

**COUNCIL MEETING
AGENDA**

Date: Monday, May 6, 2024, 5:30 p.m.
Location: Council Chambers of the Municipal Office
1 Mackenzie Boulevard, Mackenzie, BC

Pages

1. CALL TO ORDER

We would like to begin by acknowledging the land on which we gather is within the traditional territory of the Tse'khene People of the McLeod Lake Indian Band.

1.1 Defer to Closed Meeting

THAT the Special Closed meeting be deferred until after the regular meeting;

AND THAT the basis of the Special Closed Meeting relates to Section 90 (1) (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*,

2. ADOPTION OF MINUTES

3. INTRODUCTION OF LATE ITEMS

4. ADOPTION OF AGENDA

THAT the Agenda be adopted as presented.

5. PUBLIC COMMENTS AND QUESTIONS

Please note that all comments and questions must pertain to items listed on the agenda.

Are there any members of the public in attendance this evening who wish to comment on the agenda?

Administration are there any members of the public attending through Zoom or Phone that wish to comment on the agenda?

6. PETITIONS AND DELEGATIONS

6.1 RDFFG - Recycling Presentation

Chris Calder, Chief Administrative Officer and Laura Zapotichny, General Manager of Environmental Services of the Regional District of Fraser - Fort George (RDFFG) will have a presentation on changes to recycling services in Mackenzie.

- 6.2 KPMG - Presentation of Audited Financial Statements 5
Michaela Roque partner at KPMG LLP will present the District's 2023 draft financial statements.

7. CORRESPONDENCE

THAT the Correspondence listed on the Agenda be received.

7.1 For Action:

7.2 For Consideration:

Is there anything Council wishes to address in the "For Consideration" or "Centre Table File" correspondence?

7.3 Centre Table File

- Proposals received for commercial property appraisal services
- Logging and Sawmilling journal March April 2024

8. ADMINISTRATIVE REPORTS

- 8.1 Draft 2023 Audited Financial Statements 21

THAT Council approves the District of Mackenzie's draft 2023 Audited Financial Statements.

- 8.2 Commercial Property Appraisal Services Award 60

THAT Council awards 2024 Commercial Property Appraisal Services to Suncorp Valuations in the amount of \$18,500 plus GST;

AND THAT the Chief Administrative Officer be authorized to execute the contract and any related documentation.

- 8.3 MLMCF Appointment 62

THAT Council determine next steps for the MLMCF 2024 Board Appointment.

- 8.4 BCCFA Conference Sponsorship 65

THAT Council amend their platinum donation to BC Community Forest Association Conference to be held in Mackenzie in June 2024 as outlined in this report.

9.	<u>COUNCIL REPORTS</u>	
9.1	<u>Mayor's Report</u>	
9.2	<u>Council Reports</u>	
10.	<u>UNFINISHED BUSINESS</u>	
11.	<u>NEW BUSINESS</u>	
12.	<u>BYLAWS</u>	
12.1	<u>Financial Plan Bylaw No. 1515, 2024</u>	67
	THAT Council give Financial Plan Bylaw No. 1515, 2024 final reading and be adopted.	
12.2	<u>Tax Rate Bylaw No. 1516, 2024</u>	76
	THAT Council give Tax Rate Bylaw No. 1516, 2024 final reading and be adopted.	
13.	<u>NOTICE OF MOTION</u>	
14.	<u>COMING EVENTS</u>	
14.1	<u>Bear Awareness Training</u> May 4th @ 12:00PM in the Mackenzie Secondary School gym	
14.2	<u>MMIWG2S MARCH - RED DRESS DAY</u> May 5th meet at the Mackenzie Secondary School parking lot @ 12:00PM Come prepared to walk drum and sing	
14.3	<u>Emergency Preparedness Presentation</u> May 11th @11:00AM Come learn what to do in an emergency from Mackenzie's Fire Department and Mackenzie Community Services	
14.4	<u>2024 Community Clean Up Days</u> May 15th - Community garbage pick up May 21st & 22nd - Townsite and Ghantahaz fire smart pick up	
15.	<u>INQUIRIES</u>	

- In-person
- Online (Zoom/phone)
- Written comments received

16. ADJOURNMENT



District of Mackenzie

Financial statement presentation to Council

May 6, 2024

Agenda

01

Auditor's Report

02

Consolidated financial statements

03

Highlights

04

Questions

Auditor's Report

Independent Auditor's Report

- Clean audit report issued in respect of the consolidated financial statements in accordance with Canadian public sector accounting standards
- Emphasis of Matter paragraph for the restatement of prior period comparative information regarding the adoption of PS 3280 – Asset Retirement Obligations

Audited Consolidated Financial Statements

Statement of Financial Position:

Financial assets and liabilities

	2023	2022 (restated)
Cash and cash equivalents	\$2,079,579	\$2,717,968
Accounts receivable	1,856,846	1,315,842
Investments	23,828,776	21,054,027
Investment in Government Business Entities	4,222,804	3,483,036
Total financial assets	\$31,988,005	\$28,570,873
Accounts payable and accrued liabilities	\$1,835,973	\$1,592,973
Deferred revenue	581,605	461,936
Asset retirement	1,062,000	1,062,000
Total financial liabilities	\$3,479,578	\$3,116,909
Net financial assets	\$28,508,427	\$25,453,964



Statement of Financial Position:

Non-financial assets

	2023	2022 (restated)
Tangible capital assets	\$48,056,607	\$46,132,292
Land held for resale	1,555,819	1,601,866
Inventories	72,753	103,074
Prepaid expenses	372,960	292,534
Total non-financial assets	\$50,058,139	\$48,129,766

Statement of Operations and Accumulated Surplus

	Budget	2023	2022 (restated)
Revenue	\$15,762,448	\$17,384,847	\$12,721,276
Expenses	12,336,261	12,402,011	11,601,605
Annual Surplus	\$3,426,187	\$4,982,836	\$1,119,671
Accumulated surplus, beginning of year	\$73,583,730	\$73,583,730	\$73,147,899
Adjustment on adoption of the asset retirement obligation standard	-	-	(683,840)
Accumulated surplus, end of year	\$77,009,917	\$78,566,566	\$73,583,730

Statement of Changes in Net Financial Assets

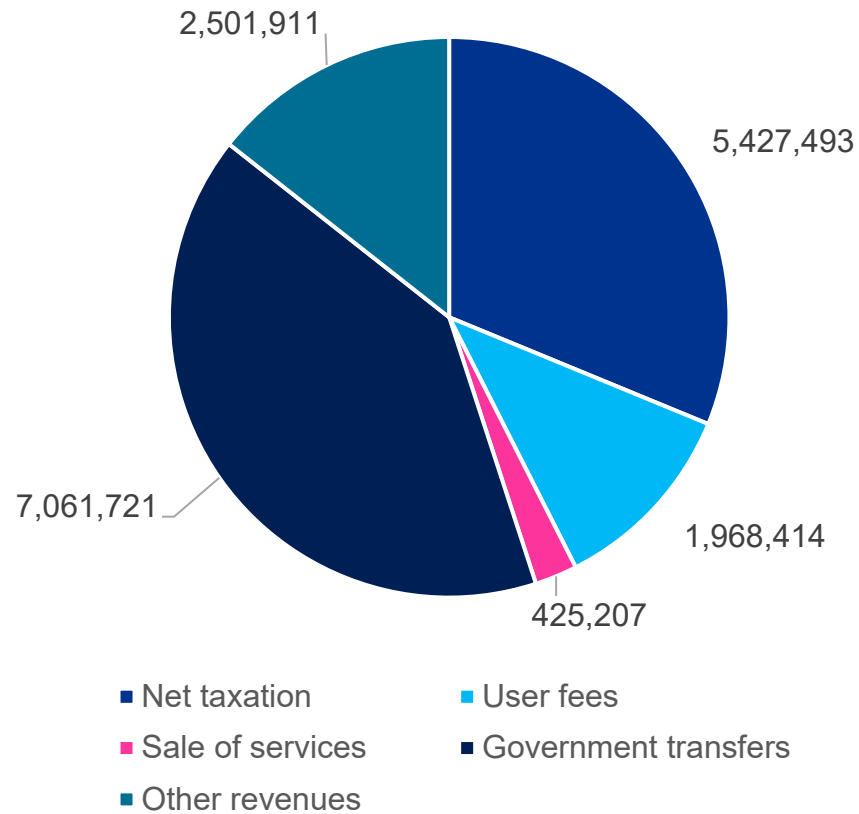
	Budget	2023	2022 (restated)
Annual Surplus	\$3,426,187	\$4,982,836	\$1,133,391
Net change in non-financial assets*	(2,002,288)	1,876,380	82,422
Net financial assets, beginning of year	25,453,964	25,453,964	26,433,542
Adjustment on adoption of ARO	-	-	(1,062,000)
Net financial assets, end of year	\$23,451,676	\$27,330,344	\$25,453,964

