

Approved

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
COUNCIL MEETING
Tuesday May 9, 2006
10:00 a.m.

Council Chambers
Fort Vermilion, Alberta

AGENDA



<u>CALL TO ORDER:</u>	1.	a)	Call to Order	
<u>AGENDA:</u>	2.	a)	Adoption of Agenda	
<u>ADOPTION OF THE PREVIOUS MINUTES:</u>	3.	a)	Minutes of the April 26, 2006 Regular Council Meeting.....	7
		b)	Minutes of the May 2, 2006 Finance Committee Meeting.....	17
<u>BUSINESS ARISING OUT OF THE MINUTES:</u>	4.	a)	There are no items under this Heading	
<u>DELEGATIONS:</u>	5.	a)	Patmore Oilfield Services Ltd.....	21
		b)	Gail Tucker and Colin Needham	
		c)	Ernest & Young LLP. - Teleconference (pg. 137)	
<u>PUBLIC HEARINGS:</u>	6.	a)	There are no items under this Heading	
<u>COUNCIL COMMITTEE AND CAO REPORTS:</u>	7.	a)	Council Committee Reports (<i>no enclosures</i>)	
		b)	CAO / Director of Corporate Services Report.....	27
		c)	Emergency Services Directors Report.....	29
		d)	Roads Supervisors Report.....	31
		e)	Planning Supervisors Report.....	33
		f)	Utilities Operations Report.....	35

**GENERAL
REPORTS:**

8. a) There are no items under this heading

**OPERATIONAL
SERVICES:**

9. a) Sale of Gravel from Tompkins Pit.....77
 b) Gravel Tendering.....83
 c) **Public Works Week (Addition)**

**PLANNING, EMERGENCY,
 AND ENFORCEMENT
SERVICES:**

10. a) Bylaw 574/06 – Land Use Bylaw Amendment.....37
 b) Bylaw 575/06 – Land Use Bylaw Amendment.....47
 c) Bylaw 576/06 – Reserve Property Closure.....51
 d) Mackenzie Housing – Lots in Fort Vermilion.....57
 e) Subdivision Application – Andy’s Mobile.....73
 f) Buffalo Head Prairie Intersection.....87
 g) La Crete Ball Park.....89

**CORPORATE
SERVICES:**

11. a) 2005 Audited Financial Statements and Financial
 Information Report.....101
 b) Bylaw 571/06 – 2006 Tax Rate Bylaw.....197
 c) Appointments of Mediators.....209
 d) Municipal Bursaries Program.....211
 e) 2006 Capital Projects and Year to Date
 Income Statement.....219

**IN CAMERA
SESSION:**

- 12. a) La Crete MD Office Building
- b) **Medical Clinic (Addition)**
- c) **Chief Administrative Assistant Recruitment (Addition)**

**NEXT MEETING
DATE:**

- 13. a) Regular Council Meeting
May 24, 2006
1:00 p.m.
Community Hall, Zama

ADJOURNMENT:

- 14. a) Adjournment

draft

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
COUNCIL MEETING
Tuesday May 9, 2006
10:00 a.m.

Council Chambers
Fort Vermilion, Alberta

AGENDA

<u>CALL TO ORDER:</u>	1.	a)	Call to Order	
<u>AGENDA:</u>	2.	a)	Adoption of Agenda	
ADOPTION OF THE PREVIOUS <u>MINUTES:</u>	3.	a)	Minutes of the April 26, 2006 Regular Council Meeting.....	7
		b)	Minutes of the May 2, 2006 Finance Committee Meeting.....	17
BUSINESS ARISING OUT OF THE <u>MINUTES:</u>	4.	a)	There are no items under this Heading	
<u>DELEGATIONS:</u>	5.	a)	Patmore Oilfield Services Ltd.....	21
		b)	Gail Tucker and Colin Needham	
		c)	Ernest & Young LLP. - Teleconference (pg. 137)	
<u>PUBLIC HEARINGS:</u>	6.	a)	There are no items under this Heading	
COUNCIL COMMITTEE AND <u>CAO REPORTS:</u>	7.	a)	Council Committee Reports (<i>no enclosures</i>)	
		b)	CAO / Director of Corporate Services Report.....	27
		c)	Emergency Services Directors Report.....	29
		d)	Roads Supervisors Report.....	31
		e)	Planning Supervisors Report.....	33
		f)	Utilities Operations Report.....	35

**GENERAL
REPORTS:**

8. a) There are no items under this heading

**OPERATIONAL
SERVICES:**

9. a) Sale of Gravel from Tompkins Pit.....77
b) Gravel Tendering.....83
c)

**PLANNING, EMERGENCY,
AND ENFORCEMENT
SERVICES:**

10. a) Bylaw 574/06 – Land Use Bylaw Amendment.....37
b) Bylaw 575/06 – Land Use Bylaw Amendment.....47
c) Bylaw 576/06 – Reserve Property Closure.....51
d) Mackenzie Housing – Lots in Fort Vermillion.....57
e) Subdivision Application – Andy’s Mobile.....73
f) Buffalo Head Prairie Intersection.....87
g) La Crete Ball Park.....89

**CORPORATE
SERVICES:**

11. a) 2005 Audited Financial Statements and Financial
Information Report.....101
b) Bylaw 571/06 – 2006 Tax Rate Bylaw.....197
c) Appointments of Mediators.....209
d) Municipal Bursaries Program.....211
e) 2006 Capital Projects and Year to Date
Income Statement.....219

**IN CAMERA
SESSION:**

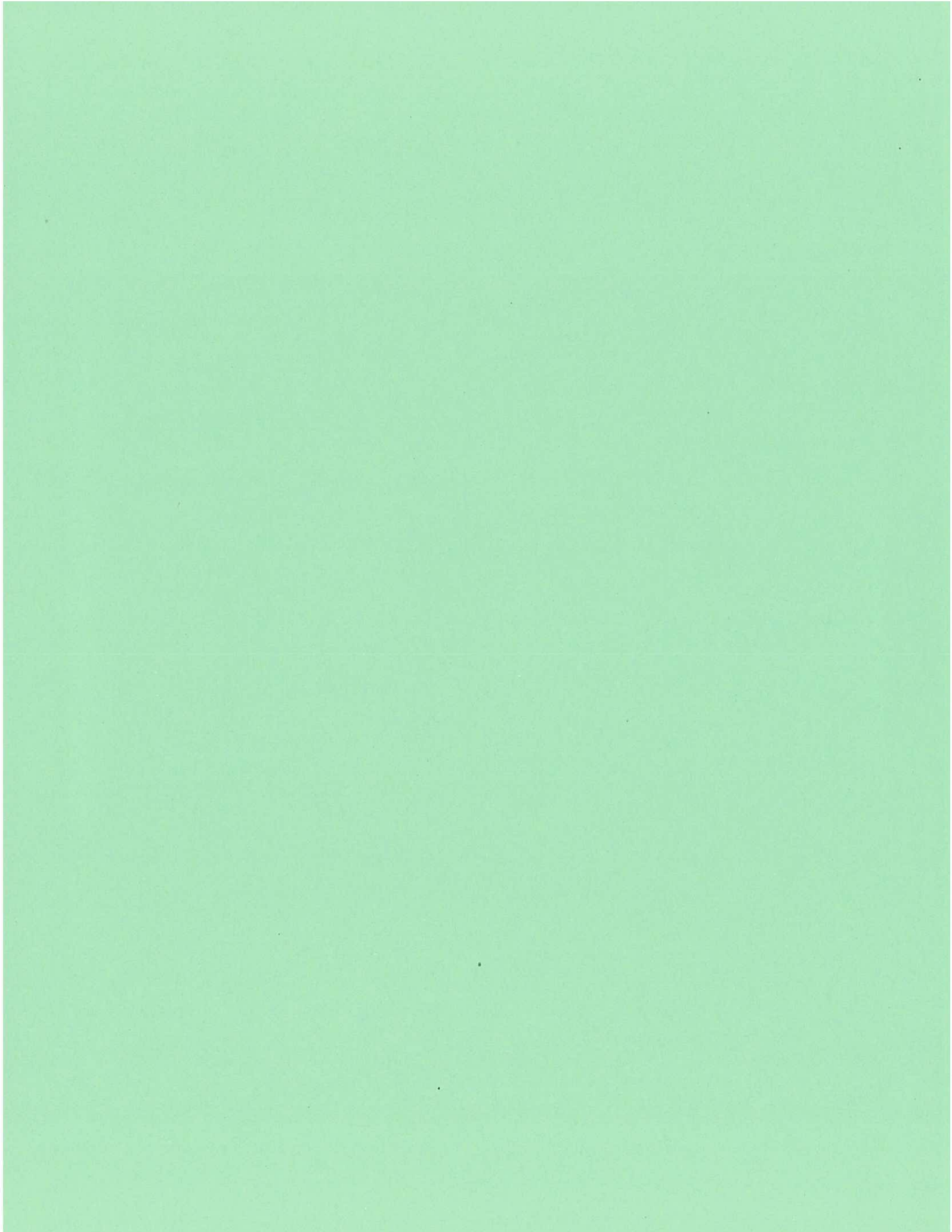
- 12. a) La Crete MD Office Building
- b)

**NEXT MEETING
DATE:**

- 13. a) Regular Council Meeting
May 24, 2006
1:00 p.m.
Community Hall, Zama

ADJOURNMENT:

- 14. a) Adjournment



**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES**

**Wednesday, April 26, 2006
6:00 p.m.**

Council Chambers, Fort Vermillion, Alberta

PRESENT:	Bill Neufeld	Reeve
	Walter Sarapuk	Deputy Reeve
	John W. Driedger	Councillor
	Willy Neudorf	Councillor
	Lisa Wardley	Councillor
	Stuart Watson	Councillor
	Peter Braun	Councillor
	Jim Thompson	Councillor
ALSO PRESENT:	Youlia Whittleton	Acting Chief Administrative Officer
	Mary Jane Driedger	Public Works Administrative Officer / Recording Secretary
	Wanita Mitchell	Administrative Assistant
	John Klassen	Utilities Supervisor
	Eva Schmidt	Planning Supervisor
	Paul Driedger	Director of Emergency & Enforcement Svcs.
	Rick Evans	Project Services Technologist
	And members of the public	
ABSENT	Ed Froese	Councillor
	Greg Newman	Councillor

**Minutes of the Regular Council meeting for the Municipal District of
Mackenzie No. 23 held on April 26, 2006 in Council Chambers, Fort
Vermillion, Alberta.**

CALL TO ORDER: Call to Order

1.a Reeve Neufeld called the meeting to order at 6:11 p.m.

**ADOPTION OF Agenda Approval
AGENDA:**

2.a **MOVED** by Councillor Neudorf

MOTION 06-285

That the agenda for April 26, 2006 be approved with the following additions:

- 9.d 45 Street Road Improvements
- 10.g Hazard Control within Hamlet Boundaries
- 9.e Gravel Price Tompkins Pit
- 12.a Personnel
- 5.a Delegation – Dave Peters

**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES**

Wednesday, April 26, 2006

Page 2 of 10

- 10.h Bylaw Enforcement
- 9.f La Crete and Fort Vermillion Road Improvements 2006
- 9.g Gravel Tendering
- 9.h Buffalo Head Prairie Intersection
- 12.b In Camera – La Crete MD Building Negotiations

CARRIED

PREVIOUS MINUTES:

- 3.a Minutes of the April 11, 2006
Regular Council Meeting**

MOTION 06-286
Council Minutes 041106

MOVED by Councillor Driedger

That the minutes of the April 11, 2006 Regular Council Meeting be adopted as amended.

CARRIED

BUSINESS ARISING:

- 4.a** There was no business arising out of the minutes.

DELEGATIONS:

ADDITION:

- 5.a Dave Peters**

Mr. Peters announced the new name for his new development, River Drive Development.

Mr. Peters requested that his subdivision be allowed to put oil on the road for safety reasons. The policy on applying oil on municipal roads was reviewed and Mr. Peters was told to follow the guidelines of this policy.

Mr. Peters also had a concern regarding the Municipal Planning Commission and was directed to speak to Administration to deal with this problem.

PUBLIC HEARINGS:

- 6.a** There were no public hearings.

**COUNCIL
COMMITTEE AND
CAO REPORTS:**

- 7.a Council Committee Reports**

Council verbally reviewed meetings and workshops:

**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES**

Wednesday, April 26, 2006

Page 3 of 10

Deputy Reeve Sarapuk – No meetings to report

Councillor Driedger – Library Board meeting, La Crete Office Building Task Force meeting

Councillor Neudorf – Viewed Bluehills erosion with Agricultural Service board members, Operations Committee meeting

Councillor Wardley – Airport Meeting in High Level

Councillor Watson – No meetings to report

Councillor Thompson – Fort Vermilion Recreation Board meeting

Councillor Braun – La Crete Recreational Board Annual General Meeting, Municipal Planning Commission Training, Municipal Planning Commission meetings, Operations Committee meeting, La Crete Office Building Task Force meeting, Mediator meeting

Reeve Neufeld – Airport meeting in High Level, Mediator meeting

MOTION 06-287

MOVED by Councillor Neudorf

That the Council reports be accepted as information.

CARRIED

GENERAL REPORTS:

8.a Action List

The action list was reviewed.

MOTION 06-288

MOVED by Councillor Braun

That the action list be accepted as information.

CARRIED

OPERATIONAL SERVICES:

9.a Beach Road Reconstruction

MOTION 06-289

Requires 2/3

MOVED by Councillor Wardley

That the contract for the Beach Road Reconstruction Project be awarded to Knelsen Sand & Gravel for \$819,675.00.

**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES**

Wednesday, April 26, 2006

Page 4 of 10

CARRIED

9.b Fort Vermilion Lift Station Upgrade

MOTION 06-290

Requires 2/3

MOVED by Councillor Thompson

That administration be authorized to proceed with the Fort Vermilion Lift Station Upgrade project and \$128,250 additional required funding to be taken from general operating fund.

CARRIED

9.c Regional Scada System

MOTION 06-291

Requires 2/3

MOVED by Councillor Neudorf

That the SCADA Regionalization project be deferred to the 2007 capital budget in order to secure Alberta Water and Wastewater Program provincial funding prior to commencing with the project, and that the Alberta Municipal Infrastructure Program provincial funding be deferred to 2007.

CARRIED

ADDITION:

9.d 45 Street Improvements

Councillor Thompson mentioned that it seems that some of the base structure alongside the sidewalks along 45 Street in Fort Vermilion is settling and losing some of its structure.

ADDITION:

9.e Gravel Price Tompkins Pit

Councillor Driedger had some concerns regarding the gravel price of gravel sold from the Tompkins pit. Councillor Wardley stated that this is a service to the ratepayers that is offered at the same rate as private industry.

MOTION 06-292

Unanimous

MOVED by Councillor Driedger

That the gravel price for gravel sold from the Tompkins pit be researched by administration and brought to the Operations and Financial committee.

CARRIED

ADDITION:

9.f La Crete and Fort Vermilion Road Improvements 2006

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES
Wednesday, April 26, 2006

Page 5 of 10

MOTION 06-293
Requires Unanimous

MOVED by Councillor Braun

That the contract for the La Crete and Fort Vermilion Road Improvements – 2006 project be awarded to Knelsen Sand & Gravel for \$2,256,985.00 with the addition of a wider sidewalk.

CARRIED

ADDITION:

9.g Gravel Tender

MOTION 06-294
Requires Unanimous

MOVED by Councillor Driedger

That a gravel crushing tender be pursued with the following alternatives:

- A three year supply of gravel over three years with a condition that enough gravel be crushed in all municipal pits for each regravelling season throughout the three years, or;
- A three year supply of gravel over one year, and that the site work and preparation be added as a deletable item.

DEFEATED

ADDITION:

9.h Buffalo Head Prairie Intersection

MOTION 06-295
Requires Unanimous

MOVED by Councillor Neudorf

That both options for the Buffalo Head Prairie Intersection be brought forward to the community in a public meeting for their input.

CARRIED

RECESS

The Reeve called for a recess at 7:35 p.m.
The meeting was reconvened at 7:45 p.m.

**PLANNING,
EMERGENCY, AND
ENFORCEMENT
SERVICES:**

10.a Municipal Planning Workshop

MOTION 06-296
Requires 2/3

MOVED by Councillor Sarapuk

That all members of the Municipal Planning Commission be reimbursed for their attendance at the April 12, 2006 training

**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING**

DRAFT MINUTES

Wednesday, April 26, 2006

Page 6 of 10

workshop in Fort Vermilion.

CARRIED

10.b Upgrade of Highway 697 and La Crete North Access Road Intersection

MOTION 06-297

MOVED by Councillor Wardley

That a letter be written to John Engleder, Alberta Infrastructure and Transportation, requesting that they provide the pavement for the Highway 697, La Crete North Access Road, and Range Road 15-1 upgrade.

CARRIED

10.c Land Use Bylaw Amendment Process

MOTION 06-298

MOVED by Councillor Neudorf

That the Land Use Bylaw Amendment Process be received for information.

CARRIED

10.d Development Process

MOTION 06-299

MOVED by Councillor Wardley

That the Development Process be received for information.

CARRIED

10.e Subdivision Process

MOTION 06-300

MOVED by Councillor Neudorf

That the Subdivision Process be received for information.

CARRIED

10.f La Crete Minor Hockey Association

MOTION 06-301

MOVED by Councillor Sarapuk

That a letter of support be written to La Crete Minor Hockey Association for hosting the 2007 Bantam Provincials.

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES
Wednesday, April 26, 2006

CARRIED

ADDITION: 10.g Hazard Control within Hamlet Boundaries

Councillor Thompson pointed out a fire hazard within the Hamlet boundaries in the middle of residential lots. Paul Driedger will take a look into this problem.

ADDITION: 10.h Bylaw Enforcement

Councillor Wardley requested that the unsightly premises bylaw be enforced as it does not seem to be being enforced currently. Paul Driedger stated that the enforcement officers are currently mapping out these unsightly areas for enforcement.

There is currently no bylaw that deals with unsightly and vacant buildings. Paul Driedger will look into issue.

CORPORATE SERVICES:

11.a Bylaw 555/06 Offsite Levy

MOTION 06-302
Bylaw 555/06 Offsite Levy
Second Reading
Requires 2/3

MOVED by Councillor Neudorf

That second reading be given to Bylaw 555/06 being a bylaw to establish an offsite levy for sewer services.

CARRIED

MOTION 06-303
Bylaw 555/06 Offsite Levy
Third Reading
Requires 2/3

MOVED by Councillor Braun

That third reading be given to Bylaw 555/06 being a bylaw to establish an offsite levy for sewer services.

CARRIED

11.b Community Aggregate Payment Levy Bylaw 569/06

MOTION 06-304
Bylaw 569/06
Community Aggregate
Third Reading
Requires 2/3

MOVED by Councillor Wardley

That third reading be given to Bylaw 569/06, being a Community Aggregate Payment Levy bylaw.

CARRIED

11.c Human Resources Coordinator

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES
Wednesday, April 26, 2006

Page 8 of 10

MOTION 06-305
Requires 2/3

MOVED by Councillor Braun

That the Organizational Chart be amended to include the Human Resource Coordinator position.

TABLED

MOTION 06-306
Requires 2/3

MOVED by Councillor Neudorf

That motion 06-305 be tabled until a Chief Administrative Officer is hired.

CARRIED

11.d 2006 Budget Revision

MOTION 06-307
Requires 2/3

MOVED by Councillor Braun

That the 2006 Budget be amended as presented.

CARRIED

RECESS

The Reeve called for a recess at 8:42 p.m.
The meeting was reconvened at 8:58 p.m.

11.e Tax Rate Bylaw 571/06

MOTION 06-308

MOVED by Councillor Wardley

That the tax rate bylaw be brought back to the next council meeting with the combined mill rates for 2006 being equal to 2005 combined mill rates.

CARRIED

11.f Actions to Effective Communications Workshop

MOTION 06-309

MOVED by Councillor Braun

That the "Actions to Effective Communications Workshop" be postponed.

CARRIED

MOTION 06-310
Requires Unanimous

MOVED by Councillor Sarapuk

**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
DRAFT MINUTES**

Wednesday, April 26, 2006

Page 9 of 10

That the Forest Education Workshop be added to the agenda.

CARRIED

ADDITION: **Forest Education Workshop**

MOTION 06-311 **MOVED** by Councillor Wardley

That all council members be authorized to attend the Forest Education Workshop.

CARRIED

IN CAMERA: **12**

MOTION 06-312 **MOVED** by Councillor Wardley

That Council give consideration to go in camera at 9:35 p.m. in accordance with the Freedom of Information and Protection of Privacy Act to discuss:

- 12.a Personnel
- 12.b La Crete MD Office Building Negotiations.

CARRIED

MOTION 06-313 **MOVED** by Councillor Braun

That Council comes out of camera at 10:37 p.m.

CARRIED

ADDITION: **12.b La Crete MD Office Building Negotiations**

MOTION 06-314 **MOVED** by Councillor Driedger
Unanimous

That the La Crete MD Office Building Task Force be given approval to proceed with negotiations for the Mustus Lake Center in La Crete.

CARRIED

NEXT MEETING DATE: **13.a Regular Council Meeting:**
Tuesday, May 9, 2006
10:00 a.m. Council Chambers, Fort Vermilion

MUNICIPAL DISTRICT OF MACKENZIE NO. 23
REGULAR COUNCIL MEETING
***DRAFT* MINUTES**
Wednesday, April 26, 2006

Page 10 of 10

ADJOURNMENT: **Call for Adjournment**

14.a

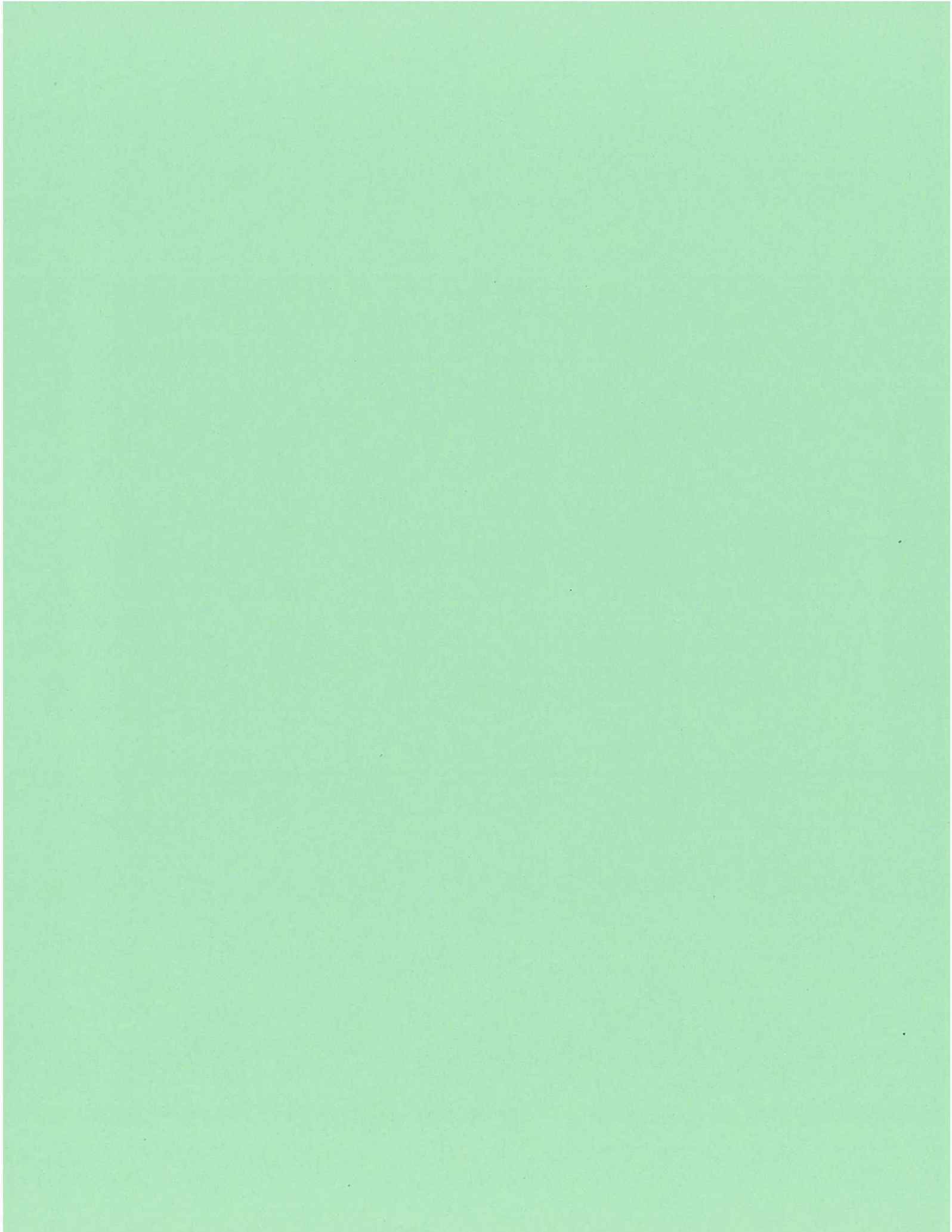
MOTION 06-315

MOVED by Councillor Watson

That the regular Council meeting of Wednesday, April 26, 2006 be adjourned at 10:40 p.m.

CARRIED

These minutes were approved on



**MUNICIPAL DISTRICT OF MACKENZIE NO. 23
Finance Committee Meeting**

**Tuesday, May 2, 2006
7:30 p.m.**

**Council Chambers, Municipal District of Mackenzie Office
Fort Vermilion, Alberta**

PRESENT: Bill Neufeld Reeve
Walter Sarapuk Deputy Reeve
Peter Braun Councillor

ALSO PRESENT: Joulia Whittleton Acting CAO/ Director of Corporate
Services

ABSENT: Stuart Watson Councillor

CALL TO ORDER: 1. a) **Call to Order**

Deputy Reeve Sarapuk called the meeting to order at 7:30 p.m.

Chair Nominations

Bill Neufeld nominated Walter Sarapuk

Walter Sarapuk accepted. No further nominations received.
Walter Sarapuk was appointed by acclamation.

**ADOPTION
OF AGENDA:** 2. a) **Adoption of Agenda**

MOTION 001/06 **MOVED** by Peter Braun

That the agenda be adopted as presented.

CARRIED

MINUTES: 3. a)

DELEGATIONS: 4. a)

BUSINESS: 5. a) **2005 Audited Financial Statements and Audit Results**

J. Whittleton discussed all audit findings and recommendations. The 2005 Reserve closing balances and debenture schedules were reviewed. The 2005 surplus before annual surplus contributions as per reserve policies RES001 and RES002 was \$825,831. The surplus contributions are calculated as follows:

Current year surplus - \$50,000 x 50% = Amount to each general operating and capital reserves

MOTION 002/06 **MOVED by Peter Braun**

That 2006 Audit Results and Audited Financial Statements be accepted for information.

CARRIED

5. b) **Municipal Bursaries Program**

MOTION 003/06 **Moved by Bill Neufeld**

That a recommendation be taken to the May 9, 2006 meeting as follows:

1. Bursaries be made available to students within two years from graduation date instead of in the year of graduation;
2. Returning students may reapply and be considered for a bursary;
3. That the MD increases its bursaries budget to \$10,000 (6 for a first year of post- secondary education students and 4 for returning students) – current budget includes \$6,000 for high-school graduating students.

CARRIED

MOTION 004/06 **Moved by Peter Braun**

4. That the 2006 bursary deadline be extended to June 15, 2006.

CARRIED

5. c) Vehicle Allowance Policy ADM033

J. Whittleton presented the updated worksheet with calculations for personal vehicles, leased vehicles and MD owned vehicles.

MOTION 005/06 Moved by Walter Sarapuk

That administration reviews actual usages for MD owned vehicles and brings it back for a review by the Finance Committee.

CARRIED

5. e) 2006 Municipal Tax Rate

J. Whittleton presented municipal taxation revenue calculations using various tax rates.

MOTION 005/06 Moved by Peter Braun

That a recommendation be taken the May 9, 2006 Council meeting that the municipal tax rates be increased by 2% for residential and 5% for non-residential and all additional municipal revenue be contributed to the Roads Reserve.

CARRIED

NEXT MEETING
DATE:

6. a) Next Meeting Date

June 16, 2006 at 10:00 a.m. in Fort Vermilion office.

ADJOURNMENT: 7. a) Adjournment

MOTION 016/05 Moved by Bill Neufeld

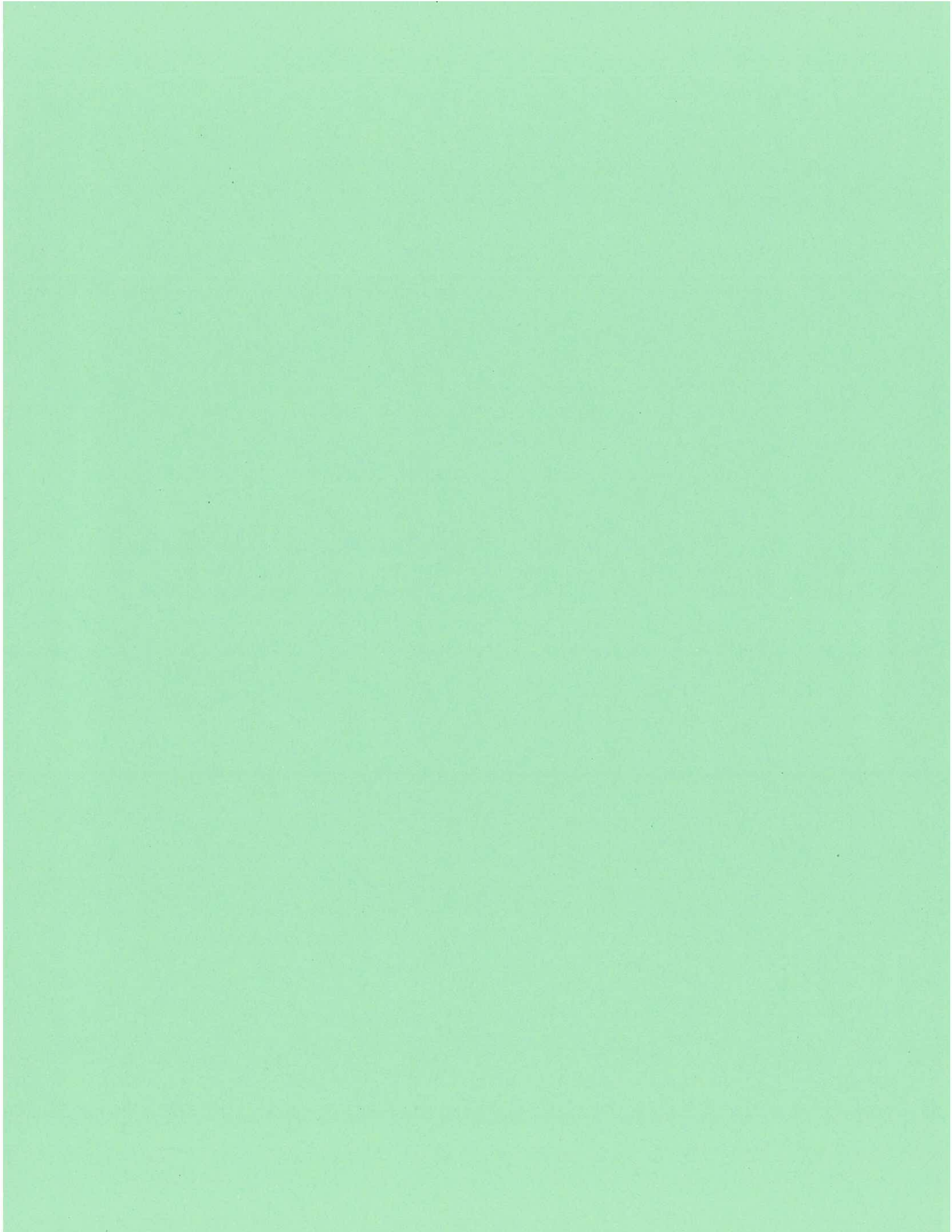
That the Finance Committee be adjourned at 10:15 p.m.

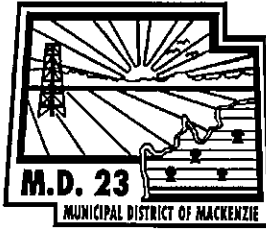
CARRIED

These minutes were adopted this _____ day of

Walter Sarapuk, Chair

Joulia Whittleton,
Acting Executive Assistant





M.D. of Mackenzie No. 23

Request For Decision

Agenda Item # _____

Meeting:	Regular Council Meeting
Meeting Date:	May 9, 2006
Presented By:	Joulia Whittleton, Acting CAO/Director of Corporate Services
Title:	Fill material for lot development in Zama – Patmore Oilfield Services Ltd. DELEGATION

BACKGROUND / PROPOSAL:

The Municipality is selling lots in Zama for \$1.00 per lot. Water and sewer local improvements cost, and connection fees will be charged to the lots buyers as per approved bylaws. Some of these lots require a considerable amount of fill material.

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

We received a letter from Mr. J. Lewis Patmore of Patmore Oilfield Services Ltd. expressing his wish to approach Council regarding the Zama lots. Please see the letter attached.

COSTS / SOURCE OF FUNDING:

NA

RECOMMENDED ACTION:

For discussion.

Author:	Reviewed:	C.A.O.: <i>Acting</i> <i>[Signature]</i>
---------	-----------	---

Patmore Oilfield Services Ltd.

Box 665, High Level, A.B. ToH1Zo

Phone 780-926-9597

Fax 780-926-4272

**Municipal District #23
Box 640
Fort Vermilion, A.B.
ToH 1No**

Attention: Joulia Whittelton

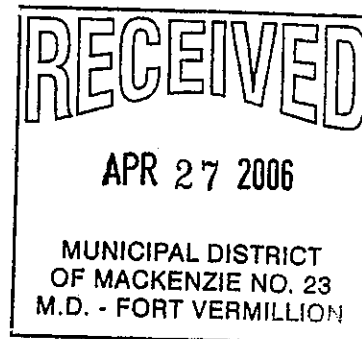
4/24/2006

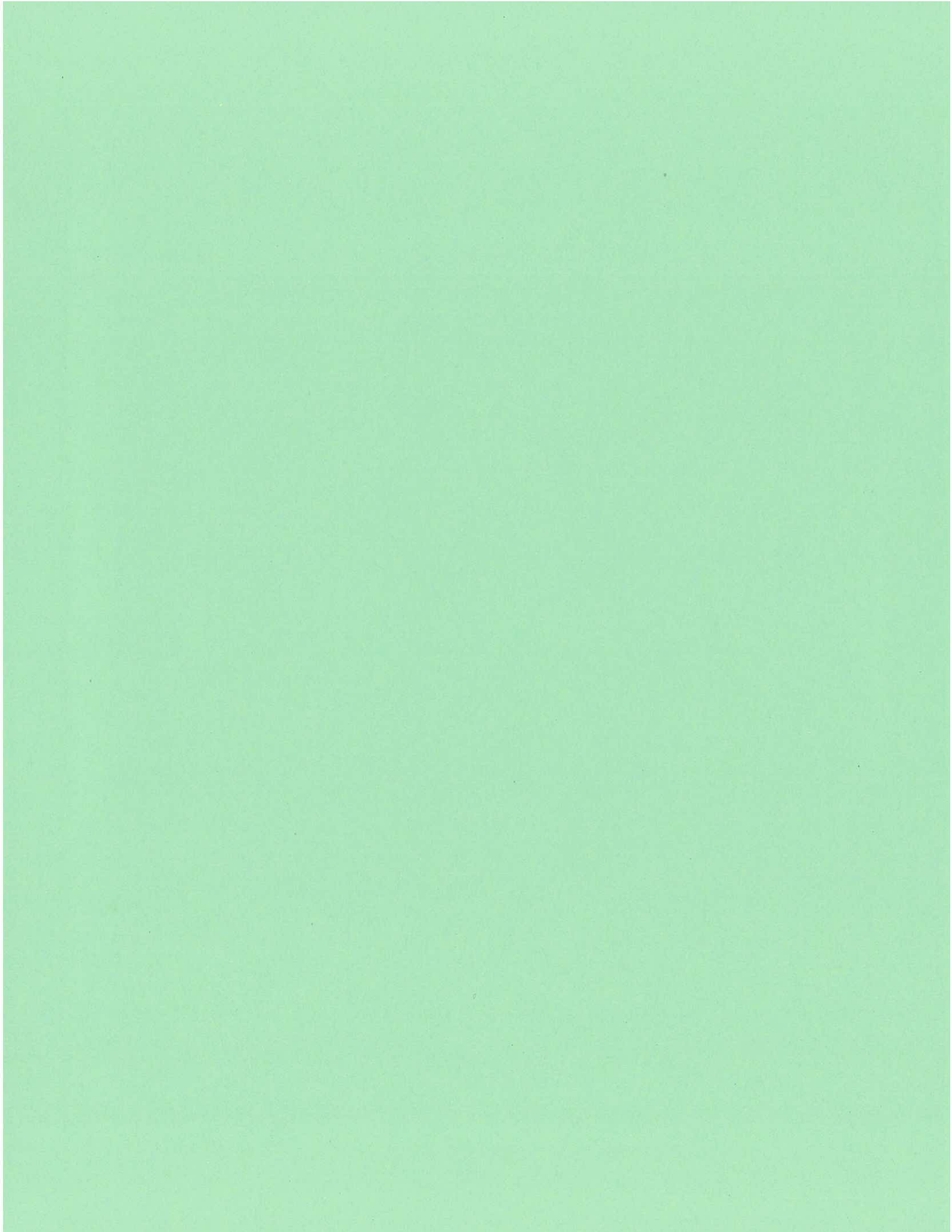
Re: Fill Material, Zama, A.B.

Please accept this letter as a formal request to appear in front of M.D. Council on their regular scheduled meeting of May 9th, 2006 to discuss an economical viable solution to access fill material for lot development in Zama, A.B.

Yours truly,

J. Lewis Patmore
780-926-9597







M.D. of Mackenzie No. 23

Request For Decision

Agenda Item No:

Meeting:	Regular Council Meeting
Meeting Date:	May 9, 2006
Presented By:	Joulia Whittleton, Acting CAO/ Director of Corporate Services
Title:	CAO and Directors reports

BACKGROUND / PROPOSAL:

Monthly CAO and Directors reports

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

For information.

COSTS / SOURCE OF FUNDING:

N/A

RECOMMENDED ACTION:

That the CAO and Directors reports be accepted for information.

Author:	Reviewed:	<i>Acting</i> C.A.O.:	<i>AD</i>
---------	-----------	--------------------------	-----------

MD of Mackenzie
May 3, 2006

To: Council

From: Joulia Whittleton, Acting CAO/Director of Corporate Services

The following is the list of some issues pursued by Finance staff or myself during the past month:

1. Attended two Integrated Land Use meetings in High Level.
2. Attended full cost accounting for water works systems seminar – Alberta Environment.
3. Audited financial statements and FIR were finalized and will be presented at May 9 meeting.
4. Attended negotiations meeting with the Town of High Level.
5. Attended Operational Services Committee meeting.
6. Attended Municipal Planning Commission meeting.
7. Prepared packages for and attended the Finance Committee meeting on May 2.
8. Recalculations of 2006 municipal tax rates, redraft the 2006 tax rate bylaw.
9. Prepared resumes packages for Council; organized meetings for CAO interviews on May 4 and 5; and sent out letters thanking all applicants for applying.
10. Interviewed for Inventory Clerk position – Glenn Peters accepted this position and started on May 1st.
11. In a process of recruiting for Executive Secretary position.
12. In a process of drafting briefing letters as per AAMD&C visit.
13. Attended general staff meeting April 13.
14. Met with development department to address Mackenzie Housing lot issue (cemetery) in Fort Vermilion; RFD will be presented at May 9 meeting.
15. Met with David Peters in La Crete regarding development issues.
16. Met with one of the La Crete residents regarding petitioning process for paving a road.
17. Attended to some roads issues, traveled with Roads staff - La Crete West road.

Respectfully submitted,

Joulia Whittleton



Emergency and Enforcement Services

Director's Report

May 9, 2006

ADMINISTRATION

- *NADC Conference*
 - Attended the Challenge North Conference in High Level
 - General staff meeting was well attended by all departments
 - Reviewed 2006 capital budget
 - Staff group activities (bad and good experiences and lessons learned)
 - Attended meetings with the MD of Mackenzie and Town of High Level Councils
 - Attended MPC meetings

EMERGENCY SERVICES

- *Protective Services Committee*
 - Monday April 3, 2006 Meeting
 - The committee reviewed and discussed items dealing with Emergency Medical Services, Disaster Services, Enforcement Services, Fire Services and reviewed the 2006 operating and capital budget
 - Anti-Bullying Bylaw 571/06 will be reviewed with stakeholders at the next meeting and then brought back to Council for adoption
- *Fire Services*
 - Are proceeding with the Station 2 (Tompkins District) fire station
 - Received the new rescue unit for LCFR and moved the 4x4 rescue unit from LCFR to ZFR
 - Attended the Partners in Prevention meeting
 - Discuss community firesmart planning
 - Emergency Responses
 - A number of brush/grass fires already this spring
 - Attended OH&S "code of practice for firefighters" workshop
 - Concerns with municipal liability for volunteer fire services
- *Emergency Medical Services*
 - Some dispatching concerns
 - High Level EMS station is almost completely done
 - STARS came up with their Patient Simulator training facility for both NLHR and EMS staff



- Attended the Alberta Ambulance Operators Association Conference
 - Discussions on becoming more involved with the AAMD&C to allow the municipal Councils to voice concerns regarding ambulance services
 - Excellent networking with other operators throughout the province on similar concerns and/or practices
- *Communications*
 - We will be meeting regionally to discuss communication shortfalls and solutions
- *Capital Projects*
 - We are re-advertising for our capital projects as the original RFP's came in over budget.

ENFORCEMENT SERVICES

- *Enhanced Policing*
 - The member appointed to the enhanced policing position is back on light duty work
- *Special Constable*
 - Husky Oil Enforcement contract is now down to working two days a week.
 - Working on unsightly properties in all our communities
 - Special Constables attended "bear awareness" course

DISASTER SERVICES

- *Municipal Emergency Planning*
 - Will schedule a workshop with Council to review complete MEP

Respectfully submitted,

Paul Driedger

ROADS SUPERVISORS REPORT

As presented by Paul Driedger, Acting Roads Supervisor

May 9, 2006

Capital Projects

- Attended the Buffalo Head Prairie Intersection Public Meeting on Monday, May 1, 2006.
- The Assumption Road Bypass tender is currently being advertised with a closing date of May 11, 2006.
- Request for Proposals are currently being prepared for the Highway 697 and 88 Connector Intersection.

Operations

- The campgrounds are currently being prepared for the summer season.
- Hamlet Clean-Ups and Residential Clean-ups are currently being arranged throughout the MD.

Administration

- Currently advertising for summer General Maintenance Labourers and the Seasonal Project Services Technologist -Parks and Playgrounds position.
- Currently advertising for the Public Works Administrative Officer position as Mary Jane Driedger will be leaving on maternity leave in September.
- Glenn Peters has been hired for the Inventory Clerk position.



Planning Supervisor's Report

May 9, 2006

Since my last report I have been kept busy with the following issues and/or events:

- April 12 – Municipal Planning Commission workshop with Jeneane Grundberg of Brownlee LLP in Fort Vermilion in the morning. The workshop was very beneficial and the MPC requested that a similar full day workshop be made available annually after a new MPC is established.
- April 12 – Municipal Planning Commission meeting in Fort Vermilion.
- April 13 – general staff meeting at the La Crete Heritage site.
- April 21 – Municipal Planning Commission meeting in La Crete.
- April 24 – La Crete MD Office Building Task Force meeting. Results of this meeting were discussed at the April 26 Council meeting.
- April 26 – Council meeting in Fort Vermilion.
- May 1 – meeting with the public regarding the Buffalo Head Prairie corner road revisions.
- May 3 – Integrated Land Use Planning meeting in High Level. Collin Needham and Gail Tucker have agreed to attend the May 9 Council meeting to give Council an update.
- I have met with numerous developers, worked on updating our municipal reserve data, building negotiations, and meeting preparations.
 - *Development Activity*
 - Issued 106 development permits to date.
 - *Subdivision Activity*
 - Received 25 subdivision applications.
 - *Safety Codes*
 - Safety Codes has finally received an application for the office administration position in La Crete and will be interviewing that person the week of May 8.

Respectfully submitted,

Eva Schmidt



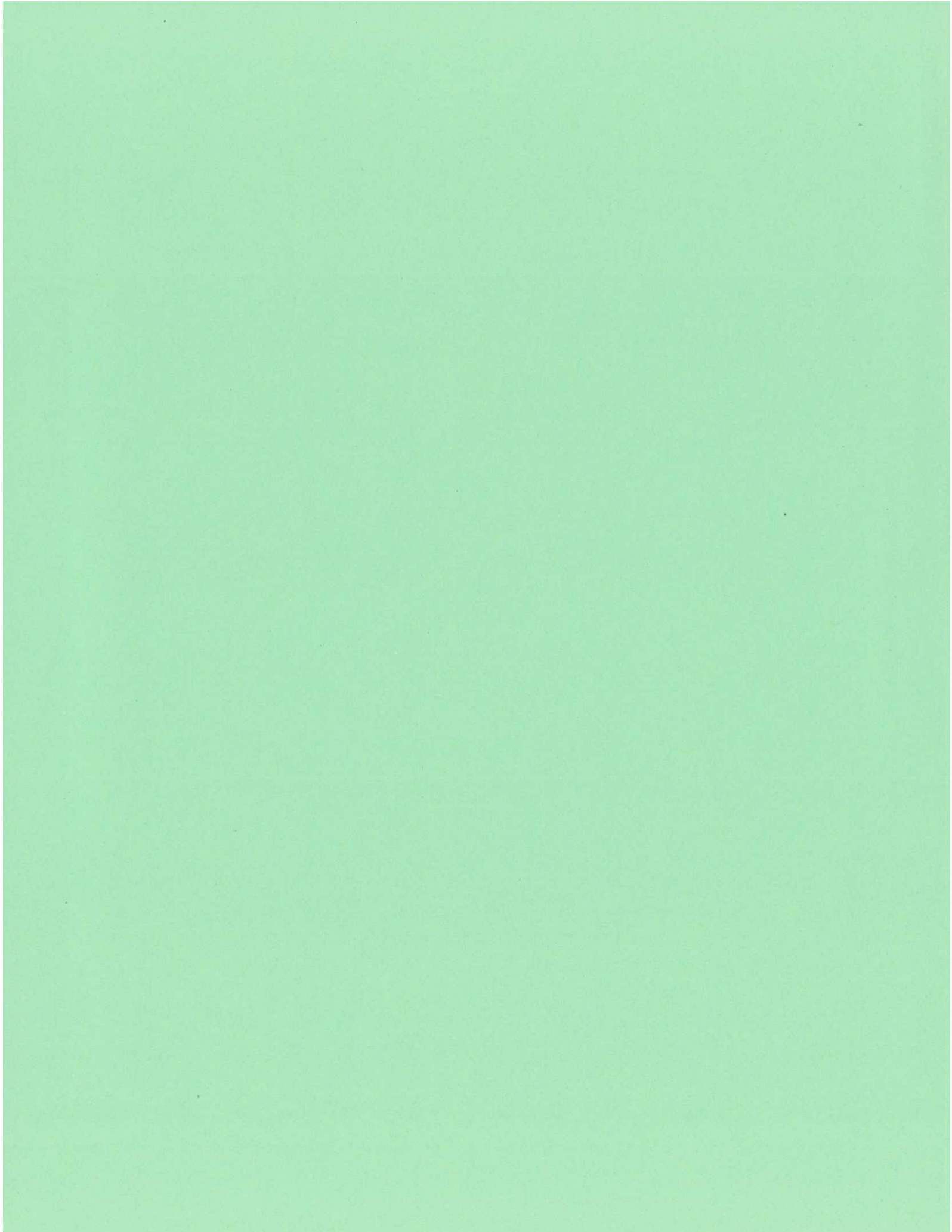
Utilities Operations Report

May 9, 2006

- Attended general staff meeting on April 13, 2006.
- Attended Operations Committee meeting on April 21, 2006.
- Attended Full Cost Accounting Seminar hosted by AB Environment in Grande Prairie on April 25, 2006.
- Met with EXH on April 27th 06 to discuss buffalo head water point as directed by operations committee.
- La Crete old water plant roof repair quotes were received and low bidder was Ed Harder Construction.
- GEPEC is currently preparing tenders for FV lift station upgrade.
- Called DCL to inform them that the MD has deferred the regional SCADA system to 2007.

John Klassen
Utilities Supervisor, MD of Mackenzie.







M.D. of Mackenzie No. 23

Request For Decision

Agenda Item # _____

Meeting:	Regular Council Meeting
Meeting Date:	May 9, 2006
Presented By:	Eva Schmidt, Planning Supervisor
Title:	Bylaw 574/06 - Land Use Bylaw Amendment Plan 2938RS, Block 02, Lot 01 Rezone Hamlet Residential Commercial Transitional District "HRCT" to Hamlet Residential District 1 "HR1"

BACKGROUND / PROPOSAL:

We have received a request to amend the Land Use Bylaw to rezone Plan 2938RS, Block 02, Lot 01 from Hamlet Residential Commercial Transitional District "HCRT" to Hamlet Residential District 1 "HR1" to allow the applicant to be able to construct an addition onto an existing residence.

OPTIONS & BENEFITS:

The applicant purchased the subject property last year with the intention of building an addition onto the existing trailer or possibly constructing a new single family dwelling. Unknown to the applicant at the time was that the property is zoned as Hamlet Residential Commercial Transitional District. This was not disclosed at the time of purchase.

It was not until the applicant inquired about permits to build an addition to provide additional room for a family of eight, that they were made aware of the current zoning and informed that further residential development is not allowed in this type of zoning.

7.12 HAMLET RESIDENTIAL - COMMERCIAL TRANSITIONAL DISTRICT "HRCT"

The general purpose of this district is to permit commercial developments in areas of hamlets that are changing over time from residential areas to commercial areas.

A. DISCRETIONARY USES

- (1) Agricultural machinery sales and service.

Author: Liane Lambert, Development Officer	Review Date: May 3/06	C.A.O.: Acting Ad
--	---------------------------------	--------------------------------

- (2) Ancillary building or use.
- (3) Automotive equipment sales and/or service.
- (1) Bus depot.
- (2) Car wash
- (3) Dwelling unit in conjunction with a discretionary use provided it is incorporated in the same building and the total floor area of the dwelling unit shall be less than the floor area for the other use.
- (4) Hotel.
- (5) Intensive recreational use.
- (8) Laundromat.
- (9) Lumber yard.
- (10) Mobile/Manufactured Home Sales and Service.
- (11) Motel
- (12) General service.
- (13) Professional office.
- (14) Public use.
- (15) Recreation vehicle sales and service.
- (16) Restaurant.
- (17) Retail store.
- (18) Service station.

B. RESIDENTIAL USES

Residential buildings are regarded as non-conforming buildings in this land use district. Minor renovations, repairs, and other actions for the purpose of maintaining the dwelling will be allowed. Major structural changes, rebuilding, or replacement of a residential buildings will not be allowed.

C. SITE REQUIREMENTS

Lot area, floor area, site setbacks, building design and other development considerations shall conform to the development standards described in the Hamlet Commercial 1 District "HC1".

D. ON-SITE PARKING

In accordance to Section 4.28 of this Bylaw.

E. LANDSCAPING

In accordance to Section 4.23 of this Bylaw.

In the Hamlet of Fort Vermilion this whole area of Hamlet Residential Commercials Transitional District consists of 16 lots in total, 12 which are vacant. Three of the lots have residential development, one is located the middle of block 3, another is situated

<p>Author: Liane Lambert, Development Officer</p>	<p>Review Date:</p>	<p><i>Acting</i> C.A.O.: </p>
--	----------------------------	---

on the last lot at the north end while the subject lot is located on the far southern corner adjacent to residential zoning. (See Attachment).

COSTS & FUNDING:

N/A

RECOMMENDED ACTION:

That first reading be given to Bylaw 574/06, to rezone Plan 2938RS, Block 02. Lot 01 from Hamlet Residential Commercial Transitional District "HRCT" to Hamlet Residential District "HR1".

Author: Liane Lambert, Development Officer	Review Date:	<i>Acting</i> C.A.O.: 
--	---------------------	---

BYLAW NO. 574/05

**BEING A BYLAW OF THE
MUNICIPAL DISTRICT OF MACKENZIE NO. 23
IN THE PROVINCE OF ALBERTA**

**TO AMEND THE
MUNICIPAL DISTRICT OF MACKENZIE NO. 23 LAND USE BYLAW**

WHEREAS, the Municipal District of Mackenzie No. 23 has adopted the Municipal District of Mackenzie Land Use Bylaw, and

WHEREAS, the Municipal District of Mackenzie No. 23 has a General Municipal Plan adopted in 1995, and

WHEREAS, the Council of the Municipal District of Mackenzie No. 23, in the Province of Alberta, has deemed it desirable to amend the Municipal District of Mackenzie No. 23 Land Use Bylaw to accommodate improvements to a residential lot .

NOW THEREFORE, THE COUNCIL OF THE MUNICIPAL DISTRICT OF MACKENZIE NO. 23, IN THE PROVINCE OF ALBERTA, DULY ASSEMBLED, HEREBY ENACTS AS FOLLOWS:

1. That the land use designation of the subject parcel known as Plan 2938RS, Block 02, Lot 01 in the Hamlet of Fort Vermillion be amended from Hamlet Residential Commercial Transitional District (HRCT) to Hamlet Residential District 1 (HR1) as outlined in Schedule "A".

First Reading given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant

Second Reading given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant

Third Reading and Assent given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant



PO Box 640
Fort Vermilion, AB T0H 1W0

ATTN: Liane Lambert

LAND USE BYLAW AMENDMENT APPLICATION

APPLICATION NO. 574/06

COMPLETE IF DIFFERENT FROM APPLICANT

NAME OF APPLICANT <u>Lance (Tom) Menon</u>		
ADDRESS <u>Box 175</u>		
TOWN <u>Fort Vermilion, AB</u>		
POSTAL CODE <u>T0H 1W0</u>	PHONE (RES.) <u>780 927 4844</u>	BUS. <u>780 927 3727</u>

NAME OF REGISTER OWNER		
ADDRESS		
TOWN		
POSTAL CODE	PHONE (RES.)	BUS.

LEGAL DESCRIPTION OF THE LAND AFFECTED BY THE PROPOSED AMENDMENT

QTR./LS.	SEC.	TWP.	RANGE	M.	OR	PLAN <u>2938 RS</u>	BLK <u>2</u>	LOT <u>1</u>
----------	------	------	-------	----	----	---------------------	--------------	--------------

LAND USE CLASSIFICATION AMENDMENT PROPOSED:

FROM: HERT TO: HR 1

REASONS SUPPORTING PROPOSED AMENDMENT:

would like to build an addition of a house to provide larger accommodation, for a family of eight.

I/WE HAVE ENCLOSED THE REQUIRED APPLICATION FEE OF \$ 150.00

RECEIPT NO. _____

[Signature]
APPLICANT

April 28 2006
DATE

NOTE: REGISTERED OWNER'S SIGNATURE REQUIRED IF DIFFERENT FROM APPLICANT.

REGISTERED OWNER

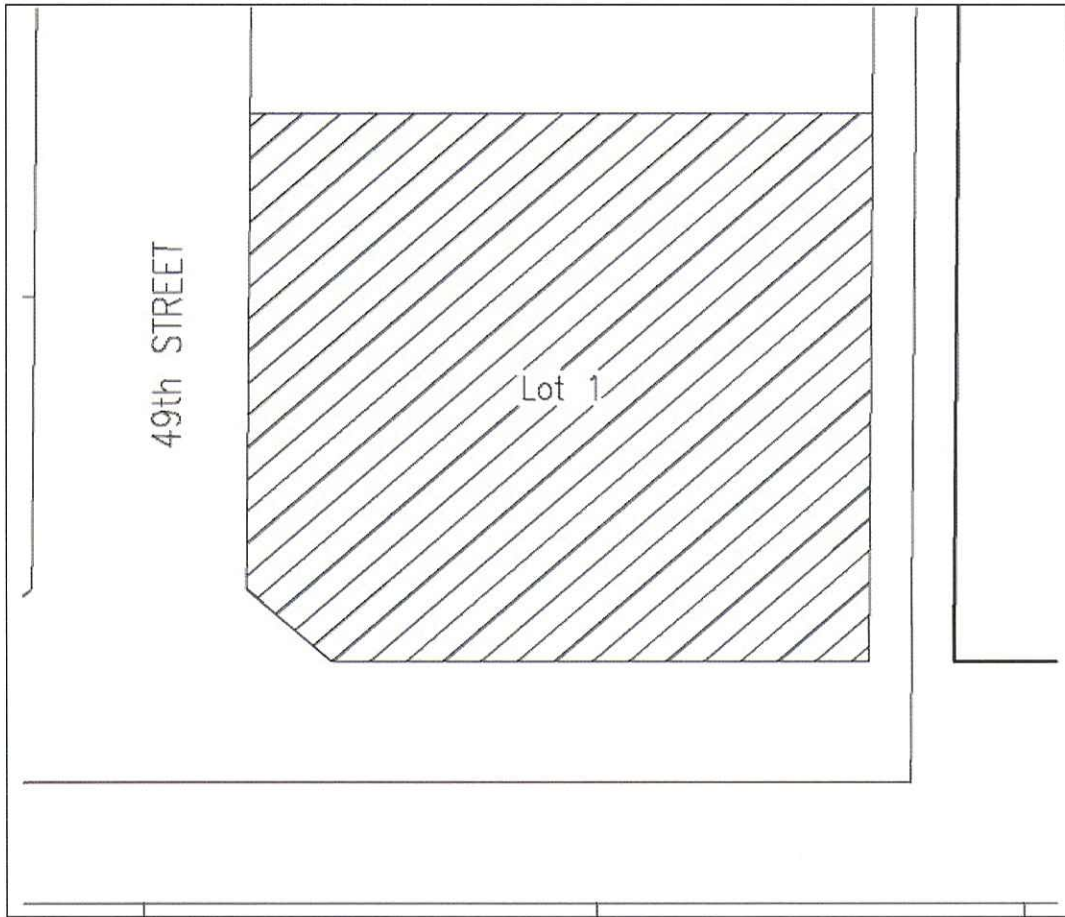
DATE

BYLAW No. 574/06

SCHEDULE "A"

1. That the land use designation of the following property known as:

Plan 2938RS, Block 02, Lot 01 be rezoned from Hamlet Commercial Residential Transitional District "HCRT" to Hamlet Residential District 1 "HR1".



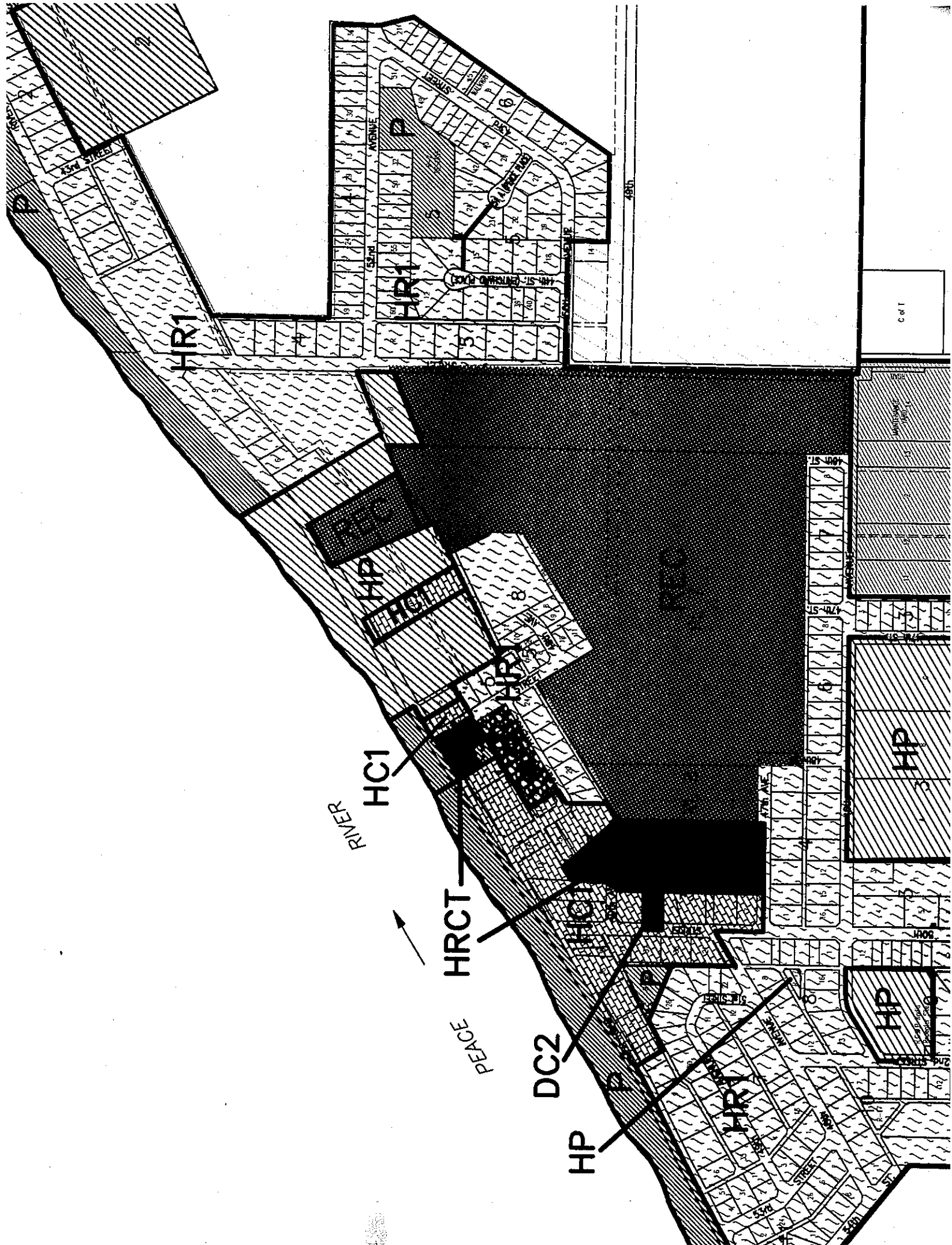
From: Hamlet Commercial Residential Transitional District "HCRT"

To: Hamlet Residential District 1 "HR1"

Bill Neufeld, Reeve

Executive Assistant

EFFECTIVE THIS _____ DAY OF _____, 2006.



HR1

HR1

HP

HC1

HRCT

DC2

HP

HR1

HP

HP

C of T

RIVER

PEACE

AVENUE

ST. CATHARINE STREET

ST. CATHARINE STREET

AVENUE

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

ST. CATHARINE STREET

RIVER

PEACE

792 0039
832 0468
842 0527

6162

3279 KS

2704

832 0443

842 0528

792

922 0928

RL 8

RL 7
c of T

Subject Property

852 1770

912 2331

6 4865

1 TR

782 2018

2938 RS

2118 EU

782 2698

822 3269

962 1322

832 3074
P.C.M.F. Radio
Repeater Site

782 2986

580 KS

580 KS

2945 ET

762 1591

872 2688

822 1286

942 3305

782 3345

942 3306

RL 10
c of T

RL 9

RL 8
c of T

580 KS

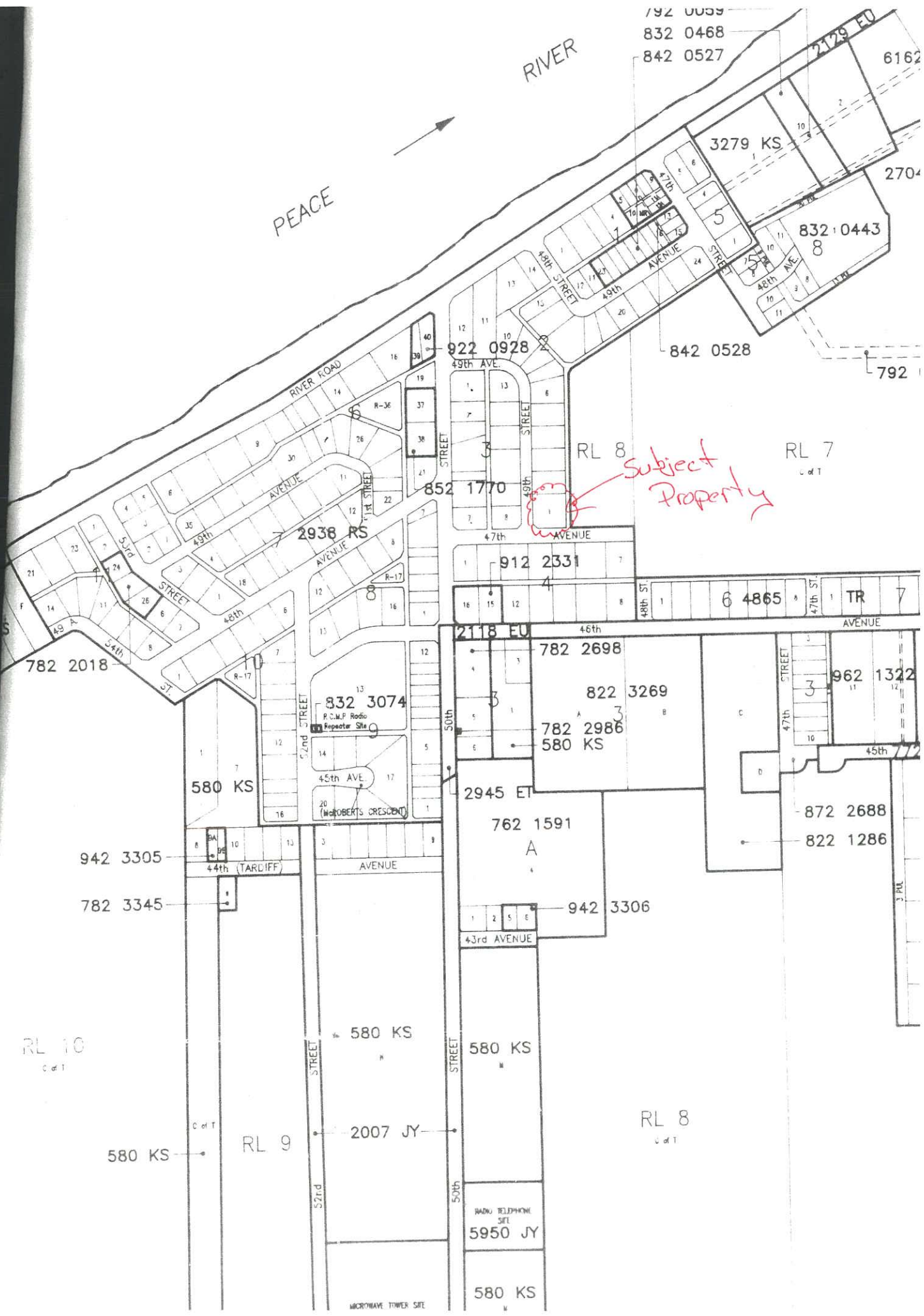
2007 JY

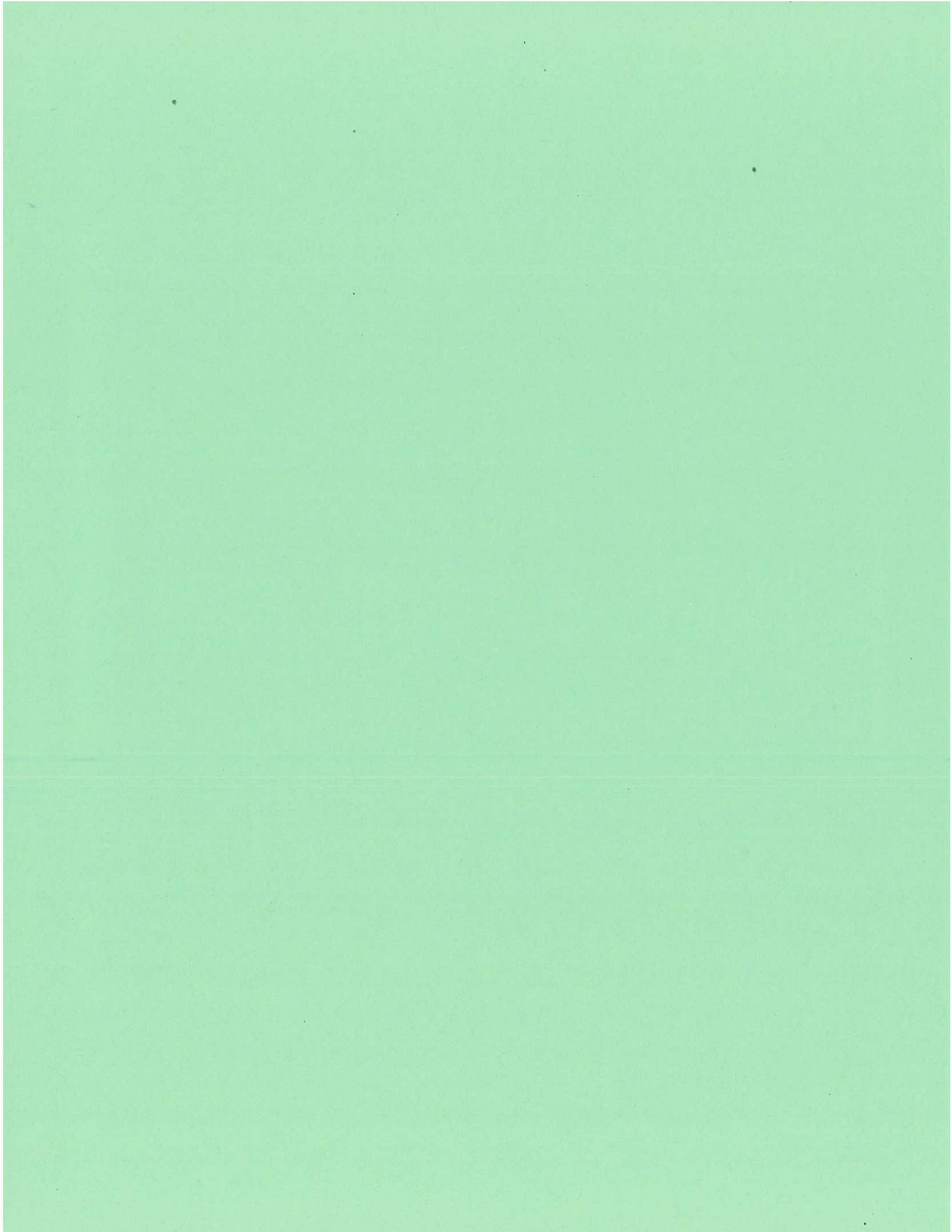
580 KS

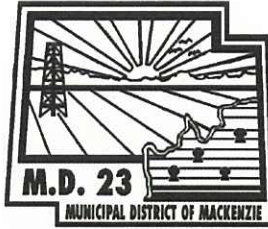
RADIO TELEPHONE
SITE
5950 JY

580 KS

MICROWAVE TOWER SITE







M.D. of Mackenzie No. 23

Request For Decision

Meeting:	Regular Council
Meeting Date:	May 9, 2006
Presented By:	Eva Schmidt,
Title:	Bylaw 575/06 Land Use Bylaw Amendment to Agricultural District 1 "A1"

BACKGROUND / PROPOSAL:

The Municipal District of Mackenzie's Land Use Bylaw Section 7.3.E Agricultural District 1 "A1" Number of Dwelling Units restricts the amount of dwellings on the balance of a quarter section to one unit. Administration has received permits and inquiries for additional dwellings on a quarter section.

