



# MACKENZIE COUNTY



# BUDGET 2023

Approved January 11, 2023 with  
amendments to April 26, 2023



# TABLE OF CONTENTS

## OVERVIEW

Introduction .....	3
Executive Summary .....	6
Comprehensive Fiscal & Accounting Policies.....	16
Long-Term Financial Plan .....	20
Community Profile .....	21
Governance Profile .....	23

## DEPARTMENTAL BUDGETS

Council .....	25
Administration .....	26
Fire .....	28
Enforcement .....	30
Public Works & Fleet Maintenance .....	32
Airports .....	33
Utilities – Water & Sewer .....	34
Waste Management .....	36
Planning & Development .....	37
Agriculture .....	39
Parks & Recreation .....	40
Grants to Other Organizations & Library .....	41
Capital Budget.....	44
Debt Outstanding.....	48
Glossary .....	50

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# INTRODUCTION

We are pleased to present the 2023 Operating and Capital Budgets on behalf of the residents and businesses of Mackenzie County. The budget is intended to serve as a policy document, financial plan, operations guide, and a communications device. Within the following pages is information regarding the County's Operating and Capital Budgets. In addition to the financial overviews, the budget document incorporates information on our community, financial policies, departmental business plans and much more. We hope you find it informative.

## **Our Vision is...**

*An enhanced quality of life, choices in community opportunities and healthy economic climate.*

## **Our Mission is...**

*Through the effective use of resources, provide a reasonable and equitable level of service and endeavor to create a sustainable economic climate.*

## **Our Organizational Values are...**

*Efficient, fiscally responsible organization that is sincere and approachable, treats people with respect and maintains a high degree of integrity.*



## **BUDGET PHILOSOPHY – Vision and Values**

Mackenzie County takes the management and stewardship of public funds seriously. For several years, the County's rigorous budgetary process has focused on containing costs and implementing best practices with the goal of demonstrating leadership in financial management. The 2023 Budget continues to build on these core values, prudent processes and successful business practices. The achievement of this vision and values has been a challenge given years of Provincial and Federal fiscal retrenchment.

The guiding principles in the preparation of this budget may be summarized as follows:

- Maintain existing service levels where possible
- Improve customer service
- Keep tax rates competitive
- Incorporate a proactive infrastructure renewal plan
- Identify and incorporate efficiencies
- Ensure rates and fees for services are appropriate
- Incorporate User pay for some services

## **COUNCIL DIRECTION**

Municipal Council is the governing and legislative body for Mackenzie County, and their involvement in the budget process includes providing input and direction in the following ways:

- Establishing strategic statements such as visions and values
- Outlining Council priorities
- Providing direction to staff
- Through bylaws, financial policies, land use plans, master plans and long-term development and service plans and statements

Council is also responsible for the review and approval of the recommended operating and capital budgets.

## **BROADER PUBLIC INPUT**

Mackenzie County is constantly reviewing and maintaining a variety of different studies and plans which guide the future direction of the County. These include:

- Land Use Studies
- Roads Needs Assessment
- Planning Documents (Updates)
- Asset Management and Condition Studies
- Water and Wastewater Studies and
- Long Term Financial Plan

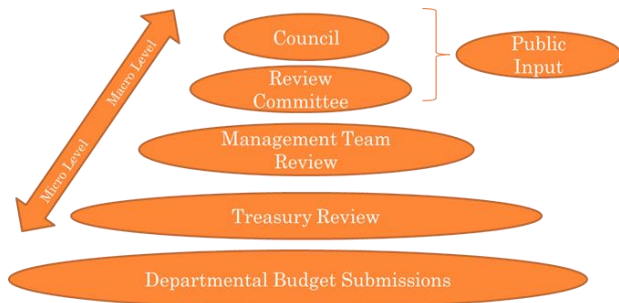
Each of these initiatives was used to guide the 2023 budgeting process, and taken into consideration during all strategic planning and budget planning processes.



consolidated, a corporate review/analysis is conducted and the results are presented to the Management Team.

**Management Team Review** - The next step in the process is to present the draft operating and capital budgets to the Management Team for review and recommendation. The Management Team is comprised of a representative from all operating areas of the County. During this time, Management assesses the operating and capital budget issues, prioritizes requests.

**Council Review** – The budget is reviewed by Council. After considerable review and multiple requests for additional information, Council may refer the budgets back to Administration for further consideration, amend the proposal budget or make recommendations for approval. All members of Council will review and vote on the recommended operating and capital budgets.



**BUDGET PROCESS TIMELINE**

*Operating and Capital Budgets Deliberation Schedule*

Date	Action Required
<b>September – October 2022</b>	Long Term Financial Plan Meeting Departments discuss respective 2023 Departmental Overview identifying cross-departmental initiatives. Budget templates and guidelines established and reviewed by Management.
<b>October 2022</b>	Departments prepare and submit respective 2023 Draft Operating Budget.
<b>October 17-18, 2022</b>	Council Budget Workshop.

<b>Early November 2022</b>	Departments prepare and submit respective 2023 Draft Capital Budget.
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Date	Action Required
<b>October 26, 2022</b>	Council budget deliberations (One Time Projects & Operating Budget)
<b>November 1-2, 2022</b>	Council budget deliberations (Operating , Capital, Non Profit Budget requests)
<b>November 16, 2022</b>	Council budget deliberations (Operating & Capital Budgets)
<b>December 16, 2022</b>	Budget ratification of Operating & Capital by Council
<b>April 4, 2023</b>	Final Budget ratification by Council
<b>April 26, 2023</b>	Tax Rate Bylaw 1293-23 Approved

**ORGANIZATION OF THE BUDGET BOOK**

This budget document includes an Executive Summary Section, which provides an overview of the proposed 2023 Operating and Capital Budgets. The items included in the “Base” Operating Budget are detailed as well as the “New/Amended Service Initiative” proposals, which will be reviewed as part of the operating budget deliberations.

The 2023 Operating Budget is then presented in summary format by department. Expenditures by department, revenues by department, and net operating budget by department are provided separately. These summaries are followed by each department’s detailed budget.

Each Departmental Section is organized as follows:

- Department Introduction or Description
- Departmental Mission Statement (where applicable);
- Departmental Summary Budget – provides budget details by expenditure type (salaries, materials, services, etc.) and by service area (e.g. Administration, Fire, Planning, Public Works, etc.)
- Other supplementary information (if applicable)

# EXECUTIVE SUMMARY

## 2023 OPERATING BUDGET HIGHLIGHTS – MEETING YOUR NEEDS

Mackenzie County’s track record of fiscal responsibility and providing value for the property tax dollar is once again reflected in the proposed 2023 Operating and Capital Budgets.

Council developed the 2023 budget on a tax and user pay supported budget, while limiting the effect of service levels. User pay revenue increases assisted in offsetting the shortfall in revenue from tax levies, while not effecting the residential, and non-residential mill rates. This is a budget that looks at the now – it prioritizes maintaining essential services and programs and supports initiatives to help decrease the burden on our residents during these challenging times. It is also forward-thinking, ensuring our investments support community sustainability and quality of life today.

Expenditure shifts are mainly due to anticipated changes in wages due to anticipated union ratification, engineering fees, fuel & gas costs, and contributions to reserves while budgeting for bad debt/write off of taxes, and a continued increase to the regravelling program, along with some contracted services.

Overall the County’s taxation expenditures after budget meeting amendments are proposed at \$37,125,505 which is an increase of \$1,363,453 compared to the 2022 budget. These shifts are mainly due to anticipated reduction in linear assessment, increase in residential growth, user pay revenues, and expenses of the Police Funding required, Insurance, Fuel and Goods & Supplies. The County’s objective is to have a balanced budget of \$37,125,505.

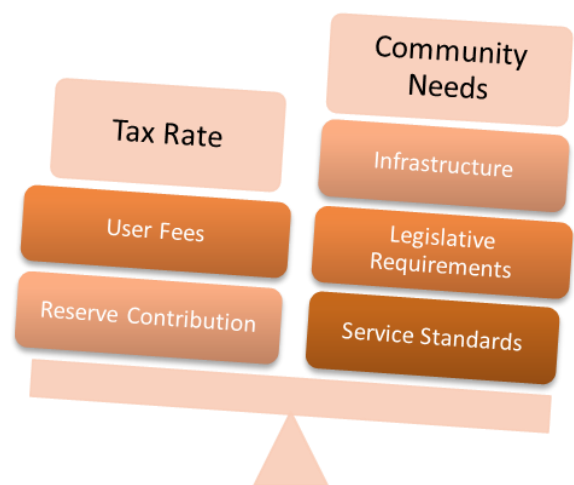
The County continues to be affected by many factors that put upward pressure on the budget. These include industry shutdowns, non payment of taxes, inflation, reductions in provincial/federal funding, escalating infrastructure renewal and maintenance

costs, changing legislative requirements and fuel/electrical utility cost pressures.

## Provincial & Federal Fiscal Retrenchment & Impacts

The following are examples of additional challenges the County has managed as a direct result of fiscal retrenchment and policy impacts of the upper tier governments:

- New Estimated Provincial Municipal Sustainability Initiative funding for operating has been released, and shows a minimal increase.
- The provinces recent changes to taxing Oil & Gas companies, or more specifically the Machinery & Equipment reductions has a negative impact on Municipal taxes.
- The future impact of the Carbon Tax has been budgeted as an expenditure of approximately \$200,000 by the County on the goods (fuel, utilities, etc.) required for service delivery.
- Imposing service standards changes via legislation and regulations without any financial support.
- Police costing model, where municipalities are responsible for funding a portion of the cost of Provincial Police Services.



## OPERATING BUDGET OVERVIEW

The 2023 Approved Operating Budget was prepared on the premise that the County will deliver the same level and quality of services approved in the 2022 Operating Budget. The increase in the base operating budget is \$1,363,453. This is comprised of a combination of negative and positive expenditure and revenue shifts including an increase in reserve allocations for future projects.

**Exhibit 1:** Revenue Changes included in the Operating Budget details the shifts and reasons driving these revenue changes. These revenue changes show an overall increase of \$1,363,453. These changes are detailed in Exhibit 1 below.

**Exhibit 2:** Expenditure Changes Included in the Operating Budget details the shifts and reasons driving these changes. These expenditure changes show an overall increase of \$1,363,453. The major changes are detailed in the notes explaining Exhibit 2 below.

### **Exhibit 1: Revenue Changes in the Operating Budget \$1,363,453**

[100] Municipal Taxes has an overall increase of \$2,484,270. Anticipated changes in machinery & equipment, and linear assessment due to industry shutdown that were anticipated in 2023 were delayed until 2024. Taking into account residential growth, and farmland minimum for 2023.

[420] Sale of Goods and Services has been decreased by \$78,866 to reflect an average user pay model for services such as dust control, waste management, and campground user fees.

[421] Water Metered has been increased by \$332,317 to reflect three-year sales average and growth factor. New anticipated customers have been included in this calculation.

[422] Bulk Water Sales has been increased by \$13,485 to reflect the growth forecast.

[840] Provincial Grants have increased by \$139,380. The increase is primarily for a 100% increased allocation of Municipal Sustainability Initiative operating grant.

As the County funded expenses for the 2020, 2021, and 2022 Overland Flooding events, these are reflected in each year respectively in both Expenses & Revenues. The County has submitted grant applications under the Disaster Recovery Program for reimbursement of these expenses.

[930/940] Contribution from Operating/Capital Reserves has decreased by \$1,321,228. Included in the 2022 operating budget is funding for the gravel crushing program, and numerous one-time projects which have concluded and are not required in the 2023 budget.

Current allocations from reserves are required to fund various Capital and One Time projects to be completed in 2023.



Revenues by Object Code

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>OPERATING REVENUES</b>						
100-Municipal Taxes	\$23,617,379	\$23,676,633	\$24,308,064	\$24,358,080	\$26,842,350	\$2,484,270
124-Frontage	(\$2,224)	\$26,932	\$53,204	\$99,450	\$35,000	(\$64,450)
261-Ice Bridge	\$130,000	\$120,000	\$135,000	\$140,000	\$130,000	(\$10,000)
420-Sales of goods and services	\$801,414	\$898,402	\$605,957	\$1,005,720	\$1,084,586	\$78,866
421-Sale of water - metered	\$3,396,053	\$3,553,735	\$2,563,211	\$3,529,675	\$3,861,992	\$332,317
422-Sale of water - bulk	\$862,607	\$962,702	\$891,039	\$937,608	\$951,093	\$13,485
424-Sale of land	\$556	\$33,328	\$0	\$10,000	\$10,000	\$0
510-Penalties on taxes	\$1,074,843	\$720,214	\$198,335	\$700,000	\$300,000	(\$400,000)
511-Penalties of AR and utilities	\$23,822	\$26,280	\$24,836	\$21,000	\$25,000	\$4,000
520-Licenses and permits	\$59,045	\$54,820	\$46,486	\$55,000	\$54,000	(\$1,000)
521-Offsite levy	\$80,967	\$358,744	\$175,910	\$20,000	\$20,000	\$0
522-Municipal reserve revenue	\$245,377	\$271,084	\$33,320	\$150,000	\$80,000	(\$70,000)
526-Safety code permits	\$332,055	\$395,308	\$180,709	\$300,000	\$350,000	\$50,000
525-Subdivision fees	\$52,249	\$103,777	\$55,414	\$75,000	\$125,000	\$50,000
530-Fines	\$6,825	\$9,688	\$5,461	\$9,000	\$9,000	\$0
531-Safety code fees	\$17,765	\$17,780	\$7,970	\$8,000	\$12,000	\$4,000
550-Interest revenue	\$357,803	\$240,793	\$387,664	\$325,000	\$425,000	\$100,000
551-Market value changes	\$15,602	(\$3,361)	\$4,896	\$0	\$0	\$0
560-Rental and lease revenue	\$180,134	\$204,626	\$120,195	\$174,127	\$203,367	\$29,240
570-Insurance proceeds	\$4,120	\$22,799	\$0	\$0	\$0	\$0
597-Other revenue	\$24,411	\$37,357	\$19,675	\$28,662	\$25,000	(\$3,662)
598-Community aggregate levy	\$109,834	\$111,686	\$0	\$85,000	\$85,000	\$0
630-Sale of non-TCA equipment	(\$107,227)	(\$12,485)	\$150	\$0	\$500	\$500
830-Federal grants	\$10,490	\$31,500	\$0	\$0	\$0	\$0
840-Provincial grants	\$8,693,567	\$7,873,774	\$530,661	\$602,353	\$741,733	\$139,380
890-Gain (Loss) Penny Rounding	\$2	\$1	\$0	\$0	\$0	\$0
909- Other Sources-Grants	\$586,741	\$108,822	\$37,066	\$118,566	\$36,301	(\$82,265)
930-Contribution From Operating Reserves	\$281,270	\$1,346,230	\$0	\$2,989,811	\$1,668,583	(\$1,321,228)
940-Contribution From Capital	\$5,697	\$4,380	\$0	\$20,000	\$50,000	\$30,000
<b>TOTAL REVENUE</b>	<b>\$40,861,177</b>	<b>\$41,195,549</b>	<b>\$30,385,224</b>	<b>\$35,762,052</b>	<b>\$37,125,505</b>	<b>\$1,363,453</b>



## **Exhibit 2: Expenditure Changes in the Operating Budget \$1,363,453 Increase**

[110] [132] [136] Wages and Benefits had an increase of \$834,169. The changes primarily reflect the increase in the Alberta Union of Provincial Employees agreement, approved position additions in public works, and operations while ensuring service levels, and other adjustments and benefit premiums account for the balance.

[151] Honoraria's have increased by \$28,401 to reflect Council approved and appointed Committees, and Fire Fighter Honorarium averages.

[211] Travel and Subsistence increased by \$52,424 which reflects changes to Council and administrations ability to attend workshops, training and conferences post COVID 19 reductions.

[216] Postage decrease of \$10,050 reflects the reduction in postage required for various collections, and utility billings.

[236] Enhanced Policing increased by \$248,577 which reflects the County's increased funding requirement for the Provincial Police Funding Model.

[252] Repairs and Maintenance Buildings reflects a small decrease of \$15,790 based on anticipated repairs identified for 2023.

[258] Contract Services decreased by \$14,150 based on anticipated road repairs that can be completed by internal staffing.

[259] Repair and Maintenance Structural reflects an increase of \$526,300 due to road repairs, and additional culverts identified to maintain infrastructure.

[274] Insurance increased by \$114,897 based on multiple natural disaster events province wide.

[521] Fuel and Oil reflects an increase of \$516,904 based on additional staffing, actual averages, and use of Contracted Services being reflected in the budget.

[534] Gravel The significant decrease of \$1,811,499 is primarily from gravel crushing being budgeted in 2022, and not required in 2023.

[543] [544] Utilities (Natural Gas & Electricity) increase of approximately \$235,112 reflecting pricing for 2022, and anticipated use in 2023.

[710] Grants to Local Governments has no change as there have been no changes to the mutual aid agreements in place with the Town of High level and Rainbow Lake.

