

## ADDRESSING UNAUTHORIZED CONSTRUCTION

Unauthorized construction of a new manure storage facility, or to expand an existing facility for an increase in livestock numbers, is a serious violation of the permitting requirements of the *Agricultural Operation Practices Act*. In spite of significant efforts by the NRCB and industry organizations over the past four years to inform operators of confined feeding operations that unauthorized construction is illegal, the NRCB continued to see increased cases of unauthorized facility construction at a number of operations in 2022-23. Prosecution of operators who construct without a permit remains a potential enforcement tool.

Unauthorized construction violations were brought to the NRCB's attention via complaint or by operator self-reporting. The NRCB addressed unauthorized construction complaints at 31 operations. Upon follow up, NRCB inspectors determined that 19 of those complaints did not constitute unauthorized construction. Inspectors issued compliance directives to five operators, enforcement orders to three operators, and warnings to one operator requiring them to cease construction and apply for and obtain a permit.



## SCREENING FOR ENVIRONMENTAL RISK

When approval officers or inspectors identify environmental risk at existing confined feeding operations, they typically work with operators to address the issue. For more than a decade, approval officers have used the NRCB environmental risk screening tool during application reviews for both new and existing facilities (e.g., catch basin, earthen liquid manure storage, feedlot pens) at confined feeding operations to assess the potential risk of the facilities to groundwater and surface water quality. Over the past two to three years approval officers have only used the environmental risk screening tool to score existing facilities, as new facilities that are approved under the *Agricultural Operation Practices Act*, and constructed according to the Act's specifications, are considered low potential risk. NRCB inspectors also use the tool, as required, to respond to complaints, and for annual follow-up on operations identified under the NRCB's risk-based compliance program.

In 2022-23, approval officers completed environmental risk screenings for 57 pre-existing facilities at 34 operations. Operators were required to take remedial action to address any risks to the satisfaction of the NRCB at facilities determined to have a high potential risk to groundwater or surface water.

### ENVIRONMENTAL RISK SCREENING RESULTS, 2022-23

PATHWAY	Number of facilities ranked LOW potential risk	Number of facilities ranked MODERATE potential risk	Number of facilities ranked HIGH potential risk
Groundwater	56	1	0
Surface water	55	2	0

## MONITORING SURFACE WATER

In 2022 the NRCB continued to collect information on surface water conditions at confined feeding operations during inspections. NRCB inspectors conducted 272 inspections at 165 operations in 2022 (multiple inspections were conducted at some operations). Inspectors documented surface water issues at 17 operations; serious issues were identified at three of those. (A serious surface water issue involves manure contaminated water runoff flowing into a surface water body.) Of the serious surface water issues, two were determined to be preventable and one as unpreventable due to a large rainfall event.

The main actions taken by operators to address identified surface water issues included:

- Constructing berms to prevent surface water runoff from leaving property
- Establishing or maintaining surface water run-on controls
- Pumping manure or catch basin contents from overfull facilities onto the land
- Developing manure management plans

All of the surface water issues identified were addressed by the operators to the satisfaction of the NRCB.

### NEW AND UPDATED OPERATIONAL POLICIES

The NRCB continues to develop new and update existing operational policies, guides, and fact sheets to clarify the intent of the *Agricultural Operation Practices Act*.

In 2022-23, this included the replacement of two previous policies (2016-5: Determining Deemed Capacity for Grandfathered CFOs and 2016-6: Public Notice for Grandfathering Decisions) with a single combined policy: Operational Policy 2023-1: Grandfathering (Deemed Permit) to provide greater transparency and to help streamline the grandfathering process.

The NRCB has also been reviewing and updating its approvals policy to streamline and clarify its application process. The revised NRCB Approvals Policy is targeted to be finalized in 2023-24 after consultation with members of the Policy Advisory Group.

New and updated policies are publicly available at [www.nrcb.ca](http://www.nrcb.ca)



# APPLICATIONS

In 2022-23, the NRCB received 153 permit applications for confined feeding operations. These included approvals (permits for larger operations), registrations (permits for smaller operations), and authorizations (permits for manure storage facilities where there is no change in livestock numbers). The number of completed applications received in 2022-23 was similar to previous years with 118 applications deemed technically complete in 2022-23 and 113 in 2021-22.

The NRCB aims for efficiency in issuing all permit decisions with a goal to issue 85 per cent of decisions within 65 working days of the date at which the application is deemed to be complete. In 2022-23, for the first time, the NRCB did not meet this goal, issuing 76 per cent of decisions within the targeted time frame. This can be attributed to several factors, but is mainly a function of the complexity of many files, the many challenges applicants faced relating to the pandemic which delayed the processing of applications, and staff turnover at the NRCB. It should be noted however, that the average processing time for applications met the 65 working day performance target. This can be seen in the table below.

## AVERAGE NUMBER OF DAYS TO DECISION, 2022-23

PERMIT TYPE	Average number of days to decision <sup>1</sup>	Number of decisions issued <sup>2</sup>
Approvals	64	51
Registrations	63	10
Authorizations	36	15

1. The NRCB counts days to decision from the date the application is technically complete.
2. The number of decisions in this table does not include approval officer amendment decisions under Section 23 of the *Agricultural Operation Practices Act* (5 in total for this period).

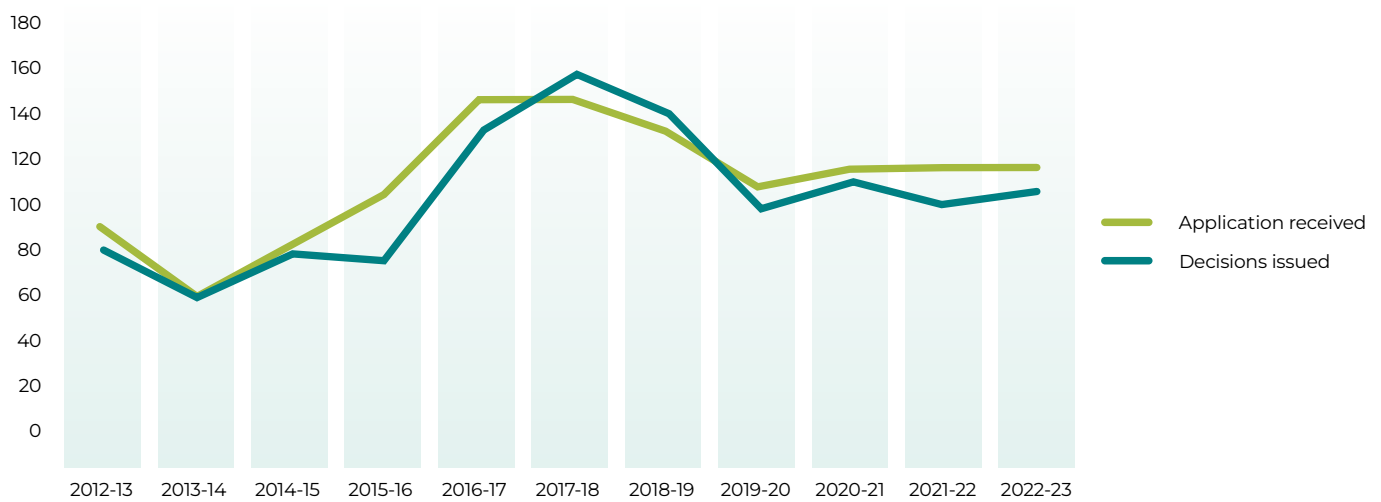
Most applications were received from operators in the central and southern regions of the province. The dairy, beef, and poultry sectors were the source of the majority of all applications.

