



**NATURAL RESOURCES  
CONSERVATION BOARD  
ANNUAL REPORT**

**2023  
2024**

# 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:

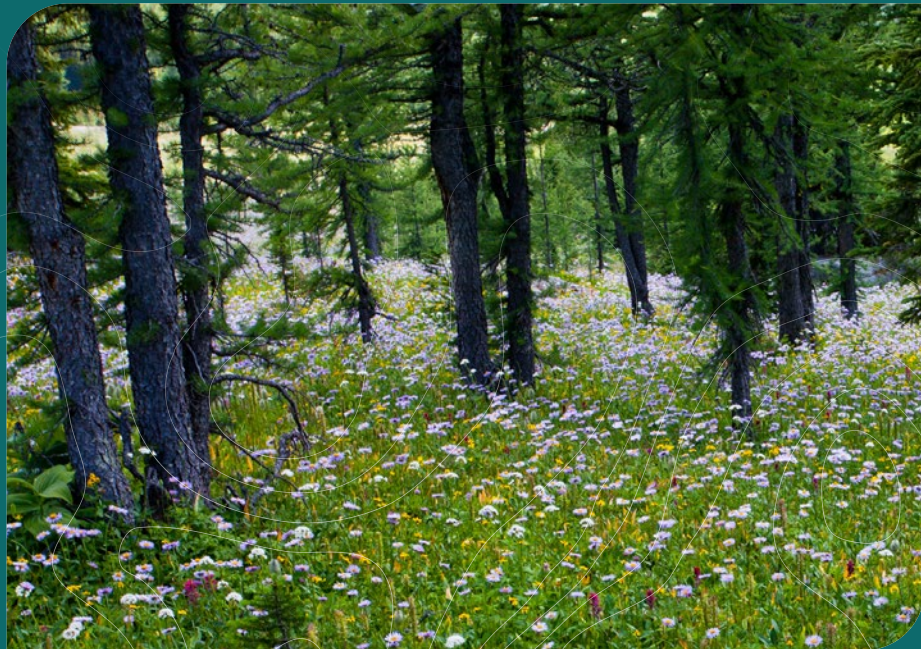
- Under the *Natural Resources Conservation Board Act*, the NRCB decides if natural resource projects are in the public interest, considering social, environmental, and economic effects, and
- Under the *Agricultural Operation Practices Act*, the NRCB fulfills applications and compliance responsibilities, 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.



# 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 2023 mandate and roles document signed by the Minister of Environment and Protected Areas, the Minister of Agriculture and Irrigation, the chair, and the chief executive officer of the NRCB describes the purpose of the act, and governance and mandate responsibilities.

The 2023–24 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

Welcome to the 2023–24 NRCB annual report—the record of a busy year for the NRCB and a milestone year for me personally. Late in 2023 I made the difficult decision to not seek renewal of my term with the Board, making this my last message in these pages. My time with the NRCB—both as CEO for more than 11 years, and as chair for the past seven—has been an absolute privilege. I have relished this work and the challenges that go with it, and I am extremely grateful for the opportunities to serve Albertans through both roles.

One of the ways we are serving Albertans is through our ongoing efforts to streamline the environmental impact assessment process for natural resource projects that come before the Board. On this front, I continue to advocate for a strategy to work collaboratively on joint projects with the federal Impact Assessment Agency of Canada (IAAC) to shorten the overall timelines to decision, eliminate stakeholder confusion, and reduce red tape. The NRCB has worked successfully in collaboration with our federal regulatory counterparts in the past and welcomes the opportunity to do so again. A renewed agreement with IAAC would help achieve greater regulatory efficiency and a clearer process both for project applicants and for all other stakeholders.

With no such barrier under the NRCB's other mandate, the Board has continued to meet tight legislative timelines under the *Agricultural Operation Practices Act* with timely and efficient responses to requests for review, hearings, and decisions. The Board's success in this regard is a tribute to the excellent work of our part-time and acting Board members, including our newest governance member **Rich Smith**, and acting Board member, **Darin Stepaniuk**, who both joined the Board early in the fiscal year. The NRCB has also achieved success with a relatively new model for working with our acting Board members—assigning them to panels where their specific expertise is needed and engaging them in the day-to-day operations work of the NRCB with in-house training, staff events, and town halls.

Which transitions nicely to my next point. On behalf of the Board, I want to thank CEO **Sean Royer** and the entire NRCB operations staff, who continue to deliver outstanding results and meet and exceed the performance measures outlined in this annual report. We greatly appreciate the work of our field services staff and their continuous engagement with applicants, operators, complainants, municipalities, Indigenous communities, and industry groups. You are the face of this organization and the NRCB only succeeds, at any level, as a result of the tremendous foundations you lay with your everyday work.

The past year also brought a couple of farewells for the NRCB.

**Nora Decosemo**, long-time executive assistant to me and to several of the CEOs who came after me, retired after 15 years with the organization. For many years, Nora was the voice you heard when you called the Edmonton office, and her good humour and boundless positivity buoyed our staff and stakeholders through many a long meeting, and through several thorny issues. Thank you for everything you did for the NRCB Nora. We wish you all the best in your next adventures.



The second farewell is a much sadder one. Former NRCB CEO **John Brown** passed away in March 2024 after a three-year battle with cancer. I worked with John for many years at Alberta Agriculture before he joined the NRCB and I benefitted not only from his knowledge, experience, and leadership, but also from his friendship. The NRCB was fortunate to have John at the helm during COVID-19, when his calm, resolute leadership guided us through those uncertain and isolating times. But even more so, we were fortunate to have him in our corner, advocating for and empowering all of us to excel in our roles at this organization. Rest in peace my friend.

[Original signed by Peter Woloshyn]

**Peter Woloshyn**  
Board Chair

# Message from the CEO

I am proud to share the NRCB 2023–24 annual report and to look back on the accomplishments and milestones of the past fiscal year. It was a year that saw us refocus on engagement with our stakeholder communities, building and strengthening those relationships that are so crucial to the NRCB’s work. From the highest-level meetings with ministers, deputy ministers, chairs, and executives, to the day-to-day interactions between our field staff and applicants, complainants, and municipal staff, these types of connections are at the core of everything we do.



For me, that meant getting out of the office to meet with the boards of each of Alberta’s livestock industry groups. These meetings provided me the opportunity to reacquaint these stakeholders with the work of the NRCB in delivering the *Agricultural Operation Practices Act* (AOPA) while learning more about each of the group’s challenges and priorities. I

also managed to travel to a few municipalities for in-person meetings with county councils. These allowed me to put a face to our organization with some of our key stakeholders and to build on the work our approval officers and inspectors do every day with their municipal counterparts.

For the NRCB as an organization the refocus on engagement meant increased work with the Rural Municipalities of Alberta (RMA) and with the Policy Advisory Group (PAG). In March I gave a plenary presentation to the delegates at the RMA spring convention, emphasizing the important role played by municipalities and their land use planning in the AOPA permitting process for confined feeding operations. Meanwhile PAG, with its representation from industry groups, municipalities, and environmental organizations, continues to be a crucial advisory body for the NRCB. In 2023–24, PAG played a key role in policy discussions around the updated NRCB Approvals policy, the recommendations from the RMA’s Quasi-Judicial Agencies Member Committee, how the public interest is considered under AOPA, and impacts of confined feeding operations on road infrastructure.

In 2023–24 we increased investment in NRCB Science and Technology initiatives, equipment, and research. This has included the deployment of air quality monitoring equipment and drones, the use of tracing compounds for the detection of leaks from catch basins, and participation in a research study to explore the use of roller compacted concrete as a liner at confined feeding operations. You can read more about these initiatives on page 19 of this report.

