

COUNCIL MEETING AGENDA

Date: Monday, May 5, 2025, 4:30 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.

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 KPMG - Presentation of Audited Financial Statements

Tamara Taylor, Manager at KPMG LLP, will present the District's 2024 draft financial statements.

7. CORRESPONDENCE

THAT the Correspondence listed on the Agenda be received.

7.1 For Action:

- 7.1.1 Request for Resolution of Support - Mackenzie Autumn Lodge Society 4
- The Mackenzie Autumn Lodge Society is requesting a resolution of support from the District of Mackenzie for their application to the Northern Development Initiative Trust's Community Places Program to help with renovation costs, specifically preparing the back yard of their new location, at 298 Mackenzie Blvd., into a parking area.

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

- 7.2.1 Letter to Premier Eby 5
- Mayor Dekens, Village of Telkwa, has written Premier David Eby to formally call for a comprehensive reset of Pacific Northern Gas (PNG) and an audit of the organization's operations and expenditures. The proposed increases in natural gas delivery rates, have raised significant concerns among residents.

- 7.3 Centre Table File
- December 31, 2024 Audit Findings Report
 - Bylaw Van Replacement Quotes

8. ADMINISTRATIVE REPORTS

- 8.1 Draft 2024 Audited Financial Statements 7
- THAT Council approves the District of Mackenzie's draft 2024 Audited Financial Statements.
- 8.2 Bylaw Van Replacement – 2025 Chevy Colorado 47
- THAT Council awards the purchase of a 2025 Chevy Colorado with canopy from Wood Wheaton Supercenter in the amount of \$41,153 plus GST;
- AND THAT the Chief Administrative Officer be authorized to execute the contract and any related documentation.
- 8.3 Airport Hangar – Assignment 49
- THAT Council authorizes the Assignment and Landlord's Consent for lease of 0.109 hectares of the property legally described as Lot C, Plan 23098, District Lot 12479;
- AND THAT the Chief Administrative Officer be authorized to execute the agreement.

8.4	<u>Draft Submission to Province of BC RE: UWR #u-7-001 and WHA 7-018</u>	82
	THAT Council provides feedback and any suggested changes to the draft letter of comment to the Province of BC with respect to the Ungulate Winter Range proposal (UWR #u-7-001) and Wildlife Habitat Area proposal (WHA 7-018) for Southern Mountain Caribou.	
8.5	<u>MLMCF Board Appointments</u>	86
	THAT Council directs staff on next steps with regard to the District's MLMCF Board appointment process.	
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>Bylaw No. 1524, 2025 - 2029 Financial Plan Bylaw</u>	91
	THAT Bylaw No.1524, cited "2025 - 2029 Financial Plan Bylaw No.1524, 2025" be adopted.	
12.2	<u>Bylaw No.1525 - Tax Rate 2025</u>	109
	THAT Bylaw No. 1525, cited "2025 Tax Rate Bylaw No.1525, 2025" be adopted.	
13.	<u>NOTICE OF MOTION</u>	
14.	<u>COMING EVENTS</u>	
	<ul style="list-style-type: none"> NCLGA AGM and Convention May 12 - 15 Mackenzie Fire Hall #1 Grand Opening May 24, 12:00pm - 5:00pm 	
15.	<u>INQUIRIES</u>	
	<ul style="list-style-type: none"> In-person Online (Zoom/phone) Written comments received 	
16.	<u>ADJOURNMENT</u>	



Mackenzie Autumn Lodge Society
298 Mackenzie Blvd, PO Box 2395
Mackenzie, BC V0J 2C0
(250) 997-7711
mackenzieautumnlodgesociety@gmail.com
www.mackenzieseniors.com

April 29, 2025

District of Mackenzie
Bag 340
Mackenzie, BC V0J 2C0

Mayor and Council,

Mackenzie Autumn Lodge Society has purchased and will be renovating the former retail space at 298 Mackenzie Blvd. making it a place of assembly for seniors and others in our community.

We are applying for a grant from the Northern Development Initiative Trust under the Community Places Program in the amount of \$30,000, to help with our renovation costs and to specifically assist with preparing the back yard of the building into a parking area.

On behalf of the Society, I am writing to request a Letter of Support from the District of Mackenzie supporting the Mackenzie Autumn Lodge Seniors Centre project for our NDIT Grant application. As our application deadline is April 30th, it would be appreciated if council could provide this resolution to us as soon as practical in May.

We believe when we are finally into our new senior's centre in the fall of 2025, the seniors of Mackenzie will enjoy many activities that will help them stay socially active and healthy while enjoying retirement in Mackenzie. Renovating the building and cleaning up the yard in its current state, will help improve the eye appeal of Mackenzie Blvd.

Thank you for your consideration.

Sincerely,

Marie Nygaard, Treasurer
Mackenzie Autumn Lodge Society



Village of Telkwa, PO Box 220, Telkwa, BC V0J 2X0
(250) 846-5212 • info@telkwa.ca • www.telkwa.ca
WHERE RIVERS MEET AND FRIENDS GATHER

April 29, 2025

The Honourable David Eby
Premier of the Province of British Columbia
PO Box 9041, STN PROV GOVT
Victoria, BC V8W 9E2
Premier@gov.bc.ca

Dear Premier:

Council is writing on behalf of the Village of Telkwa to formally call for a comprehensive reset of Pacific Northern Gas (PNG) and an audit of the organization's operations and expenditures. The proposed increases in natural gas delivery rates, which are anticipated to take effect on May 1, 2025, have raised significant concerns among our residents, particularly families, seniors, and youth who are already facing economic hardships.

The current trajectory of PNG's rate increases will force households to make difficult choices between heating their homes and buying food during the coldest parts of the year. As such, the Village of Telkwa opposes any and all increases to PNG rates. We are particularly concerned about the projected \$200 million expenditure on the new pipeline, which has not demonstrated sufficient accountability or transparency. It is imperative that PNG be held accountable for its past decisions and operational practices that have led to this situation, including the lack of foresight that failed to ensure that forestry and other industries benefited from the new infrastructure.

Furthermore, while PNG asserts that these rate changes are necessary for the continued safety and reliability of its natural gas system, we believe that a public review of their expenditures is warranted. The purpose of the carbon tax should not be overlooked, as it adds another layer of concern regarding the recommendations put forth by PNG.

We urge the British Columbia Utilities Commission (BCUC) to conduct a thorough and transparent audit of PNG's financial practices and decision-making processes. It is essential to ensure that no further financial burdens are placed on our residents and that the well being of our communities is prioritized.



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WHERE RIVERS MEET AND FRIENDS GATHER

We appreciate your attention to this urgent matter and look forward to your prompt action in addressing our concerns.

A handwritten signature in black ink, appearing to be "L. Dekens", written over a horizontal line.

Mayor Leroy Dekens
Councillor Annette Morgan
Councillor Simon Schatt
Councillor Cathy Frenette
Councillor Lee Ewald

cc: BC Utilities Commission
Municipalities and Regional Districts of BC
Sharon Hartwell, MLA for Bulkley-Stikine
Adrian Dix, Minister of Energy and Climate Solutions
Brittney Anderson, Minister of State for Local Governments and Rural Communities

COUNCIL REPORT

To: Mayor and Council

From: Finance

Date: April 29, 2025

Subject: Draft 2024 Audited Financial Statements

RECOMMENDATION:

THAT Council approves the District of Mackenzie's draft 2024 Audited Financial Statements.

BACKGROUND:

The District of Mackenzie's draft 2024 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 2024 Financial Statements will be forwarded to the Ministry of Municipal Affairs & Housing, prior to the legislated deadline of May 15, 2025. These financial statements will also form part of the District's 2024 Annual Report, which typically is made public and adopted by Council prior to the June 30, 2025 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, 2024

DISTRICT OF MACKENZIE

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Independent Auditor's Report

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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 the District of Mackenzie (the "District"), which comprise:

- the consolidated statement of financial position as at December 31, 2024
- 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, 2024 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 ethical 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.

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 - 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 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 - 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.

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Chartered Professional Accountants

Prince George, Canada

May 5, 2025

DISTRICT OF MACKENZIE

Consolidated Statement of Financial Position

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December 31, 2024, with comparative information for 2023

	2024	2023
Financial assets:		
Cash and cash equivalents	\$ 1,644,423	\$ 2,079,579
Accounts receivable (note 2)	5,948,458	1,856,846
Investments (note 3)	19,234,306	23,828,776
Investment in government business entities (note 4)	4,325,485	4,222,804
	<u>31,152,672</u>	<u>31,988,005</u>
Financial liabilities:		
Accounts payable and accrued liabilities (note 5)	2,485,495	1,835,973
Deferred revenue (note 6)	982,614	581,605
Asset retirement obligations (note 7)	1,101,000	1,062,000
	<u>4,569,109</u>	<u>3,479,578</u>
Net financial assets	26,583,563	28,508,427
Non-financial assets:		
Tangible capital assets (note 8)	54,182,998	48,056,607
Assets held for sale (note 9)	1,514,623	1,555,819
Inventory	131,472	72,753
Prepaid expenses	418,808	372,960
	<u>56,247,901</u>	<u>50,058,139</u>
Commitments and contingencies (note 14)		
Accumulated surplus (note 10)	<u>\$ 82,831,464</u>	<u>\$ 78,566,566</u>

See accompanying notes to consolidated financial statements.

Mayor

Chief Financial Officer

DISTRICT OF MACKENZIE

Consolidated Statement of Operations and Accumulated Surplus

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Year ended December 31, 2024, with comparative information for 2023

	Budget (note 15)	2024	2023
Revenue (note 13):			
Net taxation revenue (note 11)	\$ 5,876,927	\$ 5,876,568	\$ 5,427,493
Sale of services	763,961	536,451	559,762
Government transfers (note 12)			
Provincial	3,799,027	3,371,800	5,330,749
Federal	-	2,427,055	151,496
Other	-	1,506,168	1,467,686
Investments and penalties	-	1,647,403	1,302,976
Other	1,098,396	329,335	223,621
Licenses and permits	62,200	96,754	69,424
User fees	1,888,786	1,921,383	1,861,872
Income from investments in government business entities and partnerships	-	502,681	989,769
	13,489,297	18,215,598	17,384,848
Expenses (note 13):			
Community services	3,765,781	4,429,391	4,282,317
Garbage and waste collection	423,762	285,548	314,696
General government	2,687,553	3,335,415	2,512,159
Protective services	1,447,034	1,449,725	1,301,007
Environmental and public health	143,457	122,585	86,639
Sewer system	457,457	431,513	373,950
Transportation services	3,015,837	3,219,213	2,950,260
Water utility	691,451	677,310	580,984
	12,632,332	13,950,700	12,402,012
Annual surplus	856,965	4,264,898	4,982,836
Accumulated surplus, beginning of year	78,566,566	78,566,566	73,583,730
Accumulated surplus, end of year	\$ 79,423,531	\$ 82,831,464	\$ 78,566,566

See accompanying notes to consolidated financial statements.

DISTRICT OF MACKENZIE

Consolidated Statement of Change In Net Financial Assets

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Year ended December 31, 2024, with comparative information for 2023

	Budget (note 15)	2024	2023
Annual surplus	\$ 856,965	\$ 4,264,898	\$ 4,982,836
Acquisition of tangible capital assets	(9,201,406)	(8,590,629)	(5,036,745)
Amortization of tangible capital assets	1,885,036	2,240,036	1,943,294
Loss on disposal of tangible capital assets	-	224,202	1,169,136
Write-down of assets held for sale	-	41,196	-
Loss on sale of assets held for sale	-	-	46,047
	(7,316,370)	(6,085,195)	(1,878,268)
Acquisition of inventory	-	(131,472)	(72,753)
Acquisition of prepaid expenses	-	(418,808)	(372,960)
Consumption of inventory	-	72,753	103,074
Use of prepaid expenses	-	372,960	292,534
	-	(104,567)	(50,105)
Change in net financial assets	(6,459,405)	(1,924,864)	3,054,463
Net financial assets, beginning of year	28,508,427	28,508,427	25,453,964
Net financial assets, end of year	\$ 22,049,022	\$ 26,583,563	\$ 28,508,427

See accompanying notes to consolidated financial statements.

DISTRICT OF MACKENZIE

Consolidated Statement of Cash Flows

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Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash and cash equivalents provided by (used in):		
Operating activities:		
Annual surplus	\$ 4,264,898	\$ 4,982,836
Items not involving cash:		
Amortization of tangible capital assets	2,240,036	1,943,294
Loss on disposal of tangible capital assets	224,202	1,169,136
Income from investments in government business entities	(502,681)	(989,769)
Loss on sale of assets held for sale	-	46,047
Write-down on assets held for sale	41,196	-
Changes in non-cash operating working capital:		
Accounts receivable	(4,091,612)	(541,004)
Inventory	(58,719)	30,321
Accounts payable and accrued liabilities	649,522	243,000
Asset retirement obligation	39,000	-
Deferred revenue	401,009	119,669
Prepaid expenses	(45,848)	(80,425)
Net change in cash from operating activities	3,161,003	6,923,105
Investing activities:		
Investment redemption (purchase)	4,594,470	(2,774,749)
Acquisition of tangible capital assets	(8,590,629)	(5,036,745)
Distribution from government business partnership	400,000	250,000
	(3,596,159)	(7,561,494)
Decrease in cash and cash equivalents	(435,156)	(638,389)
Cash and cash equivalents, beginning of year	2,079,579	2,717,968
Cash and cash equivalents, end of year	\$ 1,644,423	\$ 2,079,579

See accompanying notes to consolidated financial statements.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements

DRAFT

Year ended December 31, 2024

District of Mackenzie (the "Entity") 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, 2024

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 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.

