

# DISTRICT OF NEW HAZELTON



*2016 Annual Report*

# District of New Hazelton

## 2016 Annual Report

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**THE DISTRICT OF NEW HAZELTON**  
**Consolidated Financial Statements**  
**As at December 31, 2015**

**THE DISTRICT OF NEW HAZELTON  
COUNCIL - 2015**

**MAYOR**  
Gail Lowry

**COUNCILORS**

Braunwyn Henwood  
Ray Sturney  
Janet Willson

Peter Newbery  
George Burns  
Mike Weeber

**APPOINTED OFFICIALS - 2015**

Chief Administrative Officer  
Director of Public Works

Wendy Hunt  
Allan Berg

**DISTRICT OF NEW HAZELTON**

**INDEX TO CONSOLIDATED FINANCIAL STATEMENTS  
AS AT DECEMBER 31, 2015**

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## MANAGEMENT'S REPORT

The management of The District of New Hazelton is responsible for the integrity of the accompanying consolidated financial statements. The consolidated financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The preparation of the consolidated financial statements necessarily includes some amounts which are based on the best estimates and careful judgement of management.

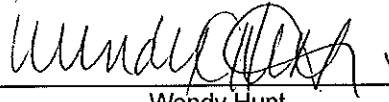
To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, in order that the integrity of financial records is maintained.

The consolidated financial statements have been audited by the independent firm of MNP LLP Chartered Professional Accountants. Their report to the Mayor and Council, stating the scope of their examination and opinion on the consolidated financial statements accompanies this statement.



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Gail Lowry  
Mayor



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Wendy Hunt  
Chief Administrative Officer

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## INDEPENDENT AUDITORS' REPORT

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To the Mayor and Members of Council of The District of New Hazelton

We have audited the accompanying financial statements of The District of New Hazelton, which comprise the statement of financial position as at December 31, 2015, and the statements of revenues and expenditures, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the financial statements present fairly, in all material respects, the financial position of The District of New Hazelton as at December 31, 2015, and the results of its operations and its cash flow for the year then ended in accordance with Canadian generally accepted accounting principles.

### *Other Matter*

The financial statements of The District of New Hazelton for the year ended December 31, 2014 were audited by McAlpine & Co. of Terrace, BC, prior to its merger with MNP LLP. McAlpine & Co. expressed an unmodified opinion on those statements on April 6, 2015.

Terrace British Columbia  
May 09, 2016

  
CHARTERED PROFESSIONAL ACCOUNTANTS

DISTRICT OF NEW HAZELTON

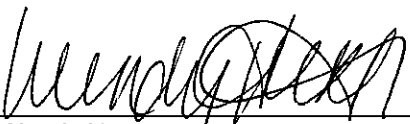
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2015

	2015	2014 (restated)
<b>Financial assets</b>		
Cash - (Note 2)	\$ 2,386,182	\$ 2,183,690
Accounts receivable, trade and other - (Note 3)	152,606	147,968
Taxes receivable - current	23,508	39,578
Taxes receivable - arrears	10,969	22,871
	<b>2,573,265</b>	<b>2,394,107</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	92,984	55,025
Deferred revenue - (Note 4)	550,005	466,976
	<b>642,989</b>	<b>522,001</b>
<b>Net financial assets</b>	<b>1,930,276</b>	<b>1,872,106</b>
<b>Non-financial assets</b>		
Inventory - property	72,512	71,397
Inventory - parts and supplies	87,284	87,284
Tangible capital assets - (Note 5)	8,500,327	8,678,653
Prepaid expenses	7,733	13,355
	<b>8,667,856</b>	<b>8,850,689</b>
<b>Accumulated surplus</b>	<b>\$ 10,598,132</b>	<b>\$ 10,722,795</b>
Accumulated surplus comprised of:		
Operating fund	\$ 1,339,985	\$ 1,440,854
Reserves fund (Schedule 3)	757,820	603,288
Equity in tangible capital assets - (Note 6)	8,500,327	8,678,653
	<b>\$ 10,598,132</b>	<b>\$ 10,722,795</b>

