

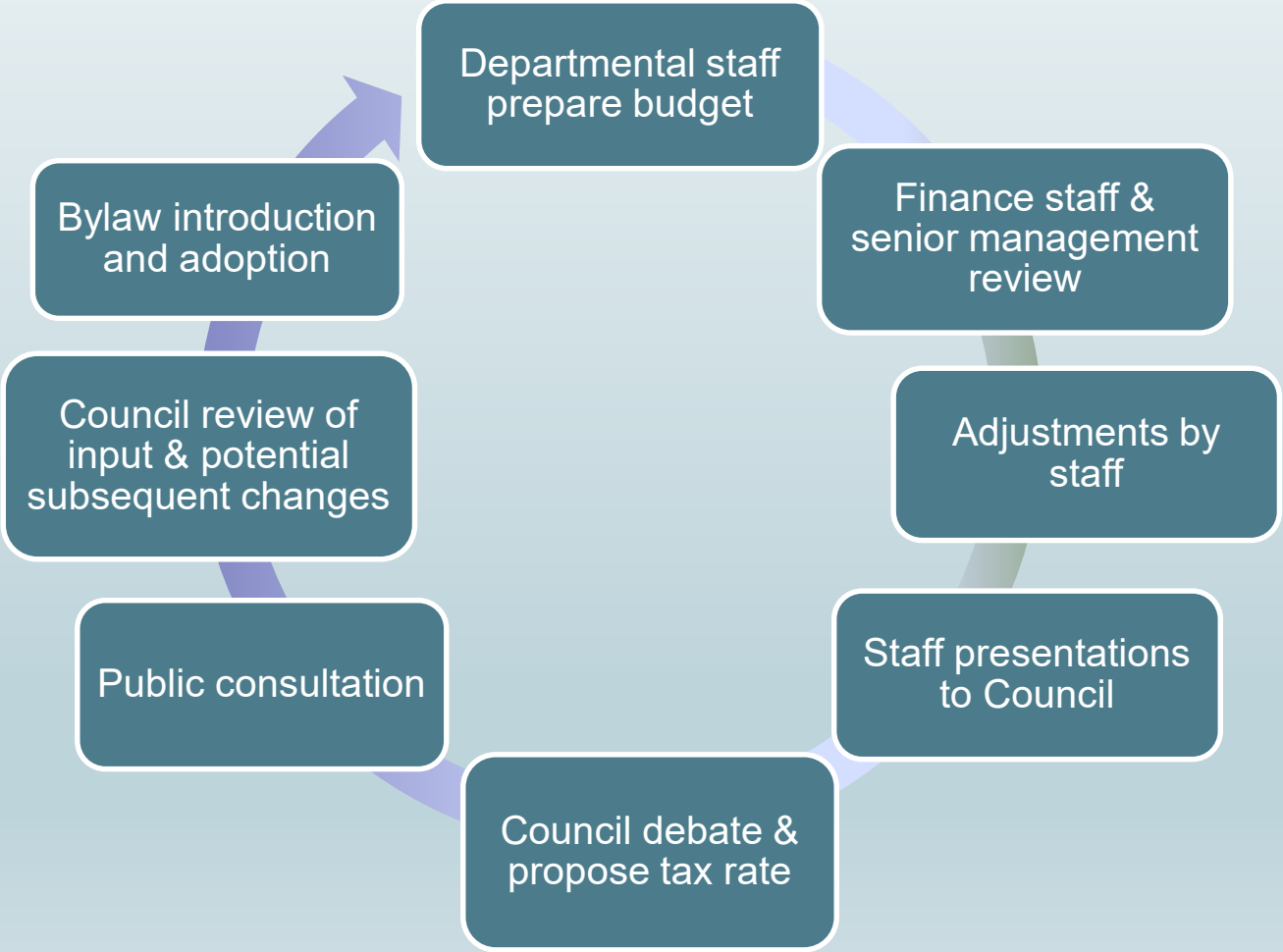
City of Trail

2024 Budget Introduction

Prepared by: Colin McClure, CAO/CFO
February 12, 2024



Financial Planning Process



Quick Facts

- All City Operational revenue close to \$27 Million in 2021
- Total operational expenses \$23.5 Million
- Revenue over expenses pay down debt & flow into Operational and Capital reserves
- General Fund Operational expense & allocations to reserves/capital was budgeted at \$21M in 2022, funded by \$15M in Taxation (approx. 1.4 to 1 ratio)
- A 1% increase in taxation produces about \$159,000 to cover operational expenditures
- 69 Regular Full-time Employees
- 27 Part-Time (6 RCMP Guards, 17 Aquatic Staff, 1 RCMP Clerk, 2 TALC Janitors, 1 Exempt Airport Manager)
- 7 Casual (2 Airport Staff, 5 Parks and Rec Staff)