## TECHNICALLY COMPLETE APPLICATIONS RECEIVED AND DECISIONS ISSUED, BY REGION, 2022-23

REGION	Technically complete applications received	Decisions issued <sup>1</sup>
Peace	1	1
North Central	14	12
Central	60	51
South	43	49
<b>Total</b>	<b>118</b>	<b>113</b>

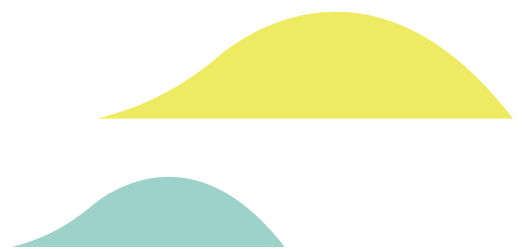
1. The number of decisions issued in a given year may not match the number of completed applications as some applications may carry over from the previous year or into the following year.

## HISTORICAL TREND OF COMPLETED APPLICATIONS RECEIVED AND DECISIONS ISSUED



## TECHNICALLY COMPLETE APPLICATIONS BY LIVESTOCK CATEGORY, 2022-23

LIVESTOCK CATEGORY	Completed applications <sup>1</sup>
Beef	26
Dairy	48
Goats	0
Poultry	26
Sheep	4
Swine	3
Bison	0
Other	1



1. An application is counted once for each animal type in the application.



## COMPLIANCE

# NEW COMPLIANCE PROGRAMS



In 2022-23, the NRCB laid the groundwork, consulted with Policy Advisory Group members, and prepared to launch two new compliance programs.

One program aims to communicate to confined feeding operators the importance of self-identifying operations that existed, or were municipally permitted, prior to 2002 when the *Agricultural Operation Practices Act* came into effect. The goal of this education program is to encourage such operators to request formal grandfathering determinations from the NRCB. This would allow the operators to obtain the documentation they would require should they ever wish to sell, refinance, or expand, thus protecting the future of their operations, and would also initiate the request before any more time passes and records from January 1, 2002 become even more difficult to find.

The second program will assess the continued maintenance of liners at operations with permits issued by the NRCB between 2002 and 2007. The goal is to ensure that these liners are being properly maintained in accordance with *Agricultural Operation Practices Act* permit regulations and that they do not present a risk to the environment.

Both programs will get underway in 2023-24.

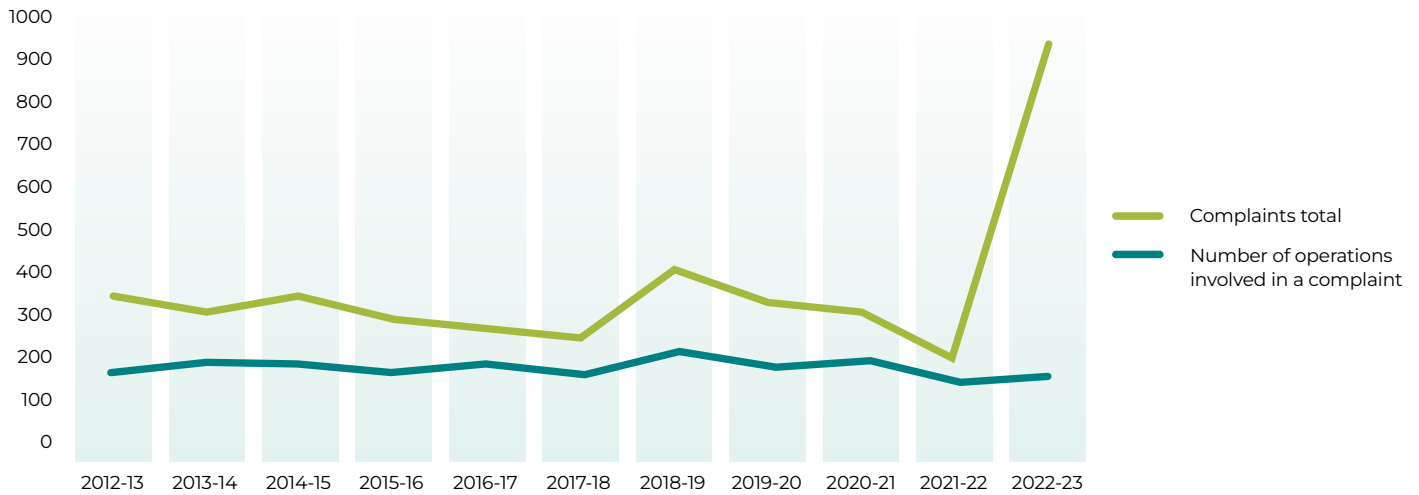
## COMPLAINTS

The NRCB logged 947 complaints about 156 operations in 2022-23, compared with 206 complaints about 142 operations the previous year. The NRCB received a very large number of odour complaints about two operations in 2022-23, driving up the total number of complaints significantly as compared to previous years. The NRCB also received 34 requests from operators to spread manure on frozen or snow-covered land, 21 requests to spread for erosion control, four requests for grandfathering determinations, and 31 information only requests. Information only can include requests for information on confined feeding operation expansions or manure spreading regulations, for example, and come from both confined feeding operators and the public.





## HISTORICAL TREND OF COMPLAINTS RECEIVED



## NUMBER OF COMPLAINTS BY REGION, 2022-23

Peace	North Central	Central	Southern
7	21	80	839



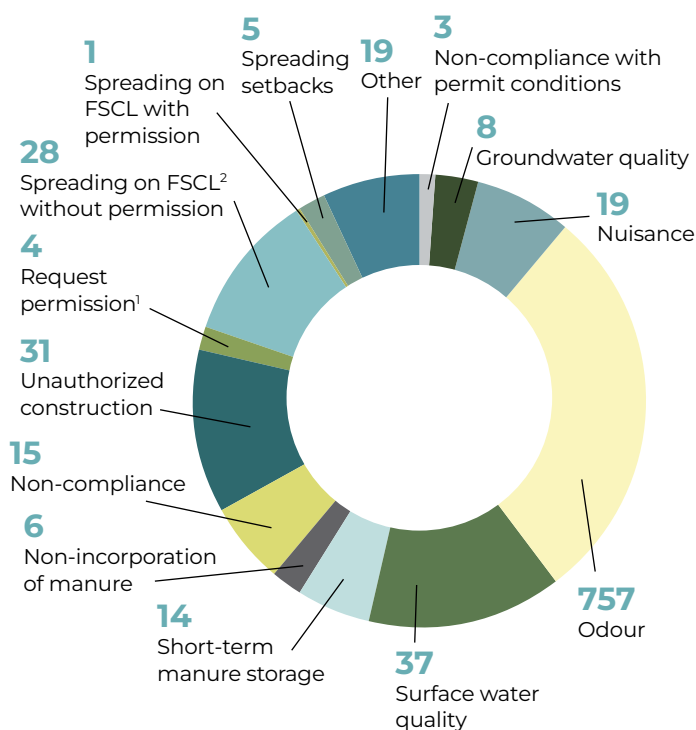
## NUMBER OF COMPLAINTS BY TYPE OF CONFINED FEEDING OPERATION, 2022-23

Beef Cow/calf <sup>1</sup>	Dairy	Poultry	Swine	Sheep	Goats	Horses	Bison	Multi-Species <sup>2</sup>	Other <sup>3</sup>	Non-livestock farm	Acreage
704	24	22	130	17	3	1	4	0	21	17	3
											1