Commitments and contingent liabilities - (Note 9)

Approved by:

  
Gail Lowry  
Mayor

  
Wendy Hunt  
Chief Administrative Officer



**DISTRICT OF NEW HAZELTON**

**CONSOLIDATED STATEMENT OF OPERATIONS  
AS AT DECEMBER 31, 2015**

	2015	Budget	2014 <i>(restated)</i>
<b>Revenues</b>			
Net taxes available for municipal purposes - <i>(Note 7)</i>	\$ 594,363	\$ 597,000	\$ 584,877
Utility usage fees	169,502	189,000	162,519
Other fees and sale of goods and services	146,005	95,000	133,540
Government grants and transfers - <i>(Note 8)</i>	474,015	401,000	379,865
ICBC commissions	345,375	303,000	321,301
Investment income	15,051	18,000	21,261
	<b>1,744,311</b>	<b>1,603,000</b>	<b>1,603,363</b>
<b>Expenses</b>			
General government	552,626	561,800	626,438
Protective services	64,445	83,500	76,046
Transportation and transit	488,370	543,000	500,428
Recreation and youth services	55,326	52,500	45,252
Water operations	109,089	117,500	111,346
Sewer operations	49,418	77,000	85,633
Tourism and community development	165,000	25,000	10,000
Amortization	408,917		379,449
	<b>1,893,191</b>	<b>1,460,300</b>	<b>1,834,592</b>
<b>Operating surplus</b>	<b>(148,880)</b>	<b>142,700</b>	<b>(231,229)</b>
<b>Other items</b>			
Proceeds on disposal of land	34,588		29,500
Cost of land inventory sold			(17,453)
Gain (loss) on disposal of Tangible Capital	(10,371)		9,118
	<b>24,217</b>		<b>21,165</b>
<b>Annual surplus</b>	<b>(124,663)</b>	<b>142,700</b>	<b>(210,064)</b>
<b>Accumulated surplus - beginning of year</b>	<b>10,722,795</b>	<b>10,722,795</b>	<b>10,932,859</b>
<b>Accumulated surplus - end of year</b>	<b>\$ 10,598,132</b>	<b>\$ 10,865,495</b>	<b>\$ 10,722,795</b>

**DISTRICT OF NEW HAZELTON****CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS  
AS AT DECEMBER 31, 2015**

	2015	Budget	2014
<b>Annual surplus</b>	<b>\$ (124,663)</b>	<b>\$ 142,700</b>	<b>\$ (210,064)</b>
Acquisition of tangible capital assets	(282,761)	(597,000)	(618,762)
Amortization of tangible capital assets	408,917	350,000	379,449
Disposal of land inventory			17,453
Disposal of tangible capital assets	52,169		10,582
Changes in other non-financial assets	4,508		(1,105)
<b>Increase (decrease) in net financial assets</b>	<b>58,170</b>	<b>(104,300)</b>	<b>(422,447)</b>
<b>Net financial assets - beginning of year</b>	<b>1,872,106</b>	<b>1,872,106</b>	<b>2,294,553</b>
<b>Net financial assets - end of year</b>	<b>\$ 1,930,276</b>	<b>\$ 1,767,806</b>	<b>\$ 1,872,106</b>

See notes to consolidated financial statements

**DISTRICT OF NEW HAZELTON**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**AS AT DECEMBER 31, 2015**

	2015	2014
<b>Operating transactions</b>		
Annual surplus	\$ (124,663)	\$ (210,064)
Non-cash items:		
Amortization	408,918	379,449
Decrease in inventory and other	4,505	16,348
Changes to financial assets/liabilities:		
(Increase) decrease in taxes receivable	27,972	(398)
Decrease (increase) in accounts receivable	(4,638)	34,438
Increase (decrease) in accounts payable	37,959	(34,506)
(Decrease) in government payables		(8,029)
Increase in deferred revenue	83,029	24,454
<b>Cash provided by operating transactions</b>	<b>433,082</b>	<b>201,692</b>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(282,761)	(618,762)
Proceeds from the disposal of tangible capital assets	41,800	19,700
(Gain) loss on the disposal of tangible capital assets	10,371	(9,118)
<b>Increase (decrease) in cash position</b>	<b>202,492</b>	<b>(406,488)</b>
<b>Cash and equivalents - beginning of year</b>	<b>2,183,690</b>	<b>2,590,178</b>
<b>Cash and equivalents - end of year</b>	<b>\$ 2,386,182</b>	<b>\$ 2,183,690</b>

Cash and equivalents is represented by cash and short-term investments.