OPTIONS & BENEFITS:

October 24, 2004 the MD of Mackenzie's Land Use Bylaw under went major revisions and modifications. The part of the original LUB which allowed two residents on a quarter section was unintentionally removed from Agricultural District 1 "A1"..

The previous Land Use Bylaw section 5.2.E allowed the following:

E. DWELLING DENSITY

- (1) A maximum of one (1) dwelling shall be permitted on a parcel of less than 32.3 hectares (80 acres).
- (2) A maximum of two (2) dwellings shall be permitted on a parcel of 32.4 hectares (80 acres) or more.
- (3) Notwithstanding the above, additional residential development in this land use district may be allowed subject to Section 4.11 - Dwelling Units per parcel.

Author: Liane Lambert, Development Officer	Review Date: <i>May 3/06</i>	C.A.O.: <i>Acting</i> 
--	--	--

The new Land Use Bylaw was intended to add the following with modifications.

E. Number of Dwelling Units

Maximum of one dwelling unit shall be permitted on each of the following:

- a. a rural subdivision, and
- b. a rural subdivision that is a farmstead or homestead separation, and
- c. the balance of the quarter section
- d. A maximum of two (2) dwellings may be permitted on a unsubdivided quarter section.

to a maximum of three dwellings on a quarter section, river lot or original titled property.

An additional dwelling unit may be allowed in this land use district if it is a Garden Suite or in accordance with Section 4.9 (Dwelling Units Per Parcel).

COSTS & FUNDING:

N/A

RECOMMENDED ACTION:

That first reading be given to Bylaw 575/06 being a Land Use Bylaw amendment to redefine Section 7.3.E Number of Dwelling Units.

Author: Liane Lambert, Development Officer	Review Date: May 3/06	C.A.O.:
--	---------------------------------	----------------

BYLAW NO. 575/06

**BEING A BYLAW OF THE
MUNICIPAL DISTRICT OF MACKENZIE NO. 23
IN THE PROVINCE OF ALBERTA**

**TO AMEND AGRICULTURAL DISTRICT 1 IN THE
MUNICIPAL DISTRICT OF MACKENZIE NO. 23 LAND USE BYLAW**

WHEREAS, the Municipal District of Mackenzie No. 23 has adopted the Municipal District of Mackenzie Land Use Bylaw, and

WHEREAS, the Municipal District of Mackenzie No. 23 has a General Municipal Plan adopted in 1995, and

WHEREAS, the Council of the Municipal District of Mackenzie No. 23, in the Province of Alberta, has deemed it desirable to amend the Agricultural District 1 "A1" in the Municipal District of Mackenzie No. 23 Land Use Bylaw.

NOW THEREFORE, the Council of the Municipal District of Mackenzie No. 23, in the Province of Alberta, duly assembled, hereby enacts as follows:

1. That the Municipal District of Mackenzie Land Use Bylaw Section 7.3. E Agricultural District 1 "A1", E. be amended to:

E. Number of Dwelling Units

Maximum of one dwelling unit shall be permitted on each of the following:

- a. a rural subdivision, and
- b. a rural subdivision that is a farmstead or homestead separation, and
- c. the balance of the quarter section
- d. A maximum of two (2) dwellings may be permitted on a unsubdivided quarter section.

to a maximum of three dwellings on a quarter section, river lot or original titled property.

An additional dwelling unit may be allowed in this land use district if it is a Garden Suite or in accordance with Section 4.9 (Dwelling Units Per Parcel).

First Reading given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant

Second Reading given on the _____ day of _____, 2006.

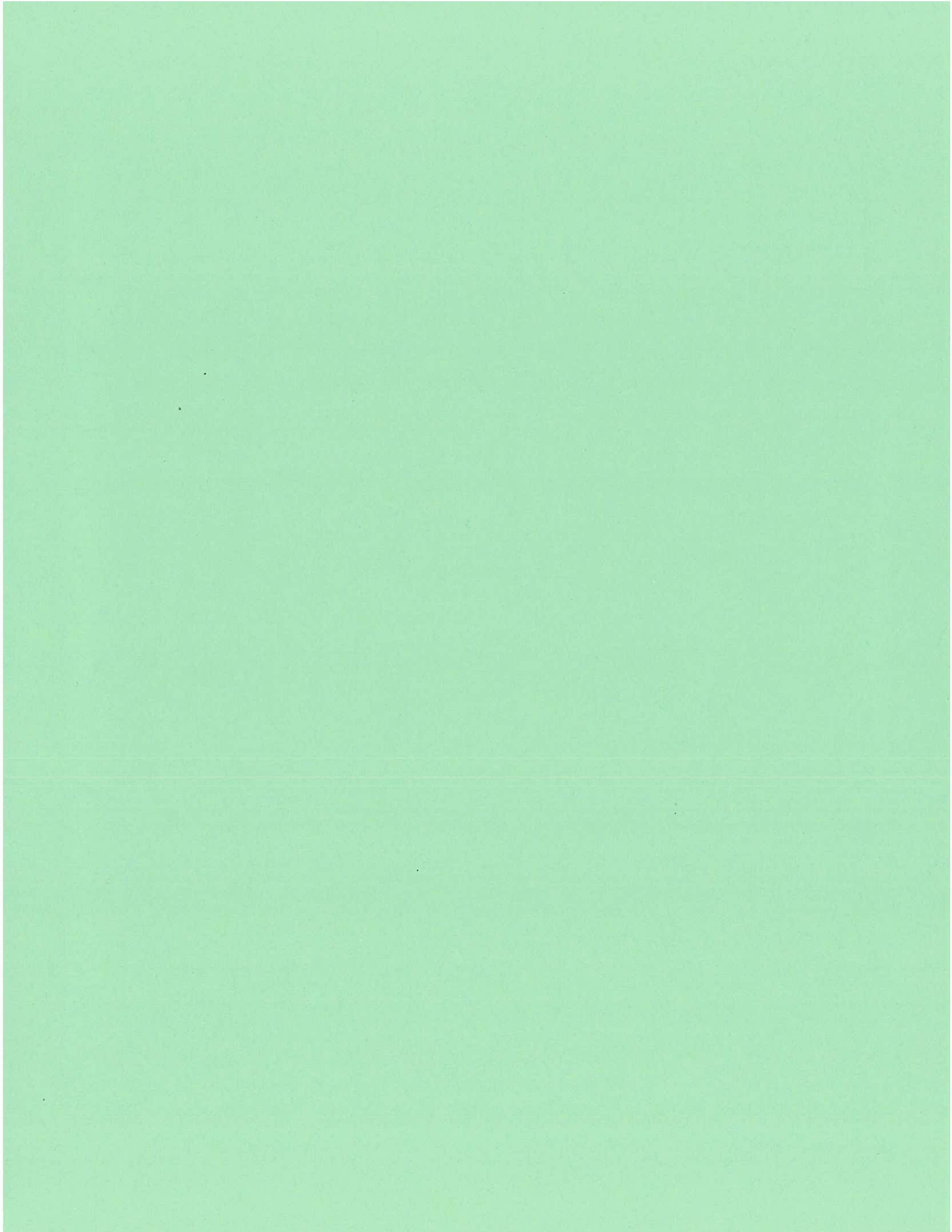
Bill Neufeld, Reeve

Executive Assistant

Third Reading and Assent given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant





M.D. of Mackenzie No. 23

Request For Decision

Meeting:	Regular Council
Meeting Date:	May 9, 2006
Presented By:	Eva Schmidt,
Title:	Bylaw 576/06 Reserve Property Closure Plan 4357MC, Block 5, Lot R, Fort Vermilion.

BACKGROUND / PROPOSAL:

Upon review of MD owned lands it was noted that a lot zoned as Reserve (Park Reserve) is within the same neighborhood as a Municipal Reserve with an established playground and ice rink. There is no need for the vacant reserve with a park less than a block away. The vacant lot could be sold as residential land.

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

Plan 4357MC, Block 5, Lot R is located within the Hamlet of Fort Vermilion along 45th Street and 52nd Avenue. This is a large lot, approximately 0.64 acres in size.

Land in lieu is required by the MGA when subdividing to provide for lands or money in lieu for parks, schools or environmental reserves. This Reserve lot on Plan 4357MC was originally created in 1962 as part of a new subdivision created prior to the adjacent Plan 188TR. Plan 188TR contains the established park and playground.

The MD would not support two parks within such close proximity. Lot R on Plan 4357MC is large enough to be developed for residential or split in half creating two lots. The money received from the sale of Lot R would be added to the MD's municipal reserve funds.

COSTS / SOURCE OF FUNDING:

N/A

Author: Liane Lambert, Development Officer	Review Date:	Acting C.A.O.: 
--	---------------------	--

RECOMMENDED ACTION:

That first reading be given to Bylaw 576/06 being a Bylaw to close Reserve Plan 4357MC, Block 5, Lot R.

Author: Liane Lambert, Development Officer	Review Date:	<i>Acting</i> C.A.O. 
--	---------------------	---

BYLAW NO. 576/06

**BEING A BYLAW OF
THE MUNICIPAL DISTRICT OF MACKENZIE NO. 23
IN THE PROVINCE OF ALBERTA**

**A BYLAW OF THE MUNICIPAL DISTRICT OF MACKENZIE No. 23, IN THE
PROVINCE OF ALBERTA FOR THE PURPOSE OF CLOSING A
PARK RESERVE BEING PLAN 4357MC, BLOCK 5, LOT R**

WHEREAS, Council of the Municipal District of Mackenzie No. 23 has determined that the Municipal Reserve Property as outlined on Schedule A attached hereto, be subject to closure and sale, and

WHEREAS, notice of intention of the Council to pass a bylaw has been published in a locally circulated newspaper in accordance with the Municipal Government Act, and

NOW THEREFORE, be it resolved that the Council of the Municipal District of Mackenzie No. 23 does hereby close and sell the Park Reserve Property described as follows, subject to the rights of access granted by other legislation or regulations:

PLAN 4357MC, Block 5, Lot R
Excepting thereout all mines and minerals.

First reading given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant

Approved this _____ day of _____, 2006.

Minister of Alberta Infrastructure

Second Reading given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

Executive Assistant

Third Reading and Assent given on the _____ day of _____, 2006.

Bill Neufeld, Reeve

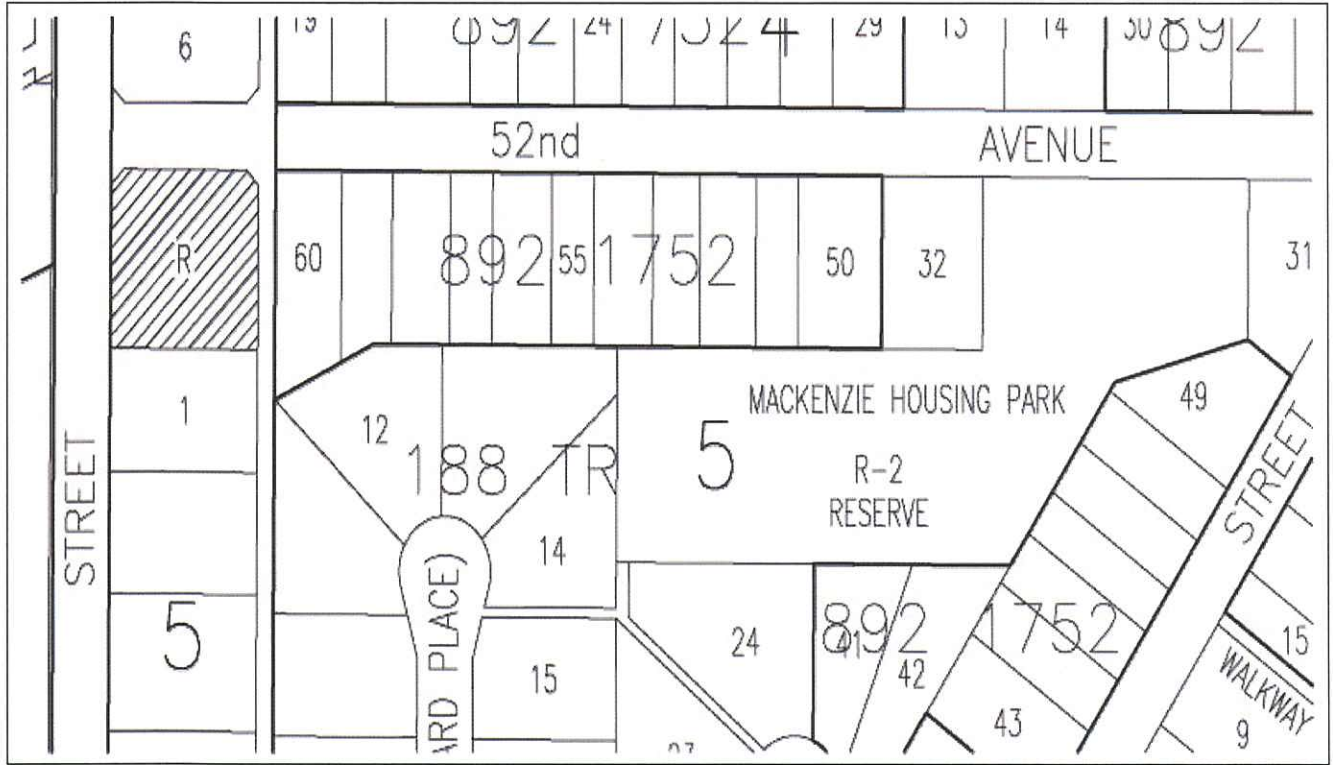
Executive Assistant

BYLAW No. 576/06

SCHEDULE "A"

1. That the land use designation of the following property known as:

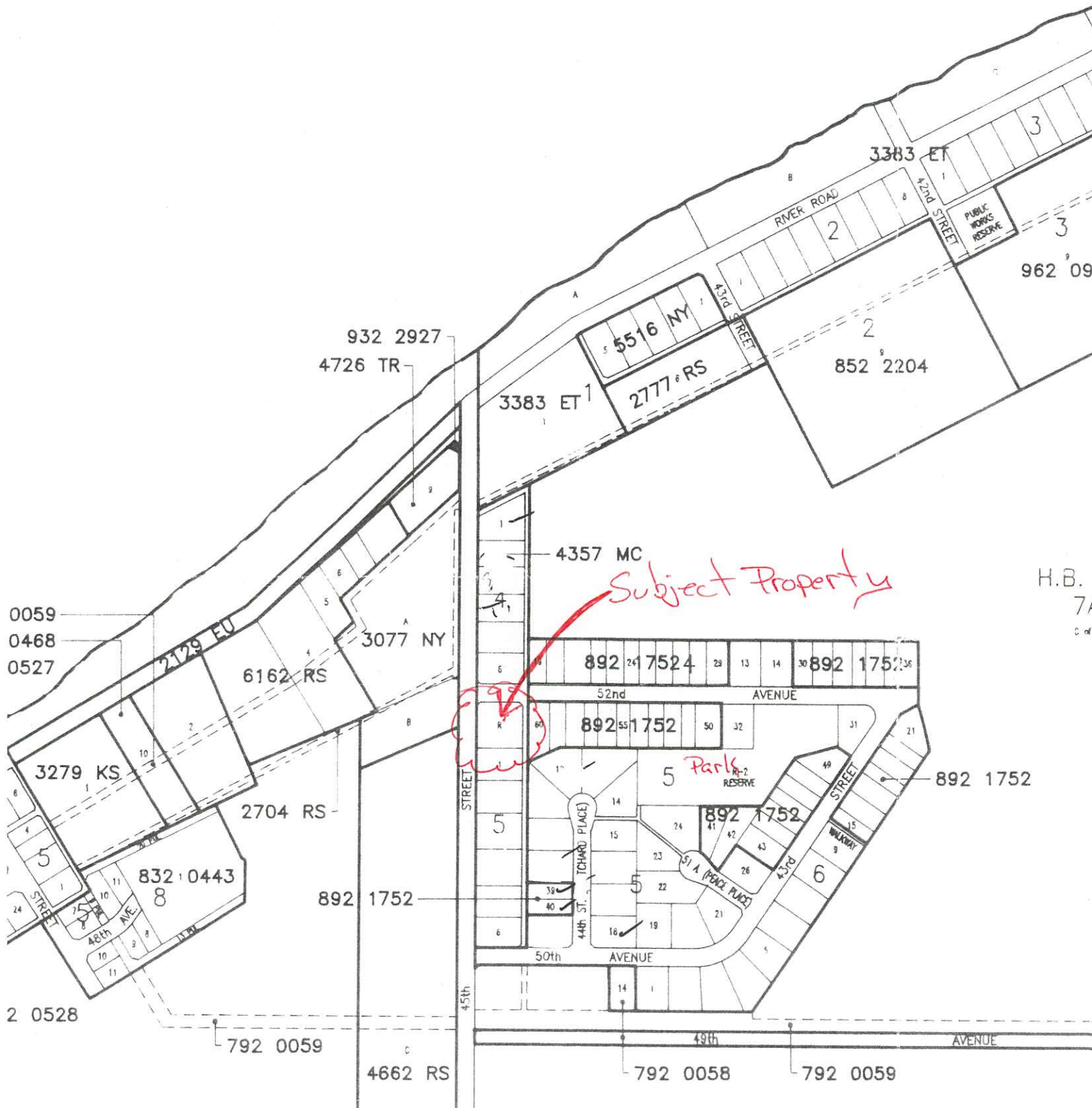
That the property known as Plan 4357MC, Block 5, Lot R, (containing 0.26 hectares),
be closed.



Bill Neufeld, Reeve

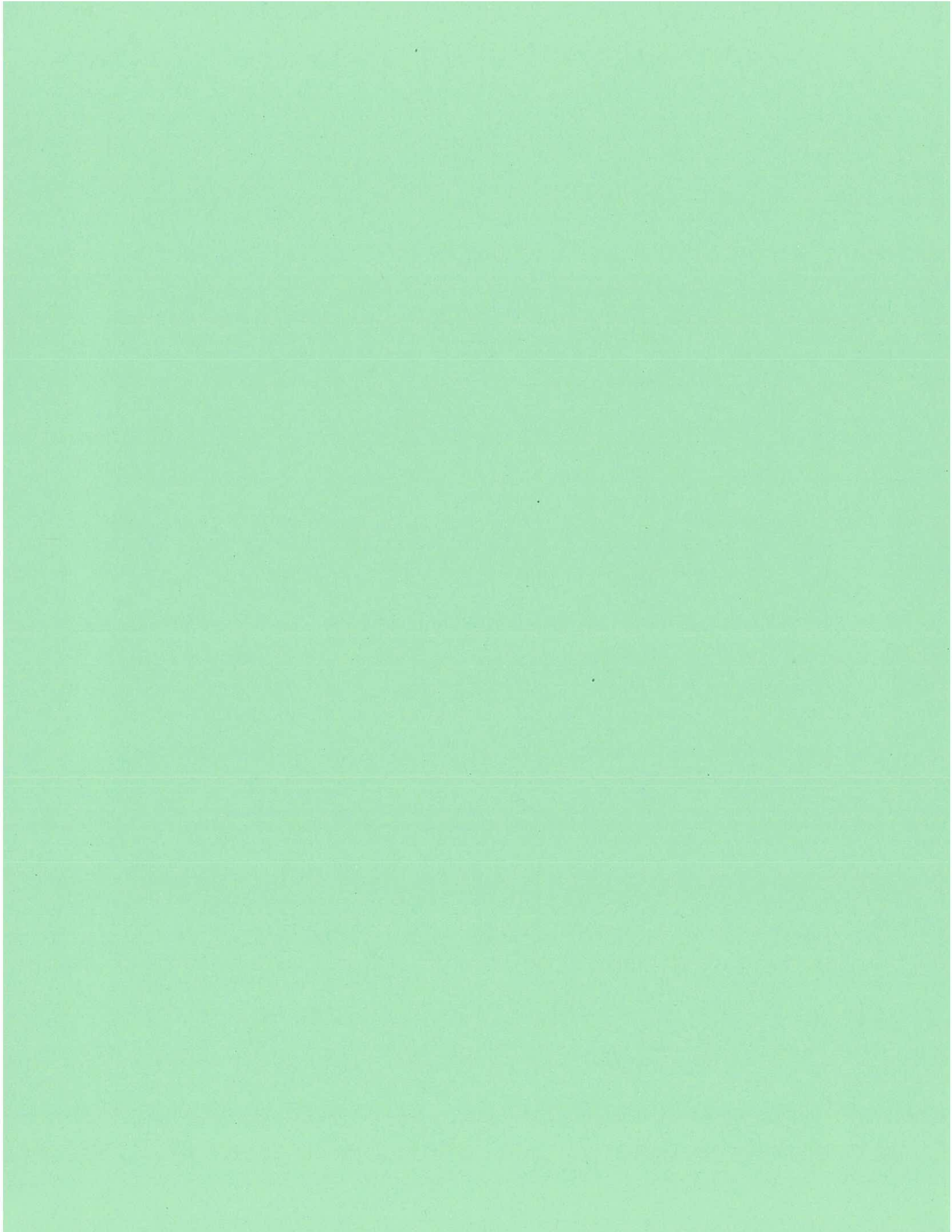
Executive Assistant

EFFECTIVE THIS _____ DAY OF _____, 2006.



Subject Property

H.B. 74
c.d.





M.D. of Mackenzie No. 23

Request For Decision

Agenda Item # _____

Meeting:	Regular Council Meeting
Meeting Date:	May 9, 2006
Presented By:	Eva Schmidt, Planning Supervisor
Title:	Mackenzie Housing Management Board Lots in Fort Vermilion

BACKGROUND / PROPOSAL:

We have received a copy of a letter from George Yates, Director of Cemeteries, to Corrine Card, Mackenzie Housing Management Board, confirming that Plan 4726TR, Lot 9, currently owned by Mackenzie Housing Management Board, is an old graveyard site. Documents attached to the letter indicate that Plan 3383ET, Block 1, Lot 1 and the intersection between these two properties may also be part of the old graveyard. Plan 3383, Block 1, Lot 1 is the home of the Old Bay House.

Mackenzie Housing Management Board has requested that the MD take over Plan 4726TR, Lot 9 in exchange for an MD owned lot in Fort Vermilion.

OPTIONS & BENEFITS:

The MD has a couple of lots available in Fort Vermilion. Plan 4357MC, Plan 5, Lot R is registered as municipal reserve. The MD does not require this lot for municipal reserve as there is already a park within that same block. We are bringing forward a bylaw, in a separate RFD, for the removal of municipal reserve of the subject lot, which would make it a saleable lot. Plan 2938RS, Block 8, Lot 8 is a tax forfeiture lot, owned by the MD, and could be sold at the current assessed value.

Only religious organizations and municipalities may own burial sites. Therefore, it is reasonable that the MD take possession of Plan 4726TR, Lot 9 and establish it as a cemetery.

Following are a couple of options available to Council:

Author: Eva Schmidt, Planning Supervisor	Review Date: May 3/06	C.A.O.: <i>Acting</i> <i>AS</i>
--	---------------------------------	--

Option 1:

That the Municipal District of Mackenzie offer to take possession of Plan 4726TR, Lot 9 and establish it as a cemetery and that another residential lot within the Hamlet of Fort Vermilion be made available to be purchased by Mackenzie Housing Management Board at assessed value.

Option 2:

That the Municipal District of Mackenzie offer to take possession of Plan 4726TR, Lot 9 and establish it as a cemetery and provide another residential lot within the Hamlet of Fort Vermilion to Mackenzie Housing Management Board, free of charge.

Option 3:


That the information presented regarding Plan 4726TR, Lot 9 in the Hamlet of Fort Vermilion be received as information.

COSTS & FUNDING:

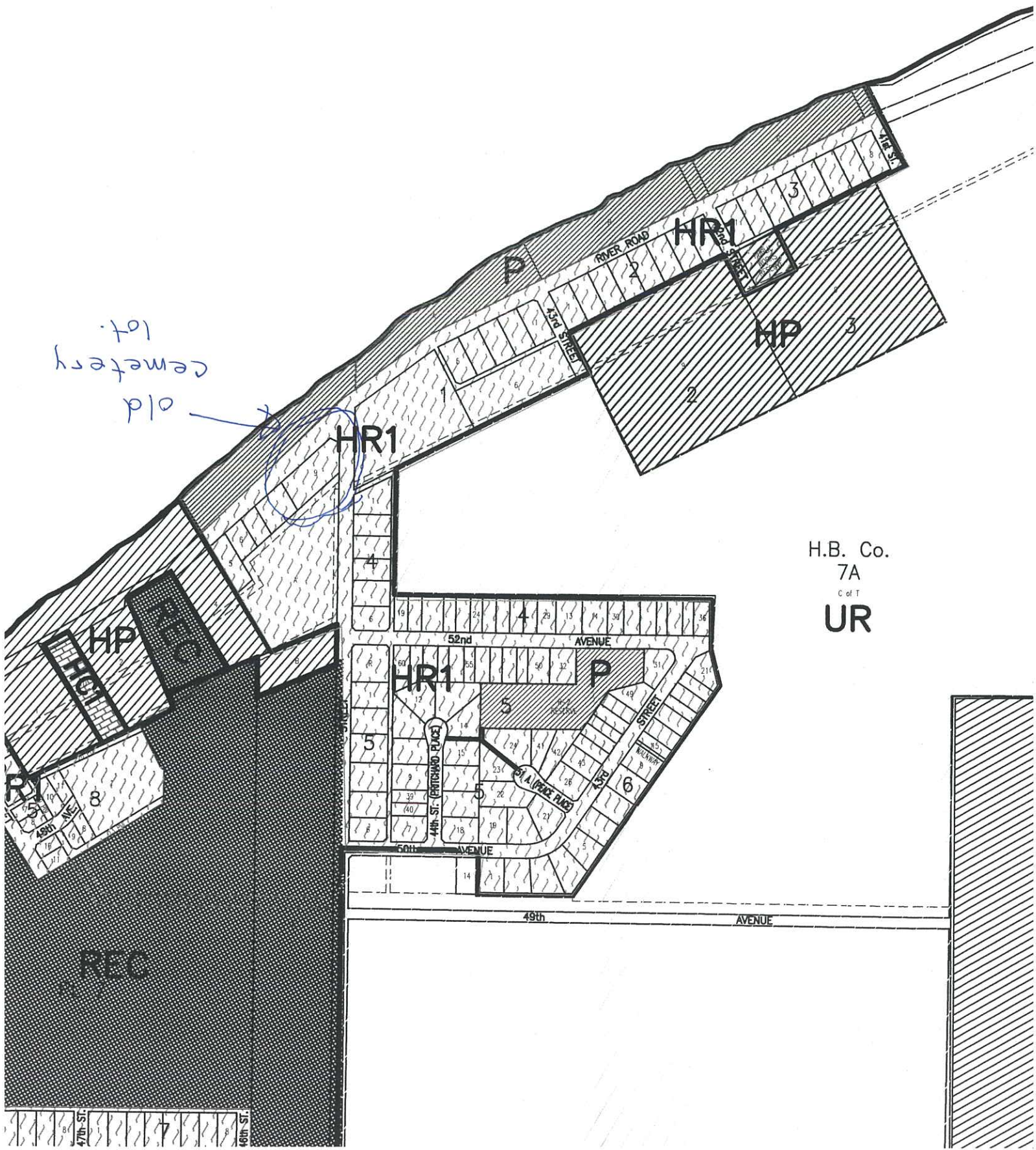
N/A

RECOMMENDED ACTION:

That the Municipal District of Mackenzie offer to take possession of Plan 4726TR, Lot 9 and establish it as a cemetery and that another residential lot within the Hamlet of Fort Vermilion be made available to be purchased by Mackenzie Housing Management Board at assessed value.

Author: Eva Schmidt, Planning Supervisor	Review Date: May 3 / 06	C.A.O.: <i>Acting</i> 
--	-----------------------------------	--

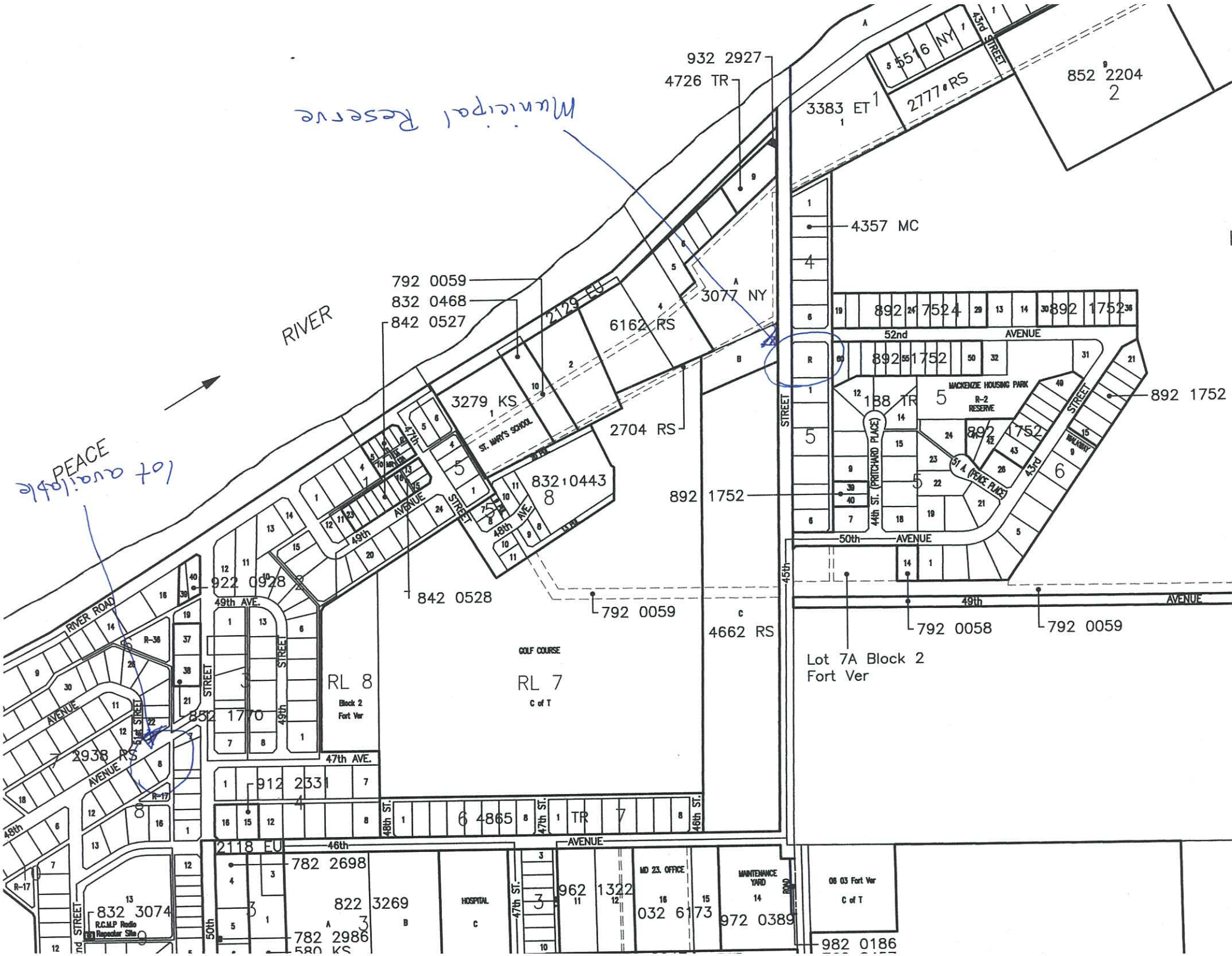
old cemetery lot.



H.B. Co.
7A
C of T
UR

Municipal Reserve

PEACE lot available



RIVER

932 2927
4726 TR

3383 ET 1

556 NY 7
2777 RS

852 2204
2

792 0059
832 0468
842 0527

6162 RS

3077 NY

4357 MC

892 24 7524 29 13 14 30 892 1752 38

892 55 1752 50 32

3279 KS

2704 RS

832 10443
8

892 1752

892 1752

842 0528

792 0059

4662 RS

792 0058

792 0059

Lot 7A Block 2
Fort Ver

GOLF COURSE
RL 7
C of T

RL 8
Block 2
Fort Ver

922 0928

832 1770

912 2331

6 4865

782 2698

962 1322

MD 23. OFFICE

MAINTENANCE YARD

08 03 Fort Ver
C of T

832 3074
R.C.M.P. Radio
Repeater Site

782 2986

822 3269

HOSPITAL

032 6173

972 0389

982 0186

Consumer Services Branch
Consumer Programs

3rd Floor, Commerce Place
Mail Station 3C, 10155 - 102 Street
Edmonton, Alberta
Canada T5J 4L4

Telephone (780) 427-5210
Fax (780) 427-3033

December 15, 2005

File No. CIF 2094

Corrine Card
Mackenzie Housing Management Board
Box 357
La Crete, Alberta
T0H 2H0

Dear Ms. Card:

Re: Old Fort Vermilion Graveyard
Plan 4726TR, Lot 9

Plan 4726TR, Lot 9, owned by the Mackenzie Housing Management Board has been identified as a burial site by the Heritage Resource Management Branch of Alberta Community Development. The documentation to support this identification is attached.

Accordingly, under section 74 (1) of the Cemeteries Act, the Director of Cemeteries has placed a habendum clause on the title to indicate that the title should not be altered in any way without prior approval from the Director of Cemeteries and the Heritage Resource Management Branch.

Sincerely,


George Yates
Director of Cemeteries

Encl.

From Darryl Bereziuk
Northern Archaeologist
Heritage Resource Management Branch

Our File Reference

Your File Reference

To Brian Ronaghan
Head, Archaeological Survey
Heritage Resource Management Branch

Date December 5, 2005

Telephone (780) 431-2316

Subject **Fort Vermilion Burial Site**

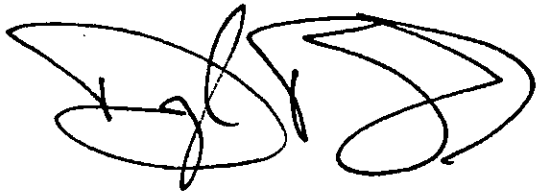
The following letter provides supporting textual and graphical evidence that establishes reasonable probability for the existence of human remains and associated materials to exist within portions of Lot A726TR of the Fort Vermilion town site (*cf.*, Figure 1). This property (actually two separate lots) is situated immediately southwest of the intersection of 45th Street and River Road and directly west across 45th Street from provincially designated lands associated with the 'Fort Vermilion Hudson's Bay Factor's House' (Figure 2). This Provincial Historic Resource, commonly referred to as the 'Old Bay House', was constructed in 1905 and represents the former manager's residence during late stages of the Hudson's Bay Company's (HBC) Fort Vermilion trading post. The cemetery is thought to relate to an earlier phase of occupation of this historic site when it represented the chief trading post on this section of the Peace River between approximately 1830 and 1878.

The existence of a cemetery to the west of the 'Old Bay House' is suggested by the disturbance of human interments during the construction of the 45th Street/River Road intersection. The burials were encountered along the western margin of the 45th Street right-of-way a short distance south of its intersection with River Road. Of additional significance are anecdotal reports, dating to a time following the above-mentioned road construction activities, that suggest the disturbance of additional human remains and associated materials in relation to utility trenching activities in the immediate vicinity of Lot A726TR. The re-excavation of a water and sewer main along the western ditch of 45th Street does not appear to have disturbed human remains or associated burial materials but did impact portions of several framed cellar structures.

The issues relating to the exact location and extent of the burial ground remain unresolved. A sketch map prepared by Sheldon Clarke, a University of Manitoba student, displays a 'grave yard' some distance to the west of the Old Bay House and immediately southwest of the 45th Street/River Road intersection (Figure 3; *cf.*, des file 0384). This map is likely based upon an 1897 HBC surveyor's site plan of the Fort Vermilion trading post. An historic photograph accompanying this sketch map appears to show a series of headstones/cross markers situated within a fenced area to the west of

the 'Old Bay House' in the location that Clarke indicates should contain the cemetery (Figures 3 (lower left) and 4). The poor quality and oblique perspective of this photograph leads to difficulties in estimating the precise distance between the cemetery and 'Old Bay House'. The possibility exists that the cemetery might extend into the area between 45th Street and the 'Old Bay House', especially when considering that this road alignment did not exist when the cemetery was in use. However, a sketch map indicating the presence of a fenced garden immediately west of the 'Old Bay House' suggests that the cemetery likely did not extend a great deal farther to the east (Figure 5; cf., des file 0384). This fenced garden is also shown in a historic photograph of the area immediately west of the 'Old Bay House' on the opposite side of the original access lane (Figure 6). It does not appear likely that a garden would have been placed directly overtop of the cemetery during this early time period. It seems reasonable to suggest, then, that the cemetery was separated from the 'Old Bay House' by an unknown distance that once occupied a fenced garden area.

Based upon the above information, the Archaeological Survey commissioned a remote sensing study in 1992 in an effort to define the extent of possible burials west of the Old Bay House. The study identified a series of discrete subsurface geophysical anomalies suggesting that portions of the presumed cemetery might occur west of 45th Street, with the possibility that it extends into the area between 45th Street and the Old Bay House (Figure 7). However, none of the anomalies were conclusively identified as graves/interments through additional sub-surface field examinations of the anomalies. For this reason, the exact boundaries of the Fort Vermilion cemetery are still poorly understood. However, the present evidence establishes reasonable probability for additional human interments to exist in subsurface context within the Lot 4726TR area (Figure 8).



Darryl A. Bereziuk
Northern Archaeologist

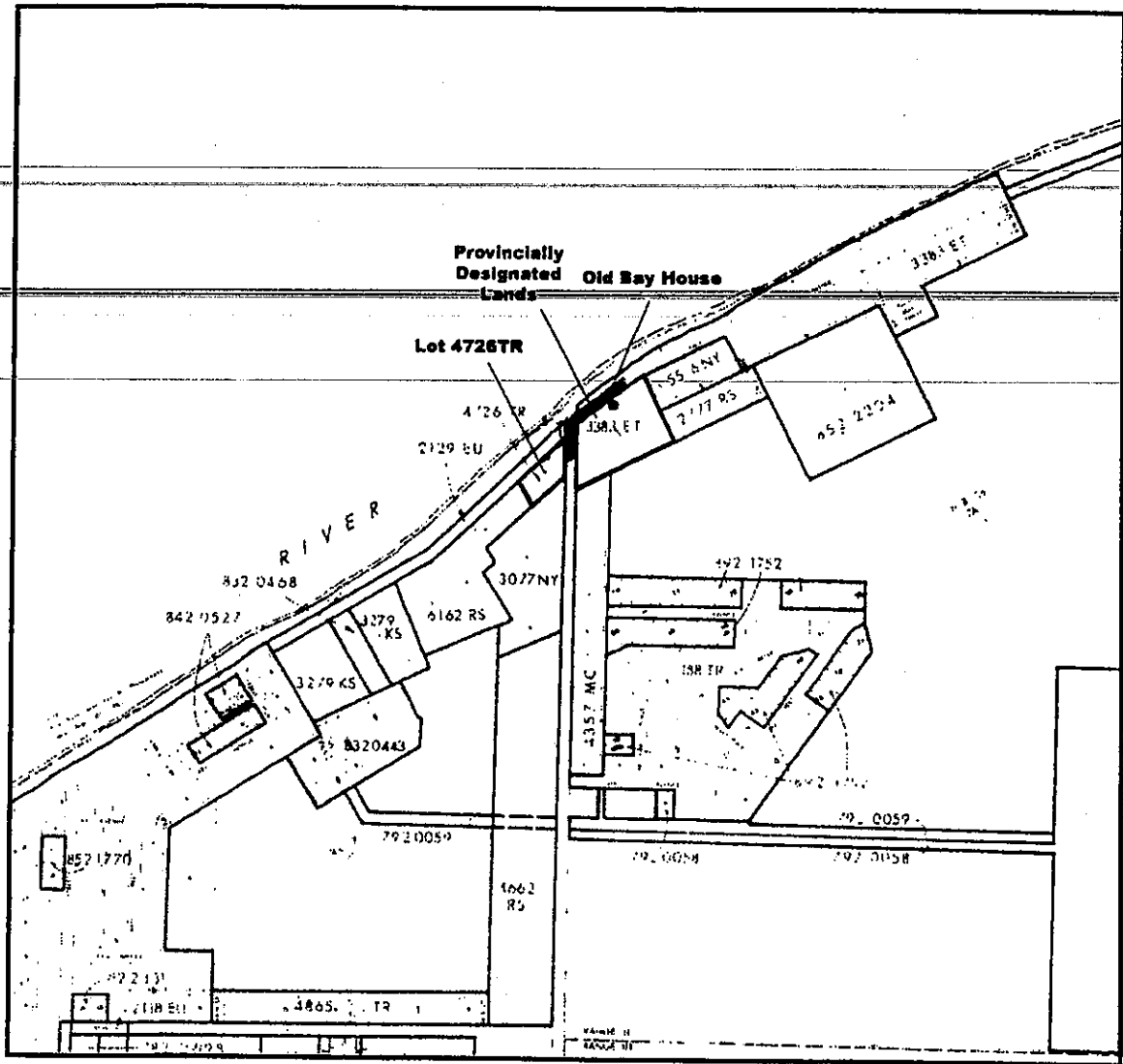


Figure 1. Location of Lot 2726TR within the Fort Vermilion town site. Note the location of provincially designated lands associated with the Fort Vermilion Hudson's Bay Factor's House.



Figure 2. View to southwest across Lot 2726TR from the intersection of 45th Street and River Road.

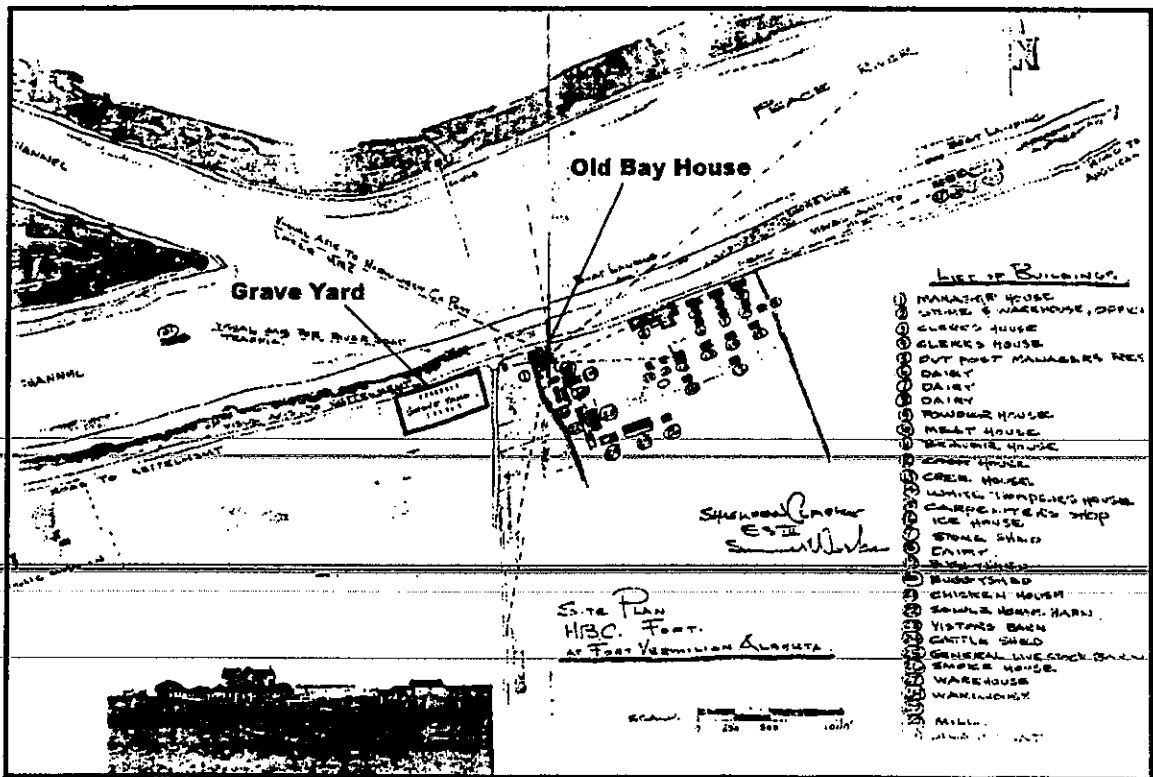


Figure 3. Site Plan of Hudson's Bay Company Fort at Fort Vermilion, Alberta. Note location of Old Bay House and Grave Yard (modified from sketch map prepared by Sheldon Clarke).

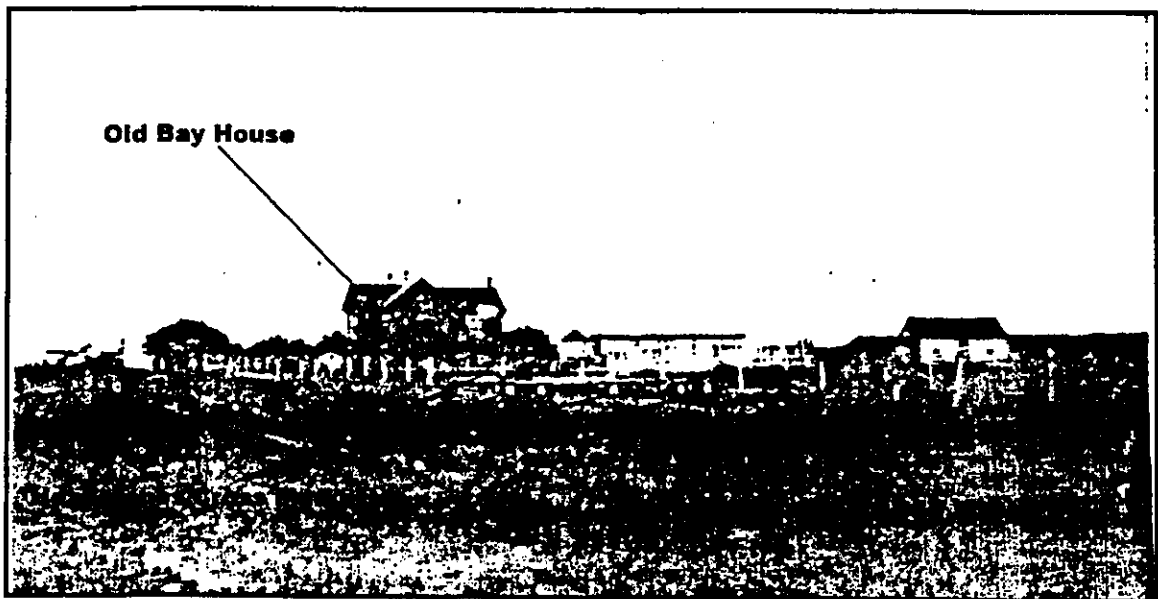


Figure 4. Historic photograph showing potential headstones/cross markers to west of 'Old Bay House'.

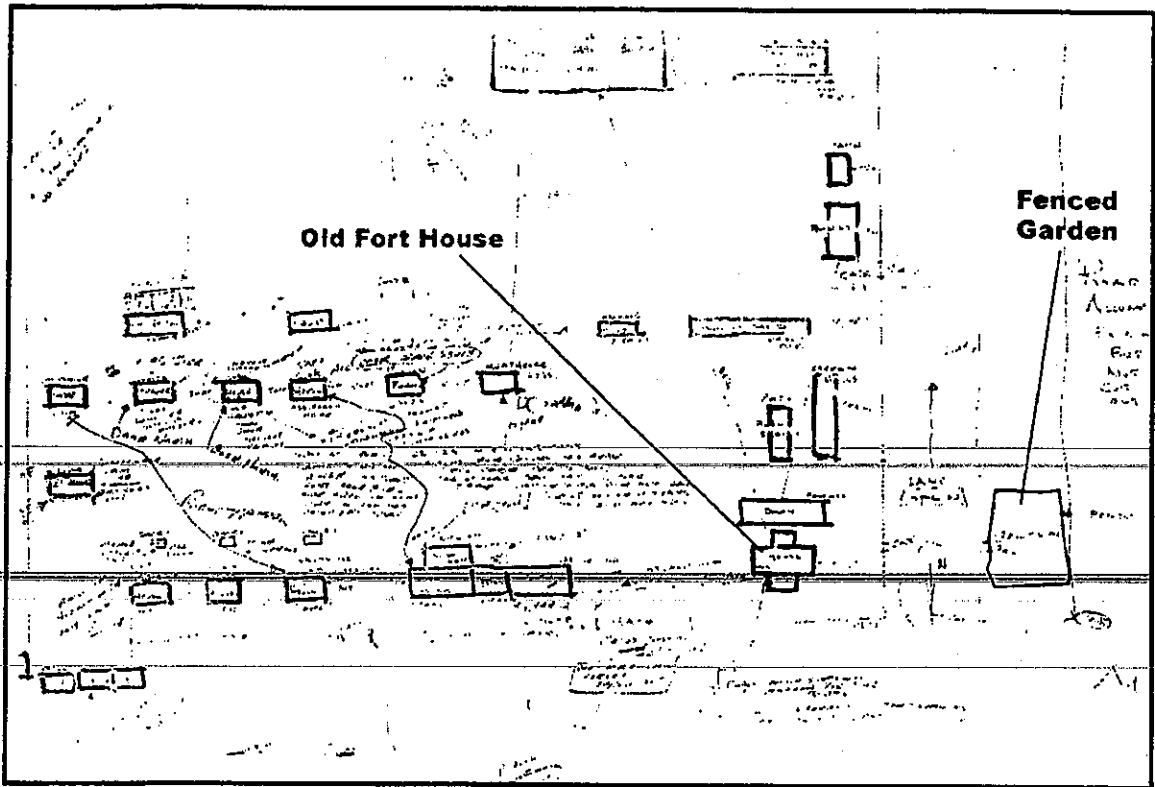


Figure 5. Sketch Map of Hudson's Bay Company Fort at Fort Vermillion, Alberta. Note location of Old Bay House and Fenced Garden structure.

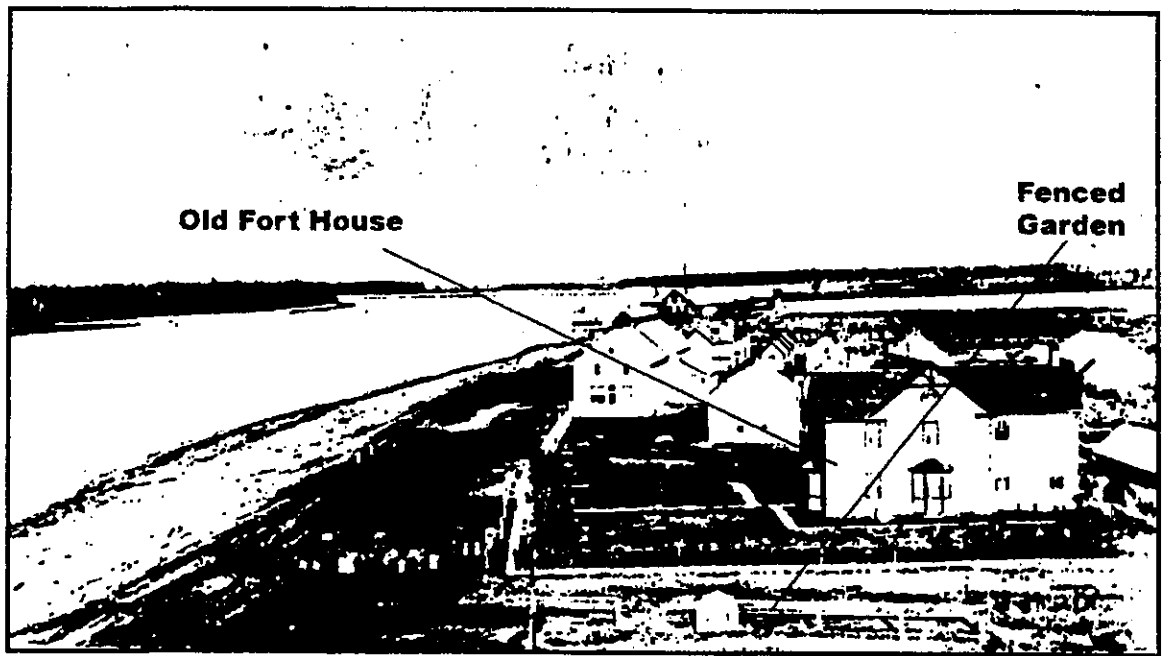


Figure 6. Historic photograph showing Old Bay House and Fenced Garden structure.

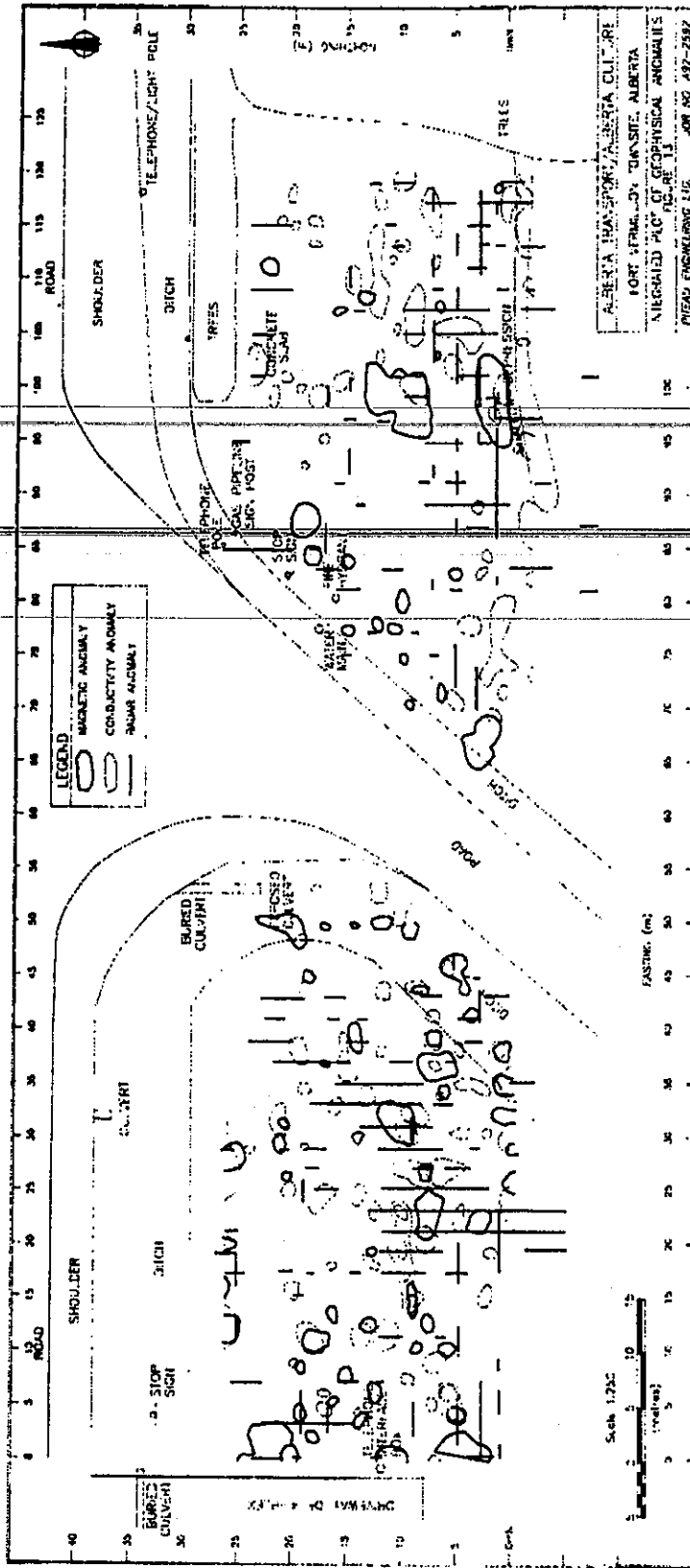


Figure 7. Geophysical anomalies identified to the east and west of 45th Street immediately south of the River road in the vicinity of the presumed cemetery to the west of the Old Bay House.

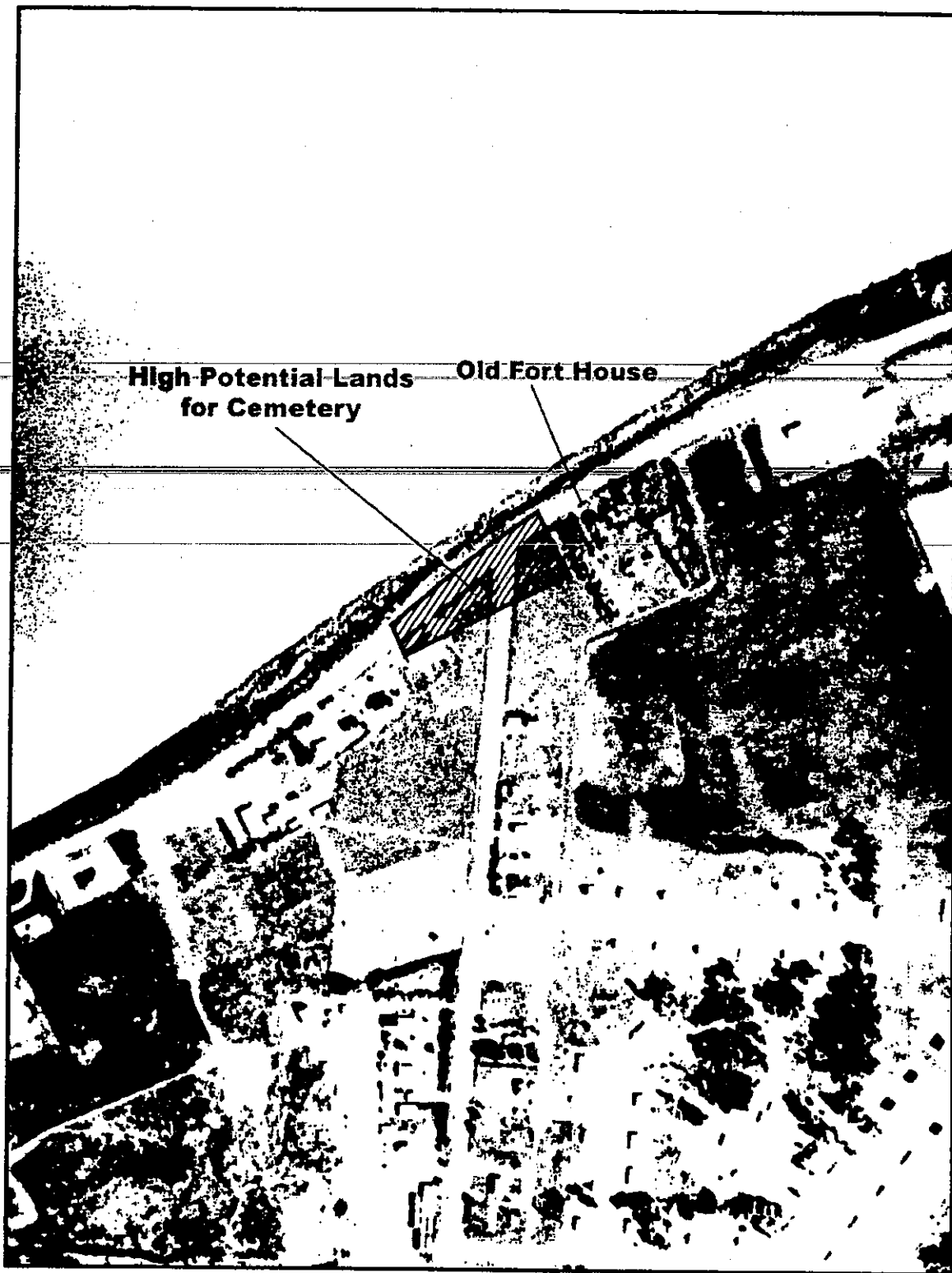


Figure 8. Location of lands exhibiting high potential for containing human interments associated with presumed cemetery in vicinity of Old Bay House in Fort Vermilion town site.