1. Cow/calf operations that do not confine and feed livestock when grazing is available do not require a permit under the *Agricultural Operation Practices Act* but must comply with the manure management requirements of the act.
2. "Multi-species" means a confined feeding operation with more than one type or category of livestock.
3. "Other" includes game farms, stables, auction markets, and other facilities that do not fall under the *Agricultural Operation Practices Act*.



## TYPES OF COMPLAINTS, 2022-23



1. "Request permission" means operators contacting the NRCB to inquire whether prior permission is needed before spreading under normal conditions.
2. FSCL refers to frozen or snow-covered land.
3. "Other" includes complaints that do not fall under the *Agricultural Operation Practices Act* (e.g., disposal of dead livestock, animal welfare, livestock on residential acreages).

Ninety-nine per cent of complaint files were resolved, or required no further action, within 60 days.

The *Agricultural Operation Practices Act* prohibits applying liquid or solid manure on frozen or snow-covered land without prior permission from the NRCB. In 2022-23, the NRCB received 34 requests for permission to spread from operators. Field staff worked with the operators to ensure that manure removed from the facilities and applied on frozen or snow-covered land was spread according to strict requirements in order to minimize environmental risks.

### OTHER COMPLIANCE REQUESTS, 2022-23

Information only	31
Grandfathering determinations	5
Permission to spread on FSCL <sup>1</sup>	34
Permission to spread for erosion control	33

1. FSCL refers to frozen or snow-covered land.

## ENFORCEMENT

### ENFORCEMENT ACTIONS TAKEN, 2022-23

Enforcement orders	5
Emergency orders	2
Compliance directives	5
AOPA warnings	7

The 2022-23 enforcement orders were issued to five operations—three for unauthorized construction and two for inappropriate disturbance.

Two emergency orders were issued in 2022-23—one for runoff to adjacent property and one for runoff to a common body of water.

The NRCB issued five compliance directives, all for unauthorized construction.

## GRANDFATHERING DETERMINATIONS

In addition, to the above compliance and enforcement activities, NRCB inspectors worked on five stand-alone grandfathering determinations and issued three grandfathering decisions in 2022-23. Each grandfathering decision involves an investigation to determine the livestock type and/or capacity of the operation that existed when Part 2 of the *Agricultural Operation Practices Act* came into effect in 2002.

# PERFORMANCE

## CORE BUSINESS TWO:

Regulation under the *Agricultural Operation Practices Act*.

### STRATEGIC PRIORITY:

Continue to contribute as required to Government of Alberta red tape reduction targets in collaboration with Environment and Protected Areas and Agriculture and Irrigation as applied to the *Agricultural Operation Practices Act* (AOPA), and NRCB operational policies that assist in the delivery of AOPA.

#### STRATEGY:

Continue to contribute to reducing red tape as applied to the *Agricultural Operation Practices Act* (AOPA) and to NRCB operational policies that are intended to clarify AOPA requirements.

#### RESULTS ACHIEVED:

**Red tape reduced**—The NRCB worked with Alberta Agriculture and Irrigation and Alberta Environment and Protected Areas to achieve Government of Alberta red tape reduction objectives. The NRCB's red tape reduction activities in 2022-23 included the following:

- The NRCB updated and revised compliance documents and templates, achieving a 30 per cent reduction in red tape.
- The NRCB has met its red tape reduction targets with its updated approvals policy. The revised NRCB Approvals Policy will be finalized in 2023-24.

### STRATEGIC PRIORITY:

Continue to review the permit application, compliance, and review processes to identify opportunities to improve efficiencies in the delivery of the *Agricultural Operation Practices Act*.

#### STRATEGY:

Continue to enhance efficiencies and business processes to support *Agricultural Operation Practices Act* delivery, and engage the Policy Advisory Group in relevant discussions.

#### RESULTS ACHIEVED:

**Improved business processes**—The NRCB is reviewing and updating its Approvals policy to streamline and clarify its application process where possible. The policy has been provided to the Policy Advisory Group for their advice and implementation is expected in 2023-24. The NRCB also replaced two previous policies (2016-5: Determining Deemed Capacity for Grandfathered CFOs and 2016-6: Public Notice for Grandfathering Decisions) with a single combined policy: Operational Policy 2023-1: Grandfathering (Deemed Permit) to provide greater transparency and to help streamline the grandfathering process. Together with a representative from Alberta Agriculture and Irrigation, the NRCB continued to co-chair the Policy Advisory Group, which met in November 2022 and March 2023.

#### STRATEGY:

Maintain an open dialogue with municipalities about permitting requirements in the *Agricultural Operation Practices Act*; explain how the NRCB assesses municipal land use planning provisions when making permitting decisions; and explain the NRCB's compliance and enforcement processes.

#### RESULTS ACHIEVED:

**Meetings with municipalities**—The NRCB continued to meet with municipal staff or council members on a regular basis to discuss the requirements of the *Agricultural Operation Practices Act*, municipal land use planning, and compliance and enforcement issues. In addition, NRCB staff met with staff or council members representing many counties and municipal districts in Alberta to discuss aspects of specific permit applications and compliance issues.




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### STRATEGY:

Promote consistent understanding of regulatory requirements under the *Agricultural Operation Practices Act* for operators, consultants, and other stakeholders.

