



TABLE OF CONTENTS

MAYOR'S MESSAGE	3
COMMUNITY VISION	4
DISTRICT MISSION	4
ORGANIZATION CHART	
2022 – 2026 MAYOR AND COUNCIL	6
COUNCIL PRIORITIES	7
2024 COUNCIL LIAISON APPOINTMENTS	8
COUNCIL REMUNERATION	C
RECREATION SERVICES	1C
FIRE DEPARTMENT	
DISTRICT OPERATIONS	2
CORPORATE and FINANCIAL SERVICES	24
CLIMATE ACTION	3
COMMUNITY ECONOMIC DEVELOPMENT	33
ACCESS AND INCLUSION	37
2024 GRANT FUNDING	38
2024 GOVERNMENT TRANSFERS	39
GRANTS TO ORGANIZATIONS	4C
PERMISSIVE TAX EXEMPTIONS	42
DECLARATION OF DISQUALIFICATIONS	42
AUDITED FINANCIAL STATEMENTS	42

MAYOR'S MESSAGE

Our community continues to demonstrate their resilience despite challenges with shrinking industrial tax base and increasing operational costs. In November 2024, BC Assessment notified the municipality that both Paper Excellence and Canfor had applied for and been granted full closure allowances on their Mackenzie properties. This resulted in a net tax revenue loss of \$1,505,918. This certainly made our 2025 budget process extremely challenging. Council and Staff worked diligently with community members to ensure there was as little impact to the services we provide as we could manage but unfortunately had to make some very hard choices.



Despite these fiscal challenges, Mackenzie had reasons to celebrate in 2024 including on April 1st, Mackenzie moved from an "on call" model for Ambulance coverage to a 24/7 full time coverage which greatly enhances our medical delivery in the community.

In June, Mackenzie hosted the BC Community Forest Provincial conference for the first time. This event brought 150 participants to Mackenzie, who by all accounts were very impressed with our community and our outstanding recreational facilities. The McLeod Lake Mackenzie Community Forest also provided the District of Mackenzie and the McLeod Lake Indian Band with a dividend disbursement of \$400,000 each from profits earned in 2023.

Our major project for 2024 was the replacement of the ice slab at the Mackenzie Recreation Centre. This project grew in scope when it was determined this was a perfect opportunity to explore how operations at the Rec Centre could reduce its overall environmental impact. The expanded scope of the project included several energy-efficient upgrades that qualified us for federal funding, which resulted in grant funding for this project of just over \$2.9 million. This upgrade will result in annual energy savings of 27% (at minimum) and reduce Green House Gases by 158 tonnes.

Mayor and Council are eager to chat with all of you regarding your concerns, questions or ideas on how we can continue to make Mackenzie a great place to live.

Sincerely,

Mayor Joan Atkinson

COMMUNITY VISION

From its roots as a new town for forestry workers, Mackenzie has grown into a strong and supportive community that residents are proud to call home. Supported by a healthy environment, Mackenzie's economic base is now diverse and robust, providing consistent employment for residents. Recreation is key to our high quality of life and healthy lifestyle, with exceptional natural features drawing residents outdoors. Great community services and facilities complement the outdoors with opportunities to meet and engage with neighbors, and the town takes great pride in how attractive it is for both residents and visitors.



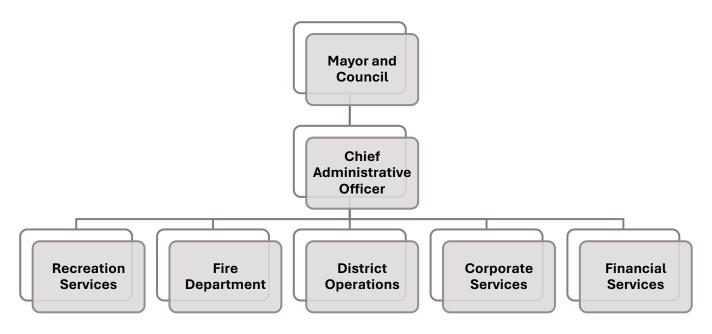
Photo Credit: Darrin Rigo

DISTRICT MISSION

It is the mission of the District of Mackenzie to improve the lifestyle, services and opportunities to our residents and visitors by:

- 1. Providing quality executive and administrative leadership from an open and responsible Council and administration.
- 2. Providing quality services, recreational facilities and programs that promote and enhance livability and a healthy lifestyle.
- 3. Maintaining a healthy environment and economic conditions that allow for business and individuals to flourish and realize their full potential.

ORGANIZATION CHART



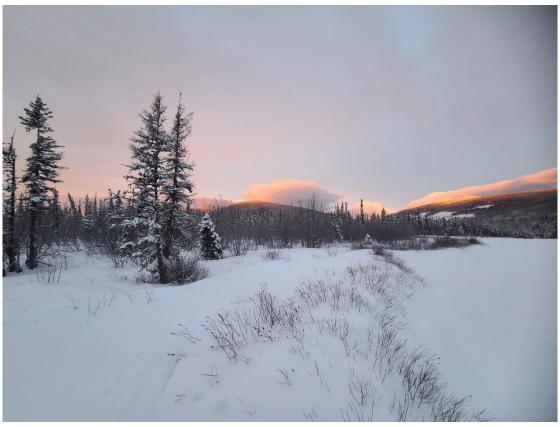


Photo Credit: Adrienne Lacey

2022 - 2026 MAYOR AND COUNCIL

The District of Mackenzie Council is comprised of a Mayor and six Councillors, elected for four-year terms. Municipal Councils are elected by the people and make decisions on behalf of the residents of our municipality.



Mayor Joan Atkinson



Councillor Andy Barnes



Councillor Viktor Brumovsky



Councillor Amber Hipkiss



Councillor Raye McMeeken



Councillor Kyle Tapper



Councillor Jesse Wright



Councillor Peter Kyllo

In August 2024, Councillor Hipkiss resigned and a Municipal By-Election was held on November 16, 2024. Councillor Peter Kyllo was elected.

COUNCIL PRIORITIES

The Council Priorities are designed to advance Council's vision, mission, and operational plans for the District of Mackenzie.

Council's Priorities for the 2021-2025 period reflect today's emerging issues and developing opportunities. Council reviews the plan annually to respond to new ideas and changes in circumstances that arise as we work through the 2021 - 2025 period. Community consultation is an important part of setting priorities, achieving our goals (operational plans) and in updating Council's Priorities.

Community and Social Development

Our investment in the municipality's services and infrastructure, our commitment to principles of social equity and well-being, and our belief in the value of resident engagement, creates a healthy community in which everyone feels valued and enjoys a high quality of life.

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.

Environmental Sustainability

The way we operate has an impact on the environment. We are committed to integrating sustainability and Environmental, Social and Governance factors (ESG) into our decision making and business practices.

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.