March 2004

Cemeteries Act

MD may register (responsible.) Darren

~~~~~ \$10,000.00 Trust Fund.

### Definition:

Cemetery means land that is set apart or used as a place for the burial of dead human bodies or other human remains or in which dead human bodies or other human remains are buried.

The owner for a new cemetery must be a religious organization or a municipality.

### Registration Requirements:

The following are the requirements for registering a new cemetery or expanding an existing cemetery site:

1. Application for Provisional Approval of Cemetery form. Religious groups must be registered with Corporate Registry (427-2311).
2. Sketch plan of the proposed site which shows:
  - legal description of the quarter section;
  - the general slope of the land;
  - all buildings used for human habitation and all domestic water supplies within 150 metres of the site;
  - cemetery boundaries must be marked and measurements indicated;
  - placement of the cemetery within the quarter section showing the distance between a reference point and the cemetery boundaries.
3. Local regional health authority recommendation or comments. This can be provided on the enclosed form or a letter of approval will be accepted.
4. Subdivision approval for the land to be used as a cemetery. This approval is called an "Approved Subdivision" application. Each subdivision authority has their own format.

cremated + then buried on site.

4726 TR, L9

922 2022

When the above information is received and processed, a Provisional Certificate of Approval is issued. The Provisional Certificate is issued as our approval for the land to be established as a cemetery site. This certificate is issued for a one-year period but does not permit the use of the land for burials.

The Provisional Certificate of Approval is to be presented to Land Titles (along with any other required documents) for the owner of the cemetery to obtain clear and separate title of the actual cemetery site. This title must be free and clear of any liens and/or encumbrances.

Once the owner has obtained title to the site, a copy is to be forwarded to our office for review. If the proposed cemetery is described by a plan number on the title, a copy of the registered plan must also be submitted. If the title is in order, a Final Certificate of Approval will be issued. The Final Certificate of Approval permits burials to take place on the site.

---

**Legislation:**

---

Cemeteries Act  
General Regulation

---

Copies of legislation can be obtained from the Queen's Printer Bookstore at:

John J. Bowlen Building  
602, 620-7 Avenue S.W.  
Calgary, Alberta  
T2P 0Y8  
Telephone: (403) 297-6251

OR

Park Plaza  
5 floor, 10611-98 Avenue  
Edmonton, Alberta  
T5K 2P7  
Telephone: (780) 427-4952

To call a Government of Alberta office toll free (in Alberta), dial 310-0000 and follow the instructions.



**RETURN THIS FORM TO:**  
 Alberta Government Services  
 Consumer Services Division  
 3C 10155 102 Street  
 EDMONTON AB T5J 4L4

# Application for Provisional Approval of Cemetery

|                                                         |            |                                         |          |
|---------------------------------------------------------|------------|-----------------------------------------|----------|
| 1. Name of Owner (Religious Organization, Municipality) |            |                                         |          |
| 2. Street Address or Legal Land Description             |            | City / Town                             | Province |
| 3. Mailing Address (include box number if applicable)   |            |                                         |          |
| 4. Telephone Number of Owner                            | Fax Number | Corporate Access Number (if applicable) |          |
| 5. Email Address (if applicable)                        |            | Website Address (if applicable)         |          |

### APPLICANT INFORMATION

|                                                                                       |        |                           |                       |
|---------------------------------------------------------------------------------------|--------|---------------------------|-----------------------|
| 6. Name of Applicant (last, first, initial)                                           |        | Business Telephone Number | Home Telephone Number |
| 7. Address                                                                            | Street | City / Town               | Province              |
| 8. State Affiliation with the Owner                                                   |        |                           |                       |
| 9. Name of Cemetery                                                                   |        | Name of Nearest Town      |                       |
| 10. Legal Land Description                                                            |        |                           |                       |
| 11. Location of Cemetery (e.g. 12 miles east on highway 21, then 2 miles north, etc.) |        |                           |                       |

Do you want your name to show on the Internet?  Yes  No

I, \_\_\_\_\_ make application for Provisional Approval of a cemetery

Please PRINT

in accordance with the provisions of section 14 of the Cemeteries Act General Regulation.

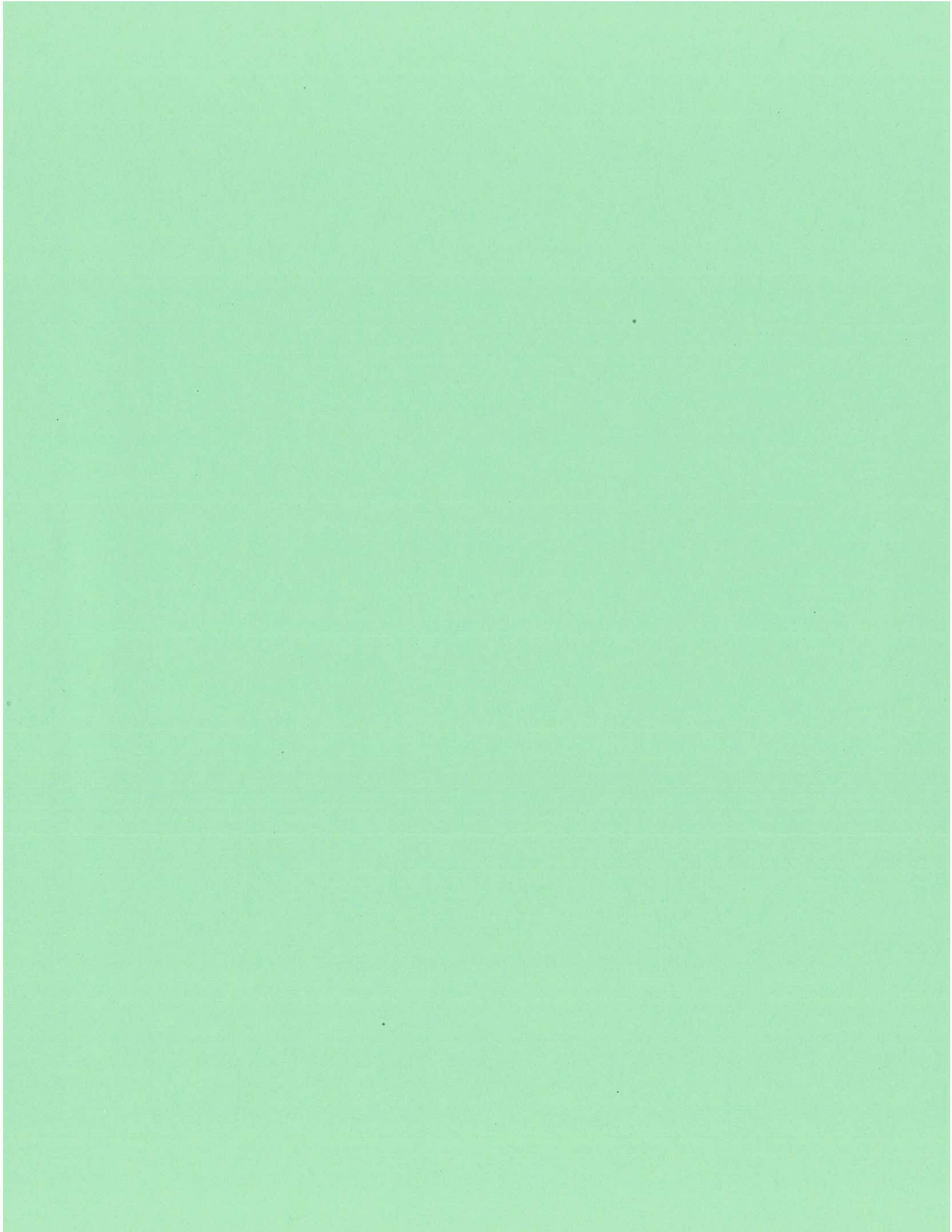
\_\_\_\_\_  
Signature

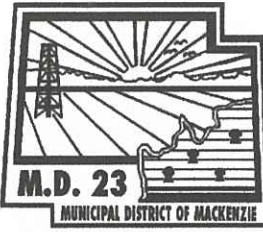
\_\_\_\_\_  
Date

**The following must be included with the application for Provisional Approval:**

1. Sketch Plan showing proposed location of site, general slope of land, all buildings used for human habitation and all water supplies within 150 metres of any boundary point of the cemetery.  
**NOTE: The boundaries of the cemetery in relationship to the boundaries of the quarter section (legal subdivision, etc.) must be clearly marked on the sketch plan.**
2. A copy of subdivision approval regarding land use.
3. Health authority recommendation.
4. The name and address of the individual responsible for record keeping if different from applicant. Please attach separate sheet.

This information is being collected for the purposes of applying for provisional approval of a cemetery in accordance with the Cemeteries Act and Regulations. Questions about the collection of this information can be directed to Alberta Government Services, Director of Cemeteries, 3<sup>rd</sup> Floor, Commerce Place, 10155 - 102 Street, Edmonton, Alberta, T5J 4L4, 427-5210 (outside of Edmonton call 310-0000 to be connected toll free).





## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                                                                                                                                      |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                                                                                                                       |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                                                                                                                                   |
| <b>Presented By:</b> | <b>Eva Schmidt, Planning Supervisor</b>                                                                                                              |
| <b>Title:</b>        | <b>Subdivision Application 25-SUB-05<br/>Andy's Mobile Repair Service, 4.79 Acres (1.94 Hectares)<br/>Subdivision on SE 16-106-15-W5M (La Crete)</b> |

#### BACKGROUND / PROPOSAL:

Subdivision application 25-SUB-05 for Andy's Mobile Repair Service was accepted by the development department on May 11<sup>th</sup>, 2005 and was approved on June 24, 2005. When the applicant realized that he would be responsible for constructing infrastructure from the south boundary to the north boundary of the proposed subdivision, the applicant withdrew his application on December 19<sup>th</sup>, 2005.

#### OPTIONS & BENEFITS:

Auto Teck has recently submitted a subdivision application, including the application fee, for the exact same property that was in the process of being subdivided for Andy's Mobile. Since Auto Teck is continuing the subdivision and has paid the application fee, the fee paid by Andy's Mobile Repair Service is a duplicate and is not required.

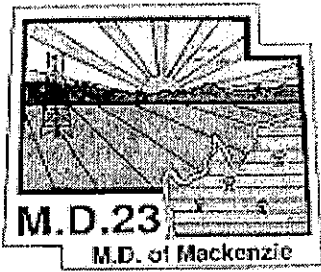
#### COSTS & FUNDING:

N/A

#### RECOMMENDED ACTION:

That the subdivision application fee in the amount of \$900, paid by Andy's Mobile Repair Service for a subdivision on SE 16-106-15-W5M, be refunded in it's entirety.

|                                                     |                                 |                                       |
|-----------------------------------------------------|---------------------------------|---------------------------------------|
| <b>Author:</b><br>Marion Krahn, Development Officer | <b>Review Date:</b><br>May 3/06 | <b>C.A.O.:</b><br><i>Acting</i><br>JW |
|-----------------------------------------------------|---------------------------------|---------------------------------------|



# M.D. of Mackenzie No.23

P.O. Box 640  
 Fort Vermilion, Alberta  
 Phone: (780) 927-3718 Fax: (780) 927-4266  
 E-Mail: fvo@md23.ab.ca

**OFFICIAL RECEIPT 42306**

Customer & Comments:

Andy's Mobile Repair Service  
 Box 581  
 La Crete AB T0H 2H0

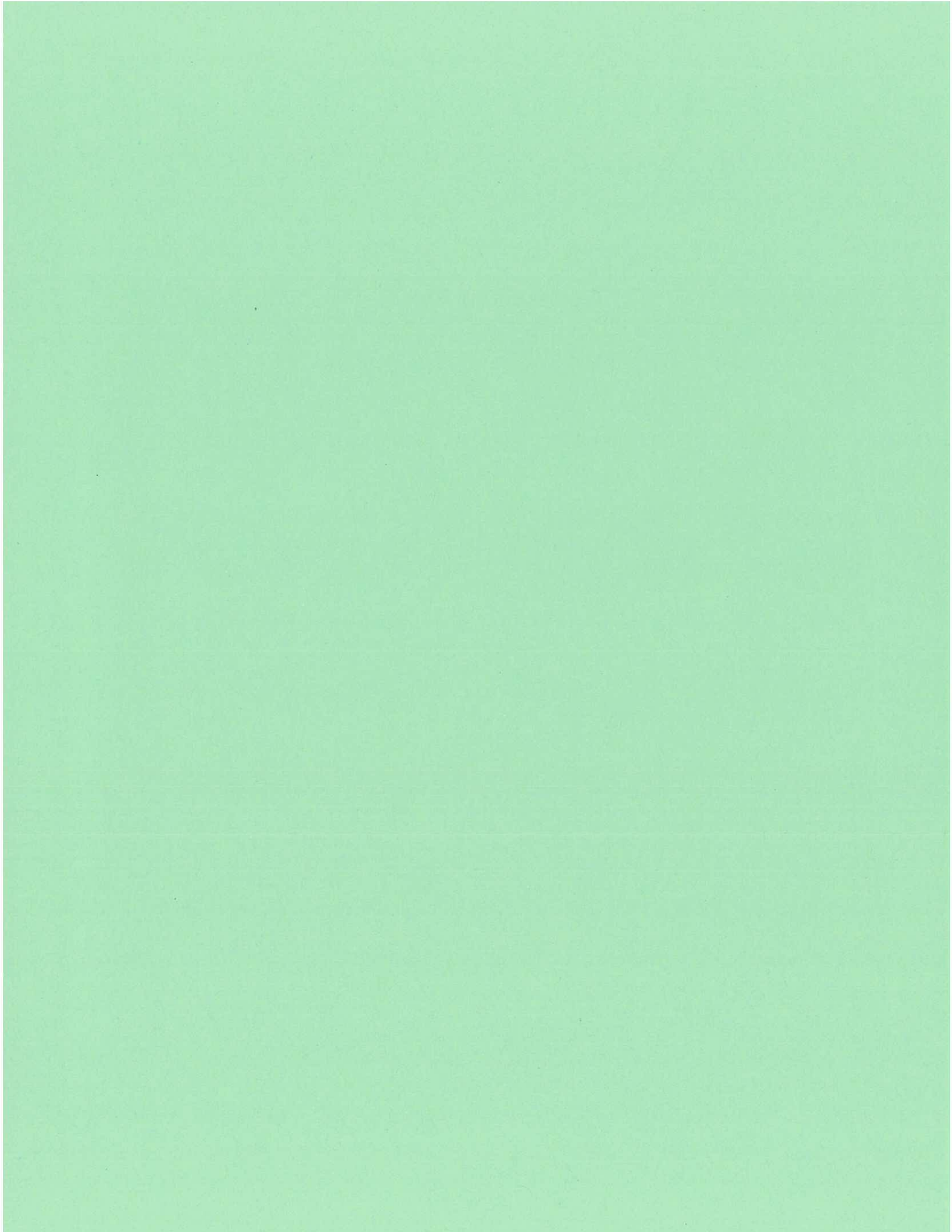
Date: Apr 13, 2005  
 Initials: MP

| Receipt Type | Roll/Account | Description                 | Outstanding Amount | Quantity | Receipt Amount | Still Owing |
|--------------|--------------|-----------------------------|--------------------|----------|----------------|-------------|
| General      | SUBAP        | Subdivision Application Fee | \$900.00           | 1        | \$900.00       | \$0.00      |

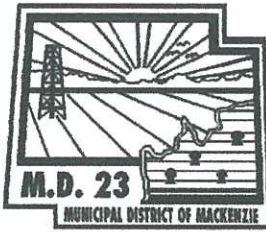
Cheque Number: 6328

----- PAYMENT SUMMARY -----

|                  |                 |
|------------------|-----------------|
| Tax Amount:      | \$0.00          |
| Receipt Total:   | \$900.00        |
| Cash Received:   | \$0.00          |
| Cheque Received: | \$900.00        |
| Other Received:  | \$0.00          |
|                  | <b>\$900.00</b> |







## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                               |
|----------------------|-----------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                            |
| <b>Presented By:</b> | <b>Paul Driedger, Acting Roads Supervisor</b> |
| <b>Title:</b>        | <b>Sale of Gravel from Tompkins Pit</b>       |

#### BACKGROUND / PROPOSAL:

At the April 26, 2006 Council meeting, Council made the following motion:

#### **MOTION 06-292**

"That the gravel price for gravel sold from the Tompkins pit be researched by administration and brought to the Operations and Financial committee."

These meetings occur later than is required for the 2006 regravelling season as the sale of this gravel occurs during the regravelling program, which begins in June. The sale of this gravel would have to be advertised immediately and added to the regravelling contracts.

In the past the Municipal District has sold gravel from its reserves to residents for private use under the terms set out in policy PW014 - Sale of MD Gravel for Personal Use. The purpose for selling MD gravel to certain resident's is to give them the opportunity to purchase gravel at a price similar to those closer to private gravel sources. The purpose is not to compete with private industry. Currently the Tompkins area is the only location within the MD where there is not a private gravel source within 50 km. Policy PW-014 states the following:

#### Clause 3

"Gravel may be sold from the Tompkins Pit during 2005 for personal and farm use to locations west of and including Range Road 17-0, south of the Peace River, for the same price the private sector charges to supply and haul to RR 17-0."

According to the policy, the price of gravel for sale from the Tompkins gravel pit must be determined during budget deliberations. This was missed during the 2006 budget deliberations.

|                     |           |                                    |
|---------------------|-----------|------------------------------------|
| Author: M. Driedger | Reviewed: | C.A.O.: <i>Acting</i><br><i>AD</i> |
|---------------------|-----------|------------------------------------|

**DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:**

The total cost to supply and haul gravel from the Tompkins pit is \$21.18m3, which includes:

- Crushing and Engineering Costs
- Reclamation and Lab Testing Costs
- Stockpiling Costs
- Hauling by a Contractor

For 2006 gravel sales to RR 17-0, the private sector charges \$20.00 per cubic meter. A comparison of the MD cost versus the private sector is as follows:

|                                   |            |
|-----------------------------------|------------|
| Private Sector Cost               | \$20.00/m3 |
| MD Cost                           | \$16.89/m3 |
| Difference (Administration Costs) | \$3.11/m3  |

Our policy states that the sale price shall be at least the cost of producing and hauling the gravel but the policy also states that gravel out of the Tompkins pit be sold for the same price the private sector charges to supply and haul to RR 17-0.

**Option 1**

To amend Policy PW014 to set the sale of gravel at \$20.00/m3 to meet policy requirements.

If Council chooses to continue to sell gravel from the Tompkins pit for 2006, Policy PW014 will need to be revised to include the sale of gravel from the Tompkins pit for 2005 and the cost of the gravel would have to be set at \$20.00 per cubic meter, which is what the private sector is charging.

**Option 2**

That no gravel be sold out of the Tompkins pit for the 2006 year. That Policy PW014 – Sale of M.D. Gravel for Personal Use be adopted as presented.


At the Operations Committee meeting on April 21, 2006, the Operations committee recommended not selling gravel out of the Tompkins pit for the 2006 year for the following reasons:

1. there is a shortage of municipal gravel at the moment;
2. all the gravel from the Tompkins pit is required for the 2006 regravelling season;
3. there were no private gravel purchases from the Tompkins gravel pit in 2005.

Policy PW014 would need to be revised to reflect the option to not sell gravel out of the Tompkins gravel pit (see attached revised policy).

**COSTS / SOURCE OF FUNDING:**

N/A

|                     |           |                                                                                                         |
|---------------------|-----------|---------------------------------------------------------------------------------------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.:  |
|---------------------|-----------|---------------------------------------------------------------------------------------------------------|

**RECOMMENDED ACTION:**

**Option 2**

That no gravel be sold out of the Tompkins pit for the 2006 year. That Policy PW014 – Sale of M.D. Gravel for Personal Use be adopted as presented.

|                     |           |                             |
|---------------------|-----------|-----------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.: <i>AD</i> |
|---------------------|-----------|-----------------------------|



## Municipal District of Mackenzie No. 23

|              |                                             |                   |              |
|--------------|---------------------------------------------|-------------------|--------------|
| <b>Title</b> | <b>Sale of M.D. Gravel for Personal Use</b> | <b>Policy No.</b> | <b>PW014</b> |
|--------------|---------------------------------------------|-------------------|--------------|

### Purpose

To specify the terms of reference for personal or farm use of gravel from Municipal District of Mackenzie controlled gravel pits, while fulfilling the responsibility of the MD to endeavor not to compete with private industry.

### Definition

Private Source - any privately operated pit, stockpile site or yard that contains gravel available for purchase.

### Policy Statement and Guidelines

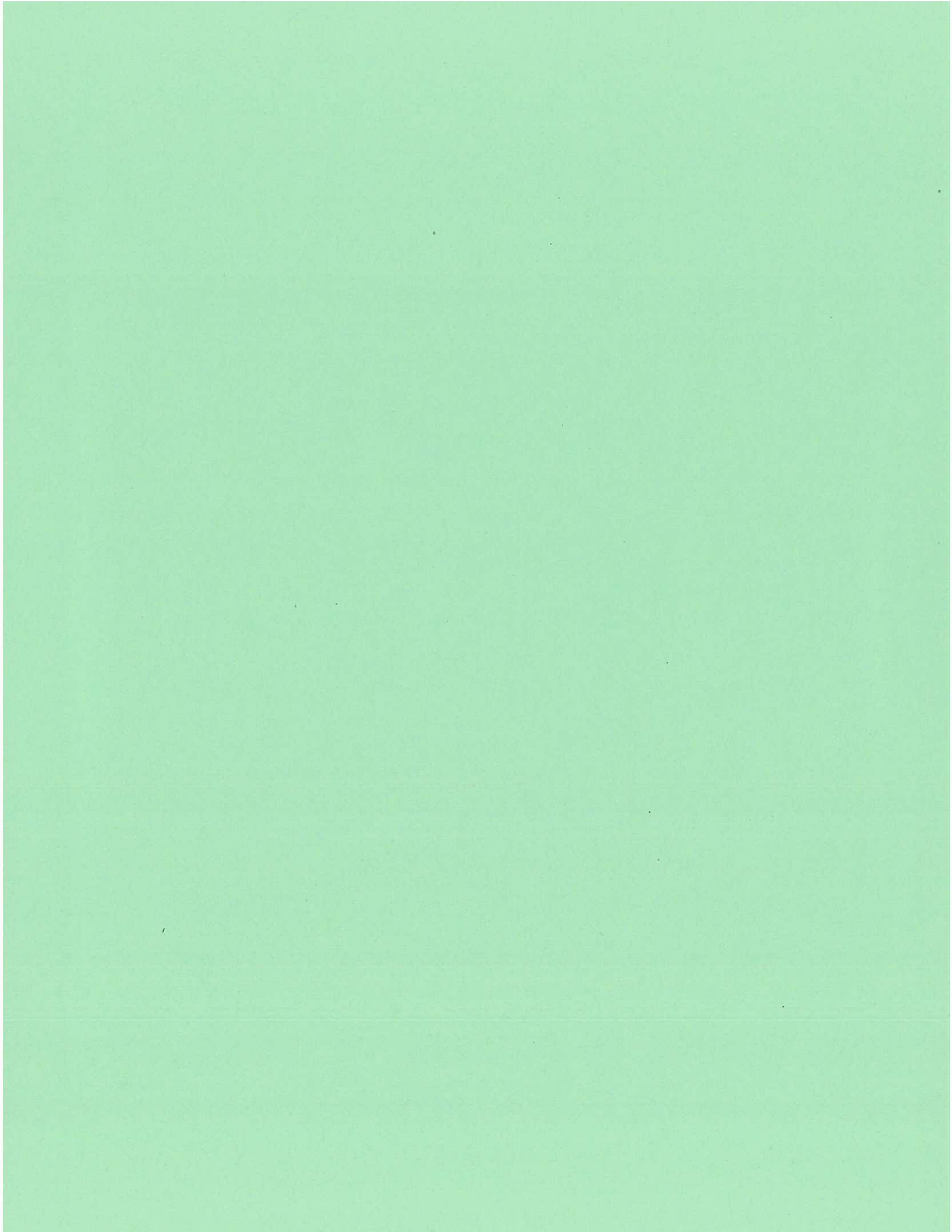
1. Gravel may be purchased by residents of the Municipal District of Mackenzie and will be sold only when the gravel is to be for personal or farm use only.
2. Gravel ~~will not be~~ sold from the Tompkins pit during 2006 for personal and farm use.
3. The maximum amount of gravel that can be purchased per year is 100 cubic meters per person, yard-site, dwelling, destination, lot or location.
4. The gravel may normally be purchased when the MD is conducting gravelling operations from a specific gravel pit. The gravelling contractor from the Tompkins pit will haul all gravel sold privately.
5. The cost of the gravel will be determined during budget deliberations for the fiscal year. This price shall be at least the cost of producing and hauling the gravel.
6. The person purchasing the gravel must make arrangements for the purchase through the La Crete Office. Invoices may be issued for those unable to conveniently travel to the La Crete Office to pre-pay their gravel purchase.
7. Any persons who have an outstanding debt more than 60 days in arrears must pay for the gravel before it is loaded onto a truck.

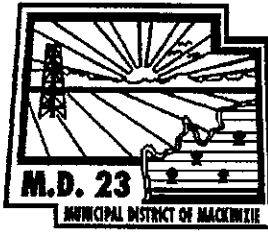
**Deleted:** may be

**Deleted:** 5

**Deleted:** to locations west of and including Range Road 17-0, south of the Peace River for the same price the private sector charges to supply and haul to RR17-0

|                 | Date                    | Resolution Number |
|-----------------|-------------------------|-------------------|
| <b>Approved</b> | <b>April 18, 2001</b>   | <b>01-214</b>     |
| <b>Amended</b>  | <b>August 12, 2003</b>  | <b>03-442</b>     |
| <b>Amended</b>  | <b>December 9, 2003</b> | <b>03-621</b>     |
| <b>Amended</b>  | <b>June 14, 2005</b>    | <b>05-315</b>     |
| <b>Amended</b>  |                         |                   |





# M.D. of Mackenzie No. 23

## Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                               |
|----------------------|-----------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                            |
| <b>Presented By:</b> | <b>Paul Driedger, Acting Roads Supervisor</b> |
| <b>Title:</b>        | <b>Gravel Tendering</b>                       |

### BACKGROUND / PROPOSAL:

At the April 26, 2006 Council meeting, council defeated the recommended motion at the end of this RFD and made a motion to bring the RFD back to the next Council meeting.


At the April 11, 2006 Council meeting, council made a motion that administration pursues gravel tendering options. The Operations Committee met on April 21, 2006 and reviewed the options and made a recommendation as outlined at the end of the report.

### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

Following is a summary of the M.D.'s current and required gravel supply throughout the Municipality:

| Pit          | Area Serviced by pit     | Approx. Quantity Gravel Required (m <sup>3</sup> ) for 2006 * | Approx. Quantity Gravel Required (m <sup>3</sup> ) Average | Quantity in Pits (m <sup>3</sup> ) |
|--------------|--------------------------|---------------------------------------------------------------|------------------------------------------------------------|------------------------------------|
| Blue Angel   | Assumption Road          | 4,200                                                         | 6,000                                                      | 4,433                              |
| Fitler       | Rocky Lane/High Level    | 10,500                                                        | 15,000                                                     | 41,000                             |
| Meander      | Zama Access/Hamlet       | 5,900                                                         | 8,400                                                      | 0                                  |
| Mercredi     | Fort Vermilion/Blumenort | 14,500                                                        | 20,500                                                     | 8,568                              |
| Tall Cree    | Wadlin                   | 2,100                                                         | 3,000                                                      | 4,369                              |
| Tompkins     | Tompkins/Buffalo Head    | 7,000                                                         | 9,900                                                      | 23,522                             |
| W. La Crete  | La Crete                 | 10,800                                                        | 15,300                                                     | 0                                  |
| <b>Total</b> |                          | <b>55,000</b>                                                 | <b>78,100</b>                                              | <b>74,415</b>                      |

\* The approximate quantity gravel required for 2006 was reduced by 30% from 2005 actual as per direction given by council at the February 22, 2006 Council meeting.

|                     |           |                                                                                                         |
|---------------------|-----------|---------------------------------------------------------------------------------------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.:  |
|---------------------|-----------|---------------------------------------------------------------------------------------------------------|



The current gravel budget is \$1,541,778 with \$736,087 allocated to the regravelling program (this includes the Zama gravel purchases). The remaining funds of \$805,697 are allocated for gravel crushing.

As seen above, all gravel pits will be depleted at the end of the 2006 regravelling season, with the exception of the Fidler Pit, which will have enough gravel for another season. As it is too late in the year to crush gravel for the 2006 regravelling program, gravel will be hauled from the Tompkins pit for the La Crete area and from the Fidler pit for the Fort Vermilion area and gravel will be purchased from a private source for the Zama area as the pits in these areas are either depleted or not sufficient for our regravelling needs.

The options for gravel crushing are as follows:

### Option 1

To retender the gravel crushing with crushing in the West La Crete, North Vermilion, and Meander 4 pits. This would ensure gravel for the La Crete, Fort Vermilion and Zama areas for the 2007 regravelling season. This will require the municipality to crush gravel in 3 pits for the Assumption, Wadlin, and Tompkins/Buffalo Head areas prior to the 2007 regravelling season.

### Option 2

To retender the gravel crushing with crushing in the West La Crete and Meander 4 pit. To crush the gravel in North Vermilion pit is unusually high due to the amount of overburden and administration is currently working with Wayne Mercredi to secure more gravel near the Mercredi pit. This would ensure gravel for the La Crete and Zama areas for the 2007 regravelling season but will require the MD to crush gravel in 4 pits for the Assumption, Wadlin, Tompkins/Buffalo Head, and Fort Vermilion areas prior to the 2007 regravelling season.

### Option 3

To tender the gravel crushing for a 3 year gravel supply in all municipal areas. As the majority of the municipalities' gravel pits will be depleted at the end of the 2006 regravelling season, the Operations committee is recommending that the gravel crushing tender be for a 3 year supply in all municipal areas. Two alternatives in the tender would read as follows:

- A 3 year commitment for a 3 year supply of gravel, with a condition that enough gravel be crushed in all municipal pits for each of the 3 years (2007,2008,2009) regravelling needs.
- A 1 year commitment where a 3 year supply of gravel would be crushed in all municipal pits within one year.

Gravel required in municipal areas would be as follows:

|                     |           |                             |
|---------------------|-----------|-----------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.: <i>AD</i> |
|---------------------|-----------|-----------------------------|

**3 Year Commitment for a 3 Year Supply**

|                          | Gravel (m3) per year |                      |                      | Total          |
|--------------------------|----------------------|----------------------|----------------------|----------------|
|                          | 1 <sup>st</sup> Year | 2 <sup>nd</sup> Year | 3 <sup>rd</sup> Year |                |
| Assumption Road          | 6,000                | 6,000                | 6,000                | <b>18,000</b>  |
| Rocky Lane/High Level    | 15,000               | 15,000               | 15,000               | <b>45,000</b>  |
| Zama Access/Hamlet       | 8,400                | 8,400                | 8,400                | <b>25,200</b>  |
| Fort Vermilion/Blumenort | 20,500               | 20,500               | 20,500               | <b>61,500</b>  |
| Wadlin                   | 3,000                | 3,000                | 3,000                | <b>9,000</b>   |
| Tompkins/Buffalo Head    | 9,900                | 9,900                | 9,900                | <b>29,700</b>  |
| La Crete                 | 15,300               | 15,300               | 15,300               | <b>45,900</b>  |
| <b>TOTAL</b>             | <b>78,100</b>        | <b>78,100</b>        | <b>78,100</b>        | <b>234,300</b> |

**1 Year Commitment for a 3 Year Supply**

| Gravel (m3)              |                |
|--------------------------|----------------|
| Assumption Road          | 18,000         |
| Rocky Lane/High Level    | 45,000         |
| Zama Access/Hamlet       | 25,200         |
| Fort Vermilion/Blumenort | 61,500         |
| Wadlin                   | 9,000          |
| Tompkins/Buffalo Head    | 29,700         |
| La Crete                 | 45,900         |
| <b>TOTAL</b>             | <b>234,300</b> |

This option would have to be researched thoroughly to ensure that the pits in these areas are capable of producing these amounts of gravel and stockpiling these amounts.

This option may also result in lower crushing prices due to a larger crushing contract over an extended period of time.

**Option 4**

To purchase a gravel crusher as originally planned. This option could be done in conjunction with either of the former 3 options and would allow the MD an immediate alternative in the event that the future gravel contracts escalate beyond municipal budgets.

**COSTS / SOURCE OF FUNDING:**

The Operations Committee recommended Option 3 at the Operations Committee meeting. This option would be funded as follows:

- If a tender is to be awarded on a 3 year supply of gravel over 3 years, this would be funded out of the operating budget over the 3 years.
- If a tender is to be awarded on a 3 year supply of gravel over one year, the funds would be debentured.

|                     |           |                                    |
|---------------------|-----------|------------------------------------|
| Author: M. Driedger | Reviewed: | <i>Acting</i><br>C.A.O.: <i>Ad</i> |
|---------------------|-----------|------------------------------------|




**RECOMMENDED ACTION:**

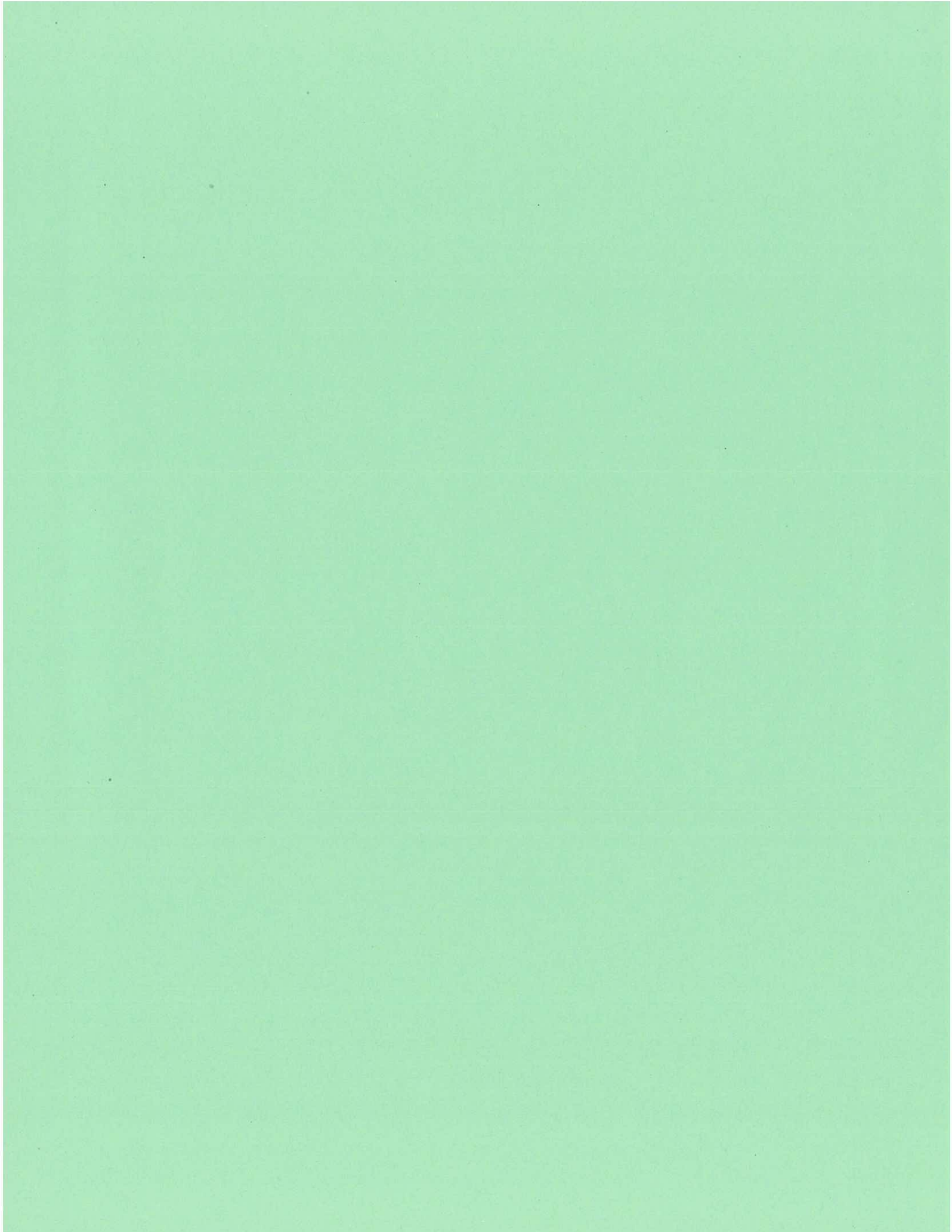
**Option 3**

That a gravel crushing tender be pursued with the following alternatives:

- A three year supply of gravel over three years with a condition that enough gravel be crushed in all municipal pits for each regravelling season throughout the three years, or;
- A three year supply of gravel over one year.

and that the site work and preparation be included as a deletable item.

|                     |           |                                                                                                        |
|---------------------|-----------|--------------------------------------------------------------------------------------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.  |
|---------------------|-----------|--------------------------------------------------------------------------------------------------------|





## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                               |
|----------------------|-----------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                            |
| <b>Presented By:</b> | <b>Paul Driedger, Acting Roads Supervisor</b> |
| <b>Title:</b>        | <b>Buffalo Head Prairie Intersection</b>      |

#### BACKGROUND / PROPOSAL:

At the April 26, 2006 Council meeting, council made the following motion:

#### **MOTION 06-295**

"That both options for the Buffalo Head Prairie Intersection be brought forward to the community in a public meeting for their input."

#### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

A public meeting was held with the community on Monday, May 1, 2006 to discuss the options for the school access as there were concerns from the community on the different options proposed. We had 38 people attend the meeting with a lengthy discussion on both the original option being the access off of SH697 (moved further north with the service road) and the second option turning west at the BHP store intersection and then proceeding south to the school as part of a proposed subdivision.

The community discussed the options and after a lot of deliberation requested the following:

- That the original option (deceleration, acceleration and passing lanes) being off of SH697 with the access being moved north to be a joint access with the Corny Neudorf residence access and removing the existing access to the school and the access to the Peter Wolfe residence, and
- Also upgrading the intersection at the BHP store to accommodate traffic turning east and west with deceleration and acceleration lanes southbound and a passing lane northbound.

The landowners agreed to provide land for this proposal.

|                     |           |                             |
|---------------------|-----------|-----------------------------|
| Author: M. Driedger | Reviewed: | Acting<br>C.A.O.: <i>PD</i> |
|---------------------|-----------|-----------------------------|

In discussions with John Engleder they will draft a plan as discussed and send it to us for review as well as the information required to acquire the land for the proposal. If the cost for adding this proposal to the SH697 overlay contract is too high then this would be tendered out separately.

**COSTS / SOURCE OF FUNDING:**

N/A

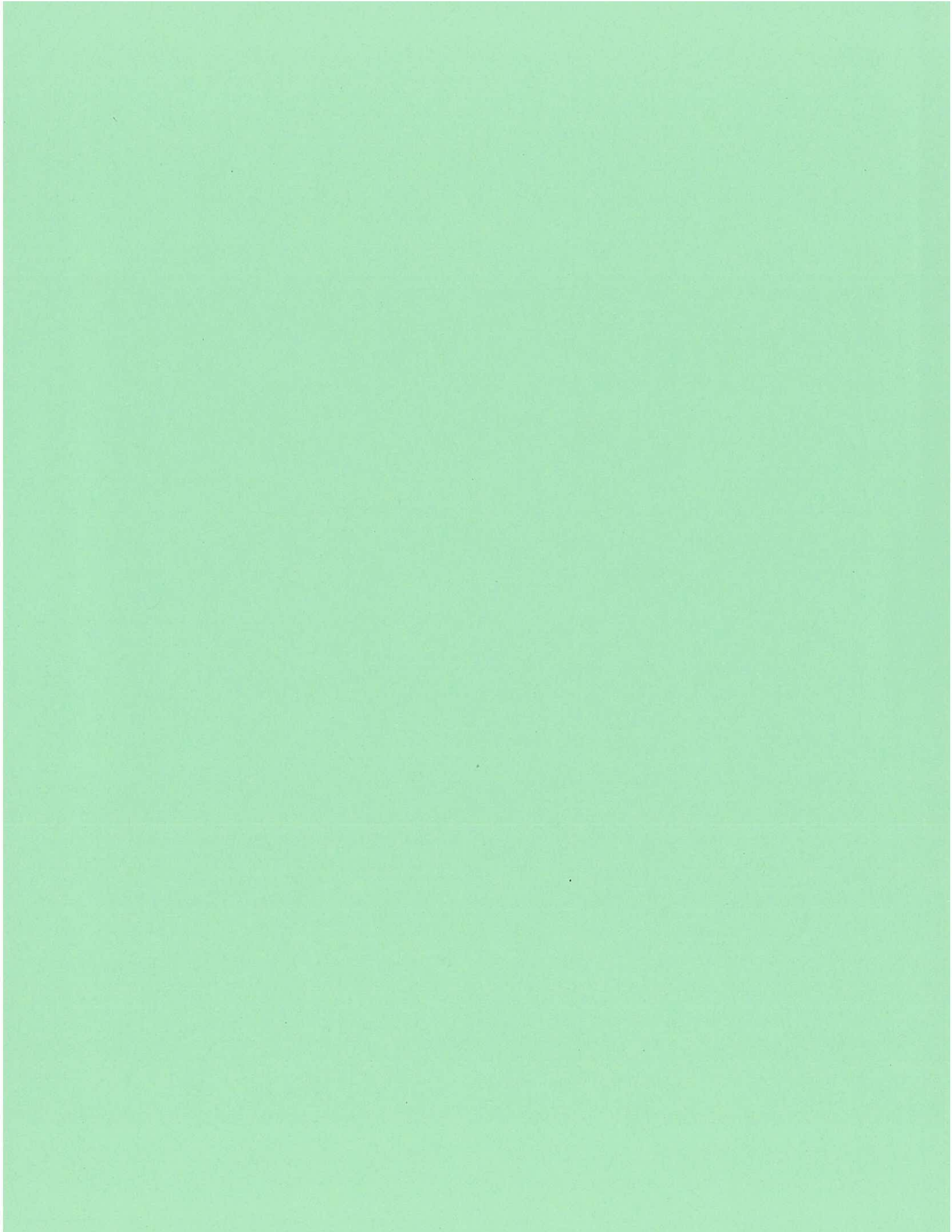
**RECOMMENDED ACTION:**

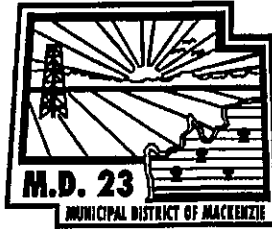
Receive as information.

|                     |           |                                    |
|---------------------|-----------|------------------------------------|
| Author: M. Driedger | Reviewed: | C.A.O.: <i>Acting</i><br><i>AD</i> |
|---------------------|-----------|------------------------------------|

La Crete Ball  
Park - RFD







## M.D. of Mackenzie No. 23

### Request For Decision

|                        |                                                                                     |
|------------------------|-------------------------------------------------------------------------------------|
| <b>Meeting:</b>        | <b>Regular Council</b>                                                              |
| <b>Meeting Date:</b>   | <b>May 9, 2006</b>                                                                  |
| <b>Presented By:</b>   | <b>Paul Driedger<br/>Director of Planning, Enforcement &amp; Emergency Services</b> |
| <b>Title:</b>          | <b>La Crete Ball Park Committee</b>                                                 |
| <b>Agenda Item No:</b> |                                                                                     |

#### BACKGROUND / PROPOSAL:

There is a La Crete Ball Park Committee established, which is a sub committee of the La Crete Recreation Society. The purpose of this committee is to a Ball Park within the Hamlet of La Crete.

#### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

Currently the Hamlet of La Crete has no proper Ball Diamonds. The Rec Board has 1 diamond beside the arena and the La Crete Public School has 1 diamond beside the tennis/basketball court, which is to be removed. With the growth in the community, it is only a matter of time before the diamond at the arena will have to be removed to accommodate additional parking. Both these ball diamonds are not to regulation specifications. There is a need for multiple diamonds as there are 5 ball leagues in La Crete (3 little league, 1 mixed league and 1 men's league).

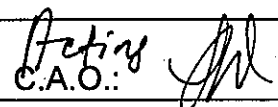
The La Crete Recreation Society has provided their support behind this committee as the umbrella organization for these types of community groups. The Ball Park Committee is currently seeking land for the construction of a ballpark. I was invited to attend one of their meetings to look at suitable locations for a ballpark taking into consideration, design, traffic flows, accessibility by walking, biking or vehicular traffic, municipal services, etc. The committee has identified 3 locations for the ballpark.

We would support the locations in the following order; #1, #3, #2. This is mainly due to the accessibility of access and municipal services to both #1 & #3.

The La Crete Ball Park Committee is requesting the MD of Mackenzie secure the land for the park as Municipal Park. The total area requested is 15.9 acres (1020

Author: D. Schmidt

Reviewed: 

  
C.A.O.:

feet x 680 feet). As Council is aware, for all subdivisions (with the exception of the 1<sup>st</sup> parcel out in rural) the developer must provide either 10% land or money-in-lieu. For areas where there is residential development, the municipality would be requesting land-in-lieu due the requirements for parks and schools. If there is not enough land-in-lieu available the municipality would have to purchase the land for the Municipal Park.

We would recommend that administration negotiate the land required for the Ball Park.

**COSTS / SOURCE OF FUNDING:**

Cost of surveying the property.

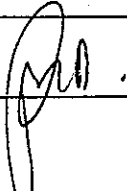
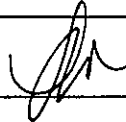
**RECOMMENDED ACTION:**

**MOTION**

That 15.9 acres of land be acquired within the Hamlet of La Crete as a Municipal Park for the development of a Ball Park.

**MOTION**

That the La Crete Ball Park Committee be authorized to proceed with a Ball Park when the land has been acquired for a Municipal Park specific for a ballpark.

|                    |                                                                                               |                                                                                                        |
|--------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|
| Author: D. Schmidt | Reviewed:  | Acting<br>C.A.O.  |
|--------------------|-----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------|





La Crete Recreation Society  
Box 29  
La Crete, Alberta  
T0H 2H0

Ball Diamond Committee

April 25, 2006

RE: LETTER OF SUPPORT

To Whom It May Concern:

On behalf of the La Crete Recreation Society, we offer our support to the La Crete Ball Diamond Committee in seeking funding to construct new ball diamond fields in La Crete. Currently, La Crete only has one community ball diamond.

The location of the ball diamond is causing concerns in the neighboring residences. In the past the baseballs have hit near by homes. This has caused some dents in houses, but thankfully nobody has gotten injured. Again we offer our full support to the ball diamond committee.

Sincerely,

A handwritten signature in blue ink that reads "Bill Wiebe". The signature is written in a cursive, flowing style.

Bill Wiebe  
Recreation Society Manager

## La Crete Ball Park Committee

Box 1682  
La Crete, Alberta  
T0H 2H0

---

April 6, 2006

M.D. of MacKenzie #23  
Box 1690  
La Crete, Alberta  
T0H 2H0

**Re: Proposal for Baseball & Softball Diamonds location.**

**Attn: Paul Driedger**  
**Director of Planning**

Dear Sir:

I would like to take this opportunity to introduce myself and the organization which I represent. My name is Rob Dyck and I am the President of the La Crete Ball Park Committee, a sub committee of the La Crete Recreation Society. The main focus of this newly formed organization is to construct a number of ball diamonds and a recreation area in the Hamlet of La Crete. To start this process, on behalf of the La Crete Recreation Society, I am writing this letter to ask you to review three proposed areas we have selected as preferred sites for this new recreation facility and also ask your advice and the availability of land for such a project.

As stated, we have selected three areas to build the proposed diamonds and recreation area. Attached to this letter, we have an outline as to our preference ranked one to three. Also attached is a proposed plot plan for the construction of the diamonds and surrounding area. This is by no means the final decision on the matter, as we will be seeking input from outside sources as how to proceed with the construction. However, before we were too far along in that process, we felt it best to contact you and the M.D. of MacKenzie in regards to the availability of land for such a facility.

Our committee has also had discussions in regards to erecting a building (with washroom and concessionary facilities) and therefore have had to look into both the water and sewer systems for such an area. Our first two sites would be close to both town water and sewer lines connected to the rest of the Hamlet of La Crete. As the water line would be a low pressure trickle system, we have discussed putting in a cistern with a pressure system, which would give us the pressure output required to properly water the diamonds. The sewer system could be tied in directly to the towns low volume system which already exists in both areas. A second option would be to have a storage system that would be pumped out, similar if not exactly like the one that exists at Reinland Park in La Crete. Our third proposed site would have access to the town's main water and sewer systems.

As we are working as a sub committee under the La Crete Recreation Society, Andrew Friesen, President of the society, has signed this letter along with myself. We have also attached a letter from the La Crete Recreation Society showing full support for the project. We look forward to working together with the recreation society in seeing this proposed facility constructed.

We would like to thank you in advance for taking the time to review our proposal and should you have any questions or concerns regarding any matter included in this letter, I ask that you reach me on my cell phone at (780) 821-9305 or Abe Fehr at (780) 926-1853.

Sincerely,

Robin Dyck  
President – La Crete Ball Park Committee

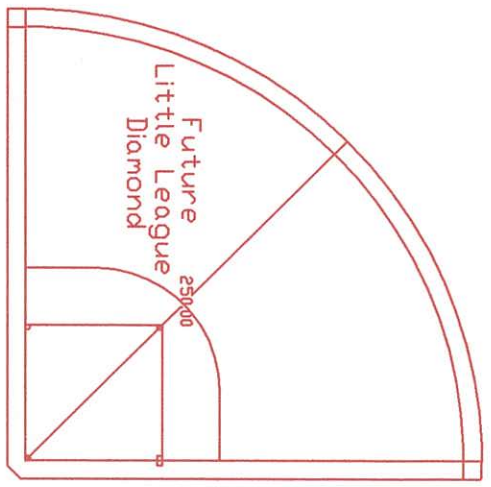
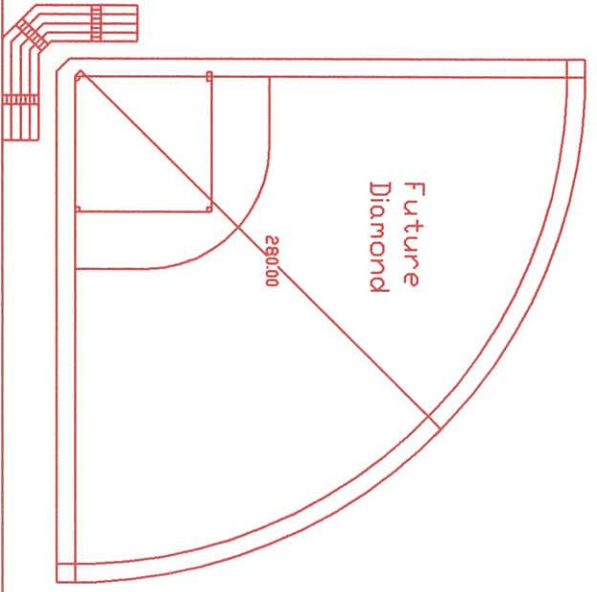
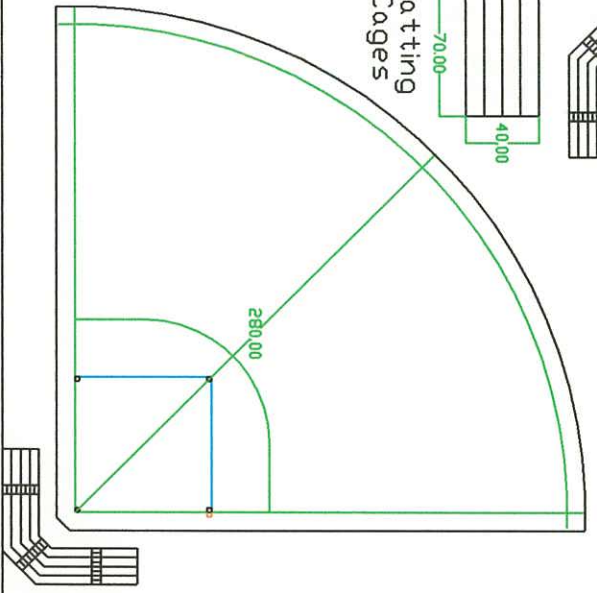
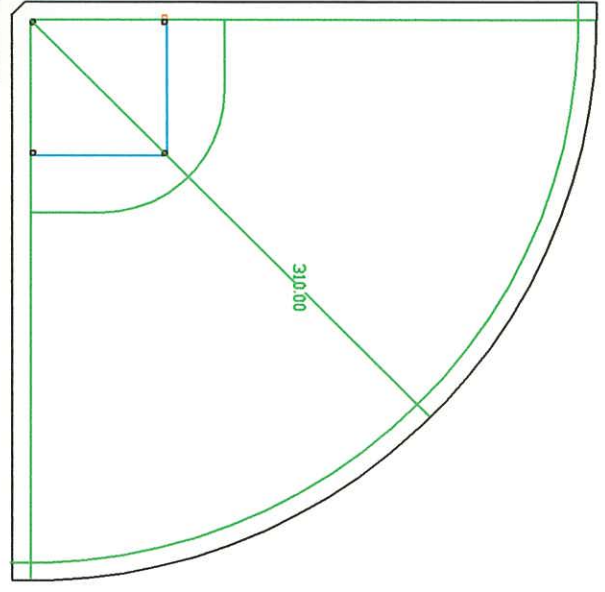
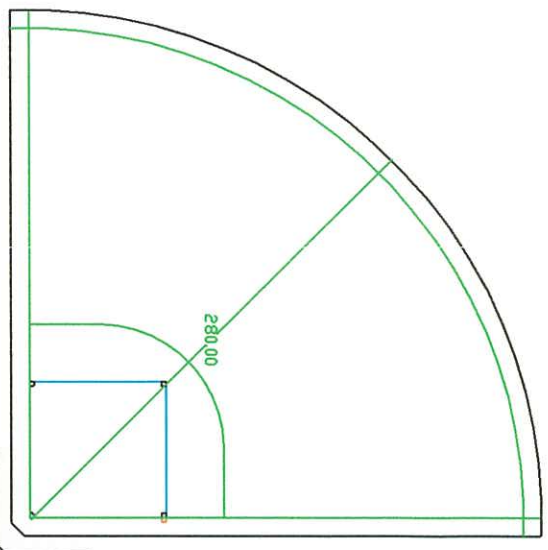
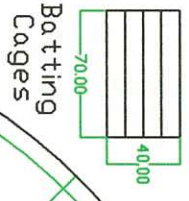
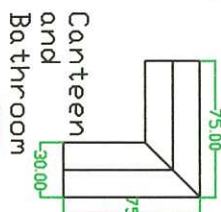
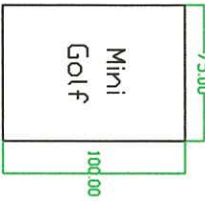
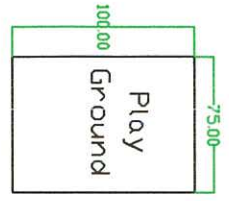
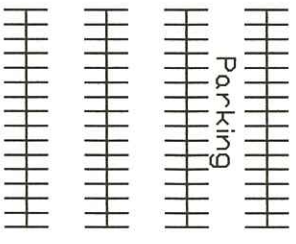
Andrew Friesen  
President – La Crete Recreation Society

Please see attached map for location of preferred locations. Locations are highlighted and numbered according to rank of preference.

Location and rank of preference:

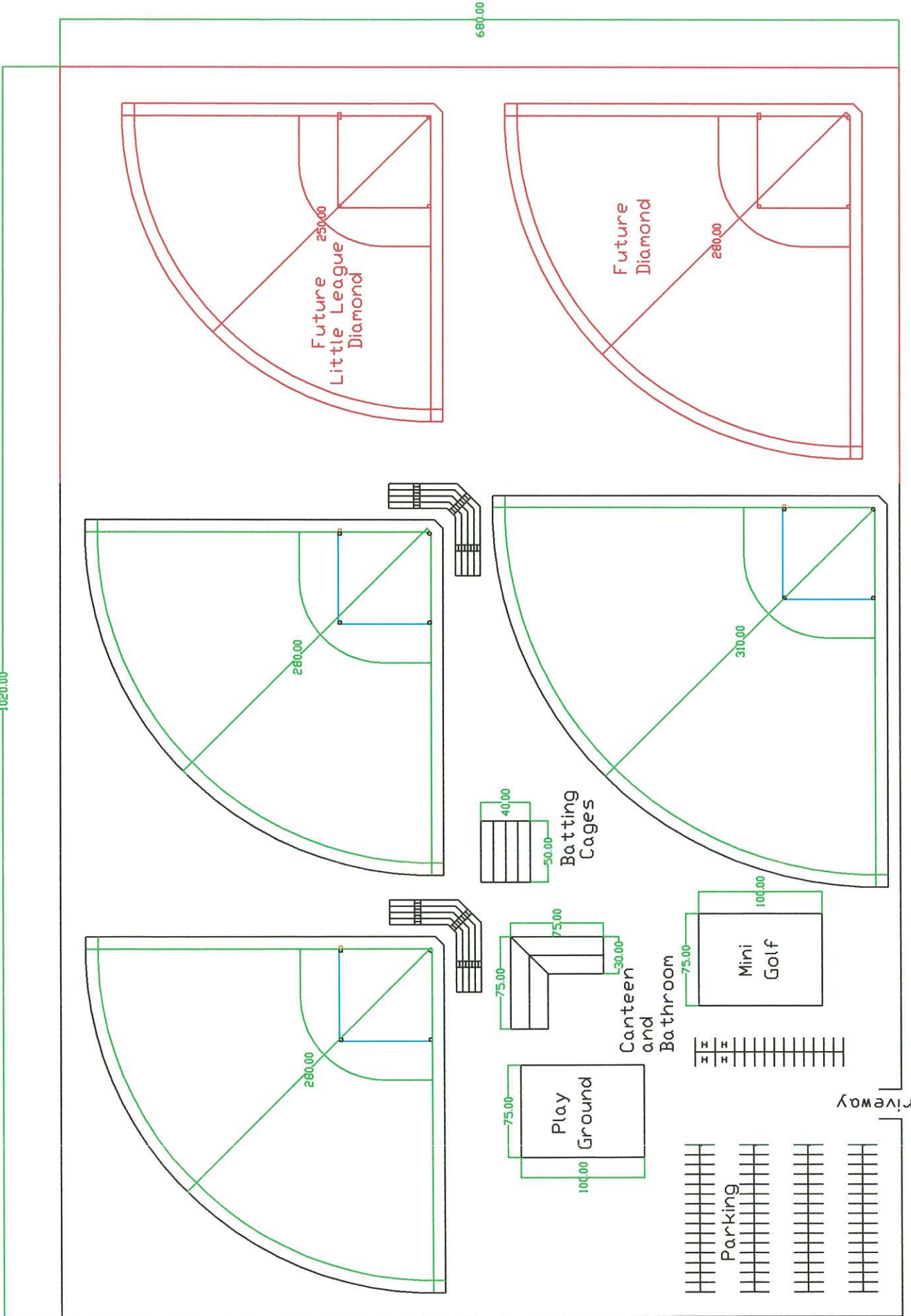
- (1) HC1 - Facility to be built on Southwest corner.
- (2) HR1A - Facility to be built on Southwest Corner
- (3) HR1A – Facility to be build on Northwest corner

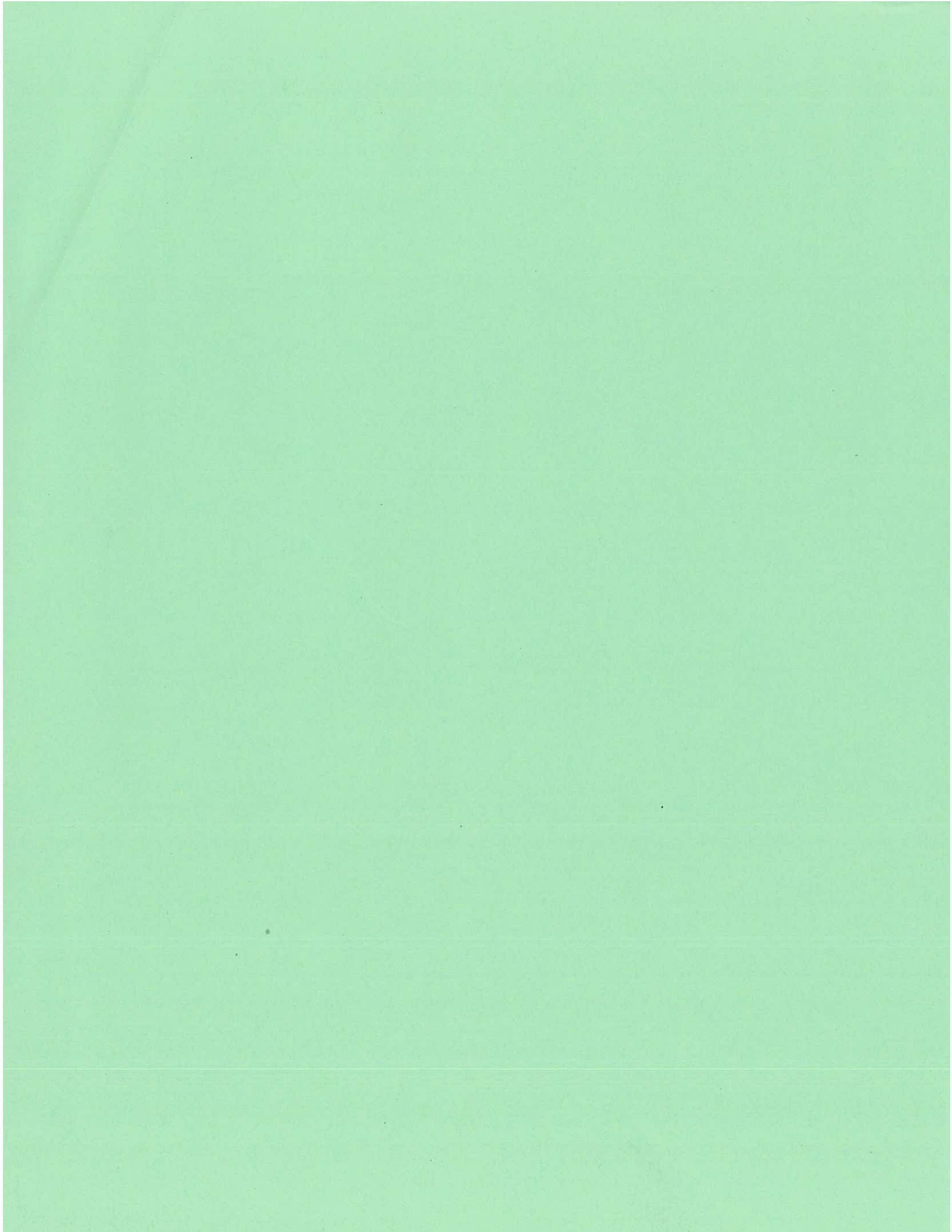
Driveway

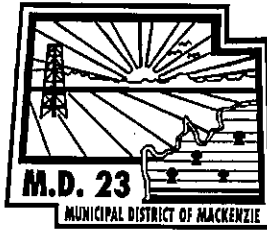


1020.00

680.00







# M.D. of Mackenzie No. 23

## Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                                                    |
|----------------------|--------------------------------------------------------------------|
| <b>Meeting:</b>      | Regular Council Meeting                                            |
| <b>Meeting Date:</b> | May 9, 2006                                                        |
| <b>Presented By:</b> | Joulia Whittleton, Acting CAO/Director of Corporate Services       |
| <b>Title:</b>        | 2005 Audited Financial Statements and Financial Information Report |

### BACKGROUND / PROPOSAL:

The MD must prepare annual financial statements pursuant to sections 276 to 281 of the MGA.

### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

Our auditors' Ernst & Young have requested they have the opportunity to review the annual financial statements with Council.

To minimize the costs they have agreed to the use of teleconferencing, tentatively scheduled at 11:00 a.m.

### COSTS / SOURCE OF FUNDING:

NA

### RECOMMENDED ACTION:

That 2005 Financial Statements be approved as presented.

|                      |                     |                                    |
|----------------------|---------------------|------------------------------------|
| <b>Author:</b><br>YW | <b>Review Date:</b> | <b>Acting C.A.O.:</b><br><i>Py</i> |
|----------------------|---------------------|------------------------------------|



---

2005 AUDIT RESULTS  
AND COMMUNICATIONS

**APPENDIX B—DRAFT FINANCIAL STATEMENTS**

Financial Statements

**Municipal District of Mackenzie No. 23**  
December 31, 2005

## **AUDITORS' REPORT**

To the Members of Council  
**Municipal District of Mackenzie No. 23**

We have audited the statement of financial position of the Municipal District of Mackenzie No. 23 as at December 31, 2005 and the statements of financial activities and change in fund balances and changes in financial position for the year then ended. These financial statements are the responsibility of the District's administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the District's administration, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Municipal District of Mackenzie No. 23 as at December 31, 2005 and the results of its financial activities and its changes in financial position for the year then ended in accordance with the Canadian generally accepted accounting principles.

Edmonton, Canada  
March 22, 2006

Chartered Accountants

## STATEMENT OF FINANCIAL POSITION

As at December 31

|                                                          | 2005<br>\$        | 2004<br>\$        |
|----------------------------------------------------------|-------------------|-------------------|
| <b>ASSETS</b>                                            |                   |                   |
| <b>Financial assets</b>                                  |                   |                   |
| Cash and cash equivalents                                | 11,555,880        | 4,960,392         |
| Trust asset                                              | 11,023            | 4,071             |
| Taxes receivable <i>[note 3]</i>                         | 389,191           | 520,006           |
| Grants and other accounts receivable                     | 1,968,924         | 5,365,946         |
| Land held for resale                                     | 98,873            | 98,873            |
| Prepaid expenses                                         | 157,381           | 142,783           |
|                                                          | <b>14,181,272</b> | <b>11,092,071</b> |
| <b>Physical assets</b>                                   |                   |                   |
| Inventories <i>[note 4]</i>                              | 1,381,989         | 1,163,734         |
| Land, structures and equipment <i>[note 5]</i>           | 80,570,380        | 75,177,657        |
|                                                          | <b>81,952,369</b> | <b>76,341,391</b> |
|                                                          | <b>96,133,641</b> | <b>87,433,462</b> |
| <b>LIABILITIES AND MUNICIPAL POSITION</b>                |                   |                   |
| <b>Liabilities</b>                                       |                   |                   |
| Accounts payable and accrued liabilities <i>[note 6]</i> | 3,208,999         | 3,142,267         |
| Trust liability                                          | 11,023            | 4,071             |
| Deposit liabilities <i>[note 7]</i>                      | 46,229            | 38,038            |
| Deferred revenue <i>[note 8]</i>                         | 1,862,093         | 507,537           |
| Long-term debt <i>[note 9]</i>                           | 7,720,088         | 8,024,844         |
|                                                          | <b>12,848,432</b> | <b>11,716,757</b> |
| Contingencies <i>[note 10]</i>                           |                   |                   |
| <b>Municipal position</b>                                |                   |                   |
| Fund balances                                            |                   |                   |
| Operating fund (Schedule 1)                              | 635,307           | 585,307           |
| Capital fund (Schedule 2)                                | —                 | —                 |
| Reserve fund (Schedule 3)                                | 8,417,621         | 6,814,851         |
| Equity in physical assets                                | 74,232,281        | 68,316,547        |
|                                                          | <b>83,285,209</b> | <b>75,716,705</b> |
|                                                          | <b>96,133,641</b> | <b>87,433,462</b> |

See accompanying notes

Approved by:

Reeve

Chief Administrative Officer

**STATEMENT OF FINANCIAL ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                                             | Budget<br>\$<br>(note 14) | 2005<br>\$        | 2004<br>\$         |
|-------------------------------------------------------------|---------------------------|-------------------|--------------------|
| <b>REVENUES</b>                                             |                           |                   |                    |
| Property taxes                                              | 23,430,330                | 23,443,213        | 21,681,556         |
| Less: Education requisitions                                | 6,722,877                 | 6,722,877         | 6,479,280          |
| Lodge requisition                                           | 325,575                   | 325,755           | 325,093            |
| Net municipal property taxes (Schedule 4)                   | 16,381,878                | 16,394,581        | 14,877,183         |
| User fees and sales of goods                                | 1,869,365                 | 1,997,941         | 1,611,384          |
| Government transfers (Schedule 5)                           | 7,533,040                 | 4,999,232         | 6,484,198          |
| Investment income                                           | 110,000                   | 273,703           | 163,233            |
| Penalties and costs on taxes                                | 86,000                    | 79,147            | 86,555             |
| Licenses, permits and fines                                 | 67,500                    | 76,434            | 58,275             |
| Rentals                                                     | 44,000                    | 40,017            | 41,623             |
| Development levies                                          | —                         | 132,988           | 63,280             |
| Other                                                       | 270,100                   | 636,162           | 257,002            |
| Proceeds on sale of physical assets                         | —                         | 92,100            | 162,316            |
| <b>Total revenue</b>                                        | <b>26,361,883</b>         | <b>24,722,305</b> | <b>23,805,049</b>  |
| <b>EXPENDITURES (Schedule 6)</b>                            |                           |                   |                    |
| <b>Operating</b>                                            |                           |                   |                    |
| Legislative                                                 | 333,651                   | 291,579           | 298,074            |
| Administration                                              | 2,810,360                 | 2,696,741         | 2,511,387          |
| Protective services                                         | 1,778,745                 | 1,949,134         | 1,328,114          |
| Transportation                                              | 9,300,782                 | 6,379,167         | 7,495,402          |
| Environmental use and protection                            | 2,658,258                 | 1,977,189         | 1,479,480          |
| Public health and welfare                                   | 786,134                   | 791,715           | 409,703            |
| Planning and development                                    | 2,042,661                 | 1,647,846         | 1,205,213          |
| Recreation and culture                                      | 976,470                   | 924,498           | 822,541            |
| <b>Total operating expenditures</b>                         | <b>20,687,061</b>         | <b>16,657,869</b> | <b>15,549,914</b>  |
| <b>Capital</b>                                              |                           |                   |                    |
| Administration                                              | 875,000                   | 85,647            | 106,027            |
| Protective services                                         | 533,635                   | 209,383           | 58,298             |
| Transportation                                              | 3,514,072                 | 2,680,527         | 4,241,272          |
| Environmental use and protection                            | 7,803,624                 | 3,026,286         | 7,481,588          |
| Planning and development                                    | —                         | —                 | 86,345             |
| Recreation and culture                                      | 107,187                   | 105,067           | —                  |
| <b>Total capital expenditures</b>                           | <b>12,833,518</b>         | <b>6,106,910</b>  | <b>11,973,530</b>  |
| <b>Total expenditures</b>                                   | <b>33,520,579</b>         | <b>22,764,779</b> | <b>27,523,444</b>  |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b> | <b>(7,158,696)</b>        | <b>1,957,526</b>  | <b>(3,718,395)</b> |
| Increase in long-term debt                                  | 3,003,100                 | 495,258           | 4,000,000          |
| Long-term debt repayment                                    | (835,240)                 | (800,014)         | (467,750)          |
| <b>Change in fund balances</b>                              | <b>(4,990,836)</b>        | <b>1,652,770</b>  | <b>(186,145)</b>   |

*See accompanying notes*

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

|                                                             | 2005              | 2004               |
|-------------------------------------------------------------|-------------------|--------------------|
|                                                             | \$                | \$                 |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                   |                    |
| Excess (deficiency) of revenue over expenditures            | 1,957,526         | (3,718,395)        |
| Change in operating assets and liabilities:                 |                   |                    |
| Decrease in taxes receivable                                | 130,815           | 5,763              |
| Decrease (increase) in grants and other accounts receivable | 3,397,022         | (3,627,560)        |
| Decrease in under-levies                                    | —                 | 167,831            |
| Decrease in land held for resale                            | —                 | 5,591              |
| Increase in prepaid expenses                                | (14,598)          | (1,082)            |
| Increase in accounts payable and accrued liabilities        | 66,732            | 1,028,651          |
| Increase (decrease) in deposit liabilities                  | 8,191             | (2,562)            |
| Increase in deferred revenue                                | 1,354,556         | 107,357            |
|                                                             | <u>6,900,244</u>  | <u>(6,034,406)</u> |
| <b>CASH FLOWS FROM FINANCING AND INVESTING ACTIVITIES</b>   |                   |                    |
| Increase in long-term debt                                  | 495,258           | 4,000,000          |
| Long-term debt repayments                                   | (800,014)         | (467,750)          |
|                                                             | <u>(304,756)</u>  | <u>3,532,250</u>   |
| <b>Increase (decrease) in cash and cash equivalents</b>     | <b>6,595,488</b>  | <b>(2,502,156)</b> |
| Cash and cash equivalents, beginning of the year            | 4,960,392         | 7,462,548          |
| <b>Cash and cash equivalents, end of the year</b>           | <b>11,555,880</b> | <b>4,960,392</b>   |

*See accompanying notes*

**SCHEDULE OF OPERATING FUND ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                             | Budget<br>\$<br>(note 14) | 2005<br>\$         | 2004<br>\$         |
|---------------------------------------------|---------------------------|--------------------|--------------------|
| <b>Revenues</b>                             |                           |                    |                    |
| Net municipal property taxes (Schedule 4)   | 16,381,878                | 16,394,581         | 14,877,183         |
| User fees and sales of goods                | 1,869,365                 | 1,997,941          | 1,611,384          |
| Government transfers                        | 3,295,855                 | 1,669,991          | 720,608            |
| Investment income                           | 110,000                   | 273,703            | 161,770            |
| Penalties and costs of taxes                | 86,000                    | 79,147             | 86,555             |
| Licenses, permits and fines                 | 67,500                    | 76,434             | 58,275             |
| Rentals                                     | 44,000                    | 40,017             | 41,623             |
| Other                                       | 191,100                   | 389,222            | 151,956            |
|                                             | <u>22,045,698</u>         | <u>20,921,036</u>  | <u>17,709,354</u>  |
| <b>Expenditures</b>                         |                           |                    |                    |
| Legislative                                 | 333,651                   | 291,579            | 298,074            |
| Administration                              | 2,810,360                 | 2,696,741          | 2,511,387          |
| Protective services                         | 1,778,745                 | 1,949,134          | 1,328,114          |
| Transportation                              | 9,300,782                 | 6,379,167          | 7,495,402          |
| Environmental use and protection            | 2,658,258                 | 1,977,189          | 1,479,480          |
| Public health and welfare                   | 786,134                   | 791,715            | 409,703            |
| Planning and development                    | 2,042,661                 | 1,647,846          | 1,205,213          |
| Recreation and culture                      | 976,470                   | 924,498            | 822,541            |
|                                             | <u>20,687,061</u>         | <u>16,657,869</u>  | <u>15,549,914</u>  |
| <b>Excess of revenues over expenditures</b> | <u>1,358,637</u>          | <u>4,263,167</u>   | <u>2,159,440</u>   |
| Net interfund transfers:                    |                           |                    |                    |
| To capital fund (Schedule 2)                | (3,099,502)               | (3,089,046)        | (1,289,892)        |
| To reserve fund (Schedule 3)                | 2,576,105                 | (324,107)          | (351,798)          |
| Long-term debt repayment                    | (835,240)                 | (800,014)          | (467,750)          |
|                                             | <u>(1,358,637)</u>        | <u>(4,213,167)</u> | <u>(2,109,440)</u> |
| <b>Change in fund balance</b>               | —                         | 50,000             | 50,000             |
| Operating fund, opening balance             | 585,307                   | 585,307            | 535,307            |
| <b>Operating fund, closing balance</b>      | <u>585,307</u>            | <u>635,307</u>     | <u>585,307</u>     |

**SCHEDULE OF CAPITAL FUND ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                                 | Budget<br>\$<br>(note 14) | 2005<br>\$         | 2004<br>\$         |
|-------------------------------------------------|---------------------------|--------------------|--------------------|
| <b>Revenues</b>                                 |                           |                    |                    |
| Government transfers                            | 4,237,185                 | 3,329,241          | 5,763,590          |
| Development levies                              | —                         | 132,988            | 63,280             |
| Investment income                               | —                         | —                  | 1,463              |
| Proceeds on sale of physical assets             | —                         | 92,100             | 162,316            |
| Other                                           | 154,000                   | 246,940            | 105,046            |
|                                                 | <u>4,391,185</u>          | <u>3,801,269</u>   | <u>6,095,695</u>   |
| <b>Expenditures</b>                             |                           |                    |                    |
| Administration                                  | 875,000                   | 85,647             | 106,027            |
| Protective services                             | 533,635                   | 209,383            | 58,298             |
| Transportation                                  | 3,514,072                 | 2,680,527          | 4,241,272          |
| Environmental use and protection                | 7,803,624                 | 3,026,286          | 7,481,588          |
| Planning and development                        | —                         | —                  | 86,345             |
| Recreation and culture                          | 107,187                   | 105,067            | —                  |
|                                                 | <u>12,833,518</u>         | <u>6,106,910</u>   | <u>11,973,530</u>  |
| <b>Deficiency of revenues over expenditures</b> | <u>(8,442,333)</u>        | <u>(2,305,641)</u> | <u>(5,877,835)</u> |
| Net interfund transfers:                        |                           |                    |                    |
| From (to) reserve fund (Schedule 3)             | 2,339,731                 | (1,278,663)        | 587,943            |
| From operating fund (Schedule 1)                | 3,099,502                 | 3,089,046          | 1,289,892          |
| Increase in long-term debt                      | 3,003,100                 | 495,258            | 4,000,000          |
|                                                 | <u>8,442,333</u>          | <u>2,305,641</u>   | <u>5,877,835</u>   |
| <b>Change in fund balance</b>                   | —                         | —                  | —                  |
| Capital fund, opening balance                   | —                         | —                  | —                  |
| <b>Capital fund, closing balance</b>            | —                         | —                  | —                  |



**SCHEDULE OF RESERVE FUND ACTIVITIES AND  
CHANGES IN FUND BALANCE**

Year ended December 31

|                                                | Budget<br>\$<br>(note 14) | 2005<br>\$ | 2004<br>\$ |
|------------------------------------------------|---------------------------|------------|------------|
| <b>Net interfund transfers</b>                 |                           |            |            |
| Transfers from operating fund                  | (2,576,105)               | 324,107    | 351,798    |
| Transfers from (to) capital fund               | (2,339,731)               | 1,278,663  | (587,943)  |
| <b>Change in fund balance</b>                  | (4,915,836)               | 1,602,770  | (236,145)  |
| Reserve fund, opening balance                  | 6,814,851                 | 6,814,851  | 7,050,996  |
| <b>Reserve fund, closing balance [note 11]</b> | 1,899,015                 | 8,417,621  | 6,814,851  |

**SCHEDULE OF PROPERTY TAXES**

Year ended December 31

|                                                   | Budget<br>\$      | 2005<br>\$        | 2004<br>\$        |
|---------------------------------------------------|-------------------|-------------------|-------------------|
|                                                   | (note 14)         |                   |                   |
| <b>LEVIES</b>                                     |                   |                   |                   |
| Residential land and improvements                 | 2,612,480         | 2,669,252         | 2,378,876         |
| Non-residential land and improvements             | 20,052,409        | 20,130,359        | 18,671,598        |
| Farmland                                          | 415,934           | 415,773           | 427,400           |
| Federal grants in lieu of taxes                   | 75,641            | 17,533            | 15,868            |
| Provincial grants in lieu of taxes                | 38,901            | 35,753            | 37,135            |
| Special assessments and local improvement taxes   | 234,965           | 174,543           | 150,679           |
| <b>Total taxes and grants in lieu</b>             | <b>23,430,330</b> | <b>23,443,213</b> | <b>21,681,556</b> |
| <b>REQUISITIONS</b>                               |                   |                   |                   |
| Alberta School Foundation Fund                    | 6,722,877         | 6,722,877         | 6,479,280         |
| Seniors lodge                                     | 325,575           | 325,755           | 325,093           |
| <b>Net taxes for general municipal operations</b> | <b>16,381,878</b> | <b>16,394,581</b> | <b>14,877,183</b> |

**SCHEDULE OF GOVERNMENT TRANSFERS**

Year ended December 31

|                                   | Budget<br>\$<br>(note 14) | 2005<br>\$ | 2004<br>\$ |
|-----------------------------------|---------------------------|------------|------------|
| <b>Federal transfers</b>          |                           |            |            |
| Shared-cost agreements and grants | —                         | —          | 170,000    |
| <b>Provincial transfers</b>       |                           |            |            |
| Shared-cost agreements and grants | 7,533,040                 | 4,999,232  | 6,313,845  |
| Debt interest rebates             | —                         | —          | 353        |
|                                   | 7,533,040                 | 4,999,232  | 6,314,198  |
| <b>Total government transfers</b> | 7,533,040                 | 4,999,232  | 6,484,198  |

**SCHEDULE OF TOTAL  
EXPENDITURES BY OBJECT**

Year ended December 31

|                                            | Budget<br>\$<br>(note 14) | 2005<br>\$        | 2004<br>\$        |
|--------------------------------------------|---------------------------|-------------------|-------------------|
| Salaries, wages and benefits               | 4,204,749                 | 3,823,123         | 3,447,845         |
| Contracted and general services            | 10,082,906                | 6,619,467         | 3,965,581         |
| Materials, goods, supplies and utilities   | 3,202,560                 | 3,170,617         | 2,447,625         |
| Transfers to other governments             | 1,125,622                 | 1,162,202         | 1,112,675         |
| Transfers to local boards and agencies     | 1,526,735                 | 1,483,506         | 1,106,675         |
| Interest on long-term debt <i>[note 9]</i> | 431,489                   | 399,036           | 265,727           |
| Physical assets acquired                   | 12,833,518                | 6,106,910         | 15,153,097        |
| Other operating expenditures               | 113,000                   | (82)              | 24,219            |
|                                            | <b>33,520,579</b>         | <b>22,764,779</b> | <b>27,523,444</b> |

**SCHEDULE OF CHIEF ADMINISTRATIVE OFFICER,  
AND COUNCILOR SALARY AND BENEFITS**

Year ended December 31

| Officer/<br>Councilor                                                 | 2005                       |                |                | 2004           |
|-----------------------------------------------------------------------|----------------------------|----------------|----------------|----------------|
|                                                                       | Salary/<br>Per Diems<br>\$ | Benefits<br>\$ | Total<br>\$    | Total<br>\$    |
| Betty Bateman                                                         | —                          | —              | —              | 12,468         |
| Odell Flett                                                           | 300                        | —              | 300            | 14,493         |
| Ed Froese                                                             | 14,025                     | 473            | 14,498         | 3,375          |
| Greg Newman                                                           | 14,725                     | 516            | 15,241         | 15,593         |
| Jim Thompson                                                          | 12,800                     | 434            | 13,234         | 4,418          |
| Joe Peters                                                            | —                          | —              | —              | 11,593         |
| John W. Dreidger                                                      | 24,700                     | 185            | 24,885         | 22,068         |
| Lisa Wardley                                                          | 16,125                     | 550            | 16,675         | 4,943          |
| Michael Nanooch                                                       | —                          | —              | —              | 168            |
| Patricia Kulscar                                                      | —                          | —              | —              | 16,768         |
| Peter Braun                                                           | 21,375                     | 717            | 22,092         | 4,425          |
| Stuart Watson                                                         | 10,525                     | 390            | 10,915         | 2,843          |
| Walter Sarapuk                                                        | 15,425                     | 517            | 15,942         | 18,218         |
| Wayne Thiessen                                                        | —                          | —              | —              | 10,893         |
| William Neufeld                                                       | 24,900                     | 833            | 25,733         | 27,518         |
| Willie Neudorf                                                        | 18,050                     | 607            | 18,657         | 4,593          |
| Willie Wieler                                                         | —                          | —              | —              | 8,018          |
| Chief Administrative Officer<br>(2 individuals in both 2005 and 2004) | 110,018                    | 17,923         | 127,941        | 118,261        |
|                                                                       | <b>282,968</b>             | <b>23,145</b>  | <b>306,113</b> | <b>300,656</b> |

- Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and other direct cash remuneration.
- Benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance accidental disability and dismemberment, long and short term disability, professional memberships and tuition.
- The District has a personal vehicle allowance policy which provides for the payment for the use of personal vehicles for municipal business purposes. No amount has been included in the benefits figure.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Municipal District of Mackenzie No. 23 (the "District") are prepared by the District's administration in accordance with Canadian generally accepted accounting principles which includes financial reporting standards appropriate for local governments recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

The preparation of financial statements in conformity with generally accepted accounting principles requires administration to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

#### **Basis of accounting**

Revenues and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers and grants are recognized in the financial statements as revenues in the period in which the events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

#### **Fund accounting**

Funds are recorded within the financial statements as described below. Transactions between funds are recorded as inter-fund transfers.

##### **i) Operating fund**

The operating fund reflects the financial activities associated with the provision of general municipal services during the year.

##### **ii) Capital fund**

The capital fund reflects the financial activities associated with the acquisition, construction and funding of land, structures and equipment.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### iii) Reserve fund

The reserve fund reflects funds authorized by Council to be set aside for the funding of future operating or capital expenditures.

#### Cash and cash equivalents

Cash and cash equivalents consists of cash and term deposits with periods to maturity of less than 90 days.

#### Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks, and street lighting are recorded as physical assets under their respective function.

#### Over-levies and under-levies

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

#### Physical assets

Physical assets are recognized as expenditures in the period they are acquired. Physical assets are carried on the statement of financial position at cost. Adjustments are made to relieve the cost of assets for the original cost of assets sold, lost or scrapped where such costs are determinable.

Government contributions for the acquisition of physical assets are recorded as capital revenue and do not reduce the related physical asset costs.

Physical assets for government purposes are not depreciated.



## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories of materials and supplies are carried at the lower of cost and replacement cost with cost determined by the average cost method.

#### Gravel pit reclamation

Estimated future costs for gravel pit reclamation and site restoration are charged to expenditure over the life of each pit based on the amount of material expected to be extracted. Amounts charged to expenditures but not yet paid are included in accounts payable and accrued liabilities. Due to the long-term nature of assumptions made, it is possible that estimates could prove to be materially incorrect and accordingly, the impact on the financial statements for future periods could be material.

#### Equity in physical assets

Equity in physical assets represents the District's net investment in its total physical assets after deducting the portion financed by third parties through debenture, bond, and mortgage debts, long-term capital borrowing, capitalized leases, and other capital liabilities.

#### Pension expenditure

The District participates in a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan.

### 2. BANK LINE OF CREDIT

The District has an operating line of credit of \$6,000,000 (2004 - \$6,000,000) of which nil (2004 - nil) was utilized at December 31, 2005. The line of credit bears interest at prime less 0.25% (5.00%; 2004 - 4.25%).

### 3. TAXES RECEIVABLE

|                                   | 2005     | 2004     |
|-----------------------------------|----------|----------|
|                                   | \$       | \$       |
| Taxes receivable -                |          |          |
| Current                           | 279,352  | 414,461  |
| Arrears                           | 119,839  | 152,545  |
|                                   | 399,191  | 567,006  |
| Allowance for uncollectible taxes | (10,000) | (47,000) |
|                                   | 389,191  | 520,006  |

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

## 4. INVENTORIES

|                    | 2005             | 2004             |
|--------------------|------------------|------------------|
|                    | \$               | \$               |
| Gravel             | 832,393          | 755,937          |
| Parts and supplies | 549,596          | 407,797          |
|                    | <u>1,381,989</u> | <u>1,163,734</u> |

## 5. LAND, STRUCTURES AND EQUIPMENT

|                         | 2005              | 2004              |
|-------------------------|-------------------|-------------------|
|                         | \$                | \$                |
| Engineering structures  | 67,727,966        | 62,853,218        |
| Buildings               | 3,620,727         | 3,919,012         |
| Vehicles                | 3,524,010         | 4,579,810         |
| Machinery and equipment | 5,039,283         | 3,167,223         |
| Land                    | 658,394           | 658,394           |
| <b>Total cost</b>       | <u>80,570,380</u> | <u>75,177,657</u> |

## 6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

|                                 | 2005             | 2004             |
|---------------------------------|------------------|------------------|
|                                 | \$               | \$               |
| Trade payables and accruals     | 2,668,831        | 2,527,205        |
| Gravel pit reclamation          | 427,696          | 403,762          |
| Employee payable                | 47,676           | 158,090          |
| Long-term debt interest payable | 64,796           | 53,210           |
|                                 | <u>3,208,999</u> | <u>3,142,267</u> |

## 7. DEPOSIT LIABILITIES

|                | 2005          | 2004          |
|----------------|---------------|---------------|
|                | \$            | \$            |
| Utilities      | 45,560        | 37,369        |
| Land lot sales | 669           | 669           |
|                | <u>46,229</u> | <u>38,038</u> |

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

**8. DEFERRED REVENUE**

|                            | 2005             | 2004           |
|----------------------------|------------------|----------------|
|                            | \$               | \$             |
| Prepaid local improvements | 39,806           | 46,464         |
| Restricted grant funding   | 1,822,287        | 461,073        |
|                            | <b>1,862,093</b> | <b>507,537</b> |

**9. LONG-TERM DEBT**

|                                          | 2005             | 2004             |
|------------------------------------------|------------------|------------------|
|                                          | \$               | \$               |
| <b>Debentures -</b>                      |                  |                  |
| <b>Alberta Capital Finance Authority</b> |                  |                  |
| 12.000%, due 2007                        | 189,348          | 269,094          |
| 5.750%, due 2011                         | 411,647          | 467,804          |
| 5.375%, due 2012                         | 2,612,101        | 2,913,099        |
| 4.875%, due 2013                         | 340,676          | 374,847          |
| 4.230%, due 2014                         | 3,671,058        | 4,000,000        |
| 3.770% due 2015                          | 495,258          | —                |
|                                          | <b>7,720,088</b> | <b>8,024,844</b> |

Principal and interest repayment requirements on long-term debt over the next five years and to maturity are as follows:

|             | Principal        | Interest         | Total            |
|-------------|------------------|------------------|------------------|
|             | \$               | \$               | \$               |
| 2006        | 886,343          | 373,378          | 1,259,721        |
| 2007        | 935,517          | 324,204          | 1,259,721        |
| 2008        | 875,826          | 271,859          | 1,147,685        |
| 2009        | 918,146          | 229,539          | 1,147,685        |
| 2010        | 962,543          | 185,141          | 1,147,684        |
| To maturity | 3,141,713        | 292,163          | 3,433,876        |
|             | <b>7,720,088</b> | <b>1,676,284</b> | <b>9,396,372</b> |

For qualifying debentures, the Province of Alberta rebates 50% of interest in excess of 8%, 9% and 11% to a maximum annual rate of 12.5%, depending on the date borrowed. Debenture debt is issued on the credit and security of the District at large.

Interest expense on long-term debt amounted to \$399,036 (2004 – \$265,727) and the District's total cash payments for interest were \$399,801 (2004 - \$265,199) for the year ended December 31, 2005.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 9. LONG-TERM DEBT (CONTINUED)

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the District be disclosed as follows:

|                                                                    | 2005<br>\$        | 2004<br>\$        |
|--------------------------------------------------------------------|-------------------|-------------------|
| Total debt limit                                                   | 32,092,446        | 27,062,189        |
| Total debt                                                         | 7,720,088         | 8,024,844         |
| <b>Amount by which debt limit exceeds debt</b>                     | <b>24,372,358</b> | <b>19,037,345</b> |
| Service on debt limit                                              | 5,348,741         | 4,510,365         |
| Service on debt                                                    | 1,259,721         | 1,199,815         |
| <b>Amount by which debt servicing limit exceeds debt servicing</b> | <b>4,089,020</b>  | <b>3,310,550</b>  |

The debt limit is calculated at 1.5 times revenue of the District (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 time such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the District. Rather, the financial statements must be interpreted as a whole.

### 10. CONTINGENCIES

In the normal conduct of operations, various legal claims are pending against the District in connection with road maintenance and construction and other matters. The District carries liability insurance, subject to certain deductibles and policy limits, against such claims. Administration believes that the District has recognized adequate provisions for probable and reasonably estimable liabilities associated with these claims, and that their ultimate resolutions will not materially exceed insurance coverages nor have a material adverse effect on the financial position of the District or its financial activities.

The District is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of the membership, the District could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year of the settlement.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 11. RESERVE FUND

Reserves have been established as follows:

|                                              | 2005             | 2004             |
|----------------------------------------------|------------------|------------------|
|                                              | \$               | \$               |
| <b>Operating</b>                             |                  |                  |
| General operating                            | 1,577,381        | 1,239,785        |
| Gravel reserve                               | 274,192          | 176,892          |
| Prepaid local improvements and off-site levy | 391,012          | 228,656          |
| Recreation and parks                         | 11,791           | 26,184           |
| Subdivision development                      | 83,530           | 82,111           |
| <b>Total operating reserves</b>              | <b>2,337,906</b> | <b>1,753,628</b> |
| <b>Capital</b>                               |                  |                  |
| Emergency equipment                          | 638,598          | 504,816          |
| General roads                                | 2,093,166        | 2,203,158        |
| General capital                              | 3,231,784        | 2,232,396        |
| Vehicle replacement                          | 116,167          | 120,853          |
| <b>Total capital reserves</b>                | <b>6,079,715</b> | <b>5,061,223</b> |
| <b>Total reserves</b>                        | <b>8,471,621</b> | <b>6,814,851</b> |