* Negative value represents an investment in non-financial assets

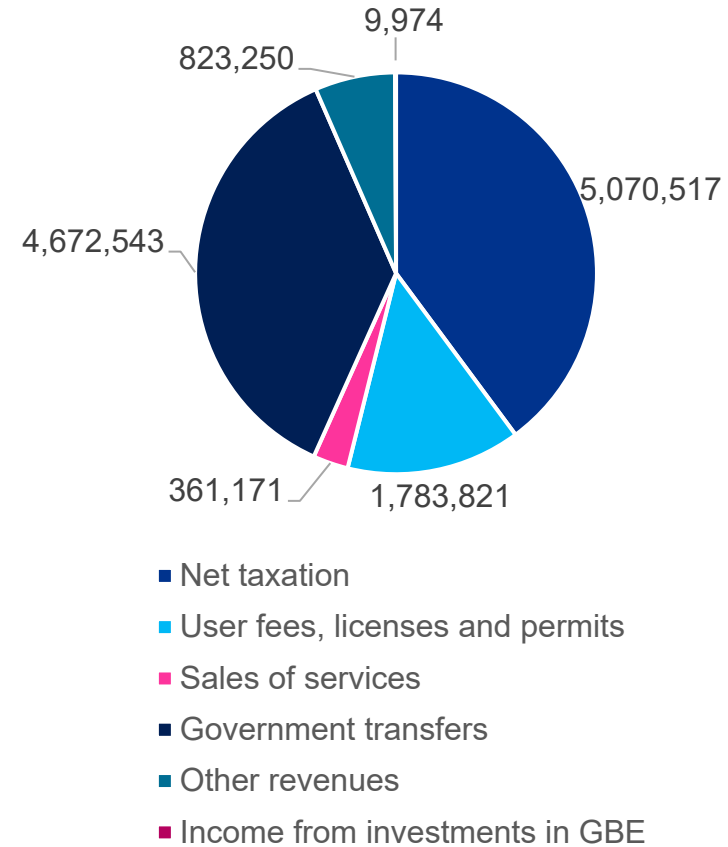
Highlights

Highlights - Revenue

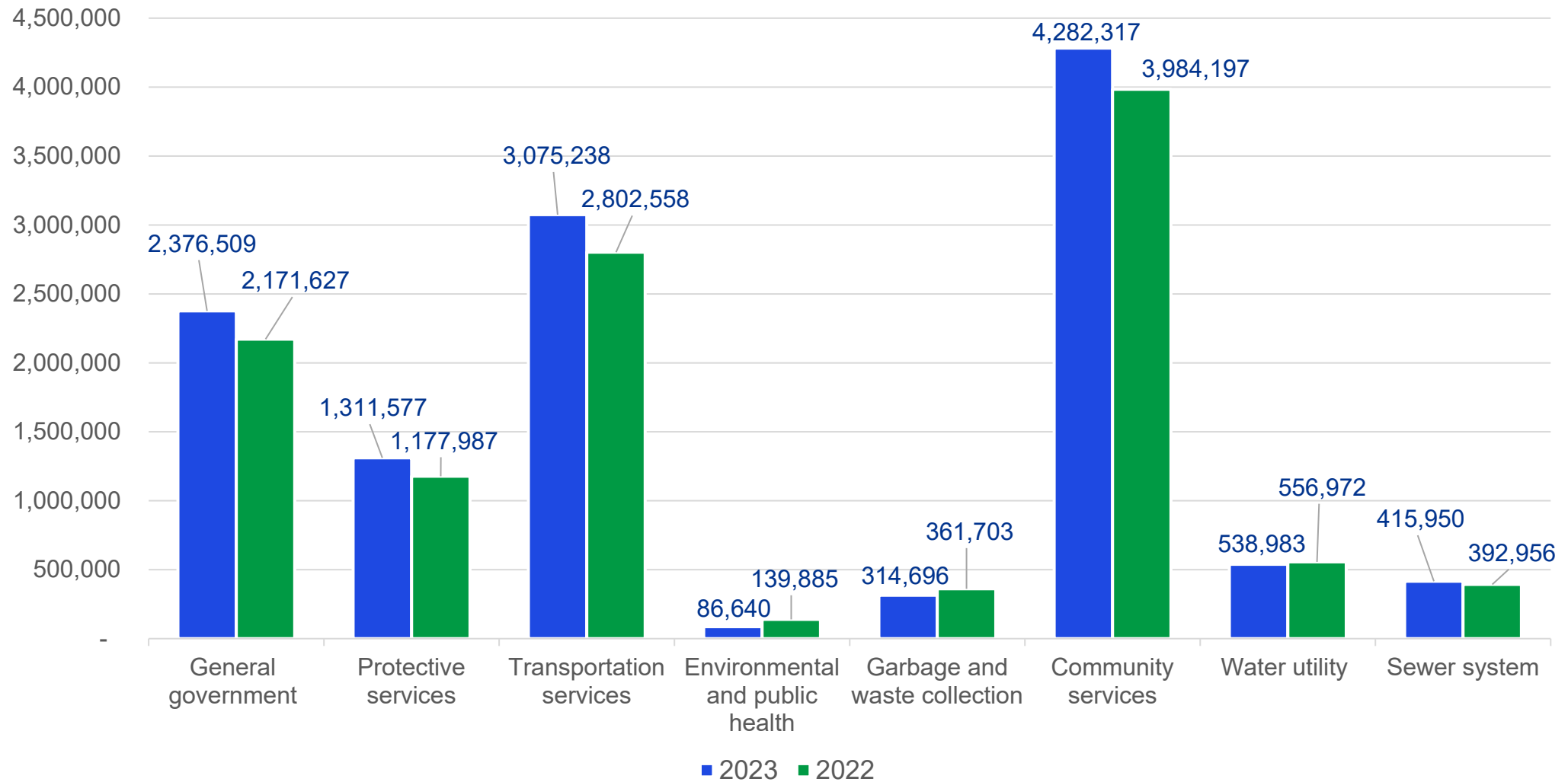
2023 Revenue



2022 Revenue



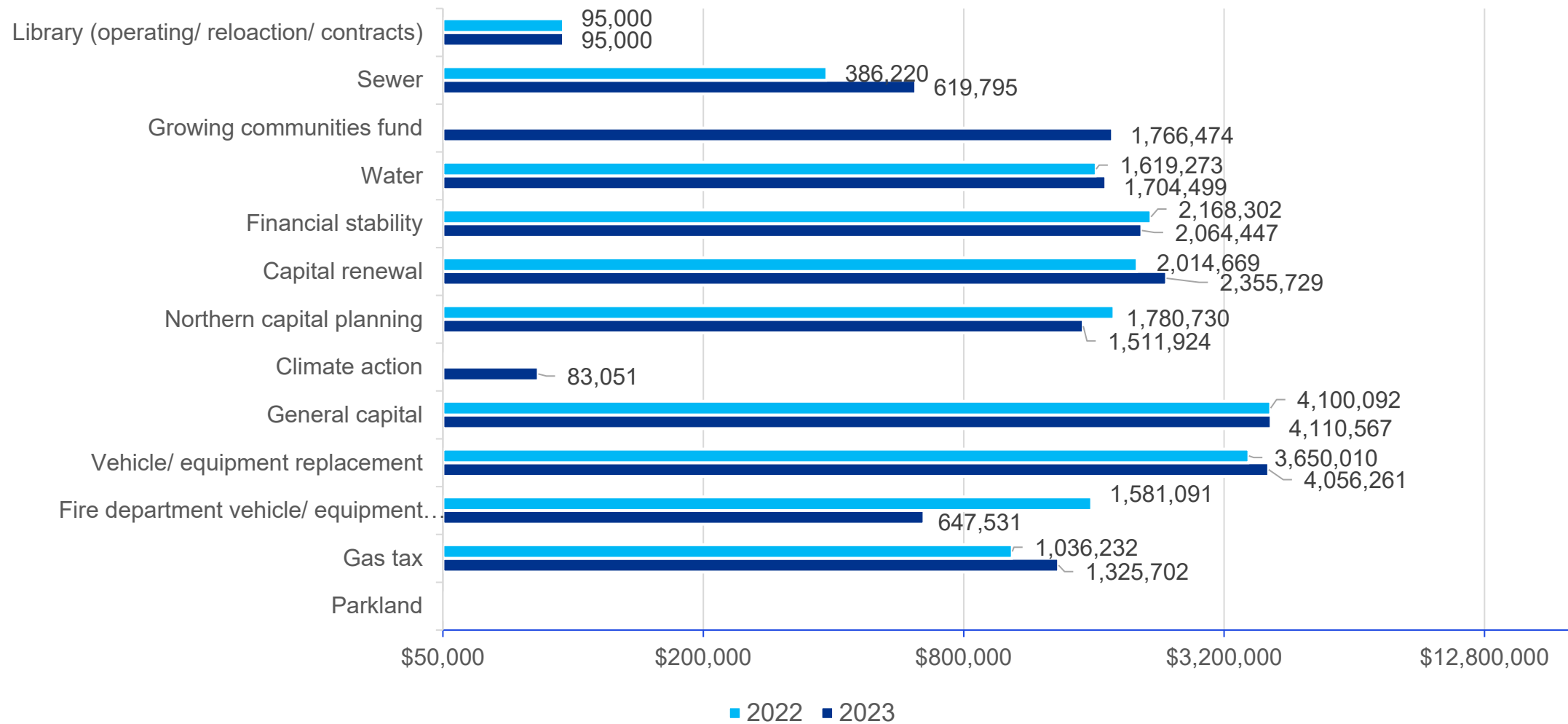
Highlights - Expenses



Highlights - Accumulated surplus

	2023	2022 (restated)
Invested in tangible capital assets	\$24,501,291	\$25,713,722
General fund	5,408,693	4,735,715
Water utility fund	(1,608,266)	(852,841)
Sanitary sewer utility fund	100,738	36,600
Reserves	4,223,452	4,495,095
Total accumulated surplus	\$32,625,908	\$34,128,291

Highlights - Reserves



Questions?

Thank you



kpmg.com/ca

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

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COUNCIL REPORT

To: Mayor and Council

From: Finance

Date: April 30, 2024

Subject: Draft 2023 Audited Financial Statements

RECOMMENDATION:

THAT Council approves the District of Mackenzie's draft 2023 Audited Financial Statements.

BACKGROUND:

The District of Mackenzie's draft 2023 Audited Financial Statements are attached to this report. In accordance with audit standards, Council is required to approve the financial statements before the auditors issue their final audit report. In accordance with Section 167 of the *Community Charter*, the financial statements are also required to be approved by Council prior to May 15th each year.

The District's Audited 2023 Financial Statements will be forwarded to the Ministry of Municipal Affairs & Housing, prior to the legislated deadline of May 15, 2024. These financial statements will also form part of the District's 2023 Annual Report, which typically is made public and adopted by Council prior to the June 30, 2024 legislative deadline.

COUNCIL PRIORITY:

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.

RESPECTFULLY SUBMITTED:

Kerri Borne, Chief Financial Officer

Reviewed By: Corporate Services

Approved By: Chief Administrative Officer

DRAFT Consolidated Financial Statements of



DISTRICT OF MACKENZIE

And independent Auditor's Report thereon
Year ended December 31, 2023



DISTRICT OF MACKENZIE

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DISTRICT OF MACKENZIE

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated financial statements of the District of Mackenzie (the "District") are the responsibility of the District's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the consolidated financial statements. The preparation of consolidated financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The District's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the consolidated financial statements. These systems are monitored and evaluated by management.

Mayor and Council meet with management and the external auditors to review the consolidated financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the consolidated financial statements.

The consolidated financial statements have been audited by KPMG LLP, independent external auditors appointed by the District. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the District's consolidated financial statements.

Mrs. Diane Smith, *Chief Administrative Officer*

Mrs. Kerri Borne, *Chief Financial Officer*

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council of District of Mackenzie

Opinion

We have audited the consolidated financial statements of District of Mackenzie (the "District"), which comprise:

- the consolidated statement of financial position as at December 31, 2023
- the consolidated statement of operations and accumulated surplus for the year then ended
- the consolidated statement of change in net financial assets for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

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

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditor's Responsibilities for the Audit of the Financial Statements**" section of our auditor's report.

We are independent of the District in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

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

Emphasis of Matter - Restatement of Financial Statements

We draw attention to Note 16 to the financial statements, which explains that certain comparative information presented for the year ended December 31, 2022 has been restated.