The District is entitled to collect interest and penalties on overdue taxes. This revenue is recorded in the period the interest and penalties are levied.

Revenue from the sales of services, licenses and permits, user fees, as well as other revenue are recorded as revenue when the performance obligations are met.

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, 2024

1. Significant accounting policies (continued):

(d) 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.

(e) 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.

(f) 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.

(g) 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, 2024 and December 31, 2023. 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, 2024

1. Significant accounting policies (continued):

(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

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.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

1. Significant accounting policies (continued):

(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.

(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, land held for resale, accrued liabilities, asset retirement obligation 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 when all of the following criteria are met:

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

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

1. Significant accounting policies (continued):

(l) 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).

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

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Year ended December 31, 2024

1. Significant accounting policies (continued):

(m) Changes in accounting policies:

On January 1, 2024, the District adopted Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. As at December 31, 2024, the District determined that the adoption of this new standard did not have an impact on the amounts presented in the consolidated financial statements.

On January 1, 2024, the District adopted Public Sector Guideline 8 - Purchased Intangibles. This new guideline allows public sector entities to recognize intangible purchases through an exchange transaction. The District adopted the standard prospectively. The implementation of this new standard did not result in identification of assets that would meet the definition of purchased intangibles.

On January 1, 2024, the District adopted Canadian public sector accounting standard PS 3160 - Public Private Partnerships ("P3"). This new accounting standard identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the P3 term. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity. The District adopted the standard prospectively. The implementation of this new standard did not result in identification of transactions that would meet the definition of P3.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

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Year ended December 31, 2024

1. Significant accounting policies (continued):

(n) Future accounting pronouncements:

These standards and amendments were not effective for the year ended December 31, 2024, and have therefore not been applied in preparing these consolidated financial statements. Management is currently assessing the impact of the following accounting standards updates on the future consolidated financial statements.

(i) Concepts Underlying Financial Performance. The revised conceptual framework will replace the existing conceptual framework, which consists of Section PS 1000, Financial Statement Concepts, and Section PS 1100, Financial Statement Objectives. The conceptual framework is to be adopted prospectively. This revised conceptual framework is effective for fiscal years beginning on or after April 1, 2026.

(ii) PS 1202, Financial Statement Presentation, will replace the current section PS 1201. The District is currently assessing the impact of this standard on the future consolidated financial statements. Prior period amounts would need to be restated to conform to the presentation requirements for comparative financial information. This standard is effective for fiscal years beginning on or after April 1, 2026.

(iii) PS 3251, Employee Benefits, will replace the current sections PS 3250 and PS 3255. The proposed section is currently undergoing discussions where further changes are expected as a result of the re-exposure comments. Effective date is currently not determined.

2. Accounts receivable:

	2024	2023
Taxation - current	\$ 1,780,470	\$ 217,006
Taxation - arrears/delinquent	157,310	164,374
Accrued interest	442,876	456,877
Grants	2,888,086	500,603
Sales tax	153,419	71,229
Utilities	133,242	98,714
Trade and miscellaneous	429,830	384,713
	5,985,233	1,893,516
Less allowance for doubtful accounts	(36,775)	(36,670)
	\$ 5,948,458	\$ 1,856,846

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

3. Investments:

	2024	2023
Term deposits	\$ 19,234,306	\$ 23,828,776

Investment income earned on investments and cash and cash equivalents of \$1,305,809 (2023 – \$1,237,661) is recognized as revenue on the consolidated statement of operations and accumulated surplus as investments and penalties.

4. Investment in government business entities:

	2024	2023
McLeod Lake Mackenzie Community Forest Limited Partnership:		
Investment in shares	\$ 50	\$ 50
Accumulated earnings	7,843,720	7,351,059
Distributions	(3,581,276)	(3,181,276)
McLeod Lake Mackenzie Community Forest Corporation:		
Investment in shares	99	99
Accumulated earnings	62,892	52,872
Total investment	\$ 4,325,485	\$ 4,222,804

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

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:

	2024	2023
(i) Financial position:		
Assets:		
Current	\$ 1,186,262	\$ 1,241,452
Investments	7,715,821	7,322,656
Restricted cash	1,288,772	1,247,285
Property and equipment	259,647	153,491
Total assets	\$ 10,450,502	\$ 9,964,884
Liabilities:		
Current	\$ 636,741	\$ 377,933
Silviculture obligation - long-term portion	1,288,772	1,247,285
Total liabilities	1,925,513	1,625,218
Equity:		
Share capital	1	1
Partner's equity	8,524,988	8,339,665
Total equity	8,524,989	8,339,666
Total liabilities and equity	\$ 10,450,502	\$ 9,964,884
	2024	2023
(ii) Operations:		
Revenue	\$ 2,299,655	\$ 3,193,150
Expenses	(2,732,455)	(2,094,493)
Other income	1,418,123	866,118
Net income	\$ 985,323	\$ 1,964,775
(iii) Share of net income:		
District's percentage of ownership	50%	50%
District's share of net income	\$ 492,661	\$ 982,388

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

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:

	2024	2023
(i) Financial position:		
Assets:		
Current	\$ 182,716	\$ 172,631
Investments	1	1
Total assets	\$ 182,717	\$ 172,632
Liabilities:		
Current	\$ 56,735	\$ 66,689
Total liabilities	56,735	66,689
Equity:		
Share capital	200	200
Retained earnings	125,782	105,743
Total equity	125,982	105,943
Total liabilities and equity	\$ 182,717	\$ 172,632
	2024	2023
(ii) Operations:		
Revenue	\$ 444,000	\$ 318,000
Expenses	(423,961)	(303,238)
Net income	\$ 20,039	\$ 14,762
(iii) Share of net income:		
District's percentage of ownership	50%	50%
District's share of net income	\$ 10,020	\$ 7,381

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

5. Accounts payable and accrued liabilities:

	2024	2023
Trade payables and accrued liabilities	\$ 1,345,037	\$ 1,155,726
Wages and related costs	641,349	517,771
Other payables	69,436	147,819
Government remittances	429,673	14,657
	\$ 2,485,495	\$ 1,835,973

6. Deferred revenue:

	Balance, beginning of year	Contributions received	Contributions brought into revenue	Balance, end of year
Licenses and permits	\$ 44,016	\$ 46,230	\$ (44,016)	\$ 46,230
User fees	31,531	36,395	(31,531)	36,395
Other	38,900	35,112	(7,900)	66,112
Property taxes	98,887	120,300	(98,887)	120,300
Federal transfers	-	424,937	(78,456)	346,481
Provincial transfers	246,852	101,737	(87,277)	261,312
Other transfers	121,419	100,000	(115,635)	105,784
	\$ 581,605	\$ 864,711	\$ (463,702)	\$ 982,614

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

7. Asset retirement obligations:

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.

	2024	2023
Asset retirement obligations, beginning of year	\$ 1,062,000	\$ 1,062,000
Additions	100,000	-
Settlements	(61,000)	-
Asset retirement obligations, end of year	\$ 1,101,000	\$ 1,062,000

During the year, the District obtained a building with known hazardous material, as a result the District recognized an additional obligation of \$100,000, and accompanying increase to tangible capital assets for the same amount.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

8. Tangible capital assets:

2024	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	\$ 6,055,295	\$ 7,619,825	\$ 12,197,598	\$ 20,009,829	\$ 13,128,075	\$ 14,676,538	\$ 3,641,888	\$ 4,991,881	\$ 82,320,929
Additions	4,235,035	-	108,102	304,092	2,048,745	1,444,919	449,736	-	8,590,629
Disposals	-	-	(56,610)	(269,246)	(376,779)	(53,853)	(15,250)	-	(771,738)
Transfers	(9,943,282)	-	3,280,136	5,836,686	639,273	187,187	-	-	-
Balance, end of year	347,048	7,619,825	15,529,226	25,881,361	15,439,314	16,254,791	4,076,374	4,991,881	90,139,820
Balance, beginning of year	-	-	4,929,958	7,139,232	7,730,809	10,160,432	1,354,556	2,949,335	34,264,322
Amortization	-	-	668,991	442,362	582,962	403,336	63,199	79,186	2,240,036
Disposals	-	-	(25,740)	(136,475)	(323,996)	(53,853)	(7,472)	-	(547,536)
Balance, end of year	-	-	5,573,209	7,445,119	7,989,775	10,509,915	1,410,283	3,028,521	35,956,822
Net book value, end of year	\$ 347,048	\$ 7,619,825	\$ 9,956,017	\$ 18,436,242	\$ 7,449,539	\$ 5,744,876	\$ 2,666,091	\$ 1,963,360	\$ 54,182,998

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

8. Tangible capital assets (continued):

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
Disposal	(1,102,306)	-	-	(92,172)	(929,570)	-	(7,625)	-	(2,131,673)
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	-	-	4,369,414	6,801,184	8,161,152	9,778,684	1,302,981	2,870,150	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	-	-	4,929,958	7,139,232	7,730,809	10,160,432	1,354,556	2,949,335	34,264,322
Net book value, end of year	\$ 6,055,295	\$ 7,619,825	\$ 7,267,640	\$ 12,870,597	\$ 5,397,266	\$ 4,516,106	\$ 2,287,332	\$ 2,042,546	\$ 48,056,607

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

9. Assets held for sale:

Assets held for sale consists of the bell subdivision, airport subdivision, and other lands. In the year an impairment write-down of \$41,196 was recognized in the consolidated statement of operations as general government expense. In the prior year, the District gifted a lot and incurred a loss of \$46,047 which was recognized in the consolidated statement of operations as general government expense.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

10. Accumulated surplus:

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

	2024	2023
Surplus:		
Invested in tangible capital assets	\$ 53,081,998	\$ 46,994,607
General fund	12,052,439	10,772,157
Water utility fund	162,341	149,704
Sewer utility fund	134,071	166,145
Library fund	132,259	123,496
Total surplus	65,563,108	58,206,109
Reserve funds set aside for specific purposes by Council:		
Parkland	46,052	43,634
Gas tax	36,966	1,325,702
Fire department vehicle/equipment replacement	836,902	647,531
Vehicle/equipment replacement	2,779,877	4,056,261
General capital	4,053,488	4,086,410
Climate action	122,831	83,051
Northern capital planning	980,853	1,511,924
Capital renewal	2,106,014	2,355,729
Financial stability	2,053,746	2,064,447
Water	1,426,414	1,704,499
Growing communities fund	1,864,377	1,766,474
Sewer	869,859	619,795
Library - operating	73,880	70,000
Library - relocation allowance	5,277	5,000
Library - contracts	11,820	20,000
Total reserve funds	17,268,356	20,360,457
	\$ 82,831,464	\$ 78,566,566

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

11. Net taxation revenue:

As disclosed in note 14(c), the District is required to collect taxes on behalf of and transfer these amounts to the government agencies below:

	2024	2023
Taxes collected:		
General purposes	\$ 5,876,538	\$ 5,427,519
Collection for other governments	2,454,010	2,293,099
	8,330,548	7,720,618
Transfers to other governments:		
Provincial government	1,527,229	1,424,512
Fraser-Fort George Regional Hospital District	529,060	497,922
Regional District of Fraser-Fort George	350,461	325,119
B.C. Assessment Authority	47,086	45,436
Municipal Finance Authority	144	136
	2,453,980	2,293,125
	\$ 5,876,568	\$ 5,427,493

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

12. Government transfers:

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

	2024	2023
Provincial grants:		
Unconditional	\$ 619,241	\$ 533,311
Conditional	171,275	2,092,405
Grants in lieu	12,198	11,523
BC Hydro	2,569,086	2,693,510
Subtotal provincial grants	3,371,800	5,330,749
Federal grants:		
Conditional	2,417,272	142,424
Grants in lieu	9,783	9,072
Subtotal federal grants	2,427,055	151,496
Other grants:		
Conditional	865,606	630,720
Unconditional	427,492	23,016
Fortis BC	34,342	27,062
Miscellaneous	178,728	786,888
Subtotal other grants	1,506,168	1,467,686
Total government transfers	\$ 7,305,023	\$ 6,949,931

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

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, 2024

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, 2024

13. Segmented information (continued):

2024	General Government	Protective Services	Transportation Services	Environmental and Public Health	Garbage and Waste Collection	Community Services	Water Utility	Sewer System	Total
Revenue:									
Taxation	\$ 5,876,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	5,876,568
User fees and licenses and permits	-	-	77,816	-	482,628	96,754	790,622	570,317	2,018,137
Sales of services	186,415	-	58,394	-	-	291,642	-	-	536,451
Government transfers	6,936,746	184,187	2,782	107,393	-	73,915	-	-	7,305,023
Other revenues	158,497	-	45,711	1,453	-	123,674	-	-	329,335
Income from investments in government business enterprises and partnerships	502,681	-	-	-	-	-	-	-	502,681
Investments and penalties	1,647,403	-	-	-	-	-	-	-	1,647,403
Total revenue	15,308,310	184,187	184,703	108,846	482,628	585,985	790,622	570,317	18,215,598
Expenses:									
Operating	1,525,130	589,189	1,039,849	26,717	-	840,166	397,460	216,244	4,634,755
Salaries, wages & employee benefits	1,333,901	538,511	1,350,964	23,693	144,676	2,609,535	178,935	114,035	6,294,250
Legislature	171,132	-	-	-	-	-	-	-	171,132
Amortization	79,183	291,234	737,876	72,027	-	883,702	88,240	87,774	2,240,036
Interest	4,883	-	-	-	-	-	-	-	4,883
Insurance	58,055	30,477	90,524	148	-	85,768	12,675	13,460	291,107
Professional services	163,131	314	-	-	-	10,220	-	-	173,665
Garbage disposal	-	-	-	-	140,872	-	-	-	140,872
Total expenses	3,335,415	1,449,725	3,219,213	122,585	285,548	4,429,391	677,310	431,513	13,950,700
Annual surplus (deficit)	\$ 11,972,895	\$ (1,265,538)	\$ (3,034,510)	\$ (13,739)	\$ 197,080	\$ (3,843,406)	\$ 113,312	\$ 138,804	\$ 4,264,898