### RESULTS ACHIEVED:

In 2022-23, the NRCB promoted consistent understanding of regulatory requirements through the following:

- NRCB staff continued to meet with confined feeding operation applicants regularly to provide information on *Agricultural Operation Practices Act* requirements and go through all permit conditions (including record keeping requirements) with applicants when permits were issued.
  - The NRCB continued to communicate with Indigenous communities regarding neighbouring confined feeding operation applications when applicable, and has continued work on engagement with Indigenous communities under the *Agricultural Operation Practices Act*.
  - The NRCB and Alberta Agriculture and Irrigation co-chair the Technical Advisory Group (TAG) that publishes guidelines intended to clarify the implementation of the *Agricultural Operation Practices Act*. In 2022-23, TAG published the following new and updated guidelines:
    - Agdex 096-64: Subsoil Investigations for Compacted Soil Liners (November 2022)
    - Agdex 096-63: Subsoil Investigations for Naturally Occurring Protective Layers (March 2023)
    - Agdex 096-61: Determining Equivalent Protective Layers and Constructed Liners (update June 2022)
    - Agdex 096-70: Frozen and Snow-Covered Land (update December 2022)
    - Agdex 096-100: Technical Guideline Listing (update Dec 2022)
  - The NRCB began work to update a memorandum of understanding regarding regulatory responsibility for storage and land application of digestate formed from the production of biogas in biodigesters where the primary feedstock is manure.
  - The NRCB developed a grandfathering education program to encourage confined feeding operators whose operations predate the *Agricultural Operation Practices Act* to request formal grandfathering determinations. This would allow these operators to obtain the documentation they would require should they ever wish to sell, refinance, or expand, thus helping to protect the future of their operations. This program will get underway in earnest in 2023-24 and will continue through 2024-25.
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**STRATEGY:**

Reinforce efforts to educate confined feeding operators and other stakeholders about compliance requirements, especially for unauthorized construction, application of manure on frozen or snow-covered land, and record keeping for manure application.

**RESULTS ACHIEVED:**

**Communication with confined feeding operators and industry associations**—NRCB staff met with representatives from industry associations on a number of occasions in 2022-23 regarding the requirements of the *Agricultural Operation Practices Act*. The NRCB also provided information and articles to the associations to share with their members on topics including manure spreading, construction planning, and the NRCB's updated grandfathering policy. The NRCB has also developed a program to assess the continued maintenance of liners at operations with permits issued by the NRCB between 2002 and 2007 in order to ensure that these liners are being properly maintained in accordance with *Agricultural Operation Practices Act* permit regulations. In addition, the NRCB continued to provide all applicants with information on unauthorized construction and go through all permit conditions (including record keeping requirements) with applicants when permits are issued. The NRCB continued to respond to complaints and educate both complainants and confined feeding operators on the regulatory requirements under the *Agricultural Operation Practices Act*.

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**STRATEGY:**

Maintain communication and conduct follow-up inspections with confined feeding operations that have annual permit condition requirements to ensure any potential risks to the environment are being effectively monitored and remediated to the satisfaction of the NRCB.

**RESULTS ACHIEVED:**

**Follow-up inspections conducted**—NRCB inspectors followed up on 277 annual permit conditions in 2022-23 to ensure confined feeding operations were following the requirements of their permits and taking steps to mitigate potential environmental risks.

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**STRATEGY:**

Continue to collaborate with government departments and educational institutions on applied research to better understand new technologies and techniques to reduce the environmental risks and impacts of confined feeding operations.

**RESULTS ACHIEVED:**

**Research collaboration**—In 2022-23, the NRCB partnered with the Alberta Cattle Feeders' Association, Alberta Agriculture and Irrigation, the University of Calgary, and the University of Saskatchewan and submitted a proposal to Results Driven Agriculture Research (RDAR) for research funding to investigate whether roller compacted concrete can meet the groundwater protection requirements of the *Agricultural Operation Practices Act* when used as a liner at confined feeding operations. The proposal was successful and work for this project will occur in 2023-24.

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**STRATEGY:**

Participate in producer meetings, Rural Municipalities of Alberta conferences, and other relevant events to better understand opportunities, challenges, and concerns related to confined feeding operations.

**RESULTS ACHIEVED:**

**Maintaining connections with stakeholders**—NRCB staff stayed informed on issues of relevance to stakeholders by attending meetings of industry associations and maintaining their networks of connections with stakeholders in other ways. The NRCB chair, CEO, and director of field services – applications also attended the Rural Municipalities of Alberta fall 2022 and spring 2023 conferences.



**STRATEGY:**

Explore opportunities for using the *Agricultural Operation Practices Act* to regulate solid organic wastes generated from greenhouses.

**RESULTS ACHIEVED:**

In collaboration with Alberta Agriculture and Irrigation a proposal has been prepared outlining four options for the regulation of solid organic wastes generated from greenhouses. The proposal has been sent to the ministry of Alberta Agriculture and Irrigation and the CEO of the NRCB for consideration and discussion.

## PERFORMANCE MEASURES AND RESULTS

### EFFICIENCY OF PERMITTING DECISIONS

TARGET 85%	2020-21	2021-22	2022-23
Percentage of decisions issued within 65 working days from the date the application is determined to be complete	93.5%	92%	76% <sup>1</sup>

### COMPLAINT RESOLUTION

TARGET 95%	2020-21	2021-22	2022-23
Percentage of complaint files resolved, or requiring no further action, within 60 days <sup>2</sup>	99%	95%	99%

1. In 2022-23, for the first time, the NRCB did not meet its goal of issuing 85 per cent of applications within 65 working days. This can be attributed to the complexity of many files, challenges faced by applicants relating to the pandemic which delayed the processing of applications, and staff turnover at the NRCB. The average processing time for applications however, remained within the 65 working day performance target (see Average number of days to decision, 2022-23 table on p. 17).
2. In 2020-21, the NRCB reduced the timeframe for its performance benchmark for complaint resolution from 90 to 60 days.



## ORGANIZATIONAL CAPACITY

The NRCB takes tremendous pride in the outstanding work its staff delivers and is committed to fostering a work environment and a culture of excellence that supports this level of performance, through internal and external training, and personal wellness supports.

The NRCB also remains committed to achieving excellence in its fiscal accountability and once again achieved a clean financial audit opinion from the Office of the Auditor General in 2022-23.

## PERFORMANCE

### STRATEGIC PRIORITY:

Fulfill the NRCB's commitment to provide staff with continuous learning opportunities for the cultural awareness and understanding of Indigenous peoples.

### STRATEGY:

Continue to provide in-house training and support external training opportunities in areas of required professional development, including education and training on Indigenous issues as outlined in call to action 57 of the Truth and Reconciliation Commission of Canada report<sup>1</sup> and endorsed by the Government of Alberta for all Alberta public servants.

### RESULTS ACHIEVED:

**Ongoing education related to Indigenous issues**—In 2022-23, the NRCB began working with an Indigenous-led Alberta agency to create an ongoing, customized Indigenous education and training program for NRCB staff. The NRCB also commemorated the 2022 National Day for Truth and Reconciliation with an organization-wide townhall to learn more about Canada's history of residential schools and the effects and legacy of those schools on generations of Indigenous people.

**Professional development provided**—In addition, NRCB staff and Board members participated in training sessions throughout the year on topics including compacted soil liners, seasonal feeding and bedding sites, the *Freedom of Information and Protection of Privacy Act*, hog production, MS Teams, irrigation, the Sustainable Canadian Agricultural Partnership, the state of the agriculture industry, the Alberta Climate Information Service, rural municipalities, and techniques to defuse difficult situations. NRCB staff members were also provided with other professional development opportunities to meet continuing education requirements of professional organizations.

1. Call to action 57 of *The Final Report of the Truth and Reconciliation Commission of Canada* reads: "We call upon federal, provincial, territorial, and municipal governments to provide education to public servants on the history of Aboriginal peoples, including the history and legacy of residential schools, the *United Nations Declaration on the Rights of Indigenous Peoples*, Treaties and Aboriginal rights, Indigenous law, and Aboriginal-Crown relations. This will require skills-based training in intercultural competency, conflict resolution, human rights, and anti-racism."