Note 16 explains the reason for the restatement and also explains the adjustments that were applied to restate certain comparative information.

Our opinion is not modified in respect to this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - Northern Capital Planning Reserve, Schedule 2 - COVID-19 Safe Restart Grant and Schedule 3 - Growing Communities Reserve Fund

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

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

We obtained the Information, other than the financial statements and the auditor's report thereon, included in Schedule 1 - Northern Capital Planning Reserve, Schedule 2 - COVID-19 Safe Restart Grant and Schedule 3 - Growing Communities Reserve Fund as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard.

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 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 District'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 management either intends to liquidate the District or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 the financial statements.

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

We 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 our 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 District'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 District's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the District's 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
- 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 we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

DRAFT

Chartered Professional Accountants

Prince George, Canada

May 6, 2024



DISTRICT OF MACKENZIE

Consolidated Statement of Financial Position

DRAFT

December 31, 2023, with comparative information for 2022

	2023	2022 (restated - note 16)
Financial assets:		
Cash and cash equivalents	\$ 2,079,579	\$ 2,717,968
Accounts receivable (note 2)	1,856,846	1,315,842
Investments (note 3)	23,828,776	21,054,027
Investment in government business entities (note 4)	4,222,804	3,483,036
	<u>31,988,005</u>	<u>28,570,873</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	1,835,973	1,592,973
Deferred revenue	581,605	461,936
Asset retirement obligation (note 14)	1,062,000	1,062,000
	<u>3,479,578</u>	<u>3,116,909</u>
Net financial assets	28,508,427	25,453,964
Non-financial assets:		
Tangible capital assets (note 6)	48,056,607	46,132,292
Assets held for resale (note 7)	1,555,819	1,601,866
Inventory	72,753	103,074
Prepaid expenses	372,960	292,534
	<u>50,058,139</u>	<u>48,129,766</u>
Commitments and contingencies (note 8)		
Accumulated surplus (note 9)	<u>\$ 78,566,566</u>	<u>\$ 73,583,730</u>

See accompanying notes to consolidated financial statements.

_____ Mayor

_____ Chief Financial Officer



DISTRICT OF MACKENZIE

Consolidated Statement of Operations and Accumulated Surplus

DRAFT

Year ended December 31, 2023, with comparative information for 2022

	Budget (note 12)	2023	2022 (restated - note 16)
Revenue (note 13):			
Net taxation revenue (note 10)	\$ 5,431,959	\$ 5,427,493	\$ 5,070,517
Sale of services	1,484,837	559,762	361,171
Government transfers (note 11)			
Provincial	5,291,936	5,330,749	3,808,078
Federal	-	151,496	283,429
Other	-	1,469,789	581,036
Investments and penalties	-	1,186,938	610,704
Other	1,776,058	315,502	212,546
Licenses and permits	77,725	69,424	84,268
User fees	1,699,933	1,883,925	1,699,553
Income from investments in government business entities and partnerships	-	989,769	9,974
	15,762,448	17,384,847	12,721,276
Expenses (note 13):			
Community services	3,550,383	4,282,316	3,996,704
Garbage and waste collection	416,521	314,696	361,703
General government	2,662,861	2,512,159	2,171,627
Protective services	1,665,422	1,301,007	1,177,987
Environmental and public health	150,099	86,639	139,885
Sewer system	420,248	373,950	392,956
Transportation services	2,899,862	2,950,260	2,803,771
Water utility	570,865	580,984	556,972
	12,336,261	12,402,011	11,601,605
Annual surplus	3,426,187	4,982,836	1,119,671
Accumulated surplus, beginning of year	73,583,730	73,583,730	73,147,899
Adjustment on adoption of the asset retirement obligation standard	-	-	(683,840)
Accumulated surplus, end of year	\$ 77,009,917	\$ 78,566,566	\$ 73,583,730

See accompanying notes to consolidated financial statements.

DISTRICT OF MACKENZIE

Consolidated Statement of Change In Net Financial Assets

DRAFT

Year ended December 31, 2023, with comparative information for 2022

	Budget (note 12)	2023	2022 (restated - note 16)
Annual surplus	\$ 3,426,187	\$ 4,982,836	\$ 1,119,671
Acquisition of tangible capital assets	(7,230,783)	(5,036,475)	(2,901,509)
Amortization of tangible capital assets	1,802,308	1,943,294	1,859,548
Loss on sale of tangible capital assets	-	1,168,596	64,711
Gain on sale of assets held for sale	-	46,047	-
Proceeds on sale of assets held for sale	-	270	-
	(5,428,475)	(1,878,268)	(977,250)
Acquisition of inventory	-	(72,753)	(103,074)
Acquisition of prepaid expenses	-	(372,960)	(292,534)
Consumption of inventory	-	103,074	70,731
Use of prepaid expenses	-	292,534	264,878
	-	(50,105)	(59,999)
Change in net financial assets	(2,002,288)	3,054,463	82,422
Net financial assets, beginning of year	25,453,964	25,453,964	26,433,542
Adjustment on adoption of the asset retirement obligation standard	-	-	(1,062,000)
Net financial assets, end of year	\$ 23,451,676	\$ 28,508,427	\$ 25,453,964

See accompanying notes to consolidated financial statements.



DISTRICT OF MACKENZIE

Consolidated Statement of Cash Flows

DRAFT

Year ended December 31, 2023, with comparative information for 2022

	2023	2022 (restated - note 16)
Cash provided by (used in):		
Operating activities:		
Annual surplus	\$ 4,982,836	\$ 1,119,671
Items not involving cash:		
Amortization of tangible capital assets	1,943,294	1,859,548
Loss on sale of tangible capital assets	1,169,136	64,711
(Income) loss from investments in government business entities	(989,769)	(9,974)
Changes in non-cash operating working capital:		
Accounts receivable	(541,004)	382,914
Inventory	30,321	(32,343)
Accounts payable and accrued liabilities	243,000	(482,579)
Deferred revenue	119,669	(220,603)
Prepaid expenses	(80,426)	(27,656)
Net change in cash from operating activities	6,877,057	2,653,689
Investing activities:		
Investment purchases	(2,774,749)	(4,903,365)
shareholder	46,048	-
Acquisition of tangible capital assets	(5,036,745)	(2,901,509)
Distribution from government business partnership	250,000	350,000
	(7,515,446)	(7,454,874)
Decrease in cash and cash equivalents	(638,389)	(4,801,185)
Cash and cash equivalents, beginning of year	2,717,968	7,519,153
Cash and cash equivalents, end of year	\$ 2,079,579	\$ 2,717,968

See accompanying notes to consolidated financial statements.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements

DRAFT

Year ended December 31, 2023

District of Mackenzie (the "District") is a municipality that was created in 1966 under the Community charter, formerly the Municipal Act, a statute of the Province of British Columbia. The District's principal activities include the provision of local government services to residents of the incorporated area. These services include administrative, protective, transportation, environmental, recreational, water, waste water and fiscal services.

1. Significant accounting policies:

These consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles for governments as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies adopted by the District are as follows:

(a) Basis of consolidation:

(i) Consolidated entities:

The consolidated financial statements reflect the assets, liabilities, revenues and expenses of the reporting entity. The reporting entity is comprised of all organizations, committees and local boards accountable for the administration of their financial affairs and resources to the District and which are owned or controlled by the District.

Included in these consolidated financial statements is the Mackenzie Public Library which is controlled by the District.

(ii) Accounting for Region and School Board transactions:

The taxation, other revenues, expenses, assets and liabilities with respect to the operations of the Region and the School District are not reflected in these consolidated financial statements.

(iii) Trust funds:

Trust funds and their operations administered by the District are not included in these consolidated financial statements.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(a) Basis of consolidation (continued):

(iv) Investment in government business entities:

The District records its investments in government business enterprises ("GBEs") and government business partnerships ("GBPs") on a modified equity basis. Under the modified equity basis, the GBEs and GBPs accounting policies are not adjusted to conform with those of the District and inter-organizational transactions and balances are not eliminated. The District recognizes its equity interest in the annual earnings or loss of the GBEs and GBPs in its consolidated statement of operations and accumulated surplus with a corresponding increase or decrease in its investment asset account. Any dividends or other cash distributions are recorded as a reduction to the investment asset account. The GBEs and GBPs account for their transactions under accounting standards for private enterprises due to the fact that management believes that the difference between accounting standards from private enterprises and public sector accounting standards are not significant.

The District's investment in government business enterprises and partnerships consist of:

- McLeod Lake Mackenzie Community Forest Corporation 50%
- McLeod Lake Mackenzie Community Forest Limited Partnership 50%

(b) Basis of accounting:

The District follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods and services and/or the creation of a legal obligation to pay.

(c) Revenue recognition:

Taxation and user fee revenues are recognized in accordance with the provisions of the Community Charter. The District is required to act as the agent for the collection of certain taxes and fees imposed by other authorities. Collections for other authorities are excluded from the District's taxation revenues.

Revenue unearned in the current period is reported on the consolidated statement of financial position as deferred revenue or deposits.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(d) Investment income:

Investment income is reported as revenue in the period earned. When required by the funding government or related Act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance.

(e) Cash equivalents:

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition which are readily convertible into a known amount of cash.

(f) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value as at the reporting date. All other financial instruments are subsequently measured at cost or amortized cost, unless the District has elected to carry the instruments at fair value. The District has not elected to carry any such financial instruments at fair value.

Unrealized changes in fair value would be recognized on the consolidated statement of remeasurement gains and losses. They are recorded in the consolidated statement of operations when they are realized. There are no unrealized changes in fair value as at December 31, 2023 and December 31, 2022. As a result, the District does not have a consolidated statement of remeasurement gains and losses.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. Transaction costs incurred on the acquisition of financial instruments recorded at cost or amortized cost are included in the cost.

All financial assets are assessed for impairment on an annual basis. When a decline is determined to be other than temporary, the amount of the loss is reported in the consolidated statement of operations.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(g) Investments:

Investments are recorded at cost, adjusted for amortization of premiums or discounts. Provisions for losses are recorded when they are considered to be other than temporary.

(h) Non-financial assets:

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

(i) Tangible capital assets:

Tangible capital assets are recorded at cost which includes amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets, excluding land, are amortized on a straight-line basis over their estimate useful lives as follows:

Asset	Useful life - years
Buildings	40 - 75 years
Building improvements, equipment and IT	4 - 40 years
Drainage and transportation infrastructure	10 - 100 years
Machinery, equipment and vehicles	5 - 20 years
Water infrastructure	10 - 100 years
Sewer infrastructure	10 - 100 years

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(h) Non-financial assets (continued):

(i) Tangible capital assets (continued):

Annual amortization is charged in the year that an asset becomes available for productive use and in the year of disposal.