The work is all part of the NRCB’s emphasis on scientific evidence to support decision making.

The past fiscal year has also brought new and ongoing proactive compliance programs on grandfathering education, liner inspections, and livestock population verification. The NRCB created these programs to help ensure operators are adhering to AOPA requirements and to the conditions of their permits, but also to help inform operators of the role they play in reducing risk to the environment and ensuring groundwater and surface water are protected. To provide additional oversight and consistency on both enforcement and approvals decisions, the NRCB has created two senior field staff roles (one inspector and one approval officer). The new positions will also help with succession planning, which is becoming increasingly important as some of the NRCB’s long-serving staff approach retirement.

Staff such as inspector **Karl Ivanson**, who retired in June 2023 after a storied career of more than 21 years with the NRCB. Karl started with the organization in December 2001, right before AOPA came into effect and has truly been part of that mandate from the very beginning. Thank you, Karl for all your years of service and your invaluable mentoring work with the many compliance staff members who are following in your footsteps.

And while I’m acknowledging people, NRCB chair **Peter Woloshyn** has not yet retired but is reaching the end of his final term—as noted in his message on the preceding page. Thank you, Peter, for your years of service and commitment to the NRCB both as chair and, before that, as CEO from 2006 to 2017. Your vision, experience, and corporate memory have played a critical role in guiding the organization through some important changes on both the Board and the operations side. You have truly left your mark on this organization. We will all do our best to take up the torch and carry the work forward, building and maintaining the NRCB’s reputation as a trusted regulator, with integrity, fairness, respect, excellence, and service.

[Original signed by Sean Royer]

**Sean Royer**  
Chief Executive Officer

# Strategic Priorities

The NRCB's strategic priorities for 2023–24, 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. Provide ongoing opportunities for increased cultural awareness and understanding of Indigenous peoples as part of the journey toward reconciliation.

## In Memoriam

### JOHN BROWN

Former NRCB CEO **John Brown** passed away on March 25, 2024 after a fierce battle with cancer.



John was CEO of the NRCB from October 2019 to April 2021. He took on the leadership of the NRCB after an accomplished career of more than 30 years with the Government of Alberta, beginning in Alberta Agriculture's agronomy unit and moving up to hold senior management positions in the areas of food safety, crop diversification, industry development, the Alberta Grains Council, crop breeding, and livestock research. He later advanced to become assistant deputy minister with Alberta Agriculture and Forestry and then with Alberta Economic Development, Trade, and Tourism.

As a tribute to John's many contributions, the John S E Brown Memorial Fund was established in his name at the University of Alberta Faculty of Agricultural, Life & Environmental Sciences, from which John graduated in 1986. Funds will be used for undergraduate scholarships.



# BOARD

# 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.



**Sandi Roberts** joined the Board of the NRCB as a part-time governance and tribunal 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 term 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.



**Rich Smith** joined the Board as a part-time governance and tribunal member for a four-year term beginning April 2023. His appointment follows a career with extensive experience in the livestock industry, including 13 years as executive director of Alberta Beef Producers, eight years working in the hog industry, and 16 years as an agricultural engineer with Alberta Agriculture and Irrigation.

Rich has also dedicated his time as a member of the Clean Air Strategic Alliance, Ag for Life, the City of Airdrie Municipal Planning Commission, and the Canadian Roundtable for Sustainable Beef. He spent many years as a member of the NRCB's Policy Advisory Group and the NRCB/Agriculture and Irrigation Technical Advisory Group.



## ACTING BOARD MEMBERS

Acting Board members provided support to the Board in times of increased activity in 2023–24.



**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 is a council member of the College of Naturopathic Doctors of Alberta and was appointed as an NRCB 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.



**Darin Stepaniuk, KC**, has worked in the legal and resource management fields for more than 30 years and served as the Director of the Environmental Law Section of Alberta Justice and Solicitor General from 2009 to 2018. He became an Acting Board member in 2023.

# Board Activity 2023–24

## 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*.

All decisions issued by the Board are publicly available on the NRCB website.

## AGRICULTURAL OPERATION PRACTICES ACT

In 2023–24 the Board received requests to review (RFR) four permit decisions by approval officers and one enforcement order issued by an inspector. After deliberation, the Board dismissed the enforcement order RFR and issued a decision detailing the reasoning, as noted below:

- The "5" Freedoms Ranch Rescue and Rehabilitation—Board Decision RFR 2023-02 / EO 23-02 was issued June 21, 2023 temporarily suspending the enforcement order. Board Decision RFR 2023-03, issued on July 5, 2023, denied the review request.

One request for review was withdrawn, as noted below:

- Cayley Colony/Elk Ridge Farming—An RFR was received on October 16, 2023 and withdrawn on October 23, 2023.

Two of the requests for review received in 2023–24 were granted, with one directed to a virtual hearing, as noted below:

- Darcor Holsteins Inc. and Damien Rasmuson—Board Decision RFR 2023-04 / RA05042C was issued on July 13, 2023 and Board Decision 2023-05 / RA05042C was issued on November 21, 2023. The hearing focused on whether the approval officer appropriately exercised authority under section 29 of the *Agricultural Operation Practices Act* to cancel permit RA05042C. The Board found that the cancellation of the permit should not have occurred and that Registration RA05042 stands.

The other request for review granted in 2023–24 was directed to written review:

- Joshua and Deborah Denbok (JD Feeders)—The Board's RFR decision letter was issued on November 14, 2023 and Board Decision RFR 2023-06 / LA23003 was issued on November 22, 2023. Board Decision 2023-07 / LA23003 was issued on December 12, 2023. The review focused on whether the consolidation of two parcels of land would remove an inconsistency with Lethbridge County's municipal development plan and, if not, whether the Board should approve the application despite the inconsistency. The Board directed the approval officer to issue an approval with conditions.

One request for review was received in 2022–23 and dismissed with reasons in 2023–24, as noted below:

- Rimrock Cattle Company Ltd.—Board Decision RFR 2023-01 / RA22026 was issued on April 6, 2023. The request for review of the approval officer decision to deny an application for an expansion at an existing confined feeding operation focused on inconsistency with the municipal development plan.

## ACTIVE FILES

One file remained active at the conclusion of 2023–24 and was directed to virtual hearing in 2024–25, as noted below:

- Darcor Holsteins Inc.—Board Decision RFR 2024-01 / RA22027 was issued March 13, 2024. The Board determined that a review is warranted to consider whether Registration RA22027 should be approved notwithstanding inconsistency with the municipal development plan.

## 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 application, in the form of 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. The Board determines whether a public hearing is required under its governing legislation.

As of March 31, 2024, the following project applicants have been directed by Alberta Environment and Protected Areas to prepare environmental impact assessments:

## ACTIVE PROJECT APPLICATIONS

The following projects are active reviews before the Board of the NRCB:

- Eastern Irrigation District: Snake Lake Reservoir Expansion (County of Newell)
- MD of Acadia/Special Areas Board: East Central Irrigation Project (MD of Acadia/Special Areas No. 2)
- St. Mary River Irrigation District: Chin Reservoir Expansion (MD of Taber/Lethbridge County)
- Transalta/Evolve Power: Tent Mountain Pumped Hydro Energy Storage Project (Municipality of Crowsnest Pass)



## 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 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.

##### STRATEGY

Improve Board review processes under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*:

- 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**—The NRCB provided a response to Alberta Environment and Protected Areas (EPA) on the final terms of reference for the Chin Reservoir East Dam Expansion project and the proposed terms of reference for the Snake Lake Reservoir Expansion project. The NRCB was advised by EPA that an environmental impact assessment is required for the new East Central Irrigation project and is awaiting the proposed terms of reference from the applicant for review. The NRCB continues to pursue opportunities to advance process efficiencies in natural resource project reviews.