2024 COUNCIL LIAISON APPOINTMENTS

Committee/Position	Elected Official
Deputy Mayors	Councillors Barnes, Hipkiss, McMeeken and Wright
Access and Inclusion Advisory Committee	Liaison: Councillor McMeeken Alternate: Councillor Brumovsky
Agricultural Opportunities and Food Security	Liaison: Councillor Tapper Alternate: Councillor Brumovsky
Asset Management Committee	Liaison: Mayor Atkinson Alternate: Councillor Wright
BC Hydro Peace River/Williston Advisory Committee	Liaison: Mayor Atkinson
Chamber of Commerce	Liaison: Councillor Hipkiss Alternate: Councillor Brumovsky
CityWest	Liaison: Councillor Brumovsky Liaison: Chief Administrative Officer Smith
Climate Action Liaison	Liaison: Councillor Hipkiss Alternate: Councillor Tapper
CNC Advisory Group	Liaison: Councillor Barnes Alternate: Councillor Tapper
Emergency Executive Committee	Liaison: Mayor Atkinson Alternate: Councillor McMeeken
Education Liaison	Liaison: Councillor Wright Alternate: Councillor Brumovsky
Forestry Liaison	Liaison: Mayor Atkinson Alternate: Deputy Mayor
Grant Adjudication Committee	Liaison: Councillor Brumovsky Liaison: Councillor McMeeken
Indigenous Relations and Reconciliation	Liaison: Councillor Barnes Alternate: Councillor Wright
Mackenzie Wildfire Advisory Committee	Liaison: Councillor Barnes Alternate: Councillor Brumovsky
McLeod Lake Mackenzie Community Forest (MLMCF)	Liaison: Councillor Hipkiss
Mining Liaison	Liaisons: Councillor Barnes Alternate: Councillor Wright
Municipal Library	Liaisons: Councillor Tapper Alternate: Councillor Brumovsky
New Horizons - Senior Inclusion Solutions Advisory Group	Liaison: Councillor Wright Alternate: Mayor Atkinson
Northern Development Initiative Trust – Prince George Regional Advisory Committee	Liaison: Mayor Atkinson Alternate: Councillor Wright
Prince George Treaty Advisory Committee	Liaison: Councillor Wright
Regional District of Fraser-Fort George	Director: Mayor Atkinson Alternate: Councillor Wright

COUNCIL REMUNERATION

Mayor Atkinson	\$30,588
Councillor Barnes	\$13,490
Councillor Brumovsky	\$12,965
Councillor Hipkiss	\$8,707
Councillor Kyllo	\$1,260
Councillor McMeeken	\$13,489
Councillor Tapper	\$12,965
Councillor Wright	\$13,489

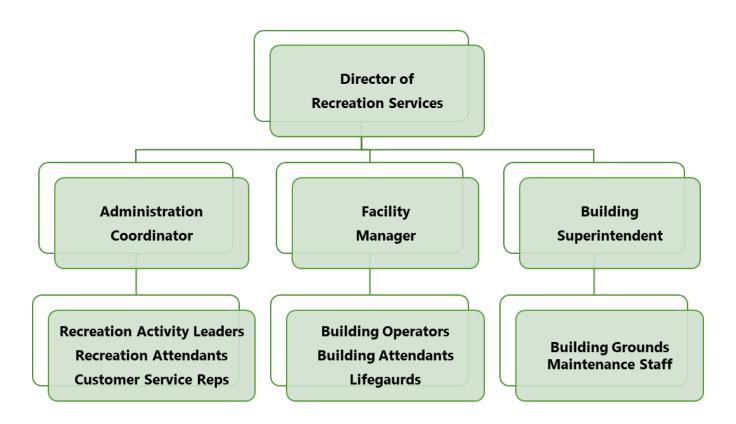


Photo Credit: Sarah-Lynn Pineau



RECREATION SERVICES ORGANIZATION CHART

The Recreation Services Department oversees the operation and maintenance of the Recreation Centre, Ernie Bodin Community Centre, Little Mac Ski Hill, John Dahl Trail, tennis/pickleball court, outdoor rink, and playground inspections in Mackenzie. Recreation staff work to enhance the lifestyle and health of people in the community through a variety of quality programs and services based on public consultation. Their dedicated team is committed to providing recreation services for people of all ages, stages, and abilities.



29,332

2024 Recreation Centre Utilization	
Recreation Centre Activities	Number of Bookings
Fitness Centre	13,705
Skating	621
Aquafit	912
Swimming	9,414
Curling	51
Climbing	337
Pickleball	432
Ski Hill	199*
Sport Court	1,064
School Use	2,153
Junior Pathways	444

Total Number of Bookings



*The 2024 Little Mac season was affected by unusually warm weather and below average snowfall contributing to low numbers.

RECREATION SERVICES ACTION PLANNING

Actions completed in 2024	Action Plan for 2025
Hosted 4th Annual WinterQuest 2024, ice carvers and trail light-up festival.	Host 5th Annual WinterQuest 2025, ice carvers and trail light-up festival.
Hosted our 2nd Annual Rockin' the Ridgeline festival.	Host our 3rd Annual Rockin' the Ridgeline festival.
Hosted inaugural Summer Concert Series on every Thursday in July and August in the new Park.	Host Summer Concert Series in the Park.
Hosted Canada Day, Holiday Parade and Recreation Fair community events.	Host Canada Day, Holiday Parade and Recreation Fair community events.
Completed Active Transportation Master Plan.	Work with Directors and Council to determine the next steps as it relates to priority work and grant funding applications.
Created concept plans with cost D estimates for 616 and Rec Centre outdoor space upgrades, as part of Active Transportation project.	Work with Directors and Council to determine the next steps as it relates to priority work and grant funding applications.
Finished bike park features, main landscape, zipline and gazebo part of the Signature Trail, Park, and Little Mac project. This project has reached significant completion status.	Coordinate with Public Works Department to complete outstanding work in new park, which includes pathway, earth and seeding.
Reached significant completion for the arena slab replacement and green energy upgrades project, including dasher boards, solar and heat pump.	Finalize repairs of deficiencies for arena slab replacement and green energy upgrades project.
Completed 100% of Mac 1 playground upgrade, which includes new border, swing set and topping up surface.	Resurface the court in Babine Park, which also includes adding basketball nets.
Awarded grant for pool and accessibility upgrade project. Completed flooring on pool deck and in change rooms as part of the project.	Complete outstanding work such as slide and lobby bathroom accessibility upgrades - part of the pool and accessibility upgrade project.
Tenants vacated Ernie Bodin Community Centre and staff had a pre-demolition hazard assessment completed.	Work with Directors to finalize a plan to demolish Ernie Bodin Community Centre.
Continued developing programs with greater focus on specialized programming.	Continue to develop programs which fill gaps in the community.