Assets under construction are not amortized until the asset is available for productive use.

(ii) Contributions of tangible capital assets:

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

(iii) Interest capitalization:

The District does not capitalize interest costs associated with the acquisition or construction of a tangible capital assets.

(iv) Land held for resale:

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for improvements to prepare the land for sale or servicing.

(i) Inventory:

Inventory consist of supplies, repairs parts and materials consumed in operations and capital projects. Inventory is recorded at cost which is determined on a weighted average basis.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(j) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the period. Items subject to such estimates and assumptions include the carrying values of tangible capital assets, inventory and land held for resale, accrued liabilities and collectibility of accounts receivable. Actual results could differ from these estimates.

(k) Contaminated sites:

Contaminated sites are defined as the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard.

A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met:

- (i) an environmental standards exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the organization is directly responsible or accepts responsibility for the liability;
- (iv) future economic benefits will be given up, and
- (v) a reasonable estimate of liability can be made.

(l) Government transfers:

Government transfers, which include legislative grants, are recognized as revenue in the consolidated financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfer revenue is recognized in the consolidated statements of operations as stipulations for liabilities are settled.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

1. Significant accounting policies (continued):

(m) Asset retirement obligations:

An asset retirement obligation is recognized when, as at the financial reporting date, all of the following criteria are met:

- There is a legal obligation to incur retirement costs in relation to a tangible capital asset;
- The past transaction or event giving rise to the liability has occurred;
- It is expected that future economic benefits will be given up; and
- A reasonable estimate of the amount can be made.

The recognition of a liability resulted in an accompanying increase to the respective tangible capital assets. The increase to the tangible capital assets is being amortized in accordance with the amortization policies outlined in (h)(i).

2. Accounts receivable:

	2023	2022
Taxation - current	\$ 217,006	\$ 177,656
Taxation - arrears/delinquent	164,374	130,125
Accrued interest	456,877	380,619
Grants	500,603	296,503
Sales tax	71,229	85,840
Utilities	98,714	108,470
Trade and miscellaneous	384,713	161,867
	1,893,516	1,341,080
Less allowance for doubtful accounts	(36,670)	(25,238)
	\$ 1,856,846	\$ 1,315,842

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

3. Investments:

	2023	2022
Term deposits	\$ 23,828,776	\$ 21,054,027

Investment income earned on investments and cash and cash equivalents of \$1,145,780 (2022 – \$558,104) is recognized as revenue on the Consolidated Statement of Operations and Accumulated Surplus as investments and penalties.

4. Investment in government business entities:

	2023	2022
McLeod Lake Mackenzie Community Forest Limited Partnership:		
Investment in shares	\$ 50	\$ 50
Advances	-	83,820
Accumulated earnings	7,351,059	6,368,672
Distributions	(3,181,276)	(3,015,096)
McLeod Lake Mackenzie Community Forest Corporation:		
Investment in shares	99	99
Accumulated earnings	52,872	45,491
Total investment	\$ 4,222,804	\$ 3,483,036

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

4. Investment in government business entities (continued):

The following table provides condensed supplementary financial information for the McLeod Lake Mackenzie Community Forest Limited Partnership, for the year ended December 31:

	2023	2022
(i) Financial position:		
Assets:		
Current	\$ 1,241,452	\$ 601,028
Investments	7,322,656	6,621,659
Restricted cash	1,247,285	1,221,898
Property and equipment	153,491	144,207
Total assets	\$ 9,964,884	\$ 8,588,792
Liabilities:		
Current	\$ 377,933	\$ 501,603
Silviculture obligation - long-term portion	1,247,285	1,212,299
Total liabilities	1,625,218	1,713,902
Equity:		
Share capital	1	1
Partner's equity	8,339,665	6,874,889
Total equity	8,339,666	6,874,890
Total liabilities and equity	\$ 9,964,884	\$ 8,588,792
	2023	2022
(ii) Operations:		
Revenue	\$ 3,193,150	\$ 2,185,336
Expenses	(2,094,493)	(1,648,906)
Other income	866,118	(506,147)
Net income	\$ 1,964,775	\$ 30,283
(iii) Share of net income:		
District's percentage of ownership	50%	50%
District's share of net income	\$ 982,388	\$ 15,142

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

4. Investment in government business entities (continued):

The following table provides condensed supplementary financial information for the McLeod Lake Mackenzie Community Forest Corporation, for the year ended December 31:

	2023	2022
(i) Financial position:		
Assets:		
Current	\$ 172,631	\$ 126,717
Investments	1	1
Total assets	\$ 172,632	\$ 126,718
Liabilities:		
Current	\$ 66,689	\$ 35,537
Total liabilities	66,689	35,537
Equity:		
Share capital	200	200
Retained earnings	105,743	90,981
Total equity	105,943	91,181
Total liabilities and equity	\$ 172,632	\$ 126,718
	2023	2022
(ii) Operations:		
Revenue	\$ 318,000	\$ 216,000
Expenses	(303,238)	(226,335)
Net income (loss)	\$ 14,762	\$ (10,335)
(iii) Share of net income:		
District's percentage of ownership	50%	50%
District's share of net income (loss)	\$ 7,381	\$ (5,168)

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

5. Accounts payable and accrued liabilities:

	2023	2022
Trade payables and accrued liabilities	\$ 1,155,726	\$ 461,987
Wages and related costs	517,771	412,786
Holdback payable	-	489,350
Other payables	147,819	88,575
Government remittances	14,657	140,275
	\$ 1,835,973	\$ 1,592,973

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

6. Tangible capital assets:

2023	Assets under construction	Land and improvements	Building improvements equipment and IT	Building	Machinery equipment and vehicles	Drainage and transportation infrastructure	Water infrastructure	Sewer infrastructure	Total
Cost:									
Balance, beginning of year	\$ 6,556,148	\$ 7,619,825	\$ 10,911,202	\$ 19,759,182	\$ 11,865,207	\$ 14,260,721	\$ 3,451,691	\$ 4,991,881	\$ 79,415,857
Additions	601,453	-	1,286,396	342,819	2,192,438	415,817	197,822	-	5,036,745
Disposals	(1,102,306)	-	-	(92,172)	(929,570)	-	(7,625)	-	(2,131,673)
Transfers	-	-	-	-	-	-	-	-	-
Balance, end of year	6,055,295	7,619,825	12,197,598	20,009,829	13,128,075	14,676,538	3,641,888	4,991,881	82,320,929
Balance, beginning of year	-	-	4,416,300	6,795,060	8,096,537	9,892,378	1,302,068	2,781,222	33,283,565
Amortization	-	-	560,544	385,806	480,776	381,748	55,235	79,185	1,943,294
Disposals	-	-	-	(47,758)	(911,119)	-	(3,660)	-	(962,537)
Balance, end of year	-	-	4,976,844	7,133,108	7,666,194	10,274,126	1,353,643	2,860,407	34,264,322
Net book value, end of year	\$ 6,055,295	\$ 7,619,825	\$ 7,220,754	\$ 12,876,721	\$ 5,461,881	\$ 4,402,412	\$ 2,288,245	\$ 2,131,474	\$ 48,056,607

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

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Year ended December 31, 2023

6. Tangible capital assets (continued):

2022	Assets under construction	Land and improvements	Building improvements equipment and IT	Building	Machinery equipment and vehicles	Drainage and transportation infrastructure	Water infrastructure	Sewer infrastructure	Total (restated - note 16)
Cost:									
Balance, beginning of year	\$ 4,348,132	\$ 7,619,825	\$ 10,673,136	\$ 18,764,464	\$ 11,686,959	\$ 14,119,875	\$ 3,451,691	\$ 4,991,881	\$ 75,655,963
Additions	2,257,575	-	222,479	14,989	265,620	140,846	-	-	2,901,509
Adjustment relating to asset retirement obligation	-	-	-	1,062,000	-	-	-	-	1,062,000
Disposal	(49,559)	-	(54,110)	(12,574)	(87,372)	-	-	-	(203,615)
Transfers	-	-	69,697	(69,697)	-	-	-	-	-
Balance, end of year	6,556,148	7,619,825	10,911,202	19,759,182	11,865,207	14,260,721	3,451,691	4,991,881	79,415,857
Balance, beginning of year	-	-	3,956,015	5,743,386	7,727,430	9,500,985	1,249,229	2,702,036	30,879,081
Amortization	-	-	510,337	372,044	453,749	391,393	52,839	79,186	1,859,548
Adjustment relating to asset retirement obligation	-	-	-	683,840	-	-	-	-	683,840
Disposals	-	-	(50,052)	(4,210)	(84,642)	-	-	-	(138,904)
Balance, end of year	-	-	4,416,300	6,795,060	8,096,537	9,892,378	1,302,068	2,781,222	33,283,565
Net book value, end of year	\$ 6,556,148	\$ 7,619,825	\$ 6,494,902	\$ 12,964,122	\$ 3,768,670	\$ 4,368,343	\$ 2,149,623	\$ 2,210,659	\$ 46,132,292

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

7. Assets held for resale:

Land held for resale consists of the bell subdivision, airport subdivision, and other lands. During the year, the District gifted a lot. A loss of \$46,047 was recognized in the Consolidated Statement of Operations as general government expense. In the prior year, the District did not sell any land.

8. Commitments and contingencies:

- (a) The District is responsible, as a member of the Regional District of Fraser-Fort George, for its portion of any operating deficits or capital debt related to functions in which it participates.
- (b) The District and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2023, the plan has about 240,000 active members and approximately 124,000 retired members. Active members include approximately 43,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2021, indicated a \$3,761 million funding surplus for basic pension benefits on a going concern basis.

The District paid \$361,114 (2022 - \$364,229) for employer contributions to the Plan in fiscal 2022.

The next valuation will be as at December 31, 2024, with results available in 2025.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

8. Commitments and contingencies (continued):

(b) Continued:

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

(c) The District is obligated to collect and transmit property taxes levied on District of Mackenzie taxpayers in respect of the following bodies:

- Ministry of Education, Province of British Columbia
- Regional District of Fraser-Fort George
- British Columbia Assessment Authority
- Municipal Finance Authority
- Fraser-Fort George Regional Hospital District
- Royal Canadian Mounted Police

(d) The District is a participant in the Municipal Insurance Association of British Columbia. Should the Association pay out claims in excess of premiums received, it is possible that the District, along with other participants, would be required to contribute towards the deficit. Management does not consider payment under this contingency to be likely and therefore no amounts have been accrued.