### 12. LOCAL AUTHORITIES PENSION PLAN

Employees of the District participate in the Local Authorities Pension Plan (LAPP) which is covered by the Public Sector Pension Plans Act. The Plan serves approximately 133,000 employees and 389 employers. It is financed by employer and employee contributions and investment earnings of the LAPP Fund.

The District is required to make current service contributions to the Plan of 7.4% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 10.14% for the excess.

The current service contributions by the District to the Local Authorities Pension Plan in 2005 were \$140,965 (2004 - \$127,528). Total current service contributions by the employees of the District to the Local Authorities Pension Plan in 2005 were \$120,436 (2004 - \$109,296).

At December 31, 2004, the Plan disclosed an actuarial deficiency of \$1,289 million.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 13. FINANCIAL INSTRUMENTS

The District's financial instruments consist of cash and cash equivalents, taxes receivable, grants and other accounts receivable, under-levies, accounts payable and accrued liabilities, deposit liabilities and long-term debt. It is administration's opinion that the District is not exposed to significant interest or currency risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

The District is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the District provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

### 14. BUDGET FIGURES

Budget figures are included for information purposes only and are unaudited.

### 15. SUBSEQUENT EVENT

Subsequent to the year end, District Council passed bylaw 541/06 approving the borrowing of approximately \$1,000,000 from Alberta Capital Finance Authority.

### 16. COMPARATIVE FIGURES

Certain comparative figures have been restated, where necessary, to conform with the current year presentation.

## **APPENDIX C—DRAFT FINANCIAL INFORMATION RETURN**

**FINANCIAL INFORMATION RETURN**

**FOR THE YEAR ENDING DECEMBER 31, 2005**

**Chief Administrative Officer or Designated Officer Certification**

**Municipality Name:** \_\_\_\_\_ **Municipal District of Mackenzie No. 23**

**This Financial Information Return, to the best of my knowledge,  
is presented fairly and was prepared in compliance with the  
accompanying Financial Information Manual.**

**Signature** \_\_\_\_\_ **Dated** \_\_\_\_\_



**FINANCIAL POSITION**

**Schedule A**

|                                              |      | Operating | Capital    | Reserves  | Total      |
|----------------------------------------------|------|-----------|------------|-----------|------------|
|                                              |      | 1         | 2          | 3         | 4          |
| <b>Assets</b>                                |      |           |            |           |            |
|                                              | 0010 |           |            |           |            |
| Cash and Temporary Investments .....         | 0020 | 3,138,187 |            | 8,417,621 | 11,555,808 |
| Taxes and Grants in Place Receivables        | 0030 |           |            |           |            |
| . Current .....                              | 0040 | 279,352   |            |           | 279,352    |
| . Arrears .....                              | 0050 | 119,840   |            |           | 119,840    |
| . Allowance .....                            | 0060 | -10,000   |            |           | -10,000    |
| Receivable From Other Governments .....      | 0070 | 588,668   | 1,097,834  |           | 1,686,502  |
| Loans Receivable .....                       | 0080 |           |            |           |            |
| Trade and Other Receivables .....            | 0090 | 282,422   |            |           | 282,422    |
| Due From Excluded Functions .....            | 0100 |           |            |           |            |
| Due From Other Funds .....                   | 0110 |           | 2,257,146  |           |            |
| Inventory of Consumable Supplies .....       | 0120 |           | 1,381,989  |           | 1,381,989  |
| Inventories Held for Resale                  | 0130 |           |            |           |            |
| . Land .....                                 | 0140 | 98,873    |            |           | 98,873     |
| . Other .....                                | 0150 | 70        |            |           | 70         |
| Prepaid Expenses .....                       | 0160 | 157,382   |            |           | 157,382    |
| Long Term Investments                        | 0170 |           |            |           |            |
| . Federal Government .....                   | 0180 |           |            |           |            |
| . Provincial Government .....                | 0190 |           |            |           |            |
| . Local Governments .....                    | 0200 |           |            |           |            |
| . Other .....                                | 0210 |           |            |           |            |
| Capital Property .....                       | 0220 |           | 80,570,381 |           | 80,570,381 |
| Other Current Assets .....                   | 0230 |           |            |           |            |
| Other Long Term Assets .....                 | 0240 |           |            |           |            |
|                                              | 0250 | 4,654,794 | 85,307,350 | 8,417,621 |            |
| <b>Total Assets</b> .....                    | 0260 |           |            |           | 96,122,619 |
| <b>Liabilities</b>                           |      |           |            |           |            |
|                                              | 0270 |           |            |           |            |
| Temporary Loans Payable .....                | 0280 |           |            |           |            |
| Payable To Other Governments .....           | 0290 | 266,169   |            |           | 266,169    |
| Accounts Payable & Accrued Liabilities ..... | 0300 | 1,359,957 | 1,540,192  |           | 2,900,149  |
| Deposit Liabilities .....                    | 0310 | 46,230    |            |           | 46,230     |
| Due To Excluded Functions .....              | 0320 |           |            |           |            |
| Due To Other Funds .....                     | 0330 | 2,257,146 |            |           |            |
| Deferred Revenue .....                       | 0340 | 47,305    | 1,814,786  |           | 1,862,091  |
| Long Term Debt .....                         | 0350 |           | 7,720,088  |           | 7,720,088  |
| Other Current Liabilities .....              | 0360 | 42,680    |            |           | 42,680     |
| Other Long Term Liabilities .....            | 0370 |           |            |           |            |
|                                              | 0380 | 4,019,487 | 11,075,066 |           |            |
| <b>Total Liabilities</b> .....               | 0390 |           |            |           | 12,837,407 |
| <b>Equity</b>                                |      |           |            |           |            |
|                                              | 0400 |           |            |           |            |
| Restricted Fund Balances .....               | 0405 |           |            |           |            |
| Unrestricted Fund Balances .....             | 0406 | 635,307   | 74,232,284 | 8,417,621 | 83,285,212 |
| Total Fund Balances .....                    | 0410 | 635,307   | 74,232,284 | 8,417,621 | 83,285,212 |
| Unfunded Liabilities .....                   | 0415 |           |            |           |            |
| <b>Total Equity</b> .....                    | 0418 | 635,307   | 74,232,284 | 8,417,621 | 83,285,212 |
|                                              | 0420 | 4,654,794 | 85,307,350 | 8,417,621 |            |
| <b>Total Liabilities and Equity</b> .....    | 0430 |           |            |           | 96,122,619 |

**FUND EQUITY**

**Schedule B**

|                                                    |      | Operating<br>1 | Capital<br>2 | Reserves<br>3 | Total<br>4 |
|----------------------------------------------------|------|----------------|--------------|---------------|------------|
| Net Revenue (Expenditure) .....                    | 0500 | 4,263,167      | 3,305,340    |               | 7,568,507  |
| Net Transfers From / To Reserves Fund .....        | 0510 | -324,108       | -1,278,662   | 1,602,770     |            |
| Net Transfers From / To Excluded Function .....    | 0520 | -3,089,045     | 3,089,045    |               |            |
| Net Transfers From / To Operating / Capital Funds  | 0530 |                |              |               |            |
| Transfer To Capital: Principal Repayments on LIT I | 0540 | -800,014       | 800,014      |               |            |
| Appropriated From Beginning of Year Fund Balance   | 0550 |                |              |               |            |
| Other Inter-Fund Adjustments .....                 | 0560 |                |              |               |            |
| Increase (Decrease) in Unfunded Liabilities .....  | 0565 |                |              |               |            |
| .....                                              |      |                |              |               |            |
| <b>Change in Fund Balances</b> .....               | 0570 | 50,000         | 5,915,737    | 1,602,770     | 7,568,507  |
| .....                                              |      |                |              |               |            |
| <b>Fund Balances</b> .....                         | 0575 |                |              |               |            |
| Balance at Beginning of Year .....                 | 0580 | 585,307        | 68,316,547   | 6,814,851     | 75,716,705 |
| Prior Period Adjustments .....                     | 0590 |                |              |               |            |
| Appropriated To Operating Fund .....               | 0600 |                |              |               |            |
| Other Adjustments .....                            | 0610 |                |              |               |            |
| .....                                              |      |                |              |               |            |
| <b>Balance at End of Year</b> .....                | 0620 | 635,307        | 74,232,284   | 8,417,621     | 83,285,212 |

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C

|                                               |      | Operating<br>1 | Capital<br>2 | Total<br>3 |
|-----------------------------------------------|------|----------------|--------------|------------|
| <b>Total General Revenue</b>                  | 0700 | 16,843,003     |              | 16,843,003 |
| <b>Function Revenue</b>                       | 0710 |                |              |            |
| <b>General Government</b>                     | 0720 |                |              |            |
| Council and Other Legislative .....           | 0730 |                |              |            |
| General Administration .....                  | 0740 | 144,413        | 92,100       | 236,513    |
| Other General Government.....                 | 0750 |                |              |            |
| <b>Protective Services</b>                    | 0760 |                |              |            |
| Police .....                                  | 0770 |                |              |            |
| Fire .....                                    | 0780 | 33,037         |              | 33,037     |
| Disaster and Emergency Measures .....         | 0790 |                |              |            |
| Ambulance and First Aid .....                 | 0800 | 263,879        | 158,466      | 422,345    |
| Bylaws Enforcement .....                      | 0810 | 147,953        | 41,192       | 189,145    |
| Other Protective Services.....                | 0820 |                |              |            |
| <b>Transportation</b>                         | 0830 |                |              |            |
| Common and Equipment Pool .....               | 0840 |                |              |            |
| Roads, Streets, Walks, Lighting .....         | 0850 | 867,547        | 933,880      | 1,801,427  |
| Airport .....                                 | 0860 | 51,769         |              | 51,769     |
| Public Transit .....                          | 0870 |                |              |            |
| Storm Sewers and Drainage .....               | 0880 |                |              |            |
| Other Transportation .....                    | 0890 |                |              |            |
| <b>Environmental Use and Protection</b>       | 0900 |                |              |            |
| Water Supply and Distribution .....           | 0910 | 1,268,323      | 2,509,958    | 3,778,281  |
| Wastewater Treatment and Disposal .....       | 0920 | 385,384        |              | 385,384    |
| Waste Management .....                        | 0930 | 10,376         |              | 10,376     |
| Other Environmental Use and Protection .....  | 0940 |                |              |            |
| <b>Public Health and Welfare</b>              | 0950 |                |              |            |
| Family and Community Support .....            | 0960 | 217,046        |              | 217,046    |
| Day Care .....                                | 0970 |                |              |            |
| Cemeteries and Crematoriums .....             | 0980 |                |              |            |
| Other Public Health and Welfare .....         | 0990 |                |              |            |
| <b>Planning and Development</b>               | 1000 |                |              |            |
| Land Use Planning, Zoning and Development ... | 1010 | 385,300        |              | 385,300    |
| Economic/Agricultural Development .....       | 1020 | 301,588        |              | 301,588    |
| Subdivision Land and Development .....        | 1030 | 1,419          |              | 1,419      |
| Public Housing Operations .....               | 1040 |                |              |            |
| Land, Housing and Building Rentals .....      | 1050 |                |              |            |
| Other Planning and Development.....           | 1060 |                |              |            |
| <b>Recreation and Culture</b>                 | 1070 |                |              |            |
| Recreation Boards .....                       | 1080 |                |              |            |
| Parks and Recreation .....                    | 1090 |                | 65,674       | 65,674     |
| Culture: Libraries, Museums, Halls .....      | 1100 |                |              |            |
| Convention Centres .....                      | 1110 |                |              |            |
| Other Recreation and Culture.....             | 1120 |                |              |            |
| <b>Other</b> .....                            | 1130 |                |              |            |
| <b>Total Revenue</b>                          | 1140 | 20,921,037     | 3,801,270    | 24,722,307 |

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C (cont.)

|                                               |      | Operating<br>1 | Capital<br>2 | Total<br>3 |
|-----------------------------------------------|------|----------------|--------------|------------|
| <b>Expenditures</b>                           | 1150 |                |              |            |
| <b>General Government</b>                     | 1160 |                |              |            |
| Council and Other Legislative .....           | 1170 | 291,579        |              | 291,579    |
| General Administration .....                  | 1180 | 2,696,741      |              | 2,696,741  |
| Other General Government.....                 | 1190 |                |              |            |
| <b>Protective Services</b>                    | 1200 |                |              |            |
| Police .....                                  | 1210 |                |              |            |
| Fire .....                                    | 1220 | 515,444        |              | 515,444    |
| Disaster and Emergency Measures .....         | 1230 |                |              |            |
| Ambulance and First Aid .....                 | 1240 | 1,023,693      |              | 1,023,693  |
| Bylaws Enforcement .....                      | 1250 | 409,997        |              | 409,997    |
| Other Protective Services.....                | 1260 |                |              |            |
| <b>Transportation</b>                         | 1270 |                |              |            |
| Common and Equipment Pool .....               | 1280 |                |              |            |
| Roads, Streets, Walks, Lighting .....         | 1290 | 6,248,684      |              | 6,248,684  |
| Airport .....                                 | 1300 | 130,483        |              | 130,483    |
| Public Transit .....                          | 1310 |                |              |            |
| Storm Sewers and Drainage .....               | 1320 |                |              |            |
| Other Transportation .....                    | 1330 |                |              |            |
| <b>Environmental Use and Protection</b>       | 1340 |                |              |            |
| Water Supply and Distribution .....           | 1350 | 1,158,502      |              | 1,158,502  |
| Wastewater Treatment and Disposal .....       | 1360 | 556,181        |              | 556,181    |
| Waste Management .....                        | 1370 | 262,506        |              | 262,506    |
| Other Environmental Use and Protection .....  | 1380 |                |              |            |
| <b>Public Health and Welfare</b>              | 1390 |                |              |            |
| Family and Community Support .....            | 1400 | 791,715        |              | 791,715    |
| Day Care .....                                | 1410 |                |              |            |
| Cemeteries and Crematoriums .....             | 1420 |                |              |            |
| Other Public Health and Welfare .....         | 1430 |                |              |            |
| <b>Planning and Development</b>               | 1440 |                |              |            |
| Land Use Planning, Zoning and Development ... | 1450 | 673,863        |              | 673,863    |
| Economic/Agricultural Development .....       | 1460 | 973,983        |              | 973,983    |
| Subdivision Land and Development .....        | 1470 |                |              |            |
| Public Housing Operations .....               | 1480 |                |              |            |
| Land, Housing and Building Rentals .....      | 1490 |                |              |            |
| Other Planning and Development.....           | 1500 |                |              |            |
| <b>Recreation and Culture</b>                 | 1510 |                |              |            |
| Recreation Boards .....                       | 1520 | 652,666        |              | 652,666    |
| Parks and Recreation .....                    | 1530 | 106,018        |              | 106,018    |
| Culture: Libraries, Museums, Halls .....      | 1540 | 133,665        |              | 133,665    |
| Convention Centres .....                      | 1550 |                |              |            |
| Other Recreation and Culture.....             | 1560 | 32,150         |              | 32,150     |
| <b>Other</b> .....                            | 1570 |                | 495,930      | 495,930    |
| <b>Total Expenditures</b> .....               | 1580 | 16,657,870     | 495,930      | 17,153,800 |
| <b>Net Revenue (Expenditure)</b> .....        | 1590 | 4,263,167      | 3,305,340    | 7,568,507  |

FINANCIAL ACTIVITIES BY TYPE / OBJEC\*

Schedule D

|                                                     |      | Operating<br>1 | Capital<br>2 | Total<br>3 |
|-----------------------------------------------------|------|----------------|--------------|------------|
| <b>Revenues</b>                                     | 1700 |                |              |            |
| Taxation and Grants in Place                        | 1710 |                |              |            |
| · Property (Net Municipal) .....                    | 1720 | 16,220,039     |              | 16,220,039 |
| · Business .....                                    | 1730 |                |              |            |
| · Business Revitalization Zone .....                | 1740 |                |              |            |
| · Special .....                                     | 1750 |                |              |            |
| · Well Drilling .....                               | 1760 | 80,125         |              | 80,125     |
| · Local Improvement .....                           | 1770 | 174,543        |              | 174,543    |
| Sales To Other Governments .....                    | 1790 |                |              |            |
| Sales and User Charges .....                        | 1800 | 1,997,942      |              | 1,997,942  |
| Penalties and Costs on Taxes .....                  | 1810 | 79,147         |              | 79,147     |
| Licenses and Permits .....                          | 1820 | 13,255         |              | 13,255     |
| Fines .....                                         | 1830 | 63,179         |              | 63,179     |
| Franchise and Concession Contracts .....            | 1840 |                |              |            |
| Returns on Investments .....                        | 1850 | 273,703        |              | 273,703    |
| Rentals .....                                       | 1860 | 40,017         |              | 40,017     |
| Insurance Proceeds .....                            | 1870 | 960            |              | 960        |
| Proceeds From Disposal of Capital Property .....    | 1880 |                | 92,100       | 92,100     |
| Federal Government Unconditional Transfers .....    | 1890 |                |              |            |
| Federal Government Conditional Transfers .....      | 1900 |                |              |            |
| Provincial Government Unconditional Transfers ..... | 1910 | 23,178         |              | 23,178     |
| Provincial Government Conditional Transfers .....   | 1920 | 1,646,813      | 3,329,242    | 4,976,055  |
| Local Government Transfers .....                    | 1930 |                |              |            |
| Transfers From Local Boards and Agencies .....      | 1940 |                |              |            |
| Drawn From Allowances .....                         | 1950 |                |              |            |
| Developers' Agreements and Levies .....             | 1960 |                | 132,988      | 132,988    |
| Other Revenues .....                                | 1970 | 308,136        | 246,940      | 555,076    |
| <b>Total Revenue</b> .....                          | 1980 | 20,921,037     | 3,801,270    | 24,722,307 |
| <b>Expenditures</b>                                 | 1990 |                |              |            |
| Salaries, Wages, and Benefits .....                 | 2000 | 3,823,123      |              | 3,823,123  |
| Contracted and General Services .....               | 2010 | 6,606,000      |              | 6,606,000  |
| Purchases from Other Governments .....              | 2020 |                |              |            |
| Materials, Goods, Supplies, and Utilities .....     | 2030 | 3,170,617      |              | 3,170,617  |
| Provision For Allowances .....                      | 2040 | -14,735        |              | -14,735    |
| Transfers to Other Governments .....                | 2050 | 1,162,202      |              | 1,162,202  |
| Transfers to Local Boards and Agencies .....        | 2060 |                |              |            |
| Transfers to Individuals and Organizations .....    | 2070 | 1,496,975      |              | 1,496,975  |
| Bank Charges and Short Term Interest .....          | 2080 | 4,678          |              | 4,678      |
| Interest on Operating Long Term Debt .....          | 2090 |                |              |            |
| Interest on Capital Long Term Debt .....            | 2100 | 399,036        |              | 399,036    |
| Amortization of Capital Property .....              | 2110 |                |              |            |
| Unamortized Cost of Capital Property Disposed ..... | 2120 |                | 714,186      | 714,186    |
| Other Expenditures .....                            | 2130 | 9,974          | -218,256     | -208,282   |
| <b>Total Expenditures</b> .....                     | 2140 | 16,657,870     | 495,930      | 17,153,800 |
| <b>Net Revenue (Expenditure)</b> .....              | 2150 | 4,263,167      | 3,305,340    | 7,568,507  |

OPERATING FUND SUPPLEMENTARY DETAIL

Schedule E

|                                               |             | Operating Revenue      |                                             | Operating Expenditures               |                                    |
|-----------------------------------------------|-------------|------------------------|---------------------------------------------|--------------------------------------|------------------------------------|
|                                               |             | Sales and User Charges | Provincial Government Conditional Transfers | Interest on Operating Long Term Debt | Interest on Capital Long Term Debt |
|                                               |             | 1                      | 2                                           | 3                                    | 4                                  |
| General Government                            | 2200        |                        |                                             |                                      |                                    |
| Council and Other Legislative .....           | 2210        |                        |                                             |                                      |                                    |
| General Administration .....                  | 2220        | 26,583                 | 37,705                                      |                                      |                                    |
| Other General Government.....                 | 2230        |                        |                                             |                                      |                                    |
| Protective Services                           | 2240        |                        |                                             |                                      |                                    |
| Police .....                                  | 2250        |                        |                                             |                                      |                                    |
| Fire .....                                    | 2260        | 33,037                 |                                             |                                      |                                    |
| Disaster and Emergency Measures .....         | 2270        |                        |                                             |                                      |                                    |
| Ambulance and First Aid .....                 | 2280        | 37,507                 | 226,672                                     |                                      |                                    |
| Bylaws Enforcement .....                      | 2290        |                        | 5,250                                       |                                      |                                    |
| Other Protective Services.....                | 2300        |                        |                                             |                                      |                                    |
| Transportation                                | 2310        |                        |                                             |                                      |                                    |
| Common and Equipment Pool .....               | 2320        |                        |                                             |                                      |                                    |
| Roads, Streets, Walks, Lighting .....         | 2330        | 67,235                 | 752,148                                     |                                      | 155,914                            |
| Airport .....                                 | 2340        | 29,130                 | 22,639                                      |                                      |                                    |
| Public Transit .....                          | 2350        |                        |                                             |                                      |                                    |
| Storm Sewers and Drainage .....               | 2360        |                        |                                             |                                      |                                    |
| Other Transportation .....                    | 2370        |                        |                                             |                                      |                                    |
| Environmental Use and Protection              | 2380        |                        |                                             |                                      |                                    |
| Water Supply and Distribution .....           | 2390        | 1,160,126              |                                             |                                      | 210,096                            |
| Wastewater Treatment and Disposal .....       | 2400        | 278,338                | 58,791                                      |                                      | 33,026                             |
| Waste Management .....                        | 2410        | 10,376                 |                                             |                                      |                                    |
| Other Environmental Use and Protection .....  | 2420        |                        |                                             |                                      |                                    |
| Public Health and Welfare                     | 2430        |                        |                                             |                                      |                                    |
| Family and Community Support .....            | 2440        |                        | 217,046                                     |                                      |                                    |
| Day Care .....                                | 2450        |                        |                                             |                                      |                                    |
| Cemeteries and Crematoriums .....             | 2460        |                        |                                             |                                      |                                    |
| Other Public Health and Welfare .....         | 2470        |                        |                                             |                                      |                                    |
| Planning and Development                      | 2480        |                        |                                             |                                      |                                    |
| Land Use Planning, Zoning and Development ... | 2490        | 355,610                |                                             |                                      |                                    |
| Economic/Agricultural Development .....       | 2500        |                        | 297,030                                     |                                      |                                    |
| Subdivision Land and Development .....        | 2510        |                        |                                             |                                      |                                    |
| Public Housing Operations .....               | 2520        |                        |                                             |                                      |                                    |
| Land, Housing and Building Rentals .....      | 2530        |                        |                                             |                                      |                                    |
| Other Planning and Development.....           | 2540        |                        |                                             |                                      |                                    |
| Recreation and Culture                        | 2550        |                        |                                             |                                      |                                    |
| Recreation Boards .....                       | 2560        |                        |                                             |                                      |                                    |
| Parks and Recreation .....                    | 2570        |                        | 29,532                                      |                                      |                                    |
| Culture: Libraries, Museums, Halls .....      | 2580        |                        |                                             |                                      |                                    |
| Convention Centres .....                      | 2590        |                        |                                             |                                      |                                    |
| Other Recreation and Culture.....             | 2600        |                        |                                             |                                      |                                    |
| Other .....                                   | 2610        |                        |                                             |                                      |                                    |
| <b>Total:</b>                                 | <b>2620</b> | <b>1,997,942</b>       | <b>1,646,813</b>                            |                                      | <b>399,036</b>                     |

CAPITAL FUND SUPPLEMENTARY DETAIL

Schedule F

|                                               |             | Capital Revenue                             | Capital Assets             | Capital Fund Long Term Debt     |                                  |
|-----------------------------------------------|-------------|---------------------------------------------|----------------------------|---------------------------------|----------------------------------|
|                                               |             | Provincial Government Conditional Transfers | Capital Property Additions | Principal Additions During Year | Principal Reductions During Year |
|                                               |             | 1                                           | 2                          | 3                               | 4                                |
| General Government                            | 2700        |                                             |                            |                                 |                                  |
| Council and Other Legislative .....           | 2710        |                                             |                            |                                 |                                  |
| General Administration .....                  | 2720        |                                             | 85,646                     |                                 |                                  |
| Other General Government.....                 | 2730        |                                             |                            |                                 |                                  |
| Protective Services                           | 2740        |                                             |                            |                                 |                                  |
| Police .....                                  | 2750        |                                             |                            |                                 |                                  |
| Fire .....                                    | 2760        |                                             |                            |                                 |                                  |
| Disaster and Emergency Measures .....         | 2770        |                                             |                            |                                 |                                  |
| Ambulance and First Aid .....                 | 2780        | 158,466                                     | 158,466                    |                                 |                                  |
| Bylaws Enforcement .....                      | 2790        |                                             | 50,918                     |                                 |                                  |
| Other Protective Services.....                | 2800        |                                             |                            |                                 |                                  |
| Transportation                                | 2810        |                                             |                            |                                 |                                  |
| Common and Equipment Pool .....               | 2820        |                                             |                            |                                 |                                  |
| Roads, Streets, Walks, Lighting .....         | 2830        | 728,132                                     | 2,680,527                  | 495,258                         | 300,998                          |
| Airport .....                                 | 2840        |                                             |                            |                                 |                                  |
| Public Transit .....                          | 2850        |                                             |                            |                                 |                                  |
| Storm Sewers and Drainage .....               | 2860        |                                             |                            |                                 |                                  |
| Other Transportation .....                    | 2870        |                                             |                            |                                 |                                  |
| Environmental Use and Protection              | 2880        |                                             |                            |                                 |                                  |
| Water Supply and Distribution .....           | 2890        | 2,376,970                                   | 2,581,096                  |                                 | 421,697                          |
| Wastewater Treatment and Disposal .....       | 2900        |                                             | 445,191                    |                                 | 77,319                           |
| Waste Management .....                        | 2910        |                                             |                            |                                 |                                  |
| Other Environmental Use and Protection .....  | 2920        |                                             |                            |                                 |                                  |
| Public Health and Welfare                     | 2930        |                                             |                            |                                 |                                  |
| Family and Community Support .....            | 2940        |                                             |                            |                                 |                                  |
| Day Care .....                                | 2950        |                                             |                            |                                 |                                  |
| Cemeteries and Crematoriums .....             | 2960        |                                             |                            |                                 |                                  |
| Other Public Health and Welfare .....         | 2970        |                                             |                            |                                 |                                  |
| Planning and Development                      | 2980        |                                             |                            |                                 |                                  |
| Land Use Planning, Zoning and Development ... | 2990        |                                             |                            |                                 |                                  |
| Economic/Agricultural Development .....       | 3000        |                                             |                            |                                 |                                  |
| Subdivision Land and Development .....        | 3010        |                                             |                            |                                 |                                  |
| Public Housing Operations .....               | 3020        |                                             |                            |                                 |                                  |
| Land, Housing and Building Rentals .....      | 3030        |                                             |                            |                                 |                                  |
| Other Planning and Development.....           | 3040        |                                             |                            |                                 |                                  |
| Recreation and Culture                        | 3050        |                                             |                            |                                 |                                  |
| Recreation Boards .....                       | 3060        |                                             |                            |                                 |                                  |
| Parks and Recreation .....                    | 3070        | 65,674                                      | 105,066                    |                                 |                                  |
| Culture: Libraries, Museums, Halls .....      | 3080        |                                             |                            |                                 |                                  |
| Convention Centres .....                      | 3090        |                                             |                            |                                 |                                  |
| Other Recreation and Culture.....             | 3100        |                                             |                            |                                 |                                  |
| Other .....                                   | 3110        |                                             |                            |                                 |                                  |
| <b>Total</b>                                  | <b>3120</b> | <b>3,329,242</b>                            | <b>6,106,910</b>           | <b>495,258</b>                  | <b>800,014</b>                   |

CHANGES IN CAPITAL PROPERTY

Schedule G

|                                                          |      | Balance at<br>Beginning of<br>Year | Additions | Reductions | Balance at<br>End of Year |
|----------------------------------------------------------|------|------------------------------------|-----------|------------|---------------------------|
|                                                          |      | 1                                  | 2         | 3          | 4                         |
| <b>Capital Property - Cost</b>                           | 3200 |                                    |           |            |                           |
| Engineering Structures .....                             | 3210 | 62,853,218                         | 4,874,748 |            | 67,727,966                |
| Buildings .....                                          | 3220 | 3,919,012                          | 114,084   | 412,369    | 3,620,727                 |
| Machinery and Equipment .....                            | 3230 | 4,579,810                          | 720,645   | 261,171    | 5,039,284                 |
| Land .....                                               | 3240 | 658,394                            |           |            | 658,394                   |
| Vehicles .....                                           | 3250 | 3,167,223                          | 397,433   | 40,646     | 3,524,010                 |
| <b>Total Capital Property Cost</b>                       | 3260 | 75,177,657                         | 6,106,910 | 714,186    | 80,570,381                |
| <b>Capital Property - Accumulated Amortization</b>       | 3270 |                                    |           |            |                           |
| Engineering Structures .....                             | 3280 |                                    |           |            |                           |
| Buildings .....                                          | 3290 |                                    |           |            |                           |
| Machinery and Equipment .....                            | 3300 |                                    |           |            |                           |
| Land .....                                               | 3310 |                                    |           |            |                           |
| Vehicles .....                                           | 3320 |                                    |           |            |                           |
| <b>Total Capital Property Accumulated Amortization</b>   | 3330 |                                    |           |            |                           |
| <b>Total Capital Property Net of Accum. Amortization</b> | 3340 | 75,177,657                         | 6,106,910 | 714,186    | 80,570,381                |



**LONG TERM DEBT SUPPORT**

**Schedule H**

|                                               |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|-----------------------------------------------|-------------|----------------|------------------|------------------|
| <b>Long Term Debt Support</b>                 | 3400        |                |                  |                  |
| Supported by General Tax Levies .....         | 3410        |                | 7,720,088        | 7,720,088        |
| Supported by Special Levies .....             | 3420        |                |                  |                  |
| Supported by Utility Rates .....              | 3430        |                |                  |                  |
| Other .....                                   | 3440        |                |                  |                  |
| <b>Total Long Term Debt Principal Balance</b> | <b>3450</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |

**LONG TERM DEBT SOURCES**

**Schedule I**

|                                                |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|------------------------------------------------|-------------|----------------|------------------|------------------|
| Alberta Capital Finance Authority.....         | 3500        |                | 7,720,088        | 7,720,088        |
| Province of Alberta .....                      | 3510        |                |                  |                  |
| Canada Mortgage and Housing Corporation .....  | 3520        |                |                  |                  |
| Municipal Development and Loan Board .....     | 3530        |                |                  |                  |
| Government of Canada .....                     | 3540        |                |                  |                  |
| Alberta Mortgage and Housing Corporation ..... | 3550        |                |                  |                  |
| Alberta Opportunity Company .....              | 3560        |                |                  |                  |
| Public Bond Issue .....                        | 3570        |                |                  |                  |
| United States Market .....                     | 3580        |                |                  |                  |
| European Market .....                          | 3590        |                |                  |                  |
| Mortgage Borrowing .....                       | 3600        |                |                  |                  |
| Other .....                                    | 3610        |                |                  |                  |
| <b>Total Long Term Debt Principal Balance</b>  | <b>3620</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |

**FUTURE LONG TERM DEBT REPAYMENTS**

**Schedule J**

|                                     |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|-------------------------------------|-------------|----------------|------------------|------------------|
| <b>Principal Repayments by Year</b> | 3700        |                |                  |                  |
| Current + 1 .....                   | 3710        |                | 886,343          | 886,343          |
| Current + 2 .....                   | 3720        |                | 935,517          | 935,517          |
| Current + 3 .....                   | 3730        |                | 875,826          | 875,826          |
| Current + 4 .....                   | 3740        |                | 918,146          | 918,146          |
| Current + 5 .....                   | 3750        |                | 962,543          | 962,543          |
| Thereafter .....                    | 3760        |                | 3,141,713        | 3,141,713        |
| <b>Total Principal</b>              | <b>3770</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |
| <b>Interest by Year</b>             | 3780        |                |                  |                  |
| Current + 1 .....                   | 3790        |                | 373,379          | 373,379          |
| Current + 2 .....                   | 3800        |                | 324,205          | 324,205          |
| Current + 3 .....                   | 3810        |                | 271,859          | 271,859          |
| Current + 4 .....                   | 3820        |                | 229,538          | 229,538          |
| Current + 5 .....                   | 3830        |                | 185,141          | 185,141          |
| Thereafter .....                    | 3840        |                | 292,163          | 292,163          |
| <b>Total Interest</b>               | <b>3850</b> |                | <b>1,676,285</b> | <b>1,676,285</b> |

**PROPERTY TAXES AND GRANTS IN PLACE**

**Schedule K**

|                                                               |      | Grants In Place |             | Total      |
|---------------------------------------------------------------|------|-----------------|-------------|------------|
|                                                               |      | Property        | of Property |            |
|                                                               |      | Taxes           | Taxes       |            |
|                                                               |      | 1               | 2           | 3          |
| <b>Property Taxes</b>                                         | 3900 |                 |             |            |
| Residential Land and Improvements .....                       | 3910 | 2,667,360       | 17,533      | 2,684,893  |
| <b>Non-Residential</b>                                        | 3920 |                 |             |            |
| Land and Improvements (Excluding M & E).....                  | 3935 | 669,179         | 35,753      | 704,932    |
| Machinery and Equipment .....                                 | 3950 | 1,511,655       |             | 1,511,655  |
| Linear Property .....                                         | 3960 | 17,951,043      |             | 17,951,043 |
| Railway .....                                                 | 3970 | 43,055          |             | 43,055     |
| Farm Land .....                                               | 3980 | 415,773         |             | 415,773    |
| Adjustments to Property Taxes .....                           | 3990 |                 |             |            |
| <b>Total Property Taxes and Grants In Place</b> .....         | 4000 | 23,258,065      | 53,286      | 23,311,351 |
| <b>Requisition Transfers</b>                                  | 4010 |                 |             |            |
| <b>Education</b>                                              |      |                 |             |            |
| Residential/Farm Land .....                                   | 4031 |                 | 6,722,877   |            |
| Non-Residential .....                                         | 4035 |                 |             |            |
| Hospital Districts .....                                      | 4060 |                 |             |            |
| Nursing Homes and Auxiliary Hospitals.....                    | 4070 |                 |             |            |
| Ambulance Districts .....                                     | 4080 |                 |             |            |
| Seniors Lodges .....                                          | 4090 |                 | 325,755     |            |
| Other .....                                                   | 4100 |                 |             |            |
| Adjustments to Requisition Transfers .....                    | 4110 |                 | 42,680      |            |
| <b>Total Requisition Transfers</b> .....                      | 4120 |                 | 7,091,312   |            |
| <b>Net Municipal Property Taxes and Grants In Place</b> ..... | 4130 |                 | 16,220,039  |            |

**GRANTS IN PLACE OF TAXES**

**Schedule L**

|                             |      | Property | Business | Other | Total  |
|-----------------------------|------|----------|----------|-------|--------|
|                             |      | Taxes    | Taxes    | Taxes |        |
|                             |      | 1        | 2        | 3     |        |
|                             |      | 4        |          |       |        |
| Federal Government .....    | 4200 | 17,533   |          |       | 17,533 |
| Provincial Government ..... | 4210 | 35,753   |          |       | 35,753 |
| Local Government .....      | 4220 |          |          |       |        |
| Other .....                 | 4230 |          |          |       |        |
| <b>Total</b> .....          | 4240 | 53,286   |          |       | 53,286 |

**DEBT LIMIT**

**Schedule AA**

|                                |      |            |
|--------------------------------|------|------------|
| Debt Limit .....               | 5700 | 32,092,446 |
| Total Debt .....               | 5710 | 7,720,088  |
| Debt Service Limit .....       | 5720 | 5,348,741  |
| Total Debt Service Costs ..... | 5730 | 1,259,721  |

Enter **Prior year's** Line 3450 Column 2 balance here:



ASSURANCE AND ADVISORY  
BUSINESS SERVICES

DECEMBER 31, 2005

 **ERNST & YOUNG**

*Quality In Everything We Do*

**Municipal District of Mackenzie No. 23**  
**Audit Results and Communications**

May 2, 2006

Members of District Council  
Municipal District of Mackenzie No. 23

Dear Members of Council:

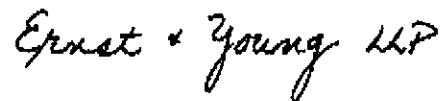
We are pleased to present the results of our audit of the financial statements of the Municipal District of Mackenzie No. 23 ("the District").

The audit is designed to express an opinion on the 2005 financial statements and the financial information return. We continue to receive the full support and assistance of the District's personnel in conducting our audit.

This report is intended solely for the information and use of Council and administration, and is not intended to be and should not be used by anyone other than these specified parties. We disclaim any responsibility to any third party who may rely on it. Further, this report is a by-product of our audit of the 2005 financial statements and indicates matters identified during the course of our audit. Our audit did not necessarily identify all matters that may be of interest to Council in fulfilling its responsibilities.

We appreciate this opportunity to meet with you to discuss the contents of this report and answer any questions you may have about these or any other audit-related matters.

Very truly yours,



A.C. Rudosky

# Contents

**PAGES**

|                                                                               |          |
|-------------------------------------------------------------------------------|----------|
| <b>2005 Audit Results and Communications .....</b>                            | <b>1</b> |
| Summary of What We Agreed to Do .....                                         | 1        |
| Findings and Observations—Financial Statements Accounts and Disclosures ..... | 2        |
| Required Communications .....                                                 | 4        |
| Summary of Audit Differences .....                                            | 6        |
| Internal Control and Operational Improvements for Discussion .....            | 7        |
| Looking Ahead to Next Year .....                                              | 10       |

**APPENDICES**

**TABS**

|                                                                    |          |
|--------------------------------------------------------------------|----------|
| <b>Table of Required Communications with Audit Committees.....</b> | <b>A</b> |
| <b>Draft Financial Statements .....</b>                            | <b>B</b> |
| <b>Draft Financial Information Return .....</b>                    | <b>C</b> |
| <b>Draft Letters of Representation .....</b>                       | <b>D</b> |

# 2005 Audit Results and Communications

## SUMMARY OF WHAT WE AGREED TO DO

As indicated to Council in our planning information, our audit plan represented an approach responsive to our understanding of the District and its environment, including its internal control and our assessment of risks of material misstatement of the 2005 financial statements. Specifically, we designed our audit to:

- Express an opinion on the financial statements of the Municipal District of Mackenzie No. 23;
- Express an opinion on financial information return for the Municipal District of Mackenzie No. 23;
- Present the results of our audit including required audit communications, business and internal control observations, and other important reporting matters, and to issue a letter of recommendations if necessary;
- Provide assistance, if required, in connection with accounting for complex transactions; and
- Provide assistance with the District's financial statement presentation and disclosures

## FINDINGS AND OBSERVATIONS—FINANCIAL STATEMENTS ACCOUNTS AND DISCLOSURES

Key issues and risk areas we identified and addressed as part of our audit included the following.

| Key Issue / Risk Area                                                                                                                                                                                                                                                                                                                                     | Summary of Procedures and Findings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. Gravel Reclamation</b></p> <p>The District has an obligation once a gravel pit is completely used to reclaim that land back to a condition that is suitable for other purposes.</p> <p>Administration has estimated the future costs to reclaim the land related to the gravel pits at December 31, 2005 to be \$427,000 (2004 – \$404,000).</p> | <p>In 2003, the District engaged an expert to determine the gravel reclamation liability that should be set up and how to update the liability each year thereafter. The expert determined that an initial liability of \$364,000 should be set up in 2003 and an additional \$1.00 per cubic meter of gravel hauled in each year after that. The District has increased the reclamation liability in 2005 according to this methodology. We have concluded the gravel reclamation liability is reasonable with the exception of discounting the liability. As the cash payments will be made in the future, the liability should be discounted so that it is recognized at the present value of the cash flows. We estimate that discounting the liability would reduce it by approximately \$50,800. The financial statements do not reflect this difference and it has been recorded on the summary of unadjusted differences.</p> |
| <p><b>2. Inventory Obsolescence</b></p> <p>Administration has recorded a general 10% allowance for obsolete or slow moving inventory to all the supply inventory balances.</p>                                                                                                                                                                            | <p>Administration made improvements in their inventory management during the year by disposing of older inventory items. Applying a 10% provision to the inventory understates the inventory balance as most of the inventory is current and will be usable. The total amount of the understatement is estimated to be \$30,000. The financial statements do not reflect this difference and it has been recorded on the summary of unadjusted differences.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <p><b>3. Gravel Inventory Survey</b></p> <p>Administration engages specialists to survey gravel piles each year to verify the volume of the gravel to ensure that gravel inventory recorded actually exists.</p>                                                                                                                                          | <p>At year end, the survey for the Fitter Pit indicated a significant difference between the volume of inventory surveyed and that recorded. The District got a second opinion from another surveyor who determined one pile had not been surveyed by the first surveyor. After the second survey was completed, a difference still remained between the surveyed and recorded volumes of inventory. The final surveys reflect approximately \$30,000 less inventory than what was recorded by Administration. We discussed this issue with Administration, who agreed with the difference. The financial statements were adjusted to reflect this difference.</p>                                                                                                                                                                                                                                                                    |
| <p><b>4. Year End Cutoff</b></p> <p>As part of our assessment of Administration's financial statement close process we performed a number of procedures to ensure that revenues and expenses have been recorded in the appropriate fiscal year.</p>                                                                                                       | <p>In our testing, we found 3 expenses that were recorded in the wrong period. These expenses should have been recorded in 2005 but were not, thereby understating the District's operating expenses and liabilities by \$66,200. This difference has been adjusted for in the financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |



2005 AUDIT RESULTS  
AND COMMUNICATIONS

| Key Issue / Risk Area     | Summary of Procedures and Findings                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5. Vacation Pay Liability | <p>When examining vacation pay accruals at year end, we identified differences with respect to vacation days outstanding at January 1, 2005 from that recorded at the end of 2004. In 2005, the new payroll clerk created the opening accrued vacation days for employees using an old schedule, which was different from what EY and the District agreed upon at the end of 2004. An adjustment was made to the general ledger payable accounts based on his analysis and no approval was received at the time from senior Administration to make this adjustment. As a result of this mistake, the vacation pay accrual is understated by approximately \$5,167 at year-end. No adjustment has been made to the 2005 financial statements, but it has been discussed with Administration who agrees with the difference.</p> <p>Of most significance are the unauthorized adjustments made to the payroll accounts, which resulted in unearned vacation days being accrued for employees. Although the District hired a new payroll clerk this year, there are still control weakness that should be addressed by Administration. Most importantly, we recommend that all adjustments made to the general ledger be approved by senior administration prior to being entered.</p> |

## REQUIRED COMMUNICATIONS

CICA Handbook Section 5751 and other professional standards require the auditor to communicate certain matters to Council that may assist the Council in overseeing administration's financial reporting and disclosure process. Below we summarize these required communications as they apply to the Municipal District of Mackenzie No. 23.

| Area                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Comments                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Auditors' Responsibilities under Generally Accepted Auditing Standards (GAAS)</b></p> <p>The financial statements are the responsibility of administration. Our audit was designed in accordance with Canadian generally accepted auditing standards to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. As a part of our audit, we obtained an understanding of internal control sufficient to plan our audit and to determine the nature, timing, and extent of testing performed.</p>                                                                                                                | <p>Upon completion of our remaining audit procedures, we expect to issue an unqualified opinion on the District's financial statements for the year ended December 31, 2005.</p>                                                                                                                                                                                                                                                                    |
| <p><b>Our Judgments About the Quality of the District's Accounting Principles</b></p> <p>We discuss our judgments about the quality, not just the acceptability, of the accounting policies as applied in the District's financial reporting, including the consistency of the accounting policies and their application and the clarity and completeness of the financial statements and related disclosures.</p>                                                                                                                                                                                                                                                                        | <p>All of the significant accounting policies followed by the District are adequately disclosed in Note 1 to the financial statements. The District adopted no significant accounting policy changes in the current year. We have reviewed the financial statement presentation and it is our opinion that the financial statements are clear and reflect the most appropriate choices regarding accounting policies.</p>                           |
| <p><b>Sensitive Accounting Estimates and Disclosures</b></p> <p>The preparation of the financial statements requires administration to make judgments in formulating accounting estimates and preparing note disclosures. Certain estimates and disclosures are particularly sensitive due to their significance to the financial statements and the possibility that future events may differ significantly from administration's current judgments.</p> <p>We determine that Council is informed about administration's process for formulating particularly sensitive accounting estimates and disclosures and about the basis for our conclusions regarding their reasonableness.</p> | <p>We have reviewed the significant estimates and judgments made by administration in the preparation of the financial statements and we are in agreement with the accounting estimates and areas where administration applied judgment. Specific areas and items involving significant judgments and estimates are discussed in more detail in the section titled "Findings and Observations - Financial Statements Accounts and Disclosures."</p> |
| <p><b>Significant Audit Adjustments</b></p> <p>We provide Council with information about adjustments arising from the audit (whether recorded or not) that could in our judgment, either individually or in the aggregate, have a significant effect on the District's financial statements.</p> <p>We inform Council about unadjusted audit differences accumulated by us (i.e., adjustments either identified by us or brought to our attention by administration) during the current audit and pertaining to the latest period presented that were determined by administration to be immaterial, both individually and in the aggregate, to the financial statements as a whole.</p>  | <p>All significant accounting differences revealed by the audit were discussed with administration to determine whether an adjustment should be recorded. Unadjusted differences are not material to the financial statements. Please refer to the "Summary of Audit Differences" section of this report.</p>                                                                                                                                       |

**2005 AUDIT RESULTS  
AND COMMUNICATIONS**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Fraud and Illegal Acts</b><br/>We report to Council fraud and illegal acts involving administration and fraud and illegal acts (whether caused by administration or other employees) that cause an other than trivial misstatement of the financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                          | <p>We are not aware of matters that require communication.</p>                                                                                                                                                                                                                                                                                                                                                            |
| <p><b>Significant Weaknesses in Internal Control</b><br/>We communicate all significant weaknesses in internal control over financial reporting that may have been identified during the course of our audit.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <p>No significant weaknesses were identified.</p>                                                                                                                                                                                                                                                                                                                                                                         |
| <p><b>Other Information in Documents Containing Audited Financial Statements</b><br/>Our financial statement audit opinion only relates to the financial statements and accompanying notes. However, we also review other information in the Annual Report for consistency with the audited financial statements.</p>                                                                                                                                                                                                                                                                                                                                                              | <p>Once it is complete, we will review the summary financial information reported in the newspaper to the District's ratepayers for consistency with the complete audited financial statements</p>                                                                                                                                                                                                                        |
| <p><b>Disagreements with Administration</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | <p>None.</p>                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Serious Difficulties Encountered in Dealing with Administration when Performing the Audit</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>None.</p>                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Related Party Transactions</b><br/>Related party transactions identified by the auditor that are not in the normal course of operations and that involve significant judgments made by administration concerning measurement or disclosure must be disclosed to Council.</p>                                                                                                                                                                                                                                                                                                                                                                                                 | <p>None of which we are aware.</p>                                                                                                                                                                                                                                                                                                                                                                                        |
| <p><b>Independence</b><br/>We communicate, at least annually, the following to Council:</p> <ul style="list-style-type: none"> <li>• Disclose, in writing, all relationships between Ernst &amp; Young and our related entities and the District and its related entities that, in our professional judgment, may reasonably be thought to bear on independence;</li> <li>• Confirm in writing that, in our professional judgment, we are independent of the District within the meaning of the Rules of Professional Conduct; and</li> <li>• Discuss with Council any matters that in our professional judgment may reasonably be thought to bear on our independence.</li> </ul> | <p>We confirmed in writing our independence as part of our audit plan document for Council. We report that we are not aware of any relationships between Ernst &amp; Young LLP and the District that, in our professional judgment, may reasonably be thought to bear on our independence since the time of that communication. We would be pleased to discuss any matters relating to our independence with Council.</p> |

## SUMMARY OF AUDIT DIFFERENCES

During the course of our audit, we accumulate differences between amounts recorded by the District and amounts that we believe are required to be recorded under generally accepted accounting principles. Attached is a summary of those differences we have identified through the date of this report.

| Materiality - \$180,000<br>Reporting Threshold - \$9,000 | Recording/Differences Would<br>Have Increased (Decreased) Income |               |
|----------------------------------------------------------|------------------------------------------------------------------|---------------|
|                                                          | 2005                                                             | 2004          |
| <b>KNOWN DIFFERENCES</b>                                 |                                                                  |               |
| Overstatement of interest expense                        | 12,300*                                                          | 0             |
| Understatement of year-end accruals                      | (64,100)*                                                        | 0             |
| <b>TOTAL KNOWN DIFFERENCES</b>                           | <b>(51,800)</b>                                                  | <b>0</b>      |
| <b>JUDGMENTAL DIFFERENCES</b>                            |                                                                  |               |
| Overstatement of gravel reclamation liability            | 50,800                                                           | 62,600        |
| Overstatement of provision for obsolete inventory        | 30,000                                                           |               |
| Overstatement of gravel inventory                        | (30,000)                                                         |               |
| Overstatement of allowance for doubtful accounts         |                                                                  | 31,500        |
| <b>TOTAL JUDGEMENTAL DIFFERENCES</b>                     | <b>50,800</b>                                                    | <b>94,100</b> |
| <b>TOTAL DIFFERENCES:</b>                                | <b>(1,000)</b>                                                   | <b>94,100</b> |
| <b>Less amounts adjusted*</b>                            | <b>51,800*</b>                                                   |               |
| <b>Total Unadjusted Differences</b>                      | <b>50,800</b>                                                    | <b>94,100</b> |
| <b>Turn-around effect of prior-year differences</b>      | <b>(94,100)</b>                                                  |               |
| <b>Cumulative difference, after turn-around:</b>         | <b>(43,300)</b>                                                  |               |

**Conclusion:**

Correction of 2005 and 2004 differences would result in a decrease in reported revenue over expenditures by \$43,300. Accordingly, the unadjusted differences are not material to the financial statements.

## **INTERNAL CONTROL AND OPERATIONAL IMPROVEMENTS FOR DISCUSSION**

With respect to our examination of the financial statements of the Municipal District of Mackenzie No. 23 for the year ended December 31, 2005, we would like to report the following opportunities for control and procedure improvements for your consideration. As part of our examination, we reviewed and evaluated the District's system of internal controls to the extent we considered necessary under generally accepted auditing standards. This was done to establish a basis for relying on such systems in determining the nature, timing, and extent of our audit procedures. These procedures are necessary to enable us to express an opinion on the financial statements and to otherwise assist us in planning and performing our audit. The review was not designed to determine whether or not the District's systems of internal control are adequate for administration purposes and would not necessarily disclose all conditions requiring attention.

Our observations and recommendations concern the systems and procedures at the Municipal District of Mackenzie No. 23 and are not intended to reflect in any way upon District administration or employees. In fact, we would like to thank the staff at the Municipal District of Mackenzie No. 23 for their assistance during our audit.

### **Consumable Inventory Costing**

#### *Observation and Risk:*

Last year, we observed that the District's accounting policy for the costing of consumable parts and supplies was not being followed as all items were valued at the last purchased invoice amount, not the average cost of the inventory as it was accumulated. Although the expected difference in the cost recorded is not material, the risk to the District is that the value of the inventory may be overstated on the statement of financial position.

#### *Update from the Prior Year and Recommendation:*

We made the same observation this year and continue to recommend that administration re-examine its inventory purchases process to ensure that supplies on hand are valued at the amounts the District actually paid for the assets and not a higher amount based on current replacement cost.

### **Consumable Inventory Stockpiles**

#### *Observation and Risk:*

Last year, we observed that the District had on hand a number of parts and supplies inventory which had been held for up to 10 years. Having these items on hand highlighted the risk that cash resources were being used on assets which were not needed or did not need to be purchased until required. There is also a cost to the District of storing and maintaining this inventory, which could be reduced if lower inventories are required.