#### STRATEGIC PRIORITY 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.

##### STRATEGY

Improve Board review processes under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*:

- 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 revised its request for review forms to make the process clearer and the forms simpler to complete for stakeholders. The Board has identified additional 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.

## STRATEGIC PRIORITY 3

Continue to review the permit application, compliance, and review processes to identify opportunities to improve efficiencies in the delivery of AOPA.

### 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 completed work on an animated video, as well as a fact sheet to explain the hearing process under the *Agricultural Operation Practices Act* and posted both to the NRCB website. Work continues on a similar video to explain the hearing process under the *Natural Resources Conservation Board Act*. NRCB staff also responded to a number of information requests regarding Board reviews under the *Natural Resources Conservation Board Act* and the *Agricultural Operation Practices Act*.

### 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 Darcor Holsteins Inc. 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.



## STRATEGIC PRIORITY 4

Provide ongoing opportunities for increased cultural awareness and understanding of Indigenous peoples as part of the journey toward reconciliation.

### STRATEGY

Ensure the NRCB continues to explore and satisfy its consultation obligations with Indigenous peoples whose Aboriginal and treaty 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.

#### Efficiency in Board decisions

The Board issued 100% of decisions in 2023–24 within its targeted number of working days.

## PERFORMANCE MEASURES AND RESULTS

Efficiency of reviews	2021–22	2022–23	2023–24
<b>Target: 100%</b> Percentage of NRCB decisions issued within 80 working days of the conclusion of reviews under the <i>Natural Resources Conservation Board Act</i> (NRCBA)	100% (1 NRCBA review completed)	N/A (No NRCBA reviews completed)	N/A (No NRCBA reviews completed)
Percentage of NRCB decisions issued within 30 working days of the conclusion of hearings under the <i>Agricultural Operation Practices Act</i> (AOPA)	100% (6 AOPA RFRs and 3 AOPA hearings)	100% (9 AOPA RFRs and 4 AOPA hearings)	100% (4 AOPA RFRs and 2 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.

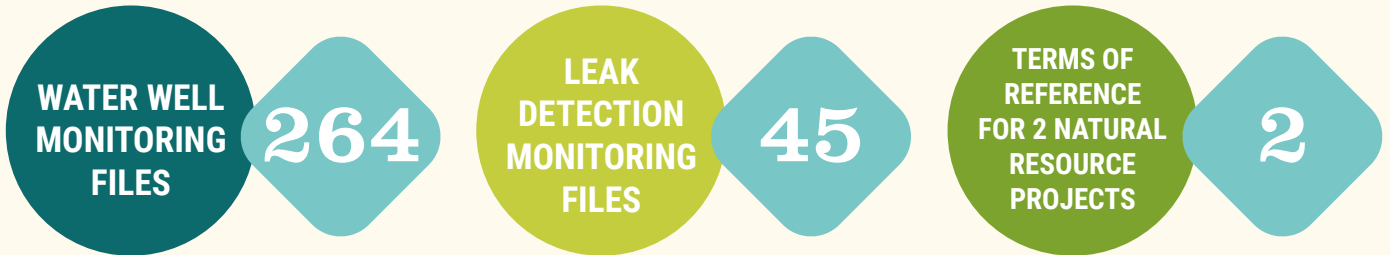
# Operations



# Science and Technology

## HIGHLIGHTS

In 2023–24, 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 reviews 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 2023–24, the NRCB provided a response to Alberta Environment and Protected Areas (EPA) on the final terms of reference for the Chin Reservoir East Dam Expansion project and the proposed terms of reference for the Snake Lake Reservoir Expansion project. The NRCB was also advised by EPA that an environmental impact assessment is required for the new East Central Irrigation project and is awaiting the proposed terms of reference from the applicant for review.

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 systems, 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 (TAG), whose goal is to develop technical guidelines intended to clarify the implementation of the *Agricultural Operation Practices Act*. In 2023–24, the Technical Advisory Group, which has representation from the livestock industry and Alberta Agriculture and Irrigation, published new technical guidelines on geotechnical investigations, reviewed existing guidelines, and initiated work on revising the leak detection monitoring guidelines and developing a water well monitoring guideline.



## PUTTING THE SCIENCE IN THE NRCB'S DECISION MAKING

Science-informed and evidence-based decision making has always been a priority for the NRCB. Recent initiatives in the Science and Technology Division are delivering new ways of providing that evidence.

Science, at its foundation, is often about answering questions. When cattle feeding operations in Alberta began using a product called roller compacted concrete (RCC) for their pen floors a few years ago, questions arose around its suitability for this purpose. The NRCB's Science and Technology team began to look for answers.



An RCC core undergoing testing in the lab

### Roller compacted concrete research

In collaboration with the Alberta Cattle Feeders' Association, Alberta Agriculture and Irrigation, the University of Calgary, and the University of Saskatchewan, the NRCB is conducting applied research to investigate whether RCC can meet the groundwater protection requirements of the *Agricultural Operation Practices Act*. This research has been funded to date by Results Driven Agriculture Research. In 2023–24, field work was completed for the project with more than 60 cores of RCC collected from four different feedlots. The cores are being tested for water permeability and compressive strength. Meanwhile, the team is also analyzing different mixtures of concrete to determine how mixture properties affect strength, permeability, and other indicators of concrete integrity. "If the results demonstrate that RCC can meet regulatory requirements under the Act, the information will be used to prepare a new technical guideline," says NRCB Manager of Science and Technology Greg Piorkowski. "The guideline would establish the standards for RCC design and installation to take away the guesswork for operators."



NRCB SciTech and Compliance staff add fluorescent dye to an earthen manure storage

### Leak verification

The seeking of answers doesn't stop there when it comes to evaluating environmental risks. The Science and Technology team is also investigating methods used for verifying leaks from manure storages into water systems. These methods include the use of fluorescent tracers to track the source of leaks, and the use of isotopes of nutrients and DNA-based methods to link indicators of manure impacts to likely sources.

### Air quality monitoring

Odours from a feedlot are nothing new; they're part of the landscape for neighbours of confined feeding operations. But hundreds of complaints over an extended period of time, related to a single operation that seems to be operating the same as other feedlots? That's a puzzle. The search for answers has led the Science and Technology team, along with NRCB Compliance staff, to establish the largest continuous air quality monitoring program in the NRCB's history.



A member of the NRCB SciTech staff checks the voltage of the power supply for an air quality monitoring unit

Three continuous monitoring units are being used to measure odours upwind and downwind of regional odour sources and in the nearby community. Two weather stations were located together with the odour monitors to record temperature, relative humidity, and wind speed and direction. Different odour sources in the area were verified using 15 passive ammonia samplers in and around the community. These samplers were used to identify hot spots of ammonia—one of the primary odour-causing compounds in the area. Odour profiles of more than 200 known odour-causing compounds were also established through capturing samples from odour sources and in the community.

This approach is like 'fingerprinting' odours, and is helping to identify the sources of odours detected in the community. The goal of all of this work? To characterize all odour sources in the vicinity of the feedlot site in hopes of isolating the ones originating from the operation, and then to look for correlations between odour emissions and feedlot management practices.

In addition to the odour monitoring devices, the NRCB has purchased three particulate matter sensors to assess dust-related complaints in a process like that used for continuous odour monitoring. These sensors, called PurpleAir monitors, are widely used across Alberta for particulate matter monitoring and the publicly available data from this network can be used to support conclusions made from dust assessments. Early assessments of all air quality monitoring technology seems promising but the extent to which any of it may become a compliance tool is yet to be determined.