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

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Year ended December 31, 2024

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	69,424	760,940	551,588	1,931,296
Sales of services	113,351	-	55,625	-	-	390,786	-	-	559,762
Government transfers	4,266,132	847,688	(11,765)	1,795,973	-	51,903	-	-	6,949,931
Other revenues	103,840	-	42,928	1,161	-	75,692	-	-	223,621
Income from investments in government business enterprises and partnerships	989,769	-	-	-	-	-	-	-	989,769
Investments and penalties	1,302,976	-	-	-	-	-	-	-	1,302,976
Total revenue	12,203,561	847,688	180,347	1,797,134	455,785	587,805	760,940	551,588	17,384,848
Expenses:									
Operating	750,446	592,814	981,320	30,689	-	936,316	312,306	183,106	3,786,997
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	68,157	190,936	699,179	42,192	-	775,566	79,490	87,774	1,943,294
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
Total expenses	2,512,159	1,301,007	2,950,260	86,639	314,696	4,282,317	580,984	373,950	12,402,012
Annual surplus (deficit)	\$ 9,691,402	\$ (453,319)	\$ (2,769,913)	\$ 1,710,495	\$ 141,089	\$ (3,694,512)	\$ 179,956	\$ 177,638	\$ 4,982,836

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

14. 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 256,000 active members and approximately 129,000 retired members. Active members include approximately 45,000 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 \$147,935 (2023 - \$361,114) for employer contributions to the Plan in fiscal 2024.

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

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.

DISTRICT OF MACKENZIE

Notes to Consolidated Financial Statements (continued)

DRAFT

Year ended December 31, 2024

14. Commitments and contingencies (continued):

- (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, 2024, there are claims 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, 2024

15. Budget data:

The budget data presented in the consolidated financial statements is based upon the 2024 operating and capital budgets approved by Council on May 6, 2024. The table below reconciles the approved budget to the budget figures reported in these consolidated financial statements.

	Budget amount
Revenue:	
Operating budget	\$ 24,966,119
Less:	
Other capital revenue	(3,139,806)
Transfer from reserve funds	(6,061,601)
Transfer from accumulated surplus	(191,166)
Transfer from surplus funds	(199,213)
Transfer from invested in tangible capital assets	(1,885,036)
Total revenues	13,489,297
Expenses:	
Operating budget	24,966,119
Less:	
Transfers to reserve funds	(2,727,803)
Transfer to general fund	(354,578)
Transfer to accumulated surplus	(50,000)
Capital expenditures	(9,201,406)
Total expenses	12,632,332
Annual surplus	\$ 856,965

16. 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, 2024

17. Financial risks and concentration of risk:

The District as part of its operations carries a number of financial instruments. It is management's opinion that the District is not exposed to significant market, interest rate, currency or credit risks unless otherwise noted.

(a) Liquidity risk:

Liquidity risk is the risk that the District will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The District manages its liquidity risk by monitoring its operating requirements. The District prepares budgets to ensure it has sufficient funds to fulfill its obligations. There has been no change to the risk exposures from 2023.

18. Comparative information:

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year annual surplus.

DISTRICT OF MACKENZIE

Schedule 1 - Northern Capital Planning Grant

DRAFT

Year ended December 31, 2024, with comparative information for 2023
(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.

	2024	2023
Opening balance of reserve	\$ 1,511,924	\$ 1,780,730
Reserve used	(598,287)	(349,841)
Interest income	67,216	81,035
	\$ 980,853	\$ 1,511,924

DISTRICT OF MACKENZIE

Schedule 2 - Growing Communities Reserve Fund

DRAFT

Year ended December 31, 2024, with comparative information for 2023
(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.

	2024	2023
Growing Communities Fund	\$ 1,766,474	\$ 1,723,000
Other:		
Interest income	97,903	43,474
	\$ 1,864,377	\$ 1,766,474

COUNCIL REPORT

To: Mayor and Council

From: Operations

Date: April 30, 2025

Subject: Bylaw Van Replacement – 2025 Chevy Colorado

RECOMMENDATION:

THAT Council awards the purchase of a 2025 Chevy Colorado with canopy from Wood Wheaton Supercenter in the amount of \$41,153 plus GST;

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

BACKGROUND:

Unit #15 (2015 Bylaw Van) is slated for replacement in 2025 with a budgeted amount of \$60,000. The Bylaw Van is currently in its 11th year of operation and is no longer able to provide the functionality for its intended purpose. Over the last couple of years, the vehicle has been getting stuck in the snow around town and on the patrolled dirt roads due to muddy conditions because it is not equipped with 4 wheel drive and has very little ground clearance. Staff are recommending the purchase of a new truck with a canopy that will allow for height clearance for the current dog holding cages.

PROCUREMENT:

Staff followed the Procurement Policy 3.1 and obtained several quotes for a replacement truck.

Trucks with a trade in option and canopy:

1. Wood Weaton Superstore (2025 Chevy Colorado) = \$41,153
 - a. Trade in value - \$9,500
2. Prince George Dodge (2024 Dodge Ram 1500) = \$54,675
 - a. Trade in value - \$9,000

Trucks with no trade in and no canopy:

3. Wood Wheaton Superstore (2025 GMC Sierra 1500) = \$53,6631
4. Prince George Ford (2025 F150) = \$60,845
5. Prince George Toyota (2025 Tacoma) = \$55,426

6. Prince George Toyota (2025 Toyota Tundra) = \$69,813

Electric Vehicle with no trade in or canopy:

7. Prince George Ford (F-150 Lightning EV) = \$64,802
8. Wood Wheaton Superstore (Chevy Silverado EV) = \$85,892
9. Prince George Toyota (Toyota Tacoma Hybrid) = \$75,322

When researching for quotes, an electric truck was considered as per the newly adopted Green Fleet Policy 6.8. The prices came back considerably higher than the cost of the other quoted trucks. There was also one hybrid option in Prince George. Our mechanics are unable to currently work on electric or hybrid vehicles as it requires further training along with new testing equipment. A hybrid or an electric vehicle would have to be taken to Prince George to get service or maintenance done when required.

Copies of the quotes are available in the Centre Table file for Council's review and consideration.

BUDGETARY IMPACT:

\$41,153 would be allocated from the Vehicle and Equipment Replacement Reserve to support the recommendation.

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:

Jody Murray, Director of Operations

Reviewed by: Corporate and Financial Services

Approved by: Chief Administrative Officer

COUNCIL REPORT

To: Mayor and Council

From: Administration

Date: May 1, 2025

Subject: Airport Hangar – Assignment

RECOMMENDATION:

THAT Council authorizes the Assignment and Landlord's Consent for lease of 0.109 hectares of the property legally described as Lot C, Plan 23098, District Lot 12479;

AND THAT the Chief Administrative Officer be authorized to execute the agreement.

BACKGROUND:

The District of Mackenzie leases property and buildings at the municipal airport that support the function of airport operations.

Of the airport leases being held by the District, is a single structure consisting of six individual hangars located at 900 Airport Road legally described as Lot C, Plan 23098, District Lot 12479. Each hangar is individually owned. The District of Mackenzie has one lease with six tenants for .109 hectares of the lot that is covered by the structure. The lease was initiated in 2013 and was converted to a month-to-month tenancy upon expiry in 2015.

Subject to the terms of the lease in order for individual hangars to be sold, the District must provide consent and then proceed to assign the rights and obligations of the lease to the new owner through an agreement.

Hangar 3 has been sold to Mr. Jim Bellavance. In order to finalize the hangar sale, Mayor and Council are being asked to authorize the consent and agree with the lease assignment.

A copy of the Assignment and Landlord's Consent agreement and the lease document have been attached to this report for reference. Names and personal information of the tenants have been removed pursuant to the *Freedom of Information and Privacy Act*.

BUDGETARY IMPACT:

There is no budgetary impact for this recommendation.

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

AIRPORT LEASE

THIS LEASE made this 1st day of January, 2013

UNDER THE *LAND TRANSFER FORM ACT*, PART 2

BETWEEN:

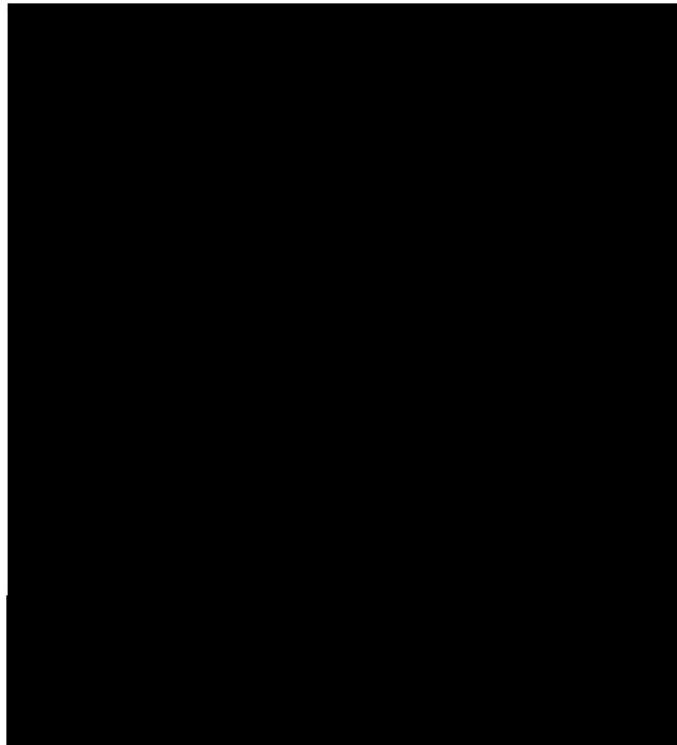
DISTRICT OF MACKENZIE

Bag 340
Mackenzie, BC V0J 2C0

(the "**Landlord**")

OF THE FIRST PART

AND:



(described collectively as the "**Tenant**")

OF THE SECOND PART

WITNESS that in consideration of the rents and agreements to be paid and performed by the Tenant,

1. **PREMISES**

The Landlord leases to the Tenant the premises more particularly described as:

.109 hectares (11,730 square feet)
of Lot C, Plan 23098, DL 12479
Cariboo District
shown within the bold outline on the drawing which is
attached as Appendix "A".

(the "**Premises**")

2. **IMPROVEMENTS**

The Landlord and Tenant both confirm that the structure situated on the Premises as at the commencement of this Lease, for certainty being the single structure consisting of six (6) individual hangars (collectively the "Hangars") is an improvement to the Leased Premises previously made by the Tenant with the Landlord's approval, to which section 9(i) of this Lease shall apply.

3. **TERM**

The term of this Lease commences on the 1st day of January, 2013 and continues for a term of three (3) years (the "**Term**").

4. **USE**

- (a) The Tenant shall use the Premises for the purpose of airplane storage, airline office and airport related activities and for no other purpose without first obtaining the written consent of the Landlord.
- (b) In consideration of the agreement of the Tenant to make available the Hangars for purchase by one or more third parties for airplane storage, airline office and airport related activities, and provided the Tenant continues to make reasonable and diligent efforts to sell the Hangars as required hereunder, the Landlord agrees that each of the Hangars located on the Premises may be used for the storage of personal items belonging to the Tenants until the earlier of:
 - (i) the sale of that Hangar as contemplated under section 4(d); or
 - (ii) the termination of this Lease.
- (c) The Tenant agrees that as long as the Hangars or any of them are used for personal storage purposes, each of the Hangars shall be made available for sale, for the purposes stated in section 4(a),

through a listing with a licensed real estate agent, or by signs or other advertisements that are to the satisfaction of the Landlord acting reasonably. In advertising the sale of the Hangars, the Tenant shall fully disclose the terms and conditions of this Lease including restrictions on use of the Premises.

- (d) Provided the Tenant receives a bona fide offer to purchase a Hangar for the minimum appraised value identified in paragraph 4(e) and subject to the consent of the Landlord being obtained to the grant of a sublease or the assignment of the Tenant's interest in this Lease in whole or in part to the purchaser, the Tenant agrees that it shall sell its interest in the Hangar to the purchaser.
- (e) For the purposes of paragraph 4(d) the minimum appraised value that the Tenant must accept for the purposes of a sale under section 4(d) is as follows:

Hangar 1	\$10,000.00
Hangar 2	\$10,000.00
Hangar 3	\$10,500.00
Hangar 4	\$10,500.00
Hangar 5	\$10,500.00
Hangar 6	\$11,000.00

as identified in Appendix "B"

- (f) a refusal by the Tenant to sell its interest in a Hangar upon a bona fide offer to purchase being received in accordance with section 4(d) shall be cause for termination of this Lease by the Landlord.

5. **RENT**

The Tenant shall pay to the Landlord:

- (a) For the first year of the Term, the base rent of SEVEN HUNDRED SEVENTY-THREE DOLLARS AND ONE CENT (\$773.01) plus an increase equal to the percentage increase in the Consumer Price Index (All Items) for Vancouver ("CPI"), as maintained by Statistics Canada or its successor in function, and as measured from the commencement of the previous year of the Term to the commencement of the year of the Term for which rent is payable plus Harmonized Sales Tax, Goods and Services Tax or like tax, as may be applicable. If there has been no increase in CPI, the base rent will be the same as for the previous year of the term.