(e) The District may be involved from time to time in legal proceedings, claims and litigation that arise in the normal course of business. As at December 31, 2023, there is a claim outstanding that management has determined the outcome to be undeterminable and thus no accrual has been recorded.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

9. Accumulated surplus:

Accumulated surplus consists of individual fund surpluses and reserve funds as follows:

	2023	2022
Surplus:		
Invested in tangible capital assets	\$ 46,994,607	\$ 45,070,292
General fund	10,835,644	9,562,047
Water utility fund	149,704	147,395
Sewer utility fund	166,145	188,441
Library fund	35,852	101,532
Total surplus	58,181,952	55,069,707
Reserve funds set aside for specific purposes by Council:		
Parkland	43,634	41,538
Gas tax	1,325,702	1,036,232
Fire department vehicle/equipment replacement	647,531	1,581,091
Vehicle/equipment replacement	4,056,261	3,650,010
General capital	4,110,567	4,100,092
Climate action	83,051	40,766
Northern Capital Planning	1,511,924	1,780,730
Capital renewal	2,355,729	2,014,669
Financial stability	2,064,447	2,168,302
Water	1,704,499	1,619,373
Growing Communities Fund	1,766,474	-
Sewer	619,795	386,220
Library - operating	70,000	70,000
Library - relocation allowance	5,000	5,000
Library - contracts	20,000	20,000
Total reserve funds	20,384,614	18,514,023
	\$ 78,566,566	\$ 73,583,730

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

10. Net taxation revenue:

As disclosed in note 8(c), the District is required to collect taxes on behalf of and transfer these amounts to the government agencies below:

	2023	2022
Taxes collected:		
General purposes	\$ 5,427,519	\$ 5,070,497
Collection for other governments	2,293,099	2,168,814
	7,720,618	7,239,311
Transfers to other governments:		
Provincial government	1,424,512	1,171,526
Fraser-Fort George Regional Hospital District	497,922	433,524
Regional District of Fraser-Fort George	325,119	330,132
B.C. Assessment Authority	45,436	44,601
Municipal Finance Authority	136	127
Royal Canadian Mounted Police	-	188,884
	2,293,125	2,168,794
	\$ 5,427,493	\$ 5,070,517

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

11. Government transfers:

The government transfers reported on the consolidated statement of operations and accumulated surplus are:

	2023	2022
Provincial grants:		
Unconditional	\$ 533,311	\$ 224,077
Conditional	2,092,405	1,040,296
Grants in lieu	11,523	-
BC Hydro	2,693,510	2,543,705
Subtotal provincial grants	5,330,749	3,808,078
Federal grants:		
Conditional	142,424	221,340
Grants in lieu	9,072	-
Miscellaneous	-	62,089
Subtotal federal grants	151,496	283,429
Other grants:		
Conditional	630,720	-
Unconditional	23,016	-
Fortis BC	27,062	128,893
Miscellaneous	788,991	452,143
Subtotal other grants	1,469,789	581,036
Total government transfers	\$ 6,952,034	\$ 4,672,543

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

12. Budget data:

The budget data presented in the consolidated financial statements is based upon the 2022 operating and capital budgets approved by Council on May 9, 2022. The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenue:	
Operating budget	\$ 25,164,242
Less:	
Other capital revenue	(1,286,837)
Transfer from reserve funds	(5,943,946)
Transfer from surplus funds	(368,703)
Transfer from invested in tangible capital assets	(1,802,308)
Total revenues	15,762,448
Expenses:	
Operating budget	25,164,242
Less:	
Transfers to reserve funds	(5,265,013)
Transfer to general fund	(332,185)
Capital expenditures	(7,230,783)
Total expenses	12,336,261
Annual surplus	\$ 3,426,187

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

13. Segmented information:

Segmented information has been identified based upon lines of service provided by the District. District services are provided by departments and their activities are reported by functional area in the body of the consolidated financial statements. Certain lines of service that have been separately disclosed in the segmented information are as follows:

(a) General Government:

The general government operations provides the functions of corporate administration and legislative services and any other functions categorized as non-departmental in the District. It also administers economic development projects and provides grants to various community groups that provide recreational opportunities in the District.

(b) Protective Services:

Protective services is comprised of emergency management and regulatory services.

(c) Transportation Services:

Transportation services is responsible for a wide variety of services including the development and maintenance of the District's roadway systems through the Public Works department, snow removal and street lighting.

(d) Environmental and Public Health:

Environmental and public health provides the dental centre, mosquito control and maintenance of the cemetery to the residents of the District.

(e) Garbage and Waste Collection:

Garbage and waste collection provides garbage collection and disposal services to residents and businesses in the District.

(f) Community Services:

Community services is responsible for the construction and maintenance of the District's parks and green spaces. It provides for the operation of the community centre, library and recreation centre.

(g) Water Utility:

The water utility installs and maintains water wells, pump stations and the water reservoir. The treatment and distribution of water in the District through Public Works is included in this segment.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

13. Segmented information (continued):

(h) Sewer System:

The sewer system installs and maintains sewer mains, lift stations and the sewage lagoon. The collection and treatment of sewage in the District through Public Works is included in this segment.

The following statement provides additional information for the foregoing functions. The accounting policies used in these segments are consistent with those followed in the preparation of the financial statements as disclosed in note 1.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

13. Segmented information (continued):

2023	General Government	Protective Services	Transportation Services	Environmental and Public Health	Garbage and Waste Collection	Community Services	Water Utility	Sewer System	Total
Revenue:									
Taxation	\$ 5,427,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,427,493
User fees and licenses and permits	-	-	93,559	-	455,785	119,958	740,061	559,051	1,968,414
Sales of services	-	-	55,625	1,161	-	368,421	-	-	425,207
Government transfers	4,379,483	847,688	(11,765)	1,795,973	-	50,342	-	-	7,061,721
Other revenues	2,372,325	-	42,928	-	-	51,188	35,470	-	2,501,911
Total revenue	12,179,301	847,688	180,347	1,797,134	455,785	589,909	775,531	559,051	17,384,746
Expenses:									
Operating	750,443	592,814	981,320	30,688	-	936,315	312,306	183,106	3,786,992
Salaries, wages & employee benefits	1,306,687	483,283	1,192,139	13,573	175,347	2,495,781	179,218	90,287	5,936,315
Legislature	186,963	-	-	-	-	-	-	-	186,963
Amortization	68,160	190,936	699,179	42,193	-	775,566	79,490	87,774	1,943,298
Interest	4,131	-	-	-	-	-	-	-	4,131
Insurance	53,238	23,410	77,622	185	-	69,154	9,970	12,783	246,362
Professional services	142,537	10,564	-	-	-	5,500	-	-	158,601
Garbage disposal	-	-	-	-	139,349	-	-	-	139,349
Loss from investments government business enterprises and partnerships	-	-	-	-	-	-	-	-	-
Total expenses	2,512,159	1,301,007	2,950,260	86,639	314,696	4,282,316	580,984	373,950	12,402,011
Annual surplus (deficit)	\$ 9,667,142	\$ (453,319)	\$ (2,769,913)	\$ 1,710,495	\$ 141,089	\$ (3,692,407)	\$ 194,547	\$ 185,101	\$ 4,982,735

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

13. Segmented information (continued):

2022	General Government	Protective Services	Transportation Services	Environmental and Public Health	Garbage and Waste Collection	Community Services	Water Utility	Sewer System	Total (restated - note 15)
Revenue:									
Taxation	\$ 5,070,517	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,070,517
User fees and licenses and permits	-	-	77,488	-	427,823	84,268	666,237	528,005	1,783,821
Sales of services	1,010	1,143	42,033	502	-	316,483	-	-	361,171
Government transfers	4,049,902	255,424	221,340	67,082	-	78,795	-	-	4,672,543
Other revenues	660,439	82,658	39,173	-	-	40,980	-	-	823,250
Income from investments in government business enterprises and partnerships	9,974	-	-	-	-	-	-	-	9,974
Total revenue	9,791,842	339,225	380,034	67,584	427,823	520,526	666,237	528,005	12,721,276
Expenses:									
Operating	628,550	401,542	907,255	72,656	-	828,863	285,322	210,266	3,334,454
Salaries, wages & employee benefits	1,200,997	605,690	1,113,689	18,288	173,445	2,358,273	186,601	82,903	5,739,886
Legislature	155,729	-	-	-	-	-	-	-	155,729
Amortization	56,198	140,691	703,263	48,763	-	732,831	76,308	87,774	1,845,828
Interest	1,135	-	-	-	-	-	-	-	1,135
Insurance	48,476	30,064	78,351	178	-	59,230	8,741	12,013	237,053
Professional Services	80,542	-	-	-	-	5,000	-	-	85,542
Garbage disposal	-	-	-	-	188,258	-	-	-	188,258
Loss from disposal fixed assets	-	-	-	-	-	-	-	-	-
Loss from investments in government business enterprises and partnerships	-	-	-	-	-	-	-	-	-
Total expenses	2,171,627	1,177,987	2,802,558	139,885	361,703	3,984,197	556,972	392,956	11,587,885
Annual surplus (deficit)	\$ 7,620,215	\$ (838,762)	\$ (2,422,524)	\$ (72,301)	\$ 66,120	\$ (3,463,671)	\$ 109,265	\$ 135,049	\$ 1,133,391

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

14. Asset retirement obligation

The District owns and operates several buildings that are known to have hazardous material, which represents a health hazard upon demolition or removal of the assets and there is a legal obligation to remove it. Following the adoption of PS 3280 - Asset Retirement Obligations, the District recognized an obligation relating to the removal and post-removal care of the hazardous materials in these assets as estimated at January 1, 2022 in the amount of \$1,062,000.

The transition and recognition of the asset retirement obligations involved an accompanying increase to tangible capital assets and the restatement of prior year numbers (note 16).

15. Significant taxpayers:

The District derives a significant portion of its taxation revenue from the major industry taxpayers. Any changes in this sector could have an impact on the ongoing operations of the District.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2023

16. Change in accounting policy:

On January 1, 2022, the District adopted Public Sector Accounting Standard PS 3280 - Asset Retirement Obligations. The new accounting standard addresses the reporting of legal obligations associate with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. The standard was adopted on the modified retrospective basis at the date of adoption. Under the modified retrospective method the assumptions used on initial recognition are those as of the date of adoption of the standard.

The District recognized an asset retirement obligation related to several buildings, sewer and water infrastructure owned by the District that contained hazardous material. The liability was measured as of the date of when the Hazardous Materials Act was enacted in Canada in 1989 and asbestos was banned. In accordance with the provisions of this new standard, the District reflected the following adjustments at January 1, 2022:

	As previously reported	Increase (Decrease)	As restated
Asset retirement obligation	\$ -	\$ 1,062,000	\$ 1,062,000
Tangible capital assets	45,767,852	364,440	46,132,292
Net financial assets	26,515,964	(1,062,000)	25,453,964
Opening accumulated surplus	73,147,899	(683,840)	72,464,059
Community services	3,984,197	12,507	3,996,704
Transportation	2,802,558	1,213	2,803,771

17. Comparative information:

Certain comparative figures have been reclassified from those previously presented to conform to the presentation of the 2023 financial statements. The changes do not affect prior year annual surplus.