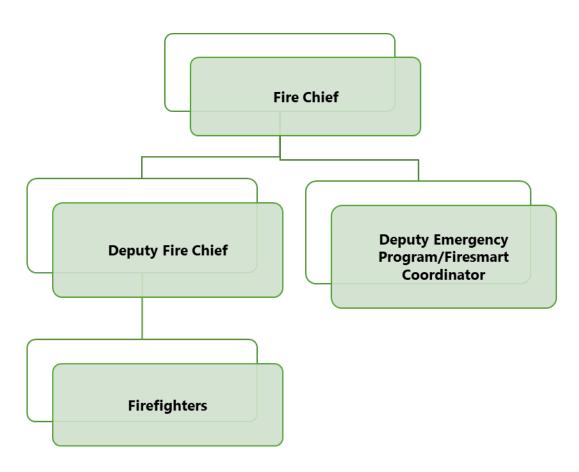






FIRE DEPARTMENT ORGANIZATION CHART

The Fire Department strives to deliver quality services in a fiscally responsible manner to the citizens of the District of Mackenzie. The District of Mackenzie supports this service delivery through a well-established safety and training program. The Fire Department is responsible for fire suppression, vehicle extrication, hazardous material response, environmental protection, fire inspections of multi-residential, public assembly, industrial, and commercial properties, promotion of compliance to the provincial Fire and Building Codes and local municipal bylaws, and public education and awareness. The Department also actively participates in the FireSmart program, working with residents and stakeholders to reduce wildfire risks through community education, mitigation initiatives, and strategic planning.



FIRE DEPARTMENT ACTION PLANNING

2024 FIRE CALLS	5
Nature of Call	# of Calls
Assist other Agency	37
Burn Complaint	14
Carbon Monoxide alarm	1
Chimney Fire	1
Dumpster Fire	1
Electrical Hazard	3
False Alarm	29
Motor Vehicle Incident	48
Public Service	14
Rubbish Fire	1
Structure Fire	8
Vehicle Fire	4
Wildland Fire	5
Unclassified Fire	1_
Investigation no Fire	1

2024 FIRE FIGHTERS	
Position	Number
Fire Chief	1
Deputy Fire Chief	1
Assistant Chiefs	1
Training Officers	2
Captains	2
Lieutenants	2
Engineers	2
Fire Fighters	9
Fire Fighters (Probationary)	6
Junior Fire Fighters	4
TOTAL	30

TOTAL 168



Actions Completed in 2024	2025 Priorities
New Fire Hall was completed in Fall 2024.	Finalizing landscaping & paving for Fire Hall #1.
Ongoing Training of Fire Fighters.	Specialized training for Live Fire, First AID, and Auto Extrication, Wildfire/Structure protection which will be grant funded.
Distributed new turnout gear.	Update Mutual Aid Agreement with McLeod Lake Indian Band.
Purchased new pagers.	Purchase new radios.
Purchased new Wildland truck delivered in 2025.	Outfit Wildland 11 to be ready for in town use or deployment.
Participated in wildfire deployments in Fort Nelson & Williams Lake.	Revaluate and update the District of Mackenzie Emergency Response Plan.
Hired a Fire Smart/ Assistant Emergency Program Coordinator.	Hire a Junior Fire Smart Coordinator to assist with public education, assessments and updating records.
Submitted application for Union of British Columbia Municipalities Emergency Operations Centres grant and Emergency Support Services grants. These grants will be used to purchase equipment and training.	Submit application for Union of British Columbia Municipalities Emergency Operations Centre grant and Emergency Support Services grants. These grants will be used to purchase equipment and training.
Managed the fuel treatment process for the Tree Crusher Area.	Upgrade Fire Hall #2 to facilitate comprehensive training for the Mackenzie Fire Department and Tse'Khene Fire Department.
Recruitment and retention are an ongoing priority for 2025.	Hire a new Deputy Fire Chief.
Outfitted and trained crews on Ladder 11.	Train Crews on Wildland 11.
Facilitated a danger tree removal program.	Launch Mackenzie Public Alerting System.
Launched a Fire Smart rebate program.	Purchase trailer and equipment to start developing a structure protection trailer SPU #3. Funded through the CRI Grant.





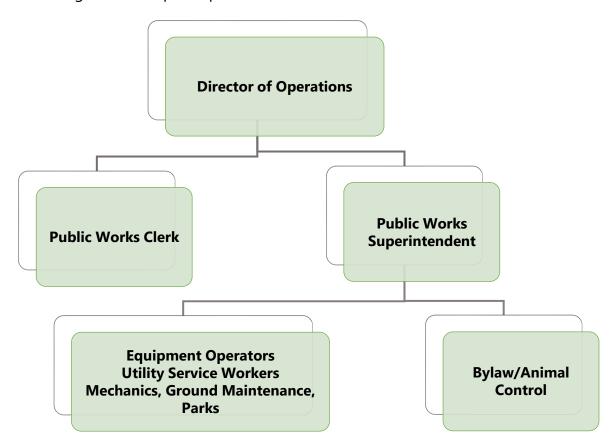






DISTRICT OPERATIONS

The Public Works Department is responsible for maintaining roads, sidewalks and walkways, boulevards, fire hydrants, public parks and beaches, ball diamonds and the Municipal Campground. It's also responsible for snow removal, residential and business garbage collection, building inspection services, bylaw services and animal control, sewage, and water systems, as well as maintaining the Municipal Airport.



DISTRICT OPERATIONS ACTION PLANNING

2024 By the Numbers	
Water pumped from the Town pump house (Imperial Gallons)	123,891,300*
Water pumped from the Gantahaz pump house (Imperial Gallons)	9,208,235
Commercial Garbage Collected (kg)	727,000
Residential Garbage Collected (kg)	616,340
Total number of Fixed Wing Landings	463
Total number of Helicopter Landings	267
Fuel Purchases	528

^{*}The numbers for in town are high because our recording keeping is becoming more comprehensive. In addition, there were several leaks in the system, one on Gagnon (repaired), two on Centennial Drive and 4 in Morfee Trailer Court. The required repairs are in progress.

Bylaw & Animal Control	
Animals Impounded	39
Animals Adopted	6
Number of Tickets Issued	1
Dog Licenses Purchased	456

Permits & Licenses	
Business Licenses Awarded	267
Plumbing Permits Awarded	3
Building Permits Awarded	22



Actions Completed in 2024	Action Plan for 2025
Installed a Pressure Reduction Valve station on Centennial Drive and Nation Avenue. Two other Pressure Reduction Valve stations are scheduled to be completed in the summer	Will have to inspect the Pressure Reduction Valve station on Nation this year. These were chosen in order of priority and
of 2025. One on Little Cloud Maker and one in Woodlands Mobile Home Park.	we have a plan moving forward for the replacement of all Pressure Reduction Valve stations.
Planted numerous trees around town.	Tree planting will continue in 2025.
Sand/topsoil and sod were brought in for Bike Park Project.	Continue training for Management Team and Employees.
Implementing a pre-trip inspection booklet.	Inspection Booklet to be used to generate mechanical work orders.
Water and Sewer Rehabilitation Plan.	First year of water and sewer plan to be implemented.
Repaired the Statutory Right of Way Road to the Sewer Lagoon.	First year of Water and Sewer Plan to be implemented.
Completed the Paving Plan preliminary assessment.	Initiate the roads and pathways replacement plans for the District.
Asset Management Activities and Training	Continue Asset Management Activities and Training.
Gantahaz water treatment facility upgrade to begin in 2024.	Permits are in place. Construction is underway - estimated commissioning in July 2025.
Sand/topsoil and seed were placed at Firehall.	Firehall Landscaping project to continue this summer.
New Commercial Truck and Bins have been purchased and are currently being used throughout town.	New Truck and Bins are working great. Very few Bear Complaints.