One of the NRCB's small drone units

### Drones

The Science and Technology division has also purchased four drones to help the NRCB verify infrastructure and operations at confined feeding operations. Three of the drones are smaller units that will allow for visual inspections and one is a survey-grade drone that can be used to verify the dimensions of infrastructure and predict water movement at a site.

"It's all about the evidence," says Piorkowski of the various initiatives that the Science and Technology team has undertaken. "And finding new ways to provide answers on questions related to risks to the environment that may be associated with confined feeding operations."



NRCB Compliance staff help collect RCC cores from a feedlot

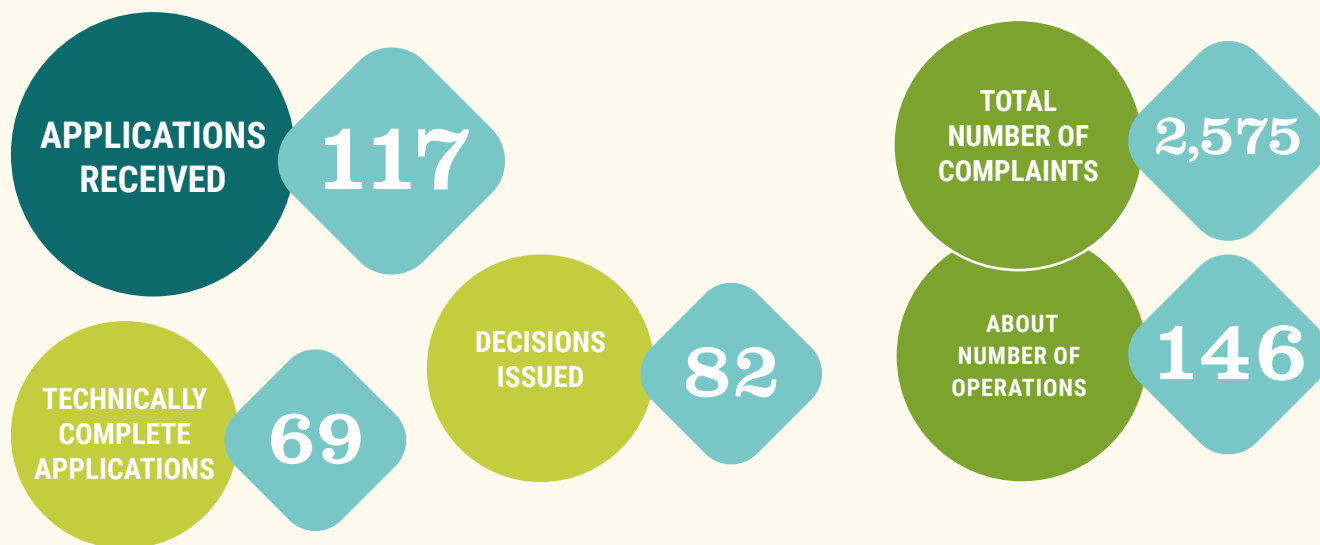


NRCB Compliance and SciTech staff install an air quality monitoring unit



# 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, complete any proactive compliance inspections, and respond to complaints. In 2023–24, staff collectively travelled more than 260,000 kilometres to respond to complaints and for permitting activities. Field services staff have expertise in a number of areas including agriculture, agrology, 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.

## 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 five years to inform operators of confined feeding operations that unauthorized construction is illegal, the NRCB continued to see unauthorized facility construction at a number of operations in 2023–24. 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 23 operations. Upon follow up, NRCB inspectors determined that six of those complaints did not constitute unauthorized construction. Inspectors issued nine written inspection reports and six compliance directives.

## 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. New facilities that are approved under the *Agricultural Operation Practices Act*, and constructed according to the Act's specifications, are considered low potential risk and the environmental risk screening tool may not be applied. 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 2023–24, approval officers completed environmental risk screenings for 40 pre-existing facilities at 23 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.

Pathway	Number of facilities ranked LOW potential risk	Number of facilities ranked MODERATE potential risk	Number of facilities ranked HIGH potential risk
Groundwater	37	3	0
Surface water	40	0	0

## MONITORING SURFACE WATER

In 2023 the NRCB continued to collect information on surface water conditions at confined feeding operations during inspections. NRCB inspectors conducted 220 inspections at 147 operations in 2023 (multiple inspections were conducted at some operations). Inspectors documented surface water issues at 14 operations; a serious issue was identified at one of those. (A serious surface water issue involves manure contaminated water runoff flowing into a surface water body.) The serious surface water issue was determined to be preventable and was due to an operator spreading manure on snow-covered lands.

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 runoff controls
- incorporating manure
- maintaining required setbacks.

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 2023–24, this included a major update to the NRCB Approvals Policy to streamline and clarify the NRCB application process and to reflect regulatory updates, reduce red tape, and to enhance clarity and consistency. The revised NRCB Approvals Policy was finalized in 2023–24 after extensive 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 2023–24, the NRCB received 117 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 decreased compared to previous years with 69 applications deemed technically complete in 2023–24 and 118 in 2022–23.

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 2023–24, the NRCB exceeded this goal with 91 per cent of decisions issued within that time frame. While a few decisions took longer to process, most applications were processed and decisions issued well within the target.

### Average number of days to decision, 2023–24

Permit type	Average number of days to decision <sup>1</sup>	Number of decisions issued <sup>2</sup>
Approvals	47	34
Registrations	69	1
Authorizations	41	33

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 AOPA (5 in total for this period).

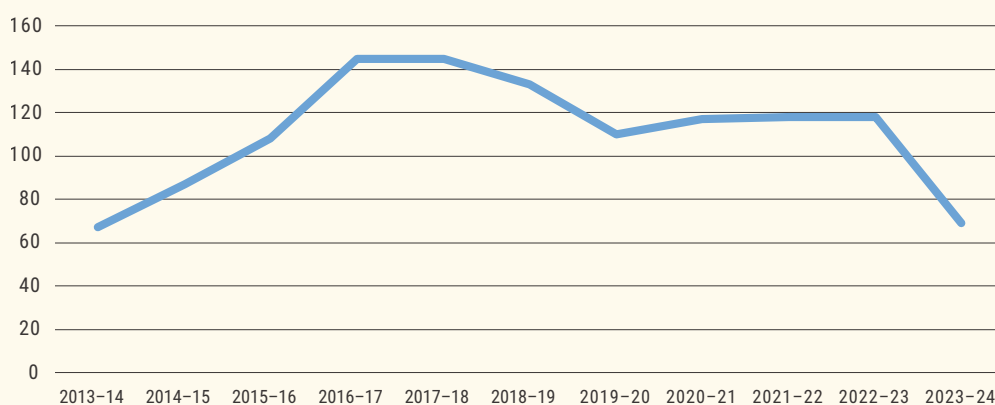
Most applications were received from operators in the central and southern regions of the province. The dairy, beef, and poultry sectors were the source of the majority of all applications.

### Technically complete applications received and decisions issued, by region, 2023–24

Region	Technically complete applications received	Decisions issued <sup>1</sup>
Peace	0	0
North Central	6	8
Central	27	32
South	36	42
<b>Total</b>	<b>69</b>	<b>82</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



## Technically complete applications by livestock category, 2023–24

Livestock category	Completed applications <sup>1</sup>
Beef	22
Dairy	24
Goats	0
Poultry	17
Sheep	4
Swine	1
Bison	0
Other	2

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

## MODERNIZING THE APPLICATION PROCESS

The NRCB has been working toward the development of web-based application forms for applications under the *Agricultural Operation Practices Act*. The form will be rolled out to stakeholders in 2024–25 after testing has been completed.