[735] Grants to Organizations increased by \$56,910 due in large part to anticipated increase in utility costs.

[831] [832] Interest & Principle on Debt is reduced by \$206,265 as projects funded by debenture were fully funded in 2022.

[763] [764] Contributions to reserves are reflected at \$4,371,489 to assist with funding future operating & capital expenditures. Included in these contributions are specific revenues that should be contributed to the reserves namely: Municipal Reserve Revenue; Gravel Reclamation Reserve; and Off-Site Levies totalling, Water/Sewer Reserve, and Road Reserve. Refer to Exhibit 5 which shows the 2023 contributions/draws to/from reserves.

[921] Bad Debt has been budgeted for \$1,005,000 a decrease of \$495,000. The municipality has entered into multiple large dollar tax payment agreements in 2021, and 2022, however based on anticipated needs and analysis of aging schedules related to various taxes outstanding, to ensure fiscal responsibility, this bad debt amount is best practice.

[One Time Projects] One Time Projects are projects that are identified as a one time cost. There was minimal new projects approved in the 2023 budget. Only projects that would assist with growth, and required to be completed were approved.

Expenditures by Object Code

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>OPERATING EXPENSES</b>						
110-Wages and salaries	\$6,692,824	\$6,666,942	\$4,813,478	\$6,770,291	\$7,383,659	\$613,368
132-Benefits	\$1,283,183	\$1,207,646	\$936,166	\$1,319,040	\$1,582,330	\$263,290
136-WCB contributions	\$127,940	\$76,293	\$50,570	\$127,393	\$84,904	(\$42,489)
142-Recruiting	\$4,588	\$15,274	\$0	\$15,000	\$15,000	\$0
150-Isolation cost	\$49,154	\$41,649	\$37,041	\$43,200	\$57,600	\$14,400
151-Honoraria	\$553,572	\$605,143	\$369,338	\$587,360	\$615,761	\$28,401
152-Business Expense	\$0	\$0	\$0	\$0	\$0	\$0
211-Travel and subsistence	\$229,044	\$180,952	\$156,713	\$336,614	\$389,038	\$52,424
212-Promotional expense	\$21,024	\$26,583	\$8,852	\$36,000	\$43,000	\$7,000
214-Memberships & conference fees	\$62,899	\$60,911	\$70,912	\$129,977	\$144,656	\$14,679
215-Freight	\$76,427	\$89,033	\$71,619	\$98,450	\$127,950	\$29,500
216-Postage	\$49,743	\$52,906	\$38,298	\$62,050	\$52,000	(\$10,050)
217-Telephone	\$119,864	\$121,976	\$82,317	\$118,420	\$119,930	\$1,510
221-Advertising	\$65,991	\$65,356	\$66,798	\$77,400	\$76,100	(\$1,300)
223-Subscriptions and publications	\$11,219	\$8,888	\$9,768	\$12,600	\$11,700	(\$900)
231-Audit fee	\$87,800	\$147,000	\$108,500	\$115,000	\$120,000	\$5,000
232-Legal fee	\$61,773	\$151,117	\$44,457	\$100,000	\$85,000	(\$15,000)
233-Engineering consulting	\$94,306	\$279,291	\$77,807	\$192,000	\$217,000	\$25,000
235-Professional fee	\$404,079	\$202,012	\$155,525	\$215,700	\$219,100	\$3,400
236-Enhanced policing fee	\$38,050	\$596,850	\$97,186	\$531,924	\$780,501	\$248,577
239-Training and education	\$26,833	\$46,588	\$33,144	\$101,340	\$85,938	(\$15,402)
242-Computer programming	\$208,973	\$191,070	\$36,920	\$214,675	\$228,655	\$13,980
243-Waste Management	\$539,273	\$426,899	\$293,600	\$531,800	\$462,067	(\$69,733)
251-Repair & maintenance - bridges	\$18,201	\$35,237	\$103,003	\$159,500	\$159,500	\$0
252-Repair & maintenance - buildings	\$147,859	\$171,919	\$88,485	\$155,640	\$139,850	(\$15,790)
253-Repair & maintenance - equipment	\$415,833	\$398,277	\$291,870	\$409,950	\$471,550	\$61,600
255-Repair & maintenance - vehicles	\$82,622	\$109,764	\$71,685	\$102,400	\$117,300	\$14,900
258-Contracted Services	\$1,157,214	\$904,382	\$492,567	\$776,302	\$762,152	(\$14,150)
259-Repair & maintenance - structural	\$1,198,785	\$1,019,055	\$651,968	\$1,545,700	\$2,072,000	\$526,300
260-Roadside Mowing & Spraying	\$310,769	\$338,967	\$309,637	\$415,133	\$462,494	\$47,361
261-Ice bridge construction	\$82,194	\$111,645	\$117,521	\$125,000	\$125,000	\$0
262-Rental - building and land	\$75,500	\$64,369	\$52,720	\$64,650	\$67,100	\$2,450
263-Rental - vehicle and equipment	\$75,172	\$69,945	\$71,966	\$104,530	\$66,253	(\$38,277)
266-Communications	\$143,471	\$135,355	\$100,009	\$155,992	\$155,967	(\$25)

271-Licenses and permits	\$6,050	\$9,213	\$863	\$23,000	\$15,300	(\$7,700)
272-Damage claims	\$0	\$355	\$5,788	\$0	\$0	\$0
274-Insurance	\$574,759	\$567,089	\$531,578	\$590,534	\$705,431	\$114,897
342-Assessor fees	\$221,328	\$220,088	\$100,478	\$282,502	\$247,820	(\$34,682)
290-Election cost	\$0	\$16,197	\$0	\$3,000	\$3,000	\$0
511-Goods and supplies	\$898,911	\$790,496	\$967,940	\$963,316	\$1,170,373	\$207,057
515-Lab Testing Water/Sewer	\$41,816	\$45,675	\$36,429	\$50,500	\$52,000	\$1,500
521-Fuel and oil	\$595,069	\$691,400	\$486,821	\$645,700	\$1,162,604	\$516,904
530-Oil dust control	\$0	\$0	\$0	\$0	\$100,000	\$100,000
531-Chemicals and salt	\$436,241	\$387,761	\$218,751	\$456,800	\$428,800	(\$28,000)
532-Calcium dust control	\$480,559	\$675,998	\$937,089	\$890,000	\$130,000	(\$760,000)
533-Grader blades	\$142,048	\$149,989	\$59,994	\$143,000	\$143,000	\$0
534-Gravel (apply; supply and apply)	\$551,199	\$4,354,767	\$2,935,062	\$3,578,583	\$1,767,084	(\$1,811,499)
535-Gravel reclamation cost:	\$0	\$0	\$0	\$0	\$50,000	\$50,000
543-Natural gas	\$111,262	\$124,159	\$125,317	\$128,013	\$202,061	\$74,048
544-Electrical power	\$662,523	\$664,479	\$548,002	\$717,093	\$878,157	\$161,064
550-Carbon Tax	\$71,966	\$107,216	\$107,595	\$104,000	\$200,000	\$96,000
710-Grants to local governments	\$1,793,917	\$2,585,852	\$2,250,000	\$2,250,000	\$2,250,000	\$0
735-Grants to other organizations	\$2,108,278	\$1,965,625	\$2,158,936	\$2,329,147	\$2,386,057	\$56,910
763/764-Contributed to Reserves	\$3,347,133	\$7,748,602	\$0	\$2,407,959	\$4,371,489	\$1,963,530
810-Interest and service charges	\$24,827	\$22,720	\$17,371	\$22,360	\$22,360	\$0
831-Interest - long term debt	\$426,794	\$388,712	\$156,644	\$366,662	\$333,735	(\$32,927)
832-Principle - Long term debt	\$1,538,281	\$1,361,746	\$736,227	\$1,356,458	\$1,183,120	(\$173,338)
921-Bad Debt/922 - Tax Writeoff	\$1,673,586	\$578,265	\$17,603	\$1,500,000	\$1,005,000	(\$495,000)
994-Change in Inventory	\$370,947	(\$7,895)	\$0	\$300,000	(\$467,084)	(\$767,084)
One Time projects	\$6,011,414	\$6,391,567	\$858,236	\$902,394	\$1,284,143	\$381,749
<b>TOTAL</b>	<b>\$36,605,087</b>	<b>\$44,459,366</b>	<b>\$23,167,165</b>	<b>\$35,762,052</b>	<b>\$37,125,505</b>	<b>\$1,363,453</b>



**Exhibit 3: One-Time Projects 2023**

Historically the County has considered items during budget deliberations that have been identified as one-time projects. As Council was very budget conscious in 2023, minimal new One - Time Projects were approved. Some projects which were previously funded, and not completed in 2022 were approved to be carried forward to ensure completion.

Project Description	2023	
	Budget Request	Reserve
Recreation Dispositions	\$125,000	\$125,000
FV – Emergent Boiler Repairs	\$14,776	\$14,776
FV – Compressor Repair	\$16,144	\$16,144
Outdoor Recreation and Tourism Plan	\$114,100	\$58,300
<b>Total</b>	<b>\$270,020</b>	<b>\$214,220</b>

While all the initiatives proposed by staff address legitimate County concerns, Council has the opportunity during and after budget deliberations to amend, defer, or delete, any or all of the proposed items.

**Exhibit 4: 2023 New/Amended Fees for Service Initiatives**

Departments demonstrated financial constraint by submitting a limited number of funding requests to maintain service levels, funding sources, or offer new programs which are included in the budget summaries presented above. The 2023 budget would be amended based on Council’s directive of these New Initiatives.

While all the initiatives proposed by administration address legitimate County concerns, Council has the opportunity during budget deliberations to amend, defer, or delete, any or all of the proposed items.

While the County must collect municipal taxes to fund essential services like road maintenance, and water supply, Council continues to request administration review, and identify areas to reflect more of a user pay model. Any approved new/amended fees for service initiatives have been incorporated into the 2023 operating budget.

The following Exhibit 4 summarizes these requests.

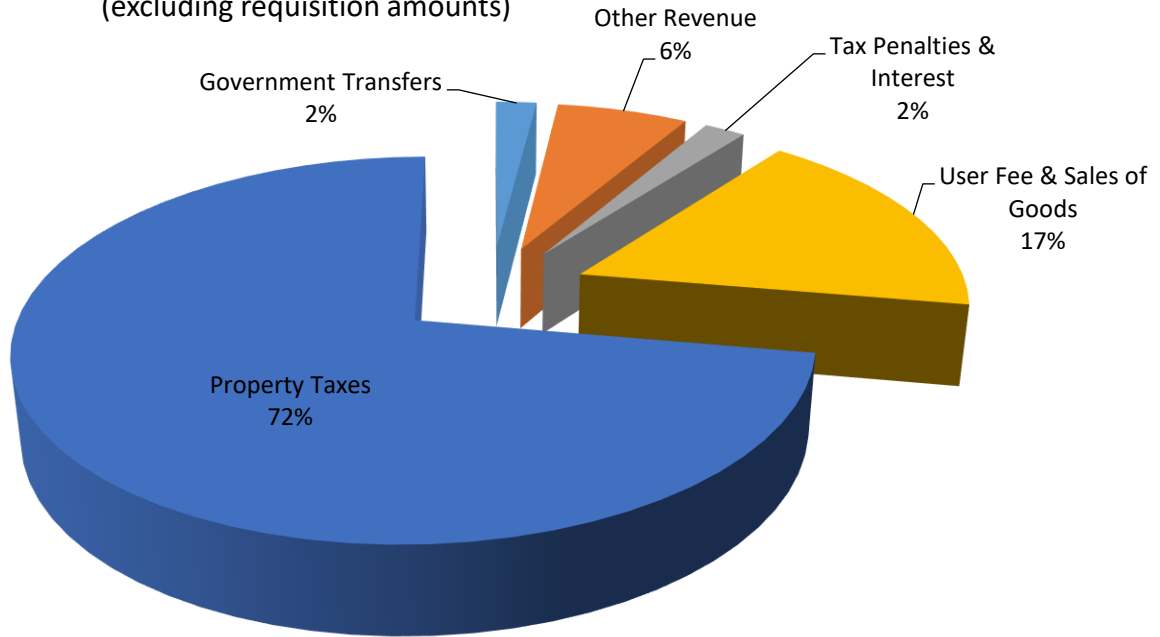
Description
User Pay Model – Dust Control, Snow plow services, Sidewalk Maintenance, Waste Management, Campground Fees
Fire Services Fees
Planning & Development Fees
Minimum Tax Rate - Farmland



Total Revenues

**2023 Operating Revenues - \$37,125,505**

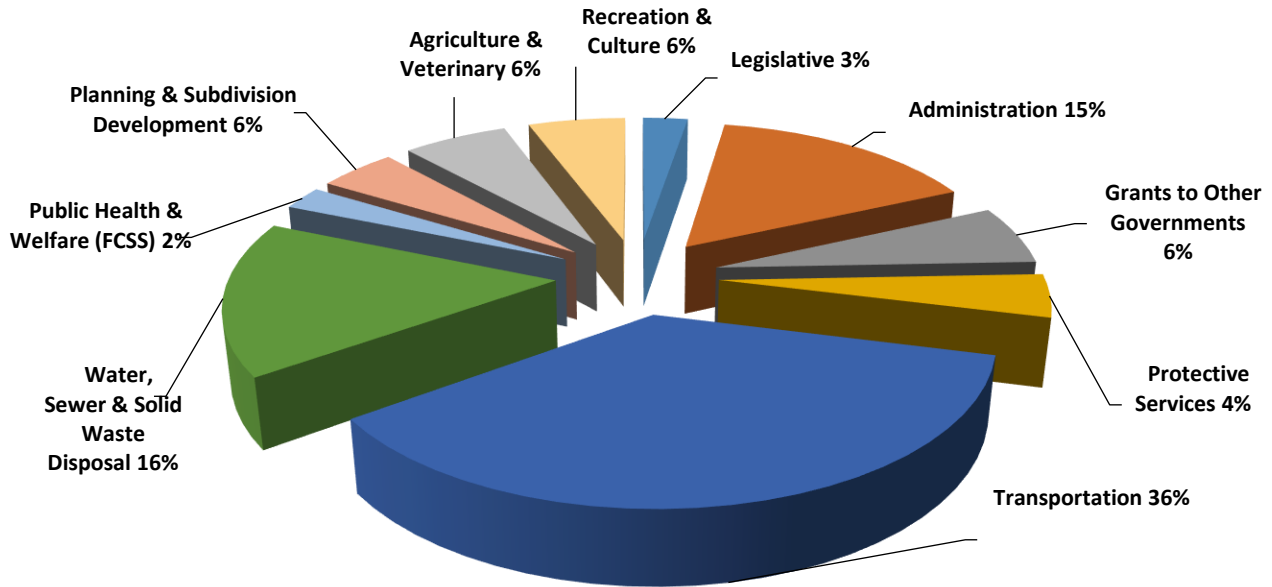
(excluding requisition amounts)



	2020 Actual	2021 Actual	2022 YTD	2022	2023
	Total	Total	Total	Budget	Budget
<b>TAXES</b>	\$23,617,379	\$23,676,633	\$24,308,064	\$24,358,080	\$26,842,350
<b>Administration</b>	\$8,595,500	\$7,583,698	\$759,751	\$1,392,852	\$1,873,412
<b>Fire Services</b>	\$2,297,716	\$1,488,194	\$27,719	\$203,900	\$156,000
<b>Ambulance</b>	\$8,100	\$35,100	\$27,000	\$40,500	\$40,500
<b>Enforcement Services</b>	\$20,662	\$3,751	\$16,983	\$23,827	\$22,827
<b>Public Works</b>	\$273,793	\$1,183,669	\$499,257	\$2,793,115	\$723,560
<b>Airports</b>	\$53,689	\$178,266	\$48,989	\$94,750	\$142,269
<b>Water Distribution</b>	\$3,376,546	\$3,843,135	\$2,925,480	\$3,647,806	\$3,848,408
<b>Sewer Disposal</b>	\$1,158,860	\$1,175,788	\$792,454	\$1,158,407	\$1,273,519
<b>Waste Management</b>	\$101,995	\$243,679	\$187,407	\$297,000	\$439,290
<b>Non Profit Organizations</b>	\$340,732	\$303,794	\$224,012	\$327,344	\$298,682
<b>Planning &amp; Development</b>	\$456,606	\$773,196	\$262,818	\$739,385	\$881,023
<b>Agriculture</b>	\$161,123	\$180,305	\$179,149	\$298,686	\$208,185
<b>Subdivisions</b>	\$297,892	\$394,699	\$86,719	\$235,000	\$215,000
<b>Recreation Boards</b>	\$21,782	\$7,797	\$0	\$6,000	\$30,920
<b>Parks &amp; Playgrounds</b>	\$78,802	\$123,847	\$39,421	\$125,400	\$109,560
<b>Library</b>	\$0	\$0	\$0	\$20,000	\$20,000
<b>TOTAL REVENUES</b>	<b>\$40,861,175</b>	<b>\$41,195,549</b>	<b>\$30,385,224</b>	<b>\$35,762,052</b>	<b>\$37,125,505</b>