DISTRICT OF MACKENZIE

Schedule 1 - Northern Capital Planning Grant

DRAFT

Year ended December 31, 2023, with comparative information for 2022

(Unaudited)

In fiscal 2020, the District was the recipient of \$2,459,000 under the Northern Capital and Planning Grant (NCPG) program from the Province of British Columbia.

	2023	2022
Opening balance of reserve	\$ 1,780,730	\$ 2,954,695
Reserve used	(349,841)	(1,234,941)
Interest	81,035	60,976
	\$ 1,511,924	\$ 1,780,730

DISTRICT OF MACKENZIE

Schedule 2 - COVID-19 Safe Restart Grant

DRAFT

Year ended December 31, 2023, with comparative information for 2022

(Unaudited)

In November 2020, the District was the recipient of a \$1,244,000 grant under the COVID-19 Safe Restart for Local Government program from the Province of BC. As the conditions for use of this grant funding allow local governments to use this funding where the greatest need arises, the entire \$1,244,000 amount received was recognized as revenue in 2020 and included in grant revenue on the Consolidated Statement of Operations and Accumulated Surplus. The District utilized \$249,336 within 2022 to cover operational costs and overall pandemic response expenses incurred since the beginning of the pandemic in the spring of 2020.

	2023
Balance of COVID-19 Safe Restart grant funds at December 31, 2022	\$ 124,238
Less amount utilized in 2023	
Audio visual upgrades	64,100
Computer and technology	8,962
General government	51,176
	<u>124,238</u>
Remaining COVID-19 Safe Restart Grant	\$ -

DISTRICT OF MACKENZIE

Schedule 3 - Growing Communities Reserve Fund

DRAFT

Year ended December 31, 2023, with comparative information for 2022

(Unaudited)

The Province of British Columbia distributed conditional Growing Communities Fund (GCF) grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of \$1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The District received \$1,723,000 of GCF funding in March 2023.

	2023	2022
Growing Communities Fund	\$ 1,723,000	\$ -
Other:		
Interest income	43,474	-
	\$ 1,766,474	\$ -

COUNCIL REPORT

To: Mayor and Council

From: Finance

Date: April 30, 2024

Subject: Commercial Property Appraisal Services Award

RECOMMENDATION:

THAT Council awards 2024 Commercial Property Appraisal Services to Suncorp Valuations in the amount of \$18,500 plus GST;

AND THAT the Chief Administrative Officer be authorized to execute the contract and any related documentation.

BACKGROUND:

The District's Property, Crime, Boiler and Machinery policy is up for renewal on October 31, 2024. Before a request for proposals for insurance services can be developed, a property appraisal on all our buildings, machinery and equipment needs to be completed. The values from the appraisal are used to determine the value of insurance coverage required. The District published a request for proposals for commercial property appraisal services from March 20, 2024 to April 26, 2024.

Four eligible submissions were received. Proposal were evaluated based on budget, timeline and experience. Suncorp Valuations scored the highest in this evaluation and is being recommended for contract award. Suncorp Valuations completed our last major appraisal report and staff were happy with the product and service they received. Copies of the bid documents have been included in the Centre Table File for Council's further information.

BUDGETARY IMPACT:

Funding to support the recommendation will be allocated from the Public Works budget.

COUNCIL PRIORITIES:

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make



our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.

RESPECTFULLY SUBMITTED:

Kerri Borne, Chief Financial Officer

Reviewed By: Corporate Services

Approved By: Chief Administrative Officer

COUNCIL REPORT

To: Mayor and Council

From: Administration

Date: May 2, 2024

Subject: MLMCF Appointment

RECOMMENDATION:

THAT Council determine next steps for the MLMCF 2024 Board Appointment.

BACKGROUND:

At the Regular Meeting of April 22, 2024, the District received a letter from the McLeod Lake Mackenzie Community Forest (MLMCF) Board of Directors making a recommendation for appointment to the Board that is coming up for renewal. Council asked staff to bring back a report with further information regarding the process for appointment to the MLMCF Board.

McLeod Lake Mackenzie Community Forest

The MLMCF is a limited partnership established in 2008 between the District of Mackenzie and McLeod Lake Indian Band. The dividends received from the MLMCF operations are shared between the two communities and utilized to support community services and capital projects.

The Board is required to consist of seven Directors. Directors are appointed for a term of three years, except one which serves a term of 1-year only. The Board will at all times comprise the following:

- three nominees of the McLeod Lake Indian Band;
- three nominees of the District;
- one individual nominated by a majority of the Directors. Term of 1 year only.

The one individual nominated by a majority of the Directors is required to possess one or more of the following qualifications:

- a) Extensive experience in running a successful commercial enterprise;
- b) Senior operational or consulting experience in the forestry or forest products industry;
- c) Lawyer, professional accountant, or a person otherwise having a professional designation in the financial industry;

- d) Extensive experience in a leadership role in local community affairs and organizations within the District of Mackenzie;
- e) Senior operational or consulting experience in the areas of forestry environmental and ecological issues; or
- f) Extensive management experience in a community forest operation.

Appointment Process

Following the initial establishment, appointments following the 1 or 3 year terms have followed the same process:

- 1) MLMCF Board of Directors submit letter of recommendation for appointments to Council; and
- 2) Council reviews and determines whether to accept the recommendations or request further information.

Other District Committees

The District currently has three active standing committee and boards with public appointments – the MLMCF, the Mackenzie Public Library, and the Access and Inclusion Advisory Committee. The process for the Mackenzie Public Library and Access and Inclusion Advisory Committee is somewhat different and has been based on past practice.

The Access and Inclusion Advisory Committee appointments follow this process:

- 1) Public call for applications
- 2) Applications received by the District
- 3) District reviews applications and staff make recommendation to Council for review.
- 4) Council accepts, denies, or requests further information regarding the appointment.

The Mackenzie Public Library Board appointments have followed this process:

- 1) Public call for applications
- 2) Applications received by the District
- 3) District reviews applications with President of Mackenzie Public Library Board
- 4) Staff and President of the Mackenzie Public Library Board select candidate
- 5) A joint recommendation is made to Council.
- 6) Council accepts, denies, or requests further information regarding the appointment.

NEXT STEPS:

An appointment to the MLMCF is required before their AGM in mid-June 2024. Council has the following options:

- 1) Move forward with the recommendation from the MLMCF and appoint Jim Atkinson for another 3-year term to the Board of Directors;
- 2) Request staff follow a similar process as the Mackenzie Public Library and Access and Inclusion Advisory Committee and accept public applications to the Board and make recommendations to Council for approval at our June 10th Council Meeting.
- 3) Request further information.

BUDGETARY IMPACT:

There is no budgetary impact to this request.

COUNCIL PRIORITIES:

Economic Vitality

- The District is a leader on efforts aimed at diversifying the community's economy, supporting local businesses, and attracting new investment to the community. Diversification, a strong business sector and new investment are key to our economic vitality.

Strong Governance and Finances

- As the municipality's elected governing body, we serve all residents and businesses in the community. We engage residents and stakeholders on important issues and make our decisions through open and transparent processes. We are careful in our use of resources, mindful of the need to maintain programs and services, while also meeting the community's infrastructure needs.

RESPECTFULLY SUBMITTED:

Emily Kaehn, Director of Corporate Services

Reviewed By: Corporate and Financial Services

Approved By: Chief Administrative Officer

COUNCIL REPORT

To: Mayor and Council
From: Administration
Date: May 2, 2024
Subject: BCCFA Conference Sponsorship

RECOMMENDATION:

THAT Council amend their platinum donation to BC Community Forest Association Conference to be held in Mackenzie in June 2024 as outlined in this report.

BACKGROUND:

At the Regular Meeting of March 25, 2024, Council approved a Platinum sponsorship for the BC Community Forest Association Conference (BCCFA) to be held in Mackenzie in June 2024. The \$5,000 request was going to be broken down as follows:

Platinum Sponsorship

In-kind donation of the room rental fees for the conference	\$1,576.18
In-kind donation of 150 Recreation Centre 3-day passes for delegates	\$2,902.50
Cash donation	\$ 521.32
TOTAL	\$5,000.00

During the conference, the McLeod Lake Mackenzie Community Forest (MLMCF) will be hosting a site tour of the wildfire mitigation work completed along Highway 39 and they have requested use of a portable toilet on site. The value of this donation would be \$586.10 inclusive of rental, delivery, and pick-up. Following conversations with the BCCFA and the MLMCF it is staff's recommendation that Council amend the sponsorship to be completely in-kind as follows, rather than providing the \$521.32 in cash.

Platinum Sponsorship – Amended

In-kind donation of the room rental fees for the conference	\$1,576.18
In-kind donation of 150 Recreation Centre 3-day passes for delegates	\$2,902.50
Cash donation	\$ 586.10
TOTAL	\$5,064.78

BUDGETARY IMPACT:

Either donation value will be allocated from the General Government Community Grants budget.

COUNCIL PRIORITIES:

Economic Vitality

- The District is a leader on efforts aimed at diversifying the community's economy, supporting local businesses, and attracting new investment to the community. Diversification, a strong business sector and new investment are key to our economic vitality.

RESPECTFULLY SUBMITTED:

Emily Kaehn, Director of Corporate Services

Reviewed By: Corporate and Financial Services

Approved By: Chief Administrative Officer

DISTRICT OF MACKENZIE

BYLAW NO. 1515

A bylaw of the District of Mackenzie
Respecting the Financial Plan for the years 2024-2028

The Municipal Council of the District of Mackenzie, in open meeting assembled
HEREBY ENACTS as follows:

1. Schedules “A”, “B”, “C” and “D” attached hereto and forming part of this bylaw are hereby adopted and is the Financial Plan of the District of Mackenzie for the period commencing January 1, 2024 and ending December 31, 2028.
2. This bylaw may be cited for all purposes as “Financial Plan Bylaw No.1515, 2024.”

READ a first time this 22 day of April, 2024

READ a second time this 22 day of April, 2024

READ a third time this 22 day of April, 2024

ADOPTED this _____ day of _____, 2024

I hereby certify the foregoing
to be a true and correct copy
of District of Mackenzie Bylaw
No. 1515 cited as "Financial
Plan Bylaw No. 1515, 2024".