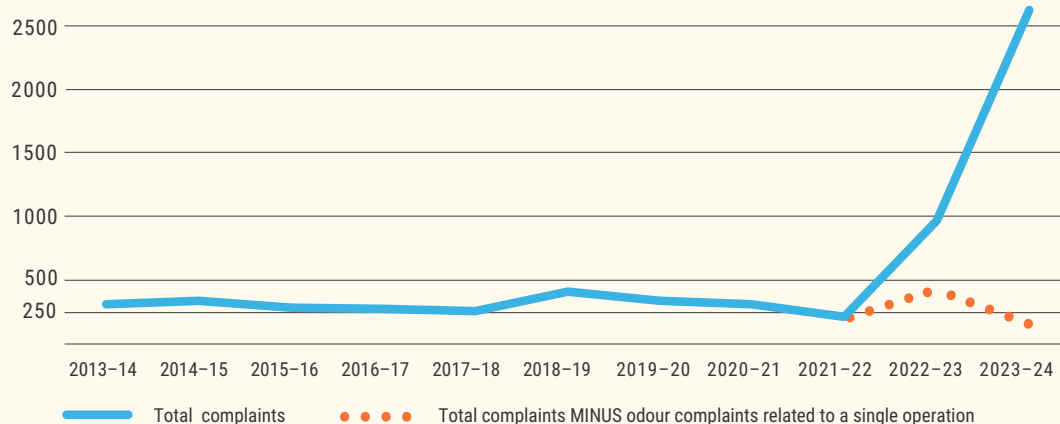


## COMPLIANCE

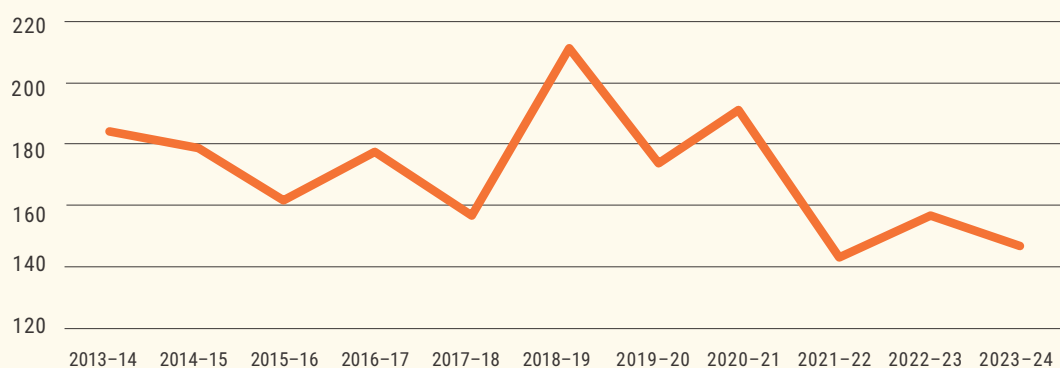
### COMPLAINTS

The NRCB logged 2,575 complaints about 146 operations in 2023–24, compared with 947 complaints about 156 operations the previous year. The NRCB received a very large number of odour complaints about a single operation in both 2022–23 and 2023–24, driving up the total number of complaints significantly as compared to previous years. The NRCB also received 28 requests from operators to spread manure on frozen or snow-covered land, two requests for grandfathering determinations, and 35 information only requests. The latter 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



#### Historical Trend of Operations Involved in Complaints



### Number of complaints by region, 2023–24

Peace	North Central	Central	Southern
6	31	70	2,468 <sup>1</sup>

1. The NRCB received a very large number of odour complaints about a single operation in the southern region in 2023–24, driving up the total number of complaints significantly. The total number of complaints in the southern region, minus that operation, totalled 103.

### Number of complaints by type of confined feeding operation, 2023–24

Beef	Cow/calf <sup>2</sup>	Dairy	Poultry	Swine	Sheep	Goats	Horses	Bison	Multi-species <sup>3</sup>	Other <sup>4</sup>	Non-livestock farm	Acreage
2,458 <sup>1</sup>	23	26	14	22	0	2	7	1	14	6	2	1

1. The NRCB received a very large number of odour complaints about a single beef operation in 2023–24, driving up the total number of complaints significantly. The total number of complaints against beef operations, minus that operation, totalled 93.

2. 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.

3. “Multi-species” means a confined feeding operation with more than one type or category of livestock.

4. “Other” includes game farms, stables, auction markets, and other facilities that do not fall under the *Agricultural Operation Practices Act*.

## Types of Complaints, 2023–24

Category	
Odour	2,412 <sup>1</sup>
Surface water quality	27
Unauthorized construction	23
Non-compliance	22
Non-incorporation of manure	14
Nuisance	13
Short-term manure storage	13
Other <sup>2</sup>	13
Spreading setbacks	12
Spreading on FSCL <sup>3</sup> without permission	11
Groundwater quality	7
Non-compliance with permit conditions	6
Failure to follow regulations for an SFBS <sup>4</sup>	2
Request permission <sup>5</sup>	0
Spreading on FSCL with permission <sup>6</sup>	0

1. The NRCB received a very large number of odour complaints about a single operation in 2023–24, driving up the total number of odour complaints significantly. The total number of odour complaints, minus that operation, totalled 47.

2. “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).

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

4. SFBS refers to seasonal feeding and bedding sites.

5. “Request permission” means operators contacting the NRCB to inquire whether prior permission is needed before spreading under normal conditions.

6. “Spreading on FSCL with permission” refers to complaints received when permission has been granted.



## Other Compliance Requests, 2023–24

Information only	35
Grandfathering determinations	2
Permission to spread on FSCL <sup>1</sup>	28
Permission to spread on FSCL for erosion control	0

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

99 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 2023–24, the NRCB received 28 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.

## ENFORCEMENT

### Enforcement Actions Taken, 2023–24

Enforcement orders	4
Emergency orders	0
Compliance directives	9
AOPA warnings	3

The 2023–24 enforcement orders were issued to four operations—two for failure to meet permit conditions, one for unauthorized construction, and one for inappropriate disturbance.

The NRCB issued nine compliance directives, seven for unauthorized construction, one for non-compliance with the *Agricultural Operation Practices Act*, and one for failure to meet permit conditions.

Of the three AOPA warnings, one was issued for spreading on frozen and snow-covered land without permission and two for failure to maintain manure application limits and setbacks.



## GRANDFATHERING DETERMINATIONS

In addition, to the above compliance and enforcement activities, NRCB inspectors issued two grandfathering decisions in 2023–24. 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.

### NEW COMPLIANCE PROGRAMS

In 2023–24, the NRCB launched three new compliance programs.

The **Grandfathering Education Program** aims to communicate to CFO 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. With the passage of time relevant records are becoming more difficult to find, making this process more cumbersome and time consuming.

The **Liner Inspection Program** assesses 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 conditions and that they do not present a risk to the environment.

The **Livestock Population Verification Program** verifies that the livestock populations of feedlots permitted by the NRCB are within their permitted numbers. The program was initiated in response to evidence provided by complainants that some operators may have been exceeding the livestock numbers in their permits.



## PERFORMANCE

### Core Business TWO

Regulation under the *Agricultural Operation Practices Act*.

#### STRATEGIC PRIORITY 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.

##### 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’s red tape reduction activities in 2023–24 included the following:

- The NRCB worked with Alberta Health Services to streamline the involvement of the Safe Health Environments section in permitting processes for confined feeding operations.
- The NRCB met its red tape reduction targets with its updated approvals policy, which was finalized and released in 2023–24.
- The NRCB began work to digitize its applications process in order to make the process more accessible for stakeholders.