Total Expenditure

**2023 Operating Expenses - \$37,125,505**



	2020 Actual	2021 Actual	2022 YTD	2022	2023
	Total	Total	Total	Budget	Budget
<b>Council</b>	\$709,258	\$705,978	\$537,114	\$853,682	\$960,256
<b>Administration</b>	\$15,311,081	\$16,985,229	\$4,610,036	\$7,684,950	\$7,978,042
<b>Fire Services</b>	\$589,934	\$354,007	\$315,782	\$652,891	\$776,862
<b>Ambulance</b>	\$5,621	\$7,201	\$6,329	\$10,434	\$11,599
<b>Enforcement Services</b>	\$207,348	\$630,273	\$128,269	\$598,989	\$844,669
<b>Public Works</b>	\$9,012,457	\$14,728,752	\$10,246,754	\$13,626,540	\$13,010,868
<b>Airports</b>	\$264,857	\$154,058	\$119,644	\$292,396	\$298,156
<b>Water Distribution</b>	\$2,925,966	\$2,969,149	\$1,613,690	\$3,647,806	\$3,817,785
<b>Sewer Disposal</b>	\$1,115,780	\$1,133,234	\$477,090	\$1,158,407	\$1,279,979
<b>Waste Management</b>	\$816,253	\$693,500	\$467,221	\$810,103	\$791,355
<b>Non Profit Organizations</b>	\$791,618	\$739,751	\$762,577	\$865,509	\$901,809
<b>Planning &amp; Development</b>	\$1,393,425	\$1,306,486	\$840,368	\$1,526,697	\$1,670,120
<b>Agriculture</b>	\$1,298,304	\$1,854,198	\$1,112,532	\$1,506,965	\$2,237,348
<b>Subdivisions</b>	\$286,179	\$437,944	\$267,894	\$478,677	\$466,807
<b>Recreation Boards</b>	\$1,170,855	\$1,114,086	\$1,134,447	\$1,234,795	\$1,269,188
<b>Parks &amp; Playgrounds</b>	\$423,711	\$404,247	\$249,610	\$497,957	\$496,427
<b>Tourism</b>	\$21,661	\$1,645	\$19,648	\$28,500	\$28,500
<b>Library</b>	\$260,779	\$239,628	\$258,158	\$286,751	\$285,735
<b>TOTAL EXPENDITURES</b>	<b>\$36,605,087</b>	<b>\$44,459,366</b>	<b>\$23,167,165</b>	<b>\$35,762,050</b>	<b>\$37,125,505</b>
	Disaster Recovery Program				

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
<b>Revenues</b>	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Budget</b>	<b>Budget</b>	<b>2022/23</b>
Taxes	\$23,617,379	\$23,676,633	\$24,308,064	\$24,358,080	\$26,842,350	\$2,484,270
User Fees/Sales /Rentals	\$981,548	\$1,103,028	\$726,152	\$1,179,847	\$1,287,953	\$108,106
Water/Sewer Rates	\$4,258,660	\$4,516,437	\$3,454,250	\$4,467,283	\$4,813,085	\$345,802
Penalties- Overdue Accounts	\$1,098,665	\$746,494	\$223,171	\$721,000	\$325,000	(\$396,000)
Permit & Fees	\$461,114	\$571,685	\$290,580	\$438,000	\$541,000	\$103,000
Interest Earnings	\$373,405	\$237,432	\$392,560	\$325,000	\$425,000	\$100,000
Grants	\$9,290,798	\$8,014,096	\$567,727	\$720,919	\$778,034	\$57,115
Other Revenue	\$492,641	\$979,134	\$422,720	\$542,112	\$394,500	(\$147,612)
Reserve Draws	\$286,967	\$1,350,610	\$0	\$3,009,811	\$1,718,583	(\$1,291,228)
<b>Total Revenues</b>	<b>\$40,861,177</b>	<b>\$41,195,549</b>	<b>\$30,385,224</b>	<b>\$35,762,052</b>	<b>\$37,125,505</b>	<b>\$1,363,453</b>
<b>Expenditures</b>	<b>2020 Actual</b>	<b>2021 Actual</b>	<b>2022 YTD</b>	<b>2022</b>	<b>2023</b>	<b>\$ Variance</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>	<b>Budget</b>	<b>Budget</b>	<b>2022/23</b>
Salaries and Benefits	\$8,711,261	\$8,612,947	\$6,206,593	\$8,862,284	\$9,739,254	\$876,970
Materials and Supplies	\$3,632,058	\$7,089,599	\$5,611,860	\$7,403,805	\$4,434,210	(\$2,969,595)
Contracted Services	\$5,776,854	\$6,004,502	\$3,803,642	\$6,647,757	\$7,503,385	\$855,628
Utilities	\$1,560,684	\$1,709,228	\$1,350,051	\$1,713,226	\$2,562,752	\$849,526
Debt/Capital Financing	\$7,010,621	\$10,100,045	\$927,846	\$5,653,439	\$6,965,704	\$1,312,265
Grants	\$3,902,195	\$4,551,477	\$4,408,936	\$4,579,147	\$4,636,057	\$56,910
One Time Projects	\$6,011,414	\$6,391,567	\$858,236	\$902,394	\$1,284,143	\$381,749
Amortization	\$10,146,270	\$10,250,146	\$0	\$10,250,393	\$9,978,821	(\$271,572)
<b>Total Expenditures</b>	<b>\$36,605,087</b>	<b>\$44,459,366</b>	<b>\$23,167,165</b>	<b>\$35,762,052</b>	<b>\$37,125,505</b>	<b>\$1,363,453</b>



# COMPREHENSIVE FISCAL AND ACCOUNTING POLICIES

## SUMMARY

The Municipality has an extensive array of principles, practices and policies, which govern the financial administration of the entity. The general financial objectives can be summarized as follows:

**Financial Viability** – To maintain a financially viable municipality that can provide high quality services for our current and future ratepayers.

**Financial Management** – To enhance the fiscal position of the municipality through sound financial management, both short-term and long-term.

**Financial Flexibility** – To maintain financial flexibility to anticipate and meet changing economic conditions.

**Legislative Compliance** – The municipality follows the legislative financial requirements of the *Municipal Government Act and Regulations*. In addition the municipality meets or exceeds all policy statements of the Public Sector Accounting Board, which is governed by the Canadian Institute of Chartered Accountants.

The following provides an overview of the specific financial policies, controls and planning framework of the municipality. The County’s fiscal period is January 1 to December 31. In the absence of specific policies “best practices” are followed.

## OPERATING BUDGET CONTROL PROCESS

The County has in place policies in order to allow department’s sufficient latitude to effectively manage programs and service delivery for which they are accountable. These policies establish financial accountability and spending authorities for budget allocations. The general accountabilities and allowable adjustments are as follows:

- Departmental services approved by Council are carried out within the department’s net expenditure approvals, and that deviations

from this policy are reported to and reviewed by the CAO or Council, as set out herein.

- Department Directors are accountable to the CAO and Council for their spending, revenue generation and service delivery performance against budget approvals. The Director of Finance reports on variances monthly/quarterly to Council.
- Revenues that are received beyond the level provided for in the budget shall not be spent or committed without Council approval. At year-end, such remaining revenues become part of the County surplus unless specific approvals are sought to move monies into reserves.
- The transfer of approved budgets requires the recommendation of the Department Head and concurrence of the CAO, prior to Council approval.

## CAPITAL BUDGET CONTROL PROCESS

The following points highlight the capital budget control process:

- Council, in adopting the Capital Budget, has determined the sums required for each Capital Project listed in the Capital Budget. The Director of Finance certifies that funding for the Capital Projects in the Capital Budget are within the County’s financial debt limit allowable by the Province of Alberta.
- All Capital Budgets and departmental reports to Council seeking authority for the release of funds and commencement of the capital project or amendments to the capital program must first be reviewed by the Director of Finance to ensure accuracy, financing sources and financial impact and then reviewed by the CAO before being submitted to Council for approval.
- Department Directors are accountable to the CAO and Council for their spending, revenue generation and service delivery performance against budget approvals. The Director of Finance reports on variances monthly/quarterly to Council.



- The Director of Finance as part of the annual capital budget submission reviews all prior years' capital budget approvals. This review forms part of the annual Capital Budget process.

### **FINANCIAL PLANNING POLICIES AND PRINCIPLES**

The financial plan which covers both the operating and capital budgets for all funds, encompasses the following principles:

- Balance Budget – The Municipality is required under the *Municipal Government Act* not to plan for a deficit. To achieve this, the budget is prepared on a financial viable basis and is monitored and controlled to enhance the final year-end results to achieve a balanced budget. As such, all budgeted revenues must equal budgeted expenditures.
- Long Range Perspective – All budgets are prepared with a long-term perspective to ensure affordability and equity to the ratepayers. As such, all programs and projects within the operating and capital budgets must be realistic.
- User Pay – The Municipality has a practice to ensure that services that are identifiable to specific users are charged to them (either through user charges or specific area rates) instead of levying a general tax to all property owners.
- Proactive Asset Management – The infrastructure of the Municipality is reviewed on an ongoing basis to assess its condition. Proactive maintenance and rehabilitation programs are then programmed into the budget process.
- Reserves and Reserve Funds shall be utilized by the Municipality to assist in financial planning.
- The establishment of specific reserves to provide for tax rate stabilization, the replacement of infrastructure, facilities and future capital projects and to manage the debt financing needs of the County.

### **PURCHASING PRACTICES AND PRINCIPLES**

- To ensure the most cost effective and cost efficient methods are used to purchase goods

and services for the County in the manner approved by Council.

- The County's purchasing decisions are made without favour or bias, that there is equal opportunity for qualified suppliers to bid on business, and that there is a high standard of financial stewardship.
- All purchases for the Municipality must be governed by the financial limits and procurement methods established under the Municipality's Procurement Policy.

### **CASH MANAGEMENT**

The County makes every reasonable effort to control the County's cash needs, with a goal of maintaining adequate working capital, maximizing investment opportunities, internal borrowing and debt repayment acceleration. The reduction of service charges and other financing costs is also a goal of cash management.

### **INTERNAL BORROWING**

Where beneficial and practical the County will maximize the benefit of internal borrowing. The rate charged and credit on borrowed funds shall be set at a rate above the prime rate charged at the major banks at the time the borrowing occurs.

### **REVENUE AND EXPENDITURE POLICIES AND PRINCIPLES**

- Revenue Diversification – The Municipality undertakes various reviews to ensure the non-tax base for the Municipality is maximized. In terms of rates and fees, Council is informed during the budget process of the current cost recovery and adjustments are made based on policy.
- Use of One-Time Revenue – These are not used to fund the base budget or ongoing program costs. In some cases, they may be utilized to fund the start up cost of a program; however, are generally earmarked for one-time expenditures and utilized to supplement the available capital program funding.
- Expenditures – In addition to the expenditure controls detailed above under the operating and

capital budget control processes, monthly reports are prepared for management to monitor actual to planned results.

- Purchasing Policy – Purchases for the Municipality must be governed by the financial limits and procurement methods established by the Municipality.

## DEBT MANAGEMENT

Council reviews the debt level and forecasted level as part of the capital budget review process. It is the goal of Council to ensure debt is fiscally managed and is significantly below the allowable Provincial Government authorized debt limit of 1.5 times of own source revenues; with the debt service limit not exceeding 0.25 times own source revenues. In comparison to other municipal units the County has a relatively low total debt burden. The practices and actions of Council ensure:

- A strong financial position is maintained
- Encourage planning and budgeting of future capital projects
- Limit and ensure debt is manageable from both a tax rate and user rate viewpoint
- Debt service burden shall be significantly below the allowable Provincial Limit (See Debt Section of this document).

## INVESTMENT POLICY

This policy applies to the investment of all funds of the County. It is the goal of the County to seek the highest investment return with the maximum security, while meeting the cash needs of the County. Staff must operate within the boundaries of applicable legislation.

## TANGIBLE CAPITAL ASSETS

The County complies with the Tangible Capital Asset requirements of the Public Sector Accounting board. The annual financial statements are prepared to reflect historical cost and amortization. The County will comply with any future requirements to integrate these financial statements requirements into its budgeting practices.

## BASIS OF ACCOUNTING

The County prepares its financial information in accordance with the Generally Accepted Accounting Principles for local governments as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants and prescribed practices issued by the Ministry of Housing and Municipal Affairs. The County's sources of financing and expenditures are recorded using the accrual basis of accounting. This basis recognizes revenues as they become available and measurable and expenditures as they are incurred and measurable as the result of receipt of goods or services and the creation of a legal obligation to pay. This is also the basis for developing the County's budget.



## MUNICIPAL FUNDS

The Municipality's resources and operations are separated into various funds. Each fund is a separate fiscal and accounting entity organized by their intended purpose. They are separated to comply with legal, finance and governance requirements. In municipal financial operations, monies raised or supplied for one purpose cannot be used for any other purpose. Legal restrictions and contractual agreements prevent it from being used or diverted to any other use. Fund accounting shows that the money has been used for its intended purpose. The

County’s external auditors audit all funds annually. Although all funds are segregated, the County also prepares Consolidated Financial Statements in accordance with requirements of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The following funds are used for budgeting and management report.

**General Fund** – This fund includes all municipal programs and services not accounted for in any other fund. This is the largest of the funds and the cost of the activities is recovered through municipal property taxes, user fees and other revenue sources. The General Fund also includes a provision for contributions to Reserves and Reserve Funds. Expenditures and revenues related to the provision of water and sewer services are accounted for as part of the General Fund. Although water and sewer activities are accounted for in this manner, staff are recommending that the sewer revenues/expenditures be managed on a net basis, including required contributions to fund infrastructure renewal.

**Capital Fund** – The Capital Fund includes all expenditures and financing sources to acquire or contract County infrastructure such as roads, building, vehicles, computer information network, recreation facilities, parks improvement, fire services and other fleet vehicles.

**Reserve Fund** – A reserve is an appropriation from net revenue at the discretion of Council. The County does not apply interest earned to the specific reserves; it is reported as General Fund earnings. A schedule detailing the contributions and withdrawals from the reserves is presented as Exhibit 5 & Exhibit 6 in this document.

**Exhibit 5: 2023 Contributions to Reserves (Policy)**

Reserve	Minimal Contribution
Municipal Reserve (10)	\$80,000
Water/Sewer Surplus (2023 Operating) (13)	\$1,463,250
Off Site Levy Reserve (3)	\$55,000
Gravel Reclamation Reserve (5)	\$85,000
General Operating Reserve	\$254,489
<b>Total Contributions to Reserves</b>	<b>\$1,937,739</b>

**Exhibit 6: 2023 Draws from Reserves to fund Operational Expenditures**

Reserve	Draw
Gravel Reclamation Reserve	\$50,000
Gravel Operating Reserve	\$606,041
Grants to Other Organizations Reserve	\$14,776
FV – Recreation Reserve	\$16,144
<b>Total Contributions from Reserves</b>	<b>\$686,961</b>

# LONG-TERM FINANCIAL PLAN

The development of a Long-Term Financial Plan (LTFP) continues to be a key project and priority for administration. The need for a LTFP to develop such a financial plan is driven by numerous factors including: fiscal flexibility, the desire to maintain service standards, increased cost pressures, reserve levels, Federal/Provincial downloading and new fiscal planning requirements under the *Municipal Government Act MGA*.

The ongoing financial challenges of the past and future, define the financial framework which the municipality must work and continue to succeed in the future. The LTFP is intended as a roadmap only. Future Council’s and administrations will be able to refine this road map over time. Each year the LTFP is used to influence the operating and capital budget guidelines and inputs into the annual budget process.

The framework of the LTFP which staff are currently compiling includes the following:

- *Setting the Stage* - gives an overview of the financial realities of the past and those influencing the future.
- *Current Financial Position*- provides an assessment of the County’s current financial position and comparators against other municipalities. A set of indicators are used to highlight the financial strengths of the organization, as well as identifying items that require attention.
- *Looking Ahead (Operating)* - provides an outward look (3 years), to predict the future financial position. Its goal is to determine the extent of fiscal pressures, in the near future, given what is known today about the cost of providing services, future revenues, infrastructure growth and renewal needs, and the influence of key financial realities.
- *Looking Ahead (Capital)* - provides as assessment of the capital investment required over the next 5 to 20 year time horizon. Specific detail is paid to determining the financial

resources that will be required to undertake the forecasted investments.

- *Conclusions & Next Steps* - provides concluding comments and details as to how the plan can be incorporated into the financial planning framework for the Municipality.



As a result of the LTFP process, staff will continue to focus on the following during 2023:

- Completing the LTFP and Asset Framework
- Ensure County service levels are appropriate and respond to changing needs.
- Ensure user fees are reviewed on a regular schedule.
- Reviewing capital contributions and off-site levy requirements.
- Explore new revenue sources.