# DISTRICT OF NEW HAZELTON

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

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### 1. Significant accounting policies

The consolidated financial statements of The District of New Hazelton (the District) are prepared by management in accordance with Canadian generally accepted accounting principles for municipal governments established by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants. The significant accounting policies are summarized as follows:

a) Basis of accounting

The basis of accounting followed in these financial statements is an accrual method and includes revenues in the period in which the transactions or events occurred that gave rise to the revenues and expenses in the period the goods and services were acquired and a liability was incurred.

b) Fund accounting

Funds within the consolidated financial statements consists of the operating, capital and reserves funds. Transactions between funds are recorded as inter fund transfers.

Operating Fund - This fund, consisting of the general, water and sewer operating funds, comprises the operating costs of the services provided by the District.

Capital Fund - This fund, consisting of the general, water and sewer capital funds, comprises property, plant and equipment expenditures and related financing.

Reserves Fund - The reserves fund has been established to hold assets for specific future purposes as approved by Council. Allowable transfers to and from these funds are defined in reserve fund establishment bylaws.

c) Tangible capital assets

Tangible capital assets, comprised of capital assets and capital work-in-progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Estimated useful lives are as follows:

Land improvements	15 years
Buildings	20 to 50 years
Furniture, equipment and technology	5 to 20 years
Motor vehicles	15 to 20 years
Transportation infrastructure	15 to 40 years
Water infrastructure	10 to 100 years
Sanitary sewer infrastructure	25 to 85 years

Inventories held for consumption are recorded at the lower of cost and replacement cost.

d) Revenue recognition

Taxation

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal services in the year they are levied. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Through the British Columbia Assessments appeal process, taxes may be adjusted by way of supplementary roll adjustments. The affects of these adjustments on taxes are recognized at the time they are awarded.

*(continued)*

## DISTRICT OF NEW HAZELTON

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

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#### 1. Significant accounting policies *(continued)*

##### d) Revenue recognition *(continued)*

###### Government transfers

Government transfers are recognized in the financial statements as revenue in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, eligibility criteria have been met and reasonable estimates of the amounts can be made. Government transfers that give rise to an obligation that meets the definition of a liability are recorded as deferred revenue until settlement of the liability has occurred.

##### e) Land held for resale

Land held for resale is recorded at the lower of cost and net realizable value. Cost includes amounts for land acquisition and improvements to prepare the land for sale.

##### f) Basis of segmentation

Municipal services have been segmented by grouping services that have similar service objectives (by function). Revenues that are directly related to the costs of the function have been attributed to each segment.

##### g) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the consolidated change in net financial assets for the year.

##### h) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. It is reasonably possible that circumstances may arise that cause actual results to differ from management estimates, however, management does not believe it is likely that such differences will materially affect the District's financial position. Adjustments, if any, will be reflected in operations in the period of settlement.

Significant areas requiring the use of management estimates relate to amortization of tangible capital assets, the collectibility of accounts and taxes receivable and landfill closure liability.

##### i) Financial instruments

The District's financial instruments consist of cash, accounts receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the District is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

##### j) Reporting entity and principles of financial reporting

The District's reporting entity includes the operations of The District of New Hazelton municipal government and all related entities which are either owned or controlled by The District of New Hazelton.