#### STRATEGIC PRIORITY 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*.

##### 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 updated its approvals policy in 2023–24 to streamline and clarify its application process, and engaged extensively with the Policy Advisory Group throughout the process. Together with a representative from Alberta Agriculture and Irrigation, the NRCB continued to co-chair the Policy Advisory Group, which met in June, September, and October 2023 for special meetings to discuss the approvals policy, and again in March 2024 for ongoing discussion around issues important to the confined feeding industry. The NRCB has also published digital reporting templates for leak detection monitoring and digestate management that are intended to improve clarity and efficiency in the regulatory reporting process, published a guideline on portable calf housing, and developed an online complaint form.

## STRATEGY

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

## RESULTS ACHIEVED

**Engagement with municipalities**—The NRCB CEO presented to the Rural Municipalities of Alberta spring convention in March 2024 about the NRCB and its role. The NRCB met with four of the five Rural Municipalities of Alberta districts in 2023–24, as well as the municipal staff or council members of various individual municipalities, 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. The NRCB also updated the subscription function on its website to allow stakeholders to select the specific county or municipal districts for which to receive weekly updates related to confined feeding operations.

## STRATEGY

Initiate dialogue with Indigenous communities as appropriate, related to specific CFO applications and compliance actions and the NRCB's role as it relates to the *Agricultural Operation Practices Act*.

## RESULTS ACHIEVED

**Communication with Indigenous communities**—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*.

## STRATEGY

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

## RESULTS ACHIEVED

**Communication of regulatory requirements**—In 2023–24, the NRCB promoted consistent understanding of regulatory requirements through the following:

- NRCB staff regularly met with confined feeding operation applicants to provide information on *Agricultural Operation Practices Act* requirements and go through all permit conditions (including record keeping requirements) with applicants when permits are issued.
- 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 2023–24, TAG met three times to discuss progress on work related to the development of technical guidelines on geotechnical investigations, review of existing guidelines, and to initiate work on revising the leak detection monitoring guidelines and developing a water well monitoring guideline. The NRCB, in collaboration with Alberta Agriculture and Irrigation, academic institutions (University of Saskatchewan, University of Calgary) and the livestock industry, continue to investigate the possibility of developing a technical guideline, prepared under the TAG process, for using roller compacted concrete as a primary liner that is approved under the *Agricultural Operation Practices Act*.
- The NRCB worked with Alberta Agriculture and Irrigation and Environment and Protected Areas 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.

## 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 2023–24 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 the updated NRCB approach to regulation of portable calf housing, requirements when buying or selling a CFO, water well monitoring conditions, and the NRCB’s updated grandfathering policy. 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*. In addition, the NRCB developed and began phasing in a livestock population verification program to verify that the livestock populations of feedlots permitted by the NRCB are within their allotted numbers.

## STRATEGY

Communicate to CFO operators the importance of self-identifying operations that existed, or were municipally permitted, prior to 2002.

## RESULTS ACHIEVED

**Grandfathering education program ongoing**—The NRCB implemented 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 continue through 2024–25.

## 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 291 annual permit conditions in 2023–24 to ensure confined feeding operations were following the requirements of their permits and taking steps to mitigate potential environmental risks.

## STRATEGY

Explore the need and opportunity for a program to assess the continued maintenance of liners in accordance with *Agricultural Operation Practices Act* permit requirements at operations with early NRCB-issued permits.

## RESULTS ACHIEVED

**Liner inspection program launched**—The NRCB launched its liner inspection program to assess the maintenance of liners at operations with NRCB permits issued between 2002 and 2007 to ensure the liners have been maintained and no visible risks to environment exist, and ensure operations are in compliance. Thirteen operations were inspected in 2023–24.

## 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 2023–24, the NRCB partnered with the Alberta Cattle Feeders’ Association, Alberta Agriculture and Irrigation, the University of Calgary, and the University of Saskatchewan to investigate whether roller compacted concrete can meet the groundwater protection requirements of the Agricultural Operation Practices Act when used as a primary liner at confined feeding operations. Field work occurred in 2023–24 and work will continue in 2024–25, with the possibility of expanding the research project. The NRCB has also collaborated on applied science initiatives related to dust and odour monitoring, air quality assessments, and leak verification methods for manure storages, including source tracking of nutrients and fecal indicator bacteria, that are intended to inform evidence-based compliance decisions.

## 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 CEO and director of field services – applications also attended the Rural Municipalities of Alberta fall 2023 and spring 2024 conferences with the CEO presenting at the latter event.

## 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 was prepared outlining four options for the regulation of solid organic wastes generated from greenhouses. After discussion, the ministry of Alberta Agriculture and Irrigation determined the greenhouse waste should not be regulated by the NRCB.

## PERFORMANCE MEASURES AND RESULTS

Efficiency of permitting decisions	2021–22	2022–23	2023–24
<b>Target: 85%</b> Percentage of decisions issued within 65 working days from the date the application is determined to be complete	92%	76% <sup>1</sup>	91%
<b>Target: 95%</b> Percentage of complaint files resolved, or requiring no further action, within 60 days <sup>2</sup>	95%	99%	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 was 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.

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 providing a work environment and fostering 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 2023–24.

## PERFORMANCE

### STRATEGIC PRIORITY 4

Provide ongoing opportunities for increased cultural awareness and understanding of Indigenous peoples as part of the journey toward reconciliation.

#### 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 2023–24, the NRCB continued work with an Indigenous Alberta agency to create an ongoing, customized Indigenous education and training program for NRCB staff, and participated in a session on Indigenous culture offered by that agency. The NRCB also commemorated the 2023 National Day for Truth and Reconciliation by sharing a variety of resources on Indigenous culture, the impacts of residential schools, and ongoing reconciliation efforts, as well as by encouraging staff to participate in a series of lunch and learn opportunities offered by the National Centre for Truth and Reconciliation.

**Professional development provided**—In addition, NRCB staff and Board members participated in training sessions throughout the year on topics related to leadership development, IT, bias, conflict resolution, and defensive driving. NRCB staff members were also provided with other professional development opportunities to meet continuing education requirements of professional organizations.

### ADDITIONAL PRIORITIES

#### STRATEGY

Continue to evaluate the effectiveness of the NRCB optional hybrid workplace policy.

#### RESULTS ACHIEVED

**Voluntary hybrid workplace policy continuing**—The NRCB continues to offer a voluntary hybrid workplace option to all employees to capitalize on the benefits of both working from the office and working remotely. Evaluation of the policy will continue.

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.”

## 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. A Working Alone Policy and Procedures was implemented in March 2024 and a working alone tracking App was introduced for all staff.

## STRATEGY

Develop the appropriate systems and procedures to implement the NRCB records management strategy.

## RESULTS ACHIEVED

**Operationalizing the records management strategy**—The NRCB continued to work with a consultant to operationalize the NRCB records retention and disposition schedule in 2023–24. In this fiscal year, the consultant started working on a records inventory across all divisions of the NRCB and the consolidation of all records and retention schedules into an NRCB records retention and disposition guide.

## 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 continued to update its CFO database to improve the statistical reporting function and its interaction with the NRCB's website to ensure consistent data is reported. As part of this process, the data entry functions were also enhanced to assist field staff in capturing important information related to compliance and permitting activities.
- 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.
- c. **Updating IT**—The NRCB continued the major upgrade and modernization of its information technology system in 2023–2024. The NRCB servers were migrated to the MS Azure cloud server, and documents are now securely stored on OneDrive and SharePoint. New IT network equipment was deployed, and on-premise servers were decommissioned. In addition, the NRCB implemented MS Intune and BitLocker. The MS Intune on NRCB smartphones allows IT to better manage the devices, including rolling out security policy to smartphones and remote wiping NRCB data from them. The BitLocker encrypts hard drives of the NRCB computers. If the computers are stolen, the data on the hard drives are encrypted and are not accessible to others.