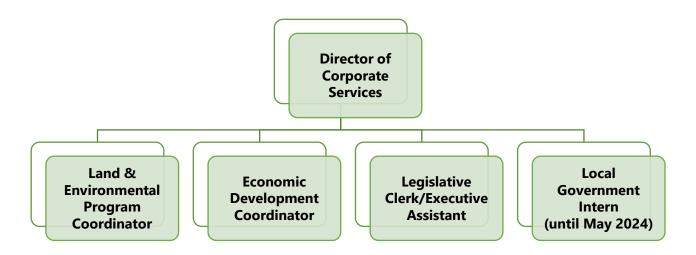




CORPORATE SERVICES

Corporate Services supports Council and ensures the District performs all its legislative duties, including preparing for Council Meeting and administering local elections. In addition, the department is also responsible for, and assists other departments with, reviewing and creating policies, procedures, bylaws, legal matters, records management and Freedom of Information requests, land use agreements, development applications, environmental programs and reporting, communications, accessibility and inclusion initiatives, as well as economic development and tourism.

The department also works with Council, staff, and the community on long-term strategic planning, including the development of Mackenzie's Official Community Plan, Zoning Bylaw, Council's Strategic Priorities, Housing Needs Assessments, Economic Development and Tourism Plans, Age-Friendly Accessibility and Inclusion Action Plan, and Corporate Environmental Plans.



CORPORATE SERVICES ACTION PLANNING

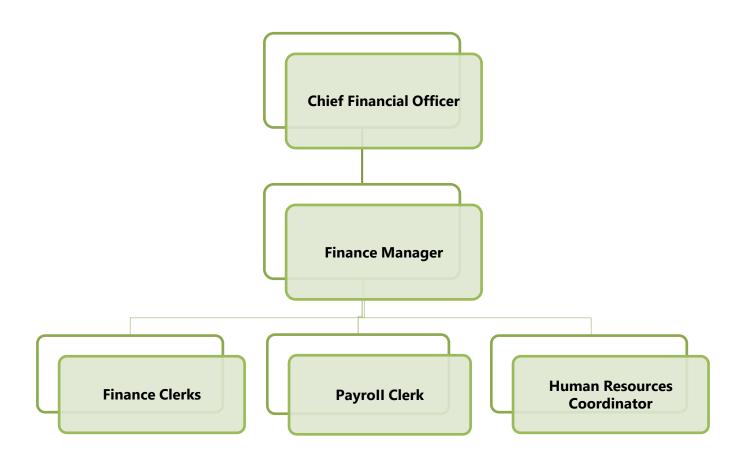
Actions Completed in 2024	Action Plan for 2025
Held By-Election in Fall 2024	Preparations for 2026 General Election.
Completed Audio/Visual project in Council Chambers and the Recreation Centre. Livestreaming began January 2025.	Improve accessibility features of live streaming and Council meeting attendance (ie. hearing loop installations).
In collaboration with the Access and Inclusion Advisory Committee, began implementation of the District's Age-Friendly Access and Inclusion Action Plan.	In collaboration with the Access and Inclusion Advisory Committee, continue implementation of the District's Age-Friendly Access and Inclusion Action Plan.
\$202,000 was distributed for the 2024 Community Grants Program.	\$159,790 has been included in the budget for the Community Grants program for 2025.
Continue to participate in Northern BC Climate Action Network.	Continue to participate in Northern BC Climate Action Network.
Continue to pursue opportunities to move the District's Corporate Energy Emissions Plans forward.	Continue to pursue opportunities to move the District's Corporate Energy Emissions Plans forward.
Completed Food Cycler Program Phase 2.	Host 2nd Annual Agricultural Symposium.
New signage was installed at Mill Road/Hwy 39 and another new billboard was installed at the Junction of Hwy 39 and 97.	Continue to support high-speed internet projects in the community and pursue opportunities to extend services.
Continue to participate on regional economic development and tourism committees and marketing campaigns.	Continue to participate on regional economic development and tourism committees and marketing campaigns.
Offered Grant Writing Support Services and hosted a free community grant writing workshop.	Continue offering this service and host a free community grant writing workshop.
Completed updates to Zoning Bylaw to support Provincial Housing Initiatives.	Complete update to Housing Needs Report and Official Community Plan Amendment to support Provincial Housing Initiatives.
Northern Development Initiative Trust awarded the District \$20,000 to offer the Business Façade Improvement Program.	Remaining funds from 2024 Business Façade Improvement Program have been allocated for use by business in 2025.
Created new shop local and community marketing program.	Create a community marketing campaign utilizing the new "Explore Mackenzie" brand.
Develop Communications and Public Engagement Policies.	Carry-over project. Develop Communications and Public Engagement Policies.

FINANCE ORGANIZATIONAL CHART

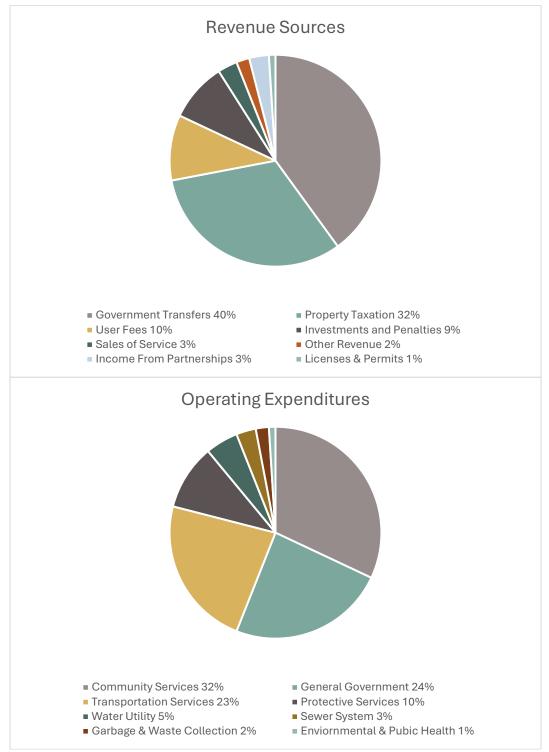
The Finance Department is responsible for managing the health of the District's finances as well as the monitoring, managing and allocation of financial resources in order to achieve the District's short and long-term goals and objectives.

Finance manages expenditures through the annual budget process, prepares financial reports, administers property taxation, accounts payable, accounts receivable, payroll and IT services. The department is also responsible for ensuring that financial transactions are properly recorded to support financial and grant claim reporting.

Finance produces annual public documents including a Five-Year Financial Plan Bylaw, Tax and Utility Rate Bylaws, Audited Financial Statements, and Statement of Financial Information disclosures.



REVENUE SOURCES



Details of the composition of revenues and expenses shown in the charts above are derived from the 2024 Audited Financial Statements.