#### *Update from the Prior Year:*

Last year we recommended that administration review the inventory on hand and eliminate any items which were clearly obsolete and could not be used. We also recommended that administration assess what inventory supplies were

needed so that cash resources were not invested in non-essential inventories. This year, we found that administration implemented our recommendation by eliminating old, obsolete inventory.

### **Credit Risk – Taxes In Arrears**

#### *Observation and Risk:*

Last year we observed that the District had taxes in arrears on a number of properties that could be recovered if tax recovery processes were initiated as allowed under the Municipal Government Act. Although administration had tried to develop a payment program with these ratepayers, not initiating the tax recovery process increases the exposure to the District that amounts could accumulate over time which will not be recovered when the properties are sold. As a result, an additional tax burden is shifted to other ratepayers for funds required by the District which are not collected.

#### *Update from the Prior Year and Recommendation:*

Last year we recommended that administration continue to work with ratepayers to achieve payment in full for taxes in arrears in a reasonable time but only until such time as the District can seize and sell the property. This will allow ratepayers an opportunity to pay their outstanding fees while not increasing the credit risk to the District beyond what is required. This year, we noted that administration made improvements in the collection of taxes in arrears.

### **Payroll Function**

#### *Observation and Risk:*

Similar to last year, in 2005 we observed that adjustments were made to the vacation pay accrual accounts which were not reviewed or approved by senior administration before being recorded in the General Ledger accounts. The effects of differences identified were not material and did not require adjustment to the financial statements. However, the risk to the District is that incorrect or inappropriate adjustments could be made to the general ledger or personnel accounts, and that assets could be misappropriated if transactions are not properly reviewed and approved by the appropriate level of administration.

#### *Recommendation:*

We recommend that a member of senior administration regularly review transactions recorded in the general ledger, especially those related to key areas such as cash or payroll, and investigate any large or unusual adjustments identified.

### **Capital Asset Verification**

#### *Observation and Risk:*

As discussed in prior years, the District only has detailed information on physical assets purchased in the past five to six years, which comprise less than 45% of the total cost recorded for land, structures and equipment. The risk to the District is that without detailed information of the assets on hand, administration may not be able to correctly account for the disposal or write off in value of assets previously recorded in the accounts, future capital replacement planning becomes much more difficult to forecast and budget for, and support for an insurance claim in the event of an accident or theft of assets is unavailable.



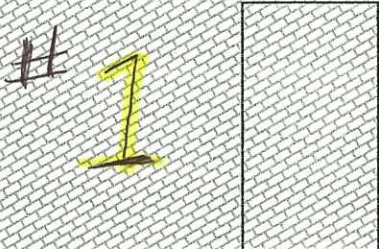
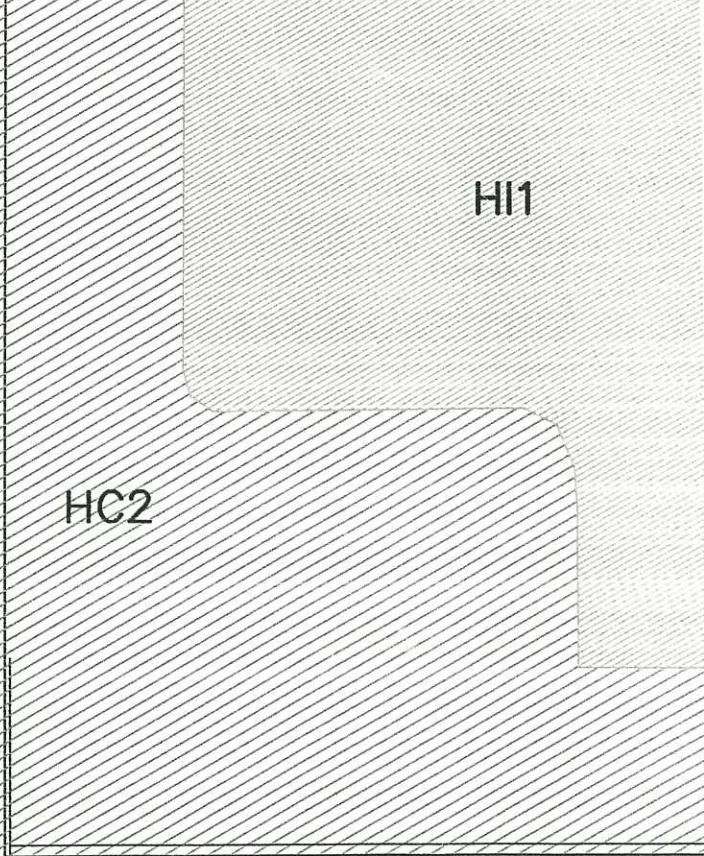
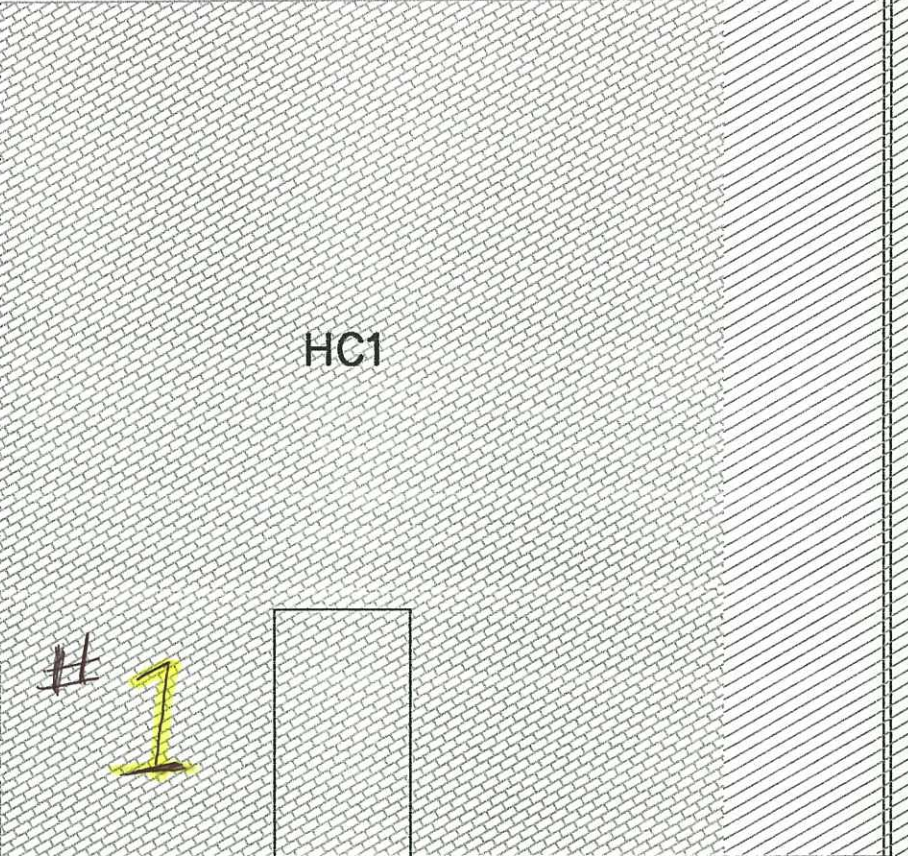
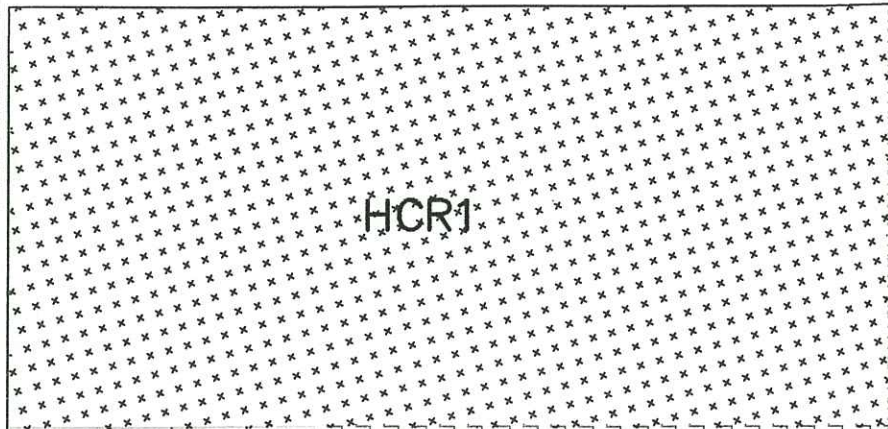
---

2005 AUDIT RESULTS  
AND COMMUNICATIONS

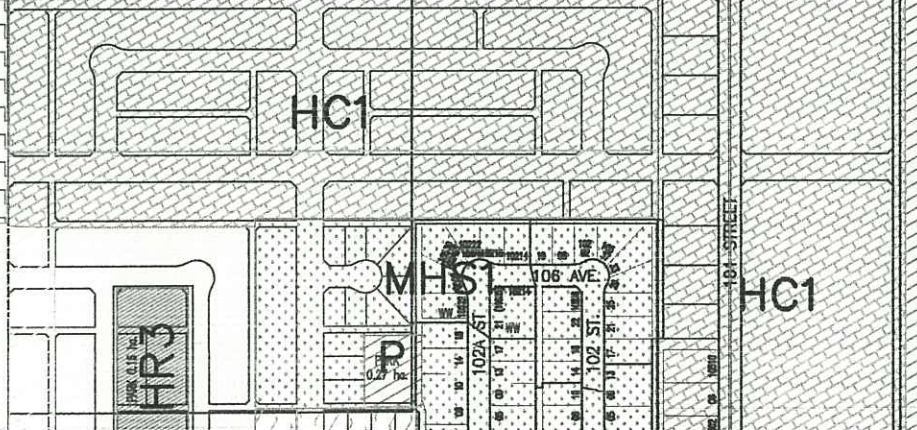
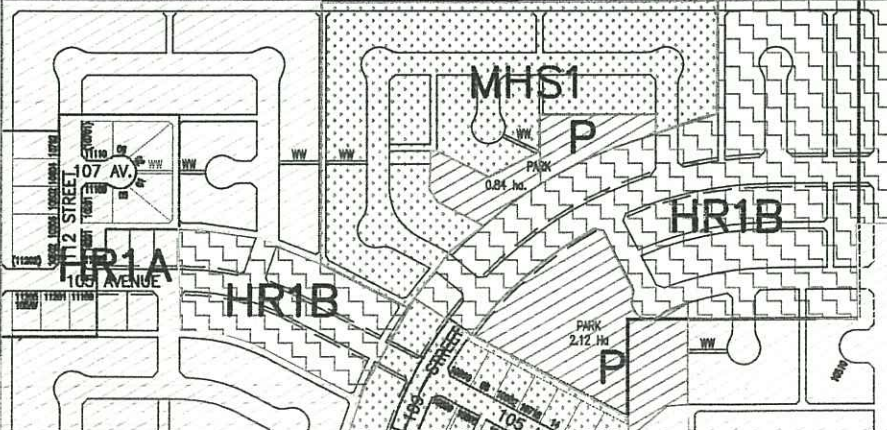
*Update from the Prior Year and Recommendation:*

During the year, administration made progress with this recommendation and plans to perform a capital asset verification in 2006. As it is not yet complete, we continue to recommend that administration perform a capital asset verification review of the assets currently held by the District and record in the capital asset subledger all known costs that can be identified for those assets.

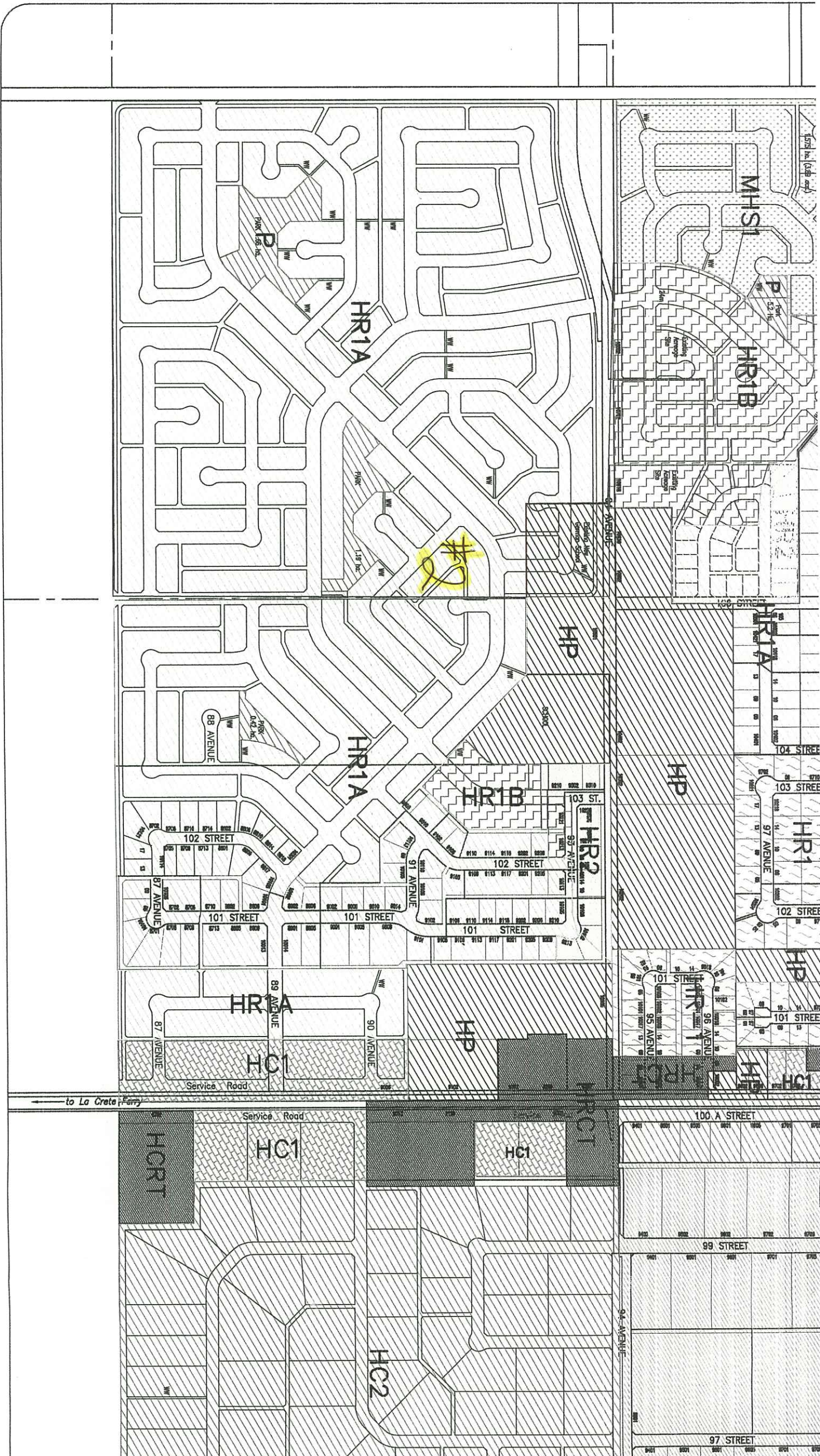




GOVERNMENT ROAD ALLOWANCE

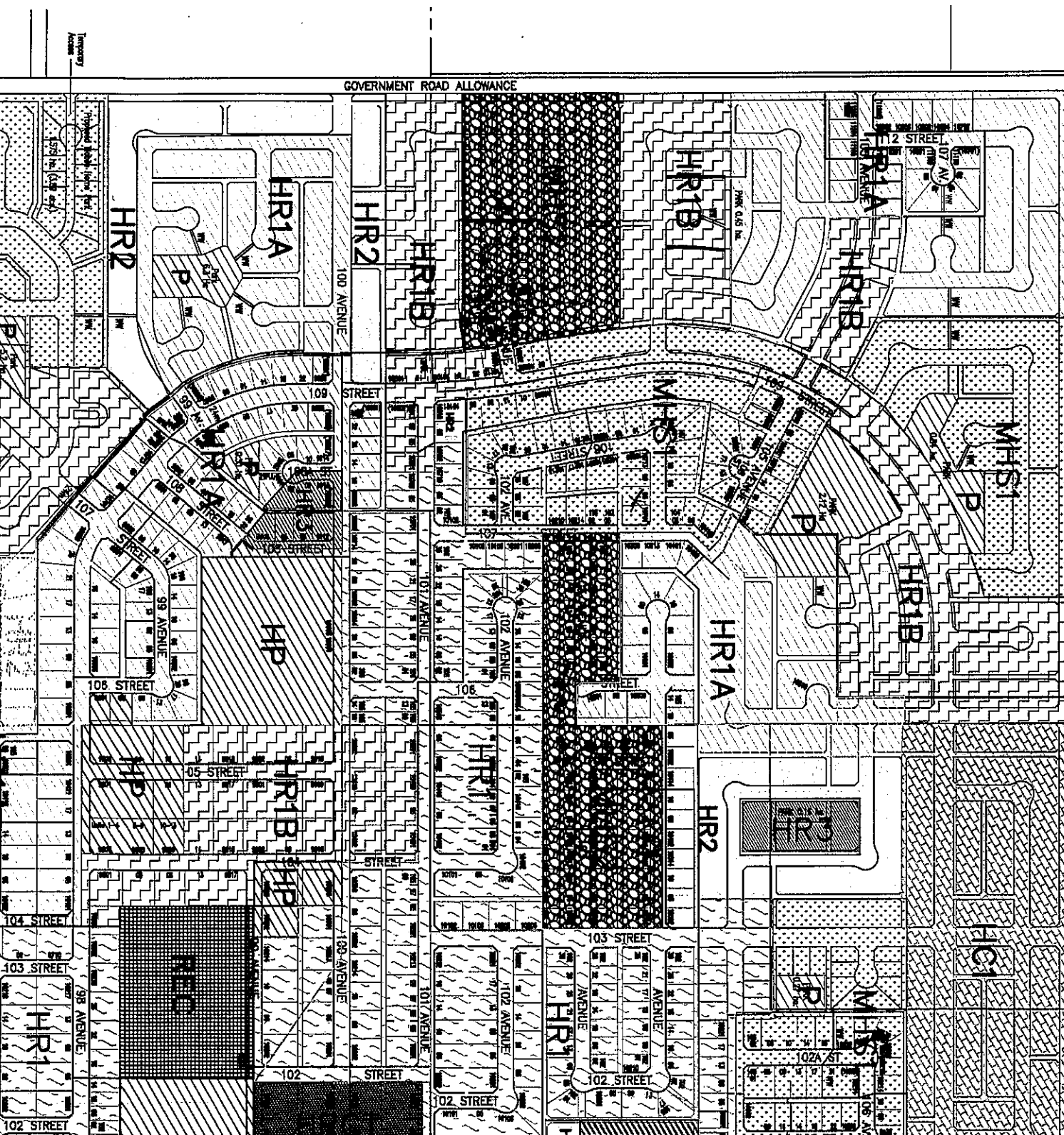




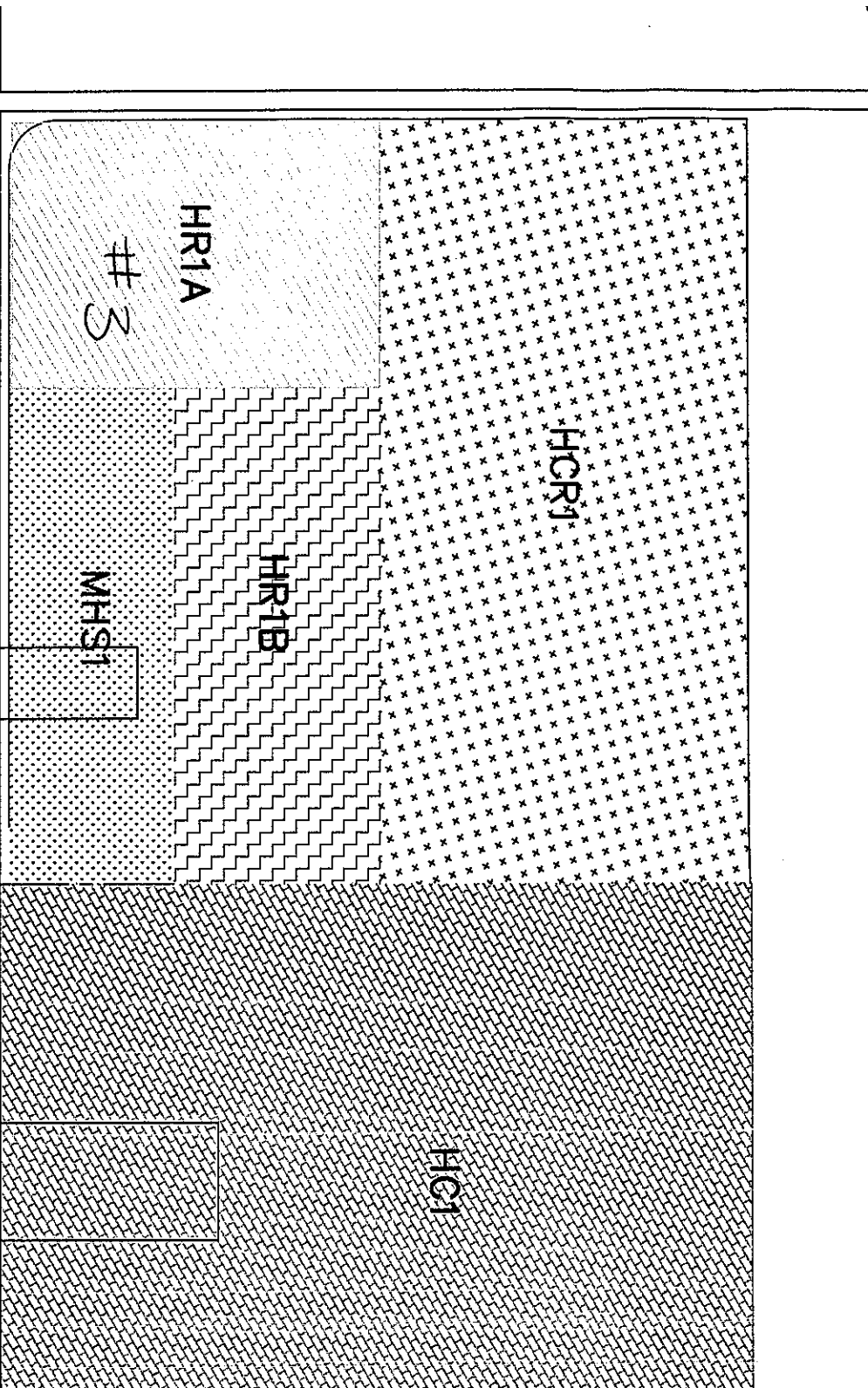




GOVERNMENT ROAD ALLOWANCE



GOVERNMENT ROAD ALLOWANCE



## KEY TECHNICAL ISSUES—2006 DEVELOPMENTS

| Discussion                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tangible Capital Assets                  | <p>The Public Sector Accounting (PSA) Handbook does not currently provide standards for accounting for capital assets for local governments.</p> <p>Tangible capital assets represent a significant investment for local governments. Financial information about the stock and use of those assets is currently now being provided in the financial statements of local governments. This information is vital for stewardship, accountability, costing and developing asset management plans including ongoing maintenance and replacement requirements.</p> <p>In January 2006, PSAB approved the exposure draft of Section PS 3150, Tangible Capital Assets and final Public Sector guideline PSG – 7, Tangible Capital Assets of Local Governments.</p> <p>In March 2006, PSAB released its Exposure Draft on Tangible Capital Assets. The comment period on this Exposure Draft was to April 30, 2006. If adopted, the District would need to reflect these recommendations in its fiscal 2009 financial statements.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Generally Accepted Accounting Principles | <p>New Handbook Section PS 1150, GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, issued February 2005.</p> <p>The proposed Section is intended to clarify:</p> <ul style="list-style-type: none"> <li>• what constitutes generally accepted accounting principles (GAAP) for the public sector;</li> <li>• what are the primary sources of GAAP for governments and those organizations that consider the Accounting Recommendations of the Handbook to be the most appropriate to their objectives and circumstances; and</li> <li>• what criteria must be satisfied in determining an "other source of GAAP" when there is no primary source of GAAP available.</li> </ul> <p>The proposals, if implemented, would significantly affect how all levels of government select their accounting policies. One of the main changes proposed to the current hierarchy of sources governments can refer to in selecting their accounting policies is to remove current industry practise as a primary source of GAAP.</p> <p>In January 2006, PSAB approved an amendment to the effective date of Section PS 1150, Generally Accepted Accounting Principles. The amendment, as proposed in the Exposure Draft, affects only local governments who currently are required by legislation or regulation to prepare their financial statements in accordance with a basis other than GAAP. For those governments only, the effective date has been extended to fiscal years beginning on or after April 1, 2006. For all others, the effective date remains for fiscal years beginning on or after April 1, 2005.</p> <p><b>It is expected that this Section will apply to the District in fiscal 2006.</b></p> |
| Government Transfers                     | <p>This project intends to provide guidance on when and how to account for transfers in government statements. Final Handbook sections are not expected until November 2006.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Revenues                                 | <p>This project means to define government revenue; considering the appropriateness of the general principle of revenue recognition embodied in the general standards of financial statement presentation of the PSAB Handbook for all types of government revenues; and developing specific recognition principles for government exchange and non-exchange revenues. Specific future developments include, PSAB exposure draft relating to tax revenue expected in March 2006 and a final PSA Handbook Section on Tax Revenue expected in September 2006.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

## Looking Ahead to Next Year

We consider matters and developments on an ongoing basis that could impact the District's financial reporting in subsequent years so as to keep Administration and Council informed of these developments, resources that may be needed and reporting implications.

Of current significance is that there continues to be a number of new and proposed standards put forward by the Public Sector Accounting Board (PSAB) that affect local Government Reporting (see summary attached).

Of particular interest was the March 2006 release of the long-awaited Exposure Draft on accounting for Tangible Capital Assets by Local Governments, which is expected to apply for fiscal years beginning on or after January 1, 2009.

Implementation of the proposed standard will require significant thought and resources on the District's part to implement any final recommendations.

2005 AUDIT RESULTS  
AND COMMUNICATIONS

## APPENDIX A—TABLE OF REQUIRED COMMUNICATIONS WITH AUDIT COMMITTEES

For reference purposes, communication requirements with the Council are summarized below.

|                                                                                                                                                                                                            | Communicate<br>When Event<br>Occurs | Communicate<br>On a Timely<br>Basis, At Least<br>Annually | Communicate<br>Prior to<br>Completion of<br>Audit |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------------------------------------------|---------------------------------------------------|
| <b>Communications Required on All Audits:</b>                                                                                                                                                              |                                     |                                                           |                                                   |
| Audit and Non-Audit Services Provided to The Entity and Related Entities                                                                                                                                   |                                     |                                                           | CICA 5751.                                        |
| Our Responsibility Under GAAS, Including Other Information in Documents Containing Audited Financial Statements                                                                                            |                                     | CICA 7500                                                 | CICA 5751                                         |
| Our overall audit strategy                                                                                                                                                                                 |                                     |                                                           | CICA 5751                                         |
| Fraud and Illegal Acts Involving Senior Administration and Fraud and Illegal Acts that Cause an Other Than Trivial Misstatement of the Financial Statements                                                |                                     | CICA 5135 and 5136                                        |                                                   |
| Significant Weaknesses in Internal Control                                                                                                                                                                 | CICA 5220                           |                                                           |                                                   |
| Related Party Transactions                                                                                                                                                                                 |                                     | CICA 6010                                                 |                                                   |
| Significant Audit Adjustments                                                                                                                                                                              |                                     | CICA 5751                                                 |                                                   |
| Unadjusted Audit Differences Considered by Administration to Be Immaterial                                                                                                                                 |                                     | CICA 5751                                                 |                                                   |
| The Adoption of, or a Change in, an Accounting Principle, Including Material Alternative Accounting Treatments Discussed With Administration and Acceptability of Particular Policy used by Administration |                                     | CICA 5751                                                 |                                                   |
| Methods of Accounting for Significant Unusual Transactions and for Controversial or Emerging Areas                                                                                                         |                                     | CICA 5751                                                 |                                                   |
| Our Judgments About the Quality of the District's Accounting Principles                                                                                                                                    |                                     | CICA 5751                                                 |                                                   |
| Sensitive Accounting Estimates and Disclosures, Including Basis for Our Conclusions Regarding Reasonableness of Those Estimates                                                                            |                                     | CICA 5751                                                 |                                                   |
| Matters Relating to Component Entities of the District                                                                                                                                                     |                                     | CICA 5751                                                 |                                                   |
| Disagreements with Administration                                                                                                                                                                          |                                     | CICA 5751                                                 |                                                   |
| Consultations with Other Accountants                                                                                                                                                                       |                                     | CICA 5751                                                 |                                                   |
| Major Issues Discussed with Administration in Connection with Initial or Recurring Retention                                                                                                               |                                     | CICA 5751                                                 |                                                   |
| Serious Difficulties Encountered in Dealing with Administration When Performing the Audit                                                                                                                  |                                     | CICA 5751                                                 |                                                   |
| Communication of Independence Matters                                                                                                                                                                      |                                     | CICA 5751                                                 | CICA 5751                                         |

## **APPENDIX B—DRAFT FINANCIAL STATEMENTS**

Financial Statements

**Municipal District of Mackenzie No. 23**

December 31, 2005

## **AUDITORS' REPORT**

To the Members of Council  
**Municipal District of Mackenzie No. 23**

We have audited the statement of financial position of the Municipal District of Mackenzie No. 23 as at December 31, 2005 and the statements of financial activities and change in fund balances and changes in financial position for the year then ended. These financial statements are the responsibility of the District's administration. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the District's administration, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Municipal District of Mackenzie No. 23 as at December 31, 2005 and the results of its financial activities and its changes in financial position for the year then ended in accordance with the Canadian generally accepted accounting principles.

Edmonton, Canada  
March 22, 2006

Chartered Accountants



## STATEMENT OF FINANCIAL POSITION

As at December 31

|                                                   | 2005<br>\$        | 2004<br>\$        |
|---------------------------------------------------|-------------------|-------------------|
| <b>ASSETS</b>                                     |                   |                   |
| <b>Financial assets</b>                           |                   |                   |
| Cash and cash equivalents                         |                   |                   |
| Trust asset                                       | 11,555,880        | 4,960,392         |
| Taxes receivable [note 3]                         | 11,023            | 4,071             |
| Grants and other accounts receivable              | 389,191           | 520,006           |
| Land held for resale                              | 1,968,924         | 5,365,946         |
| Prepaid expenses                                  | 98,873            | 98,873            |
|                                                   | 157,381           | 142,783           |
|                                                   | <u>14,181,272</u> | <u>11,092,071</u> |
| <b>Physical assets</b>                            |                   |                   |
| Inventories [note 4]                              | 1,381,989         | 1,163,734         |
| Land, structures and equipment [note 5]           | 80,570,380        | 75,177,657        |
|                                                   | <u>81,952,369</u> | <u>76,341,391</u> |
|                                                   | <u>96,133,641</u> | <u>87,433,462</u> |
| <b>LIABILITIES AND MUNICIPAL POSITION</b>         |                   |                   |
| <b>Liabilities</b>                                |                   |                   |
| Accounts payable and accrued liabilities [note 6] | 3,208,999         | 3,142,267         |
| Trust liability                                   | 11,023            | 4,071             |
| Deposit liabilities [note 7]                      | 46,229            | 38,038            |
| Deferred revenue [note 8]                         | 1,862,093         | 507,537           |
| Long-term debt [note 9]                           | 7,720,088         | 8,024,844         |
|                                                   | <u>12,848,432</u> | <u>11,716,757</u> |
| Contingencies [note 10]                           |                   |                   |
| <b>Municipal position</b>                         |                   |                   |
| <b>Fund balances</b>                              |                   |                   |
| Operating fund (Schedule 1)                       |                   |                   |
| Capital fund (Schedule 2)                         | 635,307           | 585,307           |
| Reserve fund (Schedule 3)                         | —                 | —                 |
| Equity in physical assets                         | 8,417,621         | 6,814,851         |
|                                                   | <u>74,232,281</u> | <u>68,316,547</u> |
|                                                   | <u>83,285,209</u> | <u>75,716,705</u> |
|                                                   | <u>96,133,641</u> | <u>87,433,462</u> |

See accompanying notes

Approved by:

Reeve

Chief Administrative Officer

**STATEMENT OF FINANCIAL ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                                             | Budget<br>\$       | 2005<br>\$        | 2004<br>\$         |
|-------------------------------------------------------------|--------------------|-------------------|--------------------|
|                                                             | (note 14)          |                   |                    |
| <b>REVENUES</b>                                             |                    |                   |                    |
| Property taxes                                              | 23,430,330         | 23,443,213        | 21,681,556         |
| Less: Education requisitions                                | 6,722,877          | 6,722,877         | 6,479,280          |
| Lodge requisition                                           | 325,575            | 325,755           | 325,093            |
| Net municipal property taxes (Schedule 4)                   | 16,381,878         | 16,394,581        | 14,877,183         |
| User fees and sales of goods                                | 1,869,365          | 1,997,941         | 1,611,384          |
| Government transfers (Schedule 5)                           | 7,533,040          | 4,999,232         | 6,484,198          |
| Investment income                                           | 110,000            | 273,703           | 163,233            |
| Penalties and costs on taxes                                | 86,000             | 79,147            | 86,555             |
| Licenses, permits and fines                                 | 67,500             | 76,434            | 58,275             |
| Rentals                                                     | 44,000             | 40,017            | 41,623             |
| Development levies                                          | —                  | 132,988           | 63,280             |
| Other                                                       | 270,100            | 636,162           | 257,002            |
| Proceeds on sale of physical assets                         | —                  | 92,100            | 162,316            |
| <b>Total revenue</b>                                        | <b>26,361,883</b>  | <b>24,722,305</b> | <b>23,805,049</b>  |
| <b>EXPENDITURES (Schedule 6)</b>                            |                    |                   |                    |
| <b>Operating</b>                                            |                    |                   |                    |
| Legislative                                                 | 333,651            | 291,579           | 298,074            |
| Administration                                              | 2,810,360          | 2,696,741         | 2,511,387          |
| Protective services                                         | 1,778,745          | 1,949,134         | 1,328,114          |
| Transportation                                              | 9,300,782          | 6,379,167         | 7,495,402          |
| Environmental use and protection                            | 2,658,258          | 1,977,189         | 1,479,480          |
| Public health and welfare                                   | 786,134            | 791,715           | 409,703            |
| Planning and development                                    | 2,042,661          | 1,647,846         | 1,205,213          |
| Recreation and culture                                      | 976,470            | 924,498           | 822,541            |
| <b>Total operating expenditures</b>                         | <b>20,687,061</b>  | <b>16,657,869</b> | <b>15,549,914</b>  |
| <b>Capital</b>                                              |                    |                   |                    |
| Administration                                              | 875,000            | 85,647            | 106,027            |
| Protective services                                         | 533,635            | 209,383           | 58,298             |
| Transportation                                              | 3,514,072          | 2,680,527         | 4,241,272          |
| Environmental use and protection                            | 7,803,624          | 3,026,286         | 7,481,588          |
| Planning and development                                    | —                  | —                 | 86,345             |
| Recreation and culture                                      | 107,187            | 105,067           | —                  |
| <b>Total capital expenditures</b>                           | <b>12,833,518</b>  | <b>6,106,910</b>  | <b>11,973,530</b>  |
| <b>Total expenditures</b>                                   | <b>33,520,579</b>  | <b>22,764,779</b> | <b>27,523,444</b>  |
| <b>Excess (deficiency) of revenue<br/>over expenditures</b> | <b>(7,158,696)</b> | <b>1,957,526</b>  | <b>(3,718,395)</b> |
| Increase in long-term debt                                  | 3,003,100          | 495,258           | 4,000,000          |
| Long-term debt repayment                                    | (835,240)          | (800,014)         | (467,750)          |
| <b>Change in fund balances</b>                              | <b>(4,990,836)</b> | <b>1,652,770</b>  | <b>(186,145)</b>   |

See accompanying notes

## STATEMENT OF CHANGES IN FINANCIAL POSITION

Year ended December 31

|                                                             | 2005<br>\$        | 2004<br>\$         |
|-------------------------------------------------------------|-------------------|--------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                 |                   |                    |
| Excess (deficiency) of revenue over expenditures            | 1,957,526         | (3,718,395)        |
| Change in operating assets and liabilities:                 |                   |                    |
| Decrease in taxes receivable                                | 130,815           | 5,763              |
| Decrease (increase) in grants and other accounts receivable | 3,397,022         | (3,627,560)        |
| Decrease in under-levies                                    | —                 | 167,831            |
| Decrease in land held for resale                            | —                 | 5,591              |
| Increase in prepaid expenses                                | (14,598)          | (1,082)            |
| Increase in accounts payable and accrued liabilities        | 66,732            | 1,028,651          |
| Increase (decrease) in deposit liabilities                  | 8,191             | (2,562)            |
| Increase in deferred revenue                                | 1,354,556         | 107,357            |
|                                                             | <u>6,900,244</u>  | <u>(6,034,406)</u> |
| <b>CASH FLOWS FROM FINANCING AND INVESTING ACTIVITIES</b>   |                   |                    |
| Increase in long-term debt                                  | 495,258           | 4,000,000          |
| Long-term debt repayments                                   | (800,014)         | (467,750)          |
|                                                             | <u>(304,756)</u>  | <u>3,532,250</u>   |
| <b>Increase (decrease) in cash and cash equivalents</b>     | <b>6,595,488</b>  | <b>(2,502,156)</b> |
| Cash and cash equivalents, beginning of the year            | 4,960,392         | 7,462,548          |
| <b>Cash and cash equivalents, end of the year</b>           | <b>11,555,880</b> | <b>4,960,392</b>   |

*See accompanying notes*

**SCHEDULE OF OPERATING FUND ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                             | Budget<br>\$       | 2005<br>\$         | 2004<br>\$         |
|---------------------------------------------|--------------------|--------------------|--------------------|
|                                             | (note 14)          |                    |                    |
| <b>Revenues</b>                             |                    |                    |                    |
| Net municipal property taxes (Schedule 4)   | 16,381,878         | 16,394,581         | 14,877,183         |
| User fees and sales of goods                | 1,869,365          | 1,997,941          | 1,611,384          |
| Government transfers                        | 3,295,855          | 1,669,991          | 720,608            |
| Investment income                           | 110,000            | 273,703            | 161,770            |
| Penalties and costs of taxes                | 86,000             | 79,147             | 86,555             |
| Licenses, permits and fines                 | 67,500             | 76,434             | 58,275             |
| Rentals                                     | 44,000             | 40,017             | 41,623             |
| Other                                       | 191,100            | 389,222            | 151,956            |
|                                             | <u>22,045,698</u>  | <u>20,921,036</u>  | <u>17,709,354</u>  |
| <b>Expenditures</b>                         |                    |                    |                    |
| Legislative                                 | 333,651            | 291,579            | 298,074            |
| Administration                              | 2,810,360          | 2,696,741          | 2,511,387          |
| Protective services                         | 1,778,745          | 1,949,134          | 1,328,114          |
| Transportation                              | 9,300,782          | 6,379,167          | 7,495,402          |
| Environmental use and protection            | 2,658,258          | 1,977,189          | 1,479,480          |
| Public health and welfare                   | 786,134            | 791,715            | 409,703            |
| Planning and development                    | 2,042,661          | 1,647,846          | 1,205,213          |
| Recreation and culture                      | 976,470            | 924,498            | 822,541            |
|                                             | <u>20,687,061</u>  | <u>16,657,869</u>  | <u>15,549,914</u>  |
| <b>Excess of revenues over expenditures</b> | <u>1,358,637</u>   | <u>4,263,167</u>   | <u>2,159,440</u>   |
| <b>Net interfund transfers:</b>             |                    |                    |                    |
| To capital fund (Schedule 2)                | (3,099,502)        | (3,089,046)        | (1,289,892)        |
| To reserve fund (Schedule 3)                | 2,576,105          | (324,107)          | (351,798)          |
| Long-term debt repayment                    | (835,240)          | (800,014)          | (467,750)          |
|                                             | <u>(1,358,637)</u> | <u>(4,213,167)</u> | <u>(2,109,440)</u> |
| <b>Change in fund balance</b>               | —                  | 50,000             | 50,000             |
| Operating fund, opening balance             | 585,307            | 585,307            | 535,307            |
| Operating fund, closing balance             | <u>585,307</u>     | <u>635,307</u>     | <u>585,307</u>     |

**SCHEDULE OF CAPITAL FUND ACTIVITIES  
AND CHANGE IN FUND BALANCES**

Year ended December 31

|                                                 | Budget<br>\$<br>(note 14) | 2005<br>\$  | 2004<br>\$  |
|-------------------------------------------------|---------------------------|-------------|-------------|
| <b>Revenues</b>                                 |                           |             |             |
| Government transfers                            | 4,237,185                 | 3,329,241   | 5,763,590   |
| Development levies                              | —                         | 132,988     | 63,280      |
| Investment income                               | —                         | —           | 1,463       |
| Proceeds on sale of physical assets             | —                         | 92,100      | 162,316     |
| Other                                           | 154,000                   | 246,940     | 105,046     |
|                                                 | 4,391,185                 | 3,801,269   | 6,095,695   |
| <b>Expenditures</b>                             |                           |             |             |
| Administration                                  | 875,000                   | 85,647      | 106,027     |
| Protective services                             | 533,635                   | 209,383     | 58,298      |
| Transportation                                  | 3,514,072                 | 2,680,527   | 4,241,272   |
| Environmental use and protection                | 7,803,624                 | 3,026,286   | 7,481,588   |
| Planning and development                        | —                         | —           | 86,345      |
| Recreation and culture                          | 107,187                   | 105,067     | —           |
|                                                 | 12,833,518                | 6,106,910   | 11,973,530  |
| <b>Deficiency of revenues over expenditures</b> | (8,442,333)               | (2,305,641) | (5,877,835) |
| <b>Net interfund transfers:</b>                 |                           |             |             |
| From (to) reserve fund (Schedule 3)             | 2,339,731                 | (1,278,663) | 587,943     |
| From operating fund (Schedule 1)                | 3,099,502                 | 3,089,046   | 1,289,892   |
| Increase in long-term debt                      | 3,003,100                 | 495,258     | 4,000,000   |
|                                                 | 8,442,333                 | 2,305,641   | 5,877,835   |
| <b>Change in fund balance</b>                   | —                         | —           | —           |
| Capital fund, opening balance                   | —                         | —           | —           |
| Capital fund, closing balance                   | —                         | —           | —           |

**SCHEDULE OF RESERVE FUND ACTIVITIES AND  
CHANGES IN FUND BALANCE**

Year ended December 31

|                                                | Budget<br>\$       | 2005<br>\$       | 2004<br>\$       |
|------------------------------------------------|--------------------|------------------|------------------|
|                                                | (note 14)          |                  |                  |
| <b>Net interfund transfers</b>                 |                    |                  |                  |
| Transfers from operating fund                  | (2,576,105)        | 324,107          | 351,798          |
| Transfers from (to) capital fund               | (2,339,731)        | 1,278,663        | (587,943)        |
| <b>Change in fund balance</b>                  | <b>(4,915,836)</b> | <b>1,602,770</b> | <b>(236,145)</b> |
| Reserve fund, opening balance                  | 6,814,851          | 6,814,851        | 7,050,996        |
| <b>Reserve fund, closing balance [note 11]</b> | <b>1,899,015</b>   | <b>8,417,621</b> | <b>6,814,851</b> |

**SCHEDULE OF PROPERTY TAXES**

Year ended December 31

|                                                   | Budget<br>\$      | 2005<br>\$        | 2004<br>\$        |
|---------------------------------------------------|-------------------|-------------------|-------------------|
|                                                   | (note 14)         |                   |                   |
| <b>LEVIES</b>                                     |                   |                   |                   |
| Residential land and improvements                 | 2,612,480         | 2,669,252         | 2,378,876         |
| Non-residential land and improvements             | 20,052,409        | 20,130,359        | 18,671,598        |
| Farmland                                          | 415,934           | 415,773           | 427,400           |
| Federal grants in lieu of taxes                   | 75,641            | 17,533            | 15,868            |
| Provincial grants in lieu of taxes                | 38,901            | 35,753            | 37,135            |
| Special assessments and local improvement taxes   | 234,965           | 174,543           | 150,679           |
| <b>Total taxes and grants in lieu</b>             | <b>23,430,330</b> | <b>23,443,213</b> | <b>21,681,556</b> |
| <b>REQUISITIONS</b>                               |                   |                   |                   |
| Alberta School Foundation Fund                    | 6,722,877         | 6,722,877         | 6,479,280         |
| Seniors lodge                                     | 325,575           | 325,755           | 325,093           |
| <b>Net taxes for general municipal operations</b> | <b>16,381,878</b> | <b>16,394,581</b> | <b>14,877,183</b> |

## SCHEDULE OF GOVERNMENT TRANSFERS

Year ended December 31

|                                   | Budget<br>\$ | 2005<br>\$ | 2004<br>\$ |
|-----------------------------------|--------------|------------|------------|
|                                   | (note 14)    |            |            |
| <b>Federal transfers</b>          |              |            |            |
| Shared-cost agreements and grants | —            | —          | 170,000    |
| <b>Provincial transfers</b>       |              |            |            |
| Shared-cost agreements and grants | 7,533,040    | 4,999,232  | 6,313,845  |
| Debt interest rebates             | —            | —          | 353        |
|                                   | 7,533,040    | 4,999,232  | 6,314,198  |
| <b>Total government transfers</b> | 7,533,040    | 4,999,232  | 6,484,198  |



**SCHEDULE OF TOTAL  
EXPENDITURES BY OBJECT**

Year ended December 31

|                                            | Budget<br>\$<br>(note 14) | 2005<br>\$        | 2004<br>\$        |
|--------------------------------------------|---------------------------|-------------------|-------------------|
| Salaries, wages and benefits               | 4,204,749                 | 3,823,123         | 3,447,845         |
| Contracted and general services            | 10,082,906                | 6,619,467         | 3,965,581         |
| Materials, goods, supplies and utilities   | 3,202,560                 | 3,170,617         | 2,447,625         |
| Transfers to other governments             | 1,125,622                 | 1,162,202         | 1,112,675         |
| Transfers to local boards and agencies     | 1,526,735                 | 1,483,506         | 1,106,675         |
| Interest on long-term debt <i>[note 9]</i> | 431,489                   | 399,036           | 265,727           |
| Physical assets acquired                   | 12,833,518                | 6,106,910         | 15,153,097        |
| Other operating expenditures               | 113,000                   | (82)              | 24,219            |
|                                            | <u>33,520,579</u>         | <u>22,764,779</u> | <u>27,523,444</u> |

**SCHEDULE OF CHIEF ADMINISTRATIVE OFFICER,  
AND COUNCILOR SALARY AND BENEFITS**

Year ended December 31

| Officer/<br>Councilor                                                 | 2005                       |                |                | 2004           |
|-----------------------------------------------------------------------|----------------------------|----------------|----------------|----------------|
|                                                                       | Salary/<br>Per Diems<br>\$ | Benefits<br>\$ | Total<br>\$    | Total<br>\$    |
| Betty Bateman                                                         | —                          | —              | —              | 12,468         |
| Odell Flett                                                           | 300                        | —              | 300            | 14,493         |
| Ed Froese                                                             | 14,025                     | 473            | 14,498         | 3,375          |
| Greg Newman                                                           | 14,725                     | 516            | 15,241         | 15,593         |
| Jim Thompson                                                          | 12,800                     | 434            | 13,234         | 4,418          |
| Joe Peters                                                            | —                          | —              | —              | 11,593         |
| John W. Dreidger                                                      | 24,700                     | 185            | 24,885         | 22,068         |
| Lisa Wardley                                                          | 16,125                     | 550            | 16,675         | 4,943          |
| Michael Nanooch                                                       | —                          | —              | —              | 168            |
| Patricia Kulscar                                                      | —                          | —              | —              | 16,768         |
| Peter Braun                                                           | 21,375                     | 717            | 22,092         | 4,425          |
| Stuart Watson                                                         | 10,525                     | 390            | 10,915         | 2,843          |
| Walter Sarapuk                                                        | 15,425                     | 517            | 15,942         | 18,218         |
| Wayne Thiessen                                                        | —                          | —              | —              | 10,893         |
| William Neufeld                                                       | 24,900                     | 833            | 25,733         | 27,518         |
| Willie Neudorf                                                        | 18,050                     | 607            | 18,657         | 4,593          |
| Willie Wieler                                                         | —                          | —              | —              | 8,018          |
| Chief Administrative Officer<br>(2 individuals in both 2005 and 2004) | 110,018                    | 17,923         | 127,941        | 118,261        |
|                                                                       | <u>282,968</u>             | <u>23,145</u>  | <u>306,113</u> | <u>300,656</u> |

1. Salary includes regular base pay, bonuses, overtime, lump sum payments, gross honoraria and other direct cash remuneration.
2. Benefits include employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance accidental disability and dismemberment, long and short term disability, professional memberships and tuition.
3. The District has a personal vehicle allowance policy which provides for the payment for the use of personal vehicles for municipal business purposes. No amount has been included in the benefits figure.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Municipal District of Mackenzie No. 23 (the "District") are prepared by the District's administration in accordance with Canadian generally accepted accounting principles which includes financial reporting standards appropriate for local governments recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants.

The preparation of financial statements in conformity with generally accepted accounting principles requires administration to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

#### **Basis of accounting**

Revenues and expenditures are recorded on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable. Expenditures are recognized in the period goods and services are acquired and a liability is incurred or transfers are due.

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers and grants are recognized in the financial statements as revenues in the period in which the events giving rise to the transfers occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made.

#### **Fund accounting**

Funds are recorded within the financial statements as described below. Transactions between funds are recorded as inter-fund transfers.

##### **i) Operating fund**

The operating fund reflects the financial activities associated with the provision of general municipal services during the year.

##### **ii) Capital fund**

The capital fund reflects the financial activities associated with the acquisition, construction and funding of land, structures and equipment.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### iii) Reserve fund

The reserve fund reflects funds authorized by Council to be set aside for the funding of future operating or capital expenditures.

#### Cash and cash equivalents

Cash and cash equivalents consists of cash and term deposits with periods to maturity of less than 90 days.

#### Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes costs for land acquisition and improvements required to prepare the land for servicing such as clearing, stripping, and leveling charges. Related development costs incurred to provide infrastructure such as water and wastewater services, roads, sidewalks, and street lighting are recorded as physical assets under their respective function.

#### Over-levies and under-levies

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned.

If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and as property tax revenue.

Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

#### Physical assets

Physical assets are recognized as expenditures in the period they are acquired. Physical assets are carried on the statement of financial position at cost. Adjustments are made to relieve the cost of assets for the original cost of assets sold, lost or scrapped where such costs are determinable.

Government contributions for the acquisition of physical assets are recorded as capital revenue and do not reduce the related physical asset costs.

Physical assets for government purposes are not depreciated.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories of materials and supplies are carried at the lower of cost and replacement cost with cost determined by the average cost method.

#### Gravel pit reclamation

Estimated future costs for gravel pit reclamation and site restoration are charged to expenditure over the life of each pit based on the amount of material expected to be extracted. Amounts charged to expenditures but not yet paid are included in accounts payable and accrued liabilities. Due to the long-term nature of assumptions made, it is possible that estimates could prove to be materially incorrect and accordingly, the impact on the financial statements for future periods could be material.

#### Equity in physical assets

Equity in physical assets represents the District's net investment in its total physical assets after deducting the portion financed by third parties through debenture, bond, and mortgage debts, long-term capital borrowing, capitalized leases, and other capital liabilities.

#### Pension expenditure

The District participates in a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan.

### 2. BANK LINE OF CREDIT

The District has an operating line of credit of \$6,000,000 (2004 - \$6,000,000) of which nil (2004 - nil) was utilized at December 31, 2005. The line of credit bears interest at prime less 0.25% (5.00%; 2004 - 4.25%).

### 3. TAXES RECEIVABLE

|                                   | 2005     | 2004     |
|-----------------------------------|----------|----------|
|                                   | \$       | \$       |
| Taxes receivable -                |          |          |
| Current                           | 279,352  | 414,461  |
| Arrears                           | 119,839  | 152,545  |
|                                   | 399,191  | 567,006  |
| Allowance for uncollectible taxes | (10,000) | (47,000) |
|                                   | 389,191  | 520,006  |

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2005

**4. INVENTORIES**

|                    | 2005<br>\$       | 2004<br>\$       |
|--------------------|------------------|------------------|
| Gravel             | 832,393          | 755,937          |
| Parts and supplies | 549,596          | 407,797          |
|                    | <b>1,381,989</b> | <b>1,163,734</b> |

**5. LAND, STRUCTURES AND EQUIPMENT**

|                         | 2005<br>\$        | 2004<br>\$        |
|-------------------------|-------------------|-------------------|
| Engineering structures  | 67,727,966        | 62,853,218        |
| Buildings               | 3,620,727         | 3,919,012         |
| Vehicles                | 3,524,010         | 4,579,810         |
| Machinery and equipment | 5,039,283         | 3,167,223         |
| Land                    | 658,394           | 658,394           |
| <b>Total cost</b>       | <b>80,570,380</b> | <b>75,177,657</b> |

**6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

|                                 | 2005<br>\$       | 2004<br>\$       |
|---------------------------------|------------------|------------------|
| Trade payables and accruals     | 2,668,831        | 2,527,205        |
| Gravel pit reclamation          | 427,696          | 403,762          |
| Employee payable                | 47,676           | 158,090          |
| Long-term debt interest payable | 64,796           | 53,210           |
|                                 | <b>3,208,999</b> | <b>3,142,267</b> |

**7. DEPOSIT LIABILITIES**

|                | 2005<br>\$    | 2004<br>\$    |
|----------------|---------------|---------------|
| Utilities      | 45,560        | 37,369        |
| Land lot sales | 669           | 669           |
|                | <b>46,229</b> | <b>38,038</b> |

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

## 8. DEFERRED REVENUE

|                            | 2005<br>\$       | 2004<br>\$     |
|----------------------------|------------------|----------------|
| Prepaid local improvements | 39,806           | 46,464         |
| Restricted grant funding   | 1,822,287        | 461,073        |
|                            | <u>1,862,093</u> | <u>507,537</u> |

## 9. LONG-TERM DEBT

|                                          | 2005<br>\$       | 2004<br>\$       |
|------------------------------------------|------------------|------------------|
| <b>Debentures -</b>                      |                  |                  |
| <b>Alberta Capital Finance Authority</b> |                  |                  |
| 12.000%, due 2007                        | 189,348          | 269,094          |
| 5.750%, due 2011                         | 411,647          | 467,804          |
| 5.375%, due 2012                         | 2,612,101        | 2,913,099        |
| 4.875%, due 2013                         | 340,676          | 374,847          |
| 4.230%, due 2014                         | 3,671,058        | 4,000,000        |
| 3.770% due 2015                          | 495,258          | —                |
|                                          | <u>7,720,088</u> | <u>8,024,844</u> |

Principal and interest repayment requirements on long-term debt over the next five years and to maturity are as follows:

|             | Principal<br>\$  | Interest<br>\$   | Total<br>\$      |
|-------------|------------------|------------------|------------------|
| 2006        | 886,343          | 373,378          | 1,259,721        |
| 2007        | 935,517          | 324,204          | 1,259,721        |
| 2008        | 875,826          | 271,859          | 1,147,685        |
| 2009        | 918,146          | 229,539          | 1,147,685        |
| 2010        | 962,543          | 185,141          | 1,147,684        |
| To maturity | <u>3,141,713</u> | <u>292,163</u>   | <u>3,433,876</u> |
|             | <u>7,720,088</u> | <u>1,676,284</u> | <u>9,396,372</u> |

For qualifying debentures, the Province of Alberta rebates 50% of interest in excess of 8%, 9% and 11% to a maximum annual rate of 12.5%, depending on the date borrowed. Debenture debt is issued on the credit and security of the District at large.

Interest expense on long-term debt amounted to \$399,036 (2004 – \$265,727) and the District's total cash payments for interest were \$399,801 (2004 - \$265,199) for the year ended December 31, 2005.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 9. LONG-TERM DEBT (CONTINUED)

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the District be disclosed as follows:

|                                                                    | 2005<br>\$        | 2004<br>\$        |
|--------------------------------------------------------------------|-------------------|-------------------|
| Total debt limit                                                   | 32,092,446        | 27,062,189        |
| Total debt                                                         | 7,720,088         | 8,024,844         |
| <b>Amount by which debt limit exceeds debt</b>                     | <b>24,372,358</b> | <b>19,037,345</b> |
| Service on debt limit                                              | 5,348,741         | 4,510,365         |
| Service on debt                                                    | 1,259,721         | 1,199,815         |
| <b>Amount by which debt servicing limit exceeds debt servicing</b> | <b>4,089,020</b>  | <b>3,310,550</b>  |

The debt limit is calculated at 1.5 times revenue of the District (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.25 time such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the District. Rather, the financial statements must be interpreted as a whole.

### 10. CONTINGENCIES

In the normal conduct of operations, various legal claims are pending against the District in connection with road maintenance and construction and other matters. The District carries liability insurance, subject to certain deductibles and policy limits, against such claims. Administration believes that the District has recognized adequate provisions for probable and reasonably estimable liabilities associated with these claims, and that their ultimate resolutions will not materially exceed insurance coverages nor have a material adverse effect on the financial position of the District or its financial activities.

The District is a member of the Alberta Local Authorities Reciprocal Insurance Exchange. Under the terms of the membership, the District could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year of the settlement.



## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 11. RESERVE FUND

Reserves have been established as follows:

|                                              | 2005<br>\$       | 2004<br>\$       |
|----------------------------------------------|------------------|------------------|
| <b>Operating</b>                             |                  |                  |
| General operating                            | 1,577,381        | 1,239,785        |
| Gravel reserve                               | 274,192          | 176,892          |
| Prepaid local improvements and off-site levy | 391,012          | 228,656          |
| Recreation and parks                         | 11,791           | 26,184           |
| Subdivision development                      | 83,530           | 82,111           |
| <b>Total operating reserves</b>              | <b>2,337,906</b> | <b>1,753,628</b> |
| <b>Capital</b>                               |                  |                  |
| Emergency equipment                          | 638,598          | 504,816          |
| General roads                                | 2,093,166        | 2,203,158        |
| General capital                              | 3,231,784        | 2,232,396        |
| Vehicle replacement                          | 116,167          | 120,853          |
| <b>Total capital reserves</b>                | <b>6,079,715</b> | <b>5,061,223</b> |
| <b>Total reserves</b>                        | <b>8,471,621</b> | <b>6,814,851</b> |

### 12. LOCAL AUTHORITIES PENSION PLAN

Employees of the District participate in the Local Authorities Pension Plan (LAPP) which is covered by the Public Sector Pension Plans Act. The Plan serves approximately 133,000 employees and 389 employers. It is financed by employer and employee contributions and investment earnings of the LAPP Fund.

The District is required to make current service contributions to the Plan of 7.4% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 10.14% for the excess.

The current service contributions by the District to the Local Authorities Pension Plan in 2005 were \$140,965 (2004 - \$127,528). Total current service contributions by the employees of the District to the Local Authorities Pension Plan in 2005 were \$120,436 (2004 - \$109,296).

At December 31, 2004, the Plan disclosed an actuarial deficiency of \$1,289 million.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2005

### 13. FINANCIAL INSTRUMENTS

The District's financial instruments consist of cash and cash equivalents, taxes receivable, grants and other accounts receivable, under-leivies, accounts payable and accrued liabilities, deposit liabilities and long-term debt. It is administration's opinion that the District is not exposed to significant interest or currency risk arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

The District is subject to credit risk with respect to taxes and grants in place of taxes receivables and trade and other receivables. Credit risk arises from the possibility that taxpayers and entities to which the District provides services may experience financial difficulty and be unable to fulfill their obligations. The large number and diversity of taxpayers and customers minimizes the credit risk.

### 14. BUDGET FIGURES

Budget figures are included for information purposes only and are unaudited.

### 15. SUBSEQUENT EVENT

Subsequent to the year end, District Council passed bylaw 541/06 approving the borrowing of approximately \$1,000,000 from Alberta Capital Finance Authority.

### 16. COMPARATIVE FIGURES

Certain comparative figures have been restated, where necessary, to conform with the current year presentation.

---

2005 AUDIT RESULTS  
AND COMMUNICATIONS

---

**APPENDIX C—DRAFT FINANCIAL INFORMATION RETURN**

**FINANCIAL INFORMATION RETURN**

**FOR THE YEAR ENDING DECEMBER 31, 2005**

**Chief Administrative Officer or Designated Officer Certification**

**Municipality Name:** \_\_\_\_\_ **Municipal District of Mackenzie No. 23**

**This Financial Information Return, to the best of my knowledge,  
is presented fairly and was prepared in compliance with the  
accompanying Financial Information Manual.**

**Signature** \_\_\_\_\_ **Dated** \_\_\_\_\_

**FINANCIAL POSITION**

**Schedule A**

|                                              |      | Operating<br>1 | Capital<br>2 | Reserves<br>3 | Total<br>4 |
|----------------------------------------------|------|----------------|--------------|---------------|------------|
| <b>Assets</b>                                | 0010 |                |              |               |            |
| Cash and Temporary Investments .....         | 0020 | 3,138,187      |              | 8,417,621     | 11,555,808 |
| Taxes and Grants in Place Receivables        | 0030 |                |              |               |            |
| . Current .....                              | 0040 | 279,352        |              |               | 279,352    |
| . Arrears .....                              | 0050 | 119,840        |              |               | 119,840    |
| . Allowance .....                            | 0060 | -10,000        |              |               | -10,000    |
| Receivable From Other Governments .....      | 0070 | 588,668        | 1,097,834    |               | 1,686,502  |
| Loans Receivable .....                       | 0080 |                |              |               |            |
| Trade and Other Receivables .....            | 0090 | 282,422        |              |               | 282,422    |
| Due From Excluded Functions .....            | 0100 |                |              |               |            |
| Due From Other Funds .....                   | 0110 |                | 2,257,146    |               |            |
| Inventory of Consumable Supplies .....       | 0120 |                | 1,381,989    |               | 1,381,989  |
| Inventories Held for Resale                  | 0130 |                |              |               |            |
| . Land .....                                 | 0140 | 98,873         |              |               | 98,873     |
| . Other .....                                | 0150 | 70             |              |               | 70         |
| Prepaid Expenses .....                       | 0160 | 157,382        |              |               | 157,382    |
| Long Term Investments                        | 0170 |                |              |               |            |
| . Federal Government .....                   | 0180 |                |              |               |            |
| . Provincial Government .....                | 0190 |                |              |               |            |
| . Local Governments .....                    | 0200 |                |              |               |            |
| . Other .....                                | 0210 |                |              |               |            |
| Capital Property .....                       | 0220 |                | 80,570,381   |               | 80,570,381 |
| Other Current Assets .....                   | 0230 |                |              |               |            |
| Other Long Term Assets .....                 | 0240 |                |              |               |            |
|                                              | 0250 | 4,654,794      | 85,307,350   | 8,417,621     |            |
| <b>Total Assets</b>                          | 0260 |                |              |               | 96,122,619 |
| <b>Liabilities</b>                           | 0270 |                |              |               |            |
| Temporary Loans Payable .....                | 0280 |                |              |               |            |
| Payable To Other Governments .....           | 0290 | 266,169        |              |               | 266,169    |
| Accounts Payable & Accrued Liabilities ..... | 0300 | 1,359,957      | 1,540,192    |               | 2,900,149  |
| Deposit Liabilities .....                    | 0310 | 46,230         |              |               | 46,230     |
| Due To Excluded Functions .....              | 0320 |                |              |               |            |
| Due To Other Funds .....                     | 0330 | 2,257,146      |              |               |            |
| Deferred Revenue .....                       | 0340 | 47,305         | 1,814,786    |               | 1,862,091  |
| Long Term Debt .....                         | 0350 |                | 7,720,088    |               | 7,720,088  |
| Other Current Liabilities .....              | 0360 | 42,680         |              |               | 42,680     |
| Other Long Term Liabilities .....            | 0370 |                |              |               |            |
|                                              | 0380 | 4,019,487      | 11,075,066   |               |            |
| <b>Total Liabilities</b>                     | 0390 |                |              |               | 12,837,407 |
| <b>Equity</b>                                | 0400 |                |              |               |            |
| Restricted Fund Balances .....               | 0405 |                |              |               |            |
| Unrestricted Fund Balances .....             | 0406 | 635,307        | 74,232,284   | 8,417,621     | 83,285,212 |
| Total Fund Balances .....                    | 0410 | 635,307        | 74,232,284   | 8,417,621     | 83,285,212 |
| Unfunded Liabilities .....                   | 0415 |                |              |               |            |
|                                              | 0418 | 635,307        | 74,232,284   | 8,417,621     | 83,285,212 |
| <b>Total Equity</b>                          | 0420 | 4,654,794      | 85,307,350   | 8,417,621     |            |
| <b>Total Liabilities and Equity</b>          | 0430 |                |              |               | 96,122,619 |

**FUND EQUITY**

**Schedule B**

|                                                    |             | Operating<br>1 | Capital<br>2      | Reserves<br>3    | Total<br>4        |
|----------------------------------------------------|-------------|----------------|-------------------|------------------|-------------------|
| Net Revenue (Expenditure) .....                    | 0500        | 4,263,167      | 3,305,340         |                  | 7,568,507         |
| Net Transfers From / To Reserves Fund .....        | 0510        | -324,108       | -1,278,662        | 1,602,770        |                   |
| Net Transfers From / To Excluded Function .....    | 0520        | -3,089,045     | 3,089,045         |                  |                   |
| Net Transfers From / To Operating / Capital Funds  | 0530        |                |                   |                  |                   |
| Transfer To Capital: Principal Repayments on LIT L | 0540        | -800,014       | 800,014           |                  |                   |
| Appropriated From Beginning of Year Fund Balance   | 0550        |                |                   |                  |                   |
| Other Inter-Fund Adjustments .....                 | 0560        |                |                   |                  |                   |
| Increase (Decrease) in Unfunded Liabilities .....  | 0565        |                |                   |                  |                   |
| .....                                              |             |                |                   |                  |                   |
| <b>Change in Fund Balances:</b> .....              | <b>0570</b> | <b>50,000</b>  | <b>5,915,737</b>  | <b>1,602,770</b> | <b>7,568,507</b>  |
| .....                                              |             |                |                   |                  |                   |
| <b>Fund Balances</b> .....                         | <b>0575</b> |                |                   |                  |                   |
| Balance at Beginning of Year .....                 | 0580        | 585,307        | 68,316,547        | 6,814,851        | 75,716,705        |
| Prior Period Adjustments .....                     | 0590        |                |                   |                  |                   |
| Appropriated To Operating Fund .....               | 0600        |                |                   |                  |                   |
| Other Adjustments .....                            | 0610        |                |                   |                  |                   |
| .....                                              |             |                |                   |                  |                   |
| <b>Balance at End of Year</b> .....                | <b>0620</b> | <b>635,307</b> | <b>74,232,284</b> | <b>8,417,621</b> | <b>83,285,212</b> |

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C

|                                               |      | Operating<br>1 | Capital<br>2 | Total<br>3 |
|-----------------------------------------------|------|----------------|--------------|------------|
| <b>Total General Revenue</b>                  | 0700 | 16,843,003     |              | 16,843,003 |
| <b>Function Revenue</b>                       | 0710 |                |              |            |
| <b>General Government</b>                     | 0720 |                |              |            |
| Council and Other Legislative .....           | 0730 |                |              |            |
| General Administration .....                  | 0740 | 144,413        | 92,100       | 236,513    |
| Other General Government.....                 | 0750 |                |              |            |
| <b>Protective Services</b>                    | 0760 |                |              |            |
| Police .....                                  | 0770 |                |              |            |
| Fire .....                                    | 0780 | 33,037         |              | 33,037     |
| Disaster and Emergency Measures .....         | 0790 |                |              |            |
| Ambulance and First Aid .....                 | 0800 | 263,879        | 158,466      | 422,345    |
| Bylaws Enforcement .....                      | 0810 | 147,953        | 41,192       | 189,145    |
| Other Protective Services.....                | 0820 |                |              |            |
| <b>Transportation</b>                         | 0830 |                |              |            |
| Common and Equipment Pool .....               | 0840 |                |              |            |
| Roads, Streets, Walks, Lighting .....         | 0850 | 867,547        | 933,880      | 1,801,427  |
| Airport .....                                 | 0860 | 51,769         |              | 51,769     |
| Public Transit .....                          | 0870 |                |              |            |
| Storm Sewers and Drainage .....               | 0880 |                |              |            |
| Other Transportation .....                    | 0890 |                |              |            |
| <b>Environmental Use and Protection</b>       | 0900 |                |              |            |
| Water Supply and Distribution .....           | 0910 | 1,268,323      | 2,509,958    | 3,778,281  |
| Wastewater Treatment and Disposal .....       | 0920 | 385,384        |              | 385,384    |
| Waste Management .....                        | 0930 | 10,376         |              | 10,376     |
| Other Environmental Use and Protection .....  | 0940 |                |              |            |
| <b>Public Health and Welfare</b>              | 0950 |                |              |            |
| Family and Community Support .....            | 0960 | 217,046        |              | 217,046    |
| Day Care .....                                | 0970 |                |              |            |
| Cemeteries and Crematoriums .....             | 0980 |                |              |            |
| Other Public Health and Welfare .....         | 0990 |                |              |            |
| <b>Planning and Development</b>               | 1000 |                |              |            |
| Land Use Planning, Zoning and Development ... | 1010 | 385,300        |              | 385,300    |
| Economic/Agricultural Development .....       | 1020 | 301,588        |              | 301,588    |
| Subdivision Land and Development .....        | 1030 | 1,419          |              | 1,419      |
| Public Housing Operations .....               | 1040 |                |              |            |
| Land, Housing and Building Rentals .....      | 1050 |                |              |            |
| Other Planning and Development.....           | 1060 |                |              |            |
| <b>Recreation and Culture</b>                 | 1070 |                |              |            |
| Recreation Boards .....                       | 1080 |                |              |            |
| Parks and Recreation .....                    | 1090 |                | 65,674       | 65,674     |
| Culture: Libraries, Museums, Halls .....      | 1100 |                |              |            |
| Convention Centres .....                      | 1110 |                |              |            |
| Other Recreation and Culture.....             | 1120 |                |              |            |
| <b>Other</b> .....                            | 1130 |                |              |            |
| <b>Total Revenue</b>                          | 1140 | 20,921,037     | 3,801,270    | 24,722,307 |

FINANCIAL ACTIVITIES BY FUNCTION

Schedule C (cont.)

|                                               |      | Operating  | Capital   | Total      |
|-----------------------------------------------|------|------------|-----------|------------|
|                                               |      | 1          | 2         | 3          |
| <b>Expenditures</b>                           | 1150 |            |           |            |
| <b>General Government</b>                     | 1160 |            |           |            |
| Council and Other Legislative .....           | 1170 | 291,579    |           | 291,579    |
| General Administration .....                  | 1180 | 2,696,741  |           | 2,696,741  |
| Other General Government .....                | 1190 |            |           |            |
| <b>Protective Services</b>                    | 1200 |            |           |            |
| Police .....                                  | 1210 |            |           |            |
| Fire .....                                    | 1220 | 515,444    |           | 515,444    |
| Disaster and Emergency Measures .....         | 1230 |            |           |            |
| Ambulance and First Aid .....                 | 1240 | 1,023,693  |           | 1,023,693  |
| Bylaws Enforcement .....                      | 1250 | 409,997    |           | 409,997    |
| Other Protective Services .....               | 1260 |            |           |            |
| <b>Transportation</b>                         | 1270 |            |           |            |
| Common and Equipment Pool .....               | 1280 |            |           |            |
| Roads, Streets, Walks, Lighting .....         | 1290 | 6,248,684  |           | 6,248,684  |
| Airport .....                                 | 1300 | 130,483    |           | 130,483    |
| Public Transit .....                          | 1310 |            |           |            |
| Storm Sewers and Drainage .....               | 1320 |            |           |            |
| Other Transportation .....                    | 1330 |            |           |            |
| <b>Environmental Use and Protection</b>       | 1340 |            |           |            |
| Water Supply and Distribution .....           | 1350 | 1,158,502  |           | 1,158,502  |
| Wastewater Treatment and Disposal .....       | 1360 | 556,181    |           | 556,181    |
| Waste Management .....                        | 1370 | 262,506    |           | 262,506    |
| Other Environmental Use and Protection .....  | 1380 |            |           |            |
| <b>Public Health and Welfare</b>              | 1390 |            |           |            |
| Family and Community Support .....            | 1400 | 791,715    |           | 791,715    |
| Day Care .....                                | 1410 |            |           |            |
| Cemeteries and Crematoriums .....             | 1420 |            |           |            |
| Other Public Health and Welfare .....         | 1430 |            |           |            |
| <b>Planning and Development</b>               | 1440 |            |           |            |
| Land Use Planning, Zoning and Development ... | 1450 | 673,863    |           | 673,863    |
| Economic/Agricultural Development .....       | 1460 | 973,983    |           | 973,983    |
| Subdivision Land and Development .....        | 1470 |            |           |            |
| Public Housing Operations .....               | 1480 |            |           |            |
| Land, Housing and Building Rentals .....      | 1490 |            |           |            |
| Other Planning and Development .....          | 1500 |            |           |            |
| <b>Recreation and Culture</b>                 | 1510 |            |           |            |
| Recreation Boards .....                       | 1520 | 652,666    |           | 652,666    |
| Parks and Recreation .....                    | 1530 | 106,018    |           | 106,018    |
| Culture: Libraries, Museums, Halls .....      | 1540 | 133,665    |           | 133,665    |
| Convention Centres .....                      | 1550 |            |           |            |
| Other Recreation and Culture .....            | 1560 | 32,150     |           | 32,150     |
| <b>Other</b>                                  | 1570 |            | 495,930   | 495,930    |
| <b>Total Expenditures</b>                     | 1580 | 16,657,870 | 495,930   | 17,153,800 |
| <b>Net Revenue (Expenditure)</b>              | 1590 | 4,263,167  | 3,305,340 | 7,568,507  |



FINANCIAL ACTIVITIES BY TYPE / OBJEC

Schedule D

|                                               |             | Operating         | Capital          | Total             |
|-----------------------------------------------|-------------|-------------------|------------------|-------------------|
|                                               |             | 1                 | 2                | 3                 |
| <b>Revenues</b>                               | 1700        |                   |                  |                   |
| Taxation and Grants in Place                  | 1710        |                   |                  |                   |
| Property (Net Municipal)                      | 1720        | 16,220,039        |                  | 16,220,039        |
| Business                                      | 1730        |                   |                  |                   |
| Business Revitalization Zone                  | 1740        |                   |                  |                   |
| Special                                       | 1750        |                   |                  |                   |
| Well Drilling                                 | 1760        | 80,125            |                  | 80,125            |
| Local Improvement                             | 1770        | 174,543           |                  | 174,543           |
| Sales To Other Governments                    | 1790        |                   |                  |                   |
| Sales and User Charges                        | 1800        | 1,997,942         |                  | 1,997,942         |
| Penalties and Costs on Taxes                  | 1810        | 79,147            |                  | 79,147            |
| Licenses and Permits                          | 1820        | 13,255            |                  | 13,255            |
| Fines                                         | 1830        | 63,179            |                  | 63,179            |
| Franchise and Concession Contracts            | 1840        |                   |                  |                   |
| Returns on Investments                        | 1850        | 273,703           |                  | 273,703           |
| Rentals                                       | 1860        | 40,017            |                  | 40,017            |
| Insurance Proceeds                            | 1870        | 960               |                  | 960               |
| Proceeds From Disposal of Capital Property    | 1880        |                   | 92,100           | 92,100            |
| Federal Government Unconditional Transfers    | 1890        |                   |                  |                   |
| Federal Government Conditional Transfers      | 1900        |                   |                  |                   |
| Provincial Government Unconditional Transfers | 1910        | 23,178            |                  | 23,178            |
| Provincial Government Conditional Transfers   | 1920        | 1,646,813         | 3,329,242        | 4,976,055         |
| Local Government Transfers                    | 1930        |                   |                  |                   |
| Transfers From Local Boards and Agencies      | 1940        |                   |                  |                   |
| Drawn From Allowances                         | 1950        |                   |                  |                   |
| Developers' Agreements and Levies             | 1960        |                   | 132,988          | 132,988           |
| Other Revenues                                | 1970        | 308,136           | 246,940          | 555,076           |
| <b>Total Revenue</b>                          | <b>1980</b> | <b>20,921,037</b> | <b>3,801,270</b> | <b>24,722,307</b> |
| <b>Expenditures</b>                           | 1990        |                   |                  |                   |
| Salaries, Wages, and Benefits                 | 2000        | 3,823,123         |                  | 3,823,123         |
| Contracted and General Services               | 2010        | 6,606,000         |                  | 6,606,000         |
| Purchases from Other Governments              | 2020        |                   |                  |                   |
| Materials, Goods, Supplies, and Utilities     | 2030        | 3,170,617         |                  | 3,170,617         |
| Provision For Allowances                      | 2040        | -14,735           |                  | -14,735           |
| Transfers to Other Governments                | 2050        | 1,162,202         |                  | 1,162,202         |
| Transfers to Local Boards and Agencies        | 2060        |                   |                  |                   |
| Transfers to Individuals and Organizations    | 2070        | 1,496,975         |                  | 1,496,975         |
| Bank Charges and Short Term Interest          | 2080        | 4,678             |                  | 4,678             |
| Interest on Operating Long Term Debt          | 2090        |                   |                  |                   |
