

DISTRICT OF MACKENZIE

BYLAW NO. 1515

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

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

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

READ a first time this 22 day of April, 2024

READ a second time this 22 day of April, 2024

READ a third time this 22 day of April, 2024

ADOPTED this _____ day of _____, 2024

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

Mayor

Corporate Officer

Corporate Officer

SCHEDULE "A"

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

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

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

PURPOSE:

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

1. PROPORTION OF REVENUE

Proportion of Revenue that is generated by Property Taxes

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

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

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

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

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

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

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

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

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

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

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

2. DISTRIBUTION OF TAXES AMONG PROPERTY CLASSES

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

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

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

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

3. USE OF PERMISSIVE TAX EXEMPTIONS

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

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

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

The exemption provided under this Bylaw is as follows:

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

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

REVENUE:

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

EXPENDITURES:

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

EXCESS OPERATING REVENUE 3,132,381

OTHER

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

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

SCHEDULE "C"

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

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

ASSUMPTIONS OF THE PLAN:

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

PROPORTIONS OF TOTAL REVENUE:

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

DISTRIBUTION OF PROPERTY TAXES AMONG THE PROPERTY CLASSES:

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

PERMISSIVE TAX EXEMPTIONS:

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

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

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

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

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

DISTRICT OF MACKENZIE

(Not Including Applicable Taxes)

"SCHEDULE D"

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