## ADDITIONAL PRIORITIES:

### STRATEGY:

Maintain a COVID-19 pandemic business continuity plan, reinforcing current risk management systems and strategy, until it is no longer required.

### RESULTS ACHIEVED:

***Pandemic response plan maintained***—The NRCB developed a COVID-19 business continuity plan at the beginning of the pandemic and continued to update it as required throughout 2022-23 to reflect current public health restrictions and advice.

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### STRATEGY:

Implement an optional hybrid workplace policy.

### RESULTS ACHIEVED:

***Voluntary hybrid workplace policy implemented***—Throughout the pandemic, employees demonstrated their ability to meet or exceed performance expectations while working in a remote work environment. As a result, and because of the benefits and attributes of both working from the office and working remotely, the NRCB implemented a voluntary hybrid workplace option in May 2022 that offers a combination of working in an NRCB office and remotely from home.

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### STRATEGY:

Continue to enhance the NRCB occupational health and safety policy and program to maintain a safe, healthy, and productive workplace.

### RESULTS ACHIEVED:

***Occupational health and safety work ongoing***—The NRCB continues to work on developing, refining, and implementing a health and safety program, including the development of a working alone policy.

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### STRATEGY:

Develop the appropriate systems and procedures to implement the approved NRCB records retention and disposition schedule.

### RESULTS ACHIEVED:

***Draft records management policy and procedures developed***—The NRCB and an external consultant developed a scoping and roadmap document that outlines the activities and time frame required to operationalize the records retention and disposition schedule. The NRCB also worked with the consultant to develop a draft records management policy and procedures and update the information security classification policy. Work will continue in the next fiscal year to finalize the policy and procedures documents and determine steps required to operationalize the policy and procedures.

## STRATEGY:

Maintain and continuously improve essential infrastructure including:

- a. improving the functionality of the confined feeding operation database
- b. updating computers and other electronic devices issued to staff in accordance with the NRCB's commitment to information technology evergreening, and
- c. updating the efficiency and security of NRCB IT systems.

## RESULTS ACHIEVED:

- a. Improvements to the confined feeding operation database**—The NRCB completed a major upgrade to the database's operating software in 2022-23. This allowed the database to be moved to a cloud-based server environment with increased security features. The NRCB further updated database functionality to improve the capturing and tracking of total livestock numbers allowed at individual confined feeding operations. The ability to upload inspection reports that were handwritten and issued in the field was also added to the database.
- b. Updating technology**—The NRCB continued to replace old technology according to its evergreening schedule to ensure provision of adequate and up-to-date tools for staff to perform their duties. The NRCB updated its video conference equipment in its boardrooms to accommodate new video conferencing and collaboration software such as MS Teams and Zoom.
- c. Updating IT**—The NRCB undertook a major upgrade and modernization of its information technology system in 2022-23, including implementing Microsoft 365 and multifactor authentication, and starting to migrate its servers to the Azure cloud environment. These changes will enhance IT security, streamline IT administration, prepare for future IT needs, and adapt to the flexibility needs of the hybrid workplace. Work will continue in the next fiscal year to finalize the server migration project. With the increase and advancement in cyberattacks, the NRCB renewed the KnowBe4 learning management system and phishing training for its staff. These measures should help reduce cyber risk related to human errors.

## STAFF CHANGES

Due to retirements, departures, and maternity leaves, the following new staff members joined the NRCB in 2022-23:

- Avi Barman, Accounting Coordinator (covering off maternity leave), Edmonton office
- Cailyn Wilson, Approval Officer, Lethbridge office
- Cathryn Thompson, Inspector, Morinville office
- Crystal Powers-Sanford, Field Office Administrator, Red Deer office
- Greg Piorkowski, Manager, Science and Technology, Edmonton office
- Michael Carson, Environmental Specialist, Edmonton office
- Morgan Schindel, Inspector, Lethbridge office
- Sarah Neff, Approval Officer, Red Deer office

## STATEMENT OF DISCLOSURES UNDER THE PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWER PROTECTION) ACT

The NRCB's Whistleblower Protection: Procedures for disclosures under the *Public Interest Disclosure (Whistleblower Protection) Act* were approved by the Public Interest Commissioner on August 21, 2018. These procedures are posted on the NRCB internal intranet site. The NRCB also provides the procedures to each new employee when they start work.

No disclosures were made to the NRCB in 2022-23.

# FINANCIAL STATEMENTS

Year Ended March 31, 2023

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying NRCB financial statements have been prepared and presented by management, who is responsible for the integrity and fair presentation of the information.

These financial statements are prepared in accordance with Canadian public sector accounting standards. The financial statements necessarily include certain amounts based on the informed judgments and best estimates of management.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the NRCB has developed and maintains systems of internal controls to produce reliable information for reporting requirements. The systems are designed to provide reasonable assurance that the NRCB transactions are properly authorized, assets are safeguarded from loss and the accounting records are a reliable basis for the preparation of the financial statements.

The Auditor General of Alberta, the NRCB's external auditor appointed under the Auditor General Act, performed an independent external audit of these financial statements in accordance with Canadian generally accepted auditing standards and has expressed his opinion in the accompanying Independent Auditor's Report.

The NRCB's Board is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. In both the presence and absence of management, the NRCB's Board meets with the external auditors to discuss the audit, including any findings as to the integrity of financial reporting processes and the adequacy of our systems of internal controls. The external auditors have full and unrestricted access to the NRCB's Board.

[Original signed by Sean Royer]

Sean Royer  
Chief Executive Officer

May 31, 2023

## Independent Auditor's Report

To the Members of the Natural Resources Conservation Board

### Report on the Financial Statements

#### Opinion

I have audited the financial statements of the Natural Resources Conservation Board (the Board), which comprise the statement of financial position as at March 31, 2023, and the statements of operations, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2023, and the results of its operations, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards

#### Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

## **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the 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 the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

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

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 my 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 Board'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 Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I 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 I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]  
Auditor General

May 31, 2023  
Edmonton, Alberta



# STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2023

		2023	2022
	Budget	Actual	Actual
<b>Revenues</b>			
Government transfers			
Transfer from the Department of Environment and Protected Areas (Note 4)	\$ 5,397,000	\$ 5,397,000	\$ 5,397,000
Investment income	5,000	72,412	5,605
Other revenue	1,000	1,979	1,060
	5,403,000	5,471,391	5,403,665
<b>Expenses – directly incurred (Note 2(a) and Schedules 1 and 4)</b>			
Board reviews and hearings	1,154,000	1,011,865	1,113,376
Regulating confined feeding operations	4,270,000	4,228,210	3,876,982
	5,424,000	5,240,075	4,990,358
<b>Annual operating surplus (deficit)</b>	(21,000)	231,316	413,307
Transfer amount returned to the Department of Environment and Protected Areas (Note 4)	-	-	(250,000)
<b>Annual surplus (deficit)</b>	(21,000)	231,316	163,307
<b>Accumulated surplus at beginning of year</b>	1,750,552	1,750,552	1,587,245
<b>Accumulated surplus at end of year</b>	\$ 1,729,552	\$ 1,981,868	\$ 1,750,552

The accompanying notes and schedules are part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2023

	2023	2022
<b>Financial assets</b>		
Cash and cash equivalents (Note 5)	\$ 2,272,915	\$ 1,998,557
Accounts receivable	11,221	1,359
	2,284,136	1,999,916
<b>Liabilities</b>		
Accounts payable and other accrued liabilities (Note 7)	377,985	302,442
<b>Net financial assets</b>	1,906,151	1,697,474
<b>Non-financial assets</b>		
Tangible capital assets (Note 8)	62,717	31,078
Prepaid expenses	13,000	22,000
	75,717	53,078
<b>Net assets</b>		
Accumulated surplus (Note 10)	\$ 1,981,868	\$ 1,750,552

Contractual obligations (Note 11)

The accompanying notes and schedules are part of these financial statements.