Mayor

Corporate Officer

Corporate Officer

SCHEDULE "A"

DISTRICT OF MACKENZIE 2024 – 2028 Financial Plan Statement of Objectives and Policies Bylaw No. 1515

Section 165(3.1) of the *Community Charter* requires municipal five-year financial plans to include a more explicit form of revenue and tax policy disclosure. This requires municipalities to include in the five-year financial plan, the objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*.
2. The distribution of property taxes among the property classes.
3. The use of permissive tax exemptions.

PURPOSE:

These revenue and tax policy disclosure requirements are intended to further enhance municipal accountability to the public by requiring all municipalities to develop and publicly disclose their objectives and policies in relation to their municipal taxes.

1. PROPORTION OF REVENUE

Proportion of Revenue that is generated by Property Taxes

- 7(a) The District's property tax revenue includes a Municipal Tax increase of 8.27% in total. The increased percentage varied per property classes as follows:

1 – Residential	9.20%
2 – Utilities	4.05%
4 – Major Industry	9.00%
5 – Minor Industry	9.00%
6 – Business	9.00%
8 – Rec Non Profit	9.00%

For future years, any changes in tax rates will be determined during the budget process.

Other Revenue Sources Described in Section 165(7) of the *Community Charter*:

- 7(b) **Revenue from fees** – Sales of service and utility user fees for all municipal services (excluding Recreation and Culture) will continue to be set to recover the costs associated with providing these services.

Sales and Service (Recreation and Culture) – These areas recover on average 10% the expenses incurred to operate the facilities. The District will endeavour to raise rates annually by a reasonable percentage to ensure recovery is at least at 10 % - 15% of expenses annually.

Licences and Permits – The fees recover approximately 25% of the costs of the Building Department and Animal Control/Bylaw Enforcement Departments.

- 7(c) **Revenue from other sources** (Grants) – The majority of these revenue sources are established by legislation or are dependent on Crown Corporations or utility revenues. Future budgeting will correspond with any changes to these funds from year to year. For any grants that require the District to apply, both for operational and capital budget, this will remain a priority.

Other Revenue – For tax penalties, the recovery is set by legislation. For the return on investments the District will continue with short and long-term investments held in the Municipal Finance Authority and other investments authorized by Section 183 of the *Community Charter*.

Rentals and lease rates were initially set in 1993 and since the inception rates have been increased by the annual Consumer Price Index (CPI). This policy will be continued as this is incorporated into the District's long-term leases.

- 7(d) Water, Sewer and Garbage rates will be reviewed annually and set to effectively account for and manage the life cycle of water and sewer capital assets.

2. DISTRIBUTION OF TAXES AMONG PROPERTY CLASSES

In 2024, the District's proportion of taxes is as follows:

CLASS	DESCRIPTION	TOTAL % OF TAXES
1	Residential	34%
2	Utility	16%
4	Major Industry	35%
5	Light Industry	5%
6	Business	10%
8	Recreational Non Profit	0%

As the District annually monitors its rates by property class the District will, subject to decreases or increases by property class due to new construction or changes in assessment classes, maintain the range of property taxes collected by class as:

CLASS	DESCRIPTION	TOTAL % OF TAXES
1	Residential	30% - 40%
2	Utility	10% - 20%
4	Major Industry	30% - 40%
5	Light Industry	5% - 10%
6	Business	5% - 10%
8	Recreational Non Profit	0% - 5%

3. USE OF PERMISSIVE TAX EXEMPTIONS

Permissive tax exemptions enable municipalities to provide tax breaks to meet the social, economic, environmental or other needs of the community.

In 2016, the District of Mackenzie adopted a "Revitalization Tax Exemption Bylaw No. 1353, 2016" which includes specific tax exemption incentives for construction of new or existing buildings for all lots in the District, in the following eligible classes; Utility, Major Industry, Light Industry and Business and Other.

An amendment to the bylaw was adopted in September 2022 to amend the eligibility non-market change value to new construction or renovation of existing buildings that result in non-market change to the value of the lot within the District from \$500,000 to \$150,000 in an effort to increase program participation.

The exemption provided under this Bylaw is as follows:

- 100% exemption in the first year of Municipal Property Tax for the Non-Market Change in assessment of land and improvements.
- 50% exemption in the second year of Municipal Property Tax for the Non-Market Change in assessment of land and improvements.
- 25% exemption in the third year of Municipal Property Tax for the Non-Market Change in assessment of land and improvements.
- There will be no exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements in the fourth and succeeding years.

THE DISTRICT OF MACKENZIE
SCHEDULE "B"
 BYLAW NO. 1515
 2024 ANNUAL BUDGET
 CONSOLIDATED OPERATING REVENUES AND EXPENDITURES

REVENUE:

TAXATION	5,876,927
UTILITY USER FEES	1,888,786
GRANTS	3,799,027
LICENSES AND PERMITS	62,200
SALE OF SERVICE	763,961
OTHER REVENUE	1,098,396
TRANSFER EQUITY IN ASSETS	1,885,036
TRANSFER FROM FUNDS	199,213
ACCUMULATED SURPLUS	191,166
TOTAL REVENUE	15,764,713

EXPENDITURES:

GENERAL	
GENERAL GOVERNMENT SERVICES	2,676,053
PROTECTIVE SERVICES	1,447,034
TRANSPORTATION SERVICES	3,015,837
ENVIRONMENTAL HEALTH SERVICES	423,762
PUBLIC HEALTH AND WELFARE	143,457
RECREATION AND CULTURE	3,948,481
LESS: RECOVERY FROM UTILITIES	(182,700.00)
TOTAL GENERAL	11,471,925
WATER EXPENDITURE	691,451
SEWER EXPENDITURE	457,457
INTEREST, BANK CHARGES AND BAD DEBTS	11,500
LAND DEVELOPMENT	0
SUBTOTAL	12,632,333

EXCESS OPERATING REVENUE 3,132,381

OTHER

DEBT INTEREST	0
DEBT PRINCIPAL	0
RESERVE FUNDS	2,727,803
TRANSFER TO FUNDS	354,578
CONTINGENCY FOR THE YEAR	50,000

DISTRICT OF MACKENZIE
5-YEAR FINANCIAL PLAN
s. 165 COMMUNITY CHARTER

SCHEDULE "C"

	Sec. 165	2024	2025	2026	2027	2028
Revenues	4(b)					
Property Taxes	7(a)	5,876,927	6,347,081	6,854,848	7,403,235	7,995,494
Fees and Charges	7(c)					
Sale of Services		763,961	783,060	802,637	822,703	843,270
Utility User Fees		1,888,786	2,058,777	2,244,067	2,446,033	2,666,176
Licences and Permits		62,200	63,444	64,713	66,007	67,327
Other Sources	7(d)					
Grants		3,799,027	3,837,018	3,875,388	3,914,142	3,953,283
Other Capital Revenue		3,139,805	-	-	-	-
Other Revenue		1,098,396	1,109,380	1,120,473	1,131,678	1,142,995
Transfer Equity in Assets		1,885,036	1,903,886	1,922,925	1,942,154	1,961,576
Borrowing	7(e)	-	-	-	-	-
Transfers from Funds	4(c)	199,213	199,213	199,213	199,213	199,213
Reserve Funds	8(a)	6,061,601	2,634,732	1,468,240	1,936,600	408,000
Accumulated Surplus	8(b)	191,166	47,261	17,587	-	-
TOTAL		24,966,119	18,983,853	18,570,091	19,861,766	19,237,336
Expenditures						
Other Municipal:	6(d)					
General Government		2,676,053	2,809,856	2,950,349	3,097,866	3,252,760
Protective Services		1,447,034	1,519,386	1,595,355	1,675,123	1,758,879
Transportation Services		3,015,837	3,166,629	3,324,960	3,491,208	3,665,769
Solid Waste		423,762	444,950	467,198	490,558	515,085
Health, Social Services & Housing		143,457	150,630	158,162	166,070	174,373
Parks, Recreation & Culture		3,948,481	4,145,905	4,353,200	4,570,860	4,799,403
Less: Utilities Recovery		(182,700)	(182,700)	(182,700)	(182,700)	(182,700)
Sub total		11,471,925	12,054,656	12,666,524	13,308,985	13,983,569
Water Services		691,451	753,682	821,513	895,449	976,039
Sewer Services		457,457	498,628	543,504	592,420	645,737
Interest & Bank Charges		11,500	12,075	12,679	13,313	13,978
Land Development		-	-	-	-	-
Property Tax Appeals	6(d)	-	-	-	-	-
Debt Interest	6(a)	-	-	-	-	-
Debt Principal	6(a)	-	-	-	-	-
Capital Expenditure	6(b)	9,201,406	2,634,732	1,468,240	1,936,600	408,000
Reserve Funds	8(a)	2,727,803	2,755,081	2,782,631	2,810,458	2,838,562
Transfer to Funds	4(c)	354,578	275,000	275,000	275,000	275,000
Accumulated Surplus	8(b)	50,000	-	-	29,542	96,449
Deficiency	6(c)	-	-	-	-	-
TOTAL		24,966,119	18,983,853	18,570,091	19,861,766	19,237,336

DISTRICT OF MACKENZIE
 NOTES TO ACCOMPANY 5-YEAR FINANCIAL PLAN
 s. 165 COMMUNITY CHARTER

ASSUMPTIONS OF THE PLAN:

<u>RATES OF CHANGE</u>	
REVENUE:	
PROPERTY TAXES	8.00%
SALE OF SERVICES	2.50%
UTILITY USER FEES	9.00%
LICENCES AND PERMITS	2.00%
GRANTS	1.00%
OTHER REVENUE	1.00%
TRANSFER EQUITY IN ASSETS	1.00%
EXPENSES:	
MUNICIPAL PURPOSES	5.00%
WATER	9.00%
SEWER	9.00%

PROPORTIONS OF TOTAL REVENUE:

Revenue Source	% Total Revenue
Property taxes	24%
User fees and charges	11%
Other sources	40%
Proceeds from borrowing	0%
Transfer from Funds	1%
Reserve Funds	23%
Accumulated surplus	1%
TOTAL	100%

DISTRIBUTION OF PROPERTY TAXES AMONG THE PROPERTY CLASSES:

Property class	% Overall Taxes
Residential (1)	34%
Utilities (2)	16%
Major Industry (4)	35%
Light Industry (5)	5%
Business (6)	10%
Rec Non Profit (8)	0%
TOTAL	100%

PERMISSIVE TAX EXEMPTIONS:

The Annual Municipal Report for 2023 contains a list of permissive exemptions granted for the taxation year and the foregone revenue. Council grants exemptions to not-for-profit organizations that it deems provide a benefit to the residents of Mackenzie.