## DISTRICT OF NEW HAZELTON

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

#### 2. Cash and short-term investments

Cash and short-term investments are comprised of cash on deposit and investments as follows:

	2015	2014
Municipal Finance Authority of B.C. investments:		
- Money market fund	\$ 211,082	\$ 209,294
Cash	2,175,100	1,974,396
	<b>\$ 2,386,182</b>	<b>\$ 2,183,690</b>

#### 3. Accounts receivable

	2015	2014
Government grants receivable:		
Provincial		
Northern Development Initiative Trust - Economic Capacity Fund	\$ 17,338	\$ 45,000
School tax overpayment	1,187	10,939
HST/GST rebate	87,842	55,923
Other	46,239	36,106
	<b>\$ 152,606</b>	<b>\$ 147,968</b>

#### 4. Deferred revenue

Included in deferred revenue is the following:

	2015	2014
UBCM Federal Gas Tax Community Works Fund reserve - balance at beginning of year	\$ 466,976	\$ 442,522
Amount received during the year	77,970	77,970
Interest revenue	5,059	4,525
Regional District Transit contribution		(58,041)
Balance - end of year	<b>550,005</b>	466,976
	<b>\$ 550,005</b>	<b>\$ 466,976</b>

#### UBCM Federal Gas Tax Agreement Community Works Fund

Gas tax funding is provided by the Government of Canada. The use of the funding is established by a funding agreement between the Municipality and the Union of B.C. Municipalities. Gas tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

## DISTRICT OF NEW HAZELTON

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

#### 5. Tangible capital assets

	2015	2014
Land	\$ 559,207	\$ 559,207
Buildings	2,775,740	2,874,718
Machinery and equipment	1,024,511	967,177
Transportation infrastructure	1,744,800	1,735,895
Water infrastructure	1,779,450	1,830,620
Sanitary sewer infrastructure	616,618	452,110
	<b>8,500,326</b>	8,419,727
Assets under construction		258,927
	<b>\$ 8,500,326</b>	<b>\$ 8,678,654</b>

For additional information, see the Consolidated Schedule of Tangible Capital Assets (Schedule 2).

#### 6. Equity in tangible capital assets

Equity in tangible capital assets represents the net book value of total capital assets less long term obligations assumed to acquire those assets. The change in consolidated equity in tangible capital assets is as follows:

	2015	2014
Increases:		
Capital acquisitions	\$ 282,761	\$ 618,762
Decreases:		
Dispositions at net book value	(52,169)	(10,582)
Amortization	(408,918)	(379,449)
Change in equity in tangible capital assets	(178,326)	228,731
Equity in tangible capital assets - beginning of year	8,678,653	8,449,922
Equity in tangible capital assets - end of year	<b>\$ 8,500,327</b>	<b>\$ 8,678,653</b>

#### 7. Net taxes available for municipal purposes

	2015	2014
Taxes:		
Property	\$ 783,022	\$ 772,072
Frontage	60,581	60,029
Revenue in lieu of taxes	57,079	62,142
Penalties and interest on taxes	11,195	9,891
	<b>911,877</b>	904,134
Less taxes on behalf of:		
School	216,588	219,837
North West Regional Hospital District	23,274	26,007
Regional District of Kitimat-Stikine	73,541	69,467
B.C. Assessment Authority	4,101	3,936
Other	10	10
	<b>317,514</b>	319,257
Net taxes available for municipal purposes	<b>\$ 594,363</b>	<b>\$ 584,877</b>

## DISTRICT OF NEW HAZELTON

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

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#### 8. Government grants and transfers

The following government grants and transfers have been included in revenues:

	2015	2014
Unconditional grants and transfers		
Provincial	\$ 447,189	\$ 271,424
Regional District / Other	21,871	45,000
	<b>469,060</b>	316,424
Conditional grants and transfers		
Deferred revenue - UBCM Federal Gas Tax Agreement		
Community Works Fund		58,041
Regional District / Other	4,955	5,400
	<b>4,955</b>	63,441
	<b>\$ 474,015</b>	<b>\$ 379,865</b>

#### 9. Commitments and contingencies

##### a) Capital requirements

District Council has approved a 2015 - 2019 tangible capital expenditure financial plan of \$1,216,000. The 2016 requirement of \$246,000 is to be funded as follows:

Operating funds	\$	
Allocation of surplus funds		246,000
	<b>\$</b>	<b>246,000</b>

##### b) Pension plan

The District and its employees contribute to the Municipal Pension Plan (a jointly-trusted pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2014, the plan has approximately 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent valuation for the Municipal Pension Plan as of December 31, 2012, indicated a \$1,370 million funding deficit for basic pension benefits on a going concern basis.