The LTFP is intended to be updated regularly and is influenced by numerous other long term plans and policy documents.

# COMMUNITY PROFILE

Located in the northwestern corner of the province 800 kilometers from Edmonton, with the corporate office located in Fort Vermilion, and sub-offices in High Level, La Crete, and Zama City. The County comprises 12 per cent of Alberta's entire landmass, at just over 80,000 square kilometres it is larger than the province of New Brunswick.

The County offers a mix of flat arable land with boreal forest, thus accounting for active agriculture, forestry, and tourism industries. Oil and gas also play a significant role in the area's economy. It is largely responsible for the establishment and growth of three of the area's five main communities, being High Level, Zama City, and Rainbow Lake. Fort Vermilion and La Crete are more driven by forestry and agriculture.

Mackenzie County holds 36% of the Peace Region's natural gas reserves, and 80% of its light-medium crude oil reserves.

There are many active grain farmers in the area, with the two main grain buyers being Richardson Pioneer and Simply Grain. La Crete boasts the largest United Farmers of Alberta retail outlet in Alberta, giving just one indication of how active the local agriculture industry is.

Because the County has a rich natural resource base, this provides a stable work environment. For example, many farmers take jobs with local sawmills during the winter months to supplement their income.

There are several sawmills within the County, the largest being La Crete Sawmills in La Crete, West Fraser in Rural High Level and Tolko Industries in High Level.

The County believes that, given the high level of primary resource activity in the area, they offer tremendous potential for value-added industry. They will endeavor to assist any new business interested in locating to the area.

Finally, the County offers an unparalleled recreational wilderness experience. Many of the areas lakes are accessible year round either by plane, atvs, or skidoos during the winter. Residents and visitors can enjoy with family and friends, or by various local guides and outfitting businesses.

## COMMUNITIES AT A GLANCE

Municipal Council is the governing and legislative body for Mackenzie County, and their involvement in the budget process includes providing input and direction in the following ways:

### Hamlet of Fort Vermilion

The Hamlet of Fort Vermilion was founded in 1788 as a post for the North West Company, this picturesque community stretches for six kilometres along the southern banks of the Mighty Peace River.



During the early years riverboats were a way of life and Fort Vermilion's riverbanks bustled with these stately vessels. Labourers manually pulled goods up the Vermilion Chutes and reloaded them onto riverboats to continue on their way. The grand entrance of the railway in High Level and Fort Chipewan divided the North and ended the river trading system. In 1952 the M.B. Watson Lake made the final commercial run to Fort Vermilion, bringing the riverboat era to an end.

Aboriginal people, represented by two major language groups, the Dene and the Cree, were the first to inhabit the area. With the onset of the fur trade in the late 1700's the aboriginal way of life changed and outside goods were offered in trade for furs, hides and provisions from the natives.

The province of Alberta was formed in 1905. The thriving trade and settlement at Fort Vermilion influenced the political decision to strike the northern boundary of Alberta at 60 degrees north latitude. In 1974 the bridge across the Peace River was opened and the region changed forever. There

was no longer a need for the ferry in summer and ice bridge in winter to link Fort Vermilion with people and services across the river.

The community has preserved many of the old original buildings, including a Hudson's Bay trading post and office. The Lean To Museum and Archives, built in 1995, features exhibits depicting historical life in Fort Vermilion with artifacts dating back as far as the late 1700's.

Fort Vermilion has a handsome modern hospital overlooking the Peace River Valley. This was the first facility to service the entire municipality. The Bicentennial Park is situated along the Mighty Peace River and features a monument and time capsule from the 1988 celebration. The site of the old Roman Catholic mission hospital has been replaced by an all service RV Park, and a nine-hole grass greens golf course in Fort Vermilion features the last of the historic log mission buildings now serving as the Club House.

The Fort Vermilion Nature Trail is an easy hike along the river shore through a mostly forested area promising an incredible view of the Peace River. The trail is marked by signs on each end and is accessible from River Road.

### Hamlet of La Crete

The Hamlet of La Crete is a Mennonite community started in the mid 30's and is the agricultural center of the County. Settlers chose this area because they realized the potential for farmland in the surrounding area. At first there were only a handful of families migrating to the La Crete area, but family members quickly followed strengthening the family values that are still upheld today. By 1939, over 200 Mennonites from Saskatchewan, Manitoba, and Mexico, had settled in the area. The majority of these settlers were Old Colony Mennonites, who cleared their own land for farming, established their own churches and schools, many of which are still in use today.



La Crete is situated in the northwest corner of Alberta and lies at the north base of the beautiful

Buffalo Head Hills. A few miles to the west lays the Mighty Peace River, in all its roaring splendor and peaceful serenity. Besides the scenic hills and majestic river, La Crete is also surrounded by forests, lakes and lush farmland. La Crete's location provides unlimited opportunities for adventures such as water sports, hunting, camping, fishing, snowmobiling and many more.

La Crete has a unique Mennonite heritage and you won't want to miss the Mennonite Heritage Village, where history comes to life in the many original buildings that were settled in. Despite vast growth in recent years, La Crete remains a friendly, family oriented community with a strong sense of pride in their heritage and has developed into a unique bilingual community with German and English as the two dominant languages

### Hamlet of Zama City

The Hamlet of Zama is the oil center of the north and has a very active community spirit. The community of Zama along with Zama Lake were named after a Dene Tha' Chief, whose name was Zamba. Previously known as Zama Lake, Zama and now Zama City, Zama is still a Hamlet within the Mackenzie County. We have that 'small-town' atmosphere that offers security and safety to our citizens and children.



Zama City is located smack-dab in the middle of one of the largest known oil and gas fields in Alberta. Residents are here because of this industry and are all involved somehow or another in the oil and gas profession.

Zama has been in existence for well over 50 years. Legend states that it was initially called 'Cameron Corner' named after the first company that set up on the main street in town. Zama and its citizens are mainly dependent on the major oil companies in the area. We've had our share of them too, Hudson Bay, Dome, Amoco, Coenerco, Pennzoil, Gulf, Phillips, Apache, and Paramount Resources are some of the many that have had holdings in the area.

# GOVERNANCE PROFILE

Council is the governing and legislative body for Mackenzie County. Council is responsible for establishing priorities, policy direction, monitoring and valuating the implementation of programs, and authorizing revenue collection and expenditures.

Council is currently composed of ten electoral areas called wards. Each ward has a Councillor that has been elected by citizens within his/her ward boundaries. Each Council member serves a four-year term. The elected Council then elects a Reeve and Deputy Reeve from within, on an annual basis at their Organizational Meeting. The current term began in 2021 and expires late October 2025.

Mackenzie County's political and administrative decision-making structure includes: Council, the standing and advisory committees of Council, operating and support departments, various agencies, and special purpose authorities. The members of Council are:

## Reeve

Josh Knelsen, Ward 1 (Blue Hills/Tompkins)

## Deputy Reeve:

Walter Sarapuk, Ward 8 (Rocky Lane)

## Councillors:

Darrell Derksen, Ward 2 (Buffalo Head)

Peter Braun, Ward 3 (La Crete)

David Driedger, Ward 4 (La Crete/La Crete Rural)

Ernest Peters, Ward 5 (Blumenort)

Gary Smith, Ward 6 (Fort Vermilion Rural)

Cameron Cardinal, Ward 7 (Fort Vermilion)

Jacquie Bateman, Ward 9 (High Level Rural)

Lisa Wardley, Ward 10 (Zama)

In addition to regular duties, members of Council serve on several boards and committees. These boards and committees can be internal (created by Council for a specific reason) or external (where the County has been invited by an outside organization to participate). Members of Council represent the interests of the municipality while serving on these

boards and committees, and report back to the rest of Council.



Back Row: Walter Sarapuk, Peter Braun, Lisa Wardley, Jacquie Bateman, Gary Smith

Front Row: Darrell Derksen, Josh Knelsen, David Driedger, Cameron Cardinal

Missing: Ernest Peters

There are 14 internal boards and committees currently in place. Meeting frequency and the number of Council appointees depends on the committee's terms of reference. Generally the Reeve serves as ex-officio (appointed by position) on all County boards and committees. Council also participates on approximately 22 external boards and committees.

Council appoints Members-at-Large to various boards and committees depending on the committee terms of reference, either in an advisory capacity or as the result of statutory requirements. Some of these include the Municipal Planning Commission, Mackenzie County Library Board, Appeal Boards and the Boreal Housing Foundation. Advertisements are placed in September of each year for available positions with appointments being made at the annual Organizational Meeting in October.

The term of the appointment is usually for a one year period, however can vary by Committee. Each committee, at its first meeting, determines the schedule of meetings.

Below is a list of the current boards and committees on which Councillors sit. Some Committees are more active than others.

**Internal Boards/Committees**

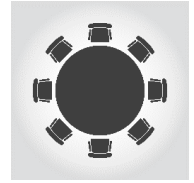
- Agricultural Appeal Board
- Agricultural Service Board
- Assessment Review Board
- Committee of the Whole
- Community Services Committee
- Community Streetscape Committees—Fort Vermilion and La Crete
- Emergency Advisory Committee
- Indigenous Liaison Committee
- Inter-Municipal Planning Commission
- Inter-Municipal Subdivision & Development Appeal Board
- Mackenzie County Library Board
- Municipal Planning Commission
- Northwest Alberta Regional Emergency Advisory Committee
- Subdivision & Development Appeal Board

**Ad-Hoc Committees**

- Inter-Municipal Agreement Committee with Rural Municipalities

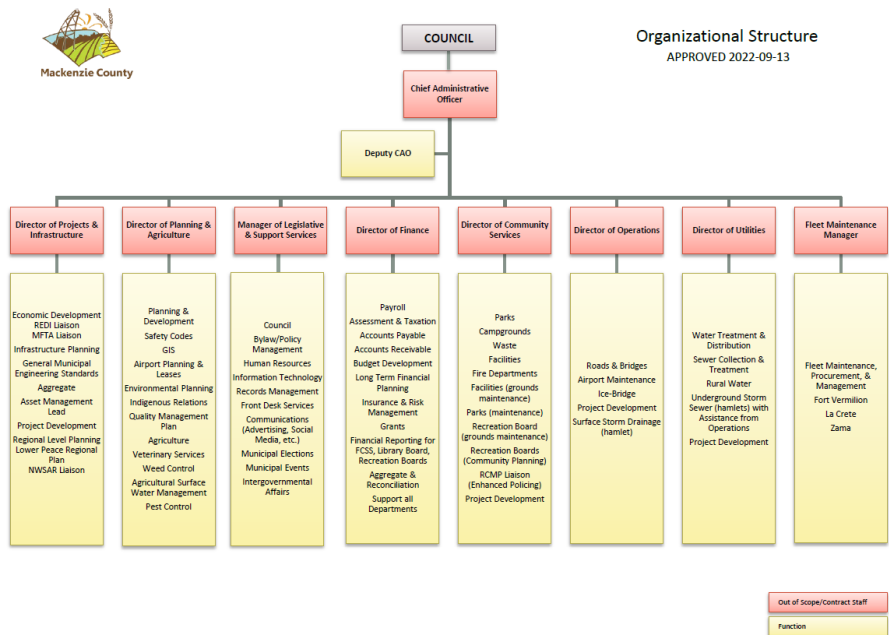
**External Boards/Committees**

- Boreal Housing Foundation
- Community Futures Northwest
- FCSS-Fort Vermilion, La Crete & Zama
- Hay Zama Committee
- High Level Forests Public Advisory Committee
- La Crete Community Adult Learning Council
- Mackenzie Applied Research Association (MARA)
- Mackenzie Frontier Tourist Association (MFTA)
- Mackenzie Regional Community Policing Society (VSU)
- Mackenzie Regional Waste Management Commission
- Mighty Peace Watershed Alliance
- Northern Lakes College CEC – Fort Vermilion & High Level
- Northwest Species at Risk (NWSAR)
- Recreation Boards – Fort Vermilion, La Crete, Zama
- Regional Economic Development Initiative (REDI)
- Rural Health Professions Action Plan (RhPAP)
- Upper Hay Forest Advisory
- Veterinary Services Inc. (VSI)
- Water North Coalition (WNC)



**Organizational Structure**

As shown in the organizational chart the head of the administrative structure is the Chief Administrative Officer (CAO). All Directors and Managers report to the CAO and are each responsible for a service unit. These units and their functional duties are illustrated to the right.





# COUNCIL

## Council Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022 /23
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$526,463	\$520,965	\$372,920	\$529,515	<b>\$585,724</b>	\$56,209
<b>Materials and Supplies</b>	\$159,274	\$160,462	\$148,213	\$288,973	<b>\$338,223</b>	\$49,250
<b>Contracted Services</b>	\$16,423	\$17,118	\$10,970	\$27,494	<b>\$28,609</b>	\$1,115
<b>Utilities</b>	\$7,098	\$7,433	\$5,011	\$7,700	<b>\$7,700</b>	\$0
<b>Total Expenditures</b>	\$709,258	\$705,978	\$537,114	\$853,682	<b>\$960,256</b>	\$106,574



# Mackenzie County

# ADMINISTRATION

## INTRODUCTION

The Administration Department provides leadership and direction and is responsible for the co-ordination of information with all departments while ensuring that the policies of Council are effectively implemented. The Chief Administrative Officer is Council's principal advisor on matters of policy and is responsible to Council for the efficient administration of all County activities. All Department Heads are responsible to the Chief Administrative Officer for the efficient operation of their respective departments.

## MISSION STATEMENT

To assist Council in ensuring policies adopted and decisions made by Council are the most effective in moving the County forward in a positive and sustainable manner.

This mission statement is accomplished by:

- Providing information, advice and a high level of customer service to Council, staff and the general public.
- Ensuring the records of the County are maintained as required under policy and legislation.
- Presenting information to Council in the form of agendas, minutes, by-laws and agreements.
- Responding to public queries and information about programs and services, building awareness about municipal services, establishes links with the community and media.
- Managing the provision of human resources to the corporation.
- Providing the overall strategic direction for the provision of information technology and services.
- Ensuring the financial affairs of the County meet the objectives of Council and comply with all legislative requirements.

The Administration budget also includes several elements which have not been identified within specific departments. Expenditures and revenues in

this classification generally pertain to the Municipal operations as a whole or the benefits are shared across the entire Municipality. Additional details are provided below.

## CORPORATE EXPENDITURES

This section pertains to the general operations of the County as a whole. This classification includes items such as:

- Insurance administration (broker and adjusters fees). Insurance coverage premiums are charged to specific departments.
- Legal, auditing and other professional services.
- Service charges relating to banking and payroll administration.
- Tax write-offs.
- Contributions to area municipalities under inter-municipal sharing and collaborative agreements.

## CORPORATE REVENUES

### Tax Levy

Property taxation is a major source of revenue for the County. To determine the tax levy for a property, the property's assessment value is multiplied by tax rate for its property class.

### Grants-In-Lieu-of Taxes

Although property owned and occupied by the government and government entities is not subject to taxation, they are liable for payments-in-lieu-of taxes. Currently these properties are paid at 50% of the taxable levy, with taxed minimums set at a maximum of \$100.

### Interest on Investments

Interest earned on bank deposits, investments, and loans through cash management policy and strategy.

### Penalties on Taxes

This source of revenue is resulting from the late payment of property taxes. These penalties are imposed in accordance with provincial legislation and Council policy.

Administration Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$
	Total	Total	Total	Budget	Budget	Variance
						2022/23
<b>Revenues:</b>						
User Fees/Sales /Rentals	\$495,170	\$52,662	\$88,649	\$85,350	\$117,300	\$31,950
Penalties- Overdue Accounts	\$1,085,622	\$727,860	\$208,349	\$709,000	\$313,000	(\$396,000)
Interest Earnings	\$373,405	\$237,432	\$392,560	\$325,000	\$425,000	\$100,000
Grants	\$6,324,172	\$5,538,747	\$51,480	\$98,502	\$32,121	(\$66,381)
Other Revenue	\$133,594	\$135,681	\$18,713	\$100,000	\$110,500	\$10,500
Reserve Draws	\$183,537	\$891,317	\$0	\$75,000	\$875,491	\$800,491
<b>Total Revenues</b>	<b>\$8,595,500</b>	<b>\$7,583,698</b>	<b>\$759,751</b>	<b>\$1,392,852</b>	<b>\$1,873,412</b>	<b>\$480,560</b>
<b>Expenditures:</b>						
Salaries and Benefits	\$2,206,087	\$2,189,359	\$1,460,757	\$2,203,306	\$2,515,422	\$312,116
Materials and Supplies	\$464,173	\$441,499	\$192,514	\$412,903	\$428,474	\$15,571
Contracted Services	\$762,378	\$940,298	\$479,817	\$839,517	\$757,209	(\$82,308)
Utilities	\$139,577	\$155,097	\$136,783	\$163,774	\$205,797	\$42,023
Debt/Capital Financing	\$4,218,427	\$5,155,618	\$34,060	\$1,690,450	\$1,415,489	(\$274,961)
Grants	\$1,793,917	\$2,585,852	\$2,250,000	\$2,250,000	\$2,250,000	\$0
One Time Projects	\$5,726,522	\$5,517,506	\$56,105	\$125,000	\$405,651	\$280,651
Amortization	\$356,995	\$347,368	\$0	\$347,368	\$322,004	(\$25,364)
<b>Total Expenditures</b>	<b>\$15,668,076</b>	<b>\$17,332,597</b>	<b>\$4,610,036</b>	<b>\$8,032,318</b>	<b>\$8,300,046</b>	<b>\$267,728</b>



# FIRE DEPARTMENT

## INTRODUCTION

Mackenzie County operates four fire stations located in Fort Vermilion, La Crete, Tompkins Landing and Zama. High Level rural residents are served by the Town of High Level fire department under a Regional Service Sharing Agreement.