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

	2024	2025	2026	2027	2028	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
GENERAL GOVERNMENT										
Audio Visual Upgrades	31,496					31,496			31,496	Prior Year Surplus
Community Signage	41,426					41,426	41,426	Capital Renewal		
IT Upgrades	10,850	10,000				20,850	20,850	Capital Renewal		
Condensor Unit Replacement		31,117				31,117	31,117	Capital Renewal		
Vinyl Sheet Floor Replacemnet		12,240				12,240	12,240	Capital Renewal		
Fire Alarm System Replacement			74,240			74,240	74,240	Capital Renewal		
Water Heater Replacement			10,000			10,000	10,000	Capital Renewal		
Emergency Lighting System Replacement			10,000			10,000	10,000	Capital Renewal		
Pole Light Fixtures Replacement			10,000			10,000	10,000	Capital Renewal		
Carpet Floor Replacement				127,600		127,600	127,600	Capital Renewal		
TOTAL GENERAL GOVERNMENT	83,772	53,357	104,240	127,600	0	368,969	337,473		31,496	
PROTECTIVE SERVICES										
Fire Hall Project	688,096					688,096	688,096	NCPG		
Pierce Ladder Truck Equipment	25,492					25,492	25,492	Fire Vehicle & Equipment Replacement		
Turnout Gear	45,000	45,000				90,000	90,000	Fire Vehicle & Equipment Replacement		
SPU Equipment Replacement	70,000					70,000			70,000	Province of BC
Smart Board	13,080					13,080			13,080	UBCM
Wildland Fire Truck	250,000					250,000	250,000	Fire Vehicle & Equipment Replacement		
Pagers	19,500					19,500	19,500	Fire Vehicle & Equipment Replacement		
Air Bag System		10,000				10,000	10,000	Fire Vehicle & Equipment Replacement		
Chief #2 Pickup Replacement					100,000	100,000	100,000	Fire Vehicle & Equipment Replacement		
Wildland Equipment					15,000	15,000	15,000	Fire Vehicle & Equipment Replacement		
Hydraulic Pump					13,000	13,000	13,000	Fire Vehicle & Equipment Replacement		
Hydraulic Combination Tool					13,000	13,000	13,000	Fire Vehicle & Equipment Replacement		
Narrow Band Equipment					20,000	20,000	20,000	Fire Vehicle & Equipment Replacement		
TOTAL PROTECTIVE SERVICES	1,111,168	55,000	0	0	161,000	1,327,168	1,244,088		83,080	
TRANSPORTATION SERVICES										
Road paving	676,112					676,112	676,112	General Capital		
Commercial Garbage Truck	500,000					500,000	500,000	Vehicle & Equipment Replacement		
Paving Plan	32,527					32,527	32,527	General Capital		
Street Sweeper Replacement	422,740					422,740	422,740	Vehicle & Equipment Replacement		
Commercial Garbag Bins	338,527					338,527	338,527	Vehicle & Equipment Replacement		
Grader Replacement	600,000					600,000	600,000	Vehicle & Equipment Replacement		
Active Transportation Master Plan	31,511					31,511			31,511	Infrastructure Canada Grant
Vaccum Trailer		31,375				31,375	31,375	Vehicle & Equipment Replacement		
Toolcat Replacement		80,000				80,000	80,000	Vehicle & Equipment Replacement		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

	2024	2025	2026	2027	2028	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
Lawnmower Replacement		65,000				65,000	65,000	Vehicle & Equipment Replacement		
Public Works Building Expansion		1,500,000				1,500,000	1,500,000	General Capital		
Bylaw Van Replacement		60,000				60,000	60,000	Vehicle & Equipment Replacement		
Olympia Replacement			150,000			150,000	150,000	Vehicle & Equipment Replacement		
Tractor Replacement			65,000			65,000	65,000	Vehicle & Equipment Replacement		
Mechanic Pickup Replacement			80,000			80,000	80,000	Vehicle & Equipment Replacement		
Dump Truck Replacement			367,000			367,000	367,000	Vehicle & Equipment Replacement		
Airport Sweeper			60,000			60,000	60,000	Vehicle & Equipment Replacement		
Parks Flat Deck Replacement			145,000			145,000	145,000	Vehicle & Equipment Replacement		
Loader #23 Replacement				305,000		305,000	305,000	Vehicle & Equipment Replacement		
Loader #2 Replacement				200,000		200,000	200,000	Vehicle & Equipment Replacement		
Snow Blower Attachment Replacement				140,000		140,000	140,000	Vehicle & Equipment Replacement		
Snow Groomer				184,000		184,000	184,000	Vehicle & Equipment Replacement		
PW Yard Pickup Replacement				60,000		60,000	60,000	Vehicle & Equipment Replacement		
Dump Truck Replacement				120,000		120,000	120,000	Vehicle & Equipment Replacement		
Public Works Pickup Replacement					80,000	80,000	80,000	Vehicle & Equipment Replacement		
Inspections Pickup Replacement					60,000	60,000	60,000	Vehicle & Equipment Replacement		
TOTAL PUBLIC WORKS	2,601,417	1,736,375	867,000	1,009,000	140,000	6,353,792	6,322,281		31,511	
<u>PARKS AND RECREATION SERVICES</u>										
Energy Reductions Project	3,503,435					3,503,435	989,235	Capital Renewal	2,514,200	Green and Inclusive Community Buildings Fund, SPMT
Audio Visual Upgrades	31,000					31,000			31,000	Prior Year Surplus
Ski Hill Gazebo	15,196					15,196	4,000	General Capital	11,196	General Operating
Bike Park Landscaping	34,675					34,675	30,000		4,675	General Operating
Pool Tile Replacement	240,000					240,000	240,000	Capital Renewal		
Upgrade Main Bathrooms - Rec Centre	15,000					15,000	15,000	Capital Renewal		
Rec Centre Upgrades		50,000	50,000			100,000	100,000	Capital Renewal		
Park/Beach Master Plan		25,000				25,000	25,000	General Capital		
Library Floor Replacement				45,000		45,000	45,000	Capital Renewal		
Outdoor Track & Gym				250,000		250,000	250,000	General Capital		
TOTAL RECREATION SERVICES	3,839,306	75,000	50,000	295,000	0	4,259,306	1,698,235		2,561,071	
TOTAL GENERAL CAPITAL	7,635,663	1,919,732	1,021,240	1,431,600	301,000	12,309,235	9,602,077		2,707,158	

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

	2024	2025	2026	2027	2028	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
WATER										
Pressure Reducing Valves - Crysdale	155,743					155,743	155,743	Water Reserve		
Gantahaz Water Treatment	590,000					590,000	157,353	Water Reserve	432,647	Investing in Canada Infrastructure Program
Pressure Reducing Valves Replacement	736,800	340,000	340,000	340,000		1,756,800	1,756,800	Water Reserve		
Brine Tank Water Station		180,000				180,000	180,000	Water Reserve		
Fire Hydrants on Coquiwaldie		195,000				195,000	195,000	Water Reserve		
Water/Sewer Truck Replacement			107,000			107,000	107,000	Vehicle & Equipment Replacement		
Water Truck Replacement					107,000	107,000	107,000	Vehicle & Equipment Replacement		
TOTAL WATER	1,482,543	715,000	447,000	340,000	107,000	3,091,543	2,658,896		432,647	
SEWER										
Lagoon Outfall Chamber Building Replacement	83,200					83,200	83,200	Sewer Reserve		
Lagoon Outfall Chamber Structural Upgrade				165,000		165,000	165,000	Sewer Reserve		
TOTAL SEWER	83,200.00	-	-	165,000		248,200	248,200			
TOTAL CAPITAL	9,201,406	2,634,732	1,468,240	1,936,600	408,000	15,648,978	12,509,173		3,139,805	

DISTRICT OF MACKENZIE

BYLAW NO. 1516

A bylaw for the levying of rates for Municipal, Hospital and
Regional District purposes for the year 2024

WHEREAS pursuant to Section 197(1) of the *Community Charter*, the Municipal Council shall each year pass a bylaw imposing upon all taxable land and improvements, according to the assessed value thereof, where applicable, a rate to provide for all sums which may be required for lawful purposes of the said District of the year 2024.

NOW THEREFORE the Council of the District of Mackenzie, in open meeting assembled, **HEREBY ENACTS** as follows:

Definitions

“Collector” means the municipal officer assigned responsibility as Collector of taxes for the municipality and includes all persons appointed or designated by the collector to act on their behalf.

Tax Rates for General Municipal Purposes

1. The rates and taxes named under this bylaw are hereby imposed, levied, raised, and collected for the year 2024 for the purposes stated and shall be payable in Canadian funds to the Collector at the District of Mackenzie, BC.
 - a. For all lawful general purposes of the Municipality, on the value of land and improvements taxable for general municipal purposes to realize a sum of \$5,876,927.00. Rates appearing in Column "A" of the Schedule attached hereto and forming a part of this Bylaw.
 - b. For debt purposes on the value of land and improvements taxable for general municipal purposes, to realize a sum of \$0. Rates appearing in Column "B" of the Schedule attached hereto and forming part of this Bylaw.
 - c. For hospital purposes on the value of land and improvements taxable for Fraser Fort George Regional Hospital District purposes, to realize a sum of \$529,100.00. Rates appearing in Column "C" of the schedule attached hereto and forming a part of this Bylaw.
 - d. For purposes of the Regional District of Fraser-Fort George on the value of land and improvements for Regional District purposes, to realize a sum of \$350,487.00. Rates appearing in Column "D" of the Schedule attached hereto and forming a part of this Bylaw.
2. The minimum amount of taxation upon a parcel of real property shall be One Dollar (\$1.00).
3. This Bylaw may be cited for all purposes as "Tax Rate Bylaw No. 1516, 2024".

READ a first time this 22 day of April, 2024.

READ a second time this 22 day of April, 2024.

READ a third time this 22 day of April, 2024.

ADOPTED this _____ day of _____, 2024.

I hereby certify the foregoing
to be a true and correct copy
of the District of Mackenzie
Bylaw No. 1516 cited as
"Tax Rate Bylaw No 1516, 2024".

Mayor

Corporate Officer

Corporate Officer

**DISTRICT OF MACKENZIE
SCHEDULE
BYLAW NO. 1516**

Tax rates
(dollars of tax per \$1,000 of taxable value)

	A	B	C	D
Property Class	General Municipal	Debt	Regional Hospital District	Regional District
1. Residential	7.2148	-	0.7388	0.4894
2. Utility	38.2927	-	2.5858	1.7129
3. Supportive Housing	-	-	-	-
4. Major Industry	51.0069	-	2.5119	1.664
5. Light Industry	26.0057	-	2.5119	1.664
6. Business & Other	9.0941	-	1.8101	1.199
7. Managed Forest Land	-	-	2.2164	1.4682
8. Recreation/Non-Profit	6.2046	-	0.7388	0.4894
9. Farm	-	-	0.7388	0.4894