## OTHER INITIATIVES

In addition, the following organizational initiatives were undertaken or completed in 2023–24:

- **Office space changes**—The NRCB moved out of its Calgary office in September 2023 because the Government of Alberta requested the return of this office space. A new operations office was set up in Airdrie to enhance operational support in the Calgary and surrounding area. Currently one approval officer and one inspector work out of the Airdrie office.
- **Decommissioning of landlines**—In 2023–24 the NRCB began the decommissioning of its landlines and the switch to a cellphone only model for the organization. Work on this transition will continue in the next fiscal year.
- **Transition to new benefit provider**—The NRCB worked with the Alberta Energy Regulator, Alberta Utilities Commission, and Manulife to transition to a new employee benefit program in the 2024 benefit year.

## STAFF CHANGES

Due to retirements and departures, the following new staff members joined the NRCB in 2023–24:

- Tracey Krenn, Inspector, Red Deer office
- Morene Lamaitre, Executive Assistant to the CEO, Edmonton office
- Lynda Miedema, Approval Officer/Environmental Specialist, Lethbridge office<sup>1</sup>
- Jim Parker, Inspector, Lethbridge office
- Kelsey Peddle, Approval Officer, Lethbridge office

<sup>1</sup> hired as an Approval Officer but then transitioned to the Environmental Specialist role

The following new Board members were appointed in 2023–24 to fill vacancies:

- Rich Smith, Board Member
- Darin Stepaniuk, Acting Board Member

## 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 website. The NRCB also provides the procedures to each new employee upon commencement.

No disclosures were made to the NRCB in 2023–24.

# Financial Statements

Year Ended March 31, 2024

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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 30, 2024

## 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, 2024, 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, 2024, 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 30, 2024  
Edmonton, Alberta

# STATEMENT OF OPERATIONS

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget	Actual	Actual
<b>Revenues (Note 2(a))</b>			
Government transfers			
Transfer from the Department of Environment and Protected Areas	\$ 6,009,000	\$ 6,009,000	\$ 5,397,000
Investment income	50,000	110,528	72,412
Other revenue	1,000	1,689	1,979
	<u>6,060,000</u>	<u>6,121,217</u>	<u>5,471,391</u>
<b>Expenses – directly incurred (Note 2(a) and Schedules 1 and 4)</b>			
Board reviews and hearings	1,175,000	1,044,952	1,011,865
Regulating confined feeding operations	4,861,000	4,817,164	4,228,210
	<u>6,036,000</u>	<u>5,862,116</u>	<u>5,240,075</u>
<b>Annual surplus</b>	24,000	259,101	231,316
<b>Accumulated surplus at beginning of year</b>	1,981,868	1,981,868	1,750,552
<b>Accumulated surplus at end of year</b>	<u>\$ 2,005,868</u>	<u>\$ 2,240,969</u>	<u>\$ 1,981,868</u>

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

# STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2024

	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents (Note 5)	\$ 2,389,711	\$ 2,272,915
Accounts receivable	13,004	11,221
	<u>2,402,715</u>	<u>2,284,136</u>
<b>Liabilities</b>		
Accounts payable and other accrued liabilities (Note 7)	358,063	377,985
<b>Net financial assets</b>	<u>2,044,652</u>	<u>1,906,151</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 8)	171,317	62,717
Prepaid expenses	25,000	13,000
	<u>196,317</u>	<u>75,717</u>
<b>Net assets</b>		
Accumulated surplus (Note 10)	<u>\$ 2,240,969</u>	<u>\$ 1,981,868</u>

Contractual obligations (Note 11)

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

Approved:

[Original signed by Peter Woloshyn]

**Peter Woloshyn**  
Chair

Edmonton, Alberta  
May 30, 2024

Approved:

[Original signed by Sean Royer]

**Sean Royer**  
Chief Executive Officer

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

YEAR ENDED MARCH 31, 2024

	2024		2023
	Budget	Actual	Actual
<b>Annual surplus</b>	\$ 24,000	\$ 259,101	\$ 231,316
Acquisition of tangible capital assets (Note 8)	(17,000)	(128,800)	(39,424)
Amortization of tangible capital assets (Note 8)	30,000	20,200	7,785
(Increase)/Decrease in prepaid expenses	-	(12,000)	9,000
<b>Increase in net financial assets</b>	37,000	138,501	208,677
<b>Net financial assets at beginning of year</b>	1,906,151	1,906,151	1,697,474
<b>Net financial assets at end of year</b>	\$ 1,943,151	\$ 2,044,652	\$ 1,906,151

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

## STATEMENT OF CASH FLOWS

YEAR ENDED MARCH 31, 2024

	2024	2023
<b>Operating transactions</b>		
Annual surplus	\$ 259,101	\$ 231,316
Non-cash item included in annual surplus:		
Amortization of tangible capital assets (Note 8)	20,200	7,785
	279,301	239,101
Increase in accounts receivable	(1,783)	(9,862)
(Increase)/Decrease in prepaid expenses	(12,000)	9,000
(Decrease)/Increase in accounts payable and other accrued liabilities	(19,922)	75,543
Cash provided by operating transactions	245,596	313,782
<b>Capital transactions</b>		
Acquisition of tangible capital assets (Note 8)	(128,800)	(39,424)
Cash applied to capital transactions	(128,800)	(39,424)
<b>Increase in cash and cash equivalents</b>	116,796	274,358
<b>Cash and cash equivalents at beginning of year</b>	2,272,915	1,998,557
<b>Cash and cash equivalents at end of year</b>	\$ 2,389,711	\$ 2,272,915

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



# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

## 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.

Revenues from transactions with performance obligations are recognized when the NRCB provides the promised goods and/or services to a payor.

Cash received for goods and/or services not yet provided before year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Revenues from transactions with no performance obligations are recognized at their realizable value when the NRCB has the authority to claim or retain an inflow of economic resources and identifies a past transaction or event that gives rise to an asset.

#### Government transfers

Transfers from the Government of Alberta, without stipulations for the use of the transfer, 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.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

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

### (a) Basis of Financial Reporting (Cont'd)

#### Expenses (Cont'd)

##### Incurring 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.

#### 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.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

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

### (a) Basis of Financial Reporting (Cont'd)

#### Liabilities (Cont'd)

##### Asset Retirement Obligations

Asset retirement obligations are legal obligations associated with the retirement of tangible capital assets. Asset retirement activities include all activities relating to an asset retirement obligation. Management 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 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:

- (a) are normally employed to deliver government services;
- (b) may be consumed in the normal course of operations; and
- (c) 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.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

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

### (a) Basis of Financial Reporting (Cont'd)

#### 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.

## NOTE 3 CHANGE IN ACCOUNTING POLICY

Effective April 1, 2023, the NRCB adopted the PS 3400 Revenue standard and the PSG-8 Purchased Intangibles Guideline. There are no changes to the financial statements from the adoption of these two standards.

## NOTE 4 FUTURE CHANGES IN ACCOUNTING STANDARDS

On April 1, 2026, the NRCB will adopt the following new conceptual framework and accounting standard approved by the Public Sector Accounting Board:

- **The Conceptual Framework for Financial Reporting in the Public Sector**

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 Financial Statement Concepts and Section PS 1100 Financial Statement Objectives. The conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

- **PS 1202 Financial Statement Presentation**

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of the conceptual framework and the standard on the financial statements.