FINANCE ACTION PLANNING

Actions Completed in 2024	Action Plan for 2025
Hosted public engagement sessions and survey regarding the 2024 budget.	Continue to provide public engagement opportunities during the 2025 budget process
Condition assessment reports added to the 10-year capital plan.	Update 10-year capital plan with additional condition assessments and work summary reports
Performance Management process updated and implemented in 2024.	Update the purchasing and procurement policy to reflect current economic climate and business practices

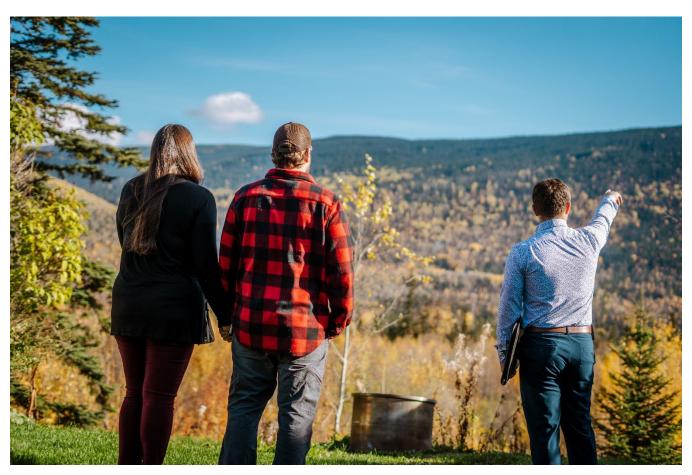
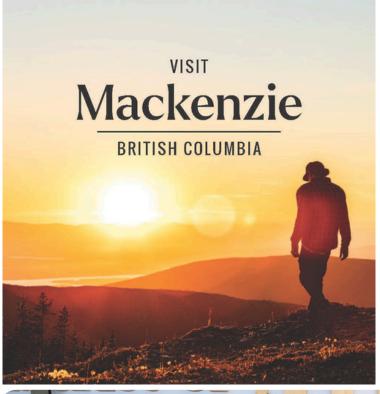


Photo Credit: Darrin Rigo









CLIMATE ACTION

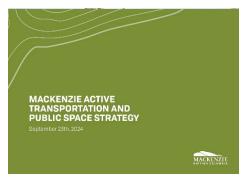
A key part of a local government's role in dealing with climate action is to reduce emissions caused by its own assets. The District of Mackenzie has signed the *Climate Action Charter*, committing the District to work towards being carbon-neutral in its own operations. In 2021, the District developed a Corporate Energy and Emissions Plan to help prioritize actions to meet this goal. Included in the plan were a number of recommended action items. The following table outlines our progress as we move work through the plan:

	ACTION	Complete	Ongoing	Research Required
1.1	Build energy efficient buildings ¹	Χ	Х	
1.2	Build energy efficient infrastructure	Х	Х	
1.3	Optimize siting and orientation of new buildings		Х	
2.1	Conduct building energy audits	Χ	Х	
2.2	Implement energy retrofits recommended by building energy audits **	Χ	X	
2.3	Conduct energy-focused operational review of infrastructure	Χ	Х	X
2.4	Implement measures from operational review of infrastructure			X
2.5	Incorporate energy management into annual building maintenance procedures	Х	Х	
3.1	Install solar PV on corporate buildings ²	Χ	X	
3.2	Low-carbon heating systems for buildings			X
3.3	Conduct corporate renewable energy study			X
4.1	Right-size vehicles for assigned tasks	Χ	X	
4.2	Develop a vehicle purchasing policy	Χ		
4.3	Invest in EVs and EV Charging Stations ³	Χ	Х	
4.4	Assess renewable fuels for corporate fleet			X
4.5	Fuel efficient driver training & anti-idling policy		Х	
4.6	Energy-focused fleet maintenance			X
4.7	Encourage employee carpooling where possible		Х	
4.8	Provide end of trip facilities		Х	
5.1	Have dedicated staff person or department for plan implementation	Χ		
5.2	Allocate funds for plan implementation	Χ	Х	
5.3	Develop KPIs, monitor and track for progress	Χ		
5.4	Demonstrate leadership on corporate waste and water	Χ	X	
5.5	Join PCP	Χ		

¹ 1.1 New Fire Hall is being built to new BC Step Code standards for energy efficiency. Any future buildings will be built to the same or higher standards.

² 2.2 Energy upgrades are being completed as budget allows. Some upgrades are being combined with larger retrofit projects and will be held off until all can be completed at once.

³ 4.3 The District entered into a memorandum of understanding with BC Hydro in 2022 to participate in their EV Charging Station network expansion. A new charging station was installed in the community in 2024



ACTIVE TRANSPORTATION – MASTER PLAN

In 2024, staff, in collaboration with VDZ+A, finalized the Active Transportation Plan. The objective of this plan is to promote the use of active transportation and create a safe and reliable way for residents and tourists to commute to and from destinations around Mackenzie.



BUILDINGS: MACKENZIE RECREATION CENTRE

The Energy Recovery and Facility Upgrades project at the Mackenzie Recreation Centre was completed in 2024. Initially funded in January 2023, the project included energy-efficiency improvements such as replacing the arena slab and underfloor, upgrading glass shielding and building insulation, modernizing HVAC units and water heaters, and installing new solar panels and a heat recovery system.



WASTE REDUCTION – FOODCYCLER

In 2024, the District of Mackenzie successfully completed a second round of the FoodCycler Program in partnership with Food Cycle Science. Building on the success of the initial pilot, this innovative program allowed more households to turn kitchen scraps and food waste into nutrient-rich compost using state-of-the-art FoodCycler technology. The initiative continues to help residents reduce their carbon footprint, minimize landfill waste, and create compost that can be used to enrich gardens, potted plants, or safely dispose of in general waste.



TREE - PLANTING INITIATIVE

The District of Mackenzie is pleased to report on the successful completion of the 2024 tree-planting initiative. A total of 49 trees and 120 shrubs were planted across various parks and green spaces throughout the community. Led by the District's Public Works team, the initiative supports ongoing efforts to enhance local biodiversity, improve air quality, and contribute to the beautification of public spaces for the enjoyment of residents and visitors alike.

COMMUNITY ECONOMIC DEVELOPMENT

In 2021, the District completed the *Mackenzie 2.0 Community Economic Development Plan* a community-based, roadmap for creating a strong, vibrant, and diverse local economy. The objectives below are at the core of our strategy, identifying what *Mackenzie 2.0* will help to achieve.