2023 Highlights

- Lower expenses related to snow clearing/hauling – \$226K under budget & \$585K lower than 2022
- Airport passenger fees were 6% or \$16K higher than the 2023 budget & 27% higher than 2022 revenues
- Memorial centre revenue was 32% higher than budget & 6% higher than the previous year
- 2023 Interest income is significantly over the budget by an estimated \$214K
- Surplus estimated at \$450K in the Protective services budget because of understaffing
- Very successful return of Silver City days from COVID induced hiatus

2023 Concerns

- Building permit revenue was \$39% or \$39k underbudget & 82% or \$275K lower than 2022
- Property insurance rates continue to climb 37% increase since 2020 at \$317k in 2023
- TALC pool operations were challenged due to multiple equipment breakdowns & lifeguard staffing shortages, which resulted in operations being \$226 over budget and swimming lesson revenue 50% or \$17K underbudget
- Significant turnover in Management staff
- WCB regular and experience premium has jumped - \$90k higher than 2022
- Vulnerable population concerns and lack of appropriate site for a permanent shelter
- Miscalculation resulting in under collection of RDKB tax requisition revenue

2024 Opportunities

- Successful use of Rec services by Rossland residents with the new 2024 one year TRP agreement in place that hopefully leads to a longer term agreement.
- Bringing in the last area inside the TRP agreement
- Supporting current & attracting new development – both housing & commercial
- Potential increase in the number of flights and larger planes from Pacific Coastal
- Negotiating a Collective Agreement that honours and values our union staff
- Restart and completion of the 22 year old OCP & update of zoning based on provincial requirements (Government funding will assist with this work)
- If higher interest rates continue the City will see strong interest income on bank deposits
- Resolution of Fortis multi year incorrect fee being applied to street lights created a significant refund and a much lower charge going forward

2024 Challenges

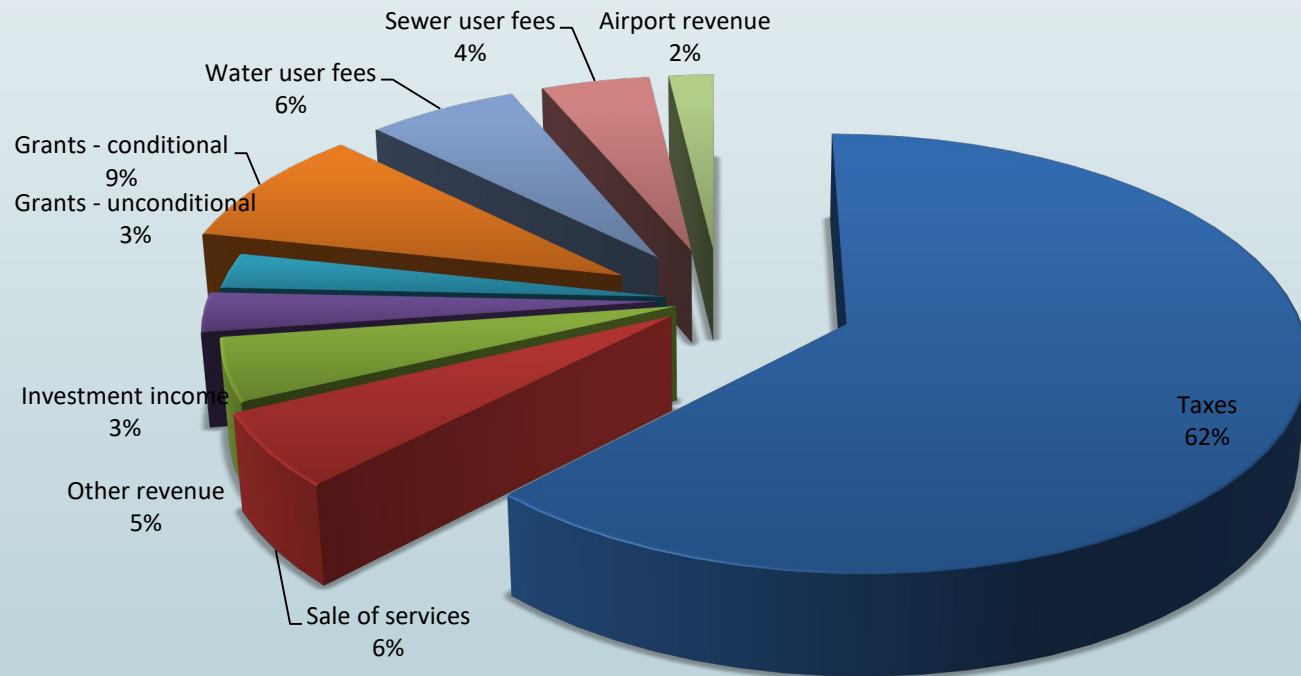
- Working with BC Housing to get the new temporary Homeless shelter up and operating successfully
- Partnering with our local stakeholders on supporting and managing the vulnerable population that do not get into the new temporary Homeless shelter
- Recruitment of vacant Senior Management positions
- Limited new construction revenue - \$25,352 in 2024(\$29k in 2023, \$21K in 2022)
- Seeing significant jumps in the costs of services – eg line painting 76% or \$47k higher than previous year
- Negotiating a Collective Agreement that is financially sustainable for the City
- Effectively communicating the recovery of the under charge of RDKB taxes in 2023 on the 2024 tax notice