- (b) For the second and each subsequent year of the Term, base rent equal to the base rent payable for the previous year of the Term plus an increase equal to the percentage increase in the Consumer Price Index (All Items) for Vancouver ("CPI"), as maintained by Statistics Canada or its successor in function, and as measured from the commencement of the previous year of the Term to the commencement of the year of the Term for which rent is payable. If there has been no increase in CPI, the base rent will be the same as for the previous year of the term.

6. TENANT'S COVENANTS

The Tenant covenants with the Landlord:

Rent

- (a) to pay rent;

Taxes

- (b) to pay all taxes, rates, duties and assessments whatsoever, whether municipal, provincial or otherwise, charged upon the Tenant or the Landlord as a result of the Tenant's occupation of or use of the Premises;

Utilities

- (c) to pay as they become due all water, sewer and garbage and other rates in respect of the Premises and charges for all gas, oil, telephone, electric power, cable or other telecommunications services used on the Premises;

Construction

- (d) that it will not construct nor alter any building or structure on the Premises unless, prior to any construction, it has obtained:
 - (i) the Landlord's approval in writing to the site plan, working drawings, plans, specifications and elevations; and
 - (ii) a building permit from the District of Mackenzie authorizing the construction of the buildings and structures set out in the permit and the plans and specifications attached to it; and
 - (iii) all required inspections;

and all work shall be carried out at the cost of the Tenant;

Repair

- (e) that it will leave the Premises in good repair;

Landlord's Right of Entry

- (f) that the Landlord may enter the Premises and view the state of repair and the Tenant will repair according to notice;

Assign and Sublet

- (g) that it will not assign nor sublet without leave of the Landlord;
- (h) that the Landlord's consent to assignment or subletting shall not release or relieve the Tenant from its obligations to perform all the terms, covenants and conditions that this Lease requires the Tenant to perform, and the Tenant shall pay the Landlord's reasonable costs incurred in connection with the Tenant's request for consent;

Nuisance

- (i) that it will not carry on nor allow to be carried on or done on the Premises anything that:
 - (i) may be or become a nuisance to the Landlord or the public;
 - (ii) increases the hazard of fire or liability of any kind, over and above activities which are usually carried out at an airport; or
 - (iii) invalidates any policy of insurance for the Premises;

Regulations

- (j) that it will:
 - (i) comply promptly at its own expense with the legal requirements of all statutes, regulations and bylaws of all federal provincial and local authorities, including an association of fire insurance underwriters or agents, and all notices issued under them that are served upon the Landlord or the Tenant;
 - (ii) without limiting the foregoing clause (i), observe and comply with the provisions of the *Aeronautics Act* RSC 1985 C. A-2 as amended, and all rules and regulations made from time to time pursuant to the provisions of said Act and all successor legislation, and all rules and regulations by the Minister of Transport for

Canada regarding the use of the airport or any portion thereof, and all local airport rules;

Insurance

- (k) that it will insure and keep insured, while this Lease remains in force, with such companies and in such force as are acceptable to the Landlord, at the Tenant's expense, the following insurance:
- (i) during the term of this agreement the Tenant shall obtain, maintain and pay for the Commercial General Liability Insurance on an occurrence basis, in a form acceptable to the Landlord and with insurance companies duly licensed to transact business in the Province of British Columbia;
 - (ii) such insurance shall be for not less than \$2,000,000 inclusive limits of liability with respect to bodily injury, including death, and property damage per occurrence and shall include coverage for all Premises, operations and improvements of the Tenant;

Notwithstanding the foregoing, the Landlord may from time to time notify the Tenant that the amount of insurance required by the Tenant pursuant to clause k(ii) be changed and the Tenant shall within one year of receiving such notice cause the amount of insurance to be changed to the amount specified in such notice and deliver to the Landlord written confirmation of such changes;

- (iii) that during the term, the Tenant shall take out and maintain a policy of insurance, in a form acceptable to the Landlord, insuring all buildings and structures on the Premises to the full insurable replacement value thereof against risk of loss or damage caused by or resulting from fire, flood, lightning, explosion, tempest, earthquake, or any additional peril against which a prudent Landlord normally insures, naming the Landlord as an additional insured party thereto, and shall provide the Landlord with a certified copy of such policy or policies;
- (iv) that if both the Landlord and the Tenant have claims to be indemnified under any insurance taken out under this Lease, the indemnity shall be applied first to the settlement of the claim of the Landlord and the balance, if any, to the settlement of the claim of the Tenant;
- (v) that it will provide, within Thirty (30) days of the date of this Lease, either a certified copy of the policies or a certificate of insurance acceptable to the Landlord;

- (vi) that the policies shall include endorsements adding the Landlord as an additional named insured and providing that the insurer will advise the Landlord in advance of any cancellation or material change, and will do so by written notice sent by registered mail;
- (vii) that the policies shall contain a cross-liability clause and breach of conditions clause protecting the named insured from acts of one named insured which may void or limit the protection afforded by the policy;

Indemnification

- (l) that it will indemnify the Landlord from and against all claims, lawsuits, damages, losses, costs, including legal costs, or expenses which the Landlord may incur by reason of:
 - (i) the use of the Premises by the Tenant, or the carrying on upon the Premises of any activity in relation to the Tenant's use of the Premises, and in respect of any loss, damage or injury sustained by any person while on the Premises for the purpose of doing business with the Tenant or otherwise dealing with the Tenant, where they are not covered by insurance or coverage has been denied by an insurer;
 - (ii) by reason of any defect in the Premises or any injury to any person or to any personal property contained on the Premises;
 - (iii) non-compliance by the Tenant with legal requirements under clause (j);

unless the claims, damages, losses, costs, expenses or injuries are the result of the negligence of the Landlord;

Builders Liens

- (m) that it will indemnify the Landlord from and against all claims for liens for wages or materials or for damage to persons or property caused during the making of or in connection with any excavation, construction, repairs, alterations, installations and additions which the Tenant may make or cause to be made on, in or to the Premises or any building or structure on the Premises, and the Tenant shall promptly take all legal action necessary to cause any lien to be discharged. The Landlord shall be at liberty to file a notice of interest against title to the Premises pursuant to the *Builders Lien Act*;

Possession

- (n) that it will at the expiration or sooner determination of this Lease peaceably surrender and give up possession of the Premises without notice from the Landlord, any right to notice to quit or vacate being hereby expressly waived by the Tenant, any law, usage or custom to the contrary notwithstanding;

Maintenance

- (o) that it will maintain the Premises, at all times to an excellent standard of maintenance, subject to the satisfaction of the Landlord;
- (p) that it will provide receptacles for refuse and rubbish of all kinds, as well as remove such refuse and rubbish from the Premises at regular intervals and will not keep or leave any boxes, packing material or rubbish of any kind in or near the Premises or any passages connected with the same;
- (q) that it will keep clean and free from any rubbish, ice or snow, all walks, passages, yards and alleys on or adjacent to the Premises;

Signs

- (r) that it shall not display any sign, picture, advertisement, notice, lettering or direction on any part of the Premises without prior written approval of the Landlord.

7. ENVIRONMENTAL MATTERS

Definitions

For the purposes of this section 7:

"Contaminants" means any pollutants, contaminants, deleterious substances, underground or above-ground tanks, asbestos materials, hazardous, corrosive, or toxic substances, special waste or waste of any kind, or any other substance which is now or hereafter prohibited, controlled, or regulated under Environmental Laws; and

"Environmental Laws" means any statutes, laws, regulations, orders, bylaws, standards, guidelines, permits, and other lawful requirements of any governmental authority having jurisdiction over the Premises now or hereafter in force relating in any way to the environment, environmental assessment, health, occupational health and safety, or transportation of dangerous goods, including the principles of common law and equity.

Tenant's Covenants and Indemnity

The Tenant covenants and agrees as follows:

- (a) not to use or permit to be used all or any part of the Premises for the sale, storage, manufacture, handling, disposal, use, or any other dealing with any Contaminants, without the prior written consent of the Landlord, which may be unreasonably withheld;
- (b) to strictly comply, and cause any person for whom it is in law responsible to comply, with all Environmental Laws regarding the use and occupancy of the Premises;
- (c) to promptly provide to the Landlord a copy of any environmental site assessment, audit, report, or test results relating to the Premises conducted by or for the Tenant at any time and at the Landlord's request from time to time to obtain from an independent environmental consultant approved by the Landlord an environmental site assessment of the Premises or an environmental audit of the operations at the Premises, including any additional investigations as the environmental consultant may recommend and to promptly provide such written authorizations as the Landlord may require from time to time to make inquiries of any governmental authority regarding the Tenant;
- (d) to waive the requirement, if any, for the Landlord to provide a site profile for the Premises under the *Environmental Management Act* or any regulations pursuant thereto;
- (e) to maintain all environmental site assessments, audits, reports, and test results relating to the Premises in strict confidence (including without limitation any governmental authority) except as required by law, or to the Tenant's professional advisers and lenders on a need-to-know basis, or with the prior written consent of the Landlord, which consent may be unreasonably withheld;
- (f) to promptly notify the Landlord in writing of any release of a Contaminant or any other occurrence or condition at the Premises or any adjacent property which could contaminate the Premises or subject the Landlord or the Tenant to any fines, penalties, orders, investigations, or proceedings under Environmental Laws;
- (g) on the expiry or earlier termination of this Lease, or at any time if requested by the Landlord or required by any governmental authority under Environmental Laws, to remove from the Premises all Contaminants, and to remediate by removal any contamination of the Premises or any adjacent property resulting from Contaminants, in either case brought onto, used at,

or released from the Premises by the Tenant or any person for whom it is in law responsible. The Tenant shall perform these obligations promptly at its own cost and in accordance with Environmental Laws. All such Contaminants shall remain the property of the Tenant, notwithstanding any rule of law or other provision of this Lease to the contrary and notwithstanding the degree of their affixation to the Premises; and

- (h) to indemnify the Landlord and its shareholders, directors, officers, employees, agents, successors, and assigns from any and all liabilities, actions, damages, claims, remediation cost recovery claims, losses, costs, orders, fines, penalties, and expenses whatsoever (including all legal and consultants' fees and expenses and the cost of remediation of the Premises and any adjacent property) arising from or in connection with:
 - (i) any breach of or non-compliance with the provisions of this section 6 by the Tenant; or
 - (ii) any release or alleged release of any Contaminants at or from the Premises related to or as a result of the use and occupation of the Premises or any act or omission of the Tenant or any person for whom it is in law responsible.

The obligations of the Tenant under this section 7 shall survive the expiry or earlier termination of this Lease.

8. LANDLORD'S COVENANTS

The Landlord covenants with the Tenant for quiet enjoyment.

9. MISCELLANEOUS COVENANTS

It is hereby mutually agreed:

Re-entry

- (a) that the Landlord may re-enter the Premises on non-payment of rent, or non-performance of covenants, including but not limited to the refusal of the Tenant to sell its interest in a Hangar on the terms and conditions set out in section 4;

Effect of Waiver

- (b) that the Landlord by waiving or neglecting to enforce the right to forfeiture of this Lease or the right of re-entry upon breach of any covenant, condition or agreement in it does not waive its rights upon any subsequent breach of the same or any other covenant or condition of this Lease;

Holding Over

- (c) that if the Tenant holds over following the Term and the Landlord accepts rent, this Lease becomes a tenancy from month to month subject to those conditions in this Lease applicable to a tenancy from month to month, however, this clause shall not preclude lease term renewal without holdover;

Landlord's Payments

- (d) that if the Landlord incurs any damage, loss or expense or makes any payment for which the Tenant is liable under this Lease, then the Landlord may add the cost or amount of the damage, loss, expense, or payments to the rent and may recover it as if it were rent in arrears;

Time

- (e) that time shall be of the essence of this Lease;

Distress

- (f) that if the Landlord is entitled to levy distress against the goods and chattels of the Tenant, the Landlord may use enough force necessary for that purpose and for gaining admittance to the Premises and the Tenant releases the Landlord from liability for any loss or damage sustained by the Tenant as a result;

Insolvency

- (g) that if
 - (i) the Term or any of the goods or chattels on the Premises are at any time seized or taken in execution or attachment by any creditor of the Tenant or under bill of sale or chattel mortgage; or
 - (ii) if a writ of execution issues against the goods or chattels of the Tenant; or
 - (iii) if the Tenant makes any assignment for the benefit of creditors; or
 - (iv) if the Tenant becomes insolvent or bankrupt; or
 - (v) being an incorporated company or society if proceedings are begun to wind up the company or society; or

- (vi) if the Premises or any part of them becomes vacant and unoccupied for a period of Thirty (30) days or is used by any other person or persons for any purpose other than permitted in this Lease without the written consent of the Landlord;

the Term shall immediately become forfeited and the then current month's rent for the three months next following shall immediately become due and payable as liquidated damages to the Landlord, and the Landlord may re-enter and repossess the Premises despite any other provision of this Lease;

Termination

- (h) this Lease may be terminated with the mutual consent of the Landlord and the Tenant;
- (i) that, in case of alterations, additions or improvements are made to the leased Premises by the Tenant, such alterations, additions and improvements may be removed by the Tenant within One Hundred and Twenty (120) days following the termination or expiration of this Lease, provided that the Tenant, at its own expense, shall repair any damage to the leased Premises caused by such removal or by the original installation and if any such alterations, additions and the improvements shall remain on the leased Premises after the time periods provided herein, they shall remain on the leased Premises without compensation to the Tenant therefore and they shall become the sole and exclusive property of the Landlord;