Members on the various fire departments are volunteers and are paid an honorarium by the County. The membership numbers are:

- La Crete/Tompkins—30 active members
- Fort Vermilion—13 active members
- Zama—8 active members

## MISSION STATEMENT

Striving to attain excellence through continuous improvement, in order to save lives, preserve property and protect the environment.

Becoming a firefighter requires a considerable commitment and availability. Some of the expectations and duties of a member are as follows:

- Attend training nights in order to maintain and build skills
- Obtain appropriate fire/emergency training as per the National Fire Protection Association (NFPA)
- Make an effort to attend as many drill nights and emergency calls as possible
- Respond to emergency calls, not only within the County, but also those in other fire districts as defined in mutual aid agreements
- Be on voluntary call
- Be a team player
- Help maintain an organized and neat station, as well as keep equipment clean

We strive to ensure protection from the adverse effects of fires, sudden medical emergencies or exposure to dangerous conditions that may threaten lives or property. We manage these threats using a wide variety of programs varying from prevention to response, delivered in a safe and professional manner.



Our firefighters respond to an average of 200+ calls annually consisting of:

- **Fire responses:** structural, vehicle, wildland and others.
- **Motor vehicle accident responses:** extrication of victims, stabilizing victims and removing them from the vehicles, protecting the scene and traffic control, containment of spills.
- **Other responses** not included in the above: carbon monoxide activations, natural gas leaks, fire alarm activations, hazardous material incidents, burning complaints, unknown odors, public assistance, Mutual Aid assistance to partners.



**Fire Department Approved Budget**

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$43,862	\$205,187	\$27,719	<b>\$173,900</b>	<b>\$126,000</b>	(\$47,900)
<b>Grants</b>	\$2,255,886	\$1,283,008	\$0	<b>\$15,000</b>	<b>\$0</b>	\$0
<b>Other Revenue</b>	(\$2,032)	\$0	\$0	<b>\$0</b>	<b>\$0</b>	\$0
<b>Reserve Draws</b>	\$0	\$0	\$0	<b>\$15,000</b>	<b>\$15,000</b>	\$0
<b>Total Revenues</b>	<b>\$2,297,716</b>	<b>\$1,488,194</b>	<b>\$27,719</b>	<b>\$203,900</b>	<b>\$141,000</b>	<b>(\$47,900)</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$205,407	\$187,027	\$73,508	\$165,125	<b>\$140,329</b>	(\$24,796)
<b>Materials and Supplies</b>	\$107,756	(\$95,361)	\$40,738	\$170,274	<b>\$185,794</b>	\$15,520
<b>Contracted Services</b>	\$205,378	\$187,021	\$145,583	\$212,179	<b>\$224,723</b>	\$12,544
<b>Utilities</b>	\$71,393	\$75,320	\$55,953	\$75,313	<b>\$96,016</b>	\$20,703
<b>Debt/Capital Financing</b>	\$0	\$0	\$0	\$0	<b>\$100,000</b>	\$100,000
<b>Grants</b>	\$0	\$0	\$0	\$0	<b>\$0</b>	\$0
<b>One Time Projects</b>	\$0	\$0	\$0	\$30,000	<b>\$30,000</b>	\$0
<b>Amortization</b>	\$200,510	\$202,001	\$0	\$202,247	<b>\$195,023</b>	(\$7,224)
<b>Total Expenditures</b>	<b>\$790,444</b>	<b>\$556,008</b>	<b>\$315,782</b>	<b>\$855,138</b>	<b>\$971,885</b>	<b>\$116,747</b>



Enforcement Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022 Budget	2023 Budget	\$ Variance 2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$13,837	\$13,827	\$11,522	\$14,827	\$13,827	(\$1,000)
<b>Other Revenue</b>	\$6,825	(\$10,076)	\$5,461	\$9,000	\$9,000	\$0
<b>Reserve Draws</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$20,662</b>	<b>\$3,751</b>	<b>\$16,983</b>	<b>\$23,827</b>	<b>\$22,827</b>	<b>(\$1,000)</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$137,946	\$15,942	\$12,935	\$17,775	\$18,010	\$235
<b>Materials and Supplies</b>	\$18,515	\$8,687	\$7,969	\$18,800	\$13,500	(\$5,300)
<b>Contracted Services</b>	\$47,989	\$604,245	\$106,646	\$560,714	\$809,291	\$248,577
<b>Utilities</b>	\$2,898	\$1,399	\$719	\$1,700	\$3,868	\$2,168
<b>Debt/Capital Financing</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>One Time Projects</b>	\$0	\$0	\$0	\$0	\$0	\$0
<b>Amortization</b>	\$3,909	\$565	\$0	\$565	\$6,404	\$5,839
<b>Total Expenditures</b>	<b>\$211,257</b>	<b>\$630,838</b>	<b>\$128,269</b>	<b>\$599,554</b>	<b>\$851,073</b>	<b>\$251,519</b>

# PUBLIC WORKS & FLEET MAINTENANCE

## Public Works (Operations)

The Public Works department is responsible for the following services:

- The maintenance and operation of the road network which includes the road surface, gravel hauling, culvert repair/installation, sidewalks, Hamlet snow removal, and road signage.
- Winter control and annual maintenance for 2,134 +/- km of gravel roads. Operation of 9 graders averaging 260 km per grader of roads. Maintaining urban streets and sidewalks, snow and ice control.
- Summer maintenance of parks and campgrounds. Installation and removal of docks. Supply of firewood to parks and campgrounds.
- Ground maintenance of all 17 public parks and other open recreation areas directly administered by the County.
- The administration of contracts for the engineering and construction projects, including bridge maintenance. Overseeing the Ice-Bridge contract including construction and maintenance.



## Fleet Maintenance

Fleet Maintenance operates two licensed and one non-licensed inspection facilities and is responsible for the following services:

- The C-VIP inspections, preventative maintenance and repairs of all vehicles and equipment in all Departments.
- Planning for vehicle and equipment replacement.
- Maintenance of garbage bins and Freon removal at all Waste Transfer Stations.
- Maintenance of equipment at all recreation facilities.
- Maintenance of community buses.

## Public Works and Fleet Maintenance Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$84,434	\$130,523	\$207,936	\$295,570	<b>\$266,036</b>	(\$29,534)
<b>Grants</b>	\$186,961	\$732,391	\$121,262	\$121,262	<b>\$242,524</b>	\$121,262
<b>Other Revenue</b>	\$2,398	\$168,566	\$170,060	\$221,100	<b>\$165,000</b>	(\$56,100)
<b>Reserve Draws</b>	\$0	\$152,189	\$0	\$2,155,183	<b>\$50,000</b>	(\$2,105,183)
<b>Total Revenues</b>	<b>\$273,793</b>	<b>\$1,183,669</b>	<b>\$499,257</b>	<b>\$2,793,115</b>	<b>\$723,560</b>	<b>(\$2,069,555)</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$3,009,927	\$3,051,838	\$2,339,428	\$3,178,240	<b>\$3,579,708</b>	\$401,468
<b>Materials and Supplies</b>	\$1,711,742	\$5,848,001	\$4,652,346	\$5,194,172	<b>\$2,863,473</b>	(\$2,330,699)
<b>Contracted Services</b>	\$1,876,527	\$1,783,747	\$1,138,232	\$2,013,837	<b>\$2,520,188</b>	\$506,351
<b>Utilities</b>	\$878,675	\$977,821	\$724,057	\$948,066	<b>\$1,551,077</b>	\$603,011
<b>Debt/Capital Financing</b>	\$1,535,586	\$2,498,851	\$693,046	\$2,285,625	<b>\$2,496,422</b>	\$210,797
<b>One Time Projects</b>	\$0	\$568,494	\$699,645	\$6,600	<b>\$0</b>	(\$6,600)
<b>Amortization</b>	\$6,507,684	\$6,709,150	\$0	\$6,709,150	<b>\$6,309,770</b>	(\$399,380)
<b>Total Expenditures</b>	<b>\$15,520,141</b>	<b>\$21,437,902</b>	<b>\$10,246,754</b>	<b>\$20,335,690</b>	<b>\$19,320,638</b>	<b>(\$1,015,052)</b>



# AIRPORTS

Mackenzie County operates two airports within the County. The Fort Vermilion airport “Wop May Memorial Airport” is a base for Alberta Health Services air ambulance medical transport.

Fort Vermilion and La Crete airports are equipped with an Automated Weather Observing System (AWOS), which is to assist pilots in detecting weather changes that may affect their landing.

Fort Vermilion and La Crete are open all year round. Sources of revenue for the Fort Vermilion and La Crete airports is by leasing space for aircraft storage, and entering into agreements for fuel flowage rates.

One of the one-time projects requests was to develop airport operational/safety manuals as required by NAV Canada and Transport Canada. This project was unable to be completed due to the Peace River ice Jam flood, and has been carried forward to 2023.

## Airports Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022 Budget	2023 Budget	\$ Variance 2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$27,572	\$177,968	\$48,989	\$62,042	<b>\$94,562</b>	\$32,520
<b>Reserve Draws</b>	\$22,269	\$298	\$0	\$32,708	<b>\$47,707</b>	\$14,999
<b>Other Revenues</b>	\$3,848	\$0	\$0	\$0	<b>\$0</b>	\$0
<b>Total Revenues</b>	<b>\$53,689</b>	<b>\$178,266</b>	<b>\$48,989</b>	<b>\$94,750</b>	<b>\$142,269</b>	<b>\$47,519</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$48,956	\$38,127	\$24,707	\$47,635	<b>\$31,691</b>	(\$15,944)
<b>Materials and Supplies</b>	\$22,003	\$8,593	\$10,474	\$28,300	<b>\$28,300</b>	\$0
<b>Contracted Services</b>	\$148,944	\$100,946	\$54,667	\$151,832	<b>\$145,179</b>	(\$6,653)
<b>Utilities</b>	\$28,768	\$32,758	\$29,795	\$31,921	<b>\$45,279</b>	\$13,358
<b>Debt/Capital Financing</b>	(\$6,083)	(\$26,664)	\$0	\$0	<b>\$0</b>	\$0
<b>One Time Projects</b>	\$22,269	\$298	\$0	\$32,708	<b>\$47,707</b>	\$14,999
<b>Amortization</b>	\$196,006	\$196,006	\$0	\$196,006	<b>\$197,221</b>	\$1,215
<b>Total Expenditures</b>	<b>\$460,863</b>	<b>\$350,064</b>	<b>\$119,644</b>	<b>\$488,402</b>	<b>\$495,377</b>	<b>\$6,975</b>



# UTILITIES – WATER & SEWER

## INTRODUCTION

The Mackenzie County water and sewage systems are managed in strict accordance with Provincial regulations. Our primary responsibility is to provide safe, reliable drinking water. We also provide efficient water and sewer services to our customers. Areas of responsibility include watermains, water services, water meters, fire hydrants.

The County is also responsible for the sanitary sewer system which includes the sanitary sewer mains, various sewage pumping station as well as the sewage treatment lagoons. We provide excellent customer service and also coordinate infrastructure capital projects.

The success of the County hinges on efficient and effective coordination and consistency of our service delivery while still ensuring that our infrastructure is maintained and renewed.



## MISSION STATEMENT

Mackenzie County is committed to comply with all applicable legislation and regulatory requirements, as it pertains to drinking water quality, to supply consumers with safe drinking water and is committed to the maintenance and continual improvement of the systems, operations and standards.

This means we will strive to achieve these goals through the implementation of the management system comprised of policies, procedures, instructions and forms that demonstrate risk based treatment process evaluation, staff competency, open communications, appropriate contingency/incident response measures and response to consumers' concerns in a timely manner.

The drinking water system's owners and supervisor/managers and the employees who are directly involved in the supply of drinking water, share responsibilities of implementing, maintaining and contributing to the continual improvement of the system.

## FEE FOR SERVICE

The trend across the province and nationally, driven by user pay models and the upper tier governments requirements to receive grants funding, is that municipalities move towards full cost accounting and rate setting for water and sewer.

Provincial associations such as AUMA and the Alberta Water Association have issued the following policy statements pertaining to full cost pricing and accounting:

We will partner with the Government of Alberta to support municipalities in adopting full cost accounting and implementing water pricing that will:

- Educate users on the true cost of the water resources they are consuming, thereby providing a financial incentive to conserve and use more efficiently;
- Provide enough revenue to cover the full costs of providing water and wastewater services including maintaining and replacing infrastructure and implementing water conservation and source water protection measures; and,
- Provide financial reporting on water and wastewater utility functions separate from general revenues.

The Government of Alberta is placing greater emphasis on long-term financial planning for water and sewer utilizes. The trend is for greater funding preference for municipalities that have implemented or are working towards full metering, water conservation, efficiency, and productivity planning, asset management and full cost accounting.

Utilities – Water & Sewer Approved Budget

Water	2020	2021	2022 YTD	2022	2023	\$ Variance
	Actual	Actual			2023	
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
<b>Water/Sewer Fees</b>	\$3,120,542	\$3,362,950	\$2,674,165	\$3,321,276	<b>\$3,539,566</b>	\$218,290
<b>User Fees/Sales /Rentals</b>	\$77,115	\$84,550	\$53,696	\$68,500	<b>\$69,000</b>	\$500
<b>Penalties- Overdue Accounts</b>	\$13,043	\$18,634	\$14,822	\$12,000	<b>\$12,000</b>	\$0
<b>Grants</b>	\$73,500	\$0	\$0	\$0	<b>\$0</b>	\$0
<b>Other Revenue</b>	\$91,001	\$375,050	\$182,798	\$25,950	<b>\$20,000</b>	(\$5,950)
<b>Reserve Draws</b>	\$1,345	\$1,951	\$0	\$220,080	<b>\$207,842</b>	(\$12,238)
<b>Total Revenues</b>	<b>\$3,376,546</b>	<b>\$3,843,135</b>	<b>\$2,925,480</b>	<b>\$3,647,806</b>	<b>\$3,848,408</b>	<b>\$200,602</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$671,107	\$580,576	\$450,338	\$659,215	<b>\$701,573</b>	\$42,358
<b>Materials and Supplies</b>	\$399,881	\$432,682	\$346,292	\$592,820	<b>\$611,190</b>	\$18,370
<b>Contracted Services</b>	\$365,943	\$414,307	\$363,119	\$470,019	<b>\$598,254</b>	\$128,235
<b>Utilities</b>	\$361,892	\$381,451	\$334,256	\$412,797	<b>\$543,829</b>	\$131,032
<b>Debt/Capital Financing</b>	\$1,125,798	\$1,158,182	\$113,416	\$1,292,875	<b>\$1,155,097</b>	(\$137,778)
<b>One Time Projects</b>	\$1,345	\$1,951	\$6,270	\$220,080	<b>\$207,842</b>	(\$12,238)
<b>Amortization</b>	\$1,483,789	\$1,405,945	\$0	\$1,405,945	<b>\$1,410,469</b>	\$4,524
<b>Total Expenditures</b>	<b>\$4,409,755</b>	<b>\$4,375,094</b>	<b>\$1,613,690</b>	<b>\$5,053,751</b>	<b>\$5,228,254</b>	<b>\$174,503</b>

Sewer	2020	2021	2022 YTD	2022	2023	\$ Variance
	Actual	Actual			2023	
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
<b>Water/Sewer Fees</b>	\$1,138,118	\$1,153,487	\$780,085	\$1,146,007	<b>\$1,273,519</b>	\$127,512
<b>User Fees/Sales /Rentals</b>	\$15	\$0	\$0	\$0	<b>\$0</b>	\$0
<b>Other Revenue</b>	\$12,369	\$5,301	\$12,369	\$12,400	<b>\$0</b>	(\$12,400)
<b>Reserve Draws</b>	\$8,358	\$17,000	\$0	\$0	<b>\$0</b>	\$0
<b>Total Revenues</b>	<b>\$1,158,860</b>	<b>\$1,175,788</b>	<b>\$792,454</b>	<b>\$1,158,407</b>	<b>\$1,273,519</b>	<b>\$115,112</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$448,873	\$436,536	\$269,265	\$439,016	<b>\$434,279</b>	(\$4,737)
<b>Materials and Supplies</b>	\$41,915	\$39,188	\$22,011	\$49,750	<b>\$50,750</b>	\$1,000
<b>Contracted Services</b>	\$206,855	\$181,832	\$145,664	\$232,561	<b>\$184,148</b>	(\$48,413)
<b>Utilities</b>	\$28,846	\$28,507	\$26,135	\$31,237	<b>\$40,550</b>	\$9,313
<b>Debt/Capital Financing</b>	\$380,933	\$430,171	\$14,016	\$405,843	<b>\$570,252</b>	\$164,409
<b>One Time Projects</b>	\$8,358	\$17,000	\$0	\$0	<b>\$0</b>	\$0
<b>Amortization</b>	\$701,752	\$698,464	\$0	\$698,464	<b>\$698,464</b>	\$0
<b>Total Expenditures</b>	<b>\$1,817,532</b>	<b>\$1,831,698</b>	<b>\$477,090</b>	<b>\$1,856,871</b>	<b>\$1,978,443</b>	<b>\$121,572</b>

# WASTE MANAGEMENT

Mackenzie County operates seven (7) transfer stations at various locations across the municipality. Caretakers are utilized to manage the day-to-day operations at each of the waste transfer stations.