Approved:

Approved:

[Original signed by Peter Woloshyn]

[Original signed by Sean Royer]

Peter Woloshyn  
Chair

Sean Royer  
Chief Executive Officer

Edmonton, Alberta  
May 31, 2023

# STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

YEAR ENDED MARCH 31, 2023

	2023		2022
	Budget	Actual	Actual
<b>Annual surplus (deficit)</b>	\$ (21,000)	\$ 231,316	\$ 163,307
Acquisition of tangible capital assets (Note 8)	(17,000)	(39,424)	-
Amortization of tangible capital assets (Note 8)	30,000	7,785	9,724
Decrease/(Increase) in prepaid expenses	(2,000)	9,000	(22,000)
<b>Increase/(Decrease) in net financial assets</b>	(10,000)	208,677	151,031
<b>Net financial assets at beginning of year</b>	1,697,474	1,697,474	1,546,443
<b>Net financial assets at end of year</b>	\$ 1,687,47	\$ 1,906,151	\$ 1,697,474

The accompanying notes and schedules are part of these financial statements.

# STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2023

	2023	2022
<b>Operating transactions</b>		
Annual surplus	\$ 231,316	\$ 163,307
Non-cash item included in annual surplus:		
Amortization of tangible capital assets (Note 8)	7,785	9,724
	239,101	173,031
(Increase)/Decrease in accounts receivable	(9,862)	775
Decrease/(Increase) in prepaid expenses	9,000	(22,000)
Increase/(Decrease) in accounts payable and other accrued liabilities	75,543	(38,832)
Cash provided by operating transactions	313,782	112,974
<b>Capital transactions</b>		
Acquisition of tangible capital assets (Note 8)	(39,424)	-
Cash applied to capital transactions	(39,424)	-
<b>Increase in cash and cash equivalents</b>	274,358	112,974
<b>Cash and cash equivalents at beginning of year</b>	1,998,557	1,885,583
<b>Cash and cash equivalents at end of year</b>	\$ 2,272,915	\$ 1,998,557

The accompanying notes and schedules are part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 1 AUTHORITY AND PURPOSE

The Natural Resources Conservation Board (NRCB) operates under the authority of the *Natural Resources Conservation Board Act*, Chapter N-3, RSA 2000 (NRCBA). The NRCB's mandate is to provide for an impartial process to review projects that will or may affect the natural resources of the Province of Alberta. Included in this mandate are reviewable projects described in the NRCBA as well as the regulatory responsibilities set out in Part 2 of the *Agricultural Operation Practices Act*, Chapter A-7, RSA 2000 (AOPA) for the approval, monitoring and compliance of livestock confined feeding operations. The NRCB is exempt from income taxes under the *Income Tax Act*.

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

### (A) BASIS OF FINANCIAL REPORTING

#### REVENUES

All revenues are reported on the accrual basis of accounting.

#### Government transfers

Transfers from the Government of Alberta are recognized as revenue when the transfer is authorized and the NRCB meets the eligibility criteria.

Government transfers and associated externally restricted investment income are recognized as deferred contributions if the eligibility criteria for use of the transfer, or the stipulations together with the NRCB's actions and communications as to the use of the transfer, create a liability. These transfers are recognized as revenue as the stipulations are met and, when applicable, the NRCB complies with its communicated use of these transfers.

#### Investment income

Investment income includes interest income and is recognized when earned.

#### EXPENSES

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

#### Directly incurred

Directly incurred expenses are those costs the NRCB has primary responsibility and accountability for, as reflected in the government's budget documents.

#### Incurred by others

Services contributed by other related entities in support of the NRCB's operations are not recognized but disclosed in Schedule 4.

### VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act.

The NRCB's financial assets and liabilities are generally measured as follows:

Financial Statement Component	Measurement
Cash and cash equivalents	Cost
Accounts receivable	Lower of cost or net recoverable value
Accounts payable and other accrued liabilities	Cost

The NRCB does not hold equities traded in an active market, nor does it engage in derivative contracts or foreign currency transactions. The NRCB is not exposed to remeasurement gains and losses and, consequently, a statement of remeasurement gains and losses is not presented.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (CONT'D)

### (A) BASIS OF FINANCIAL REPORTING (CONT'D)

#### FINANCIAL ASSETS

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations.

Financial assets are the NRCB's financial claims on external organizations and individuals as well as cash at year end.

#### Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value. Cash equivalents are held for the purpose of meeting short-term commitments rather than for investment purposes.

#### Accounts receivable

Accounts receivable are recognized at the lower of cost or net recoverable value.

#### LIABILITIES

Liabilities are present obligations of the NRCB to external organizations and individuals arising from past transactions or events occurring before year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amounts.

Liabilities also include:

- all financial claims payable by the NRCB at the year end; and
- accrued employee vacation entitlements.

#### Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of a tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. Management has reviewed the accounting standard PS 3280 and has concluded that the NRCB does not have any asset retirement obligation liabilities.

#### Environmental Liabilities

Contaminated sites are a result of contamination of a chemical, organic or radioactive material or live organism that exceeds an environmental standard, being introduced into soil, water or sediment. A liability for remediation of a contaminated site may arise from an operation that is either in productive use or no longer in productive use and may also arise from an unexpected event resulting in contamination. Management has reviewed the accounting standards PS 3200 and PS 3260 and has concluded that the NRCB does not have any environmental liabilities.

#### NON-FINANCIAL ASSETS

Non-financial assets are acquired, constructed, or developed assets that do not normally provide resources to discharge existing liabilities, but instead:

- are normally employed to deliver government services;
- may be consumed in the normal course of operations; and
- are not for sale in the normal course of operations.

Non-financial assets include tangible capital assets and prepaid expenses.

#### Tangible capital assets

Tangible capital assets are recognized at cost less accumulated amortization. The threshold for capitalizing new tangible capital assets is \$5,000. These assets are amortized over their estimated useful lives commencing in the month following acquisition, using the following annual rates and methods:

Computer hardware	Straight line – 3 to 6 years
Computer software	Straight line – 2 to 7 years
Office equipment	Declining balance – 20% per year
Office furniture	Declining balance – 20% per year

Tangible capital assets are written down when conditions indicate that they no longer contribute to the NRCB's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations.