The District of New Hazelton paid \$52,362 for employer contributions to the plan in fiscal 2015 (\$47,296 in 2014), which represents 0.003 percent of the total plan contributions.



## DISTRICT OF NEW HAZELTON

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS AS AT DECEMBER 31, 2015

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#### 9. Commitments and contingencies *(continued)*

b) Pension plan *(continued)*

The next valuation will be December 31, 2015, with results available in 2016.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

c) B.C. Assessment Authority appeals

Due to the uncertainty of the outcome of appeals to the B.C. Assessment Authority, it is not possible to accurately estimate any liability to repay taxes or any asset for taxes receivable. It is the policy of the District to record the effect of any tax adjustments relating to outstanding appeals in the year the taxes are repaid or received.

d) Contingent liabilities

The District, as a member of the Regional District of Kitimat-Stikine, is jointly and severally liable for their net capital liabilities.

#### 10. Prior period adjustments

During the year, the District discovered that the inventory balance on hand of parts and supplies had not been correctly recorded in its prior period financial statements. The 2014 financial statements have been restated to properly record the value of inventory on hand which has resulted in an increase in 2014 surplus of \$87,284.

Adjustments to 2014 Accumulated Surplus

Accumulated surplus, as previously reported	\$ 10,635,511
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Add:

Value of inventory adjusted	87,284
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Accumulated surplus, as restated	\$ 10,722,795
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**DISTRICT OF NEW HAZELTON**  
**Consolidated Schedule of Segmented Revenue and Expenses**  
**Year Ended December 31, 2015**

Schedule 1

	General government services	Protective services	Transportation and transit services	Recreation and youth services	Water operations	Sewer operations	Tourism and community development	Other	2015	2014	2015 Budget
<b>Revenues</b>											
Net taxes available for district purposes	\$	\$	\$	\$	\$	\$	\$	\$ 594,363	\$ 594,363	\$ 584,877	\$ 589,000
User fees and sale of goods and services	89,595	17,420	275	17,017	127,373	42,129		24,217	318,026	286,534	396,000
Government grants and transfers	474,015								474,015	379,865	372,000
ICBC Commissions								345,375	345,375	321,301	316,000
Investment income								15,051	15,051	21,261	
Building rentals and other revenue								21,698	21,698	30,690	
	563,610	17,420	275	17,017	127,373	42,129		1,000,704	1,768,528	1,624,528	1,673,000
<b>Expenses</b>											
Salaries, wages and benefits	356,569	17,009	313,000		47,683				734,261	697,689	675,000
Goods and services	192,853	47,437	175,370	55,326	61,406	49,418			581,809	743,985	1,454,000
Interest and bank charges	3,204								3,204	3,469	5,000
Other							165,000		165,000	10,000	10,000
Amortization								408,917	408,917	379,449	
	552,626	64,446	488,370	55,326	109,089	49,418	165,000	408,917	1,893,191	1,834,592	2,144,000
	\$ 10,984	\$ (47,026)	\$ (488,095)	\$ (38,309)	\$ 18,284	\$ (7,289)	\$ (165,000)	\$ 591,787	\$ (124,663)	\$ (210,064)	\$ (471,000)