The County has contracts for the hauling of residential and commercial waste from the transfer stations, within the County. All waste is hauled to the Mackenzie Regional Landfill which is operated by the Mackenzie Regional Waste Management Commission.

The hamlets of Fort Vermilion, La Crete, and Zama have transfer stations available to residents at minimal cost for the disposal of household waste.

A variety of the waste transfer stations have recycle centers for reusable items, electronics, tires, batteries, chemical jugs, steel, and household metals such as fridges, stoves, washers and dryers. All waste

transfer stations, and the Mackenzie Regional Landfill are available to all users for the disposal of household waste

La Crete user fees were amended for residential curbside pick up that operates on a cost recovery fee for service basis.

Effective April 2023, rural residents will be responsible for the container fees, and the disposal/tipping fees for disposal at the landfill.

Assisting residents in the new fees, Council approved the disposal of yard waste items such as trees, branches, and leaves at approved waste transfer stations at no cost during approved dates.



## Waste Management Approved Budget

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
User Fees/Sales /Rentals	\$101,995	\$237,688	\$187,407	\$297,000	\$432,290	\$135,290
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Reserve Draws	\$0	\$5,991	\$0	\$0	\$7,000	\$7,000
<b>Total Revenues</b>	<b>\$101,995</b>	<b>\$243,679</b>	<b>\$187,407</b>	<b>\$297,000</b>	<b>\$439,290</b>	<b>\$142,290</b>
<b>Expenditures:</b>						
Salaries and Benefits	\$18,752	\$77,099	\$48,461	\$70,236	\$70,191	(\$45)
Materials and Supplies	\$4,408	\$14,049	\$870	\$2,900	\$2,900	\$0
Contracted Services	\$773,100	\$579,590	\$398,716	\$715,097	\$656,477	(\$58,620)
Utilities	\$19,993	\$22,421	\$18,259	\$20,510	\$30,427	\$9,917
Debt/Capital Financing	\$0	\$341	\$915	\$1,360	\$1,360	\$0
One Time Projects	\$0	\$0	\$0	\$0	\$30,000	\$30,000
Amortization	\$19,237	\$20,137	\$0	\$20,137	\$18,112	(\$2,025)
<b>Total Expenditures</b>	<b>\$835,490</b>	<b>\$713,637</b>	<b>\$467,221</b>	<b>\$830,240</b>	<b>\$809,467</b>	<b>(\$20,773)</b>

# PLANNING & DEVELOPMENT

## INTRODUCTION – PLANNING SERVICES

The Planning Department is responsible for the distribution of information and advice to Council, landowners, the general public and to the development industry with respect to community and land use planning. The department administers the County’s Municipal Development Plan and Land Use Bylaw, the development approvals process, and provides planning advice and recommendations to the Municipal Planning Commission and the Inter-municipal Planning Commission. Staff conduct research into a variety of land use planning matters including changing Provincial policy and emerging issues affecting a broad range of economic, environmental and social factors that contribute to the community.

The 2023 budget was developed with the understanding that there may be some permits associated with the redevelopment of the Hamlet of Fort Vermilion due to the Peace River Ice Jam, and did not associate future revenues, as an endeavour to assist.

## MISSION

- Provide timely assistance to Council, the public and private agencies concerned with the development of the County.
- Provide the public and developers with high levels of customer service and education in respect of the County’s planning context.
- Provide guidance and direction based on best practice in making the County a more liveable and sustainable community.
- Take into account the financial status of the County when considering future development so that a balance between residential and commercial-industrial assessment may be achieved and maintained.

## INTRODUCTION – SAFETY CODE INSPECTIONS

Safety code inspections are undertaken by a third party vendor on a fee for service basis. In addition to

providing internal support as well as external services to the public through the following service areas:

- Processing and issuing permits to construct and demolish.
- Conducting site inspections.
- Issuing Orders and notices of violations in accordance with the Safety Codes Act.
- Examination of plans and specifications for compliance with the Safety Codes Act, Land Use Bylaw, Subdivision Agreements, and other regulations.
- Enforcing the Safety Codes Act.

## MISSION STATEMENT

Our ongoing goal is to provide quality, efficient and effective levels of service to Council, residents on a continuing basis. We continually seek out new ways to improve the delivery of the services we provide while maintaining an accountable and cost effective service that meets the legislation set within the Municipal Government Act.



## INTRODUCTION – ECONOMIC DEVELOPMENT SERVICES

Staff will continue to work on the promotion of economic activities, sustainable growth, and support of existing business and industry. Working with local community groups, organizations and businesses, along with other partners. The main goal is to strengthen the local economy and ensure community needs are addressed.

**Planning & Development Approved Budget**

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
User Fees/Sales /Rentals	\$15,591	\$33,215	\$29,296	\$19,000	\$23,000	\$4,000
Permits & Fees	\$405,599	\$478,418	\$233,522	\$358,000	\$412,000	\$54,000
Grants	(\$14,360)	\$12,250	\$0	\$0	\$55,800	\$55,800
Other Revenue	\$100	\$0	\$0	\$0	\$0	\$0
Reserve Draws	\$49,676	\$249,313	\$0	\$362,385	\$390,223	\$27,838
<b>Total Revenues</b>	<b>\$456,606</b>	<b>\$773,196</b>	<b>\$262,818</b>	<b>\$739,385</b>	<b>\$881,023</b>	<b>\$141,638</b>
<b>Expenditures:</b>						
Salaries and Benefits	\$647,385	\$654,562	\$548,751	\$824,217	\$798,741	(\$25,476)
Materials and Supplies	\$54,758	\$33,416	\$21,930	\$31,380	\$40,535	\$9,155
Contracted Services	\$470,877	\$354,198	\$217,108	\$305,135	\$381,335	\$76,200
Grants	\$0	\$0	\$0	\$0	\$0	\$0
Utilities	\$1,726	\$2,747	\$2,604	\$3,580	\$3,486	(\$94)
Debt/Capital Financing	\$0	\$0	\$0	\$0	\$0	\$0
One Time Projects	\$218,679	\$261,563	\$49,974	\$362,385	\$446,023	\$83,638
Amortization	\$11,998	\$11,998	\$0	\$11,998	\$10,783	(\$1,215)
<b>Total Expenditures</b>	<b>\$1,405,423</b>	<b>\$1,318,484</b>	<b>\$840,368</b>	<b>\$1,538,695</b>	<b>\$1,680,903</b>	<b>\$142,208</b>

**Subdivision Approved Budget**

	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
Permits & Fees	\$297,336	\$361,171	\$86,719	\$225,000	\$205,000	(\$20,000)
Other Revenue	\$556	\$33,528	\$0	\$10,000	\$10,000	\$0
<b>Total Revenues</b>	<b>\$297,892</b>	<b>\$394,699</b>	<b>\$86,719</b>	<b>\$235,000</b>	<b>\$215,000</b>	<b>(\$20,000)</b>
<b>Expenditures:</b>						
Salaries and Benefits	\$235,010	\$363,191	\$235,383	\$255,892	\$314,222	\$58,330
Materials and Supplies	\$4,049	\$3,443	\$2,312	\$9,425	\$9,225	(\$200)
Contracted Services	\$46,434	\$70,624	\$29,855	\$62,400	\$62,400	\$0
Utilities (Fuel/Electrify/Natural Gas)	\$686	\$686	\$343	\$960	\$960	\$0
Debt/Capital Financing	\$0	\$0	\$0	\$150,000	\$80,000	(\$70,000)
<b>Total Expenditures</b>	<b>\$286,179</b>	<b>\$437,944</b>	<b>\$267,894</b>	<b>\$478,677</b>	<b>\$466,807</b>	<b>(\$11,870)</b>

# AGRICULTURE

The Agricultural department provides services assisting ratepayers within Mackenzie County with beaver and surface water management concerns, roadside mowing and spraying, and noxious weed inspection.

While following the County’s Policies and Bylaws, the Agricultural department also has to follow the mandates of the *Alberta Agricultural Service Board Act*, therefore an Agricultural Service Board was established. Agricultural Service Boards are responsible for administering and enforcing the following provincial agricultural related act; *Weed Control Act, Agriculture Pest Act, Soil Conservation Act, Livestock Disease Act*, and the *Alberta Agricultural Service Board Act*. Mackenzie County’s ASB consists of two municipally appointed Councillors and three municipally appointed members at large.

The ASB has a business plan that is updated on a regular basis, with the main goals being:

- Encourage development of new value-added agricultural farms and agri-businesses.

## Agriculture Approved Budget

	2020 Actual	2021 Actual	2022 YTD Total	2022 Budget	2023 Budget	\$ Variance 2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$37,216	\$36,398	\$8,176	\$37,158	<b>\$35,878</b>	(\$1,280)
<b>Grants</b>	\$123,907	\$143,907	\$170,973	\$172,473	<b>\$133,907</b>	(\$38,566)
<b>Reserve Draws</b>	\$0	\$0	\$0	\$89,055	<b>\$38,400</b>	(\$50,655)
<b>Total Revenues</b>	<b>\$161,123</b>	<b>\$180,305</b>	<b>\$179,149</b>	<b>\$298,686</b>	<b>\$208,185</b>	<b>(\$90,501)</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$357,846	\$327,400	\$273,281	\$302,655	<b>\$434,411</b>	\$131,756
<b>Materials and Supplies</b>	94,905	122,599	104,502	121,210	<b>203,735</b>	82,525
<b>Contracted Services</b>	\$712,096	\$553,394	\$553,828	\$840,619	<b>\$887,975</b>	\$47,356
<b>Utilities</b>	\$15,365	\$19,077	\$13,154	\$12,760	<b>\$26,227</b>	\$13,467
<b>Debt/Capital Financing</b>	(\$8,586)	\$729,728	\$0	\$0	<b>\$500,000</b>	\$500,000
<b>Grants</b>	\$126,678	\$102,000	\$136,910	\$148,500	<b>\$155,000</b>	\$6,500
<b>One Time Projects</b>	\$0	\$0	\$30,856	\$81,221	<b>\$30,000</b>	(\$51,221)
<b>Amortization</b>	\$49,551	\$46,113	\$0	\$46,113	<b>\$40,206</b>	(\$5,907)
<b>Total Expenditures</b>	<b>\$1,347,855</b>	<b>\$1,900,311</b>	<b>\$1,112,532</b>	<b>\$1,553,078</b>	<b>\$2,277,554</b>	<b>\$724,476</b>

- Promote sustainable agricultural policies and practices.
- Strong internal policies and programs to support responsible agricultural land development.
- Appropriate land uses within the County.
- Assisting with agricultural land expansion planning.
- Noxious weed management.
- Administering the Shelter Belt Program.

The County provides a veterinary subsidy through Veterinary Services Incorporated. The County also provides an operating grant to the local veterinarian to assist in maintaining veterinary services in the region. The Agricultural Service Board Terms of Reference includes reviewing of Veterinarian service levels, and community identified needs.

A Provincial grant to assist in the operations of the Agricultural Service Boards, providing water pump rentals to ratepayers, and renting County owned land for agricultural use are the main funding provided to this department.

# PARKS & RECREATION

## INTRODUCTION

The 2023 Budget submission for Parks and Recreation supports the vision and goals of the Community Services Committee, and Council direction.

## PARKS AND CAMPGROUNDS

Council understands supporting community parks, campgrounds, and open space for residents in Mackenzie County is very important, and are working towards expanding, and developing additional areas of interest.

Mackenzie County is committed to provide opportunities for all residents to participate in an active and healthy lifestyle.

- Mackenzie County maintains twelve (12) parks and four (4) campgrounds, while ensuring that they are open to all users, and maintaining a continued level of service.
- Three (3) campgrounds employ seasonal caretakers on site during the summer months.

## BUDGET:

The 2023 budget ensures that the parks and campgrounds maintain the same level of service that was provided during the 2022 year.

In 2023 the Community Services, with the support of the Planning department administration continues to work on obtaining 10 year plans with Alberta Agriculture, Forestry and Rural Economic department for the Hutch Lake campground, La Crete Ferry Campground and Wadlin Lake campground.

Council understands supporting community parks, campgrounds, and open space for residents in Mackenzie County is very important, and are working towards expanding, and developing additional areas of interest.

## Parks & Recreation Approved Budget

	2020 Actual	2021 Actual	2022 YTD Total	2022 Budget	2023 Budget	\$ Variance 2022/23
<b>Revenues:</b>						
<b>User Fees/Sales /Rentals</b>	\$80,197	\$99,092	\$39,421	\$91,000	<b>\$73,560</b>	(\$17,440)
<b>Other Revenue</b>	(\$1,395)	\$0	\$0	\$0	<b>\$0</b>	\$0
<b>Reserve Draws</b>	\$0	\$24,755	\$0	\$34,400	<b>\$36,000</b>	\$1,600
<b>Total Revenues</b>	<b>\$78,802</b>	<b>\$123,847</b>	<b>\$39,421</b>	<b>\$125,400</b>	<b>\$109,560</b>	<b>(\$15,840)</b>
<b>Expenditures:</b>						
<b>Salaries and Benefits</b>	\$197,502	\$170,323	\$96,858	\$169,457	<b>\$114,953</b>	(\$54,504)
<b>Materials and Supplies</b>	\$26,883	\$22,298	\$20,177	\$52,220	<b>\$38,920</b>	(\$13,300)
<b>Contracted Services</b>	\$205,958	\$181,869	\$114,206	\$248,972	<b>\$249,018</b>	\$46
<b>Utilities</b>	\$3,767	\$4,433	\$2,983	\$2,908	<b>\$7,536</b>	\$4,628
<b>Debt/Capital Financing</b>	(\$10,399)	\$569	\$0	\$0	<b>\$50,000</b>	\$50,000
<b>One Time Projects</b>	\$0	\$24,755	\$15,386	\$24,400	<b>\$36,000</b>	\$11,600
<b>Total Expenditures</b>	<b>\$423,711</b>	<b>\$404,247</b>	<b>\$249,610</b>	<b>\$497,957</b>	<b>\$496,427</b>	<b>(\$1,530)</b>



# GRANTS TO OTHER ORGANIZATIONS & MACKENZIE LIBRARY BOARD

## GRANTS TO OTHER ORGANIZATIONS

Mackenzie County Council recognizes the value of volunteers and the non-profit groups operating within the region. Grants are available to Non Profit groups, with an application deadline of mid-October each year. The approved 2023 operating budget includes funding that was provided to Family and Community Support Services (FCSS), Recreation Boards, and numerous other non-profit organizations, including the Library Board, and to assist with cemetery maintenance .

Below is a list of funding streams that the County provides to some of the many organizations it supports:

- Funding towards the provision of FCSS programs and activities.
- The County provides operating and capital funding to the Fort Vermilion, La Crete, and Zama Recreation Boards. The recreational boards operate the County-owned facilities and provide a range of programs and activities to local residents and visitors. With the addition of the Ice Rink Arena to the La Crete Recreation complex, an increase in the operating costs was included in the 2023 operating budget.
- Operating agreements with the La Crete Agricultural Society whereby the County pays all conventional utilities for the La Crete Heritage Centre.
- The County pays all utilities for the Fort Vermilion Community & Cultural Complex which hosts the Fort Vermilion Agricultural Society.
- A cemetery maintenance grant of \$600 annually.
- The County reviews grant applications received, and provides grant funding to various Senior service providers, Agricultural Societies, and recreational providers.

## MACKENZIE LIBRARY BOARD

The Library is a vital part of our municipality and continues to flourish as a strong member and active partner within the community. The Library Board looks forward to continuing a strong and cooperative relationship with the County and Council.



The Library Board seeks to meet the informational, educational, recreational and cultural interests and needs of our community by providing timely access to print and non-print resources appropriate to those needs. The Public Library seeks to encourage and facilitate reading, literacy and lifelong learning by supplying resources in a variety of formats designed to interest, inform and enlighten.