#### Prepaid expenses

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

#### MEASUREMENT UNCERTAINTY

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount, whenever estimates are used. The amounts recognized for amortization of tangible capital assets are based on estimates of the useful life of the related assets. The resulting estimates are within reasonable limits of materiality and are in accordance with the NRCB's significant accounting policies.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 3 FUTURE CHANGES IN ACCOUNTING STANDARDS

On April 1, 2023, the NRCB will adopt the following new accounting standards approved by the Public Sector Accounting Board:

- **PS 3400 Revenue**  
This accounting standard provides guidance on how to account for and report on revenue, and specifically, it differentiates between revenue arising from exchange and non-exchange transactions.
- **PS 3160 Public Private Partnerships**  
This accounting standard provides guidance on how to account for public private partnerships between public and private sector entities, where the public sector entity procures infrastructure using a private sector partner.

Management is currently assessing the impact of these standards on the financial statements.

## NOTE 4 GOVERNMENT TRANSFERS

	2023	2022
Budgeted transfer from the Department of Environment and Protected Areas	\$ 5,397,000	\$ 5,397,000
Transfer amount returned to the Department of Environment and Protected Areas	-	(250,000)
	\$ 5,397,000	\$ 5,147,000

In 2022, the NRCB demonstrated fiscal prudence and fiscal responsibility by returning \$250,000 of transfer to the Department of Environment and Protected Areas since the NRCB underspent in the fiscal year.

## NOTE 5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits in the Consolidated Liquidity Solution (CLS). Effective July 4, 2022, the CLS replaces the Consolidated Cash Investment Trust Fund (CCITF) as the Province's cash pooling structure. The new CLS structure will enhance the effectiveness and efficiency from the Province's cash management perspective. A CLS participant is paid interest on monthly basis on their cash balance at an interest rate based on 12 week rolling average of the Province's 3 month cost of borrowing.

## NOTE 6 FINANCIAL INSTRUMENTS

The NRCB has the following financial instruments: cash and cash equivalents, accounts receivable and accounts payable and other accrued liabilities.

The NRCB has exposure to the following risks from its use of financial instruments:

### (A) LIQUIDITY RISK

Liquidity risk is the risk that the NRCB will encounter difficulty in meeting obligations associated with its financial liabilities. The NRCB does not consider this to be a significant risk as the NRCB collects government transfers quarterly to meet all obligations that arise during the year.

### (B) CREDIT RISK

The NRCB is exposed to credit risk from potential non-payment of accounts receivable. As at March 31, 2023, there were no uncollectible receivable balances

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 7 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

	2023	2022
Accounts payable	\$ 168,931	\$ 55,692
Accrued liabilities - employee benefits	209,054	246,750
	\$ 377,985	\$ 302,442

## NOTE 8 TANGIBLE CAPITAL ASSETS

	Computer Hardware	Computer Software	Office Equipment	Office Furniture	2023 Total	2022 Total
<b>Historical Cost</b>						
Beginning of year	\$ 233,374	\$ 25,884	\$ 94,468	\$ 126,826	\$ 480,552	\$ 540,892
Additions	20,176	10,100	9,148	-	39,424	-
Disposals including write-downs	(140,189)	-	-	-	(140,189)	(60,340)
	113,361	35,984	103,616	126,826	379,787	480,552
<b>Accumulated Amortization</b>						
Beginning of year	233,374	22,051	68,821	125,228	449,474	500,090
Amortization expense	336	2,000	5,129	320	7,785	9,724
Effect of disposals including write-downs	(140,189)	-	-	-	(140,189)	(60,340)
	93,521	24,051	73,950	125,548	317,070	449,474
<b>Net Book Value at</b>						
<b>March 31, 2023</b>	\$ 19,840	\$ 11,933	\$ 29,666	\$ 1,278	\$ 62,717	
<b>Net Book Value at</b>						
<b>March 31, 2022</b>	\$ -	\$ 3,833	\$ 25,647	\$ 1,598		\$ 31,078

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 9 BENEFIT PLANS

The NRCB participates in the following multi-employer pension plans: Management Employees Pension Plan (MEPP) and Supplementary Retirement Plan for Public Service Managers (SRP). The expense for these pension plans is equivalent to the annual contribution of \$25,617 for the year ended March 31, 2023 (2022 - \$16,965). The NRCB is not responsible for future funding of the plan deficit other than through contribution increases.

The NRCB does not have sufficient plan information on the Government of Alberta multi-employer defined benefit pension plans to follow the standards for defined benefit accounting, and therefore follows the standards for defined contribution accounting. Accordingly, pension expense recognized for the Government of Alberta multi-employer defined benefit pension plans is comprised of employer contributions to the plans that are required for its employees during the year, which are calculated based on actuarially pre-determined amounts that are expected to provide the plans' future benefits.

At December 31, 2022, the MEPP reported a surplus of \$924,735,000 (2021 - surplus \$1,348,160,000), and the SRP reported a deficiency of \$25,117,000 (2021 - deficiency \$20,982,000).

In addition, the NRCB sponsors a defined contribution pension plan for employees who are not eligible to participate in the government sponsored pension plans. The expense for this pension plan is \$260,043 for the year ended March 31, 2023 (2022 - \$253,729). Pension expense comprises the cost of employer contributions during the year.

## NOTE 10 ACCUMULATED SURPLUS

Accumulated surplus is comprised of the following:

	<b>Investments in Tangible Capital Assets</b>	<b>Unrestricted Surplus</b>	<b>2023 Total</b>	<b>2022 Total</b>
Balance at beginning of year	\$ 31,078	\$ 1,719,474	\$ 1,750,552	\$ 1,587,245
Annual surplus	-	231,316	231,316	163,307
Net investment in capital assets	31,639	(31,639)	-	-
Balance at end of year	\$ 62,717	\$ 1,919,151	\$ 1,981,868	\$ 1,750,552

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2023

## NOTE 11 CONTRACTUAL OBLIGATIONS

Contractual obligations are obligations of the NRCB to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2023, the NRCB had contractual obligations under operating leases and contracts totalling \$290,244 (2022 - \$474,837).

Estimated payment requirements for obligations under operating leases and contracts for each of the next two years are as follows:

2023-24	\$	161,024
2024-25		129,220
	\$	290,244

## NOTE 12 BUDGET

The budget was included in the 2022-23 Government Estimates under the Ministry of Environment and Protected Areas (previously Environment and Parks). The budget was approved by the Board on June 2, 2022.

## NOTE 13 APPROVAL OF FINANCIAL STATEMENTS

The Board approved the financial statements of the NRCB.



# EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

MARCH 31, 2023

## SCHEDULE 1

	2023		2022
	Budget	Actual	Actual
Salaries, wages and employee benefits	\$ 4,487,266	\$ 4,373,083	\$ 4,322,266
Supplies and services	906,734	859,207	658,368
Amortization of tangible capital assets (Note 8)	30,000	7,785	9,724
Total expenses	\$ 5,424,000	\$ 5,240,075	\$ 4,990,358

# SALARY AND BENEFITS DISCLOSURE

MARCH 31, 2023

## SCHEDULE 2

	2023				2022
	Base Salary <sup>(1)</sup>	Other Cash Benefits <sup>(2)</sup>	Other Non-cash Benefits <sup>(3)</sup>	Total	Total
Chair <sup>(4)(5)</sup>	\$ 185,571	\$ 31,432	\$ 16,180	\$ 233,183	\$ 241,120
Board Member A <sup>(6)</sup>	97,672	12,892	17,957	128,521	107,760
Board Member B <sup>(7)</sup>	90,407	14,049	14,724	119,180	112,888
Chief Executive Officer	182,424	-	38,727	221,151	177,403

(1) Base salary includes regular salary.

(2) Other cash benefits include health benefits pay in lieu, pension pay in lieu and vacation payouts. There were no bonuses paid in 2023.

(3) Other non-cash benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees including Employment Insurance, Canada Pension Plan, pension, health benefits, professional memberships and WCB premiums. The NRCB is a participant in the Alberta Energy Regulator (AER) flexible health benefit plan.

(4) Automobile allowance included in other cash benefits.

(5) The position is 80% permanent part-time.

(6) The position was 60% permanent part-time and changed to 80% permanent part-time effective October 1, 2022.

(7) The position is 60% permanent part-time. The position worked at an 80% part-time basis from October 1 to December 31, 2022.

# RELATED PARTY TRANSACTIONS

MARCH 31, 2023

## SCHEDULE 3

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's Consolidated Financial Statements. Related parties also include key management personnel and close family members of those individuals in the NRCB. The NRCB and its employees paid certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The NRCB had the following transactions with related parties reported in the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	2023	2022
Revenues	\$ 5,462,883	\$ 5,397,000
Revenue returned to the Department of Environment and Protected Areas	\$ -	(250,000)
Expenses – Directly Incurred	\$ 240,767	\$ 59,794
Receivable from	\$ 8,785	\$ -
Payable to	\$ 17,455	\$ 21,827

The NRCB also had transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not reported in the financial statements and are included in Schedule 4.

The NRCB has a Memorandum of Understanding (MOU) with the AER and an MOU with the Alberta Utilities Commission (AUC) to share resources on an on-going basis. Under the MOUs, the NRCB is both a service provider and a service recipient.

# ALLOCATED COSTS

MARCH 31, 2023

## SCHEDULE 4

	2023		2022	
	Expenses <sup>(1)</sup>	Expenses - Incurred by Others Accommodation Costs <sup>(2)</sup>	Total Expenses	Total Expenses
<b>AOPA and NRCBA Mandates</b>				
Board reviews and hearings <sup>(3)</sup>	\$ 1,011,865	\$ 88,583	\$ 1,100,448	\$ 1,209,055
Regulating confined feeding operations <sup>(4)</sup>	4,228,210	370,156	4,598,366	4,210,155
	\$ 5,240,075	\$ 458,739	\$ 5,698,814	\$ 5,419,210

(1) Expenses - Directly Incurred as per Statement of Operations.

(2) Accommodation Costs, including grants in lieu of taxes, allocated by square footage.

(3) Board reviews and hearings comprise expenses related to AOPA appeals and NRCBA reviews.

(4) Regulating confined feeding operations comprise expenses related to (a) the approval, monitoring and compliance activities under AOPA and (b) science and technical activities in support of AOPA and NRCBA mandates.

## IN THE COMMUNITY

Meeting with stakeholders to ensure continued open and constructive communication is a priority for the Natural Resources Conservation Board. Staff and Board members participated in the following meetings and conferences to provide information about NRCB programs, policies, and processes. Regularly scheduled, ongoing meetings with Alberta Agriculture and Irrigation were also held to ensure that regulations for the confined feeding industry remain effective and outcome-based.

### MUNICIPALITIES

- County of Lethbridge
- County of Newell
- County of Warner
- Cypress County
- Foothills Little Bow Municipal Association
- Municipal District of Acadia
- Municipal District of Foothills
- Municipal District of Pincher Creek
- Municipal District of Taber
- Municipal District of Willow Creek
- Northern Sunrise County
- Red Deer County
- Rocky View County
- Stettler County
- Strathcona County
- Town of High River
- Warner County
- Vulcan County

### OTHER GOVERNMENT

- Alberta Energy Regulator
- Alberta Environment and Protected Areas
- Alberta Justice
- Alberta Indigenous Relations
- Alberta Transportation
- Alberta Utilities Commission
- Environment and Climate Change Canada
- Lakeland College
- Results Driven Agricultural Research (RDAR)
- Samson Cree First Nation
- University of Calgary
- University of Saskatchewan

### INDUSTRY AND OTHER MEETINGS & EVENTS

- AgExpo
- Alberta Beef Producers
- Alberta Beef Industry Conference
- Alberta Cattle Feeders' Association
- Alberta Greenhouse Growers Association
- Alberta Milk
- Alberta Pork
- Association of Professional Engineers and Geoscientists of Alberta
- ATB
- Banff Pork Seminar
- Calgary Region Airshed Zone
- Clean Air Strategic Alliance
- Egg Farmers of Alberta
- Intensive Livestock Working Group
- Parkland Airshed Management Zone
- Policy Advisory Group
- Rural Municipalities of Alberta
- Technical Advisory Group

### STAFF



**Back row,** left to right: Fraser Grant, Andy Cumming, Francisco Echegaray, Sheila Cunningham, Peter Woloshyn, Daniel Heaney,  
**Front row,** left to right: Avi Barman, Carolyn Taylor, Cailyn Wilson, Sarah Neff, Page Stuart, Michael Carson, Carina Weisbach, Denny Puszkas, David Smejkal, Sylvia Kaminski, Greg Piorkowski, Cathryn Thompson, Janet Harvey, Amanda Cundliffe, Morgan Schindel, Karl Iverson, Kevin Seward, Sean Royer, Earl Graham, Fiona Vance, Ben Hsu  
**Missing from photo:** Walter Ceroici, Nora Decosemo, Laura Friend, Sharon Gagnon, Bill Kennedy, Crystal Powers-Sanford, Sandi Roberts, Nathan Shirley, Lynn Stone

## CONTACT INFORMATION

### Edmonton office

4th Floor, Sterling Place  
9940 - 106 Street  
Edmonton AB T5K 2N2  
Tel: 780-422-1977

### Lethbridge office

Agriculture Centre  
100, 5401 - 1 Avenue S  
Lethbridge AB T1J 4V6  
Tel: 403-381-5166

### Morinville office

201 Provincial Building  
10008 - 107 Street  
Morinville AB T8R 1L3  
Tel: 780-939-1212



### Red Deer office

303 Provincial Building  
4920 - 51 Street  
Red Deer AB T4N 6K8  
Tel: 403-340-5241

Email: [info@nrcb.ca](mailto:info@nrcb.ca)

Reporting line: 1-866-383-6722

Web address: [www.nrcb.ca](http://www.nrcb.ca)



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