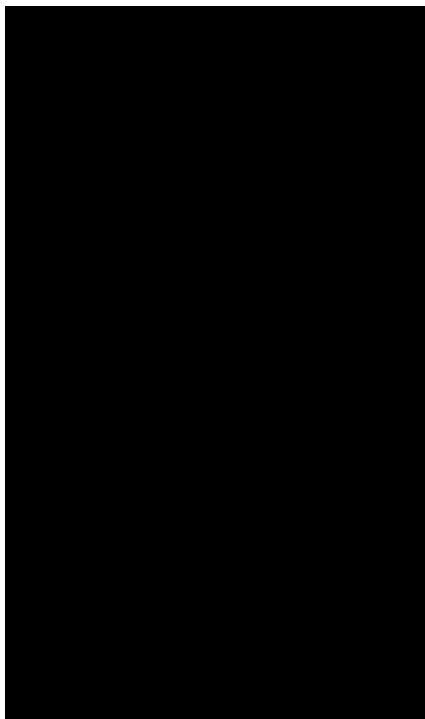
Notices

- (j) that any notice required to be given under this Lease shall be deemed to be sufficiently given:
 - (i) if delivered at the time of delivery; and
 - (ii) if mailed from any government post office in the Province of British Columbia by prepaid, registered mail addressed as follows:

If to the Landlord:

Bag 340
Mackenzie, BC V0J 2C0

If to the Tenant:



or at the address of a party may from time to time designate, then the notice shall be deemed to have been received forty eight (48) hours after the time and date of mailing. If, at the time of mailing the notice, the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slowdown, lock-out or other labour dispute then the notice may only be given by actual delivery of it;

Net Lease

- (k) that this Lease shall be a completely carefree net lease to the Landlord as applicable to the Premises and the Landlord shall not be responsible during the Term for any cost, charges, expenses, or outlays of any nature whatsoever in respect of the Premises or its contents except those mentioned in this Lease;

Interpretation

- (l) that when the singular or neuter are used in this Lease they include the plural or the feminine or the masculine or the body politic or corporate where the context or the parties require;

- (m) that the headings to the clauses in this Lease have been inserted as a matter of convenience and are for reference only and in no way define, limit or enlarge the scope or meaning of this Lease or any provision of it;

Binding Effect

- (n) that this Lease shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, administrators and permitted assignees;

Law Applicable

- (o) that this Lease shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia;
- (p) that all provisions of this Lease are to be construed as covenants and agreements as though the words importing covenants and agreements were used in each separate paragraph;

Effective Date

- (q) that this Lease shall take effect as of the 1st day of January, 2013 regardless of the dates of signing of this Lease.

Joint and Several Liability

- (r) that each of the individuals named as a "Tenant" under this Lease shall be jointly and severally liable to the Landlord for the performance of all of the Tenant's covenants under this Lease.

IN WITNESS the parties have signed and sealed this Lease on the dates hereinafter set forth.

The DISTRICT OF MACKENZIE)
by its authorized signatories:)
)
)
_____)
Mayor)
)
)
_____)
Corporate Officer)

in the presence of:

Address

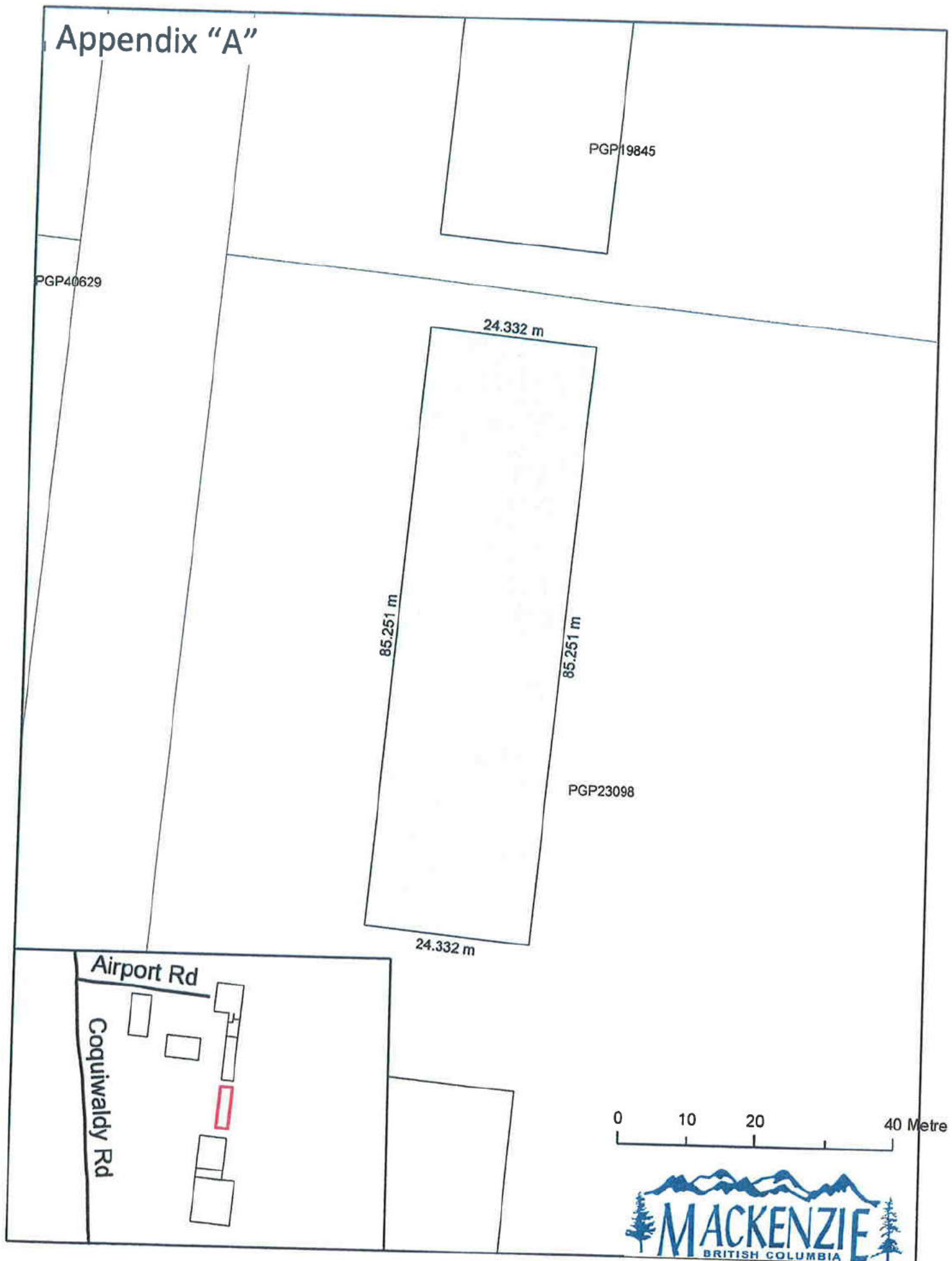
Occupation

in the presence of:

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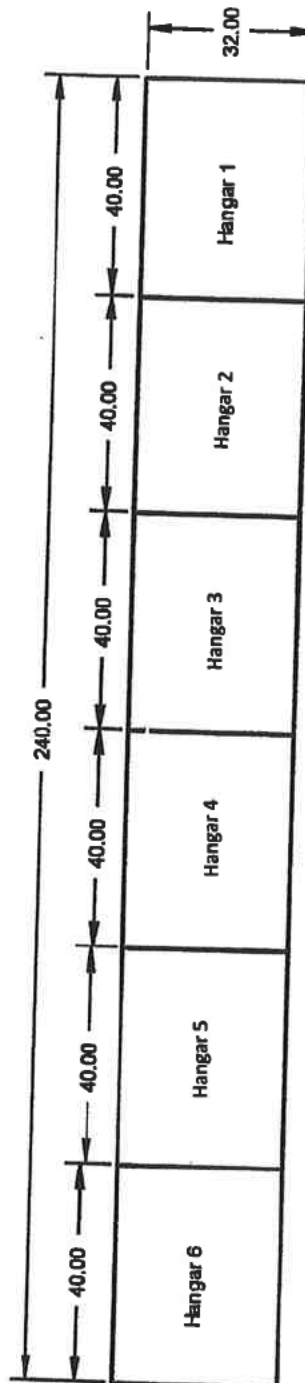
Occupation

Appendix "A"



APPENDIX "B"

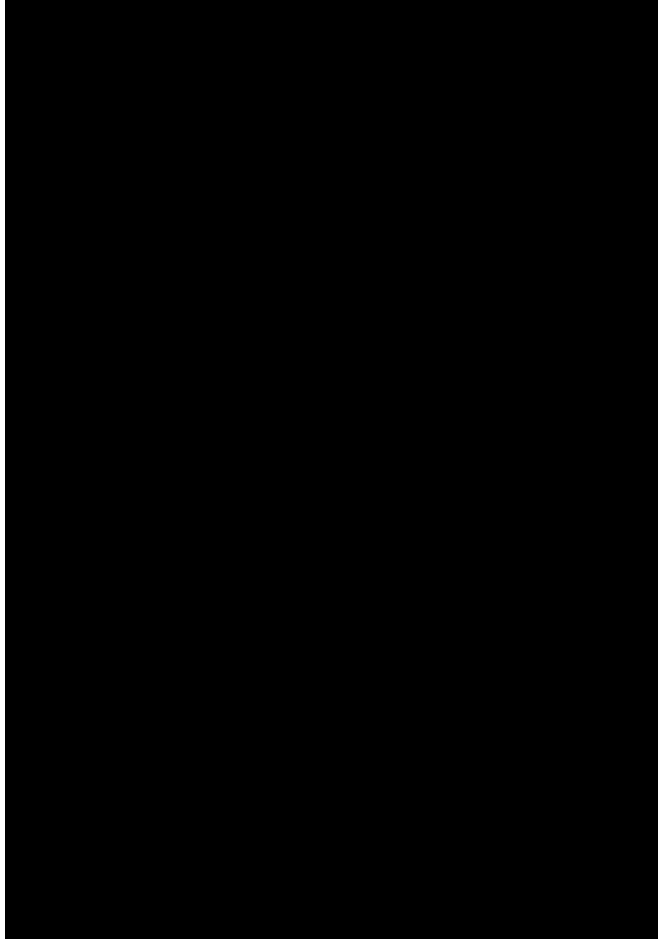
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ASSIGNMENT AND LANDLORD'S CONSENT

THIS AGREEMENT dated for reference the 5th day of May, 2025.

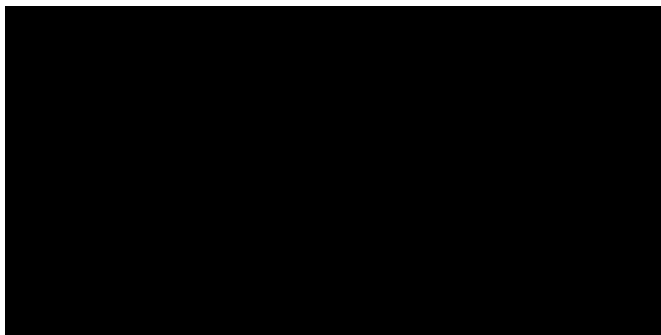
BETWEEN:

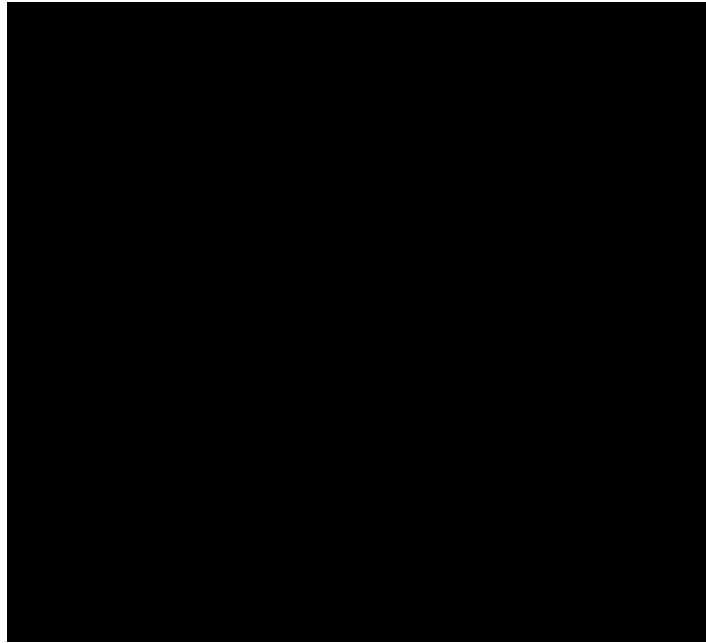


(collectively the "**Assignor**")

OF THE FIRST PART

AND:





(collectively the "**Assignee**")

OF THE SECOND PART

AND:

DISTRICT OF MACKENZIE
 Bag 340, 1 Mackenzie Boulevard
 Mackenzie, B.C. V0J 2C0
 (the "**Landlord**")

OF THE THIRD PART

BACKGROUND

- A. By a lease made January 1, 2013, a copy of which is attached hereto as Schedule "A" (the "Lease"), as assigned to the Assignor under the terms of an Assignment of Lease dated for reference January 1, 2014 (the "First Assignment"), and as further assigned to the Assignor under the terms of an Assignment of Lease dated October 27, 2014 (the "Second Assignment"), and as further assigned to the Assignor under the terms of an Assignment of Lease dated January 1, 2016 (the "Third Assignment"), and as further assigned to the Assignor under the terms of an Assignment of Lease dated November 8, 2016, (the "Fourth Assignment"), and as further assigned to the Assignor under the terms of an Assignment of Lease dated September 1, 2020, (the "Fifth Assignment"), the Landlord leased to the Assignor certain premises (the "Premises") described as:

.109 hectares (11,730 square feet) of Lot C, District Lot 12479, Cariboo District, Plan 23098, shown within the bold outline on the drawing which is attached as Appendix A to the Lease.