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City of Trail Revenues 2022

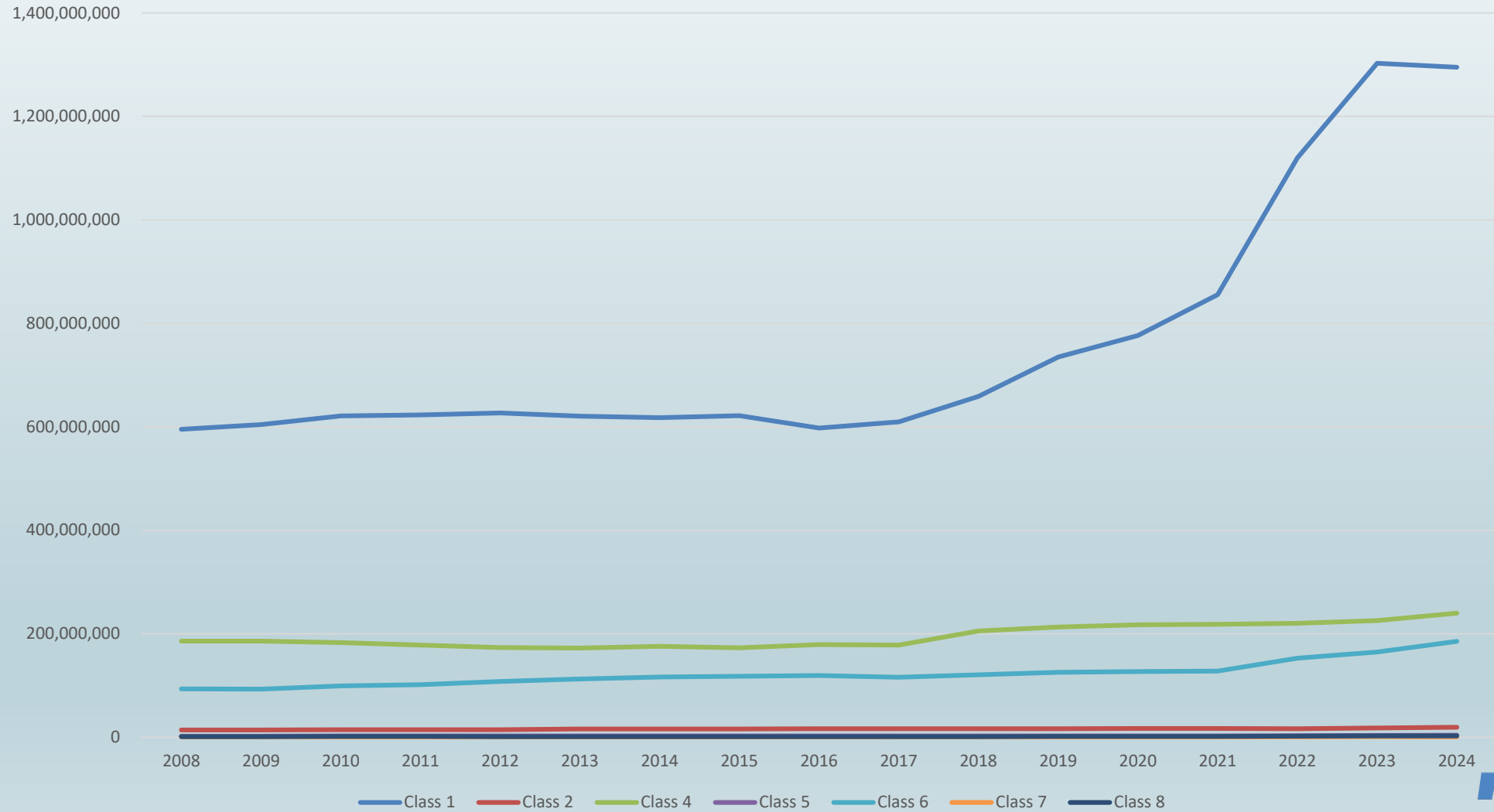
Taxes	\$16,709,710
Sale of services	1,514,828
Other revenue	1,272,450
Investment income	802,903
Grants - unconditional	723,001
Grants - conditional	2,409,965
Water user fees	1,675,925
Sewer user fees	1,205,637
Airport revenue	500,430
Total	\$26,814,849