| Interest on Capital Long Term Debt            | 2100        | 399,036           |                  | 399,036           |
| Amortization of Capital Property              | 2110        |                   |                  |                   |
| Unamortized Cost of Capital Property Disposed | 2120        |                   | 714,186          | 714,186           |
| Other Expenditures                            | 2130        | 9,974             | -218,256         | -208,282          |
| <b>Total Expenditures</b>                     | <b>2140</b> | <b>16,657,870</b> | <b>495,930</b>   | <b>17,153,800</b> |
| <b>Net Revenue (Expenditure)</b>              | <b>2150</b> | <b>4,263,167</b>  | <b>3,305,340</b> | <b>7,568,507</b>  |

OPERATING FUND SUPPLEMENTARY DETAIL

Schedule E

|                                               |             | Operating Revenue |                  | Operating Expenditures |                |
|-----------------------------------------------|-------------|-------------------|------------------|------------------------|----------------|
|                                               |             | Sales and         | Provincial       | Interest on            | Interest on    |
|                                               |             | User              | Government       | Operating              | Capital Long   |
|                                               |             | Charges           | Conditional      | Long Term              | Term Debt      |
|                                               |             |                   | Transfers        | Debt                   |                |
|                                               |             | 1                 | 2                | 3                      | 4              |
| General Government                            | 2200        |                   |                  |                        |                |
| Council and Other Legislative .....           | 2210        |                   |                  |                        |                |
| General Administration .....                  | 2220        | 26,583            | 37,705           |                        |                |
| Other General Government .....                | 2230        |                   |                  |                        |                |
| Protective Services                           | 2240        |                   |                  |                        |                |
| Police .....                                  | 2250        |                   |                  |                        |                |
| Fire .....                                    | 2260        | 33,037            |                  |                        |                |
| Disaster and Emergency Measures .....         | 2270        |                   |                  |                        |                |
| Ambulance and First Aid .....                 | 2280        | 37,507            | 226,672          |                        |                |
| Bylaws Enforcement .....                      | 2290        |                   | 5,250            |                        |                |
| Other Protective Services .....               | 2300        |                   |                  |                        |                |
| Transportation                                | 2310        |                   |                  |                        |                |
| Common and Equipment Pool .....               | 2320        |                   |                  |                        |                |
| Roads, Streets, Walks, Lighting .....         | 2330        | 67,235            | 752,148          |                        | 155,914        |
| Airport .....                                 | 2340        | 29,130            | 22,639           |                        |                |
| Public Transit .....                          | 2350        |                   |                  |                        |                |
| Storm Sewers and Drainage .....               | 2360        |                   |                  |                        |                |
| Other Transportation .....                    | 2370        |                   |                  |                        |                |
| Environmental Use and Protection              | 2380        |                   |                  |                        |                |
| Water Supply and Distribution .....           | 2390        | 1,160,126         |                  |                        | 210,096        |
| Wastewater Treatment and Disposal .....       | 2400        | 278,338           | 58,791           |                        | 33,026         |
| Waste Management .....                        | 2410        | 10,376            |                  |                        |                |
| Other Environmental Use and Protection .....  | 2420        |                   |                  |                        |                |
| Public Health and Welfare                     | 2430        |                   |                  |                        |                |
| Family and Community Support .....            | 2440        |                   | 217,046          |                        |                |
| Day Care .....                                | 2450        |                   |                  |                        |                |
| Cemeteries and Crematoriums .....             | 2460        |                   |                  |                        |                |
| Other Public Health and Welfare .....         | 2470        |                   |                  |                        |                |
| Planning and Development                      | 2480        |                   |                  |                        |                |
| Land Use Planning, Zoning and Development ... | 2490        | 355,610           |                  |                        |                |
| Economic/Agricultural Development .....       | 2500        |                   | 297,030          |                        |                |
| Subdivision Land and Development .....        | 2510        |                   |                  |                        |                |
| Public Housing Operations .....               | 2520        |                   |                  |                        |                |
| Land, Housing and Building Rentals .....      | 2530        |                   |                  |                        |                |
| Other Planning and Development .....          | 2540        |                   |                  |                        |                |
| Recreation and Culture                        | 2550        |                   |                  |                        |                |
| Recreation Boards .....                       | 2560        |                   |                  |                        |                |
| Parks and Recreation .....                    | 2570        |                   | 29,532           |                        |                |
| Culture: Libraries, Museums, Halls .....      | 2580        |                   |                  |                        |                |
| Convention Centres .....                      | 2590        |                   |                  |                        |                |
| Other Recreation and Culture .....            | 2600        |                   |                  |                        |                |
| Other                                         | 2610        |                   |                  |                        |                |
| <b>Total</b>                                  | <b>2620</b> | <b>1,997,942</b>  | <b>1,646,813</b> |                        | <b>399,036</b> |

CAPITAL FUND SUPPLEMENTARY DETAIL

Schedule F

|                                               |             | Capital Revenue                             | Capital Assets             | Capital Fund Long Term Debt     |                                  |
|-----------------------------------------------|-------------|---------------------------------------------|----------------------------|---------------------------------|----------------------------------|
|                                               |             | Provincial Government Conditional Transfers | Capital Property Additions | Principal Additions During Year | Principal Reductions During Year |
|                                               |             | 1                                           | 2                          | 3                               | 4                                |
| General Government                            | 2700        |                                             |                            |                                 |                                  |
| Council and Other Legislative .....           | 2710        |                                             |                            |                                 |                                  |
| General Administration .....                  | 2720        |                                             | 85,646                     |                                 |                                  |
| Other General Government.....                 | 2730        |                                             |                            |                                 |                                  |
| Protective Services                           | 2740        |                                             |                            |                                 |                                  |
| Police .....                                  | 2750        |                                             |                            |                                 |                                  |
| Fire .....                                    | 2760        |                                             |                            |                                 |                                  |
| Disaster and Emergency Measures .....         | 2770        |                                             |                            |                                 |                                  |
| Ambulance and First Aid .....                 | 2780        | 158,466                                     | 158,466                    |                                 |                                  |
| Bylaws Enforcement .....                      | 2790        |                                             | 50,918                     |                                 |                                  |
| Other Protective Services.....                | 2800        |                                             |                            |                                 |                                  |
| Transportation                                | 2810        |                                             |                            |                                 |                                  |
| Common and Equipment Pool .....               | 2820        |                                             |                            |                                 |                                  |
| Roads, Streets, Walks, Lighting .....         | 2830        | 728,132                                     | 2,680,527                  | 495,258                         | 300,998                          |
| Airport .....                                 | 2840        |                                             |                            |                                 |                                  |
| Public Transit .....                          | 2850        |                                             |                            |                                 |                                  |
| Storm Sewers and Drainage .....               | 2860        |                                             |                            |                                 |                                  |
| Other Transportation .....                    | 2870        |                                             |                            |                                 |                                  |
| Environmental Use and Protection              | 2880        |                                             |                            |                                 |                                  |
| Water Supply and Distribution .....           | 2890        | 2,376,970                                   | 2,581,096                  |                                 | 421,697                          |
| Wastewater Treatment and Disposal .....       | 2900        |                                             | 445,191                    |                                 | 77,319                           |
| Waste Management .....                        | 2910        |                                             |                            |                                 |                                  |
| Other Environmental Use and Protection .....  | 2920        |                                             |                            |                                 |                                  |
| Public Health and Welfare                     | 2930        |                                             |                            |                                 |                                  |
| Family and Community Support .....            | 2940        |                                             |                            |                                 |                                  |
| Day Care .....                                | 2950        |                                             |                            |                                 |                                  |
| Cemeteries and Crematoriums .....             | 2960        |                                             |                            |                                 |                                  |
| Other Public Health and Welfare .....         | 2970        |                                             |                            |                                 |                                  |
| Planning and Development                      | 2980        |                                             |                            |                                 |                                  |
| Land Use Planning, Zoning and Development ... | 2990        |                                             |                            |                                 |                                  |
| Economic/Agricultural Development .....       | 3000        |                                             |                            |                                 |                                  |
| Subdivision Land and Development .....        | 3010        |                                             |                            |                                 |                                  |
| Public Housing Operations .....               | 3020        |                                             |                            |                                 |                                  |
| Land, Housing and Building Rentals .....      | 3030        |                                             |                            |                                 |                                  |
| Other Planning and Development.....           | 3040        |                                             |                            |                                 |                                  |
| Recreation and Culture                        | 3050        |                                             |                            |                                 |                                  |
| Recreation Boards .....                       | 3060        |                                             |                            |                                 |                                  |
| Parks and Recreation .....                    | 3070        | 65,674                                      | 105,066                    |                                 |                                  |
| Culture: Libraries, Museums, Halls .....      | 3080        |                                             |                            |                                 |                                  |
| Convention Centres .....                      | 3090        |                                             |                            |                                 |                                  |
| Other Recreation and Culture.....             | 3100        |                                             |                            |                                 |                                  |
| Other .....                                   | 3110        |                                             |                            |                                 |                                  |
| <b>Total</b>                                  | <b>3120</b> | <b>3,329,242</b>                            | <b>6,106,910</b>           | <b>495,258</b>                  | <b>800,014</b>                   |

**CHANGES IN CAPITAL PROPERTY**

**Schedule G**

|                                                          |             | Balance at<br>Beginning of<br>Year<br>1 | Additions<br>2   | Reductions<br>3 | Balance at<br>End of Year<br>4 |
|----------------------------------------------------------|-------------|-----------------------------------------|------------------|-----------------|--------------------------------|
| <b>Capital Property - Cost</b>                           | 3200        |                                         |                  |                 |                                |
| Engineering Structures .....                             | 3210        | 62,853,218                              | 4,874,748        |                 | 67,727,966                     |
| Buildings .....                                          | 3220        | 3,919,012                               | 114,084          | 412,369         | 3,620,727                      |
| Machinery and Equipment .....                            | 3230        | 4,579,810                               | 720,645          | 261,171         | 5,039,284                      |
| Land .....                                               | 3240        | 658,394                                 |                  |                 | 658,394                        |
| Vehicles .....                                           | 3250        | 3,167,223                               | 397,433          | 40,646          | 3,524,010                      |
| <b>Total Capital Property Cost</b>                       | <b>3260</b> | <b>75,177,657</b>                       | <b>6,106,910</b> | <b>714,186</b>  | <b>80,570,381</b>              |
| <b>Capital Property - Accumulated Amortization</b>       | 3270        |                                         |                  |                 |                                |
| Engineering Structures .....                             | 3280        |                                         |                  |                 |                                |
| Buildings .....                                          | 3290        |                                         |                  |                 |                                |
| Machinery and Equipment .....                            | 3300        |                                         |                  |                 |                                |
| Land .....                                               | 3310        |                                         |                  |                 |                                |
| Vehicles .....                                           | 3320        |                                         |                  |                 |                                |
| <b>Total Capital Property Accumulated Amortization</b>   | <b>3330</b> |                                         |                  |                 |                                |
| <b>Total Capital Property Net of Accum. Amortization</b> | <b>3340</b> | <b>75,177,657</b>                       | <b>6,106,910</b> | <b>714,186</b>  | <b>80,570,381</b>              |

**LONG TERM DEBT SUPPORT**

**Schedule H**

|                                               |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|-----------------------------------------------|-------------|----------------|------------------|------------------|
| <b>Long Term Debt Support</b>                 | 3400        |                |                  |                  |
| Supported by General Tax Levies .....         | 3410        |                | 7,720,088        | 7,720,088        |
| Supported by Special Levies .....             | 3420        |                |                  |                  |
| Supported by Utility Rates .....              | 3430        |                |                  |                  |
| Other .....                                   | 3440        |                |                  |                  |
| <b>Total Long Term Debt Principal Balance</b> | <b>3450</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |

**LONG TERM DEBT SOURCES**

**Schedule I**

|                                                |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|------------------------------------------------|-------------|----------------|------------------|------------------|
| Alberta Capital Finance Authority.....         | 3500        |                | 7,720,088        | 7,720,088        |
| Province of Alberta .....                      | 3510        |                |                  |                  |
| Canada Mortgage and Housing Corporation .....  | 3520        |                |                  |                  |
| Municipal Development and Loan Board .....     | 3530        |                |                  |                  |
| Government of Canada .....                     | 3540        |                |                  |                  |
| Alberta Mortgage and Housing Corporation ..... | 3550        |                |                  |                  |
| Alberta Opportunity Company .....              | 3560        |                |                  |                  |
| Public Bond Issue .....                        | 3570        |                |                  |                  |
| United States Market .....                     | 3580        |                |                  |                  |
| European Market .....                          | 3590        |                |                  |                  |
| Mortgage Borrowing .....                       | 3600        |                |                  |                  |
| Other .....                                    | 3610        |                |                  |                  |
| <b>Total Long Term Debt Principal Balance</b>  | <b>3620</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |

**FUTURE LONG TERM DEBT REPAYMENTS**

**Schedule J**

|                                     |             | Operating<br>1 | Capital<br>2     | Total<br>3       |
|-------------------------------------|-------------|----------------|------------------|------------------|
| <b>Principal Repayments by Year</b> | 3700        |                |                  |                  |
| Current + 1 .....                   | 3710        |                | 886,343          | 886,343          |
| Current + 2 .....                   | 3720        |                | 935,517          | 935,517          |
| Current + 3 .....                   | 3730        |                | 875,826          | 875,826          |
| Current + 4 .....                   | 3740        |                | 918,146          | 918,146          |
| Current + 5 .....                   | 3750        |                | 962,543          | 962,543          |
| Thereafter .....                    | 3760        |                | 3,141,713        | 3,141,713        |
| <b>Total Principal</b>              | <b>3770</b> |                | <b>7,720,088</b> | <b>7,720,088</b> |
| <b>Interest by Year</b>             | 3780        |                |                  |                  |
| Current + 1 .....                   | 3790        |                | 373,379          | 373,379          |
| Current + 2 .....                   | 3800        |                | 324,205          | 324,205          |
| Current + 3 .....                   | 3810        |                | 271,859          | 271,859          |
| Current + 4 .....                   | 3820        |                | 229,538          | 229,538          |
| Current + 5 .....                   | 3830        |                | 185,141          | 185,141          |
| Thereafter .....                    | 3840        |                | 292,163          | 292,163          |
| <b>Total Interest</b>               | <b>3850</b> |                | <b>1,676,285</b> | <b>1,676,285</b> |

**PROPERTY TAXES AND GRANTS IN PLACE**

**Schedule K**

|                                                               |             | Property Taxes<br>1 | Grants In Place<br>of Property<br>Taxes<br>2 | Total<br>3        |
|---------------------------------------------------------------|-------------|---------------------|----------------------------------------------|-------------------|
| <b>Property Taxes</b>                                         | 3900        |                     |                                              |                   |
| Residential Land and Improvements .....                       | 3910        | 2,667,360           | 17,533                                       | 2,684,893         |
| <b>Non-Residential</b>                                        | 3920        |                     |                                              |                   |
| Land and Improvements (Excluding M & E).....                  | 3935        | 669,179             | 35,753                                       | 704,932           |
| Machinery and Equipment .....                                 | 3950        | 1,511,655           |                                              | 1,511,655         |
| Linear Property .....                                         | 3960        | 17,951,043          |                                              | 17,951,043        |
| Railway .....                                                 | 3970        | 43,055              |                                              | 43,055            |
| Farm Land .....                                               | 3980        | 415,773             |                                              | 415,773           |
| Adjustments to Property Taxes .....                           | 3990        |                     |                                              |                   |
| <b>Total Property Taxes and Grants In Place</b> .....         | <b>4000</b> | <b>23,258,065</b>   | <b>53,286</b>                                | <b>23,311,351</b> |
| <b>Requisition Transfers</b>                                  |             |                     | 4010                                         |                   |
| Education                                                     |             |                     |                                              |                   |
| Residential/Farm Land .....                                   |             |                     | 4031                                         | 6,722,877         |
| Non-Residential .....                                         |             |                     | 4035                                         |                   |
| Hospital Districts .....                                      |             |                     | 4060                                         |                   |
| Nursing Homes and Auxiliary Hospitals.....                    |             |                     | 4070                                         |                   |
| Ambulance Districts .....                                     |             |                     | 4080                                         |                   |
| Seniors Lodges .....                                          |             |                     | 4090                                         | 325,755           |
| Other .....                                                   |             |                     | 4100                                         |                   |
| Adjustments to Requisition Transfers .....                    |             |                     | 4110                                         | 42,680            |
| <b>Total Requisition Transfers</b> .....                      |             |                     | <b>4120</b>                                  | <b>7,091,312</b>  |
| <b>Net Municipal Property Taxes and Grants In Place</b> ..... |             |                     | <b>4130</b>                                  | <b>16,220,039</b> |

**GRANTS IN PLACE OF TAXES**

**Schedule L**

|                             |             | Property Taxes<br>1 | Business Taxes<br>2 | Other Taxes<br>3 | Total<br>4    |
|-----------------------------|-------------|---------------------|---------------------|------------------|---------------|
| Federal Government .....    | 4200        | 17,533              |                     |                  | 17,533        |
| Provincial Government ..... | 4210        | 35,753              |                     |                  | 35,753        |
| Local Government .....      | 4220        |                     |                     |                  |               |
| Other .....                 | 4230        |                     |                     |                  |               |
| <b>Total</b> .....          | <b>4240</b> | <b>53,286</b>       |                     |                  | <b>53,286</b> |

**DEBT LIMIT**

**Schedule AA**

|                                |      |            |
|--------------------------------|------|------------|
| Debt Limit .....               | 5700 | 32,092,446 |
| Total Debt .....               | 5710 | 7,720,088  |
| Debt Service Limit .....       | 5720 | 5,348,741  |
| Total Debt Service Costs ..... | 5730 | 1,259,721  |

Enter Prior year's Line 3450 Column 2 balance here:

## APPENDIX D—DRAFT LETTERS OF REPRESENTATION

Ernst & Young LLP  
Chartered Accountants  
1801 Tower 2  
10060 Jasper Avenue  
Edmonton, Alberta  
T5J 3R8

In connection with your audit of the financial statements of the Municipal District of Mackenzie No. 23 (the "District") as of December 31, 2005 and for year then ended, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of the District in accordance with Canadian generally accepted accounting principles.

We understand that the purpose of your audit of our financial statements is to express an opinion thereon and your audit was conducted in accordance with Canadian generally accepted auditing standards, which involves an examination of the accounting system and related data to the extent you considered necessary in the circumstances. It is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of financial statement information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

### A. Financial Statements and Financial Records

1. We acknowledge that, as members of administration of the District, we are responsible for the fair presentation of the financial statements. We believe the financial statements referred to above present fairly, in all material respects, the financial position, results of operations and cash flows of the District in accordance with Canadian generally accepted accounting principles.
2. The significant accounting policies adopted in the preparation of the financial statements are fully and fairly described in the financial statements.
3. As members of administration of the District, we believe that the District has a system of internal controls adequate to permit the preparation of accurate financial statements in accordance with Canadian generally accepted accounting principles.



## **B. Fraud and Error**

1. We acknowledge that we are responsible for the design and implementation of internal controls to prevent and detect fraud and error.
2. We have assessed the risk that the financial statements may be materially misstated as a result of fraud and have determined such risk to be low.

We have no knowledge of any fraud or suspected fraud affecting the entity involving administration; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial statements received in communications from employees, former employees or others. In addition, all "whistle-blower" allegations coming to our attention have been disclosed to you. No irregularities or shortages have occurred and nothing has come to light which might reflect upon the honesty or integrity of any employee, agent or officer of the District.

3. We believe that the effects of those uncorrected financial statement misstatements aggregated by you during your audit, as summarized in the accompanying schedule, are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

## **C. Illegal Acts**

1. We are not aware of any illegal or possibly illegal acts, as defined in CICA Handbook Section 5136.

## **D. Independence and Conflicts of Interest**

1. We are not aware of any instances where a councilor or member of administration of the District (or any member of their immediate family) has a direct or material indirect business relationship with Ernst & Young LLP or any of its affiliates.
2. We are not aware of any reason Ernst & Young would not be considered to be independent.
3. There are no instances where any councilor or member of administration of the District has an interest in a company with which the District does business that would be considered a "conflict of interest." Such an interest would be contrary to District policy.

## **E. Completeness of Information**

1. We have made available to you all financial records and related data and all minutes of the meetings of Council held through the year to the most recent meeting on March 7, 2006.

2. There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements.

#### **F. Recognition, Measurement and Disclosure**

1. We believe that the significant assumptions underlying the fair value measurements and disclosures used in the preparation of the financial statements are reasonable and appropriate in the circumstances.
2. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
3. We have disclosed to you, and the District has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

#### **G. Risks and Measurement Uncertainties**

1. The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.

#### **H. Ownership of Assets**

1. The District has satisfactory title to all assets appearing in the statement of financial position, and there are no liens or encumbrances on the District's assets, nor has any asset been pledged. All assets to which the District has satisfactory title appear in the statement of financial position.

#### **I. Cash Equivalents**

1. Cash equivalents and long-term investments are recorded at the lower of cost and market value determined on an aggregate basis.
2. Appropriate loss provisions have been provided in the accounts when the amounts show objective evidence of impairment.
3. All income earned for the year on these amounts have been recorded in the accounts.

#### **J. Receivables**

1. Receivables are correctly described in the accounts and represent valid claims as at the year end, against the debtors indicated.
2. All services rendered prior to the year end have been recorded as revenue of that year and no amount has been included in revenue.

3. Adequate allowance has been made for any losses from uncollectible accounts, costs or expenses which may be incurred with respect to services rendered prior to the year end.

#### **K. Inventories**

1. Inventories were priced at the lower of cost and net realizable value as follows:
  - Raw materials and expense materials - at the lower of cost and replacement value.

In arriving at such values, full allowance was made for defective, slow-moving, excess, unusable or obsolete stock. There have been no reductions of the value of inventory subsequent to the year end and none are contemplated.

2. Physical counts and measurement of inventories were made by competent employees under the supervision of the administration as at the year end, and the quantities were determined by actual count, weight or measurement.
3. Inventories do not include items not paid for and for which no liability has been recorded in the accounts at the year end; goods on consignment from others; or goods invoiced to customers.

#### **L. Land, Structures and Equipment**

1. All charges to land, structures and equipment accounts and additions during the year represent actual additions and no expenditures of a capital nature have been charged to operating fund expenditures during the year.
2. All land, structures and equipment sold or dismantled during the year have been properly accounted for in the accounts.

#### **M. Liabilities and Contingencies**

1. All liabilities and contingencies whether written or oral have been disclosed to you and are appropriately reflected in the financial statements.
2. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
3. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance.
4. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.

2005 AUDIT RESULTS  
AND COMMUNICATIONS

**N. Employee Future Benefits**

We have disclosed to you all significant non-pension employee future benefits promised.

**O. Subsequent Events**

There have been no events subsequent to year end up to the date of this letter which are of such significance as to require adjustment to or disclosure in the financial statements.

**P. Comparative Figures**

1. In connection with your audit of the comparative financial statements for the year ended December 31, 2004, we represent, to the best of our knowledge and belief, the following:
  - There have been no significant errors or misstatements, or changes in accounting policies that would require a restatement of the amounts from the financial statements for the year ended December 31, 2004 which are shown as comparative amounts in the financial statements for the year ended December 31, 2005. Any differences in the comparative amounts from the amounts in the financial statements for the year ended December 31, 2004 are solely the result of reclassifications for comparative purposes.

\_\_\_\_\_  
Reeve

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Administrative Officer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Municipal Treasurer

\_\_\_\_\_  
Date

---

2005 AUDIT RESULTS  
AND COMMUNICATIONS

Ernst & Young LLP  
Chartered Accountants  
1801 Tower 2  
10060 Jasper Avenue  
Edmonton, Alberta  
T5J 3R8

In connection with your audit of the financial information return of the Municipal District of Mackenzie No. 23 (the "District") as of December 31, 2005 and for year then ended, we recognize that obtaining representations from us concerning the information contained in this letter is a significant procedure in enabling you to form an opinion whether the financial information return presents fairly, in all material respects, the financial position, results of operations, and cash flows of the District in accordance with accounting principles prescribed by the Minister of Municipal Affairs as provided for in Section 277 of the Municipal Government Act.

We understand that the purpose of your audit of our financial information return is to express an opinion thereon and your audit was conducted in accordance with Canadian generally accepted auditing standards, which involves an examination of the accounting system and related data to the extent you considered necessary in the circumstances. It is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of financial statement information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement.

Accordingly, we make the following representations, which are true to the best of our knowledge and belief:

**A. Financial information return and Financial Records**

1. We acknowledge that, as members of administration of the District, we are responsible for the fair presentation of the financial information return. We believe the financial information return referred to above presents fairly, in all material respects, the financial position, results of operations and cash flows of the District in accordance with Canadian generally accepted accounting principles.
2. The significant accounting policies adopted in the preparation of the financial information return are fully and fairly described in the financial information return.

3. As members of administration of the District, we believe that the District has a system of internal controls adequate to permit the preparation of accurate financial information return in accordance with Section 277 of the Municipal Government Act.

#### **B. Fraud and Error**

1. We acknowledge that we are responsible for the design and implementation of internal controls to prevent and detect fraud and error.
2. We have assessed the risk that the financial information return may be materially misstated as a result of fraud and have determined such risk to be low.
3. We have no knowledge of any fraud or suspected fraud affecting the entity involving administration; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial information return. We have no knowledge of any allegations of fraud or suspected fraud affecting the District's financial information return received in communications from employees, former employees or others. In addition, all "whistle-blower" allegations coming to our attention have been disclosed to you. No irregularities or shortages have occurred and nothing has come to light which might reflect upon the honesty or integrity of any employee, agent or officer of the District.
4. We believe that the effects of those uncorrected financial statement misstatements aggregated by you during your audit, as summarized in the accompanying schedule, are immaterial, both individually and in the aggregate, to the financial information return taken as a whole.

#### **C. Illegal Acts**

We are not aware of any illegal or possibly illegal acts, as defined in CICA Handbook Section 5136.

#### **D. Independence and Conflicts of Interest**

1. We are not aware of any instances where a councilor or member of administration of the District (or any member of their immediate family) has a direct or material indirect business relationship with Ernst & Young LLP or any of its affiliates.
2. We are not aware of any reason Ernst & Young would not be considered to be independent.
3. There are no instances where any councilor or member of administration of the District has an interest in a company with which the District does business that would be considered a "conflict of interest." Such an interest would be contrary to District policy.

### **E. Completeness of Information**

1. We have made available to you all financial records and related data and all minutes of the meetings of Council held through the year to the most recent meeting on March 7, 2006.
2. There are no material transactions that have not been properly recorded in the accounting records underlying the financial information return.
3. We have disclosed to you all known related parties and related party transactions, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements, guarantees, non-monetary transactions and transactions for no consideration for the period ended, as well as related balances due to or from such parties at the year end. These transactions have been measured and disclosed in the financial information return.

### **F. Recognition, Measurement and Disclosure**

1. We believe that the significant assumptions underlying the fair value measurements and disclosures used in the preparation of the financial information return are reasonable and appropriate in the circumstances.
2. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial information return.
3. We have disclosed to you, and the District has complied with, all aspects of contractual agreements that could have a material effect on the financial information return in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.

### **G. Risks and Measurement Uncertainties**

The nature of all material measurement uncertainties has been appropriately disclosed in the financial information return, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial information return.

### **H. Ownership of Assets**

The District has satisfactory title to all assets appearing in the balance sheet, and there are no liens or encumbrances on the District's assets, nor has any asset been pledged. All assets to which the District has satisfactory title appear in the balance sheet

### **I. Cash Equivalents and Long-term Investments**

1. Cash and long-term investments are valued at the lower of cost and market value determined on an aggregate basis.

2. Appropriate loss provisions have been provided in the accounts when the amounts show objective evidence of impairment.
3. All income earned for the year on these amounts have been recorded in the accounts.

#### **J. Receivables**

1. Receivables are correctly described in the accounts and represent valid claims as at the year end, against the debtors indicated.
2. All services rendered prior to the year end have been recorded as revenue of that year and no amount has been included in revenue.
3. Adequate allowance has been made for any losses from uncollectible accounts, costs or expenses which may be incurred with respect to services rendered prior to the year end

#### **K. Inventories**

1. Inventories were priced at the lower of cost and net realizable value as follows:
  - Raw materials and expense materials - at the lower of cost and replacement value.

In arriving at such values, full allowance was made for defective, slow-moving, excess, unusable or obsolete stock. There have been no reductions of the value of inventory subsequent to the year end and none are contemplated.

2. Physical counts and measurement of inventories were made by competent employees under the supervision of the administration as at the year end, and the quantities were determined by actual count, weight or measurement.
3. Inventories do not include items not paid for and for which no liability has been recorded in the accounts at the year end; goods on consignment from others; or goods invoiced to customers.

#### **L. Land, Structures and Equipment**

1. All charges to land, structures and equipment accounts and additions during the year represent actual additions and no expenditures of a capital nature have been charged to operating fund expenditures during the year.
2. All land, structures and equipment sold or dismantled during the year have been properly accounted for in the accounts.



---

2005 AUDIT RESULTS  
AND COMMUNICATIONS

**M. Liabilities and Contingencies**

1. All liabilities and contingencies whether written or oral, have been disclosed to you and are appropriately reflected in the financial information return.
2. We have informed you of all outstanding and possible claims, whether or not they have been discussed with legal counsel.
3. We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements, and there have been no communications from regulatory agencies or government representatives concerning investigations or allegations of non-compliance.
4. We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial information return or as the basis of recording a contingent loss.

**N. Employee Future Benefits**

We have disclosed to you all significant non-pension employee future benefits promised.

**O. Subsequent Events**

There have been no events subsequent to year end up to the date of this letter which are of such significance as to require adjustment to or disclosure in the financial information return.

\_\_\_\_\_  
Reeve

\_\_\_\_\_  
Date

\_\_\_\_\_  
Chief Administrative Officer

\_\_\_\_\_  
Date

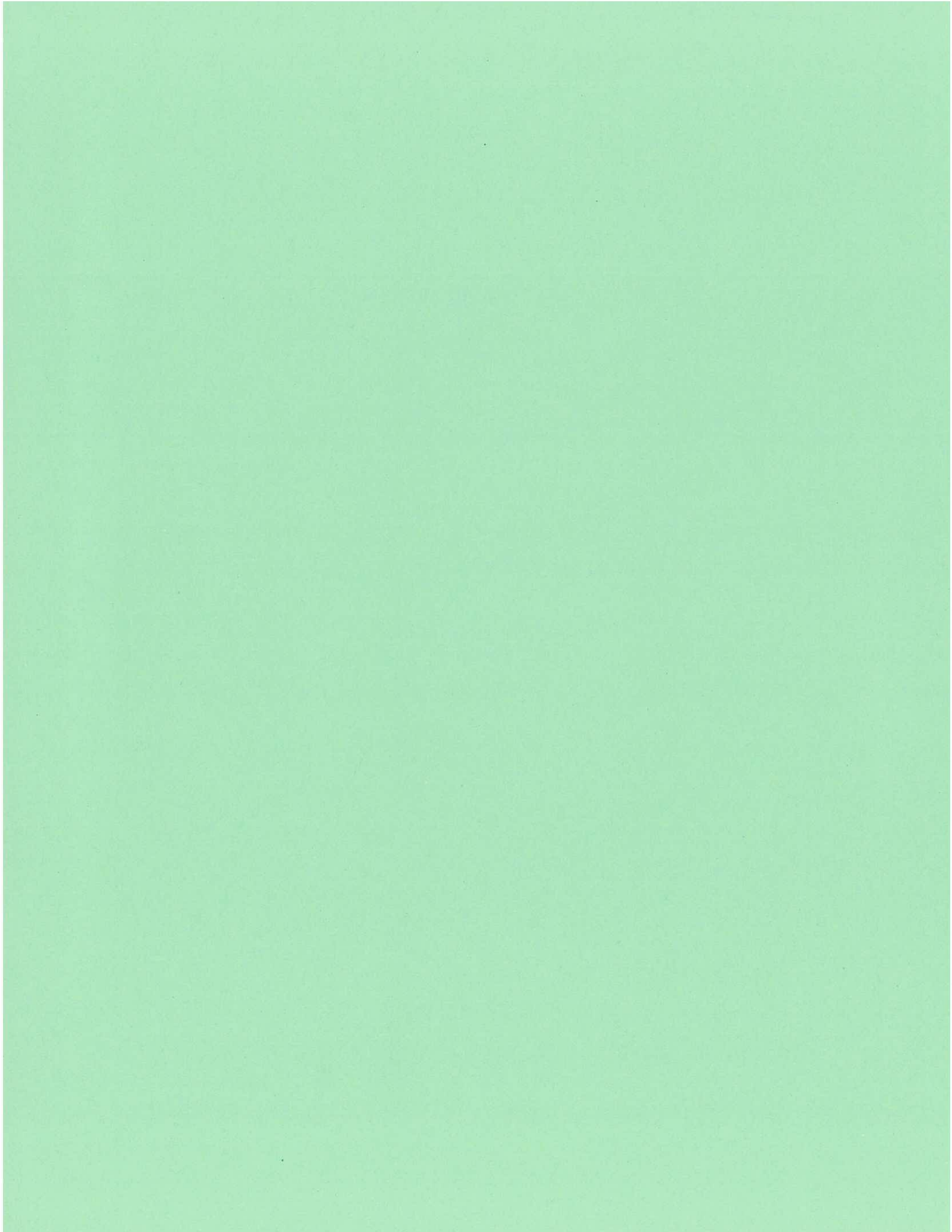
\_\_\_\_\_  
Municipal Treasurer

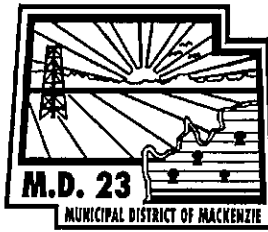
\_\_\_\_\_  
Date

ERNST & YOUNG LLP

[www.ey.com](http://www.ey.com)

© 2006 Ernst & Young LLP  
All Rights Reserved.  
Ernst & Young is  
a registered trademark.





## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item No:

|                      |                                                                     |
|----------------------|---------------------------------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                                      |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                                                  |
| <b>Presented By:</b> | <b>Joulia Whittleton, Acting CAO/Director of Corporate Services</b> |
| <b>Title:</b>        | <b>Bylaw 571/06 – 2006 Tax Rate Bylaw</b>                           |

#### BACKGROUND / PROPOSAL:

If 2005 municipal rate is used for 2006, the combined rate would be decreased by 2% for residential and farmland, and by 4.8% for non-residential. Review property tax rates as was presented at April 26, 2006 meeting:

#### **2006**

|                 | Municipal | School | Seniors | Total  |
|-----------------|-----------|--------|---------|--------|
| Residential     | 6.750     | 3.872  | .239    | 10.861 |
| Farmland        | 7.125     | 3.872  | .239    | 11.236 |
| Non-residential | 10.50     | 5.488  | .239    | 16.227 |

#### **2005**

|                 | Municipal | School | Seniors | Total  |
|-----------------|-----------|--------|---------|--------|
| Residential     | 6.750     | 4.131  | .199    | 11.080 |
| Farmland        | 7.125     | 4.131  | .199    | 11.455 |
| Non-residential | 10.50     | 6.303  | .199    | 17.002 |

At April 26, 2006 council meeting, Council passed a motion:

#### **MOTION 06-308**

**MOVED** by Councilor Wardley

That the tax rate bylaw be brought back to the next council meeting with the combined mill rates for 2006 being equal to 2005 combined mill rates.

**CARRIED**

**DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:**

The tax revenue calculations using various scenarios and the 2006 estimated reserve balances schedules were reviewed by the Finance Committee at the May 2, 2006 meeting.

Please review the attached worksheet with the municipal taxation revenue calculated at various rates.

Please review the attached 2006 estimated reserve balances schedule.

The Finance Committee is recommending that the 2006 tax municipal rate be increased by 2% for residential and farmland, and by 5% for non-residential:

**2006**

|                 | Municipal | School | Seniors | Total  |
|-----------------|-----------|--------|---------|--------|
| Residential     | 6.885     | 3.872  | .239    | 10.996 |
| Farmland        | 7.268     | 3.872  | .239    | 11.379 |
| Non-residential | 11.028    | 5.488  | .239    | 16.752 |

The Finance Committee is recommending that additional municipal tax revenue be contributed to the Roads Reserve.

**Option 1:**

Accept the Finance Committee recommendation - the 2006 municipal residential rate will be increased from 6.125 to 6.885, farmland from 7.125 to 7.268, and non-residential from 10.50 to 11.028 (2% increase for residential and farmland, and 5% increase for non-residential).

**Option 2:**

Proceed with the municipal tax rate increases as per motion 06-308 - the 2006 municipal residential rate will be increased from 6.125 to 6.969, farmland from 7.125 to 7.344, and non-residential from 10.50 to 11.275 (3% increase for residential and farmland, and 7% increase for non-residential).

**COSTS / SOURCE OF FUNDING:**

NA



**RECOMMENDED ACTION:**

**Motion 1:** Option 1

That the 2006 municipal residential rate be increased from 6.125 to 6.885, farmland from 7.125 to 7.268, and non-residential from 10.50 to 11.028 (2% increase for residential and farmland, and 5% increase for non-residential).

**Motion 2:**

That first reading be given to Bylaw 571/06 being a tax rate by-law for the MD of Mackenzie.

**Motion 3:**

That second reading be given to Bylaw 571/06 being a tax rate by-law for the MD of Mackenzie.

**Motion 4:**

That consideration be given go to third reading of Bylaw 571/06 being a tax rate by-law for the MD of Mackenzie.

**Motion 5:**

That third reading be given to Bylaw 571/06 being a tax rate by-law for the MD of Mackenzie.

**Motion 6:**

That \$838,742 additional municipal taxation revenue collected due to an increase in the municipal tax rate be contributed to the Roads Reserve.

Author: Joulia W.

Reviewed:

*Acting*  
C.A.O.: *[Signature]*

**BYLAW NO. 571/06**

**BEING A BYLAW OF THE  
MUNICIPAL DISTRICT OF MACKENZIE NO. 23  
IN THE PROVINCE OF ALBERTA**

**TO AUTHORIZE THE RATES OF TAXATION TO BE  
LEVIED AGAINST ASSESSABLE PROPERTY WITHIN THE  
MUNICIPAL DISTRICT OF MACKENZIE NO. 23  
FOR THE 2006 TAXATION YEAR**

**WHEREAS** the Municipal District of Mackenzie No. 23 in the province of Alberta, has prepared and adopted detailed estimates of the municipal revenue and expenditures as required, at the Council meeting held on April 25, 2006; and

**WHEREAS** the estimated municipal expenditures for capital and operating and transfers including requisitions set out in the budget for the Municipal District of Mackenzie No. 23 for 2006 total **\$29,991,726**; and

**WHEREAS** the estimated municipal revenues and transfers from all sources other than taxation is estimated at **\$4,320,662** and the balance of **\$26,031,064** is to be raised by general municipal taxation; and

**WHEREAS**, the requisitions are:

**Alberta School Foundation Fund Requisition:**

|                          | <b>Base</b>           | <b>Over/Under<br/>Levy</b> | <b>Total</b>        |
|--------------------------|-----------------------|----------------------------|---------------------|
| Residential and Farmland | \$1,167,587.62        | 1,791.67                   | 1,169,379.29        |
| Non-Residential          | <u>5,599,807.69</u>   | <u>-32,215.70</u>          | <u>5,567,591.99</u> |
| <b>Sub – Total</b>       | <b>\$6,767,395.31</b> | <b>-30,424.03</b>          | <b>6,736,971.28</b> |

**Opted Out School Board:**

|                          |                   |               |                 |
|--------------------------|-------------------|---------------|-----------------|
| Residential and Farmland | 2,774.87          | 4.26          | 2,779.13        |
| Non-Residential          | <u>757.63</u>     | <u>- 4.36</u> | <u>753.27</u>   |
| <b>Sub - Total</b>       | <b>\$3,532.50</b> | <b>- .10</b>  | <b>3,532.40</b> |

**Total School Requisitions**    \$6,770,927.81    -30,424.13    \$6,740,503.68

**Lodge Requisition:**

**Total**                                    \$436,896.00                                    -974.33                                    \$435,921.67

**WHEREAS** the Council of the Municipal District of Mackenzie No. 23 is required each year to levy on the assessed value of all property, tax rates sufficient to meet the estimated expenditures and the requisitions; and

**WHEREAS** the Council is authorized to classify assessed property, and to establish different rates of taxation in respect to each class of property, subject to the Municipal Government Act (MGA), Revised Statutes of Alberta, 2000, Chapter M-26; and

**WHEREAS** the assessed value of all property in the Municipal District of Mackenzie No. 23 for school requisition and municipal purposes as shown on the assessment roll is:

**Assessment:**

|                 |                        |
|-----------------|------------------------|
| Residential     | \$267,653,060          |
| Farmland        | 36,826,250             |
| Non-Residential | <u>1,518,747,820</u>   |
| <b>Total</b>    | <b>\$1,823,227,130</b> |

**NOW THEREFORE** under the authority of the Municipal Government Act, the Council of Municipal District of Mackenzie No. 23, in the Province of Alberta, enacts as follows:

1. That the Chief Administrative Officer is hereby authorized and directed to levy the following rates of taxation on the assessed value of all property as shown on the assessment roll of the Municipal District of Mackenzie No. 23.

| <u>General Municipal</u> | <u>Tax Levy</u>        | <u>Assessment</u>      | <u>Tax Rate</u> |
|--------------------------|------------------------|------------------------|-----------------|
| Residential              | \$1,842,791.32         | \$267,653,060          | 0.006885        |
| Farmland                 | 267,653.19             | 36,826,250             | 0.007268        |
| Non-Residential          | 16,744,194.72          | 1,518,747,820          | 0.011025        |
| <b>Total</b>             | <b>\$18,854,639.23</b> | <b>\$1,823,227,130</b> |                 |

| <u>Alberta School Foundation Fund</u> | <u>Tax Levy</u>        | <u>Taxable Assessment</u> | <u>Tax Rate</u> |
|---------------------------------------|------------------------|---------------------------|-----------------|
| Residential and Farmland              | \$ 1,169,264.90        | \$301,979,570             | 0.003872        |
| Non-Residential                       | \$ 5,567,591.99        | 1,014,515,860             | 0.005488        |
| <u>Opted Out School</u>               |                        |                           |                 |
| Residential and Farmland              | 2,779.13               | 717,680                   | 0.003872        |
| Non-Residential                       | 753.27                 | 137,260                   | 0.005488        |
| <u>Exempt</u>                         |                        |                           |                 |
| Machinery & Equipment 100%            | 0.00                   | 447,939,400               | 0.000000        |
| Seniors Self Contain 100%             | 0.00                   | 1,782,060                 | 0.000000        |
| Electric Power Generation 100%        | 0.00                   | 56,155,300                | 0.000000        |
| <b>Total</b>                          | <b>\$ 6,729,298.90</b> | <b>\$1,823,227,130</b>    |                 |

| <u>Lodge Requisition</u> | <u>Tax Levy</u>     | <u>Assessment</u>      | <u>Tax Rate</u> |
|--------------------------|---------------------|------------------------|-----------------|
| <b>Total</b>             | <b>\$435,921.67</b> | <b>\$1,823,227,130</b> | <b>0.000239</b> |



2. That this bylaw shall take effect on the date of the third and final reading.

First Reading given on the \_\_\_\_\_ day of April 2006.

\_\_\_\_\_  
Bill Neufeld, Reeve , Acting Executive Assistant

Second Reading given on the \_\_\_\_\_ day of April 2006.

\_\_\_\_\_  
Bill Neufeld, Reeve , Acting Executive Assistant

Third Reading and Assent given on the \_\_\_\_\_ day of April 2006.

\_\_\_\_\_  
Bill Neufeld, Reeve , Acting Executive Assistant

Municipal District of Mackenzie  
Assessment and Municipal Revenue Review

| Assessment Code & Categories | 2006 assessment        | 2005 municipal tax rate | 2006 municipal levy revenue | Proposed municipal rate as per motion 06-308 | 2006 municipal levy revenue | 2% increase | 2006 municipal levy revenue | 3% increase | 2006 municipal levy revenue | 3% for res and 5% for non-res increase | 2006 municipal levy revenue | 2% for res and 5% for non-res increase | 2006 municipal levy revenue | Additional Revenue per category (using 2% and 5% increases) |                  |
|------------------------------|------------------------|-------------------------|-----------------------------|----------------------------------------------|-----------------------------|-------------|-----------------------------|-------------|-----------------------------|----------------------------------------|-----------------------------|----------------------------------------|-----------------------------|-------------------------------------------------------------|------------------|
| 101 Farm Res/Site            | 84,566,560             | 6.75                    | 570,824                     | 6.969                                        | 589,344.36                  | 6.885       | 582,240.77                  | 6.953       | 587,949.01                  | 6.953                                  | 587,949.01                  | 6.885                                  | 582,240.77                  | 11,416.49                                                   |                  |
| 102 Residential Imp/Site     | 167,878,020            | 6.75                    | 1,133,177                   | 6.969                                        | 1,169,941.92                | 6.885       | 1,155,840.17                | 6.953       | 1,167,171.93                | 6.953                                  | 1,167,171.93                | 6.885                                  | 1,155,840.17                | 22,663.53                                                   |                  |
| 103 Vacant Residential       | 7,937,890              | 6.75                    | 53,581                      | 6.969                                        | 55,319.16                   | 6.885       | 54,652.37                   | 6.953       | 55,188.18                   | 6.953                                  | 55,188.18                   | 6.885                                  | 54,652.37                   | 1,071.62                                                    |                  |
| 104 Res Imp/Site Nil RAP     | 303,360                | 6.75                    | 2,048                       | 6.969                                        | 2,114.12                    | 6.885       | 2,088.63                    | 6.953       | 2,109.11                    | 6.953                                  | 2,109.11                    | 6.885                                  | 2,088.63                    | 40.95                                                       |                  |
| 141 Grazing Lease Detail     | 645,110                | 7.125                   | 4,596                       | 7.344                                        | 4,737.69                    | 7.268       | 4,688.34                    | 7.339       | 4,734.30                    | 7.339                                  | 4,734.30                    | 7.268                                  | 4,688.34                    | 91.93                                                       |                  |
| 151 Farmland                 | 35,672,860             | 7.125                   | 254,169                     | 7.344                                        | 261,981.48                  | 7.268       | 259,252.51                  | 7.339       | 261,794.20                  | 7.339                                  | 261,794.20                  | 7.268                                  | 259,252.51                  | 5,083.38                                                    |                  |
| 152 Residential @ AUV        | -                      | 6.75                    | -                           | 6.969                                        | -                           | 6.885       | -                           | 6.953       | -                           | 6.953                                  | -                           | 6.885                                  | -                           | -                                                           |                  |
| 153 Vacant Residential @     | -                      | 6.75                    | -                           | 6.969                                        | -                           | 6.885       | -                           | 6.953       | -                           | 6.953                                  | -                           | 6.885                                  | -                           | -                                                           |                  |
|                              | <b>\$297,003,800</b>   |                         | <b>\$2,018,395</b>          |                                              | <b>\$2,083,439</b>          |             | <b>\$2,058,763</b>          |             | <b>\$2,078,947</b>          |                                        | <b>\$2,078,947</b>          |                                        | <b>\$2,058,763</b>          | <b>\$40,368</b>                                             |                  |
| 200 Railway R of W           | 2,578,380              | 10.50                   | 27,073                      | 11.275                                       | 29,071.23                   | 10.710      | 27,614.45                   | 10.815      | 27,885.18                   | 11.025                                 | 28,426.64                   | 11.025                                 | 28,426.64                   | 1,353.65                                                    |                  |
| 202 Commercial Imp/Site      | 37,102,680             | 10.50                   | 389,578                     | 11.275                                       | 418,332.72                  | 10.710      | 397,369.70                  | 10.815      | 401,265.48                  | 11.025                                 | 409,057.05                  | 11.025                                 | 409,057.05                  | 19,478.91                                                   |                  |
| 203 Industrial Imp/Site      | 2,920,310              | 10.50                   | 30,663                      | 11.275                                       | 32,926.50                   | 10.710      | 31,276.52                   | 10.815      | 31,583.15                   | 11.025                                 | 32,196.42                   | 11.025                                 | 32,196.42                   | 1,533.16                                                    |                  |
| 252 Commercial Vacant        | 1,173,530              | 10.50                   | 12,322                      | 11.275                                       | 13,231.55                   | 10.710      | 12,568.51                   | 10.815      | 12,691.73                   | 11.025                                 | 12,938.17                   | 11.025                                 | 12,938.17                   | 616.10                                                      |                  |
| 253 Industrial Vacant        | 996,010                | 10.50                   | 10,458                      | 11.275                                       | 11,230.01                   | 10.710      | 10,667.27                   | 10.815      | 10,771.85                   | 11.025                                 | 10,981.01                   | 11.025                                 | 10,981.01                   | 522.91                                                      |                  |
|                              | <b>\$44,770,910</b>    |                         | <b>\$470,095</b>            |                                              | <b>\$504,792</b>            |             | <b>\$479,496</b>            |             | <b>\$484,197</b>            |                                        | <b>\$493,599</b>            |                                        | <b>\$493,599</b>            | <b>\$23,505</b>                                             |                  |
| 401 Proc. Man'fac Buildi     | 93,000,880             | 10.50                   | 976,509                     | 11.275                                       | 1,048,584.92                | 10.710      | 996,039.42                  | 10.815      | 1,005,804.52                | 11.025                                 | 1,025,334.70                | 11.025                                 | 1,025,334.70                | 48,825.46                                                   |                  |
| 402 Machinery/Equipment      | 447,939,400            | 10.50                   | 4,703,364                   | 11.275                                       | 5,050,516.74                | 10.710      | 4,797,430.97                | 10.815      | 4,844,464.61                | 11.025                                 | 4,938,531.89                | 11.025                                 | 4,938,531.89                | 235,168.19                                                  |                  |
|                              | <b>\$540,940,280</b>   |                         | <b>\$5,679,873</b>          |                                              | <b>\$6,099,102</b>          |             | <b>\$5,793,470</b>          |             | <b>\$5,850,269</b>          |                                        | <b>\$5,963,867</b>          |                                        | <b>\$5,963,867</b>          | <b>\$283,994</b>                                            |                  |
| 501 Pipelines/Wells Line     | 830,230,530            | 10.50                   | 8,717,421                   | 11.275                                       | 9,360,849.23                | 10.710      | 8,891,768.98                | 10.815      | 8,978,943.18                | 11.025                                 | 9,153,291.59                | 11.025                                 | 9,153,291.59                | 435,871.03                                                  |                  |
| 502 Electric Power System    | 30,298,410             | 10.50                   | 318,133                     | 11.275                                       | 341,614.57                  | 10.710      | 324,495.97                  | 10.815      | 327,677.30                  | 11.025                                 | 334,039.97                  | 11.025                                 | 334,039.97                  | 15,906.67                                                   |                  |
| 503 Telecomm. Systems Li     | 14,025,790             | 10.50                   | 147,271                     | 11.275                                       | 158,140.78                  | 10.710      | 150,216.21                  | 10.815      | 151,688.92                  | 11.025                                 | 154,634.33                  | 11.025                                 | 154,634.33                  | 7,363.54                                                    |                  |
| 504 Cable Television Sys     | 161,020                | 10.50                   | 1,691                       | 11.275                                       | 1,815.50                    | 10.710      | 1,724.52                    | 10.815      | 1,741.43                    | 11.025                                 | 1,775.25                    | 11.025                                 | 1,775.25                    | 84.54                                                       |                  |
| 505 Electric Energy Gene     | 56,155,300             | 10.50                   | 589,631                     | 11.275                                       | 633,151.01                  | 10.710      | 601,423.26                  | 10.815      | 607,319.57                  | 11.025                                 | 619,112.18                  | 11.025                                 | 619,112.18                  | 29,481.53                                                   |                  |
|                              | <b>\$930,871,050</b>   |                         | <b>\$9,774,146</b>          |                                              | <b>\$10,495,571</b>         |             | <b>\$9,969,629</b>          |             | <b>\$10,067,370</b>         |                                        | <b>\$10,262,853</b>         |                                        | <b>\$10,262,853</b>         | <b>\$488,707</b>                                            |                  |
| 601 Federal MV GIL           | 822,210                | 6.75                    | 5,550                       | 6.969                                        | 5,729.98                    | 6.885       | 5,660.92                    | 6.953       | 5,716.42                    | 6.953                                  | 5,716.42                    | 6.885                                  | 5,660.92                    | 111.00                                                      |                  |
| 603 Provincial MV GIL        | 175,850                | 6.75                    | 1,187                       | 6.969                                        | 1,225.50                    | 6.885       | 1,210.73                    | 6.953       | 1,222.60                    | 6.953                                  | 1,222.60                    | 6.885                                  | 1,210.73                    | 23.74                                                       |                  |
| 605 AMHC MV GIL              | 4,125,040              | 6.75                    | 27,844                      | 6.969                                        | 28,747.40                   | 6.885       | 28,400.90                   | 6.953       | 28,679.34                   | 6.953                                  | 28,679.34                   | 6.885                                  | 28,400.90                   | 556.88                                                      |                  |
| 609 Seniors Self Contain     | 1,782,060              | 6.75                    | 12,029                      | 6.969                                        | 12,419.18                   | 6.885       | 12,269.48                   | 6.953       | 12,389.77                   | 6.953                                  | 12,389.77                   | 6.885                                  | 12,269.48                   | 240.58                                                      |                  |
| 641 Provincial Grazing R     | 523,810                | 6.75                    | 3,536                       | 6.969                                        | 3,650.43                    | 6.885       | 3,606.43                    | 6.953       | 3,641.79                    | 6.953                                  | 3,641.79                    | 6.885                                  | 3,606.43                    | 70.71                                                       |                  |
| 651 Federal AUV GIL          | 46,540                 | 6.75                    | 314                         | 6.969                                        | 324.34                      | 6.885       | 320.43                      | 6.953       | 323.57                      | 6.953                                  | 323.57                      | 6.885                                  | 320.43                      | 6.28                                                        |                  |
|                              | <b>\$7,475,510</b>     |                         | <b>\$50,460</b>             |                                              | <b>\$52,097</b>             |             | <b>\$51,469</b>             |             | <b>\$51,973</b>             |                                        | <b>\$51,973</b>             |                                        | <b>\$51,469</b>             | <b>\$1,009</b>                                              |                  |
| 701 Federal MV GIL           | 398,800                | 10.50                   | 4,187                       | 11.275                                       | 4,496.47                    | 10.710      | 4,271.15                    | 10.815      | 4,313.02                    | 11.025                                 | 4,396.77                    | 11.025                                 | 4,396.77                    | 209.37                                                      |                  |
| 703 Provincial MV GIL        | 1,726,100              | 10.50                   | 18,124                      | 11.275                                       | 19,461.78                   | 10.710      | 18,486.53                   | 10.815      | 18,667.77                   | 11.025                                 | 19,030.25                   | 11.025                                 | 19,030.25                   | 906.20                                                      |                  |
| 705 AMHC MV GIL              | 26,380                 | 10.50                   | 277                         | 11.275                                       | 297.43                      | 10.710      | 282.53                      | 10.815      | 285.30                      | 11.025                                 | 290.84                      | 11.025                                 | 290.84                      | 13.85                                                       |                  |
| 707 CBC MV GIL               | 14,300                 | 10.50                   | 150                         | 11.275                                       | 161.23                      | 10.710      | 153.15                      | 10.815      | 154.65                      | 11.025                                 | 157.66                      | 11.025                                 | 157.66                      | 7.51                                                        |                  |
| 709 Provincial Linear GI     | -                      | 10.50                   | -                           | 11.275                                       | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
|                              | <b>\$2,165,580</b>     |                         | <b>\$22,739</b>             |                                              | <b>\$24,417</b>             |             | <b>\$23,193</b>             |             | <b>\$23,421</b>             |                                        | <b>\$23,876</b>             |                                        | <b>\$23,876</b>             | <b>\$1,137</b>                                              |                  |
| 801 Federal MV Exempt        | 21,810                 | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 802 M & E Exempt             | 20,170                 | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 803 Provincial MV Exempt     | 22,887,930             | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 809 Misc. Exempt MV          | 70,317,130             | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 810 Seed Cleaning Exempt     | 402,880                | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 820 M.D. #23 Owned Exempt    | 9,679,080              | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 841 Prov Graze Reserve AU    | 89,620                 | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 851 Federal AUV Exempt       | -                      | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 853 Provincial AUV Exempt    | 7,310                  | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 859 Misc AUV Exempt          | 2,610                  | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 901 Rural Residential Ex     | 23,981,770             | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
| 903 Farm Building Exempt     | 3,433,410              | -                       | -                           | -                                            | -                           | -           | -                           | -           | -                           | -                                      | -                           | -                                      | -                           | -                                                           |                  |
|                              | <b>\$130,843,720</b>   |                         | <b>-</b>                    |                                              | <b>-</b>                    |             | <b>-</b>                    |             | <b>-</b>                    |                                        | <b>-</b>                    |                                        | <b>-</b>                    | <b>-</b>                                                    |                  |
| <b>Total Assessment</b>      | <b>\$1,954,070,850</b> |                         | <b>\$18,015,707</b>         |                                              | <b>\$0</b>                  |             | <b>\$18,376,021</b>         |             | <b>\$0</b>                  |                                        | <b>\$18,556,178</b>         |                                        | <b>\$0</b>                  | <b>\$18,854,426</b>                                         | <b>\$838,720</b> |



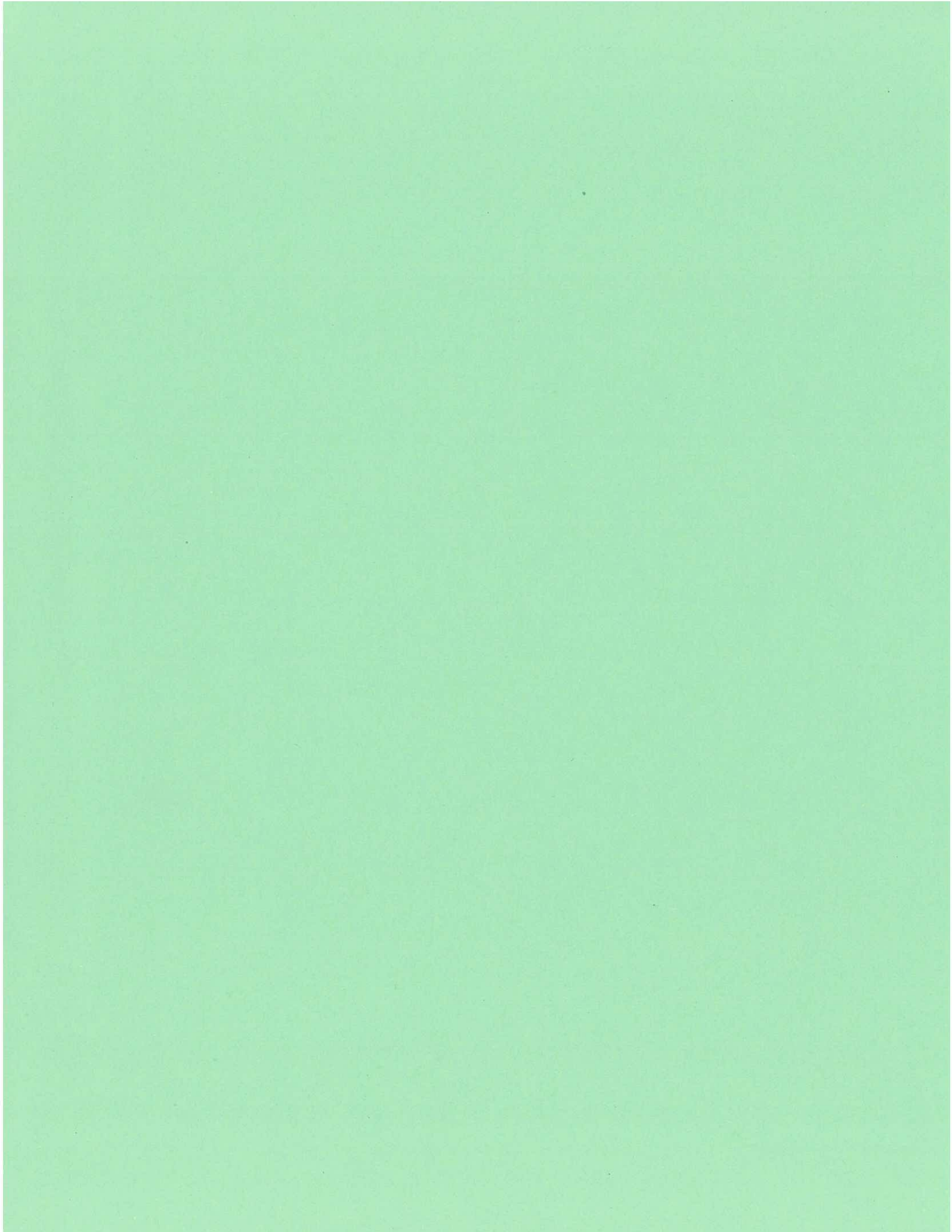
| Assessment Code & Categories    | 2006 assessment        | 2005 municipal tax rate | 2006 municipal levy revenue | Proposed municipal rate as per motion 06-308 | 2006 municipal levy revenue | 2% increase | 2006 municipal levy revenue | 3% increase | 2006 municipal levy revenue | 3% for res and 5% for non-res increase | 2006 municipal levy revenue | 2% for res and 5% for non-res increase | 2006 municipal levy revenue | Additional Revenue per category (using 2% and 5% increases) |
|---------------------------------|------------------------|-------------------------|-----------------------------|----------------------------------------------|-----------------------------|-------------|-----------------------------|-------------|-----------------------------|----------------------------------------|-----------------------------|----------------------------------------|-----------------------------|-------------------------------------------------------------|