**DISTRICT OF NEW HAZELTON**  
**Consolidated Schedule of Tangible Capital Assets**  
**Year Ended December 31, 2015**

Schedule 2

	Land	Buildings	Equipment, furniture and motor vehicles	Water infrastructure	Sewer infrastructure	Transportation infrastructure	Other	2015	2014
<b>Cost</b>									
Opening balance	\$ 559,207	\$ 4,055,418	\$ 2,233,932	\$ 2,960,188	\$ 1,096,503	\$ 3,019,861	\$	\$ 13,925,109	\$ 13,368,238
Additions - purchased			181,276			101,485		282,761	618,762
Additions - donated									
Disposals		(1,468)	(131,874)			(492)		(133,834)	(61,891)
Writedowns									
<b>Ending balance</b>	<b>559,207</b>	<b>4,053,950</b>	<b>2,283,334</b>	<b>2,960,188</b>	<b>1,096,503</b>	<b>3,120,854</b>		<b>14,074,036</b>	<b>13,925,109</b>
<b>Accumulated amortization</b>									
Opening balance		1,180,700	1,214,591	1,129,567	437,631	1,283,965		5,246,454	4,918,316
Amortization		98,831	124,083	51,170	42,254	92,580		408,918	379,449
Acc. amortization on disposals		(1,321)	(79,850)			(492)		(81,663)	(51,309)
<b>Ending balance</b>		<b>1,278,210</b>	<b>1,258,824</b>	<b>1,180,737</b>	<b>479,885</b>	<b>1,376,053</b>		<b>5,573,709</b>	<b>5,246,456</b>
<b>Net book value December 31, 2015</b>	<b>\$ 559,207</b>	<b>\$ 2,775,740</b>	<b>\$ 1,024,510</b>	<b>\$ 1,779,451</b>	<b>\$ 616,618</b>	<b>\$ 1,744,801</b>	<b>\$</b>	<b>\$ 8,500,327</b>	<b>\$ 8,678,653</b>

**DISTRICT OF NEW HAZELTON**  
**Consolidated Schedule of Reserve Fund Activities**  
**Year Ended December 31, 2015**

Schedule 3

	Machinery and equipment	Water capital	Sewer capital	Cemetery fund	Tax sale reserve	Sewer operations	Building fund	2015	2014
<b>Balance - beginning of year</b>	\$ 86,295	\$ 33,238	\$ 191,749	\$ 3,707	\$ 87,299	\$	\$ 201,000	\$ 603,288	\$ 498,305
Transfers in									
Investment income	863	332	1,917	37	873		2,010	6,032	4,983
Contributions		30,500	18,000				100,000	148,500	100,000
<b>Balance - end of year</b>	\$ 87,158	\$ 64,070	\$ 211,666	\$ 3,744	\$ 88,172	\$	\$ 303,010	\$ 757,820	\$ 603,288

# DISTRICT OF NEW HAZELTON

## Permissive Tax Exemptions

2015

Tax Exemption Bylaw No. 309, 2012 and Tax Exemption Amendment Bylaw No. 322, 2014 provided the following Permissive Tax Exemptions in 2015. Municipal taxes which were not imposed are:

1. Skeena Lions Society  
Lots 6-11, Block 100, Section 2, Plan 968  
District Lot 882, Cassiar Land District \$4,830.00
  
2. New Hazelton Congregation of Jehovah's  
Witnesses  
Lots 7-9, Block 148, Section 2, Plan 968  
District Lot 863, Cassiar Land District \$210.07
  
3. Roman Catholic Episcopal Corp of Prince Rupert  
Lots 7-21, Block 29, Section 2, Plan 968  
District Lot 863, Cassiar Land District \$1,487.43

# **DISTRICT OF NEW HAZELTON 2016 ANNUAL REPORT**

## **Municipal Services and Operations -2015-**

The District of New Hazelton provides many services to citizens and visitors to the community. These include:

- Streets and roads
- Street lighting
- Potable water supply
- Sanitary sewer
- Storm/runoff drainage
- Parks and trails
- Recreational services
- ICBC Agency
- Motor Vehicle Licensing
- Building inspection services
- Firefighting and prevention
- Highway rescue services
- First Responder services
- Tourism information and promotion
- Planning
- Administration

The District of New Hazelton operated with a full time staff of nine persons and part time staff of two people during 2015. The full time public works crew of five was assisted by two summer students.

