

## **Antelope Creek Ranch 2010 Annual Report**



**Antelope Creek Ranch (June, 2010).**

### **Composition of the Antelope Creek Ranch (ACR) Management & Technical Committees:**

#### **Management Committee Representatives**

- Chairperson: Ron Bjorge (Executive Director of the Wildlife Branch)
- Ducks Unlimited Canada (DUC): Dave Kay
- Wildlife Habitat Canada: Doug Major
- ACR Finance Chair: Andy Von Busse (ExOfficio member of the ACR Management Committee)
- Alberta Fish and Game Association (AFGA): Duane Radford



**ACR Management Committee: Day Kay (L), Ron Bjorge, Joel Nicholson (ACR Technical Committee Chairperson), Doug Stewart, Duane Radford & Andy von Busse (R).**

**Technical Committee Representatives**

- Chairperson of the Technical Committee: Joel Nicholson (Medicine Hat Non-Game Biologist, Fish and Wildlife Management Division)
- AFGA: Colin Kure:
- Ducks Unlimited Canada: Morgan Stromsmoe
- Public Lands Division: Jennifer Richman (nee *Carlson*)



**ACR Technical Committee and Ranch Manager: front row – Jennifer Richman (L) and Colin Kure (R); back row Joel Nicholson (L) and Neal Wilson (R).**

### **Ranch Mangers**

- Neal Wilson and Shannon Burnard remained as the Ranch Managers

The 5500 acre ACR, formerly know as the Ward Ranch, was purchased through a partnership including the Alberta Fish and Wildlife Division, AFGA, Wildlife Habitat Canada and Ducks Unlimited Canada in 1986 under a 25 year, joint miscellaneous lease Management Agreement, effective until 2015. Unexpectedly, the lease was scheduled to be terminated in January 1, 2011; however, steps were taken by the Wildlife Management Branch to renew it for the maximum term of 25 years. As part of this process, the General Agreement for management of the property will be updated. The lease was issued to the AFGA so that revenues could be accrued from oil and gas activities and grazing operations in a “trust fund” set aside for ranch operations and habitat protection projects.

All revenues received from the ranch operations by the lessee (i.e., the AFGA) are held in trust and are not to be disposed of except in accordance with the original Management Agreement. These revenues were originally deemed to be held in a separate account called the Alberta Habitat Trust Account which has since morphed into an “Investment Account” for the ACR, officially termed the Antelope Creek Habitat Development Area account. The lease remains subject to agreements with then Pan Canadian (currently Cenovus) oil and gas interests in place as of the signing date.



**Revenue sources for the ACR are from cattle grazing and oil and gas activities.**

As per the ACR investment policy, there is a mix of bonds, equities, interest bearing accounts, and mutual funds which create some more diversity currently being managed by *Edward Jones*. The investment policy is subject to a yearly review by the ACR Management Committee. Andy von Busse reviewed the portfolio on at least a once a year basis with an investment advisor, and more often if either this advisor or Mr. von Busse deem this as being necessary. There are well defined “Investment Policy” goals, respecting *Fund Objectives and Liquidity Requirements* which were not achieved in 2008. Mr. von Busse approached another financial planner for his comments on our investment strategy and recommendations regarding the investment portfolio which they deemed “satisfactory” relative to the serious downturn in market conditions in 2008. It has been estimated earlier that about \$3 million will be required to sustain operations, within the context of present-day ranch operations.

### **Financial Management**

A goal of the ACR Management Committee is to contribute a minimum of \$50,000 in revenue annually towards the ACR Investment Account – the intent is for the Investment Account to support ranch operations when oil and gas revenues come to an end. The *ACR Habitat Development Area Investment Policy* was approved by the Management Committee in 2005 and remained in place in 2010 having experienced no real changes since its inception. As of 2010 a “review” rather than an “audit” of financial accounts was

to be undertaken as a cost saving measure, as per recommendations submitted by the auditor. An “audit” of oil and gas leases is recommended every 3 years, with the next “audit” scheduled for 2011.

Martin Sherran, Executive VP-AFGA, outlined concerns that the amount provided to AFGA by the Antelope Creek Management Committee (about \$600 per month) for the accounting services provided was inadequate. He estimated accounting time at 370 hours annually plus considerable administrative time. It was noted that the ACR Management Committee greatly appreciated the service of AFGA. It was moved by Ron Bjorge, seconded by Dave Kay, that AFGA receive an interim increase of \$400 per month at the June 29, 2010 Management Committee meeting, and that a committee be struck to look for accounting efficiencies and report back to the committee with recommendations by December or sooner if possible. Motion carried. This group will consist of Neil Wilson, Pamela (from DUC office), Andy von Busse and Martin Sharren and others as needed.

### **Recent Issues/Activities**

All Minutes are being circulated and a Minute Book has been established by the Department of Sustainable Resources Development. An ACR Management Committee meeting and tour of the ACR occurred on June 29, 2010. The ACR Management Committee also met on December 8, 2010. The Technical Committee met in September, 2010.

During the June 29, 2010 ACR Management Committee Meeting Neal Wilson provided an overview of ranch highlights during the previous year. Highlights included (a) 18 groups have toured the ranch in the last year (b) Antelope Creek Ranch is now a member of the Prairie Conservation Forum, (c) the number of cow calf pairs has increased to 268 pair as the litter level was higher than recommended, (d) considerable amount of gas and oil activity is still occurring, with some coal bed methane wells being drilled (e) all drilling in the last 3 years or so has been from existing pads (f) there has been little or no permanent reclamation of disturbed sites yet, (g) ATCO proposed a new transmission line in the area and one of their preferred sites was on the west side of the Antelope Creek Ranch, an area with little current disturbance, (h) 5 miles of wildlife friendly fence was installed, (i) Joel Nicholson reported that Steve Davis from the University of Regina has a M.Sc. student at Antelope Creek Ranch studying impact of disturbance on nesting birds and that the University of Manitoba also has similar research ongoing in the area, (j) there has been a fair amount of hunting in the fall and there are quite a few birders, (k) neighbouring properties assets relative to ACR operations (Jensen and Hawluk) were discussed.

There have been two major power line proposals come forward that would bisect the ranch, including a huge ATCO 500 KV line. Joel Nicholson has met with both Alta link and ATCO electric officials to let them know about ACR concerns. Obviously he told them ACR officials preferred them to follow Hwy 36 and stay off the ranch.



**ACR Management Committee tour of 2010 prairie song bird study.**

### **Ranch Manager Year-end report**

Neal Wilson advises that overall things are going well on the ranch as has been the case for the last few years. Pheasant and duck hunting were popular in 2009 with Neal having to ride herd on a few hunters but overall things were fairly tame. Cattle went home fat due to lots of rain and mortality was low.