- Support a resilient economy
- Promote good local jobs
- Support and grow local business
- Attract new, compatible economic activity
- Nurture strategic partnerships
- Enhance the District's fiscal health
- Protect our environment

The table below summarizes the recommended actions from *Mackenzie 2.0* and progress to date:

	ACTION	Complete	In Progress	Ongoing	Research Required	
Foun	Foundational - ongoing and will support all other actions.					
F1	Target and incentivize (tax, permit, land, buildings) industrial development in emerging sectors and secondary industries, promoting Mackenzie's energy and land availability	Х		Х		
F2	Support opportunities for natural resource development			Х		
F3	Continue to pursue shared economic development opportunities and partnerships with neighbouring First Nations			Х		
F4	Actively seek opportunities for partnerships with other levels of government, agencies and not-for-profits to promote economic development in Mackenzie.			Х		
Und	erway - already underway or included in a work plan to be co	mpleted in th	ne near futui	e.		
U1	Continue seeking high speed internet for the whole community		Х	Х		
U2	Provide development incentive to projects to meet strategic community needs (e.g. public parks, rec facilities)			Х		
U3	Continue developing and expanding local recreation trail amenities		Х	Х		
U4	Continue to improve District-wide wayfinding and signage.		Х	Х		
U5	Continue to offer and facilitate access to programs that support local businesses, both new and existing			Х		
U6	Continue to foster collaboration between industry, major employers, and schools to match skills/training with emerging industry needs.			Х		
U7	Continue strategic land sales.		X	Х		
U8	Update and maintain inventory of businesses operating in Mackenzie	Х		Х		

Quio	:k Wins - require minimal funding and minimal stakeholder in	volvement			
QW1	Support more events and festivals that link with local businesses		Х	Х	
QW2	Expand upon recreation rentals; could be promoted as a business opportunity and offered additional marketing		Х	Х	
QW3	Support improving and promoting local recreation and trail amenities with simple interventions such as string lights along trails.		Х	Х	
QW4	"Working with the District 101" – Promote District procurement process.		Х	Χ	
QW5	Distribute promotional materials to attract and welcome new residents, remote workers, and home-based businesses.		Х	Х	
QW6	Maintain and publicize a land inventory focusing on industrial land and including vacant downtown lots and buildings.		Х		
QW7	How a Community-to-Community forum with local First Nation and District of Mackenzie		Х		
Sim	ple - requires some funding and some stakeholder involvement	t (1-3 years)			
S1	Promote creative use of gathering spaces and underutilizes/empty buildings and lots			X	
S2	Encourage small scale agriculture and agrotourism (including food production and sales on larger, semi-rural residential lots.	Х	Х	Х	
S3	Support business-to-business opportunities and networking	Х		X	
S4	Host regional technology and innovation meet-ups				X
S5	Encourage local procurement by large and small purchasers and organizations			X	
S6	Explore interest in establishing a Business Improvement Area				Х
S7	Encourage a local commissary kitchen by collaborating with local commercially-certified kitchens				Х
S8	Conduct a feasibility study on the demand for additional and modern/office and/or co-working space within Mackenzie				Х
Com	nplex - require significant funding, extensive stakeholder engag	ement, and	<mark>a multi-year</mark>	effort e	
C1	Develop an improved cohesive downtown Mackenize look and feel through incentivizing public art, storefront, beautification, hardscaping, and landscaping.		Х	Χ	
C2	Work with Province to promote and facilitate forestry innovation and emerging technology (e.g. value-added forestry products)			Χ	Х
C3	Support diversifying our housing stock (age-friendly homes, alrger rural lots, recreational properties, etc.)			Х	
C4	Work with employers and organizations to create shared childcare solutions		Х	Х	

C5	Explore shared agriculture amenities				Х	
C6	Seek opportunities for attracting public services (e.g., government offices, health and education facilities)		Х		Х	
C7	Continue to support airport development	Χ	Χ	Χ		
C8	Encourage multi-modal transportation to and within the Downtown Core and provide supporting infrastructure		Х	Х	Х	
Tou	Tourism Related Community Economic Development Actions					
T1	Create a new exciting Tourism District in downtown Mackenzie		Х	Х	Х	
T2	Create an 'Iconic Gateway' at Highway 39/97 Intersection		Χ			
Т3	Define a visitor experience that is compelling and easy to access		Х		Х	
T4	Develop Traditional Tourism Industry Product Opportunities		Х	Х	Х	
T5	Engage the Region		Х	Χ		

Notes:

- If an action item has multiple status boxes checked off, this means that there may be more than one project associated with this action and that some work has been completed already, but there may be ongoing activities or new projects in the works that support these actions.



Annual Report 2024



TOURISM MARKETING & PROMOTION

In 2024 we a completely redesigned Tourism Guide, replacing the nearly decade-old version with a clean and ad-free layout. It was widely distributed through 10 poster stands placed in key community locations. To further increase accessibility and visibility, 'Visit Mackenzie' rack cards featuring QR codes were placed at all local cash registers and counters. Additionally, frontline customer service staff received quick-facts info cards to help them better assist visitors. Staff presented the tourism guide at the NBCTA Summit in October.



VIDEO PRODUCTION

In 2024, the District launched the Explore Mackenzie relocation video to highlight the community's beauty, recreation, and quality of life. Featuring local faces and stunning scenery, the video aims to attract new residents and support workforce retention.



MACKENZIE, BC

NEW SHOP LOCAL BRAND

In 2024, the District launched Explore More – Support Local, a fresh Shop Local brand and campaign aimed at supporting local businesses and strengthening the community economy. The word "Explore" encourages residents to discover the full range of local goods, services, and experiences available in Mackenzie. Featuring a bold new visual identity, promotional materials, and a presence at events like Plaid Friday.



NORTHERN ROOTS SYMPOSIUM

In 2024, Mackenzie hosted the first-ever Northern Roots Symposium, bringing together local leaders and community members to explore rural resilience, cultural identity, sustainability, and economic diversification. With strong participation and positive feedback, the successful event will return annually to continue building connections and strengthening northern communities.

ACCESS AND INCLUSION

Access and Inclusion Advisory Committee

Council established an "Access and Inclusion Advisory Committee" to provide advice and recommendations to Council on matters relating to citizens with disabilities, seniors and other citizens with access issues that may impede participation in everyday aspects of community living. The committee is comprised of five diverse individuals who are committed to creating an inclusive and accessible community for all its members. Council is greatly appreciative for the dedication and incredible amount of work the committee has completed to increase awareness and advocate for all community members. Full details of their activities to date, current initiatives, and resources, please visit the Accessibility and Inclusion webpage here:

https://districtofmackenzie.ca/government-town-hall/accessibility-and-inclusion/



ACCESSIBLE PARKING

In 2024, the Access and Inclusion Advisory Committee addressed the need for accessible parking spaces both at the District of Mackenzie Municipal Office, and the Mackenzie Recreation Centre. Working with the Public Works Department, this project was complete in July 2024.



TRAILRIDER SEASON

Thanks to the Access and Inclusion Advisory Committee, along with Hero Dirt Trails and the Mackenzie Outdoor Route and Trail Association, the District of Mackenzie now has a permanent TrailRider. This unique mobility device offers accessibility to the vast trail systems around town. Two (or more) people power the device, enabling a person with a physical disability to take part in hikes and excursions, to enjoy nature as part of an inclusive and supportive team.

2024 Committee Membership

Chair: Elizabeth Blackburn
Cassandra Carter
Kymberly Grywinski
Alice Pritchett (until April 2024)
Amy Coates (beginning May 2024)
Dave Schindler

Council Liaison: Councillor McMeeken



2024 GRANT FUNDING

The District applies for numerous grants each year. The grants allow the District to access additional funding and reduce the burden on the taxpayer. Below is the list of grants the District applied for and the status of the applications for 2024.