## NOTE 5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include demand deposits in the Consolidated Liquidity Solution (CLS). The CLS is the Province's cash pooling structure which enhances the effectiveness and efficiency from the Province's cash management perspective. A CLS participant is paid interest on a 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.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

## NOTE 6 FINANCIAL INSTRUMENTS (CONT'D)

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, 2024, there were no uncollectible receivable balances.

## NOTE 7 ACCOUNTS PAYABLE AND OTHER ACCRUED LIABILITIES

	2024	2023
Accounts payable	\$ 106,516	\$ 168,931
Accrued liabilities – employee benefits	251,547	209,054
	<u>\$ 358,063</u>	<u>\$ 377,985</u>

## NOTE 8 TANGIBLE CAPITAL ASSETS

	Computer Hardware	Computer Software	Office Equipment	Office Furniture	2024 Total	2023 Total
<b>Historical Cost</b>						
Beginning of year	\$ 113,361	\$ 35,984	\$ 103,616	\$ 126,826	\$ 379,787	\$ 480,552
Additions <sup>(1)</sup>	-	71,850	56,950	-	128,800	39,424
Disposals including write-downs	(88,522)	(19,884)	-	-	(108,406)	(140,189)
	<u>24,839</u>	<u>87,950</u>	<u>160,566</u>	<u>126,826</u>	<u>400,181</u>	<u>379,787</u>
<b>Accumulated Amortization</b>						
Beginning of year	93,521	24,051	73,950	125,548	317,070	449,474
Amortization expense	4,035	4,358	11,551	256	20,200	7,785
Effect of disposals including write-downs	(88,522)	(19,884)	-	-	(108,406)	(140,189)
	<u>9,034</u>	<u>8,525</u>	<u>85,501</u>	<u>125,804</u>	<u>228,864</u>	<u>317,070</u>
<b>Net Book Value at March 31, 2024</b>	<u>\$ 15,805</u>	<u>\$ 79,425</u>	<u>\$ 75,065</u>	<u>\$ 1,022</u>	<u>\$ 171,317</u>	
<b>Net Book Value at March 31, 2023</b>	<u>\$ 19,840</u>	<u>\$ 11,933</u>	<u>\$ 29,666</u>	<u>\$ 1,278</u>		<u>\$ 62,717</u>

(1) The amortization for the computer software addition in 2024 did not start in the year because the software was not yet in use by the end of the fiscal year.

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

## 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 \$24,626 for the year ended March 31, 2024 (2023 – \$25,617). 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, 2023, the MEPP reported a surplus of \$1,316,313,000 (2022 – surplus \$924,735,000), and the SRP reported a deficiency of \$21,343,000 (2022 – deficiency \$25,117,000).

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 \$274,050 for the year ended March 31, 2024 (2023 – \$260,043). Pension expense comprises the cost of employer contributions during the year.

## NOTE 10 ACCUMULATED SURPLUS

Accumulated surplus is comprised of the following:

	Investments in Tangible Capital Assets	Unrestricted Surplus	2024 Total	2023 Total
Balance at beginning of year	\$ 62,717	\$ 1,919,151	\$ 1,981,868	\$ 1,750,552
Annual surplus	-	259,101	259,101	231,316
Net investment in capital assets	108,600	(108,600)	-	-
Balance at end of year	\$ 171,317	\$ 2,069,652	\$ 2,240,969	\$ 1,981,868

# NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2024

## 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, 2024, the NRCB had contractual obligations under operating leases and contracts totalling \$218,042 (2023 – \$290,244).

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

2024–25	\$	204,896
2025–26		7,248
2026–27		5,898
	\$	<u>218,042</u>

## NOTE 12 BUDGET

The budget was included in the 2023-24 Government Estimates under the Ministry of Environment and Protected Areas. The budget was approved by the Board on May 30, 2023.

## NOTE 13 APPROVAL OF FINANCIAL STATEMENTS

The Board approved the financial statements of the NRCB.

## SCHEDULE 1

## EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT

MARCH 31, 2024

	2024		2023
	Budget	Actual	Actual
Salaries, wages and employee benefits	\$ 4,872,340	\$ 5,001,384	\$ 4,373,083
Supplies and services	1,133,660	840,532	859,207
Amortization of tangible capital assets (Note 8)	30,000	20,200	7,785
Total expenses	\$ 6,036,000	\$ 5,862,116	\$ 5,240,075

## SCHEDULE 2

## SALARY AND BENEFITS DISCLOSURE

MARCH 31, 2024

	2024				2023
	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>	\$ 195,447	\$ 31,339	\$ 21,687	\$ 248,473	\$ 233,183
Board Member A <sup>(6)</sup>	2,227	8,617	1,074	11,918	128,521
Board Member B <sup>(7)</sup>	94,067	11,834	18,729	124,630	119,180
Board Member C <sup>(7)(8)</sup>	91,729	12,108	19,145	122,982	-
Chief Executive Officer	187,589	-	42,023	229,612	221,151

(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 2024.

(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, parking, 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. The term of the position expired on April 10, 2023.

(7) The position is 60% permanent part-time.

(8) The position commenced on April 11, 2023.



## SCHEDULE 3

# RELATED PARTY TRANSACTIONS

MARCH 31, 2024

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:

	2024	2023
Revenues		
Transfer from the Department of Environment and Protected Areas	\$ 6,009,000	\$ 5,397,000
Interest from CLS	110,528	65,883
	<u>\$ 6,119,528</u>	<u>\$ 5,462,883</u>
Expenses – Directly Incurred	\$ 150,427	\$ 240,767
Interest Receivable from CLS	\$ 11,501	\$ 8,785
Payable to	\$ 6,009	\$ 17,455

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.

## SCHEDULE 4

# ALLOCATED COSTS

MARCH 31, 2024

AOPA and NRCBA Mandates	2024			2023	
	Expenses <sup>(1)</sup>	Expenses – Incurred by others		Total Expenses	Total Expenses
		Accommodation Costs <sup>(2)</sup>			
Board reviews and hearings <sup>(3)</sup>	\$ 1,044,952	\$ 76,253	\$ 1,121,205	\$ 1,100,448	
Regulating confined feeding operations <sup>(4)</sup>	4,817,164	351,521	5,168,685	4,598,366	
	<u>\$ 5,862,116</u>	<u>\$ 427,774</u>	<u>\$ 6,289,890</u>	<u>\$ 5,698,814</u>	

(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 in 2023-24 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

Cypress County  
 Foothills County  
 Lethbridge County  
 Municipal District of Willow Creek  
 Municipal District of Wainwright  
 Ponoka County  
 Rocky View County  
 RMA District 1  
 RMA District 2  
 RMA District 4  
 RMA District 5  
 Strathcona County  
 Town of High River  
 Vermilion River County

## OTHER GOVERNMENT

Alberta Energy Regulator  
 Alberta Environment and  
 Protected Areas  
 Alberta Treasury Board and Finance  
 Risk Management & Insurance  
 Alberta Utilities Commission  
 University of Calgary  
 University of Saskatchewan

## INDUSTRY / OTHER MEETINGS & EVENTS

Alberta Beef Industry Conference  
 Alberta Beef Producers  
 Alberta Cattle Feeders' Association  
 Alberta Municipalities  
 Banff Pork Seminar  
 Calgary Region Airshed Zone  
 Clean Air Strategic Alliance  
 Parkland Airshed Management Zone  
 Policy Advisory Group  
 Rural Municipalities of Alberta  
 Technical Advisory Group  
 Western Canadian Dairy Seminar

## STAFF AND BOARD MEMBERS



### BACK ROW (Left to Right)

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