| Summary by category             |                        |                         |                             |                                              |                             |             |                             |             |                             |                                        |                             |                                        |                             |                                                             |
| Residential Property            | \$266,619,310          |                         | \$1,799,779                 |                                              | \$1,858,184                 |             | \$1,835,775                 |             | \$1,853,773                 |                                        | \$1,853,778                 |                                        | \$1,835,783                 | \$36,004                                                    |
| Commercial Property             | \$38,276,210           |                         | \$401,900                   |                                              | \$431,564                   |             | \$409,938                   |             | \$413,957                   |                                        | \$421,995                   |                                        | \$421,995                   | \$20,095                                                    |
| Industrial Property             | \$96,917,200           |                         | \$1,017,631                 |                                              | \$1,092,741                 |             | \$1,037,983                 |             | \$1,048,160                 |                                        | \$1,068,512                 |                                        | \$1,068,512                 | \$50,882                                                    |
| Farmland Property               | \$36,317,970           |                         | \$258,766                   |                                              | \$266,719                   |             | \$263,941                   |             | \$266,529                   |                                        | \$266,529                   |                                        | \$263,941                   | \$5,175                                                     |
| Machinery & Equipment           | \$447,939,400          |                         | \$4,703,364                 |                                              | \$5,050,517                 |             | \$4,797,431                 |             | \$4,844,465                 |                                        | \$4,938,532                 |                                        | \$4,938,532                 | \$235,168                                                   |
| Linear                          | \$933,449,430          |                         | \$9,801,219                 |                                              | \$10,524,642                |             | \$9,997,243                 |             | \$10,095,256                |                                        | \$10,291,280                |                                        | \$10,291,280                | \$490,061                                                   |
| Grants in Lieu                  | \$3,707,610            |                         | \$33,048                    |                                              | \$35,050                    |             | \$33,709                    |             | \$34,040                    |                                        | \$34,489                    |                                        | \$34,383                    | \$1,335                                                     |
| <b>Total Taxable Assessment</b> | <b>\$1,823,227,130</b> |                         | <b>\$18,015,707</b>         | <b>\$0</b>                                   | <b>\$19,259,417</b>         | <b>\$0</b>  | <b>\$18,376,021</b>         | <b>\$0</b>  | <b>\$18,556,178</b>         | <b>\$0</b>                             | <b>\$18,875,115</b>         | <b>\$0</b>                             | <b>\$18,854,426</b>         | <b>\$838,720</b>                                            |
| Tax exempt assessment           | \$130,843,720          |                         | -                           |                                              | -                           |             | -                           |             | -                           |                                        | -                           |                                        | -                           | -                                                           |
| <b>Total Assessment</b>         | <b>\$1,954,070,850</b> |                         | <b>\$18,015,707</b>         | <b>\$0</b>                                   | <b>\$19,259,417</b>         | <b>\$0</b>  | <b>\$18,376,021</b>         | <b>\$0</b>  | <b>\$18,556,178</b>         | <b>\$0</b>                             | <b>\$18,875,115</b>         | <b>\$0</b>                             | <b>\$18,854,426</b>         | <b>\$838,720</b>                                            |
| <b>ADDITIONAL REVENUE</b>       |                        |                         |                             |                                              | <b>\$1,243,711</b>          |             | <b>\$360,314</b>            |             | <b>\$540,471</b>            |                                        | <b>\$859,408</b>            |                                        | <b>\$838,720</b>            |                                                             |

2006

|                 | Municipal-2005 | School | Seniors | Total  | % decrease from 2005 in combined rate | Proposed municipal rate as per motion 06-308 | % increase from 2005 in municipal rate | 2% for res and 5% for non-res municipal rates | Total is using 2% for res and 5% for non-res | % decrease in combined rate from 2005 |
|-----------------|----------------|--------|---------|--------|---------------------------------------|----------------------------------------------|----------------------------------------|-----------------------------------------------|----------------------------------------------|---------------------------------------|
| Residential     | 6.750          | 3.872  | 0.239   | 10.861 | -1.977%                               | 6.969                                        | 3.24%                                  | 6.885                                         | 10.996                                       | -0.76%                                |
| Farmland        | 7.125          | 3.872  | 0.239   | 11.236 | -1.912%                               | 7.344                                        | 3.07%                                  | 7.268                                         | 11.379                                       | -0.67%                                |
| Non-residential | 10.50          | 5.488  | 0.239   | 16.227 | -4.558%                               | 11.275                                       | 7.38%                                  | 11.025                                        | 16.752                                       | -1.47%                                |

2005

|                 | Municipal | School | Seniors | Total  |
|-----------------|-----------|--------|---------|--------|
| Residential     | 6.75      | 4.131  | 0.199   | 11.080 |
| Farmland        | 7.125     | 4.131  | 0.199   | 11.455 |
| Non-residential | 10.5      | 6.303  | 0.199   | 17.002 |





## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                                              |
|----------------------|--------------------------------------------------------------|
| <b>Meeting:</b>      | Regular Council Meeting                                      |
| <b>Meeting Date:</b> | May 9, 2006                                                  |
| <b>Presented By:</b> | Joulia Whittleton, Acting CAO/Director of Corporate Services |
| <b>Title:</b>        | Appointments of mediators                                    |

#### BACKGROUND / PROPOSAL:

The MD of Mackenzie and the Town of High Level agreed to enter into negotiations with a support of two mediators.

#### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

Jointly, the Town of High Level and the MD of Mackenzie have chosen Barbara McNeil and Andrew Fulton as mediators for these negotiations.

#### COSTS / SOURCE OF FUNDING:

Mediation cost will be split between the Town, the MD of Mackenzie and Municipal Affairs. We included \$20,000 in the 2006 budget for this.

#### RECOMMENDED ACTION:

That Barbara McNeil and Andrew Fulton be appointed as mediators for the 2006 negotiations with the Town of High Level.

|                      |                     |                                           |
|----------------------|---------------------|-------------------------------------------|
| <b>Author:</b><br>YW | <b>Review Date:</b> | <b>C.A.O.:</b> <i>Acting</i><br><i>AD</i> |
|----------------------|---------------------|-------------------------------------------|



The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial data. This includes not only sales and purchases but also expenses and income. The document provides a detailed explanation of how to categorize these transactions and how to use a double-entry system to ensure that the books are balanced.

The second part of the document focuses on the process of reconciling the books. It explains how to compare the company's records with bank statements and other external sources to identify any discrepancies. This process is crucial for detecting errors and preventing fraud. The document provides a step-by-step guide to performing a reconciliation, including how to investigate and resolve any differences.

The third part of the document discusses the importance of regular audits. It explains that audits are necessary to ensure that the financial statements are accurate and reliable. The document provides a list of common audit procedures and explains how to prepare for an audit. It also discusses the role of the auditor and how to respond to any findings.

The fourth part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry, no matter how small, should be recorded to ensure the integrity of the financial data. This includes not only sales and purchases but also expenses and income. The document provides a detailed explanation of how to categorize these transactions and how to use a double-entry system to ensure that the books are balanced.



## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item # \_\_\_\_\_

|                      |                                                                     |
|----------------------|---------------------------------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                                      |
| <b>Meeting Date:</b> | <b>May 9, 2006</b>                                                  |
| <b>Presented By:</b> | <b>Joulia Whittleton, Acting CAO/Director of Corporate Services</b> |
| <b>Title:</b>        | <b>Municipal bursaries program</b>                                  |

#### BACKGROUND / PROPOSAL:

Council requested that the committee reviews the municipal bursary program. One of the Council's concerns was regarding a Return Service Agreement (RSA) conditions and follow up processes. In addition, a suggestion was made to offer a bursary program to students for their second and subsequent years of studies.

#### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

The current municipal bursary application process is as follows:

- ✓ Students must be graduating from any public school within the Mackenzie Region, and must reside in the MD of Mackenzie;
- ✓ Students are only eligible to receive a bursary in the year of graduation from public school;
- ✓ Every student that receives a bursary must sign the RSA – a student must return and work within the Mackenzie Region for at least 6 month; students not returning to work within the Mackenzie Region may be expected to reimburse bursary grant funds received – 3 month of return service is equal to \$500 of total bursary support;
- ✓ Current application deadline is last working day of May.

The current applications review process is as follows:

- ✓ Finance Committee reviews all applications and makes a decision regarding bursaries awarding;
- ✓ No funds issued until the Return Service Agreement is signed and a confirmation of acceptance from the post-secondary institution is received by the municipality;
- ✓ 2004 and 2005 were the first years when signing of the RSA were exercised;
- ✓ Administration monitors whether the conditions outlined in the RSA are followed.

|                      |                     |                                           |
|----------------------|---------------------|-------------------------------------------|
| <b>Author:</b><br>YW | <b>Review Date:</b> | <b>C.A.O.:</b> <i>Acting</i><br><i>JH</i> |
|----------------------|---------------------|-------------------------------------------|

The Finance Committee reviewed the current municipal bursaries program and is recommending the following:

- ✓ Bursaries be made available to students within two years from graduation date instead of in the year of graduation;
- ✓ Returning students may reapply and be considered for a bursary;
- ✓ That the MD increases its bursaries budget to \$10,000 (6 for a first year of post-secondary education students and 4 for returning students) – current budget includes \$6,000 for high-school graduating students;
- ✓ That the 2006 bursary deadline be extended to June 15, 2006.

**COSTS / SOURCE OF FUNDING:**

We require additional \$4,000 from general operating fund in order to increase our bursary program to ten bursaries.

**RECOMMENDED ACTION:**

**Motion 1:**

That the 2006 deadline to submit a bursary application be extended to June 16, 2006.

**Motion 2:**

That the municipal bursaries be made available to students within two years from a graduation date and have graduated from a public school within the Mackenzie Region, and either student or family must be living in the MD of Mackenzie.

**Motion 3:**

That returning students, who live in the MD of Mackenzie or whose families live in the MD of Mackenzie, and these students have graduated from a public school within the Mackenzie Region, may reapply and be considered for a bursary.

**Motion 4:** requires 2/3

That 2006 operating budget be amended by increasing the current bursaries budget from \$6,000 to \$10,000 with funds coming from the general operating fund.

|               |              |                                                                                                                                                                  |
|---------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Author:<br>YW | Review Date: | <div style="text-align: center;"> <i>Acting</i><br/> <b>C.A.O.:</b>  </div> |
|---------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|



# MUNICIPAL DISTRICT OF MACKENZIE BURSARY APPLICATION

---

## General Guidelines

### ***Student Eligibility***

- Must be graduating from any public school within the Municipal District area (including High Level and Rainbow Lake); **AND** either student or family must be living in the Municipal District.
- Must be enrolled in a post-secondary education or certified trade institution.
- Must commit to live and work in the Municipal District of Mackenzie for a six-month period upon graduation of post-secondary education.
- Must be able to demonstrate commitment to community and education.
- Students are only eligible to receive a bursary in the year of graduation from public school.

### ***Return Service Agreement***

Every student selected to receive a Municipal District of Mackenzie Bursary must sign an agreement. The Agreement commits the student to live and work within the Municipal District of Mackenzie for a six month period upon graduation of post-secondary studies. The length of return services is based on the total value of bursary support with 3 months of return service for each \$500 of total bursary support or any portion thereof. For example: a bursary of \$1000 has a return agreement of six months.

Students not returning to work within the Municipal District of Mackenzie may be expected to reimburse bursary grants received.

### ***Bursary Amount***

The usual amount of the bursary is \$1000.00; however both the number and value of bursaries available each year may vary.

Successful Bursary recipients will receive notification in June, however the funds will not be provided until the Return Service Agreement has been signed and you have provided us with confirmation of acceptance from the post-secondary institution of your choice.

### ***Application Must Include:***

- A cover letter including reason for application, the field of study, career goal and date of graduation.
- 3 Reference letters: 1 school related, and 2 personal references

### ***Application deadline***

The deadline for receipt of application is the last working day in May at 4:30 p.m. at the following address:

Finance Committee  
Attn: Youlia Whittleton  
Box 640  
Fort Vermilion, Alberta T0H 1N0  
Fax: (780) 927-4266

**BURSARY APPLICATION FOR  
MUNICIPAL DISTRICT OF MACKENZIE NO. 23**

---

**Contact Information** (Please print)

Full Name \_\_\_\_\_ Phone Number: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_ Postal Code: \_\_\_\_\_

Street Address or Land location \_\_\_\_\_

Number of years lived in region \_\_\_\_\_

---

**Educational Information**

Which public school are you graduating from: \_\_\_\_\_

Provide a list of the grade twelve subjects, with final grade, that you are using as entry level for post-secondary or trade education. (Please provide a copy of your transcripts if available.)

---

---

---

---

Post-secondary school you plan to attend: \_\_\_\_\_

Program enrolled in: \_\_\_\_\_

Length of Program Studies you plan to attend: \_\_\_ 1yr. \_\_\_ 2 yr. \_\_\_ 3 yr. \_\_\_ 4yr. \_\_\_ more

Date you expect to graduate: \_\_\_\_\_ 20\_\_

---

**Personal Information**

Please explain how your choice of post-secondary education will benefit the Municipal District of Mackenzie area?

---

---

---

Please list any community involvement and past work experiences.

---

---

Please list any extracurricular activities, hobbies and interests.

---

---

---

**Your application may not be considered if information is missing.  
Have you answered all the questions?**

***Applicant Declaration***

I declare that:

to the best of my knowledge, the information given on this application is true.

I agree to:

provide any information needed to verify any statement made on this application

I understand that:

I may have to repay my bursary if I do not fulfil my return service agreement

I may be denied a bursary if I have made any false or misleading statements on this application

I consent to:

The use of my name and/or photograph by the Municipal District of Mackenzie for the purposes of publicizing the Municipal District of Mackenzie No. 23 Bursary Program.

X  
\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date signed

## RETURN SERVICE AGREEMENT

THIS AGREEMENT made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**BETWEEN**

**MUNICIPAL DISTRICT OF MACKENZIE #23**

(referred to as the "Sponsor")

**and**

\_\_\_\_\_  
(referred to as the "Student")

of the \_\_\_\_\_ of \_\_\_\_\_, in the Province of Alberta

**WHEREAS** the Sponsor has established a bursary to provide assistance to eligible students and to promote the development of vocational or professional expertise within northern Alberta; and

**WHEREAS** the Student has applied to the Sponsor for a Bursary to assist him in his course of studies; and

**WHEREAS** a Bursary consists of a financial assistance award from the Sponsor; and

**WHEREAS** the Student has undertaken to work and provide services in the Sponsor region; now

**THEREFORE** the parties agree as follows:

1. For the purposes of this agreement, "sponsor region" means the area within the boundaries of the Municipal District of Mackenzie No. 23.
2. Upon approval of the Student's application by the Sponsor and upon receipt of confirmation of the Student's registration in the course of studies, the Sponsor will pay to the Student the sum of \$ \_\_\_\_\_ as an award in order for the Student to commence the course of studies as outlined in the Student's bursary application.
3. The Student
  - a) agrees and undertakes to obtain, within six (6) months from the last day of his/her studies, employment in northern Alberta for a continuous period of \_\_\_\_\_ months.

- b) agrees and acknowledges that his employment under (a) is to be in an occupation or field of endeavor which relates to his course of studies and is to be otherwise satisfactory to the Sponsor;
  - c) Must annually provide written information to the Sponsor regarding the status and location of employment; commencing on the date on which employment is obtained in accordance with this Agreement and until the completion of work commitments under this Agreement;
  - d) Must in writing notify the Sponsor within seven (7) days of the following events:
    - i) a withdrawal from the course of studies; or
    - ii) a failure to maintain a passing grade in his course of studies in any academic year; or
    - iii) a change of address.
4. The Sponsor may, in its absolute discretion, require repayment in full by the Student of the Bursary to the Sponsor for failure to comply with clause 3 of this Agreement or upon the occurrence of one or more of the events in clause 3(d).
5. If the Sponsor requires repayment of the financial assistance for failure to maintain employment in accordance with clause 3(a), the Sponsor may, in its absolute discretion, consider the employment commitment under clause 3(a), to be partially fulfilled and accordingly reduce the repayment obligations of the Student under this Agreement on a pro rata basis.
6. The Sponsor may waive a default of this Agreement only by written notice to the Student.
7. The Student agrees and acknowledges that he has the sole obligation to seek employment and lodging to fulfill his commitment under this Agreement and that there is no obligation upon the Sponsor to provide any employment position or lodging place to help fulfill this commitment.
8. The Student allows the Sponsor to release his name as a bursary recipient for advertising and recognition of the bursary.
9. All notices and other written communications required or permitted under this Agreement can be delivered by hand, or sent by registered mail or faxed to the addressee as follows:

To the Sponsor:      c/o Municipal District of Mackenzie #23  
                                 P.O. Box 640  
                                 Fort Vermilion, AB  
                                 T0H 1N0  
                                 Phone: (780) 927-3718  
                                 Fax: (780) 927-4266

**TO THE STUDENT** \_\_\_\_\_

Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first written above.

**SIGNED IN THE PRESENCE OF**

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of Student

Printed name of Witness: \_\_\_\_\_

Address of Witness: \_\_\_\_\_

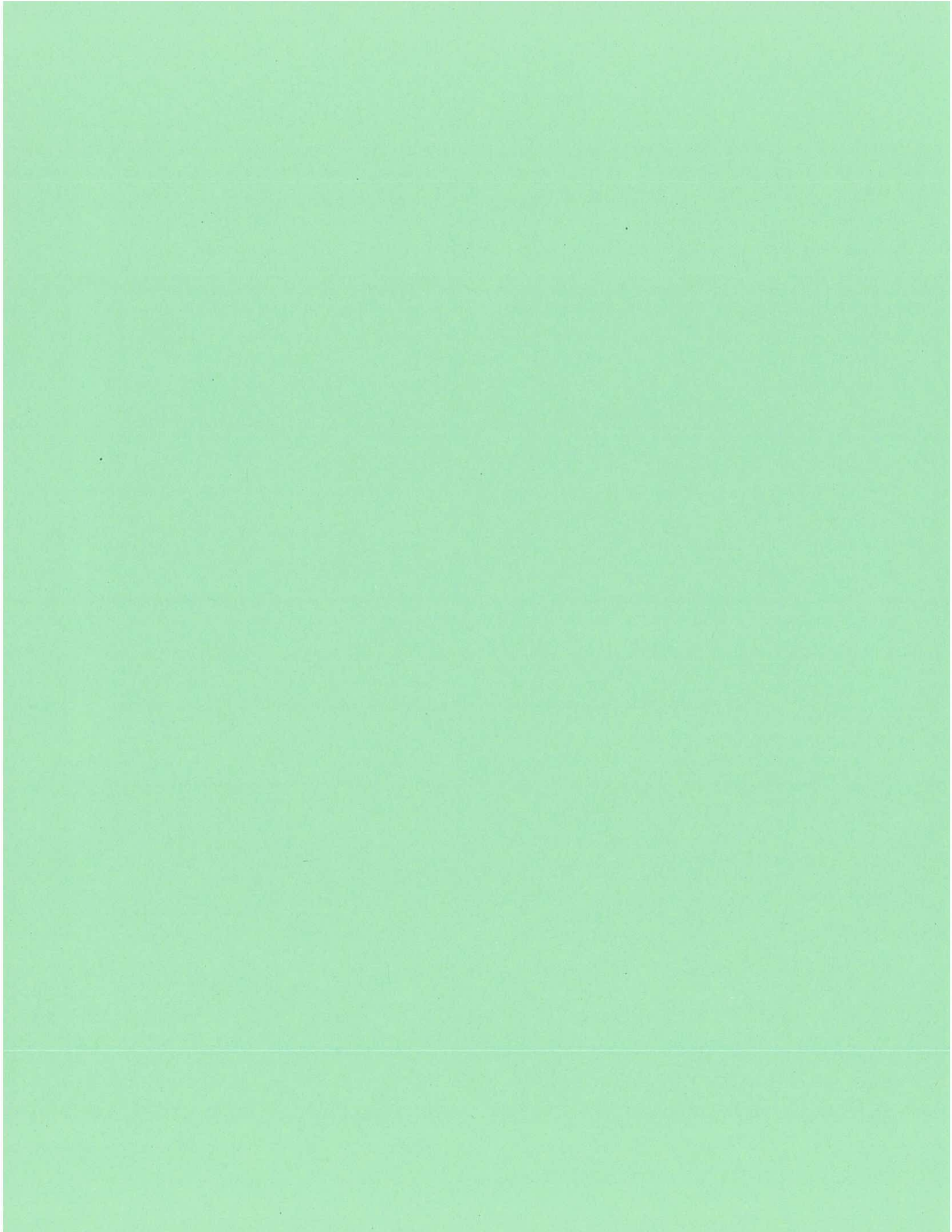
Postal Code of Witness: \_\_\_\_\_

Phone Number of Witness \_\_\_\_\_

***TO BE COMPLETED BY THE SPONSOR***

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature of Sponsor





## M.D. of Mackenzie No. 23

### Request For Decision

Agenda Item No:

|                      |                                                               |
|----------------------|---------------------------------------------------------------|
| <b>Meeting:</b>      | <b>Regular Council Meeting</b>                                |
| <b>Meeting Date:</b> | May 9, 2006                                                   |
| <b>Presented By:</b> | Joulia Whittleton, Acting CAO/ Director of Corporate Services |
| <b>Title:</b>        | <b>Capital projects 2006 Progress Report and Year to-date</b> |
| <b>Operating</b>     | <b>Income Statement</b>                                       |

#### BACKGROUND / PROPOSAL:

Statuses report on our 2005 capital projects.  
Operating revenues and expenditures figures for the period ended April 30, 2006..

#### DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

For information.

#### COSTS / SOURCE OF FUNDING:

N/A

#### RECOMMENDED ACTION:

That the capital project progress report and the year-to-date operating income statement be received for information.

Author: *Karen K.*

Reviewed:

*Acting*  
C.A.O.: *AK*



*MD of Mackenzie # 23  
Finance department report  
April 30, 2006*

*Variances:      Date of a  
                         note  
                         addition*

- Note    -1                      Sale of Land - code 1-\*\*-\*\*-\*\*-424:  
                 Mar-06      \$30,200 - proceeds from a sale of land in FV*
- Note    -2                      Other Revenue - code 1-\*\*-\*\*-\*\*-597:  
                 Mar-06      Ambulance department - received \$5,476 from Alberta Government*
- Note    -3                      Provincial grants - code 1-\*\*-\*\*-\*\*-840:  
                 Apr-06      Agriculture department received \$11,654 for an '05 project*
- Note    -4                      Legal - code 2-\*\*-\*\*-\*\*-232:  
                 Apr-06      Ambulance Department - \$2,794 EMS FOIP Request*
- Note    -5                      Equipment Repair - code 2-\*\*-\*\*-\*\*-253  
                 Apr-06      Airport - \$3,072 Repair lights*

*Investment Report - Term Deposits:*

*All term deposits have matured.*

**MD of Mackenzie**  
**Summary of All Units**  
 April 30, 2006

|                                        | 2005 Actual         | 2006 Actual      | 2006                | \$ Budget                | % Budget    |
|----------------------------------------|---------------------|------------------|---------------------|--------------------------|-------------|
|                                        | Total               | Total            | Budget              | Remaining                | Remaining   |
| <b>REVENUE</b>                         |                     |                  |                     |                          |             |
| 100-TAXATION                           | \$23,309,371        |                  | \$25,192,323        | (\$25,192,323.00)        | -100%       |
| 124-FRONTAGE                           | \$174,543           |                  | \$274,656           | (\$274,656.00)           | -100%       |
| 420-SALES OF GOODS & SERVICES          | \$218,156           | \$122,415        | \$695,242           | (\$572,827.02)           | -82%        |
| 421-SALE OF WATER -METERED             | \$1,098,979         | \$301,374        | \$1,057,770         | (\$756,395.74)           | -72%        |
| 422-SALE OF WATER-BULK                 | \$326,721           | \$113,249        | \$359,151           | (\$245,901.71)           | -68%        |
| 424-SALE OF LAND                       | \$1,419             | \$30,472         | \$19,100            | \$1,371.83               | 60%         |
| 510-PENALTIES & COSTS ON TAXES         | \$79,147            | \$45,124         | \$99,000            | (\$53,875.83)            | -54%        |
| 511-PENALTIES ON AR & UTILITIES        | \$27,322            | \$8,172          | \$20,000            | (\$11,827.89)            | -59%        |
| 520-LICENSES & PERMITS                 | \$13,255            | \$3,545          | \$15,600            | (\$12,055.00)            | -77%        |
| 522-MUNICIPAL RESERVE REVENUE          | \$29,369            | \$2,887          |                     | \$2,887.41               |             |
| 526-SAFETY CODE PERMITS                | \$271,529           | \$22,138         | \$250,000           | (\$227,862.34)           | -91%        |
| 525-SUBDIVISION FEES                   | \$77,190            | \$28,370         | \$90,000            | (\$61,630.00)            | -68%        |
| 530-FINES                              | \$63,179            | \$17,281         | \$50,000            | (\$32,719.00)            | -65%        |
| 531-SAFETY CODE COUNCIL                | \$5,366             | \$412            | \$4,000             | (\$3,587.52)             | -90%        |
| 550-INTEREST REVENUE                   | \$273,703           | \$62,705         | \$163,800           | (\$101,095.36)           | -62%        |
| 560-RENTAL & LEASE REVENUE             | \$40,017            | \$5,800          | \$34,400            | (\$28,600.00)            | -83%        |
| 570-INSURANCE PROCEEDS                 | \$960               |                  |                     |                          |             |
| 592-OIL WELL DRILLING                  | \$80,125            | \$2,876          | \$75,000            | (\$72,124.25)            | -96%        |
| 597-OTHER REVENUE                      | \$248,234           | \$11,863         | \$114,900           | (\$103,037.25)           | -90%        |
| 840-PROVINCIAL GRANTS                  | \$1,030,966         | \$120,549        | \$961,004           | (\$840,454.61)           | -87%        |
| 920-CONTRIBUTED FROM CAPITAL RESERVE   | \$87,000            |                  |                     |                          |             |
| 930-CONTRIBUTION FROM OPERATING RESE   | \$65,000            |                  |                     |                          |             |
| 950-DRAWN FROM ALLOWANCE               | \$37,000            |                  |                     |                          |             |
| 990-OVER/UNDER TAX COLLECTIONS         | (\$40,699)          |                  | \$37,038            | (\$37,038.00)            | -100%       |
| <b>TOTAL REVENUE</b>                   | <b>\$27,517,852</b> | <b>\$899,233</b> | <b>\$29,512,984</b> | <b>(\$28,613,751.28)</b> | <b>-97%</b> |
| <b>EXPENDITURE</b>                     |                     |                  |                     |                          |             |
| 110-WAGES & SALARIES                   | \$3,024,859         | \$1,161,257      | \$4,555,425         | \$3,394,168.32           | 75%         |
| 132-BENEFITS                           | \$467,196           | \$197,162        | \$808,438           | \$611,275.73             | 76%         |
| 136-WCB CONTRIBUTIONS                  | \$67,376            | \$344            | \$80,982            | \$80,637.90              | 100%        |
| 142-RECRUITING                         | \$59,832            | \$2,000          | \$20,000            | \$18,000.00              | 90%         |
| 150-ISOLATION COSTS                    | \$13,215            | \$4,000          | \$12,000            | \$8,000.00               | 67%         |
| 151-HONORARIA                          | \$250,477           | \$51,176         | \$369,725           | \$318,548.76             | 86%         |
| 152-BUSINESS EXP - COMMITTEE MEMBERS   | \$331               | \$37             | \$2,000             | \$1,963.43               | 98%         |
| 211-TRAVEL & SUBSISTENCE               | \$207,240           | \$55,383         | \$251,000           | \$195,616.62             | 78%         |
| 212-PROMOTIONAL EXPENDITURE            | \$16,156            | \$6,761          | \$25,500            | \$18,738.90              | 73%         |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$46,099            | \$31,620         | \$72,045            | \$40,424.98              | 56%         |
| 215-FREIGHT                            | \$63,080            | \$15,966         | \$73,650            | \$57,684.17              | 78%         |
| 216-POSTAGE                            | \$26,468            | \$10,480         | \$24,000            | \$13,519.96              | 56%         |
| 217-TELEPHONE                          | \$157,363           | \$55,532         | \$175,410           | \$119,878.35             | 68%         |
| 221-ADVERTISING                        | \$50,081            | \$20,203         | \$49,900            | \$29,697.36              | 60%         |
| 223-SUBSCRIPTIONS & PUBLICATIONS       | \$3,348             | \$859            | \$5,700             | \$4,840.51               | 85%         |
| 231-AUDIT/ACCOUNTING                   | \$42,780            |                  | \$44,000            | \$44,000.00              | 100%        |
| 232-LEGAL                              | \$23,055            | \$11,168         | \$41,000            | \$29,832.29              | 73%         |
| 233-ENGINEERING CONSULTING             | \$134,032           | \$22,012         | \$121,000           | \$98,987.90              | 82%         |
| 235-PROFESSIONAL FEES                  | \$1,588,776         | \$237,278        | \$1,316,980         | \$1,079,701.81           | 82%         |
| 236-ENHANCED POLICING                  | \$96,362            | \$10,595         | \$134,000           | \$123,405.23             | 92%         |
| 239-TRAINING & EDUCATION               | \$73,341            | \$17,806         | \$118,390           | \$100,583.83             | 85%         |
| 242-COMPUTER PROG/DATA PROCESSING      | \$37,691            | \$1,899          | \$43,000            | \$41,101.00              | 96%         |
| 251-BRIDGE REPAIR & MAINTENANCE        | \$1,999             |                  | \$9,000             | \$9,000.00               | 100%        |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$137,002           | \$28,616         | \$155,450           | \$126,834.11             | 82%         |
| 253-EQUIPMENT REPAIR                   | \$164,753           | \$25,274         | \$163,100           | \$137,825.76             | 85%         |
| 255-VEHICLE REPAIR                     | \$67,364            | \$21,095         | \$87,150            | \$66,054.58              | 76%         |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA  | \$728,567           | \$38,902         | \$882,850           | \$843,948.08             | 96%         |
| 262-BUILDING & LAND RENTAL             | \$15,909            | \$16,534         | \$56,900            | \$40,365.82              | 71%         |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$80,246            | \$23,661         | \$94,180            | \$70,518.62              | 75%         |
| 266-COMMUNICATIONS                     | \$101,421           | \$25,007         | \$98,925            | \$73,918.23              | 75%         |
| 267-AVL MAINTENANCE                    | \$67,891            | \$38,660         | \$94,900            | \$56,240.27              | 59%         |
| 271-LICENSES & PERMITS                 | \$4,676             | \$305            | \$4,380             | \$4,075.00               | 93%         |
| 272-DAMAGE CLAIMS                      | \$635               |                  | \$15,000            | \$15,000.00              | 100%        |
| 273-TAXES                              | \$5,485             |                  | \$6,500             | \$6,500.00               | 100%        |
| 274-INSURANCE                          | \$184,704           | \$138,585        | \$231,720           | \$93,134.78              | 40%         |
| 342-ASSESSOR FEES                      | \$217,987           | \$54,816         | \$216,500           | \$161,684.00             | 75%         |
| 290-ELECTION COSTS                     |                     |                  | \$1,800             | \$1,800.00               | 100%        |
| 511-GOODS AND SUPPLIES                 | \$635,316           | \$130,899        | \$539,300           | \$408,400.78             | 76%         |
| 521-FUEL & OIL                         | \$367,723           | \$81,713         | \$523,000           | \$441,287.45             | 84%         |
| 531-CHEMICALS/SALT                     | \$213,639           | \$39,784         | \$219,000           | \$179,216.38             | 82%         |
| 532-DUST CONTROL                       | \$216,551           |                  | \$172,250           | \$172,250.00             | 100%        |
| 533-GRADER BLADES                      | \$90,438            | \$86,538         | \$100,000           | \$13,461.86              | 13%         |
| 534-GRAVEL                             | \$1,202,700         | \$14,892         | \$1,541,000         | \$1,526,107.94           | 99%         |
| 535-GRAVEL RECLAMATION COST            | \$23,934            |                  | \$75,000            | \$75,000.00              | 100%        |
| 543-NATURAL GAS                        | \$71,307            | \$45,593         | \$116,292           | \$70,699.13              | 61%         |
| 544-ELECTRICAL POWER                   | \$250,474           | \$60,425         | \$305,370           | \$244,945.13             | 80%         |
| 710-GRANTS TO LOCAL GOVERNMENTS        | \$1,169,367         | \$373,552        | \$1,280,457         | \$906,905.00             | 71%         |
| 735-GRANTS TO OTHER ORGANIZATIONS      | \$1,489,810         | \$997,643        | \$1,254,944         | \$257,301.50             | 21%         |
| 747-SCHOOL FOUNDATION PROGRAMS         | \$6,722,877         | \$1,679,701      | \$6,776,568         | \$5,096,867.30           | 75%         |
| 750-SENIORS FOUNDATION                 | \$325,755           | \$81,439         | \$436,896           | \$355,457.38             | 81%         |
| 762-CONTRIBUTED TO CAPITAL             | \$788,761           |                  | \$1,169,219         | \$1,169,219.00           | 100%        |
| 763-CONTRIBUTED TO CAPITAL RESERVE     | \$3,872,056         |                  | \$3,049,000         | \$3,049,000.00           | 100%        |
| 764-CONTRIBUTED TO OPERATING RESERVE   | \$563,382           |                  | \$112,145           | \$112,145.00             | 100%        |
| 810-INTEREST & SERVICE CHARGES         | \$4,678             | \$747            | \$3,500             | \$2,752.96               | 79%         |
| 831-INTEREST-LONG TERM DEBT            | \$399,037           | \$10,475         | \$363,099           | \$352,624.29             | 97%         |
| 832-PRINCIPAL - LONG TERM DEBT         | \$800,014           | \$19,479         | \$884,628           | \$865,149.43             | 98%         |
| 921-BAD DEBT EXPENSE                   | \$9,975             | \$446            | \$56,816            | \$56,370.11              | 99%         |
| 922-TAX CANCELLATION/WRITE OFFS        | \$22,265            | \$13,351         | \$60,000            | \$46,649.20              | 78%         |

**MD of Mackenzie**  
**Summary of All Units**  
*April 30, 2006*

|                       | <u>2005 Actual</u> | <u>2006 Actual</u>   | <u>2006</u>   | <u>\$ Budget</u>        | <u>% Budget</u>  |
|-----------------------|--------------------|----------------------|---------------|-------------------------|------------------|
|                       | <u>Total</u>       | <u>Total</u>         | <u>Budget</u> | <u>Remaining</u>        | <u>Remaining</u> |
| 992-COST OF LAND SOLD |                    |                      | \$12,000      | \$12,000.00             | 100%             |
| TOTAL EXPENDITURES    | \$27,467,853       | \$5,961,668          | \$29,512,984  | \$23,551,316.14         | 80%              |
| SURPLUS               | <u>\$50,000</u>    | <u>(\$5,062,435)</u> |               | <u>(\$5,062,435.14)</u> |                  |

**MD of Mackenzie**  
**00-Taxes**  
*April 30, 2006*

|                                | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u>  | <u>% Budget</u>  |
|--------------------------------|--------------------|--------------------|---------------|-------------------|------------------|
|                                | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u>  | <u>Remaining</u> |
| REVENUE                        |                    |                    |               |                   |                  |
| 100-TAXATION                   | \$23,309,371       |                    | \$25,192,323  | (\$25,192,323.00) | -100%            |
| 990-OVER/UNDER TAX COLLECTIONS | (\$40,699)         |                    | \$37,038      | (\$37,038.00)     | -100%            |
| TOTAL REVENUE                  | \$23,268,673       |                    | \$25,229,361  | (\$25,229,361.00) | -100%            |
| EXPENDITURE                    |                    |                    |               |                   |                  |
| SURPLUS                        | \$23,268,673       |                    | \$25,229,361  | (\$25,229,361.00) | -100%            |

**MD of Mackenzie  
11-Council  
April 30, 2006**

|                                | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                        |                    |                    |               |                  |                  |
| EXPENDITURE                    |                    |                    |               |                  |                  |
| 132-BENEFITS                   | \$2,991            | \$932              | \$6,550       | \$5,618.27       | 86%              |
| 151-HONORARIA                  | \$169,000          | \$44,425           | \$265,850     | \$221,425.00     | 83%              |
| 211-TRAVEL & SUBSISTENCE       | \$96,064           | \$17,265           | \$111,800     | \$94,535.41      | 85%              |
| 212-PROMOTIONAL EXPENDITURE    |                    |                    | \$5,000       | \$5,000.00       | 100%             |
| 214-MEMBERSHIP/CONFERENCE FEES | \$3,445            | \$6,870            | \$10,000      | \$3,130.00       | 31%              |
| 217-TELEPHONE                  | \$7,522            | \$2,505            | \$12,120      | \$9,614.97       | 79%              |
| 290-ELECTION COSTS             |                    |                    | \$1,800       | \$1,800.00       | 100%             |
| 511-GOODS AND SUPPLIES         | \$12,557           | \$1,304            | \$15,450      | \$14,146.38      | 92%              |
| TOTAL EXPENDITURES             | \$291,579          | \$73,300           | \$428,570     | \$355,270.03     | 83%              |
| SURPLUS                        | (\$291,579)        | (\$73,300)         | (\$428,570)   | \$355,270.03     | -83%             |

**MD of Mackenzie  
12-Administration  
April 30, 2006**

|                                        | <u>2005 Actual</u>   | <u>2006 Actual</u> | <u>2006</u>          | <u>\$ Budget</u>      | <u>% Budget</u>  |
|----------------------------------------|----------------------|--------------------|----------------------|-----------------------|------------------|
|                                        | <u>Total</u>         | <u>Total</u>       | <u>Budget</u>        | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                         |                      |                    |                      |                       |                  |
| 420-SALES OF GOODS & SERVICES          | \$26,583             | \$6,170            | \$20,000             | (\$13,829.51)         | -69%             |
| 510-PENALTIES & COSTS ON TAXES         | \$79,147             | \$45,124           | \$99,000             | (\$53,875.83)         | -54%             |
| 550-INTEREST REVENUE                   | \$273,703            | \$62,705           | \$163,800            | (\$101,095.36)        | -62%             |
| 592-OIL WELL DRILLING                  | \$80,125             | \$2,876            | \$75,000             | (\$72,124.25)         | -96%             |
| 597-OTHER REVENUE                      | \$35,186             | \$3,717            | \$15,000             | (\$11,283.36)         | -75%             |
| 840-PROVINCIAL GRANTS                  | \$32,830             |                    | \$32,378             | (\$32,378.00)         | -100%            |
| 950-DRAWN FROM ALLOWANCE               | \$37,000             |                    |                      |                       |                  |
| <b>TOTAL REVENUE</b>                   | <b>\$564,574</b>     | <b>\$120,592</b>   | <b>\$405,178</b>     | <b>(\$284,586.31)</b> | <b>-70%</b>      |
| <b>EXPENDITURE</b>                     |                      |                    |                      |                       |                  |
| 110-WAGES & SALARIES                   | \$726,773            | \$258,407          | \$856,886            | \$598,478.87          | 70%              |
| 132-BENEFITS                           | \$124,967            | \$40,611           | \$145,031            | \$104,419.61          | 72%              |
| 136-WCB CONTRIBUTIONS                  | \$19,202             | \$344              | \$15,172             | \$14,827.90           | 98%              |
| 142-RECRUITING                         | \$59,832             | \$2,000            | \$20,000             | \$18,000.00           | 90%              |
| 151-HONORARIA                          | \$1,000              | \$150              | \$13,500             | \$13,350.00           | 99%              |
| 152-BUSINESS EXP - COMMITTEE MEMBERS   | \$331                | \$37               | \$2,000              | \$1,963.43            | 98%              |
| 211-TRAVEL & SUBSISTENCE               | \$36,903             | \$12,892           | \$45,600             | \$32,708.26           | 72%              |
| 212-PROMOTIONAL EXPENDITURE            | \$16,156             | \$6,761            | \$20,500             | \$13,738.90           | 67%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$14,748             | \$8,352            | \$24,000             | \$15,648.45           | 65%              |
| 215-FREIGHT                            | \$3,511              | \$2,694            | \$4,900              | \$2,206.13            | 45%              |
| 216-POSTAGE                            | \$26,468             | \$10,480           | \$24,000             | \$13,519.96           | 56%              |
| 217-TELEPHONE                          | \$58,818             | \$19,175           | \$60,200             | \$41,025.49           | 68%              |
| 221-ADVERTISING                        | \$13,267             | \$9,520            | \$10,000             | \$479.96              | 5%               |
| 223-SUBSCRIPTIONS & PUBLICATIONS       | \$2,931              | \$833              | \$3,200              | \$2,367.26            | 74%              |
| 231-AUDIT/ACCOUNTING                   | \$42,780             |                    | \$44,000             | \$44,000.00           | 100%             |
| 232-LEGAL                              | \$14,640             | \$6,547            | \$17,000             | \$10,453.18           | 61%              |
| 235-PROFESSIONAL FEES                  | \$33,072             | \$3,900            | \$78,000             | \$74,099.85           | 95%              |
| 239-TRAINING & EDUCATION               | \$11,721             | \$715              | \$25,000             | \$24,284.58           | 97%              |
| 242-COMPUTER PROG/DATA PROCESSING      | \$37,691             | \$1,899            | \$43,000             | \$41,101.00           | 96%              |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$45,547             | \$8,884            | \$51,100             | \$42,216.05           | 83%              |
| 253-EQUIPMENT REPAIR                   | \$790                | \$606              | \$3,000              | \$2,394.05            | 80%              |
| 255-VEHICLE REPAIR                     | \$2,210              | \$306              | \$900                | \$594.03              | 66%              |
| 262-BUILDING & LAND RENTAL             |                      | \$1,986            |                      | (\$1,986.48)          |                  |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$64,066             | \$18,019           | \$68,000             | \$49,980.82           | 74%              |
| 266-COMMUNICATIONS                     |                      | \$5,034            | \$14,000             | \$8,965.99            | 64%              |
| 272-DAMAGE CLAIMS                      |                      |                    | \$5,000              | \$5,000.00            | 100%             |
| 273-TAXES                              | \$5,485              |                    | \$6,500              | \$6,500.00            | 100%             |
| 274-INSURANCE                          | \$35,413             | \$25,517           | \$43,125             | \$17,607.56           | 41%              |
| 342-ASSESSOR FEES                      | \$217,987            | \$54,816           | \$216,500            | \$161,684.00          | 75%              |
| 511-GOODS AND SUPPLIES                 | \$60,806             | \$15,105           | \$64,000             | \$48,895.39           | 76%              |
| 521-FUEL & OIL                         | \$11,538             | \$2,160            | \$9,300              | \$7,140.26            | 77%              |
| 543-NATURAL GAS                        | \$6,593              | \$3,577            | \$10,620             | \$7,043.37            | 66%              |
| 544-ELECTRICAL POWER                   | \$16,157             | \$3,041            | \$18,050             | \$15,008.59           | 83%              |
| 710-GRANTS TO LOCAL GOVERNMENTS        | \$915,406            | \$247,203          | \$1,020,000          | \$772,797.50          | 76%              |
| 762-CONTRIBUTED TO CAPITAL             | \$121,280            |                    | \$140,600            | \$140,600.00          | 100%             |
| 810-INTEREST & SERVICE CHARGES         | \$4,678              | \$747              | \$3,500              | \$2,752.96            | 79%              |
| 921-BAD DEBT EXPENSE                   |                      |                    | \$5,000              | \$5,000.00            | 100%             |
| 922-TAX CANCELLATION/WRITE OFFS        | \$22,265             | \$13,351           | \$60,000             | \$46,649.20           | 78%              |
| <b>TOTAL EXPENDITURES</b>              | <b>\$2,775,032</b>   | <b>\$785,668</b>   | <b>\$3,191,184</b>   | <b>\$2,405,516.12</b> | <b>75%</b>       |
| <b>SURPLUS</b>                         | <b>(\$2,210,458)</b> | <b>(\$665,076)</b> | <b>(\$2,786,006)</b> | <b>\$2,120,929.81</b> | <b>-76%</b>      |

**MD of Mackenzie  
23-Fire Department  
April 30, 2006**

|                                        | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>     | <u>% Budget</u>  |
|----------------------------------------|--------------------|--------------------|--------------------|----------------------|------------------|
|                                        | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>     | <u>Remaining</u> |
| <b>REVENUE</b>                         |                    |                    |                    |                      |                  |
| 420-SALES OF GOODS & SERVICES          | \$33,037           | \$10,707           | \$85,000           | (\$74,292.86)        | -87%             |
| 597-OTHER REVENUE                      |                    | \$161              |                    | \$160.50             |                  |
| <b>TOTAL REVENUE</b>                   | <b>\$33,037</b>    | <b>\$10,868</b>    | <b>\$85,000</b>    | <b>(\$74,132.36)</b> | <b>-87%</b>      |
| <b>EXPENDITURE</b>                     |                    |                    |                    |                      |                  |
| 110-WAGES & SALARIES                   | \$52,420           | \$19,946           | \$70,301           | \$50,355.33          | 72%              |
| 132-BENEFITS                           | \$8,499            | \$4,903            | \$12,557           | \$7,654.02           | 61%              |
| 136-WCB CONTRIBUTIONS                  | \$741              |                    | \$1,891            | \$1,891.00           | 100%             |
| 151-HONORARIA                          | \$68,502           | \$5,551            | \$76,000           | \$70,448.76          | 93%              |
| 211-TRAVEL & SUBSISTENCE               | \$6,661            | \$3,834            | \$9,500            | \$5,665.55           | 60%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$1,282            | \$585              | \$4,500            | \$3,915.00           | 87%              |
| 215-FREIGHT                            | \$826              | \$268              | \$1,500            | \$1,232.21           | 82%              |
| 217-TELEPHONE                          | \$25,036           | \$7,383            | \$22,000           | \$14,617.11          | 66%              |
| 221-ADVERTISING                        | \$175              | \$424              | \$1,000            | \$575.60             | 58%              |
| 223-SUBSCRIPTIONS & PUBLICATIONS       | \$417              |                    | \$1,000            | \$1,000.00           | 100%             |
| 232-LEGAL                              |                    | \$596              | \$2,000            | \$1,404.15           | 70%              |
| 235-PROFESSIONAL FEES                  | \$19,748           | \$2,785            | \$46,500           | \$43,715.40          | 94%              |
| 239-TRAINING & EDUCATION               | \$29,276           | \$3,194            | \$34,000           | \$30,805.65          | 91%              |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$11,727           | \$2,696            | \$44,000           | \$41,304.36          | 94%              |
| 253-EQUIPMENT REPAIR                   | \$43,724           | \$2,428            | \$33,000           | \$30,572.26          | 93%              |
| 255-VEHICLE REPAIR                     | \$4,880            | \$238              | \$16,000           | \$15,762.09          | 99%              |
| 262-BUILDING & LAND RENTAL             |                    |                    | \$17,800           | \$17,800.00          | 100%             |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$9,997            | \$5,127            | \$12,480           | \$7,352.80           | 59%              |
| 266-COMMUNICATIONS                     | \$32,374           | \$10,870           | \$29,745           | \$18,875.03          | 63%              |
| 267-AVL MAINTENANCE                    | \$20,805           | \$18,344           | \$32,850           | \$14,506.49          | 44%              |
| 274-INSURANCE                          | \$22,941           | \$14,935           | \$27,025           | \$12,089.75          | 45%              |
| 511-GOODS AND SUPPLIES                 | \$42,207           | \$34,301           | \$84,000           | \$49,698.88          | 59%              |
| 521-FUEL & OIL                         | \$1,761            | \$67               | \$7,250            | \$7,182.66           | 99%              |
| 531-CHEMICALS/SALT                     | \$170              |                    | \$6,500            | \$6,500.00           | 100%             |
| 543-NATURAL GAS                        | \$8,169            | \$4,992            | \$14,448           | \$9,455.94           | 65%              |
| 544-ELECTRICAL POWER                   | \$14,374           | \$2,347            | \$14,880           | \$12,532.60          | 84%              |
| 710-GRANTS TO LOCAL GOVERNMENTS        | \$80,647           | \$80,647           | \$80,647           |                      |                  |
| 762-CONTRIBUTED TO CAPITAL             | \$14,500           |                    | \$76,000           | \$76,000.00          | 100%             |
| 763-CONTRIBUTED TO CAPITAL RESERVE     | \$150,000          |                    | \$225,000          | \$225,000.00         | 100%             |
| 921-BAD DEBT EXPENSE                   | \$8,087            |                    | \$35,000           | \$35,000.00          | 100%             |
| <b>TOTAL EXPENDITURES</b>              | <b>\$679,944</b>   | <b>\$226,461</b>   | <b>\$1,039,374</b> | <b>\$812,912.64</b>  | <b>78%</b>       |
| <b>SURPLUS</b>                         | <b>(\$646,907)</b> | <b>(\$215,594)</b> | <b>(\$954,374)</b> | <b>\$738,780.28</b>  | <b>-77%</b>      |

**MD of Mackenzie**  
**25-Ambulance / Municipal Emergency**  
 April 30, 2006

|                                        | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>          | <u>\$ Budget</u>      | <u>% Budget</u>  |
|----------------------------------------|--------------------|--------------------|----------------------|-----------------------|------------------|
|                                        | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>        | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                         |                    |                    |                      |                       |                  |
| 420-SALES OF GOODS & SERVICES          | \$37,507           | \$72,544           | \$477,184            | (\$404,639.95)        | -85%             |
| 560-RENTAL & LEASE REVENUE             | \$7,200            |                    |                      |                       |                  |
| 597-OTHER REVENUE                      | \$145,349          | \$5,476            |                      | \$5,476.04            |                  |
| 840-PROVINCIAL GRANTS                  | \$226,672          |                    | \$226,672            | (\$226,672.00)        | -100%            |
| 930-CONTRIBUTION FROM OPERATING RESE   | \$65,000           |                    |                      |                       |                  |
| <b>TOTAL REVENUE</b>                   | <b>\$481,728</b>   | <b>\$78,020</b>    | <b>\$703,856</b>     | <b>(\$625,835.91)</b> | <b>-89%</b>      |
| <b>EXPENDITURE</b>                     |                    |                    |                      |                       |                  |
| 110-WAGES & SALARIES                   | \$120,591          | \$275,701          | \$1,079,000          | \$803,298.62          | 74%              |
| 132-BENEFITS                           | \$8,431            | \$29,341           | \$159,409            | \$130,067.53          | 82%              |
| 136-WCB CONTRIBUTIONS                  | \$202              |                    | \$19,206             | \$19,206.00           | 100%             |
| 211-TRAVEL & SUBSISTENCE               | \$8,224            | \$7,150            | \$10,000             | \$2,849.71            | 28%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$3,027            | \$1,435            | \$4,000              | \$2,565.00            | 64%              |
| 215-FREIGHT                            | \$1,231            | \$905              | \$1,250              | \$345.10              | 28%              |
| 217-TELEPHONE                          | \$3,549            | \$6,095            | \$8,000              | \$1,905.10            | 24%              |
| 221-ADVERTISING                        | \$329              | \$592              | \$2,000              | \$1,408.04            | 70%              |
| 223-SUBSCRIPTIONS & PUBLICATIONS       |                    | \$27               | \$1,000              | \$973.25              | 97%              |
| 232-LEGAL                              | \$757              | \$3,026            | \$2,000              | (\$1,026.37)          | -51%             |
| 235-PROFESSIONAL FEES                  | \$572,748          | \$1,930            | \$45,000             | \$43,070.49           | 96%              |
| 239-TRAINING & EDUCATION               | \$9,136            | \$4,336            | \$25,000             | \$20,663.78           | 83%              |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$34,034           | \$6,054            | \$24,000             | \$17,945.64           | 75%              |
| 253-EQUIPMENT REPAIR                   | \$2,427            | \$1,261            | \$4,000              | \$2,739.23            | 68%              |
| 255-VEHICLE REPAIR                     | \$5,061            | \$1,087            | \$14,000             | \$12,912.93           | 92%              |
| 262-BUILDING & LAND RENTAL             |                    | \$14,548           | \$20,800             | \$6,252.30            | 30%              |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA |                    |                    | \$5,000              | \$5,000.00            | 100%             |
| 266-COMMUNICATIONS                     | \$40,297           | \$2,777            | \$34,000             | \$31,222.74           | 92%              |
| 267-AVL MAINTENANCE                    | \$3,285            | \$2,896            | \$12,775             | \$9,878.93            | 77%              |
| 271-LICENSES & PERMITS                 | \$87               |                    |                      |                       |                  |
| 274-INSURANCE                          | \$5,685            | \$9,652            | \$16,000             | \$6,347.60            | 40%              |
| 511-GOODS AND SUPPLIES                 | \$191,426          | \$20,593           | \$42,000             | \$21,406.86           | 51%              |
| 521-FUEL & OIL                         | \$1,138            | \$6,064            | \$21,000             | \$14,936.07           | 71%              |
| 543-NATURAL GAS                        | \$217              | \$2,936            | \$18,000             | \$15,064.46           | 84%              |
| 544-ELECTRICAL POWER                   | \$2,452            | \$2,092            | \$13,500             | \$11,407.58           | 85%              |
| 762-CONTRIBUTED TO CAPITAL             |                    |                    | \$395,859            | \$395,859.00          | 100%             |
| 921-BAD DEBT EXPENSE                   |                    |                    | \$14,316             | \$14,316.00           | 100%             |
| <b>TOTAL EXPENDITURES</b>              | <b>\$1,014,335</b> | <b>\$400,499</b>   | <b>\$1,991,115</b>   | <b>\$1,590,615.59</b> | <b>80%</b>       |
| <b>SURPLUS</b>                         | <b>(\$532,608)</b> | <b>(\$322,479)</b> | <b>(\$1,287,259)</b> | <b>\$964,779.68</b>   | <b>-75%</b>      |



**MD of Mackenzie**  
**26-Enforcement Services**  
**April 30, 2006**

|                                    | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>      | <u>% Budget</u>  |
|------------------------------------|--------------------|--------------------|--------------------|-----------------------|------------------|
|                                    | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                     |                    |                    |                    |                       |                  |
| 520-LICENSES & PERMITS             | \$525              | \$445              | \$600              | (\$155.00)            | -26%             |
| 530-FINES                          | \$63,179           | \$17,281           | \$50,000           | (\$32,719.00)         | -65%             |
| 560-RENTAL & LEASE REVENUE         | \$11,300           | \$5,000            | \$12,000           | (\$7,000.00)          | -58%             |
| 597-OTHER REVENUE                  | \$67,699           |                    | \$99,900           | (\$99,900.00)         | -100%            |
| <b>TOTAL REVENUE</b>               | <b>\$142,704</b>   | <b>\$22,726</b>    | <b>\$162,500</b>   | <b>(\$139,774.00)</b> | <b>-86%</b>      |
| <b>EXPENDITURE</b>                 |                    |                    |                    |                       |                  |
| 110-WAGES & SALARIES               | \$191,698          | \$68,411           | \$245,581          | \$177,170.16          | 72%              |
| 132-BENEFITS                       | \$25,940           | \$14,945           | \$41,207           | \$26,261.77           | 64%              |
| 136-WCB CONTRIBUTIONS              | \$1,752            |                    | \$3,977            | \$3,977.00            | 100%             |
| 151-HONORARIA                      | \$3,150            |                    | \$5,000            | \$5,000.00            | 100%             |
| 211-TRAVEL & SUBSISTENCE           | \$8,048            | \$2,184            | \$9,000            | \$6,816.22            | 76%              |
| 214-MEMBERSHIP/CONFERENCE FEES     | \$3,016            | \$600              | \$2,000            | \$1,400.00            | 70%              |
| 215-FREIGHT                        |                    | \$125              |                    | (\$125.12)            |                  |
| 217-TELEPHONE                      | \$11,185           | \$6,554            | \$15,500           | \$8,945.82            | 58%              |
| 221-ADVERTISING                    | \$895              |                    | \$2,000            | \$2,000.00            | 100%             |
| 223-SUBSCRIPTIONS & PUBLICATIONS   |                    |                    | \$500              | \$500.00              | 100%             |
| 232-LEGAL                          | \$1,732            |                    | \$2,000            | \$2,000.00            | 100%             |
| 235-PROFESSIONAL FEES              | \$6,164            | \$220              | \$19,000           | \$18,780.00           | 99%              |
| 236-ENHANCED POLICING              | \$96,362           | \$10,595           | \$134,000          | \$123,405.23          | 92%              |
| 239-TRAINING & EDUCATION           | \$2,557            | \$2,278            | \$8,000            | \$5,721.52            | 72%              |
| 252-BUILDING REPAIRS & MAINTENANCE | \$3,564            | \$623              | \$1,000            | \$377.38              | 38%              |
| 253-EQUIPMENT REPAIR               | \$1,603            | \$213              | \$3,000            | \$2,787.35            | 93%              |
| 255-VEHICLE REPAIR                 | \$7,007            | \$3,336            | \$8,000            | \$4,663.97            | 58%              |
| 262-BUILDING & LAND RENTAL         |                    |                    | \$17,800           | \$17,800.00           | 100%             |
| 266-COMMUNICATIONS                 | \$14,086           | \$1,959            | \$3,500            | \$1,540.96            | 44%              |
| 267-AVL MAINTENANCE                | \$2,188            | \$1,929            | \$3,650            | \$1,721.03            | 47%              |
| 274-INSURANCE                      | \$3,217            | \$2,281            | \$5,175            | \$2,894.34            | 56%              |
| 511-GOODS AND SUPPLIES             | \$14,744           | \$7,475            | \$12,000           | \$4,525.20            | 38%              |
| 521-FUEL & OIL                     | \$7,793            | \$1,949            | \$11,250           | \$9,300.94            | 83%              |
| 543-NATURAL GAS                    | \$498              | \$757              | \$7,440            | \$6,682.55            | 90%              |
| 544-ELECTRICAL POWER               | \$819              | \$1,400            | \$7,800            | \$6,400.02            | 82%              |
| 762-CONTRIBUTED TO CAPITAL         |                    |                    | \$5,000            | \$5,000.00            | 100%             |
| <b>TOTAL EXPENDITURES</b>          | <b>\$408,017</b>   | <b>\$127,834</b>   | <b>\$573,380</b>   | <b>\$445,546.34</b>   | <b>78%</b>       |
| <b>SURPLUS</b>                     | <b>(\$265,314)</b> | <b>(\$105,108)</b> | <b>(\$410,880)</b> | <b>\$305,772.34</b>   | <b>-74%</b>      |

**MD of Mackenzie  
32-Transportation  
April 30, 2006**

|                                        | <u>2005 Actual</u>   | <u>2006 Actual</u> | <u>2006</u>          | <u>\$ Budget</u>      | <u>% Budget</u>  |
|----------------------------------------|----------------------|--------------------|----------------------|-----------------------|------------------|
|                                        | <u>Total</u>         | <u>Total</u>       | <u>Budget</u>        | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                         |                      |                    |                      |                       |                  |
| 124-FRONTAGE                           | \$45,413             |                    | \$58,702             | (\$58,702.00)         | -100%            |
| 420-SALES OF GOODS & SERVICES          | \$67,235             | \$16,680           | \$55,500             | (\$38,819.65)         | -70%             |
| 570-INSURANCE PROCEEDS                 | \$960                |                    |                      |                       |                  |
| 597-OTHER REVENUE                      |                      | \$2,510            |                      | \$2,509.57            |                  |
| 840-PROVINCIAL GRANTS                  | \$423,714            |                    | \$423,714            | (\$423,714.00)        | -100%            |
| <b>TOTAL REVENUE</b>                   | <b>\$537,322</b>     | <b>\$19,190</b>    | <b>\$537,916</b>     | <b>(\$518,726.08)</b> | <b>-96%</b>      |
| <b>EXPENDITURE</b>                     |                      |                    |                      |                       |                  |
| 110-WAGES & SALARIES                   | \$1,178,960          | \$318,052          | \$1,295,200          | \$977,147.69          | 75%              |
| 132-BENEFITS                           | \$185,072            | \$58,701           | \$255,830            | \$197,128.80          | 77%              |
| 136-WCB CONTRIBUTIONS                  | \$27,961             |                    | \$23,655             | \$23,655.00           | 100%             |
| 150-ISOLATION COSTS                    |                      | \$4,000            | \$12,000             | \$8,000.00            | 67%              |
| 211-TRAVEL & SUBSISTENCE               | \$15,221             | \$4,617            | \$19,000             | \$14,382.63           | 76%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$1,032              |                    | \$2,075              | \$2,075.00            | 100%             |
| 215-FREIGHT                            | \$16,069             | \$2,289            | \$17,500             | \$15,211.23           | 87%              |
| 217-TELEPHONE                          | \$26,994             | \$6,642            | \$32,660             | \$26,017.91           | 80%              |
| 221-ADVERTISING                        | \$9,164              | \$3,540            | \$6,900              | \$3,360.15            | 49%              |
| 232-LEGAL                              | \$3,081              | \$363              | \$5,000              | \$4,636.73            | 93%              |
| 233-ENGINEERING CONSULTING             | \$81,546             | \$7,644            | \$50,000             | \$42,356.16           | 85%              |
| 235-PROFESSIONAL FEES                  | \$517,612            | \$148,618          | \$515,000            | \$366,382.06          | 71%              |
| 239-TRAINING & EDUCATION               | \$4,126              | \$3,374            | \$5,200              | \$1,826.16            | 35%              |
| 251-BRIDGE REPAIR & MAINTENANCE        | \$1,999              |                    | \$9,000              | \$9,000.00            | 100%             |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$26,117             | \$5,810            | \$11,450             | \$5,639.59            | 49%              |
| 253-EQUIPMENT REPAIR                   | \$73,965             | \$7,608            | \$92,500             | \$76,891.51           | 83%              |
| 255-VEHICLE REPAIR                     | \$26,659             | \$7,753            | \$28,000             | \$20,246.71           | 72%              |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA  | \$270,262            | \$19,265           | \$348,000            | \$328,735.46          | 94%              |
| 262-BUILDING & LAND RENTAL             | \$15,709             |                    |                      |                       |                  |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$1,438              | \$275              | \$3,000              | \$2,725.00            | 91%              |
| 266-COMMUNICATIONS                     | \$10,253             | \$3,143            | \$13,600             | \$10,457.17           | 77%              |
| 267-AVL MAINTENANCE                    | \$38,325             | \$12,593           | \$38,325             | \$25,732.50           | 67%              |
| 271-LICENSES & PERMITS                 | \$4,361              | \$305              | \$4,180              | \$3,875.00            | 93%              |
| 272-DAMAGE CLAIMS                      | \$635                |                    | \$5,000              | \$5,000.00            | 100%             |
| 274-INSURANCE                          | \$66,835             | \$56,817           | \$77,050             | \$20,232.69           | 26%              |
| 511-GOODS AND SUPPLIES                 | \$182,958            | \$17,870           | \$198,900            | \$181,030.37          | 91%              |
| 521-FUEL & OIL                         | \$301,054            | \$61,471           | \$410,500            | \$349,028.53          | 85%              |
| 531-CHEMICALS/SALT                     | \$83,603             | \$20,736           | \$80,000             | \$59,263.84           | 74%              |
| 532-DUST CONTROL                       | \$216,551            |                    | \$172,250            | \$172,250.00          | 100%             |
| 533-GRADER BLADES                      | \$90,438             | \$86,538           | \$100,000            | \$13,461.86           | 13%              |
| 534-GRAVEL                             | \$1,202,700          | \$14,892           | \$1,541,000          | \$1,526,107.94        | 99%              |
| 535-GRAVEL RECLAMATION COST            | \$23,934             |                    | \$75,000             | \$75,000.00           | 100%             |
| 543-NATURAL GAS                        | \$10,712             | \$6,468            | \$12,456             | \$5,987.59            | 48%              |
| 544-ELECTRICAL POWER                   | \$77,008             | \$20,053           | \$85,200             | \$65,146.77           | 76%              |
| 762-CONTRIBUTED TO CAPITAL             | \$233,388            |                    | \$153,760            | \$153,760.00          | 100%             |
| 763-CONTRIBUTED TO CAPITAL RESERVE     | \$2,434,502          |                    | \$2,574,000          | \$2,574,000.00        | 100%             |
| 764-CONTRIBUTED TO OPERATING RESERVE   | \$97,300             |                    |                      |                       |                  |
| 831-INTEREST-LONG TERM DEBT            | \$155,914            |                    | \$139,700            | \$139,700.00          | 100%             |
| 832-PRINCIPAL - LONG TERM DEBT         | \$300,998            |                    | \$317,716            | \$317,716.00          | 100%             |
| <b>TOTAL EXPENDITURES</b>              | <b>\$8,014,459</b>   | <b>\$907,439</b>   | <b>\$8,730,607</b>   | <b>\$7,823,168.05</b> | <b>90%</b>       |
| <b>SURPLUS</b>                         | <b>(\$7,477,137)</b> | <b>(\$888,249)</b> | <b>(\$8,192,691)</b> | <b>\$7,304,441.97</b> | <b>-89%</b>      |

**MD of Mackenzie  
33-Airport  
April 30, 2006**

|                                        | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>       | <u>\$ Budget</u>     | <u>% Budget</u>  |
|----------------------------------------|--------------------|--------------------|-------------------|----------------------|------------------|
|                                        | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>     | <u>Remaining</u>     | <u>Remaining</u> |
| <b>REVENUE</b>                         |                    |                    |                   |                      |                  |
| 420-SALES OF GOODS & SERVICES          | \$29,130           | \$10,380           | \$25,000          | (\$14,620.00)        | -58%             |
| 560-RENTAL & LEASE REVENUE             |                    | \$500              |                   | \$500.00             |                  |
| <b>TOTAL REVENUE</b>                   | <b>\$29,130</b>    | <b>\$10,880</b>    | <b>\$25,000</b>   | <b>(\$14,120.00)</b> | <b>-56%</b>      |
| <b>EXPENDITURE</b>                     |                    |                    |                   |                      |                  |
| 211-TRAVEL & SUBSISTENCE               |                    | \$62               | \$1,500           | \$1,437.86           | 96%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$1,000            |                    | \$2,400           | \$2,400.00           | 100%             |
| 239-TRAINING & EDUCATION               |                    |                    | \$500             | \$500.00             | 100%             |
| 252-BUILDING REPAIRS & MAINTENANCE     | \$238              |                    | \$1,000           | \$1,000.00           | 100%             |
| 253-EQUIPMENT REPAIR                   | \$2,701            | \$3,553            | \$1,500           | (\$2,052.87)         | -137%            |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA  | \$5,802            |                    | \$5,500           | \$5,500.00           | 100%             |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$2,174            | \$240              | \$3,000           | \$2,760.00           | 92%              |
| 274-INSURANCE                          | \$14,250           | \$1,128            | \$12,880          | \$11,752.19          | 91%              |
| 511-GOODS AND SUPPLIES                 | \$308              |                    | \$2,000           | \$2,000.00           | 100%             |
| 531-CHEMICALS/SALT                     | \$7,766            |                    | \$3,000           | \$3,000.00           | 100%             |
| 543-NATURAL GAS                        | \$3,162            | \$2,107            | \$4,008           | \$1,901.15           | 47%              |
| 544-ELECTRICAL POWER                   | \$4,354            | \$765              | \$5,160           | \$4,395.49           | 85%              |
| 710-GRANTS TO LOCAL GOVERNMENTS        | \$43,340           |                    | \$42,000          | \$42,000.00          | 100%             |
| 762-CONTRIBUTED TO CAPITAL             | \$10,251           |                    | \$22,500          | \$22,500.00          | 100%             |
| <b>TOTAL EXPENDITURES</b>              | <b>\$95,344</b>    | <b>\$7,854</b>     | <b>\$106,948</b>  | <b>\$99,093.82</b>   | <b>93%</b>       |
| <b>SURPLUS</b>                         | <b>(\$66,214)</b>  | <b>\$3,026</b>     | <b>(\$81,948)</b> | <b>\$84,973.82</b>   | <b>-104%</b>     |

**MD of Mackenzie**  
**41-Water Services**  
April 30, 2006

|                                       | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>      | <u>% Budget</u>  |
|---------------------------------------|--------------------|--------------------|--------------------|-----------------------|------------------|
|                                       | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                        |                    |                    |                    |                       |                  |
| 124-FRONTAGE                          | \$80,876           |                    | \$152,215          | (\$152,215.00)        | -100%            |
| 420-SALES OF GOODS & SERVICES         | \$12,764           | \$3,463            | \$11,358           | (\$7,895.05)          | -70%             |
| 421-SALE OF WATER -METERED            | \$820,641          | \$229,737          | \$783,970          | (\$554,233.22)        | -71%             |
| 422-SALE OF WATER-BULK                | \$326,721          | \$113,249          | \$359,151          | (\$245,901.71)        | -68%             |
| 511-PENALTIES ON AR & UTILITIES       | \$27,322           | \$8,172            | \$20,000           | (\$11,827.89)         | -59%             |
| <b>TOTAL REVENUE</b>                  | <b>\$1,268,323</b> | <b>\$354,621</b>   | <b>\$1,326,694</b> | <b>(\$972,072.87)</b> | <b>-73%</b>      |
| <b>EXPENDITURE</b>                    |                    |                    |                    |                       |                  |
| 110-WAGES & SALARIES                  | \$225,181          | \$74,271           | \$263,552          | \$189,281.30          | 72%              |
| 132-BENEFITS                          | \$32,376           | \$16,264           | \$54,266           | \$38,001.71           | 70%              |
| 136-WCB CONTRIBUTIONS                 | \$8,422            |                    | \$4,010            | \$4,010.00            | 100%             |
| 150-ISOLATION COSTS                   | \$13,215           |                    |                    |                       |                  |
| 211-TRAVEL & SUBSISTENCE              | \$22,129           | \$4,983            | \$22,000           | \$17,017.43           | 77%              |
| 214-MEMBERSHIP/CONFERENCE FEES        | \$430              | \$148              | \$2,150            | \$2,001.84            | 93%              |
| 215-FREIGHT                           | \$41,443           | \$9,643            | \$48,500           | \$38,857.07           | 80%              |
| 217-TELEPHONE                         | \$19,162           | \$6,276            | \$18,480           | \$12,204.14           | 66%              |