Our Volunteer Fire Department consists of a Fire Chief and twenty (20) volunteer members. The Fire Department members are also responsible for the delivery of service for our Jaws of Life, costs of which are partnered with the Regional District of Kitimat Stikine and the Village of Hazelton.

Our Visitor Centre is staffed from May – September each year and employs up to four (4) staff members, usually high school/university students. This centre is partnered on a cost sharing basis with the District of New Hazelton, the Regional District of Kitimat Stikine, the Village of Hazelton, and Destination BC.

During the spring and summer, the public works department, with the assistance of a local paving company completed various hand patching throughout the District and applied an

overlay to blocks 3500 and 3600 on Graham Street. New pavement was placed on the expanded New Hazelton Meeting Centre.

The major emphasis of Council and administration continues to be to preserve existing services and assets without significantly increasing the cost to taxpayers.

**DISTRICT OF NEW HAZELTON  
2016 Annual Report**

**Declaration of Disqualifications**

**2015**

No member of Council was disqualified from holding office under Section 111 of the Community Charter.



DISTRICT OF NEW HAZELTON  
2016 Annual Report

2016 Statement of Objectives and Measures

<b>Service/Department</b>	<b>Objective</b>	<b>Strategy</b>	<b>Measure</b>
<b>Administration</b>	Work to reduce costs and generate additional revenue	Continue to systematically evaluate operations to reduce costs or increase revenue	Add to operating surplus
		Continue to market ICBC Agency to increase sales	Commission revenues will increase
<b>Economic Development</b>	Market New Hazelton	Continue to utilize the website, Invest Northwest, & advertise opportunities	New investment occurs
	Continue to promote local businesses with a buy local campaign	Promote Love the Hazeltons website	Local businesses see an increase in profits
<b>Downtown Revitalization</b>	Allan Park	Clear danger trees, install additional drainage and repair sidewalks in front of washrooms	Work will be completed. Park will be safer and more pleasing for residents
		Install outdoor fitness equipment	Increased usage by residents
<b>Recreation</b>	Streamline Fitness Center operations to operate at peak efficiency	Continue to monitor usage levels and explore promotional activities	Increase in usage will allow Fitness Center to operate closer to a cost recovery basis

**DISTRICT OF NEW HAZELTON  
2016 Annual Report**

**2016 Statement of Objectives and Measures**

<b>Service/Department</b>	<b>Objective</b>	<b>Strategy</b>	<b>Measure</b>
<b>Water Distribution System</b>	Hydrant maintenance and extensive flushing	Bi-annual maintenance as per maintenance plan	Work will be completed
<b>Waste Water Collection</b>	Annual cleaning of waste water distribution lines	Work to be completed by contractors to maintain efficient operation of lines	Work will be completed by contractor
<b>Solid Waste Management</b>	Garbage and recycling curbside collection service	Establish service bylaw and hire contractor	Service bylaw will be adopted and contractor will be hired
<b>Road Upgrades</b>	Overlay on 4100-4300 13 <sup>th</sup> Avenue, Pugsley Street from 12 <sup>th</sup> to 13 <sup>th</sup> Avenue. Patch 11 <sup>th</sup> Avenue east of Laurier Street. Crush added to Brewster Street and College Street	Work to be completed by paving contractor and public works crew	Work will be completed
<b>Public Works</b>	Install storm sewer along 7 <sup>th</sup> Avenue from McBride Street	Work will be completed by public works	Work will be completed

DISTRICT OF NEW HAZELTON  
2016 Annual Report

2017 Statement of Objectives and Measures

<b>Service/Department</b>	<b>Objective</b>	<b>Strategy</b>	<b>Measure</b>
<b>Administration</b>	Work to reduce costs and generate additional revenue	Continue to systematically evaluate operations for new opportunities to reduce costs or increase revenue	Add to operating surplus
<b>Economic Development</b>	Market New Hazelton	Continue to utilize the website & advertise opportunities	New investment occurs
Waste Water Collection	Annual cleaning of waste water distribution lines	Work to be completed by contractors to maintain efficient operation of lines	Work will be completed by contractor
<b>Roadways</b>	Continue to improve paved and gravel road surfaces throughout the community	Continue to improve services offered to our residents	Work will be completed
Public Works	Install storm sewer along 9 <sup>th</sup> Avenue and build road sand storage	Work will be completed by public works	Work will be completed