The Public Library seeks to provide the highest quality service and to organize and display the collection for easy, open access by all.



**Recreation Boards Approved Budget**

RECREATION BOARDS	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$
	Total	Total	Total	Budget	Budget	Variance 2022/23
<b>Revenues:</b>						
Reserve Draws	\$21,782	\$7,797	\$0	\$6,000	\$30,920	\$24,920
<b>Total Revenues</b>	<b>\$21,782</b>	<b>\$7,797</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$30,920</b>	<b>\$24,920</b>
<b>Expenditures:</b>						
Materials and Supplies	\$36,790	\$0	\$0	\$0	\$0	\$0
Contracted Services	\$13,629	\$78,520	\$57,259	\$54,383	\$91,102	\$36,719
Utilities	\$0	\$80	\$0	\$0	\$0	\$0
Debt/Capital Financing	\$145,892	\$145,354	\$72,393	\$113,624	\$60,000	(\$53,624)
Grants	\$940,303	\$890,132	\$1,004,795	\$1,066,788	\$1,087,166	\$20,378
One Time Projects	\$34,241	\$0	\$0	\$0	\$30,920	\$30,920
Amortization	\$487,516	\$486,433	\$0	\$486,433	\$644,710	\$158,277
<b>Total Expenditures</b>	<b>\$1,658,371</b>	<b>\$1,600,519</b>	<b>\$1,134,447</b>	<b>\$1,721,228</b>	<b>\$1,913,898</b>	<b>\$192,670</b>

**Family & Community Support Services & Not for Profit Groups Approved Budget**

Family & Community Support Services & All Not for Profit Groups	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$
	Total	Total	Total	Budget	Budget	Variance 2022/23
<b>Revenues:</b>						
Grants	\$340,732	\$303,794	\$224,012	\$313,682	\$298,682	(\$15,000)
Other Revenue	\$0	\$0	\$0	\$13,662	\$0	(\$13,662)
Reserve Draws	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$340,732</b>	<b>\$303,794</b>	<b>\$224,012</b>	<b>\$327,344</b>	<b>\$298,682</b>	<b>(\$28,662)</b>
<b>Expenditures:</b>						
Salaries and Benefits	\$0	\$0	\$0	\$0	\$0	\$0
Contracted Services	\$7,724	\$3,075	\$460	\$47	\$0	(\$47)
Grants	\$783,894	\$736,676	\$762,117	\$851,800	\$881,809	\$30,009
Debt/Capital Financing	\$0	\$0	\$0	\$13,662	\$20,000	\$6,338
<b>Total Expenditures</b>	<b>\$791,618</b>	<b>\$739,751</b>	<b>\$762,577</b>	<b>\$865,509</b>	<b>\$901,809</b>	<b>\$36,300</b>

**Mackenzie Library Board Approved Budget**

Library	2020 Actual	2021 Actual	2022 YTD	2022	2023	\$ Variance
	Total	Total	Total	Budget	Budget	2022/23
<b>Revenues:</b>						
Reserve Draws	\$0	\$0	\$0	\$20,000	\$20,000	\$0
<b>Total Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$20,000</b>	<b>\$0</b>
<b>Expenditures:</b>						
Contracted Services	\$3,376	\$2,811	\$3,045	\$4,692	\$3,653	(\$1,039)
Grants	\$257,403	\$236,817	\$255,114	\$262,059	\$262,082	\$23
One Time Projects	\$0	\$0	\$0	\$20,000	\$20,000	\$0
<b>Total Expenditures</b>	<b>\$260,779</b>	<b>\$239,628</b>	<b>\$258,158</b>	<b>\$286,751</b>	<b>\$285,735</b>	<b>(\$1,016)</b>



“That book is not available in this solar system,  
but we can order it for you.”

# CAPITAL BUDGET

## INTRODUCTION

The Capital Budget is a long-term, multi-year plan that is updated and refined on an annual basis. This plan reflects the need to invest in our infrastructure as the County grows and the existing infrastructure ages. Along with these factors, the withdrawal of Provincial and Federal capital allocations has created a significant financial challenge for the Mackenzie County. The need to prepare long-term infrastructure renewal plans, at the same time plan for growth, which is supported by prudent financial planning, is a major undertaking.

## OVERVIEW OF CAPITAL BUDGET PREPARATION

In addition to being a planning tool, the Capital Budget and Forecast is a very important financial tool. By identifying and quantifying our renewal and growth needs we are able to determine the existing financial capacity and financial implications of the County undertaking the desired plan. The use of long term financial planning ensures that service levels are maintained and our assets are in a good state of repair without negative impact or significant tax or rate increases in any particular year.

The guiding principles that staff employ in the development of the Capital Budget and Forecast may be summarized as follows:

- Focus on the renewal needs of existing assets
- Focus on the needs of the community
- Achieve optimum benefit from the use of taxpayer’s dollars
- Increase the efficiency of our program delivery

## CAPITAL BUDGET INPUTS

The graphic below illustrates the hierarchy of information which leads to the County’s overall vision and impacts capital investment decisions.



The County is currently updating, and developing a Long-Term Financial Plan that will detail capital expenditures for the next 5 years. As noted in the Introduction section of this document, any potential operating impacts of significant non-recurring projects have been considered in the plan. Staff will continue presenting options to Council to ensure adequate financial capacity and flexibility is in place to support the long-term plan.

### Exhibit 7 – 2023 Approved Capital Projects

MACKENZIE COUNTY													
TCA Projects CARRIED FORWARD TO 2023													
Project Description	TOTAL PROJECT BUDGET	2023 BUDGET	TOTAL COSTS	2023 COSTS	2023 REMAINING BUDGET	External Funding				Internal Funding			
						CCBF Grant	MSI Grant	Other Grant	Other Sources (non-grant)	Municipal levy	RS-type	Restricted Surplus (previous years)	Debtenture
<b>(12) - Administration Department</b>													
LC - 100 Street Plan (2020)	65,000	45,457	23,591	4,048	41,409						GCR	45,457	
FV - Flood Mitigation (2021)	16,001,347	4,158,618	12,004,250	161,521	3,997,097			3,548,683	11		GCR/GOR	609,924	
FV-Interim Housing Project (2022)	500,000	122,373	380,722	3,095	119,278						GCR	122,373	
Land Purchase - South of High Level (2022)	25,000	25,000	-	-	25,000						GCR	25,000	
Truck/Vehicle - Office FV (2023)	35,000	35,000	34,973	34,973	27		35,000						
Truck/Vehicle - Office LC (2023)	35,000	35,000	34,973	34,973	27		35,000						
LC - Photocopier (2023)	55,000	55,000	-	-	55,000		50,000		5,000				
LC - Dell Server (2023)	33,500	33,500	-	-	33,500		33,500						
<b>Total department 12</b>	<b>16,749,847</b>	<b>4,509,948</b>	<b>12,478,508</b>	<b>238,608</b>	<b>4,271,339</b>	<b>-</b>	<b>153,500</b>	<b>3,548,683</b>	<b>5,011</b>	<b>-</b>	<b>-</b>	<b>802,754</b>	<b>-</b>
<b>(23) - Fire Department</b>													
FV - Training Facility (2017)	20,000	1,733	18,267	-	1,733				383		GCR	1,350	
LC - Training Grounds (2022)	33,000	2,562	30,438	-	2,562				1,281		GCR	1,281	
AFRRCs Radios	181,650	181,650	-	-	181,650	181,650							
LC - Thermal Imaging search and rescue / drone	10,000	10,000	-	-	10,000	10,000							
<b>Total department 23</b>	<b>244,650</b>	<b>195,945</b>	<b>48,705</b>	<b>-</b>	<b>195,945</b>	<b>191,650</b>	<b>-</b>	<b>-</b>	<b>1,664</b>	<b>-</b>	<b>-</b>	<b>2,631</b>	<b>-</b>
<b>(32) - Transportation Department</b>													
Gravel Reserve (CF 2014)	150,000	17,714	132,286	-	17,714						RDR	17,715	
LC - 9 Street Lights - 94 Ave 106 St to Pioneer Drive (2019)	75,000	75,000	69,959	69,959	5,041						STRT LT	75,000	
OR01 New Road Infrastructure Endeavour to Assist (2020)	1,605,615	500,000	1,105,615	-	500,000						RDR	500,000	
30 m Right of way for road widening - various locations (2021)	200,000	104,870	95,130	-	104,870						RDR	104,870	
Rebuild TWP Rd 1044 (1 mile) (2021)	300,000	220,428	79,572	-	220,428		220,429						
Washout & Culvert Upgrades (2021)	852,000	447,417	404,583	-	447,417		95,417				RDR	352,000	
LC - 109 Avenue Widening (2021)	45,000	12,537	32,463	-	12,537						GCR	12,537	
AWD 160M Graders X3 (2021)	1,714,101	1,714,101	-	-	1,714,101		1,039,101		675,000				
TWP RD 1050 (27 baseline) 2 miles (2022)	700,000	686,819	13,181	-	686,819		686,819						
Zama Pavement Repair (2022)	1,000,000	872,928	127,072	-	872,928						RDR	872,928	
BF 78209 NW 17 105 14 W5M - Teepee Creek (2022)	550,000	538,504	17,673	6,177	532,327	538,504							
Range Road 154 - In 108-15 (2022)	350,000	350,000	-	-	350,000		350,000						
Rebuild 2 miles Heliport Road (Twp 1102 - Rge Rd 184-190) (2022)	250,000	232,700	17,300	-	232,700	232,700							
Machesis Lake - Road Rebuild and section Repairs (2022)	100,000	100,000	-	-	100,000	100,000							
Rebuild Fox Lake Road (2 miles) - spot repair (2022)	85,000	77,866	7,134	-	77,866	77,866							
288m asphalt upgrade 91 st (2022)	130,000	130,000	-	-	130,000		130,000						
Rebuild Rge Rd 155 (2022)	1,100,000	127,326	982,835	10,161	117,165						SWMR	127,326	
BF 81 124 (2022)	500,000	498,070	19,303	17,373	480,697		125,000	373,070					

MACKENZIE COUNTY													
TCA Projects CARRIED FORWARD TO 2023													
Project Description	TOTAL PROJECT BUDGET	2023 BUDGET	TOTAL COSTS	2023 COSTS	2023 REMAINING BUDGET	External Funding				Internal Funding			
						CCBF Grant	MSI Grant	Other Grant	Other Sources (non-grant)	Municipal levy	RS-type	Restricted Surplus (previous years)	Debtenture
Truck - Director of Projects & Infrastructure, CAO, AG (2023)	189,000	189,000	185,498	185,498	3,502		189,000						
Sidewalk Sweeper - FV (2023)	71,400	71,400	-	-	71,400		31,400		40,000				
AWD 160M Graders X3 (2023)	2,103,759	2,103,759	-	-	2,103,759		1,221,108				V&E	882,651	
ZA - Vehicle Hoist (2023)	24,000	24,000	-	-	24,000		24,000						
Twp 1092 - repack, gravel, oil (2023)	100,000	100,000	-	-	100,000		100,000						
Buffalo Head Prairie/Blue Hills Road Rebuild (2023)	250,000	250,000	-	-	250,000		250,000						
Angle Road HL South - Rebuild (2023)	250,000	250,000	-	-	250,000	250,000							
98 street/98 avenue Asphalt (2023)	900,000	900,000	-	-	900,000		270,000		630,000				
113 Street Asphalt - North Rgd RD 154/155 - ENGINEERING ONLY (2023)	50,000	50,000	-	-	50,000						GOR	50,000	
109 Ave traffic lights (2023)	404,000	404,000	-	-	404,000	100,000			304,000				
Lambert Point Intersection TWP 1085 RR 122 (2023)	60,000	60,000	-	-	60,000	60,000							
Bridge File 76278 Engineering (2023)	50,000	50,000	-	-	50,000						GOR	50,000	
Bridge File 78209 Engineering (2023)	50,000	50,000	-	-	50,000						GOR	50,000	
Bridge File 81336 Engineering (2023)	40,000	40,000	-	-	40,000						GOR	40,000	
Bridge Maintenance (2023)	380,000	380,000	-	-	380,000		150,000				GOR	230,000	
Culvert Erosion Repair TWP 1090 - RR 150 (2023)	125,000	125,000	-	-	125,000	125,000							
LC - 101 St/109 Ave Intersection Upgrade (2023)	257,000	257,000	-	-	257,000				135,000		GOR	122,000	
<b>Total department 32</b>	<b>15,010,875</b>	<b>12,010,439</b>	<b>3,289,603</b>	<b>289,167</b>	<b>11,721,272</b>	<b>1,484,070</b>	<b>4,882,274</b>	<b>373,070</b>	<b>1,784,000</b>	-	-	<b>3,487,027</b>	-
<b>Airports</b>													
FV -Airport - Lighting Upgrade (2022)	260,000	41,922	218,078	-	41,922						GCR	41,922	
LC - Heated Airport Storage Shed - Incl PW Storage Shed (2023)	170,000	170,000	-	-	170,000	170,000							
<b>Total department 33</b>	<b>430,000</b>	<b>211,922</b>	<b>218,078</b>	-	<b>211,922</b>	<b>170,000</b>	-	-	-	-	-	<b>41,922</b>	-
<b>(41) - Water Treatment &amp; Distribution Department</b>													
LC - Well Number 4 (2016)	1,348,966	722,257	631,041	4,332	717,925			236,395			GCR	485,863	
ZA - Water Treatment Plant Upgrading (2017)	1,153,569	168,116	1,013,355	27,902	140,214						WTRSWR	168,116	
FV - Frozen Water Services Repairs (River Road) (2015)	280,700	20,443	260,257	-	20,443						RWTR	20,443	
LC - Waterline Bluehills (2015)	833,250	690,722	142,528	-	690,722		690,722						
FV - Rural Water Supply North of the Peace River (2018)	420,000	166,251	253,749	-	166,251						GOR	166,251	
Water Point Building Replacements (BHP) (2023)	31,900	31,900	-	-	31,900						RWTR	31,900	
FV - Water Treatment Plant - Clarifiers Valves (2023)	83,800	83,800	-	-	83,800						WTRSWR	83,800	
WTP Scada Upgrade Zama (2023)	65,000	65,000	6,012	6,012	58,989						WTRSWR	65,000	
LC-North Sanitary Trunk Sewer (2021)	280,000	82,927	201,918	4,845	78,082						GOR	82,927	
<b>Total department 41</b>	<b>4,497,185</b>	<b>2,031,416</b>	<b>2,508,860</b>	<b>43,091</b>	<b>1,988,325</b>	-	<b>690,722</b>	<b>236,395</b>	-	-	-	<b>1,104,300</b>	-
<b>(42) - Sewer Disposal Department</b>													
LC - North Storm-Pond A (2021)	1,520,000	133,771	1,386,229	-	133,771						SWMR	133,771	
FV - Sewer Upgrades (2022)	1,226,000	1,218,382	7,618	-	1,218,382			1,218,382					
<b>Total department 42</b>	<b>2,746,000</b>	<b>1,352,153</b>	<b>1,393,847</b>	-	<b>1,352,153</b>	-	-	<b>1,218,382</b>	-	-	-	<b>133,771</b>	-
<b>(61) - Planning &amp; Development</b>													
GIS Computer (2022)	7,500	7,500	-	-	7,500						GCR	7,500	
<b>Total department 61</b>	<b>7,500</b>	<b>7,500</b>	-	-	<b>7,500</b>	-	-	-	-	-	-	<b>7,500</b>	-