Project Name	Funder	Amo	
Treemendous Community Capacity 2024	Tree Canada & CN Rail	Approved	\$10,000
Economic Development Capacity 2024	NDIT	Approved	\$50,000
Emergency Support Services	UBCM	Approved	\$29,489
District of Mackenzie Airport Master Plan	SPMT	Denied	\$38,129
Mackenzie Pedestrian/Bus Stop Safety Project 2024	Northern Health Authority	Approved	\$18,557
Emergency Operations Center	UBCM	Approved	\$30,000
Accessible Mapping Interactive Experience	Outdoor Recreation Council of BC	Denied	\$2,600
Rockin' the Ridgeline Event	Enbridge	Approved	\$3,000
Fire Department Capacity Building	IREN	Approved	\$10,000
Recreation Centre Facility/Pool Upgrades Project	NDIT	Approved	\$ 251,795
Fitness Centre Senior Training	CNC	Approved	\$1,600
Mackenzie Fire Rescue Live Fire Training	UBCM	Approved	\$39,350
2025 Fire Smart Grant	UBCM	Approved	\$541,075
Cemetery Road Bridge Repairs	Provincial Government	Approved	\$40,270
Tourism Photography	Northern BC Tourism Association	Approved	\$1000
Total Funding Applied For	\$1,066,865		
Total Funding Approved	\$1,026,136		
Total Funding Pending	\$0		
Total Funding Denied	\$40,729		

2024 GOVERNMENT TRANSFERS

The District receives provincial, federal, and other grant transfers every year. These transfers help to offset the cost of services and aid in funding capital projects.

Grant Source	Amount	Total
Provincial Grants Total		\$3,371,800
Conditional	\$619,241	
Unconditional	\$171,275	
Grants in Lieu	\$12,198	
BC Hydro	\$2,569,086	
Federal Grants Total		\$2,427,055
Conditional	\$2,417,272	
Grants in Lieu	\$9,783	
Other Grants Total		\$1,506,168
Conditional	\$865,606	
Unconditional	\$427,492	
Fortis BC	\$34,342	
Miscellaneous	\$178,728	
Total Government Transfers		\$7,305,023



Photo Credit: Danielle Carlson

GRANTS TO ORGANIZATIONS

Council has adopted a Community Grants Policy to provide financial and in-kind support to community associations and other community organizations. This support is in recognition of these groups as a valuable resource in assisting the municipality to provide a strong community focus.

Cash and In-Kind Grants

Organization	Project	Grant (\$)
Mackenzie Alpine Horse Riders Club	Snow removal and sanding of club roads	\$2,300
Curl Mackenzie	Cover cost of set up and take down of curling ice preparation, hacks and rocks on the ice surface	\$4,141
Banshee Royal Canadian Air Cadet Squadron	Host Ceremonial Review at the Mackenzie Secondary School Gymnasium	\$650
Mackenzie Community Arts Council	Rent subsidy for Festival of Bells craft fair, security cameras, Hire musician for Rockin' the Ridgeline event	\$400
Mackenzie Community Garden	Installation of a waterline	\$2,000
St. Peter's Church	Purchase food and supplies for St. Peter's Pantry to help residents in times of need	\$5,000
Mackenzie Community Services	Insulation of office space walls	\$2,000
Mackenzie Figure Skating Club	Waiver of Ice rental fees for Ice Show	\$1,064
Mackenzie Fish & Game Association	Request for snow removal at the range entrance	\$1,728
Mackenzie Minor Lacrosse	Waiver of fees to rent room at Recreation Centre for 3 days to host an Open House, Awards Day and AGM	\$581
Mackenzie Area Radio Society	Rent subsidy and assistance with relocation	\$7,650
Mackenzie & District Hospital Auxiliary Thrift	Rent subsidy	\$7,800
Mackenzie Golf & Country Club	Use of District aerator three times a year to aerate the golf course	\$180
Mackenzie Nature Observatory	Use of showers (Campground/Rec. Centre), garbage bin, grading of road to Mugaha Marsh, and installing barricades at road, request to keep and continue using shelving units located at the Ernie Bodin Community Centre, once building is torn down	\$3,295
Mackenzie Rocky Mountain Riders	Request to assist with trail maintenance, and reimbursement of trail work completed todate and request for two-year groomer use agreement, including training for two operators.	\$11,500
	TOTAL:	\$65,084

FEE - FOR - SERVICE AGREEMENTS

The District provides fee-for-service agreements to organizations for on-going operational support. This agreement may be considered when the recipient is a not-for-profit organization delivering a service or program that extends the reach of the District programs and services.

Organization	Funding Use	Amount
Mackenzie Autumn Lodge Society	Staffing and Operations	\$25,000
Mackenzie & District Museum	Staffing and Operations	\$12,000
Mackenzie Chamber of Commerce	Staffing and Operations	\$43,600
Mackenzie Community Arts Centre	Staffing and Operations	\$28,000
Mackenzie Golf and Country Club	General Operations	\$15,000
Mackenzie Outdoor Routes and Trails Association	Trails Maintenance	\$5,000
	TOTAL:	\$128,600

RENTAL SPACE IN DISTRICT FACILITIES

The District provides accommodation or equipment storage space free of charge to non-profit or sports organizations that are presently allocated space in the Recreation Services Complex, the Ernie Bodin Community Centre, and Fire Hall subject to availability. Following is a list of organizations that received this benefit in 2024, throughout the year or temporarily:

CHMM Radio Station	Mackenzie Community Arts Council	Old Timers Hockey
CUPE Local 3706	Mackenzie Figure Skating Club	Rainbow Swim Club
Curl Mackenzie	Mackenzie Nordiques	Rocky Mountain Riders
Figure Skating Club	Mackenzie Outdoor Routes and Trails Association	Speed Skating Club
Girl Guides of Canada	Mackenzie Search & Rescue	
Hospital Auxiliary Thrift Store	Mackenzie Autumn Lodge Society	
Mackenzie & District Museum	Minor Lacrosse	
Minor Hockey Association	Notable Expressions	

PERMISSIVE TAX EXEMPTIONS

In accordance with Section 98(2) (b) of the *Community Charter*, the following properties in the District of Mackenzie were provided permissive property tax exemptions for 2024 by Council:

Organization	2024 Value of Exemption
Canadian Baptists of Western Canada	\$2,098.40
Living Joy Christian Centre	\$1,343.92
Mackenzie Alpine Riders Horse Club (300 Mill Road)	\$4,848.97
Mackenzie Alpine Riders Horse Club (651 Mill Road)	\$1,614.36
Mackenzie Community Arts Council	\$1,837.18
Mackenzie Elks Lodge #547	\$2,540.89
Mackenzie Fish and Game Association	\$1,636.02
Mackenzie Golf & Country Club	\$4,571.57
Mackenzie Nordiques Cross-Country Ski Club	\$642.11
Roman Catholic Episcopal Corp	\$3,340.56
Royal Canadian Legion	\$1,402.28
Trustees Congregation of Jehovah's Witnesses	\$642.18
Youth for Christ Prince George	\$1,794.27

\$28,312.70

DECLARATION OF DISQUALIFICATIONS

There were no declarations of disqualifications made in 2024.