- B. The Assignor has previously agreed, under the terms of the First Assignment and Second Assignment, that Hangars 1, 5 and 6 shall only be used for the purpose of airline storage, airline office, or airport related activities.
- C. Following the expiration of the Term of the Lease on December 31, 2015, the Assignor has held over, and the Landlord has accepted rent from the Assignor, and accordingly, pursuant to clause 9 (c) of the Lease, the Assignor's interest continues as a tenancy from month to month subject to all conditions in the Lease applicable to a tenancy from month-to-month (the "Month-to-Month Tenancy").
- D. The Assignor wishes to assign the Assignor's interest in the Lease, and Month-to-Month Tenancy, and the Premises to the Assignee.
- E. Clause 4 (d) and clause 6 (g) of the Lease contain a prohibition against assignment of the Lease by the Tenant without the Tenant first obtaining the written consent of the Landlord, which consent the Assignor and the Assignee hereby request.

1. AGREEMENTS

In consideration of the covenants and consent contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by each of the parties, the parties agree as follows:

1.1 Defined Terms

Except as otherwise defined in this Agreement, capitalized terms used in this Agreement have the meanings ascribed to those terms in the Lease.

1.2 Tenant's Covenants

In this Agreement, the expression "Tenant's Covenants" means all obligations of a tenant of the Premises under the Lease or as may be established by law and, without limiting the generality of the foregoing, includes the obligation to pay rent and all other payments owing to the Landlord under the Lease, whether characterized as rent or not, and all other obligations of a tenant under the Lease, whether expressed as conditions, covenants, provisos, representations, undertakings, or warranties.

1.3 Effective Date

In this Agreement, the expression "Effective Date" means the 5th day of May 2025.

1.4 Assignment

Effective on the Effective Date, the Assignor assigns to the Assignee all of the Assignor's right, title, and interest in and to the Month-to-Month Tenancy and the Premises, on a month--to-month tenancy basis only, subject to payment by the Assignee of rent and the observance and performance of the other Tenant's Covenants.

1.5 Assignee's Acknowledgment

The Assignee hereby acknowledges that:

- (a) the assignment contained in this Agreement assigns the Month-to-Month Tenancy only; and
- (b) the consent granted by the Landlord in section 1.7 in no way amounts to a renewal or extension of the Lease.

1.6 Assignee's Covenants

For so long as the Month-to-Month Tenancy continues, the Assignee will:

- (a) pay the rent reserved at the times and in the manner demanded by the Landlord;
- (b) not assign the Month-to-Month Tenancy or sublet or part with possession of the Premises or any part thereof without the prior written consent of the Landlord, requested and granted in accordance with the Lease;
- (c) perform all of the other Tenant's Covenants as if the Assignee was the tenant originally named in the Lease;
- (d) without limiting the foregoing and pursuant to clauses 4(a) and (b) of the Lease, use Hangar 3 only for the purpose of airplane storage, airline office or airport related activities.

1.7 Consent

The Landlord hereby consents to the assignment contained in this Agreement.

1.8 Limitation of Consent

The consent of the Landlord contained in this Agreement is restricted to the assignment provided in this Agreement, and the prohibition against the assignment of the Lease and subletting or parting with possession of the Premises by the tenant under the Lease will otherwise remain in full force and effect;; and the Landlord's consent in this Agreement will not be deemed to be a consent to or waiver of the requirement for the Landlord's consent to any further or other assignment of the Lease or subletting or parting with possession of the Premises or any part of the Premises.

1.9 No Waiver or Modification

Neither this consent, nor the assignment of the Lease and Month--to--Month Tenancy by the Assignor, nor the payment of any money or the performance of any of the Tenant's Covenants by the Assignee will waive or modify in any respect any of the rights of the Landlord under the Lease and Month--to--Month Tenancy or relieve the Assignor from causing the Tenant's Covenants to be observed and performed for as long as the Lease and Month--to--Month Tenancy remains in effect. Without limiting the generality of the foregoing, the liability of the Assignor for the due performance of the Tenant's Covenants, including the obligation to pay rent, will continue notwithstanding any moratorium or stay affecting the obligation of the Assignee to perform the Tenant's Covenants, repudiation or disclaimer of the Lease and Month--to--Month Tenancy by the Assignee or the Assignee's trustee in bankruptcy, or the further assignment of the Lease or Month--to--Month Tenancy by the Assignee or subletting of the Premises, whether with or without the consent of the Landlord.

1.10 Landlord's Acknowledgments

The Landlord warrants and represents that:

- (e) the copy of the Lease attached hereto as Schedule "A" constitutes the entire agreement between the Landlord and the Assignor; and
- (f) the Lease has, pursuant to clause 9(c) of the Lease, continued as the Month--to--Month Tenancy and is in good standing as of the date of this Agreement

1.11 Notices

Any notice given in connection with this Agreement or the Lease and Month--to--Month Tenancy will be delivered to the respective addresses set out above or to such other address as any of the parties may designate in writing, and such notice will be delivered in accordance with section 9 (j) of the Lease.

1.12 Survival of Provisions

The provisions of the Lease will survive the execution and delivery of this Agreement and will not merge in this Agreement.

1.13 Further Assurances

Each party will, at all times hereafter at the request and cost of any other party, execute such further and other documents as such other party may reasonably require in order to evidence or give effect to the terms of this Agreement.

1.14 Enurement

This Agreement will enure to the benefit of and be binding upon the parties and their respective heirs, administrators, personal representatives, successors, and assigns.

1.15 Governing Law

This Agreement will be governed in accordance with laws applicable in the province of British Columbia, and the parties irrevocably submit to the non-exclusive jurisdiction of the courts of British Columbia.

1.16 Counterparts

This Agreement may be signed by original or by facsimile and executed in any number of counterparts, and each executed counterpart will be an original. All executed counterparts taken together will constitute one agreement.

IN WITNESS WHEREOF the parties executed this Agreement as of the date first above written.

DISTRICT OF MACKENZIE)
by its authorized signatories:)
)
_____)
Chief Administrative Officer)
)
_____)
Print Name)

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

Address

Occupation

SIGNED, SEALED AND DELIVERED

in the presence of:

Witness

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SIGNED, SEALED AND DELIVERED

in the presence of:

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COUNCIL REPORT

To: Mayor and Council

From: Administration

Date: April 30, 2025

Subject: Draft Submission to Province of BC RE: UWR #u-7-001 and WHA 7-018

RECOMMENDATION:

THAT Council provides feedback and any suggested changes to the draft letter of comment to the Province of BC with respect to the Ungulate Winter Range proposal (UWR #u-7-001) and Wildlife Habitat Area proposal (WHA 7-018) for Southern Mountain Caribou.

BACKGROUND:

Attached is a draft letter of comment intended to be submitted to the Province of BC in response to the proposed UWR #u-7-001 and WHA 7-018 presented at the April 14, 2025 Council meeting. It is based on Council's comments and concerns following review of the materials. Submissions must be received by the Province of BC by May 21, 2025 to be considered as part of their decision making process.

BUDGETARY IMPACT:

There is no budgetary impact for this recommendation.

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

April 30, 2025

via email: Wayne.crossland@gov.bc.ca

Wayne Crossland
Land and Resource Coordinator
BC Caribou Recovery Program
Ministry of Water, Land and Resource Stewardship, Omineca Region

RE: District of Mackenzie Comments with regard to UWR #u-7-001 and WHA 7-018

Dear Wayne Crossland,

Thank you for your presentation and discussion during our Regular Meeting of April 14, 2025 and the telemetry data package shared afterwards. Council greatly appreciates the opportunity to provide feedback on the following two proposals located within the Mackenzie Natural Resource District:

- Ungulate Winter Range proposal for Southern Mountain Caribou (UWR #u-7-001)
- Wildlife Habitat Area proposal for Southern Mountain Caribou (WHA 7-018)

The District supports, in principle, the intentions of these two initiatives with respect to caribou recovery. However, the District does have concerns with how these proposals will impact the local forest industry, which is the backbone of our community's economy, as well as whether there is sufficient scientific support for these proposals as written. The following provides our community context, our comments and concerns, along with two suggested changes that the District feels would better support the overall goals of these proposals and alleviate some of our concerns.

Community Context

The District has been subject to a challenging economic period, primarily due to the downturn in the forest industry in the last 6 years, which has resulted in hundreds of jobs lost in our community and significant tax revenue decreases that were supporting our community's services and quality of life. As a result, Council has a keen interest in proposals being made by the Province of BC and other proponents with respect to land-use in our area and seeks to ensure that land-based decisions strike a balance and continue to support the current or a new diversified industry that will create a more viable and sustainable economy here in Mackenzie.

Proposal Comments and Concerns

From a general standpoint, access to timber near Mackenzie has already been impacted by caribou recovery efforts through:

- the Intergovernmental Partnership Agreement For The Conservation Of The Central Group Of The Southern Mountain Caribou (The Partnership Agreement);
- the expansion of the Klinse-za Provincial Park, which has eliminated forest activity along the Clearwater mainline and has almost eliminated the potential for activity along the West Parsnip mainline;
- the Nature Trust of BC;
- existing ungulate winter ranges; and
- old-growth management areas.

The Kennedy Siding herd is already approximately 50% protected through these efforts. Local industry can not afford to lose any more timber access to caribou protection without ironclad scientific backing demonstrating the criticality of the land to be protected. The District strongly expresses the need to retain access to what is left to be able to maintain a viable forest sector in the local economy.

WHA 7-018 Comments

The report says it is intended to protect low density, low elevation pine stands along the Misinchinka River. However, as seen by those who have travelled and worked in that area along with data from available public forest inventories, that area is typical of wet spruce and fir. Therefore, this goal is not being met by the proposal.

The report indicates that it is intended to protect a migration corridor, but that landscape does not match typical caribou habitat and no backing evidence has been presented to demonstrate that this area is being used by caribou. Based on the 5 years of bi-weekly imagery provided, it is apparent that the central section of the WHA proposal sees little to no use from collared caribou. The data shows some caribou use at the south end of the polygon and some more that is 'spillover' on hilltops at the north end of the polygon which are already protected by a development moratorium as part of The Partnership Agreement. There is strong suggestion of a massive flow of animals from the east into UWR 7-001 using the high-elevation ridges around Fast and Braathen Creeks with a complete avoidance of the proposed WHA. The reverse migration is very similar, but more diffuse with the same avoidance of the Misinchinka Valley. There is little use of the middle section demonstrated by the provided data. This does not support the conclusion that this area need further protection in the interest of caribou.

This area does, however, represent accessible timber, close to mills that can help support our community.

Further, by limiting disturbance in this area it becomes even less likely to develop and maintain low elevation caribou habitat since that requires a supply of mid-age pine stands which is not supported by the current condition of the forest and its development is inhibited by a lack of disturbance to the present forest types which will continue to persist in their current state

without disturbance. Even in the instance of a natural disturbance, the climate of this area is likely to give rise to the same forest again, rather than the desired pine stands.

UWR 7-001 Comments

The forest types are more suitable to the goals stated in the report, however the District is still concerned about the impact of this proposal on the local forest industry.

Suggested Changes

Bearing all of this in mind the creation of WHA 7-018 does not appear to support the stated goals. It would seem more effective to replace that proposal with the following:

- A further extension of UWR 7-001 to include the area used by caribou at southern extreme of 7-018 (see week 1 of the telemetry data shared with the District);
- An extension of UWR 7-009 to include areas used by caribou in the proposed WHA 7-018 down to an elevation of around 1000m. This would protect areas used by caribou and maintain some access for forest operations at desirable lower elevations

Conclusion

Overall, the District is in support of caribou recovery efforts within the region, however would like to see further evidence that supports the need for the additional restrictions outlined in these proposals. Restricting access in this area could have considerable impact to the local economy and quality of life of those who work and live in the region.

Thank you again for the opportunity to provide our comments and concerns. If you have any questions please do not hesitate to contact our Chief Administrative Officer, Diane Smith at diane@districtofmackenzie.ca or 250-997-3221.

Sincerely,

Joan Atkinson
Mayor

COUNCIL REPORT

To: Mayor and Council

From: Administration

Date: April 30, 2025

Subject: MLMCF Board Appointments

RECOMMENDATION:

THAT Council directs staff on next steps with regard to the District's MLMCF Board appointment process.

BACKGROUND:

At the Regular Council Meeting of May 6, 2024, Council requested a report be brought back with a recommendation for a new process to make appointments to the McLeod Lake Mackenzie Community Forest Board of Directors.

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.

Directors are 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.

Current Appointment 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.