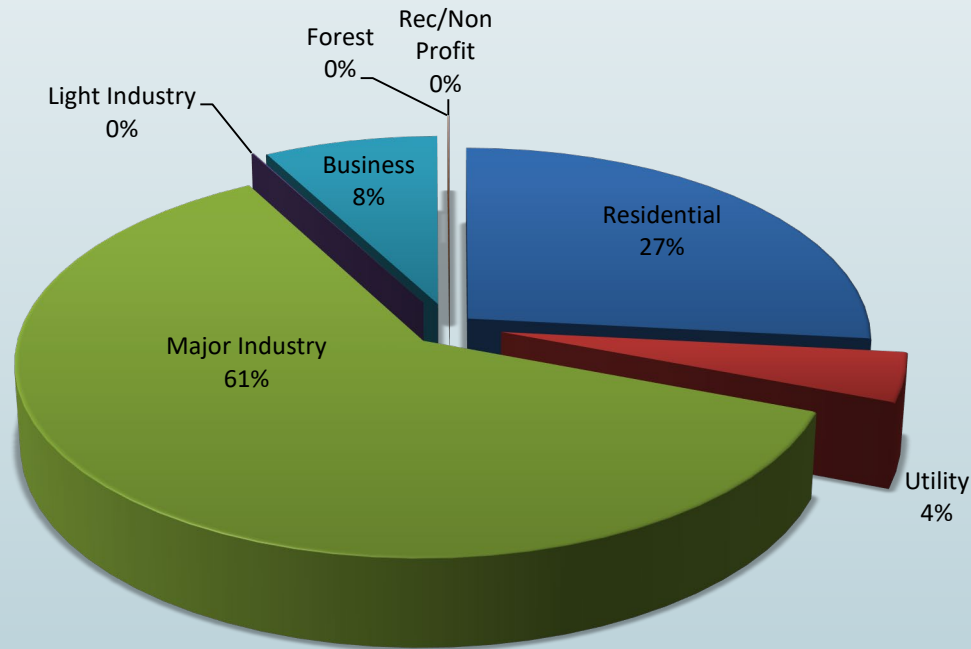
Effect of Assessments in 2024

Property Class	2023 Assessed Values	2024 Assessed Values	% Change	% of Total Assessment
Residential	\$1,302,869,300	\$1,295,387,500	-.57%	74.18%
Utility	18,034,175	19,206,155	6.50%	1.10%
Major Industry	225,530,000	239,580,000	6.23%	13.72%
Light Industry	3,471,900	3,867,200	11.39%	0.22%
Business	164,653,000	185,255,400	12.63%	10.61%
Forest	932,000	518,000	-44.24%	0.03%
Non-Profit	2,290,700	2,493,500	8.85%	0.14%
Total	\$1,717,781,075	\$1,746,307,757	.79%	100.00%