DISTRICT OF NEW HAZELTON  
2016 Annual Report

Progress Report 2015

Service/Department	Objective	Strategy	Measure	Outcome
<b>Administration</b>	Work to reduce costs and generate additional revenue	<p>Systematically evaluate operations for new opportunities to reduce costs or increase revenue</p> <p>Marketing ICBC Broker Agency more consistently to increase business</p>	<p>Add to operating surplus instead of drawing on it</p> <p>Commission revenues will increase</p>	<p><b>Agreement made with Norco Septic Service Ltd to dump waste water in New Hazelton sewage lagoon</b></p> <p><b>ICBC/Motor vehicle commission revenue increased by \$24,075.00 from 2014</b></p> <p><b>Received bonus from ICBC for Excellence in Customer Service of \$7199</b></p>
<b>Economic Development</b>	Market New Hazelton	Continue to utilize the website, Invest Northwest & advertise opportunities	New investment occurs	<b>Receiving inquiries regarding property</b>

DISTRICT OF NEW HAZELTON  
2016 Annual Report

Progress Report 2015

<b>Service/Department</b>	<b>Objective</b>	<b>Strategy</b>	<b>Measure</b>	<b>Outcome</b>
<b>Economic Development</b>	Promote local businesses with a buy local campaign	Launch Love the Hazeltons website	Local businesses will see an increase in profits	<b>Love the Hazeltons website was launched</b>
<b>Downtown Revitalization</b>	Cemetery Sidewalk/ Benches	Install sidewalk and bench in cremation section	Sidewalk and bench will be installed	<b>Sidewalk and bench were installed in cremation section</b>
	Visitor Center Renovation	Visitor Center statue bases will be replaced with cultured stone	Work will be completed. More pleasing to visitors arriving in community	<b>Statue bases were replaced with cultured stone</b>
	Allan Park	Install sidewalk in front of Brian Fassnidge Cookhouse	Work will be completed by contractor	<b>Work was completed by contractor</b>
<b>Recreation</b>	Streamline Fitness Center operations to operate at peak efficiency	Continue to monitor usage levels and explore promotional activities	Increase in usage will allow Fitness Center to operate on a cost recovery basis	<b>Usage is holding steady, continue to implement marketing strategies to increase usage</b>

**DISTRICT OF NEW HAZELTON  
2016 Annual Report**

**Progress Report 2015**

<b>Service/Department</b>	<b>Objective</b>	<b>Strategy</b>	<b>Measure</b>	<b>Outcome</b>
<b>Water Distribution System</b>	Hydrant maintenance and extensive flushing	Bi-annual maintenance as per maintenance plan	Work will be completed	<b>Work being completed on an ongoing basis</b>
<b>Waste Water Collection</b>	Install manhole on 15 <sup>th</sup> Avenue by Public Works shop  Annual cleaning of waste water distribution lines	Work with engineers to complete installation  Work to be completed by contractors to maintain efficient operation of lines	Work will be completed  Work will be completed by contractor	<b>Work was completed</b>  <b>Work was completed by contractor</b>
<b>Road Upgrades</b>	Put an overlay on Graham Street. Expand and pave New Hazelton Meeting Centre parking lot. Minor patching and crush added to Brewster Street	Work to be completed by paving contractor	Work will be completed	<b>Work was completed by a paving contractor. Crush will be applied to Brewster Street in 2016</b>

DISTRICT OF NEW HAZELTON  
2016 Annual Report

Progress Report 2015

<b>Public Works</b>	Install storm sewers along Bowser Street from 12 <sup>th</sup> to 13 <sup>th</sup> Avenue, and along 13 <sup>th</sup> Avenue from Bowser half way to McLeod Street	Work to be completed by public works	Work will be completed	<b>Work was completed by public works staff</b>