The District has currently appointed the following three individuals to the MLMCF Board:

- Councillor Andy Barnes (expiring June 2025 – see attached letter from MLMCF)
- Ron Crosby (expires June 2026)
- Jim Atkinson (expires June 2027)

Options for New Appointment Process

Option #1

For all three MLMCF Board appointments, a similar process would be followed to that of the Mackenzie Public Library Board:

- 1) Public call for applications (minimum 3 weeks)
 - a. The suggested criteria for appointment will be similar to that of the individual nominated by the Board itself as discussed in the earlier section.
 - b. A standard application form like that of our other committees would be used.
 - c. Board members whose appointments are expiring will be welcome to reapply.
- 2) Applications will be received by the Corporate Services Department.
- 3) Staff will review applications and submit application packages to the MLMCF Board, through the General Manager, for their review and recommendation. The Board member whose appointment is being decided upon must recuse themselves from the decision-making process unless they have not applied for re-appointment to their position on the Board.
- 4) The MLMCF Board will submit their recommendation to District staff.
- 5) Staff will prepare a report to Council for consideration and will provide copies of all applications to Council in the Centre Table File for review.

- 6) Council will choose to accept, deny, or request further information regarding the recommended appointment.
- 7) Staff will notify the successful candidate. The MLMCF Board of Directors and General Manager will be responsible for the orientation and training of the new Board Member.
- 8) Staff will notify the unsuccessful candidates.

Option #2

Two of the appointments would follow the process in Option #1. One appointment would always be held by a member of Council and that Councillor would be appointed by Council resolution upon expiry of each term.

Option #3

Continue with the current appointment process as is.

BUDGETARY IMPACT:

There is no budgetary impact associated with this recommendation.

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:

Emily Kaehn, Director of Corporate Services

Reviewed By: Corporate and Financial Services

Approved By: Chief Administrative Officer

MCLEOD LAKE MACKENZIE COMMUNITY FOREST



April 11, 2025

District of Mackenzie
Attn: Mayor Joan Atkinson and Council
c/o: Diane Smith, Chief Administrative Officer
Bag 340
Mackenzie BC V0J 2C0

Sent by email to: diane@districtofmackenzie.ca

Re: MLMCF AGM and Appointment of Directors

Dear Diane,

The McLeod Lake Mackenzie Community Forest would like to invite Mayor and Council and other interested District of Mackenzie representatives to our **Annual General Meeting on Wednesday June 18, 2025** at 11:00 A.M. The AGM will be held in the **boardroom at the MLIB NRC Building, McLeod Lake**, with lunch to follow.

Please join us for an update on MLMCF activities and plans, and presentation of the 2024 MLMCF financial audit results. We will also take the opportunity at this meeting to have both our shareholders sign annual documents accepting these results, confirming board membership and appointing financial auditor for 2025.

We would also like to inform you that the terms of appointment for the following directors on the MLMCF Board are due to expire in June 2025:

Yasmin Prince (McLeod Lake Indian Band appointment, 3-year term expiring 2025)
Andy Barnes (District of Mackenzie appointment, 3-year term expiring 2025)

For reference, our continuing board members include:

Cheryl Chingee (McLeod Lake Indian Band appointment, 3-year term expiring 2026)
Ron Crosby (District of Mackenzie appointment, 3-year term expiring 2026)
Hugh Tweed (McLeod Lake Indian Band appointment, 3-year term expiring 2027)
Jim Atkinson (District of Mackenzie appointment, 3-year term expiring 2027)
Mike Pek (MLMCF Directors' appointment, 1-year term expiring September 2025)

Regarding the District of Mackenzie appointment expiring this year (Andy Barnes), we ask that you please appoint by Council Resolution a Director for the three (3) year term of June 2025 – 2028, and provide us confirmation of said appointment by June 18, 2025.

The MLMCF Board of Directors would welcome the re-appointment of Andy Barnes. He is an active and valued contributor to the board and an excellent representative for the District of Mackenzie, regularly participating in email discussions, board meetings, and public events such as the Spring Expo Trade Show and community barbecues. Our board and staff have appreciated his impressive commitment to the MLMCF.

We look forward to seeing you at the AGM!

Sincerely,

A handwritten signature in black ink, appearing to read 'DBL', is positioned above the printed name of the General Manager.

Dan Boulianne, RPF
MLMCF General Manager

DISTRICT OF MACKENZIE

BYLAW NO. 1524

A bylaw of the District of Mackenzie
Respecting the Financial Plan for the years 2025-2029

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, 2025 and ending December 31, 2029.
2. This bylaw may be cited for all purposes as “Financial Plan Bylaw No.1524, 2025.”

READ a first time this 28 day of April, 2025

READ a second time this 28 day of April, 2025

READ a third time this 28 day of April, 2025

ADOPTED this _____ day of _____, 2025

I hereby certify the foregoing to
be a true and correct copy of
District of Mackenzie Bylaw
No. 1524 cited as "Financial
Plan Bylaw No. 1524, 2025".

Mayor

Corporate Officer

Corporate Officer

SCHEDULE “A”

DISTRICT OF MACKENZIE
2025 – 2029 Financial Plan
Statement of Objectives and Policies
Bylaw No. 1524

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 decrease of 18.19% in total. The percentage varied per property classes as follows:

1 – Residential	10.02%
2 – Utilities	9.92%
4 – Major Industry	(84.01)%
5 – Minor Industry	(9.81)%
6 – Business	66.00%
8 – Rec Non Profit	15.42%

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 21% 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*.

1

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 2025, the District’s proportion of taxes is as follows:

CLASS	DESCRIPTION	TOTAL % OF TAXES
1	Residential	46%
2	Utility	21%

4	Major Industry	7%
5	Light Industry	5%
6	Business	21%
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	40% - 50%
2	Utility	15% - 25%
4	Major Industry	5% - 10%
5	Light Industry	5% - 10%
6	Business	15% - 25%
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 NonMarket Change in assessment of land and improvements.
- 50% exemption in the second year of Municipal Property Tax for the NonMarket Change in assessment of land and improvements.
- 25% exemption in the third year of Municipal Property Tax for the NonMarket 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. 1524
 2025 ANNUAL BUDGET
 CONSOLIDATED OPERATING REVENUES AND EXPENDITURES

REVENUE:

TAXATION	4,807,326
UTILITY USER FEES	2,044,321
GRANTS	3,913,009
LICENSES AND PERMITS 62,200 SALE OF SERVICE	736,696
OTHER REVENUE 1,499,685	
TRANSFER EQUITY IN ASSETS	1,885,036
TRANSFER FROM FUNDS	132,537
ACCUMULATED SURPLUS 397,504	
TOTAL REVENUE	15,478,314

EXPENDITURES:

GENERAL

GENERAL GOVERNMENT SERVICES	2,640,709
PROTECTIVE SERVICES	1,492,440
TRANSPORTATION SERVICES	3,059,789
ENVIRONMENTAL HEALTH SERVICES	321,295
PUBLIC HEALTH AND WELFARE	142,362
RECREATION AND CULTURE	3,565,644
LESS: RECOVERY FROM UTILITIES	(182,700.00)

TOTAL GENERAL	11,039,539
WATER EXPENDITURE	733,505
SEWER EXPENDITURE	498,989
INTEREST, BANK CHARGES AND BAD DEBTS	10,000
LAND DEVELOPMENT	0
SUBTOTAL	12,282,032

EXCESS OPERATING REVENUE	3,196,282
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OTHER

DEBT INTEREST 0 DEBT PRINCIPAL 0

RESERVE FUNDS **2,857,757**

TRANSFER TO FUNDS 338,525

CONTINGENCY FOR THE YEAR **0**

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

SCHEDULE "C"

	Sec. 165 4(b)	2025	2026	2027	2028	2029
Revenues						
Property Taxes	7(a)	4,807,326	5,191,912	5,607,265	6,055,846	6,540,314
Fees and Charges	7(c)					
Sale of Services		736,696	755,113	773,991	793,341	813,175
Utility User Fees		2,044,321	2,228,310	2,428,858	2,647,455	2,885,726
Licences and Permits		62,200	63,444	64,713	66,007	67,327
Other Sources	7(d)					
Grants		3,913,009	3,952,140	3,991,661	4,031,578	4,071,893
Other Capital Revenue		743,240	2,069,446	-	-	-
Other Revenue		1,499,685	1,514,682	1,529,828	1,545,127	1,560,578
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)	132,537	132,537	132,537	132,537	132,537
Reserve Funds	8(a)	3,489,298	2,839,518	2,967,505	1,181,502	3,327,769
Accumulated Surplus	8(b)	<u>397,504</u>	<u>317,768</u>	<u>286,036</u>	<u>236,735</u>	<u>167,615</u>
TOTAL		19,710,852	20,968,756	19,705,320	18,632,282	21,528,511
Expenditures						
Other Municipal:	6(d)					
General Government		2,640,709	2,759,541	2,883,720	3,013,488	3,149,095
Protective Services		1,492,440	1,559,600	1,629,782	1,703,122	1,779,762
Transportation Services		3,059,789	3,197,480	3,341,366	3,491,728	3,648,855
Solid Waste		321,295	335,753	350,862	366,651	383,150
Health, Social Services & Housing		142,362	148,768	155,463	162,459	169,769
Parks, Recreation & Culture		3,565,644	3,726,098	3,893,772	4,068,992	4,252,097
Less: Utilities Recovery		(182,700)	(182,700)	(182,700)	(182,700)	(182,700)
Sub total		<u>11,039,539</u>	<u>11,544,540</u>	<u>12,072,265</u>	<u>12,623,739</u>	<u>13,200,029</u>
Water Services		733,505	799,520	871,477	949,910	1,035,402
Sewer Services		498,989	543,898	592,849	646,205	704,363
Interest & Bank Charges		10,000	10,500	11,025	11,576	12,155

Land Development		-	-	-	-	-
Property Tax Appeals	6(d)	-	-	-	-	-
Debt Interest	6(a)	-	-	-	-	-
Debt Principal	6(a)	-	-	-	-	-
Capital Expenditure	6(b)	4,232,538	4,908,964	2,967,505	1,181,502	3,327,769
Reserve Funds	8(a)	2,857,757	2,886,335	2,915,198	2,944,350	2,973,794
Transfer to Funds	4(c)	338,525	275,000	275,000	275,000	275,000
Accumulated Surplus	8(b)	-	-	-	-	-
Deficiency	6(c)	-	-	-	-	-
TOTAL		19,710,852	20,968,756	19,705,319	18,632,282	21,528,511

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	4.50%
WATER	9.00%
SEWER	9.00%

PROPORTIONS OF TOTAL REVENUE:

Revenue Source	% Total Revenue
Property taxes	24%
User fees and charges	14%
Other sources	41%
Proceeds from borrowing	0%
Transfer from Funds	1%
Reserve Funds	18%
Accumulated surplus	2%
TOTAL	100%

DISTRIBUTION OF PROPERTY TAXES AMONG THE PROPERTY CLASSES:

Property class	% Overall Taxes
Residential (1)	46%
Utilities (2)	22%
Major Industry (4)	7%
Light Industry (5)	5%
Business (6)	21%
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.

	2025	2026	2027	2028	2029	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
<u>GENERAL GOVERNMENT</u>										
Computer Hardware Replacement	10,000					10,000	10,000	Capital Renewal		
HVAC Distribution System Replacement		100,000				100,000	100,000	Capital Renewal		
Condenser Unit Replacement		31,117				31,117	31,117	Capital Renewal		
Carpet Floor Replacement		127,600				127,600	127,600	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		
Exterior Wood Siding Replacement					134,688	134,688	134,688	Capital Renewal		
Exterior Metal Doors Replacement					18,672	18,672	18,672	Capital Renewal		
Gutters and Downspout Replacement					11,000	11,000	11,000	Capital Renewal		
Interior Office Doors Replacement					89,270	89,270	89,270	Capital Renewal		
Council Chamber Door Replacement					19,411	19,411	19,411	Capital Renewal		
Interior Wood Wall Finish Replacement					63,168	63,168	63,168	Capital Renewal		
Suspended Ceiling Panels Replacement					52,800	52,800	52,800	Capital Renewal		
Parking Area Asphalt Replacement					291,120	291,120	291,120	Capital Renewal		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Pole Light Fixtures Replacement					33,528	33,528	33,528	Capital Renewal		
TOTAL GENERAL GOVERNMENT	10,000	365,197	0	0	713,657	1,088,854	1,088,854			
PROTECTIVE SERVICES										
Fire Hall Project	394,099					394,099	394,099	NCPG		
Pierce Ladder Truck Equipment	6,620					6,620	6,620	Fire Vehicle & Equipment Replacement		
Wildland Fire Truck	224,242					224,242	224,242	Fire Vehicle & Equipment Replacement		
Structural Protection Unit #3	50,000					50,000			50,000	UBCM CRI Grant
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		
SCBA Equipment Replacement					60,000	60,000	60,000	Fire Vehicle & Equipment Replacement		
PPE Replacement					15,000	15,000	15,000	Fire Vehicle & Equipment Replacement		
Hydraulic Spreaders					10,000	10,000	10,000	Fire Vehicle & Equipment Replacement		
TOTAL PROTECTIVE SERVICES	674,961	0	10,000	161,000	85,000	930,961	880,961		50,000	

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

<u>TRANSPORTATION SERVICES</u>										
Vacuum Flusher/Trailer	130,000					130,000	130,000	Vehicle & Equipment Replacement		
Toolcat Replacement	110,000					110,000	110,000	Vehicle & Equipment Replacement		