MACKENZIE COUNTY													
TCA Projects CARRIED FORWARD TO 2023													
Project Description	TOTAL PROJECT BUDGET	2023 BUDGET	TOTAL COSTS	2023 COSTS	2023 REMAINING BUDGET	External Funding				Internal Funding			
						CCBF Grant	MSI Grant	Other Grant	Other Sources (non-grant)	Municipal levy	RS-type	Restricted Surplus (previous years)	Debtenture
<b>(71) - Recreation</b>													
FV- Outdoor Rink Repairs (2020)	14,000	14,000	-	-	14,000						RB-FV	14,000	
FV - Purchase Outhouses for Rodeo Grounds (2020)	10,000	3,675	6,325	-	3,675						GCR	3,675	
LC - Northern Lights Recreation Center New Arena (2021)	6,632,288	361,110	6,271,178	-	361,110				361,110				
FV - Main lobby epoxy floor (2022)	8,400	8,400	-	-	8,400						GCR	8,400	
FV - Roof leak exploration and repair (2022)	15,000	15,000	-	-	15,000						GCR	15,000	
FV - Boiler Replacement (2023)	13,474	13,474	-	-	13,474						GCR	13,474	
<b>Total department 71</b>	<b>6,693,162</b>	<b>415,659</b>	<b>6,277,503</b>	<b>-</b>	<b>415,659</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>361,110</b>	<b>-</b>	<b>-</b>	<b>54,549</b>	<b>-</b>
<b>(72) - Parks &amp; Playgrounds Department</b>													
Hutch Lake Campground Improvements (2017)	112,000	2,228	109,772	-	2,228						MR	2,228	
Vanguard Subdivision Playground Equipment (2019)	30,000	580	29,420	-	580						MR	580	
Wadlin Lake Dock Piling Improvements - Firewood Compound (2019)	13,000	10,045	2,955	-	10,045						GCR	10,045	
FV - Streetscape (2017)	150,000	111,641	50,359	12,000	99,641						GOR/GCR	111,641	
Streetscape - La Crete (2020)	75,000	54,291	20,709	-	54,291						GOR/GCR	54,291	
New Hamlet Park (Jannelles Park LC) (2021)	38,000	8,685	29,315	-	8,685						MR	8,685	
Water Line Extension at Jubilee Park (2021)	17,955	17,955	-	-	17,955	17,955							
FV - Streetscape Second dock project (2021)	25,394	15,365	10,029	-	15,365						GCR	15,365	
Wadlin Lake Campground - Major Improvements (2022)	50,000	16,559	33,650	210	16,350						RP	16,559	
Hutch Lake Campground - Major Improvements (2022)	50,000	50,000	210	210	49,790	50,000							
Bridge Campground - Major Improvements (2022)	100,000	100,000	210	210	99,790						RP	100,000	
Hamlet Park Development (2022)	50,000	50,000	-	-	50,000						MR	50,000	
Mogul Master Trail Groomer (2022)	6,500	6,500	6,500	6,500	-						GCR	6,500	
Janelles Park Development - Cost Share	-	-	-	-	-						MR	25,000	
<b>Total department 72</b>	<b>717,849</b>	<b>443,848</b>	<b>293,130</b>	<b>19,130</b>	<b>424,719</b>	<b>67,955</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400,894</b>	<b>-</b>
<b>TOTAL 2023 Capital Projects</b>	<b>47,097,068</b>	<b>21,178,830</b>	<b>26,508,234</b>	<b>589,996</b>	<b>20,588,834</b>	<b>1,913,675</b>	<b>5,726,496</b>	<b>5,376,530</b>	<b>2,151,785</b>	<b>-</b>	<b>-</b>	<b>6,035,348</b>	<b>-</b>
<b>Contingent on Grant Funding</b>													
ZC - Access Pavé (PH V) (CF 2014)	6,000,000	6,000,000	-	-	6,000,000			3,000,000					3,000,000
ZA - Sewage Forcemain (2018)	1,085,000	1,085,000	-	-	1,085,000			1,085,000					-
<b>Carry Forward Contingent on Grant Funding- Total</b>	<b>7,085,000</b>	<b>7,085,000</b>	<b>-</b>	<b>-</b>	<b>7,085,000</b>	<b>-</b>	<b>-</b>	<b>4,085,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,000,000</b>
<b>2023 Contingent on Grant Funding</b>													
FV - New Hockey Boards and Glass with Protective Netting	199,500								99,750		GCR	99,750	
FV - Fitness Centre Expansion	99,000								49,500		GCR	49,500	
FV - Baseball Netting	75,000								37,500		GCR	37,500	
LC - Wheel Chair Lift	50,000								25,000		GCR	25,000	
<b>2023 Contingent on Grant Funding- Total</b>	<b>423,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>211,750</b>	<b>-</b>	<b>-</b>	<b>211,750</b>	<b>-</b>
<b>Total of Contingent Funding</b>	<b>7,508,500</b>	<b>7,085,000</b>	<b>-</b>	<b>-</b>	<b>7,085,000</b>	<b>-</b>	<b>-</b>	<b>4,085,000</b>	<b>211,750</b>	<b>-</b>	<b>-</b>	<b>211,750</b>	<b>3,000,000</b>

# DEBT OUTSTANDING

## CURRENT DEBT OUTSTANDING

The total current debt outstanding for Mackenzie County forecasted as at December 31, 2022 is \$13,259,058. Payments for the next 5 fiscal years and thereafter are as follows:

Year	Principal	Interest	Total
2023	\$1,183,120	\$333,736	\$1,516,856
2024	\$1,214,705	\$302,151	\$1,516,856
2025	\$1,247,257	\$269,599	\$1,516,856
2026	\$1,280,807	\$236,049	\$1,516,856
“2027 to maturity”	\$6,437,783	\$753,851	\$7,191,634

These annual principal and interest payments required to service the long-term liabilities of the County are well within the annual debt repayment limit prescribed by the *MGA and Regulations* of the Province of Alberta.

The current debt outstanding for the Mackenzie County is made up of the following obligations:

Details	Dec 31, 2022 Outstanding
Zama Tower Road Sewer: Due 2027, 4.501%	\$63,644
Highway 88 Connector: Due 2029, 2%	\$2,739,145
La Crete Sewer Lift Station: Due 2030, 4.124%	\$128,985
Highway #88 Connector: Due 2031, 2.942%	\$1,330,017
Highway #88 Connector: Due 2033, 3.623%	\$8,089,936
North Storm Pond “A” – Hamlet of La Crete Project: Due 2026, 1.12%	\$907,331
<b>Total Current Debt Outstanding:</b>	<b>\$13,259,058</b>

The forecasted debt to be outstanding is illustrated in the chart titled Total Debt Outstanding December 31<sup>st</sup>. This chart compares the debt obligations of the past, present and future.

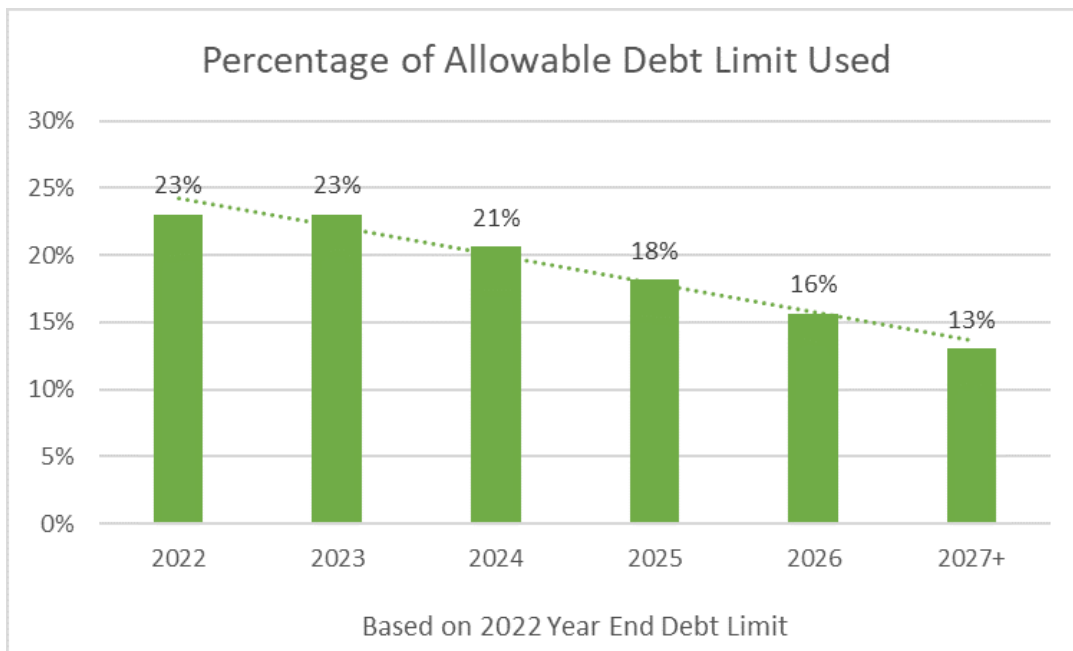
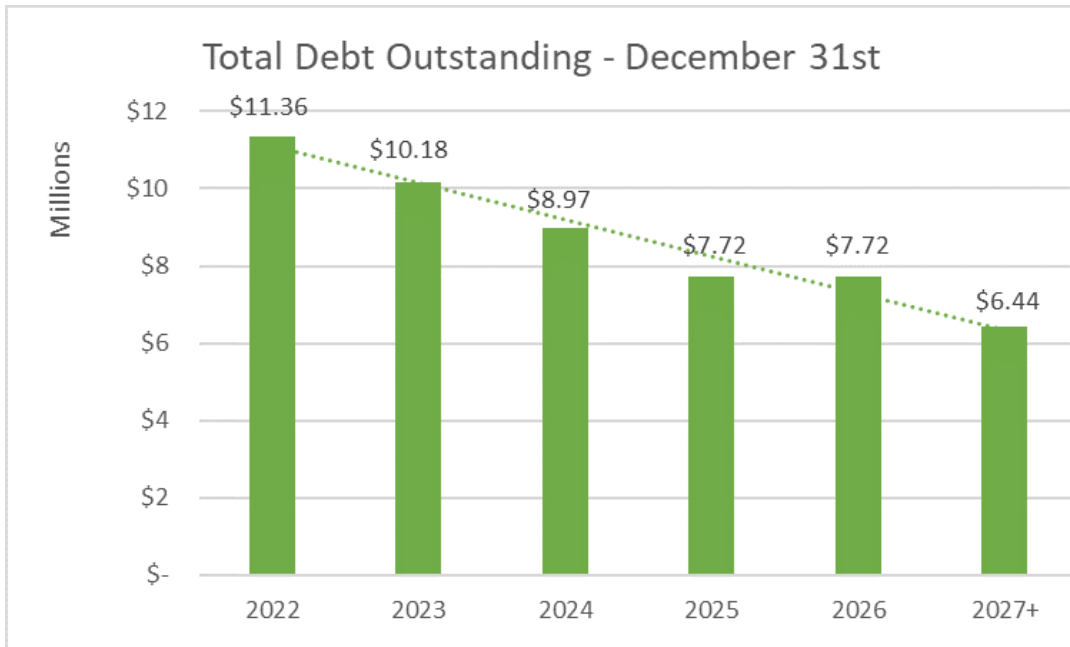
Based on the 2023 budget deliberations and development of the future capital forecast additional debt may be assumed by the County. This chart will be impacted by the future decisions of Council.

The allowable Annual Repayment Limit respecting long-term debt and financial obligations is set by the Provincial Government. The maximum allowable limit is set at 1.5 of revenues and the debt services limit is 0.25% of revenues.

The County’s debt limit will be in the \$49+ million range for the next few years. Based on this limit the allowable percentage used is presented in the chart below Percentage of Allowable Debt Limit Used.







# GLOSSARY

## **Accounting Principles**

Generally Accepted Accounting Principles that apply specifically to the process of developing estimates and budgets and the reporting of results for financial documents.

## **Accrual Accounting**

The Municipality's sources of financing and expenditures are recorded using the accrual basis of accounting. This basis recognizes revenues as they become available and measurable and expenditures as they are incurred and measurable as the result of receipt of goods or services and the creation of a legal obligation to pay. This is also the basis for developing the Municipality's budget.

## **Allowance**

A provision for an expected loss or reduction in the value of an asset, so as to reduce the reported value of the asset to a value which reflects its estimated realizable value. Examples of an allowance are: Allowance for Doubtful Accounts, Allowance for Uncollectable Taxes.

## **Approved Budget**

The final budget passed by Council, which will govern the operations and reporting during the fiscal year.

## **Assessment**

A value established by the Municipal Assessor for real property for use as a basis of levying property taxes for municipal purposes.

## **Assets**

All properties, both tangible and intangible, owned by an entity.

## **Base Budget**

Budget resources that are required to maintain service at the level provided in the previous year's budget.

## **Budget**

A financial plan for a specified period of time (fiscal year) that matches all planned revenues and

expenditures for the provision of various municipal programs and services, approved by Council.

## **Budget Document**

The official written statement prepared by administration, which presents the proposed budget for the fiscal year to Council.

## **Budget Message**

A general discussion of the proposed budget presented in writing as part of the budgeted document. The budget message explains principal budget issues and highlights against the background of financial experience in recent years and presents recommendations made by senior administration, for the consideration of Council.

## **Budget Principles**

Propositions employed in the operating and capital budget development, control and reporting.

## **Capital Budget**

A plan of proposed capital expenditures to be incurred in the current year and over a period of subsequent future years [long term], identifying each capital project and the method of financing.

## **Capital Projects**

Projects, which purchase or construct capital assets. Typically, a capital project encompasses a purchase of land and/or the construction of a building or infrastructure.

## **Current Taxes**

Taxes that are levied and payment due within the fiscal year.

## **Debenture Debt**

The payment of interest and repayment of principle to holders of the Municipality's debt instruments, used to finance capital projects.

## **Debt Limit**

The total outstanding debt service charges incurred by the Municipality. This can be expressed as the Council Policy limit or the allowable Provincial Government Limit.

**Deficit**

The excess of liabilities over assets, or expenditures over revenues, in a fund over an accounting period.

**Department**

A basic organizational unit of the Municipality, which is functionally unique in its delivery of services.

**Estimated Revenue**

The amount of projected revenue to be collected during the fiscal year. The amount of revenue budgeted is the amount approved by Council.

**Expenditure**

Acquired goods and services.

**External Boards**

Boards or external bodies which are not consolidated in the Municipality's financial reporting. Council may have representation on the bodies but they are not under the control of the Council.

**Fiscal Policy**

Actions adopted to achieve a financial outcome.

**Fiscal Year**

The twelve-month accounting period for recording financial transactions. The County's fiscal year is January 1 to December 31.

**Full Time Equivalent Position (FTE)**

A measure to account for all staffing dollars in terms of their value as a staffing unit. For example two (2) half-time positions would equate to one (1) FTE.

**Fund**

A set of interrelated accounts to record revenues and expenses associated with a specific purpose. A fund has its own revenues, expenditures, assets, liabilities and equity.

**Fund Balance**

A term used to express the equity (assets minus liabilities) of governmental fund types and trust funds. A fund balance is the excess of cumulative revenues and other sources of funds, over cumulative expenditures and other uses of funds.

**Generally Accepted Accounting Principles (GAAP)**

Recognized uniform principles, standards, and guidelines for financial accounting and reporting. GAAP encompasses the conventions and rules that define accepted accounting principles at a particular time.

**Grant**

A monetary contribution by one governmental unit or other organization to another. Typically, these contributions are made to local governments by the Provincial and Federal Governments.

**Inflation**

A rise in price levels caused by economic activity.

**Infrastructure**

The facilities and assets employed by the Municipality to deliver services. These facilities and assets are numerous and are not limited to: roads, sewers, water plants, buildings and vehicles.

**Investment Income**

Interest and dividend income received from investments and cash balances.

**Long Term Debt**

Borrowing to finance capital projects having a maturity of more than one year after the date of issue.

**Net-Tax Levy (Impact)**

This represents the total gross expenditures required with consideration given to non-taxation revenues including all non-taxation revenue sources. The gross expenditure minus the non-tax revenue sources represents the impact on the tax rate. If the impact results in a positive number, additional pressures would result on the tax rate; conversely, a negative number shows the initiative has a positive impact on the tax rate.

**Object Code**

A revenue or expenditure category used consistently across the municipality to provide more detailed

analysis and reporting of revenues and/or expenditures. For example, grants, building permits, miscellaneous licenses, fees, rentals, taxation, personnel services, materials, purchased services and supplies.

**Offsite Levy**

Monies collected and earmarked for a specific purpose. Generally related to new infrastructure required to support growth.

**One-Time Project**

A plan of proposed one-time projects that do not meet the definition of an asset and are anticipated to be completed during the current year. Included within the operating budget.

**Operating (Current) Budget**

The budget containing allocations for such expenditures as salaries and wages, materials and supplies, utilities, and insurance to provide basic government programs and services for the current fiscal year.

**Payments in Lieu of Taxes (PIL's)**

Payments in lieu of taxes received from other governments which are exempt from the payment of property taxes.

**Program**

A group of activities, operations or organizational units directed to attain specific objectives and are accounted for as such.

**Public Sector Accounting Board (PSAB)**

The subcommittee of the Canadian Institute of Chartered Accountants which provides recommendations and issues pronouncements to enhance the financial reporting information of public sector bodies.

**Surplus**

The excess that exists when expenditures at fiscal yearend are lower than had been budgeted for or revenues are higher. Surpluses are required to be applied fully in the following year's operating budget to reduce amounts raised through taxation, unless allocated to a reserve by Council.

**Reserves**

An allocation of accumulated net revenue. It has no reference to any specific asset and does not require the physical segregation of money or assets.

**Reserve Fund**

Assets segregated and restricted to meet the purpose of the reserve fund. They may be:

Obligatory – created whenever a statute requires revenues received for special purpose to be segregated.

Discretionary – created whenever a municipal council wishes to earmark revenues to finance a future project for which it has authority to spend money.

**Revenue**

Funds that a government entity receives as income. It includes such items as property tax payments, fees for specific services, receipts from other governments, fines, grants and interest income.

**Tax Levy**

The total amount to be raised by property taxes for operating and debt service purposes specified in the annual Tax Levy by-Law.

**Tax Rate**

The rate levied on each real property according to assessed property value and property class.

**User Fees**

A fee levied for services or use of municipal property on an individual or groups of individuals benefiting from service.