AUDITED FINANCIAL STATEMENTS

The 2024 District of Mackenzie Consolidated Financial Statements are attached to the end of this report.

Consolidated Financial Statements of



DISTRICT OF MACKENZIE

And independent Auditor's Report thereon Year ended December 31, 2024



Table of Contents

Management Responsibility for the Consolidated Financial Statements

Independent Auditor's Report

Consolidated Financial Statements

Consolidated Statement of Financial Position	1
Consolidated Statement of Operations and Accumulated Surplus	2
Consolidated Statement of Change in Net Financial Assets	3
Consolidated Statement of Cash Flows	4
Notes to Consolidated Financial Statements	5 - 28
Schedules to Consolidated Financial Statements	29 - 30



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.

Kerri Borne Mrs. Diane Smith, Chief Administrative Officer

Mrs. Kerri Borne, Chief Financial Officer



KPMG LLP 177 Victoria Street, Suite 400 Prince George BC V2L 5R8 Canada Tel 250 563 7151 Fax 250 563 5693

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.



Page 2

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.



Page 3

- 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.

Chartered Professional Accountants

LPMG LLP

Prince George, Canada

May 5, 2025



Consolidated Statement of Financial Position

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
		31,152,672		31,988,005
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
		4,569,109		3,479,578
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
		56,247,901		50,058,139
Commitments and contingencies (note 14)				
Accumulated surplus (note 10)	\$	82,831,464	\$	78,566,566

Joan atkinion	Mayor
Kerri Borne	Chief Financial Officer



Consolidated Statement of Operations and Accumulated Surplus

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



Consolidated Statement of Change In Net Financial Assets

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 Amortization of tangible capital assets Loss on disposal of tangible capital assets Write-down of assets held for sale Loss on sale of assets held for sale	(9,201,406) 1,885,036 - - -	(8,590,629) 2,240,036 224,202 41,196	(5,036,745) 1,943,294 1,169,136 - 46,047
	(7,316,370)	(6,085,195)	(1,878,268)
Acquisition of inventory Acquisition of prepaid expenses Consumption of inventory Use of prepaid expenses	- - -	(131,472) (418,808) 72,753 372,960	(72,753) (372,960) 103,074 292,534
	-	(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



Consolidated Statement of Cash Flows

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



Notes to Consolidated Financial Statements

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 statue 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.

Notes to Consolidated Financial Statements (continued)

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

(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.

Notes to Consolidated Financial Statements (continued)

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.

Notes to Consolidated Financial Statements (continued)

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

Notes to Consolidated Financial Statements (continued)

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.

(i) 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 exits;
- (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.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(I) 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).

(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.

Notes to Consolidated Financial Statements (continued)

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

Notes to Consolidated Financial Statements (continued)

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

Notes to Consolidated Financial Statements (continued)

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	Ψ	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
		2024		2020
(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 percentage of ownership	\$	492,661	\$	982,388
Districts share of flot moonie	φ	492,001	φ	902,300

Notes to Consolidated Financial Statements (continued)

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	Φ.	400 740	Φ.	470.004
	Investments	\$	182,716	\$	172,631
	Total assets	\$	182,717	\$	172,632
	10101 00000	Ψ	102,717	Ψ	172,032
	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
		тт	- ,	-	,

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

5. Accounts payable and accrued liabilities:

	2024	2023
Trade payables and accrued liabilities Wages and related costs	\$ 1,345,037 641,349	\$ 1,155,726 517,771
Other payables Government remittances	69,436 429,673	147,819 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 User fees Other Property taxes Federal transfers Provincial transfers Other transfers	\$ 44,016 \$ 31,531 38,900 98,887 - 246,852 121,419	36,395 35,112 120,300 424,937 101,737 100,000	(44,016) \$ (31,531) (7,900) (98,887) (78,456) (87,277) (115,635)	46,230 36,395 66,112 120,300 346,481 261,312 105,784
	\$ 581,605	864,711 \$	(463,702)\$	982,614

Notes to Consolidated Financial Statements (continued)

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 Additions Settlements	\$ 1,062,000 100,000 (61,000)	\$ 1,062,000 - -
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.

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

8. Tangible capital assets:

2024		Assets under construction	in	Land and	· e	Building ovements quipment and IT		Building		Machinery equipment and vehicles	tra	Prainage and ansportation nfrastructure	Wate infrastructure		Sewer infrastructure	Total
Cost:																
Balance, beginning of year	\$	6,055,295	\$	7,619,825	\$ 12,	197,598	\$ 20	0,009,829	\$	13,128,075	\$	14,676,538 \$	3,641,888	3 \$	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)		-	3,2	280,136	5	5,836,686		639,273		187,187		-	-	
Balance, end of year		347,048		7,619,825	15,	529,226	25	5,881,361		15,439,314	•	16,254,791	4,076,374	4	4,991,881	90,139,820
Balance, beginning of year		-		-	4,9	929,958	7	7,139,232		7,730,809		10,160,432	1,354,556	3	2,949,335	34,264,322
Amortization		-		-		668,991		442,362		582,962		403,336	63,199	9	79,186	2,240,036
Disposals		-		-		(25,740)		(136,475)		(323,996)		(53,853)	(7,472	2)	-	(547,536)
Balance, end of year		-		-	5,	573,209	7	7,445,119		7,989,775	,	10,509,915	1,410,283	3	3,028,521	35,956,822
Net book value, end of year	\$	347,048	\$	7,619,825	\$ 9,9	956,017	\$ 18	3,436,242	\$	7,449,539	\$	5,744,876 \$	2,666,091	1 \$	1,963,360 \$	54,182,998

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

8. Tangible capital assets (continued):

2023	Assets under construction	Land and improvements	Building improvements equipment and IT		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

Notes to Consolidated Financial Statements (continued)

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.

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	•	12,018,810	·	10,772,157
Water utility fund		187,382		149,704
Sewer utility fund		142,659		166,145
Library fund		132,259		123,496
Total surplus		65,563,108		58,206,109
Reserve funds set aside for specific purposes by	Counc	:il:		
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

Notes to Consolidated Financial Statements (continued)

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

Notes to Consolidated Financial Statements (continued)

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

Notes to Consolidated Financial Statements (continued)

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 heath 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.

Notes to Consolidated Financial Statements (continued)

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.

Notes to Consolidated Financial Statements (continued)

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	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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

13. Segmented information (continued):

2023	General Government	Protective Services	Transportation Services	Environmental and Public Health	Garbage and Waste Collection	e Community	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	· <u>-</u>	· <u>-</u>	-	-	-	-	-	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	<u> </u>	-	-	-	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

Notes to Consolidated Financial Statements (continued)

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 trusteed 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.

- (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 Distinct
 - Royal Canadian Mounted Police

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

14. Commitments and contingencies (continued):

- (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.

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.

	Ви	idget 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

Notes to Consolidated Financial Statements (continued)

Year ended December 31, 2024

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.

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.



Schedule 1 - Northern Capital Planning Grant

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



Schedule 2 - Growing Communities Reserve Fund

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