	2025	2026	2027	2028	2029	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
Bylaw Van Replacement	60,000					60,000	60,000	Vehicle & Equipment Replacement		
Quick Attach Forks (Loader)	16,010					16,010	16,010	Vehicle & Equipment Replacement		
Road Paving	1,000,000					1,000,000	1,000,000	General Capital		
Boom Flail Replacement (1995)	30,000					30,000	30,000	Vehicle & Equipment Replacement		
Water/Sewer Truck Replacement	107,000					107,000	107,000	Vehicle & Equipment Replacement		
Dump Truck Tailgate Replacement	14,000					14,000	14,000	Vehicle & Equipment Replacement		
Motorized Gates	55,000					55,000	55,000	Vehicle & Equipment Replacement		
Unit #27 Truck Replacement	49,086					49,086	49,086	Vehicle & Equipment Replacement		
Parks Flat Deck Replacement	145,000					145,000	145,000	Vehicle & Equipment Replacement		
Loader #3 Replacement		305,000				305,000	305,000	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		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Dump Truck Replacement		367,000				367,000	367,000	Vehicle & Equipment Replacement		
Lawnmower Replacement		65,000				65,000	65,000	Vehicle & Equipment Replacement		
Airport Sweeper		60,000				60,000	60,000	Vehicle & Equipment Replacement		
Steamer Pressure Washer (1996)		30,000				30,000	30,000	Vehicle & Equipment Replacement		
Public Works Exterior Front Door		40,192				40,192	40,192	Capital Renewal		
Storage Shed Single Door		20,096				20,096	20,096	Capital Renewal		
Animal Control Replace Asphalt Parking Area		33,400				33,400	33,400	Capital Renewal		
Mechanic Shop Replace for Branch Wiring and Devices		12,000				12,000	12,000	Capital Renewal		
Storage Shed Replace Gravel Paved Surfaces		43,200				43,200	43,200	Capital Renewal		
Public Works Replace Air Compressors and Air Dryers		13,613				13,613	13,613	Capital Renewal		
Public Works Replace Natural Gas Supply Piping and Fittings		18,720				18,720	18,720	Capital Renewal		
Public Works Replace Condensing Units		7,779				7,779	7,779	Capital Renewal		
Public Works Replace Gravel Paved Surface Parking Area		422,400				422,400	422,400	Capital Renewal		
Public Works Replace Vehicle Bollards		35,200				35,200	35,200	Capital Renewal		
Mechanic Shop Replace Windows		9,408				9,408	9,408	Capital Renewal		
Mechanic Shop Replace Exterior Metal Doors		20,096				20,096	20,096	Capital Renewal		
Mechanic Shop Replace Interior Cabinets		9,456				9,456	9,456	Capital Renewal		
Mechanic Shop Replace Water Heaters		6,944				6,944	6,944	Capital Renewal		
Mechanic Shop Replace Natural Gas Supply Piping and Fittings		9,901				9,901	9,901	Capital Renewal		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Mechanic Shop Replace Exhaust Fans		14,586				14,586	14,586	Capital Renewal		
Mechanic Pickup Replacement			80,000			80,000	80,000	Vehicle & Equipment Replacement		
PW Yard Pickup Replacement			60,000			60,000	60,000	Vehicle & Equipment Replacement		
Loader #2 Replacement			250,000			250,000	250,000	Vehicle & Equipment Replacement		
Snow Blower Attachment Replacement			140,000			140,000	140,000	Vehicle & Equipment Replacement		
Snow Groomer Replacement (2004)			184,000			184,000	184,000	Vehicle & Equipment Replacement		

	2025	2026	2027	2028	2029	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
Dump Truck Replacement			120,000			120,000	120,000	Vehicle & Equipment Replacement		
Storage Shed Exterior/Overhead Doors			44,160			44,160	44,160	Capital Renewal		
Storage Shed Metal Roofing			279,680			279,680	279,680	Capital Renewal		
Animal Control Water Heaters			7,490			7,490	7,490	Capital Renewal		
Public Works Exterior Overhead Doors			132,480			132,480	132,480	Capital Renewal		
Public Works Vinyl Sheet Floor			11,200			11,200	11,200	Capital Renewal		
Public Works Suspended Acoustice Ceiling Panels			43,200			43,200	43,200	Capital Renewal		
Public Works Oil and Sediment Interceptor Systems			40,640			40,640	40,640	Capital Renewal		
Public Works Radiant Tube Heaters			40,640			40,640	40,640	Capital Renewal		
Public Works Electrical Panelboards			9,723			9,723	9,723	Capital Renewal		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Public Works Main Service Disconnects			19,446			19,446	19,446	Capital Renewal		
Public Works Storm Sewer Service			42,360			42,360	42,360	Capital Renewal		
Public Works Vehicle Parking Receptacles			4,864			4,864	4,864	Capital Renewal		
Mechanic Shop Exterior Overhead Doors			44,160			44,160	44,160	Capital Renewal		
Mechanic Shop Metal Roofing			187,872			187,872	187,872	Capital Renewal		
Mechanic Shop Water Piping and Fittings			19,421			19,421	19,421	Capital Renewal		
Mechanic Shop Sanitary Waste and Vent Piping and Fittings			22,086			22,086	22,086	Capital Renewal		
Mechanic Shop Radiant Tube Heaters			20,320			20,320	20,320	Capital Renewal		
Mechanic Shop Branch Wiring and Devices			46,077			46,077	46,077	Capital Renewal		
Mechanic Shop Water Supply Service			10,416			10,416	10,416	Capital Renewal		
Mechanic Shop Sanitary Sewer Service			11,712			11,712	11,712	Capital Renewal		
Mechanic Shop Storm Sewer Service			7,392			7,392	7,392	Capital Renewal		
Mechanic Shop Natural Gas Infrastructure			19,632			19,632	19,632	Capital Renewal		
Boom Flail Replacement (2004)				30,000		30,000	30,000	Vehicle & Equipment Replacement		
Rec Services Pickup Replacement				80,000		80,000	80,000	Vehicle & Equipment Replacement		
Car Trailer Replacement				10,000		10,000	10,000	Vehicle & Equipment Replacement		
Loader #4 Replacement				250,000		250,000	250,000	Vehicle & Equipment Replacement		
Mechanic Shop Electrical Panelboards				19,446		19,446	19,446	Capital Renewal		
Snow Groomer Replacement (2008)					200,000	200,000	200,000	Vehicle & Equipment Replacement		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Administration Van Replacement					60,000	60,000	60,000	Vehicle & Equipment Replacement		
Snow Blade for Loaders (2014)					40,000	40,000	40,000	Vehicle & Equipment Replacement		
Animal Control Interior Single Wood Doors					11,520	11,520	11,520	Capital Renewal		
Animal Control Domestic Water Piping and Fittings					15,259	15,259	15,259	Capital Renewal		
Public Works Sanitary Waste and Vent Piping and Fittings					91,408	91,408	91,408	Capital Renewal		
Public Works Gas Distribution Line					8,640	8,640	8,640	Capital Renewal		
Public Works Electrical Service - 400A					26,064	26,064	26,064	Capital Renewal		
TOTAL PUBLIC WORKS	1,716,096	1,758,991	1,898,971	389,446	452,891	6,216,395	6,216,395			

	2025	2026	2027	2028	2029	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
<u>PARKS AND RECREATION SERVICES</u>										
Energy Reductions Project	228,339					228,339	228,339	Capital Renewal		
Rec Centre Upgrade	375,010					375,010	13,215	Capital Renewal	361,795	NDIT, SD57
Arena Handrail Upgrade	21,263					21,263	21,263	Capital Renewal		
Building Surge Protection	20,000					20,000	20,000	General Capital		
Outdoor Rink Boards	37,029					37,029			37,029	

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Arena Dehumidifier Wheel Replacement	53,340					53,340	53,340	Capital Renewal		
Arena Emergency Exit Doors Replacement	100,000					100,000	100,000	Capital Renewal		
Arena Insulation Replacement		623,019				623,019			623,019	
Spirit Square Upgrade		1,446,427				1,446,427			1,446,427	
Repair of Structural Cracks		138,200				138,200	138,200	Capital Renewal		
Exterior Double Doors (1981) Replacement		70,013				70,013	70,013	Capital Renewal		
Repair/Replace portion of Water Pipings and Fittings		111,400				111,400	111,400	Capital Renewal		
Replace Air Furnaces - Arena Dressing Rooms		12,288				12,288	12,288	Capital Renewal		
Replace Transformers (1981)		12,312				12,312	12,312	Capital Renewal		
Replace Pool Filtration Systems		31,117				31,117	31,117	Capital Renewal		
Replace metal cladding (1981)			405,600			405,600	405,600	Capital Renewal		
Replace Interior Single Hollow Doors (1981)			121,560			121,560	121,560	Capital Renewal		
Replace Exhaust Fans (1981)			11,670			11,670	11,670	Capital Renewal		
Engineering Study for structure cracks - north elevation location			354,704			354,704	354,704	Capital Renewal		
Replace metal cladding (1974)				344,560		344,560	344,560	Capital Renewal		
Replace Natural Gas Supply Piping and Fittings				236,496		236,496	236,496	Capital Renewal		
Replace window walls					116,736	116,736	116,736	Capital Renewal		
Replace Exterior Single Hollow Doors					18,672	18,672	18,672	Capital Renewal		
Replace Interior Single Hollow Doors (1974)					29,174	29,174	29,174	Capital Renewal		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Replace Interior Single Wood Door (1974)					38,822	38,822	38,822	Capital Renewal		
Replace Arena Lockers					175,104	175,104	175,104	Capital Renewal		
Replace Women's Bathroom Partitions Pool (1974)					14,006	14,006	14,006	Capital Renewal		
Replace wood wall finish in weight room(2017)					136,864	136,864	136,864	Capital Renewal		
Replace ceramic wall tile in pool showers (1981)					78,000	78,000	78,000	Capital Renewal		
Replace ceramic tile floor (1981)					49,056	49,056	49,056	Capital Renewal		
Replace carpet floor in main office					70,400	70,400	70,400	Capital Renewal		
Replace vinyl sheet floor (1981)					390,946	390,946	390,946	Capital Renewal		
Replace wood ceiling in common area (1981)					89,434	89,434	89,434	Capital Renewal		
Replace wood ceiling in sauna (1981)					4,384	4,384	4,384	Capital Renewal		
Replace suspended acoustic ceiling panels (1981)					281,072	281,072	281,072	Capital Renewal		
Replace ceramic tile ceiling - arena change rooms (1974)					57,344	57,344	57,344	Capital Renewal		
Replace Showers in Pool Staff Room and Referee Room					23,341	23,341	23,341	Capital Renewal		
Replace Concrete Custodial Sinks (1981)					4,064	4,064	4,064	Capital Renewal		

	2025	2026	2027	2028	2029	TOTAL	FUNDED RESERVES	RELATED RESERVE FUND	FUNDED GRANTS - OTHERS	FUNDER NAME
Replace Domestic Water Heaters - Instantaneous (2014)					23,338	23,338	23,338	Capital Renewal		
Replace Benches (1974) - Arena Dressing Room and Bleachers					210,240	210,240	210,240	Capital Renewal		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Replace Benches (1981) - Pool Dressing Rooms					17,520	17,520	17,520	Capital Renewal		
Replace Wood Seating in Sauna					8,000	8,000	8,000	Capital Renewal		
Replace Pool Railings and Ladders					14,006	14,006	14,006	Capital Renewal		
Replace Pool Starting Blocks					11,306	11,306	11,306	Capital Renewal		
Replace Concrete Paved Surfaces					199,392	199,392	199,392	Capital Renewal		
TOTAL RECREATION SERVICES	834,981	2,444,776	893,534	581,056	2,061,221	6,815,568	4,347,298		2,468,270	
TOTAL GENERAL CAPITAL	3,236,038	4,568,964	2,802,505	1,131,502	3,312,769	15,051,778	12,533,508		2,518,270	
WATER										
Gantahaz Water Treatment	573,300					573,300	278,884	Water Reserve	294,416	Federal Government
Pressure Reducing Valves Replacement	340,000	340,000				680,000	680,000	Water Reserve		
Safety Shoring Equipment				50,000		50,000	50,000	Water Reserve		
TOTAL WATER	913,300	340,000	-	50,000	-	1,303,300	1,008,884		294,416	
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		

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

Sewer Camera					15,000	15,000	15,000	Vehicle & Equipment Reserve		
TOTAL SEWER	83,200.00	-	165,000.00	-	15,000.00	263,200	263,200			
TOTAL CAPITAL	4,232,538	4,908,964	2,967,505	1,181,502	3,327,769	16,618,278	13,805,592		2,812,686	

DISTRICT OF MACKENZIE

BYLAW NO. 1525

A bylaw for the levying of rates for Municipal, Hospital and
Regional District purposes for the year 2025

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 2025.

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 2025 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 \$4,807,326. 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 \$497,835. 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 \$326,741. 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. 1525, 2025".

READ a first time this 28 day of April, 2025.

READ a second time this 28 day of April, 2025.

READ a third time this 28 day of April, 2025.

ADOPTED this _____ day of _____, 2025.

I hereby certify the foregoing
to be a true and correct copy of
the District of Mackenzie
Bylaw No. 1525 cited as "Tax
Rate Bylaw No 1525, 2025".

Mayor

Corporate Officer
DISTRICT OF MACKENZIE

Corporate Officer

**SCHEDULE
BYLAW NO. 1525**

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	7.9978	-	0.7338	0.4816
2. Utility	39.4047	-	2.5683	1.6856
3. Supportive Housing	-	-	-	-
4. Major Industry	56.1076	-	2.4949	1.6374
5. Light Industry	28.6063	-	2.4949	1.6374
6. Business & Other	10.0035	-	1.7978	1.1799
7. Managed Forest Land	-	-	2.2014	1.4448

8. Recreation/Non-Profit	6.8250	-	0.7338	0.4816
9. Farm	-	-	0.7338	0.4816