| 221-ADVERTISING                       | \$7,433            |                    | \$1,800            | \$1,800.00            | 100%             |
| 232-LEGAL                             |                    | \$585              | \$1,000            | \$415.00              | 42%              |
| 233-ENGINEERING CONSULTING            | \$1,176            |                    | \$11,000           | \$11,000.00           | 100%             |
| 235-PROFESSIONAL FEES                 | \$12,166           | \$3,511            | \$21,450           | \$17,939.02           | 84%              |
| 239-TRAINING & EDUCATION              | \$10,210           | \$3,511            | \$9,190            | \$5,679.33            | 62%              |
| 252-BUILDING REPAIRS & MAINTENANCE    | \$9,000            | \$4,542            | \$12,250           | \$7,708.07            | 63%              |
| 253-EQUIPMENT REPAIR                  | \$23,293           | \$398              | \$13,400           | \$13,001.60           | 97%              |
| 255-VEHICLE REPAIR                    | \$14,019           | \$5,346            | \$11,500           | \$6,154.07            | 54%              |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA | \$108,823          | \$6,814            | \$68,400           | \$61,586.17           | 90%              |
| 266-COMMUNICATIONS                    | \$3,507            | \$993              | \$3,180            | \$2,187.26            | 69%              |
| 271-LICENSES & PERMITS                | \$227              |                    | \$200              | \$200.00              | 100%             |
| 272-DAMAGE CLAIMS                     |                    |                    | \$5,000            | \$5,000.00            | 100%             |
| 274-INSURANCE                         | \$19,111           | \$13,658           | \$28,175           | \$14,516.63           | 52%              |
| 511-GOODS AND SUPPLIES                | \$67,088           | \$20,597           | \$70,200           | \$49,602.87           | 71%              |
| 521-FUEL & OIL                        | \$19,081           | \$7,774            | \$32,700           | \$24,925.71           | 76%              |
| 531-CHEMICALS/SALT                    | \$82,764           | \$19,047           | \$89,500           | \$70,452.54           | 79%              |
| 543-NATURAL GAS                       | \$38,461           | \$22,979           | \$44,400           | \$21,420.83           | 48%              |
| 544-ELECTRICAL POWER                  | \$114,190          | \$27,074           | \$137,580          | \$110,505.56          | 80%              |
| 762-CONTRIBUTED TO CAPITAL            | \$72,948           |                    | \$330,250          | \$330,250.00          | 100%             |
| 763-CONTRIBUTED TO CAPITAL RESERVE    | \$599,357          |                    |                    |                       |                  |
| 831-INTEREST-LONG TERM DEBT           | \$210,096          | \$10,475           | \$197,489          | \$187,014.29          | 95%              |
| 832-PRINCIPAL - LONG TERM DEBT        | \$423,286          | \$19,479           | \$482,749          | \$463,270.43          | 96%              |
| 921-BAD DEBT EXPENSE                  | \$1,888            | \$446              | \$2,500            | \$2,054.11            | 82%              |
| <b>TOTAL EXPENDITURES</b>             | <b>\$2,200,481</b> | <b>\$278,814</b>   | <b>\$1,986,871</b> | <b>\$1,708,056.98</b> | <b>86%</b>       |
| <b>SURPLUS</b>                        | <b>(\$932,158)</b> | <b>\$75,807</b>    | <b>(\$660,177)</b> | <b>\$735,984.11</b>   | <b>-111%</b>     |

**MD of Mackenzie**  
**42-Sewer Services**  
April 30, 2006

|                                       | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>      | <u>% Budget</u>  |
|---------------------------------------|--------------------|--------------------|--------------------|-----------------------|------------------|
|                                       | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>      | <u>Remaining</u> |
| REVENUE                               |                    |                    |                    |                       |                  |
| 124-FRONTAGE                          | \$48,254           |                    | \$63,739           | (\$63,739.00)         | -100%            |
| 421-SALE OF WATER -METERED            | \$278,338          | \$71,637           | \$273,800          | (\$202,162.52)        | -74%             |
| <b>TOTAL REVENUE</b>                  | <b>\$326,593</b>   | <b>\$71,637</b>    | <b>\$337,539</b>   | <b>(\$265,901.52)</b> | <b>-79%</b>      |
| EXPENDITURE                           |                    |                    |                    |                       |                  |
| 110-WAGES & SALARIES                  | \$127,625          | \$49,607           | \$179,831          | \$130,223.69          | 72%              |
| 132-BENEFITS                          | \$18,000           | \$9,870            | \$37,341           | \$27,470.85           | 74%              |
| 136-WCB CONTRIBUTIONS                 |                    |                    | \$2,763            | \$2,763.00            | 100%             |
| 217-TELEPHONE                         | \$1,425            | \$466              | \$1,470            | \$1,004.23            | 68%              |
| 232-LEGAL                             | \$50               | \$50               | \$1,500            | \$1,449.60            | 97%              |
| 233-ENGINEERING CONSULTING            | \$2,807            |                    | \$5,000            | \$5,000.00            | 100%             |
| 235-PROFESSIONAL FEES                 | \$231              |                    | \$230              | \$230.00              | 100%             |
| 252-BUILDING REPAIRS & MAINTENANCE    | \$640              | \$7                | \$3,000            | \$2,993.02            | 100%             |
| 253-EQUIPMENT REPAIR                  | \$12,140           | \$836              | \$6,500            | \$5,664.16            | 87%              |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA | \$20,633           | \$304              | \$26,000           | \$25,696.45           | 99%              |
| 274-INSURANCE                         | \$5,136            | \$4,143            | \$5,750            | \$1,607.26            | 28%              |
| 511-GOODS AND SUPPLIES                | \$5,622            | \$7,938            | \$9,000            | \$1,062.10            | 12%              |
| 531-CHEMICALS/SALT                    | \$4,565            |                    | \$5,000            | \$5,000.00            | 100%             |
| 543-NATURAL GAS                       | \$3,496            | \$1,777            | \$4,920            | \$3,143.24            | 64%              |
| 544-ELECTRICAL POWER                  | \$15,822           | \$2,564            | \$17,220           | \$14,655.94           | 85%              |
| 762-CONTRIBUTED TO CAPITAL            | \$249,802          |                    | \$45,250           | \$45,250.00           | 100%             |
| 831-INTEREST-LONG TERM DEBT           | \$33,026           |                    | \$25,910           | \$25,910.00           | 100%             |
| 832-PRINCIPAL - LONG TERM DEBT        | \$75,731           |                    | \$84,163           | \$84,163.00           | 100%             |
| <b>TOTAL EXPENDITURES</b>             | <b>\$576,752</b>   | <b>\$77,561</b>    | <b>\$460,848</b>   | <b>\$383,286.54</b>   | <b>83%</b>       |
| <b>SURPLUS</b>                        | <b>(\$250,159)</b> | <b>(\$5,924)</b>   | <b>(\$123,309)</b> | <b>\$117,385.02</b>   | <b>-95%</b>      |

**MD of Mackenzie**  
**43-Solid Waste Disposal**  
April 30, 2006

|                                       | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|---------------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                       | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                               |                    |                    |               |                  |                  |
| 420-SALES OF GOODS & SERVICES         | \$10,376           | \$2,100            | \$9,600       | (\$7,500.00)     | -78%             |
| TOTAL REVENUE                         | \$10,376           | \$2,100            | \$9,600       | (\$7,500.00)     | -78%             |
| EXPENDITURE                           |                    |                    |               |                  |                  |
| 110-WAGES & SALARIES                  |                    |                    | \$7,795       | \$7,795.00       | 100%             |
| 132-BENEFITS                          |                    |                    | \$1,845       | \$1,845.00       | 100%             |
| 136-WCB CONTRIBUTIONS                 | \$337              |                    | \$608         | \$608.00         | 100%             |
| 211-TRAVEL & SUBSISTENCE              |                    |                    | \$1,000       | \$1,000.00       | 100%             |
| 221-ADVERTISING                       | \$375              |                    | \$600         | \$600.00         | 100%             |
| 232-LEGAL                             | \$364              |                    | \$500         | \$500.00         | 100%             |
| 235-PROFESSIONAL FEES                 | \$243,265          | \$40,904           | \$230,800     | \$189,896.02     | 82%              |
| 239-TRAINING & EDUCATION              | \$500              |                    | \$500         | \$500.00         | 100%             |
| 252-BUILDING REPAIRS & MAINTENANCE    | \$3,421            |                    | \$1,900       | \$1,900.00       | 100%             |
| 253-EQUIPMENT REPAIR                  | \$1,054            |                    | \$3,700       | \$3,700.00       | 100%             |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA | \$6,645            |                    | \$17,800      | \$17,800.00      | 100%             |
| 274-INSURANCE                         |                    | \$20               |               | (\$19.66)        |                  |
| 511-GOODS AND SUPPLIES                | \$1,248            | \$157              | \$2,000       | \$1,843.08       | 92%              |
| 544-ELECTRICAL POWER                  | \$5,298            | \$1,087            | \$5,980       | \$4,892.58       | 82%              |
| TOTAL EXPENDITURES                    | \$262,506          | \$42,168           | \$275,028     | \$232,860.02     | 85%              |
| SURPLUS                               | (\$252,130)        | (\$40,068)         | (\$265,428)   | \$225,360.02     | -85%             |

**MD of Mackenzie**  
**51-Family & Community Services**  
 April 30, 2006

|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>      | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|--------------------|-----------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>      | <u>Remaining</u> |
| REVENUE                              |                    |                    |                    |                       |                  |
| 840-PROVINCIAL GRANTS                | \$217,046          | \$54,559           | \$218,240          | (\$163,681.00)        | -75%             |
| 920-CONTRIBUTED FROM CAPITAL RESERVE | \$60,000           |                    |                    |                       |                  |
| <b>TOTAL REVENUE</b>                 | <b>\$277,046</b>   | <b>\$54,559</b>    | <b>\$218,240</b>   | <b>(\$163,681.00)</b> | <b>-75%</b>      |
| EXPENDITURE                          |                    |                    |                    |                       |                  |
| 255-VEHICLE REPAIR                   | \$470              | \$114              | \$750              | \$636.50              | 85%              |
| 274-INSURANCE                        | \$1,460            | \$1,042            | \$1,150            | \$108.07              | 9%               |
| 710-GRANTS TO LOCAL GOVERNMENTS      | \$22,906           | \$5,727            | \$22,906           | \$17,179.50           | 75%              |
| 735-GRANTS TO OTHER ORGANIZATIONS    | \$766,879          | \$391,955          | \$427,255          | \$35,300.00           | 8%               |
| 764-CONTRIBUTED TO OPERATING RESERVE |                    |                    | \$58,545           | \$58,545.00           | 100%             |
| <b>TOTAL EXPENDITURES</b>            | <b>\$791,715</b>   | <b>\$398,837</b>   | <b>\$510,606</b>   | <b>\$111,769.07</b>   | <b>22%</b>       |
| <b>SURPLUS</b>                       | <b>(\$514,669)</b> | <b>(\$344,278)</b> | <b>(\$292,366)</b> | <b>(\$51,911.93)</b>  | <b>18%</b>       |

**MD of Mackenzie**  
**61-Planning & Development**  
 April 30, 2006

|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>      | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|--------------------|-----------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>      | <u>Remaining</u> |
| <b>REVENUE</b>                       |                    |                    |                    |                       |                  |
| 420-SALES OF GOODS & SERVICES        | \$1,525            | \$370              | \$1,000            | (\$630.00)            | -63%             |
| 520-LICENSES & PERMITS               | \$12,730           | \$3,100            | \$15,000           | (\$11,900.00)         | -79%             |
| 522-MUNICIPAL RESERVE REVENUE        | \$29,369           | \$2,887            |                    | \$2,887.41            |                  |
| 526-SAFETY CODE PERMITS              | \$271,529          | \$22,138           | \$250,000          | (\$227,862.34)        | -91%             |
| 525-SUBDIVISION FEES                 | \$77,190           | \$28,370           | \$90,000           | (\$61,630.00)         | -68%             |
| 531-SAFETY CODE COUNCIL              | \$5,366            | \$412              | \$4,000            | (\$3,587.52)          | -90%             |
| 560-RENTAL & LEASE REVENUE           | \$16,960           |                    | \$14,000           | (\$14,000.00)         | -100%            |
| <b>TOTAL REVENUE</b>                 | <b>\$414,668</b>   | <b>\$57,278</b>    | <b>\$374,000</b>   | <b>(\$316,722.45)</b> | <b>-85%</b>      |
| <b>EXPENDITURE</b>                   |                    |                    |                    |                       |                  |
| 110-WAGES & SALARIES                 | \$293,066          | \$78,707           | \$378,657          | \$299,950.49          | 79%              |
| 132-BENEFITS                         | \$48,849           | \$17,669           | \$68,400           | \$50,731.10           | 74%              |
| 136-WCB CONTRIBUTIONS                | \$6,603            |                    | \$7,300            | \$7,300.00            | 100%             |
| 151-HONORARIA                        | \$4,575            | \$425              | \$1,500            | \$1,075.00            | 72%              |
| 211-TRAVEL & SUBSISTENCE             | \$8,286            | \$1,307            | \$12,000           | \$10,693.36           | 89%              |
| 214-MEMBERSHIP/CONFERENCE FEES       | \$1,239            | \$965              | \$4,000            | \$3,035.00            | 76%              |
| 215-FREIGHT                          |                    | \$42               |                    | (\$42.45)             |                  |
| 217-TELEPHONE                        | \$2,693            | \$265              | \$3,900            | \$3,635.48            | 93%              |
| 221-ADVERTISING                      | \$17,468           | \$4,392            | \$20,000           | \$15,608.25           | 78%              |
| 232-LEGAL                            | \$2,431            |                    | \$10,000           | \$10,000.00           | 100%             |
| 235-PROFESSIONAL FEES                | \$106,454          | \$11,111           | \$235,000          | \$223,888.97          | 95%              |
| 239-TRAINING & EDUCATION             | \$4,909            | \$397              | \$10,000           | \$9,602.81            | 96%              |
| 255-VEHICLE REPAIR                   | \$2,396            | \$71               | \$5,000            | \$4,929.25            | 99%              |
| 267-AVL MAINTENANCE                  | \$3,288            | \$2,899            | \$7,300            | \$4,401.32            | 60%              |
| 274-INSURANCE                        | \$2,693            | \$2,684            | \$5,040            | \$2,356.22            | 47%              |
| 511-GOODS AND SUPPLIES               | \$7,160            | \$1,718            | \$10,000           | \$8,282.10            | 83%              |
| 521-FUEL & OIL                       | \$9,400            | \$1,263            | \$11,500           | \$10,237.15           | 89%              |
| 762-CONTRIBUTED TO CAPITAL           | \$86,592           |                    |                    |                       |                  |
| 764-CONTRIBUTED TO OPERATING RESERVE | \$29,369           |                    |                    |                       |                  |
| <b>TOTAL EXPENDITURES</b>            | <b>\$637,468</b>   | <b>\$123,913</b>   | <b>\$789,597</b>   | <b>\$665,684.05</b>   | <b>84%</b>       |
| <b>SURPLUS</b>                       | <b>(\$222,800)</b> | <b>(\$66,635)</b>  | <b>(\$415,597)</b> | <b>\$348,961.60</b>   | <b>-84%</b>      |



**MD of Mackenzie  
63-Agriculture  
April 30, 2006**

|                                        | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>    | <u>% Budget</u>  |
|----------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------|
|                                        | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>    | <u>Remaining</u> |
| <b>REVENUE</b>                         |                    |                    |                    |                     |                  |
| 420-SALES OF GOODS & SERVICES          |                    |                    | \$2,600            | (\$2,600.00)        | -100%            |
| 560-RENTAL & LEASE REVENUE             | \$4,558            | \$300              | \$8,400            | (\$8,100.00)        | -96%             |
| 840-PROVINCIAL GRANTS                  | <u>\$101,172</u>   | <u>\$65,990</u>    | <u>\$60,000</u>    | <u>\$5,990.39</u>   | <u>10%</u>       |
| <b>TOTAL REVENUE</b>                   | <u>\$105,730</u>   | <u>\$66,290</u>    | <u>\$71,000</u>    | <u>(\$4,709.61)</u> | <u>-7%</u>       |
| <b>EXPENDITURE</b>                     |                    |                    |                    |                     |                  |
| 110-WAGES & SALARIES                   | \$82,844           | \$18,155           | \$118,940          | \$100,785.17        | 85%              |
| 132-BENEFITS                           | \$11,689           | \$3,925            | \$21,175           | \$17,250.07         | 81%              |
| 136-WCB CONTRIBUTIONS                  | \$2,156            |                    | \$1,750            | \$1,750.00          | 100%             |
| 151-HONORARIA                          | \$4,250            | \$625              | \$7,125            | \$6,500.00          | 91%              |
| 211-TRAVEL & SUBSISTENCE               | \$5,630            | \$1,090            | \$9,300            | \$8,210.19          | 88%              |
| 214-MEMBERSHIP/CONFERENCE FEES         | \$4,021            | \$557              | \$3,170            | \$2,613.44          | 82%              |
| 217-TELEPHONE                          | \$979              | \$172              | \$1,080            | \$908.10            | 84%              |
| 221-ADVERTISING                        | \$975              | \$420              | \$1,500            | \$1,080.36          | 72%              |
| 233-ENGINEERING CONSULTING             | \$48,503           | \$14,368           | \$55,000           | \$40,631.74         | 74%              |
| 239-TRAINING & EDUCATION               | \$906              |                    | \$1,000            | \$1,000.00          | 100%             |
| 253-EQUIPMENT REPAIR                   | \$3,057            | \$372              | \$2,500            | \$2,128.47          | 85%              |
| 255-VEHICLE REPAIR                     | \$4,661            | \$2,845            | \$3,000            | \$155.03            | 5%               |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA  | \$316,402          | \$12,520           | \$369,500          | \$356,980.00        | 97%              |
| 262-BUILDING & LAND RENTAL             | \$200              |                    | \$500              | \$500.00            | 100%             |
| 263-VEHICLE & EQUIPMENT LEASE OR RENTA | \$2,571            |                    | \$2,700            | \$2,700.00          | 100%             |
| 266-COMMUNICATIONS                     | \$904              | \$231              | \$900              | \$669.08            | 74%              |
| 274-INSURANCE                          | \$7,965            | \$6,708            | \$10,350           | \$3,642.13          | 35%              |
| 511-GOODS AND SUPPLIES                 | \$6,650            | \$101              | \$9,000            | \$8,898.60          | 99%              |
| 521-FUEL & OIL                         | \$13,458           | \$964              | \$15,000           | \$14,036.13         | 94%              |
| 531-CHEMICALS/SALT                     | \$34,771           |                    | \$35,000           | \$35,000.00         | 100%             |
| 735-GRANTS TO OTHER ORGANIZATIONS      | \$30,200           | \$30,000           | \$30,500           | \$500.00            | 2%               |
| 763-CONTRIBUTED TO CAPITAL RESERVE     | <u>\$250,000</u>   |                    | <u>\$250,000</u>   | <u>\$250,000.00</u> | <u>100%</u>      |
| <b>TOTAL EXPENDITURES</b>              | <u>\$832,790</u>   | <u>\$93,051</u>    | <u>\$948,990</u>   | <u>\$855,938.51</u> | <u>90%</u>       |
| <b>SURPLUS</b>                         | <u>(\$727,061)</u> | <u>(\$26,761)</u>  | <u>(\$877,990)</u> | <u>\$851,228.90</u> | <u>-97%</u>      |

**MD of Mackenzie**  
**64-Veterinary Service**  
*April 30, 2006*

|                          | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                          | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                  |                    |                    |               |                  |                  |
| EXPENDITURE              |                    |                    |               |                  |                  |
| 151-HONORARIA            |                    |                    | \$750         | \$750.00         | 100%             |
| 211-TRAVEL & SUBSISTENCE | \$75               |                    | \$300         | \$300.00         | 100%             |
| 235-PROFESSIONAL FEES    | \$39,316           | \$24,300           | \$85,500      | \$61,200.00      | 72%              |
| TOTAL EXPENDITURES       | \$39,391           | \$24,300           | \$86,550      | \$62,250.00      | 72%              |
| SURPLUS                  | (\$39,391)         | (\$24,300)         | (\$86,550)    | \$62,250.00      | -72%             |

**MD of Mackenzie  
66-Subdivision  
April 30, 2006**

|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                              |                    |                    |               |                  |                  |
| 424-SALE OF LAND                     | \$1,419            | \$30,472           | \$19,100      | \$11,371.83      | 60%              |
| TOTAL REVENUE                        | \$1,419            | \$30,472           | \$19,100      | \$11,371.83      | 60%              |
| EXPENDITURE                          |                    |                    |               |                  |                  |
| 221-ADVERTISING                      |                    |                    | \$1,000       | \$1,000.00       | 100%             |
| 235-PROFESSIONAL FEES                |                    |                    | \$2,500       | \$2,500.00       | 100%             |
| 764-CONTRIBUTED TO OPERATING RESERVE | \$1,419            |                    | \$3,600       | \$3,600.00       | 100%             |
| 992-COST OF LAND SOLD                |                    |                    | \$12,000      | \$12,000.00      | 100%             |
| TOTAL EXPENDITURES                   | \$1,419            |                    | \$19,100      | \$19,100.00      | 100%             |
| SURPLUS                              |                    | \$30,472           |               | \$30,471.83      |                  |

**MD of Mackenzie  
71-Recreation Boards  
April 30, 2006**

|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                              |                    |                    |               |                  |                  |
| 920-CONTRIBUTED FROM CAPITAL RESERVE | \$27,000           |                    |               |                  |                  |
| TOTAL REVENUE                        | \$27,000           |                    |               |                  |                  |
| EXPENDITURE                          |                    |                    |               |                  |                  |
| 710-GRANTS TO LOCAL GOVERNMENTS      | \$99,904           | \$24,976           | \$99,904      | \$74,928.00      | 75%              |
| 735-GRANTS TO OTHER ORGANIZATIONS    | \$566,231          | \$445,393          | \$666,894     | \$221,501.50     | 33%              |
| 763-CONTRIBUTED TO CAPITAL RESERVE   | \$32,081           |                    |               |                  |                  |
| TOTAL EXPENDITURES                   | \$698,216          | \$470,369          | \$766,798     | \$296,429.50     | 39%              |
| SURPLUS                              | (\$671,216)        | (\$470,369)        | (\$766,798)   | \$296,429.50     | -39%             |

**MD of Mackenzie**  
**72-Parks & Playgrounds**  
 April 30, 2006

|                                       | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>        | <u>\$ Budget</u>    | <u>% Budget</u>  |
|---------------------------------------|--------------------|--------------------|--------------------|---------------------|------------------|
|                                       | <u>Total</u>       | <u>Total</u>       | <u>Budget</u>      | <u>Remaining</u>    | <u>Remaining</u> |
| REVENUE                               |                    |                    |                    |                     |                  |
| 420-SALES OF GOODS & SERVICES         |                    |                    | \$8,000            | (\$8,000.00)        | -100%            |
| 840-PROVINCIAL GRANTS                 | \$29,532           |                    |                    |                     |                  |
| <b>TOTAL REVENUE</b>                  | <b>\$29,532</b>    |                    | <b>\$8,000</b>     | <b>(\$8,000.00)</b> | <b>-100%</b>     |
| EXPENDITURE                           |                    |                    |                    |                     |                  |
| 110-WAGES & SALARIES                  | \$25,699           |                    | \$59,682           | \$59,682.00         | 100%             |
| 132-BENEFITS                          | \$384              |                    | \$4,827            | \$4,827.00          | 100%             |
| 136-WCB CONTRIBUTIONS                 |                    |                    | \$650              | \$650.00            | 100%             |
| 214-MEMBERSHIP/CONFERENCE FEES        |                    |                    | \$500              | \$500.00            | 100%             |
| 221-ADVERTISING                       |                    |                    | \$1,300            | \$1,300.00          | 100%             |
| 235-PROFESSIONAL FEES                 | \$38,000           |                    | \$38,000           | \$38,000.00         | 100%             |
| 252-BUILDING REPAIRS & MAINTENANCE    | \$2,715            |                    | \$5,750            | \$5,750.00          | 100%             |
| 259-STRUCTURAL R&M (ROADS, SEWERS, WA |                    |                    | \$47,650           | \$47,650.00         | 100%             |
| 511-GOODS AND SUPPLIES                | \$36,720           | \$524              | \$13,650           | \$13,126.50         | 96%              |
| 521-FUEL & OIL                        | \$2,500            |                    | \$4,500            | \$4,500.00          | 100%             |
| 764-CONTRIBUTED TO OPERATING RESERVE  | \$25,000           |                    | \$50,000           | \$50,000.00         | 100%             |
| <b>TOTAL EXPENDITURES</b>             | <b>\$131,018</b>   | <b>\$524</b>       | <b>\$226,509</b>   | <b>\$225,985.50</b> | <b>100%</b>      |
| <b>SURPLUS</b>                        | <b>(\$101,487)</b> | <b>(\$524)</b>     | <b>(\$218,509)</b> | <b>\$217,985.50</b> | <b>-100%</b>     |

**MD of Mackenzie  
73-Tourism  
April 30, 2006**

|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                              |                    |                    |               |                  |                  |
| EXPENDITURE                          |                    |                    |               |                  |                  |
| 214-MEMBERSHIP/CONFERENCE FEES       | \$12,859           | \$12,109           | \$13,250      | \$1,141.25       | 9%               |
| 221-ADVERTISING                      |                    | \$1,315            | \$1,800       | \$485.00         | 27%              |
| 511-GOODS AND SUPPLIES               | \$5,822            | \$3,218            | \$7,100       | \$3,882.45       | 55%              |
| 764-CONTRIBUTED TO OPERATING RESERVE | \$4,178            |                    |               |                  |                  |
| TOTAL EXPENDITURES                   | \$22,859           | \$16,641           | \$22,150      | \$5,508.70       | 25%              |
| SURPLUS                              | (\$22,859)         | (\$16,641)         | (\$22,150)    | \$5,508.70       | -25%             |

**MD of Mackenzie**  
**74-Library Service**  
*April 30, 2006*

|                                   | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|-----------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                   | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                           |                    |                    |               |                  |                  |
| EXPENDITURE                       |                    |                    |               |                  |                  |
| 710-GRANTS TO LOCAL GOVERNMENTS   | \$7,165            | \$15,000           | \$15,000      |                  |                  |
| 735-GRANTS TO OTHER ORGANIZATIONS | \$126,500          | \$130,295          | \$130,295     |                  |                  |
| TOTAL EXPENDITURES                | \$133,665          | \$145,295          | \$145,295     |                  |                  |
| SURPLUS                           | (\$133,665)        | (\$145,295)        | (\$145,295)   |                  |                  |

**MD of Mackenzie**  
**85-Requisitions**  
*April 30, 2006*

|                                | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                        |                    |                    |               |                  |                  |
| EXPENDITURE                    |                    |                    |               |                  |                  |
| 747-SCHOOL FOUNDATION PROGRAMS | \$6,722,877        | \$1,679,701        | \$6,776,568   | \$5,096,867.30   | 75%              |
| 750-SENIORS FOUNDATION         | \$325,755          | \$81,439           | \$436,896     | \$355,457.38     | 81%              |
| TOTAL EXPENDITURES             | \$7,048,632        | \$1,761,139        | \$7,213,464   | \$5,452,324.68   | 76%              |
| SURPLUS                        | (\$7,048,632)      | (\$1,761,139)      | (\$7,213,464) | \$5,452,324.68   | -76%             |



**MD of Mackenzie**  
**97-Other Transfers**  
*April 30, 2006*

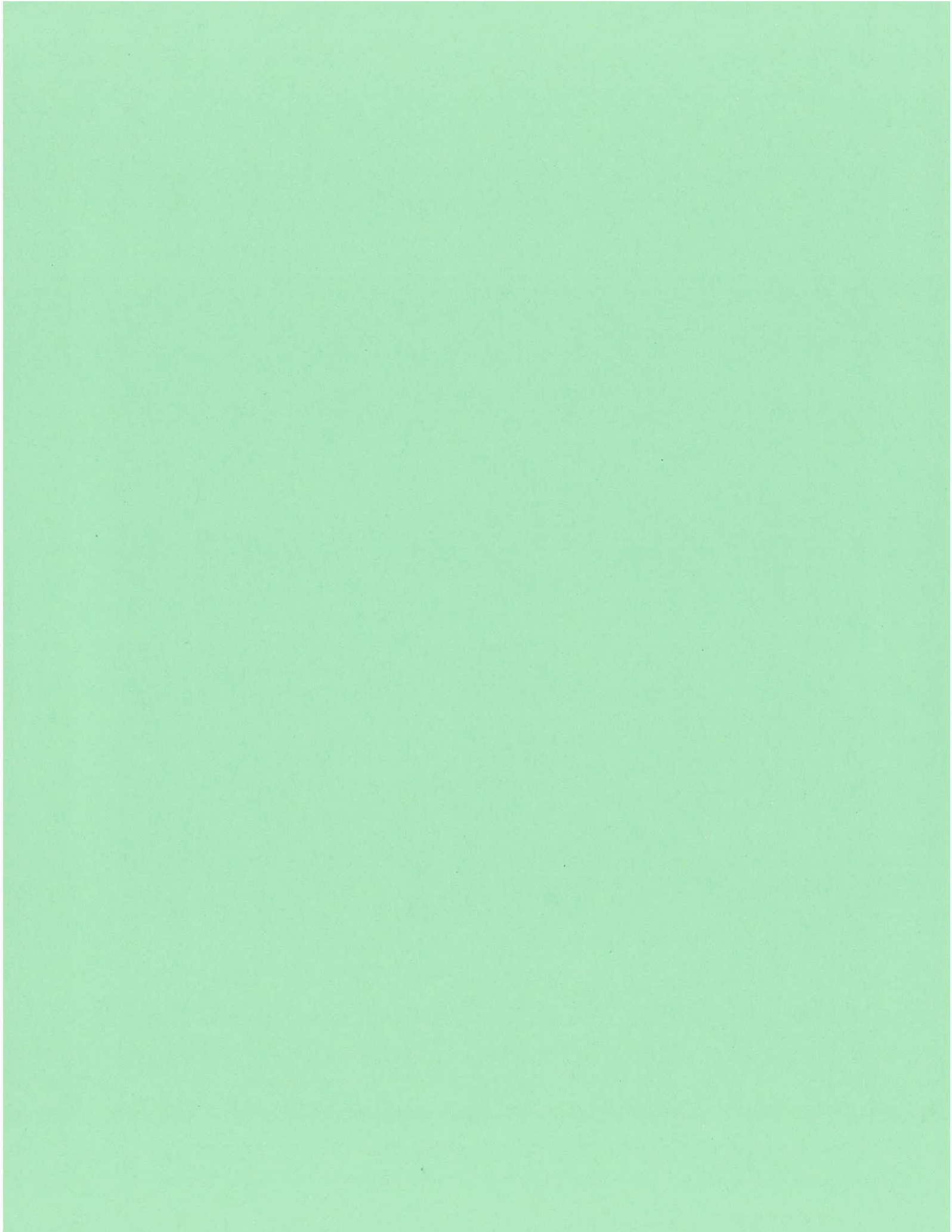
|                                      | <u>2005 Actual</u> | <u>2006 Actual</u> | <u>2006</u>   | <u>\$ Budget</u> | <u>% Budget</u>  |
|--------------------------------------|--------------------|--------------------|---------------|------------------|------------------|
|                                      | <u>Total</u>       | <u>Total</u>       | <u>Budget</u> | <u>Remaining</u> | <u>Remaining</u> |
| REVENUE                              |                    |                    |               |                  |                  |
| EXPENDITURE                          |                    |                    |               |                  |                  |
| 763-CONTRIBUTED TO CAPITAL RESERVE   | \$406,116          |                    |               |                  |                  |
| 764-CONTRIBUTED TO OPERATING RESERVE | \$406,116          |                    |               |                  |                  |
| TOTAL EXPENDITURES                   | \$812,231          |                    |               |                  |                  |
| SURPLUS                              | (\$812,231)        |                    |               |                  |                  |

| Department                              | Grant eligible amount | Total budget       | Actual cost-to-date | Variance \$        | Variance % | Estimated % of completion | Estimated completion date | Comment                                                                                                                                                                                                                                                  |
|-----------------------------------------|-----------------------|--------------------|---------------------|--------------------|------------|---------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Administration</b>                   |                       |                    |                     |                    |            |                           |                           |                                                                                                                                                                                                                                                          |
| Video Conferencing Equipment            | 223,000               | 223,000            | 45,780              | 177,220            | 79%        | 50%                       | August 30/06              | Installed satellites equipment, requests for proposals are being sent out for video-conferencing equipment; purchased a server; purchased laptops fro councilors.                                                                                        |
| NT Servers                              |                       | 15,000             | 12,910              | 2,090              | 14%        | 75%                       | June 30/06                | Purchased two servers; Super Net is functional in Fort Vermilion.                                                                                                                                                                                        |
| Zama Trailer                            |                       | 90,000             |                     | 90,000             | 100%       | 5%                        | August 30/06              | The trailer has been ordered and will be delivered in June.                                                                                                                                                                                              |
| Medical clinic                          |                       | 800,000            |                     | 800,000            | 100%       |                           |                           | Carried forward from 2005                                                                                                                                                                                                                                |
| PC's, Peripherals & Equipment           |                       | 12,500             | 8,962               | 3,538              | 28%        | 80%                       | June 30/06                | Purchased laptops and desk tops, a color printer for La Crete office and a printer for Fort Vermilion office.                                                                                                                                            |
| Computer Hardware and Software          |                       | 15,200             | 8,763               | 6,437              | 42%        | 80%                       | June 30/06                | Purchased hardware and software - APC backup units; purchased wireless equipment for FV Ambulance and wireless equipment to connect LC main office to LC ambulance office - waiting for installations; in a process of renewing Antivirus subscriptions. |
| Energy Audit                            | 7,900                 | 15,800             |                     | 15,800             | 100%       | 5%                        | August 30/06              | Prepared all necessary documentation for ATCO Sense; waiting for approval for federal funding.                                                                                                                                                           |
| <b>Total</b>                            |                       | <b>\$1,171,500</b> | <b>\$76,414</b>     | <b>\$1,095,086</b> | <b>93%</b> |                           |                           |                                                                                                                                                                                                                                                          |
| <b>Fire Services</b>                    |                       |                    |                     |                    |            |                           |                           |                                                                                                                                                                                                                                                          |
| FV Fire Hall Mezzanine                  |                       | 25,000             |                     | 25,000             | 100%       | 0%                        |                           | waiting for bids                                                                                                                                                                                                                                         |
| Rescue Boat - FVFD                      |                       | 20,000             |                     | 20,000             | 100%       |                           |                           | researching                                                                                                                                                                                                                                              |
| Pumper Truck                            |                       | 281,875            |                     | 281,875            | 100%       |                           |                           | on order                                                                                                                                                                                                                                                 |
| Zama Rescue Vehicle                     |                       | 225,000            | 227,716             | (2,716)            | -1%        |                           |                           | arriving mid April                                                                                                                                                                                                                                       |
| Fire Trailer and Storage Shed           |                       | 4,635              |                     | 4,635              | 100%       | 100%                      |                           | complete                                                                                                                                                                                                                                                 |
| Zama Fuel Break                         |                       | 60,000             |                     | 60,000             | 100%       |                           |                           | working with SRD                                                                                                                                                                                                                                         |
| LCFD - Painting MCI Unit                |                       | 4,500              |                     | 4,500              | 100%       |                           |                           | not complete                                                                                                                                                                                                                                             |
| Training Development Lot                |                       | 9,709              |                     | 9,709              | 100%       |                           |                           | wait for summer                                                                                                                                                                                                                                          |
| <b>Total</b>                            |                       | <b>\$630,719</b>   | <b>\$227,716</b>    | <b>\$403,003</b>   | <b>64%</b> |                           |                           |                                                                                                                                                                                                                                                          |
| <b>Ambulance Services</b>               |                       |                    |                     |                    |            |                           |                           |                                                                                                                                                                                                                                                          |
| EMS Facility - High Level               |                       | 350,000            | 344,694             | 5,306              | 2%         |                           |                           | waiting for deficiencies to be completed                                                                                                                                                                                                                 |
| Disaster Services Radio Broadcasting    |                       | 23,859             |                     | 23,859             | 100%       |                           |                           | working on prices                                                                                                                                                                                                                                        |
| Cardiac Monitors                        |                       | 68,000             |                     | 68,000             | 100%       |                           |                           | working on prices                                                                                                                                                                                                                                        |
| Two Ambulances                          |                       | 91,534             | 74,494              | 17,040             | 19%        | 99%                       |                           | waiting for final invoice                                                                                                                                                                                                                                |
| Evacuation Sidewalk - LC                |                       | 7,031              |                     | 7,031              | 100%       |                           |                           | being tendered                                                                                                                                                                                                                                           |
| Concrete Pad Replacement - LC           |                       | 6,334              |                     | 6,334              | 100%       |                           |                           | being tendered                                                                                                                                                                                                                                           |
| LC Ambulance - Concrete Pad Replacement |                       | 22,000             |                     | 22,000             | 100%       |                           |                           | being tendered                                                                                                                                                                                                                                           |
| LC Ambulance - Capital                  |                       | 33,123             | 29,920              | 3,203              | 10%        |                           |                           | not complete                                                                                                                                                                                                                                             |
| <b>Total</b>                            |                       | <b>\$601,881</b>   | <b>\$449,108</b>    | <b>\$152,773</b>   | <b>25%</b> |                           |                           |                                                                                                                                                                                                                                                          |
| <b>Enforcement</b>                      |                       |                    |                     |                    |            |                           |                           |                                                                                                                                                                                                                                                          |
| Radar Unit                              |                       | \$5,000            |                     | 5,000              | 100%       |                           |                           | not complete                                                                                                                                                                                                                                             |
| Patrol Vehicle                          |                       | \$3,082            | 590                 | 2,492              | 81%        |                           |                           | waiting for supplies                                                                                                                                                                                                                                     |
| <b>Total</b>                            |                       | <b>\$8,082</b>     | <b>\$590</b>        | <b>\$5,000</b>     | <b>62%</b> |                           |                           |                                                                                                                                                                                                                                                          |

| Department                                                     | Grant eligible amount | Total budget | Actual cost-to-date | Variance \$ | Variance % | Estimated % of completion | Estimated completion date | Comment                                                                                     |
|----------------------------------------------------------------|-----------------------|--------------|---------------------|-------------|------------|---------------------------|---------------------------|---------------------------------------------------------------------------------------------|
| <b>Transportation</b>                                          |                       |              |                     |             |            |                           |                           |                                                                                             |
| La Crete Public Works Concrete Pad                             |                       | 8,500        |                     | 8,500       | 100%       |                           |                           | Currently putting together specifications for proposals                                     |
| Kelln Solar Light System                                       |                       | 8,000        |                     | 8,000       | 100%       | 100%                      | 30-Apr-06                 | Completed                                                                                   |
| Patrol Vehicle                                                 |                       | 54,000       | 52,231              | 1,769       | 3%         |                           |                           |                                                                                             |
| 4 Trucks @ 33,000 each                                         |                       | 132,000      | 114,787             | 17,213      | 13%        | 100%                      | 28-Feb-06                 | Completed                                                                                   |
| Tandem Replacement (was \$160,000 in 2007)                     |                       | 203,000      | 186,984             | 16,016      | 8%         | 100%                      | 28-Feb-06                 | Completed                                                                                   |
| Front Utility Blade Attachment for Graders                     |                       | 20,000       | 22,005              | (2,005)     | -10%       | 100%                      | 28-Feb-06                 | Completed                                                                                   |
| Hwy 697 and 88 Connector Intersection (new)                    |                       | 147,200      | 7,622               | 139,578     | 95%        | 5%                        |                           | EXH is currently preparing "Request for Proposal" documents                                 |
| Road Construction Requests                                     |                       | 160,000      | 11,738              | 148,262     | 93%        | 5%                        | 30-Sep-06                 | Clearing is to take place in the High Level area within the next week                       |
| Paved Accesses on Access Roads (new)                           |                       | 60,000       |                     | 60,000      | 100%       |                           |                           |                                                                                             |
| 94th Avenue Type Iia Intersection (new)                        |                       | 100,000      |                     | 100,000     | 100%       |                           |                           | Cancelled                                                                                   |
| 94th Avenue Widening (new)                                     |                       | 156,750      |                     | 156,750     | 100%       |                           |                           | Cancelled                                                                                   |
| LC 105 and 98 Ave Cold Mix (was \$50,000 in 2005)              |                       | 70,000       | 1,158               | 68,842      | 98%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| LC 101 Ave - 102 to 103 St. Curb, Gutter, Sidewalk             |                       | 448,500      | 8,056               | 440,444     | 98%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| LC 101 Ave - 103 to 104 St. Curb, Gutter, Sidewalk             | 122,340               | 280,000      | 3,795               | 276,205     | 99%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| LC 101 Ave - 104 to 106 St. Curb, Gutter, Sidewalk             |                       | 470,000      | 6,332               | 463,668     | 99%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| LC 101 Ave - 106 to 107 St. Curb, Gutter, Sidewalk             |                       | 255,000      | 3,426               | 251,574     | 99%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| Gravel Crusher                                                 |                       | 1,750,000    | 285                 | 1,749,715   | 100%       | 2%                        |                           | Debenture bylaw is receiving 2nd and 3rd reading at council meeting                         |
| Vehicle for crusher employee                                   |                       | 30,000       |                     | 30,000      | 100%       |                           |                           |                                                                                             |
| FV 45th Street - New Sidewalk                                  |                       | 50,124       |                     | 50,124      | 100%       |                           |                           |                                                                                             |
| GIS Hardware & Software                                        |                       | 20,000       | 3,189               | 16,811      | 84%        | 15%                       | 31-Dec-06                 | Dispatch Unit Upgrade completed                                                             |
| Gravel Exploration                                             |                       | 50,000       | 1,226               | 48,774      | 98%        |                           | 31-Dec-06                 | Ongoing exploration in Zama, Fort Vermilion and La Crete                                    |
| FV Shop Upgrade                                                |                       | 11,000       | 4,480               | 6,520       | 59%        | 40%                       | 30-Jun-06                 | Ongoing                                                                                     |
| MIMS                                                           | 193,740               | 250,000      |                     | 250,000     | 100%       |                           |                           | Continuing research into MIMS                                                               |
| Shoulder Pulls (was \$100,000 in 2005)                         |                       | 80,500       |                     | 80,500      | 100%       |                           |                           |                                                                                             |
| Road Reconstruction                                            |                       | 100,000      | 569                 | 99,432      | 99%        |                           |                           |                                                                                             |
| Brush Clearing West La Crete Pit Haul Road (new)               |                       | 36,000       | 178                 | 35,823      | 100%       | 50%                       | 15-May-06                 | The contract has been awarded to Friesen Logging and the road right of way is being cleared |
| BF 75204 (new)                                                 |                       | 25,000       |                     | 25,000      | 100%       |                           |                           |                                                                                             |
| Asphalt Seal Coat (new)                                        |                       | 20,000       |                     | 20,000      | 100%       | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| Drainage Improvements Industrial Area East of 100 Street (new) |                       | 230,000      | 12,048              | 217,952     | 95%        |                           |                           |                                                                                             |
| LC 99 Street - 109 to 98 Avenue - Grading (new)                | 460,000               | 920,000      | 4,592               | 915,408     | 100%       |                           |                           | Discussions with AIT on April 27 revealed that this project was not approved for funding    |
| River Road - 54 Street to Hwy 88 (was \$330,000 in 2008)       | 52,260                | 365,000      | 6,070               | 358,930     | 98%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| Zama Beach Road                                                | 10,380                | 930,000      | 8,192               | 921,808     | 99%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| River Road from 41 Street East Airport                         |                       | 520,000      | 8,019               | 511,981     | 98%        | 5%                        | 30-Sep-06                 | The contract has been awarded to Knelsen Sand & Gravel                                      |
| Minor Small Equipment                                          |                       | 32,750       | 23,350              | 9,400       | 29%        | 70%                       | 31-Dec-06                 | Ongoing                                                                                     |
| Streetlights along 94 Avenue - Ridgeview School                |                       | 13,900       |                     | 13,900      | 100%       | 5%                        | 31-Jul-06                 | ATCO has been informed to go ahead with the installation of the street lights               |
| Husky south Resource Road                                      |                       | 50,000       |                     | 50,000      | 0%         |                           |                           | Waiting on results of Resource Road application                                             |
| Rocky Lane Eastern Curve                                       |                       | 18,521       | 816                 | 17,705      | 96%        | 95%                       | 31-May-06                 | The road for the revised curve has been registered                                          |
| Gravel Exploration                                             |                       | 11,335       | 1,456               | 9,879       | 87%        |                           |                           | Ongoing exploration in Zama, Fort Vermilion and La Crete                                    |

| Department                                        | Grant eligible amount | Total budget        | Actual cost-to-date | Variance \$         | Variance %  | Estimated % of completion | Estimated completion date | Comment                                                                  |
|---------------------------------------------------|-----------------------|---------------------|---------------------|---------------------|-------------|---------------------------|---------------------------|--------------------------------------------------------------------------|
| Run-off Pond for the FV Salt Storage Area         |                       | 14,110              |                     | 14,110              | 100%        |                           |                           |                                                                          |
| Assumption Bypass                                 | 1,017,000             | 2,106,507           | 7,497               | 2,099,010           | 100%        | 2%                        |                           | The tenders have been released                                           |
| Bridge - BF 76738                                 | 15,000                | 25,000              |                     | 25,000              | 100%        |                           |                           | Waiting on AIT's approval to go ahead with repairs                       |
| Bridge - BF 813368                                | 220,000               | 250,000             |                     | 250,000             | 100%        |                           |                           | Waiting on AIT's approval to go ahead with repairs                       |
| Waterline repl. & Street Work - 50th Ave FV       |                       | 10,240              |                     | 10,240              | 100%        |                           |                           |                                                                          |
| Waterline repl. & Street Work - Mackenzie Housing |                       | 11,631              |                     | 11,631              | 100%        |                           |                           |                                                                          |
| <b>Total</b>                                      |                       | <b>\$10,504,568</b> | <b>\$500,100</b>    | <b>\$10,004,468</b> | <b>95%</b>  |                           |                           |                                                                          |
| <b>Airport Transportation</b>                     |                       |                     |                     |                     |             |                           |                           |                                                                          |
| Decommission underground fuel tanks at FV Airport |                       | 22,500              |                     | 22,500              | 100%        |                           |                           | In progress                                                              |
| REDI                                              | 130,205               | \$130,205           |                     | 130,205             | 100%        |                           |                           |                                                                          |
| <b>Total</b>                                      |                       | <b>\$152,705</b>    | <b>\$0</b>          | <b>\$152,705</b>    | <b>100%</b> |                           |                           |                                                                          |
| <b>Water Services</b>                             |                       |                     |                     |                     |             |                           |                           |                                                                          |
| Air Blower at FV Raw Water Reservoir              |                       | 9,000               | 8,313               | 687                 | 8%          | 100%                      |                           | Completed                                                                |
| Tower Road Water main                             | 177,068               | 258,000             | 7,315               | 250,685             | 97%         | 5%                        | 30-Sep-06                 | Contract tender has been awarded                                         |
| SCADA                                             | 562,000               | 562,000             |                     | 562,000             | 100%        | 1%                        |                           | Project was deferred to 2007                                             |
| Zama Water Treatment System                       | 2,693,850             | 4,414,881           | 44,340              | 4,370,541           | 99%         | 2%                        |                           | Approved for funding from AIT under the Alberta Water Wastewater Program |
| La Crete Water Treatment System                   | 261,054               | 261,054             | 50,542              | 210,512             | 81%         | 90%                       |                           | Final inspection needs to be done                                        |
| Remote meter reader                               |                       | 12,500              |                     | 12,500              | 100%        | 1%                        |                           | Waiting on ATCO                                                          |
| La Crete 98th Ave Water                           |                       | 9,104               |                     | 9,104               | 100%        | 95%                       |                           | Spring clean up to be done                                               |
| Interior Finishing LC Storage Shed                |                       | 9,000               | 181                 | 8,819               | 98%         | 2%                        | 31-Aug-06                 | Proposals are currently being prepared for concrete work                 |
| Old La Crete Water Treatment Plant Roof Repair    |                       | 77,000              |                     | 77,000              | 100%        | 2%                        | 31-Aug-06                 | Quotes were received and awarded to Ed Harder Const                      |
| Mobile Home Park CC Repair                        |                       | 30,000              | 30,000              | -                   | 0%          | 100%                      |                           | Completed                                                                |
| Zama source of Water Study                        |                       | 24,498              | 46,275              | (21,777)            | -89%        | 5%                        |                           | Drilling another well at another location                                |
| <b>Total</b>                                      |                       | <b>\$5,667,037</b>  | <b>\$186,966</b>    | <b>\$5,480,071</b>  | <b>97%</b>  |                           |                           |                                                                          |
| <b>Sewer Services</b>                             |                       |                     |                     |                     |             |                           |                           |                                                                          |
| Zama Wastewater Upgrade - Phase II                | 2,127,450             | 4,000,000           | 69,064              | 3,930,936           | 98%         | 5%                        |                           | Approved for funding from AIT under the Alberta Water Wastewater Program |
| Tower Road Sewer Main and Servicing               |                       | 310,000             | 2,480               | 307,520             | 99%         | 5%                        | 30-Sep-06                 | Contract tender has been awarded                                         |
| FV 46th Ave - new line installation               |                       | 38,108              | 284                 | 37,824              | 99%         | 80%                       |                           | Lot servicing and clean up to be done in spring                          |
| Gravity Sewer Line                                |                       | 24,101              |                     | 24,101              | 100%        | 95%                       |                           | Spring clean up to be done                                               |
| Upgrade FV Main Lift Station                      | 128,250               | 217,000             | 5,081               | 211,920             | 98%         | 5%                        |                           | GEPEC is preparing tenders                                               |
| La Crete Lagoon Study                             |                       | 26,500              |                     | 26,500              | 100%        | 0%                        |                           | To be done in summer                                                     |
| FV 46th Ave - Old Line Replacement                |                       | 26,209              | 233                 | 25,976              | 99%         | 95%                       |                           | Spring clean up to be done                                               |
| <b>Total</b>                                      |                       | <b>\$4,641,918</b>  | <b>\$77,142</b>     | <b>\$4,564,776</b>  | <b>\$7</b>  |                           |                           |                                                                          |
| <b>Waste Disposal Services</b>                    |                       |                     |                     |                     |             |                           |                           |                                                                          |
| Waste Transfer Station Upgrade - TMA Zama         |                       | 15,000              |                     | 15,000              | 100%        | 2%                        | 30-Jun-06                 | Approved for funding from the Tire Marshalling Association               |
| <b>Total</b>                                      |                       | <b>\$15,000</b>     | <b>\$0</b>          | <b>\$15,000</b>     | <b>100%</b> |                           |                           |                                                                          |
| <b>Planning &amp; Development</b>                 |                       |                     |                     |                     |             |                           |                           |                                                                          |
| LC Office Building - Study                        |                       | 48,428              | 1,781               | 46,647              | 96%         |                           |                           | In progress                                                              |
| FV & Zama Community Development Plan              |                       | 30,500              | 1,800               | 28,700              | 94%         |                           |                           | Completed                                                                |
| <b>Total</b>                                      |                       | <b>\$78,928</b>     | <b>\$3,581</b>      | <b>\$75,347</b>     | <b>95%</b>  |                           |                           |                                                                          |

| Department                         | Grant eligible amount | Total budget | Actual cost-to-date | Variance \$  | Variance % | Estimated % of completion | Estimated completion date | Comment                                                  |
|------------------------------------|-----------------------|--------------|---------------------|--------------|------------|---------------------------|---------------------------|----------------------------------------------------------|
| <b>Agricultural Services</b>       |                       |              |                     |              |            |                           |                           |                                                          |
| Rosenburger Drainage - Lines 3 & 7 | 494,755               | 494,755      | 42,489              | 452,266      | 91%        | 5%                        |                           | In progress                                              |
| Blue Hills Erosion                 |                       | 216,000      | 8,199               | 207,801      | 96%        |                           | Sept 1/06                 | Survey completed, Gabion Baskets have been orderd        |
| FV South Drainage                  |                       | 179,678      | 2,836               | 176,842      | 98%        | 25%                       |                           | In Progress                                              |
| Rosenberger Drainage - Line 4&8    |                       | 75,000       | 1,127               | 73,873       | 98%        |                           |                           | In progress                                              |
| Total                              |                       | \$965,433    | \$54,651            | \$910,782    | 94%        |                           |                           |                                                          |
| <b>Parks &amp; Playgrounds</b>     |                       |              |                     |              |            |                           |                           |                                                          |
| 108th Street Park Playground       |                       | 7,500        |                     | 7,500        | 100%       | 2%                        | 31-Aug-06                 | Proposals are currently being prepared for concrete work |
| Washrooms at FV Parks              |                       | 50,000       |                     | 50,000       | 100%       |                           |                           |                                                          |
| Zama Beautification Program        |                       | 100,000      |                     | 100,000      | 100%       | 2%                        | 31-Aug-06                 | In progress                                              |
| Total                              |                       | \$157,500    | \$0                 | \$157,500    | 100%       |                           |                           |                                                          |
| Grand Total                        |                       | \$24,595,271 | \$1,576,268         | \$23,016,511 | 94%        |                           |                           |                                                          |





**Town of Rainbow Lake**  
Box 149, Rainbow Lake, AB T0H 2Y0

April 25, 2006

The Honorable Iris Evans  
Minister of Health and Wellness  
204 Legislature Building  
10800 - 97 Ave.  
Edmonton, Alberta  
T5K 2B6


Dear Minister Evans,

Ten months ago, you invited stakeholders to Fort McMurray to discuss barriers to health care access in this Region. I was happy to discuss the issues and very happy to learn of your response: assist in the development of a mobile and mortar facility in High Level from which doctors could service this entire region, providing access to health care to those people who we so desperately need to attract to this region.

My delight has turned to dust in my mouth as I see the plan developed, instead of a clinic. Apparently the common wish in this region; in this case we continue to suffer from the inaccessibility of health care (but also from the disharmony that has resulted from the lack of alternatives.

In this country we are over-burdened with bureaucracy in some areas due to the ambivalent nature of the federal government. Could that same thing happen within this region on this matter? To resolve our current impasse, all the players need specific directions and responsibilities. Please provide that direction now.

Thank you for your immediate attention to this matter. If you have any questions, please do not hesitate to call the undersigned at (780) 956-8723 or via our Administrative Offices at (780) 956-3934.

Yours truly,  
  
John Watt  
Mayor

Cc: Town High Level  
MD Mackenzie  
Northern Lights Health Region  
Frank Oberle MLA - Peace Region

PLEASE COPY 

Need 7 Copies

Send Copies To:

Paul Karen K  
MJ Jason  
Rick Eva  
John Info to all

Original:

Send To: Jouliq with a package  
 File Under: \_\_\_\_\_

Wanita, please make copies for our tomorrow RFI meeting

RECEIVED  
MAY 02 2006  
MUNICIPAL DISTRICT  
OF MACKENZIE NO. 23  
M.D. - FORT VERMILLION



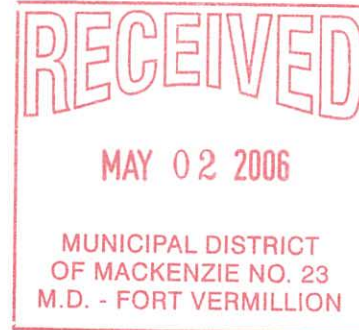


**Canada - Alberta Municipal Rural Infrastructure Fund**

**Fonds sur l'infrastructure municipale rurale Canada - Alberta**

April 21, 2006

Bill Landiuk  
Acting Chief Administrative Officer  
Municipal District of Mackenzie No. 23  
6401 - 46 Avenue  
PO Box 640  
Fort Vermilion AB T0H 1N0



Dear Mr. Landiuk:

The Governments of Canada and Alberta are working in partnership with the Alberta Urban Municipal Association (AUMA) and the Alberta Association of Municipal Districts and Counties (AAMD&C) to build stronger communities and enhance the quality of life in Alberta. This is why the federal and provincial governments have recently announced an essential municipal and rural infrastructure investment of \$88 million each over five years under the Canada-Alberta Municipal Rural Infrastructure Fund (CAMRIF). This investment, combined with municipal investments, will lead to a total investment in municipal infrastructure of up to \$264 million.

CAMRIF is one important component of broader strategies by senior governments to help address the infrastructure deficit across Alberta. It focuses on improving public infrastructure in urban and rural communities and on ensuring municipal infrastructure needs are addressed through investments that are vital to sustainable development and long-term economic growth.

CAMRIF is designed to respond to municipal needs by helping make infrastructure improvements to provide cleaner water, better sewage systems, upgraded waste management processes and safer municipal roads and bridges. Other funding categories include: public transit; municipal energy improvement; cultural, recreational and tourism infrastructure; and connectivity.

CAMRIF reflects the lessons learned from previous federal-provincial partnerships and builds on their successes. For example, representatives from municipal government have formally joined this partnership and a streamlined joint Canada-Alberta application process has been designed.



CAMRIF will have two or more intakes of applications to ensure steady, reliable funding over the five-year duration of the initiative. This will enable municipalities to identify their priorities, secure appropriate funding and plan project implementation. CAMRIF's competitive selection process ensures that project proposals are treated fairly, according to a pre-established set of screening criteria.

The first intake is now open, and applications must be received by **July 31<sup>st</sup> 2006**. A second intake is planned for **April 2007**; future intakes will depend on the uptake of the program.

Today, we are pleased to provide you with details on how you can apply to CAMRIF.

Applications are available online at [www.camrif.ca](http://www.camrif.ca). To access the online system, please go to "How to Apply" and click on the "Step by Step Online Application Guide", there you will see the link to the Shared Information Management System for Infrastructure (SIMSI) the program's database at <https://www.infrastructureop.gc.ca/mrif>. A personal user identification code and password are required, which you will find in the enclosed envelope. The first time you enter the online system you will be asked to change your password. Please set it to a value that you will remember. It must have a minimum of eight characters and include a number, but it is not case sensitive. Should you wish to change the person responsible for the applications for your organization, please contact the CAMRIF Joint Secretariat at the address and numbers listed below.

CAMRIF Joint Secretariat  
2<sup>nd</sup> Floor Twin Atria  
4999 – 98 Avenue  
Edmonton Alberta  
T6B 2X3

Phone 1-800-396-0214 or (780) 422 -1151  
Fax (780) 427-5505  
Email [camrif@gov.ab.ca](mailto:camrif@gov.ab.ca)

Although you are applying online, you are required to send in a signed paper copy of your application, along with your council resolution. Any online application submitted using that user identification and password is considered to be submitted with your knowledge, on behalf of your municipality. For that reason, we ask that your user identification and password be kept confidential.