2008-2024 City of Trail Assessment History

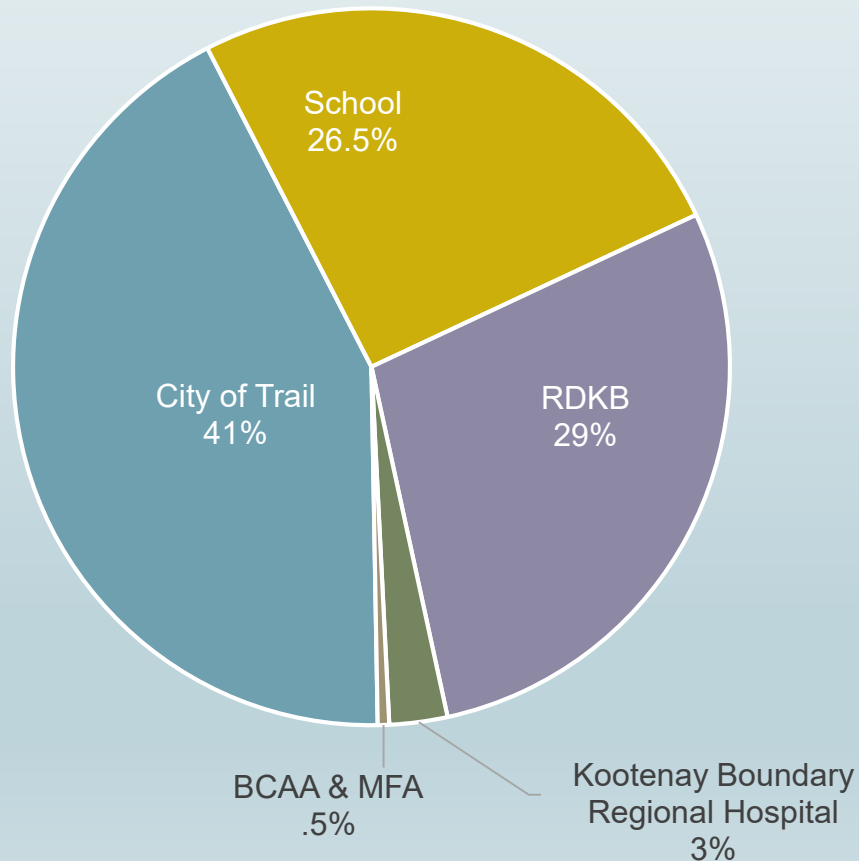


2023 Municipal Tax Allocation



Residential	\$4,399,686
Utility	721,129
Major Industry	10,225,598
Light Industry	8,535
Business	1,303,129
Forest	6,812
Rec/Non profit	10,034
Total	\$16,674,923

2023 Tax Distribution of Average Single Family Dwelling - \$387,698 in 2023



City of Trail	\$1,042
School	665
RDKB	730
Kootenay Boundary Regional Hospital	71
BCAA & MFA	13
Total	\$2,521

Actual RDKB Tax Requisition Increases and Proposed

Year	City's portion \$ Change	City of Trail Portion of Requisition	Total Requisition for Services	% Change
2022	\$66,621	\$4,725,927	\$13,569,461	1.43%
2023	\$200,716	\$4,926,723	\$14,146,163	4.25%
2024	\$565,196	\$5,491,919	\$16,295,750	15.20%
2025	\$1,914,004	\$7,405,923	\$20,837,029	27.87%

City & Proposed RDKB Tax Effects on Average SFD

- 2024 average Single Family Dwelling assessed value is \$382,351
 - City of Trail Annual Tax affect on Average SFD estimated at:
 - 5% - increase of \$52 to \$1,102
 - 4% - increase of \$42 to \$1,092
 - 3% - increase of \$32 to \$1,082
 - RDKB tax affect on average SFD estimated at:
 - 2024 increase of \$50 to 783
 - 2025 increase of \$262 to \$1,045 (if assessed values stay the same)

* Note 2023 RDKB tax charge on average SFD (387,698) should have been \$733 but due to error was \$638 a tax break of \$95 to be recovered in 2024

2024 RDKB City of Trail Services & Requisition

RDKB Tax Requisition for Services							
February 1, 2024							
Service #	Service Name	Partners	% of service paid by Trail	2023	2024	Diff	% change
S001	General Admin	All	21.23%	1,130,111	1,413,833	283,722	25.11%
S004	Building inspection	All	65.00%	1,155,135	1,288,708	133,573	11.56%
S005	Planning & Development	All	21.23%	888,348	1,093,824	205,476	23.13%
S009	Police Based Victims Assistance	East End 7	39.77%	92,408	97,076	4,668	5.05%
S010	Regionalized Solid Waste Mgmt	All	21.23%	1,920,810	2,312,943	392,133	20.41%
S012	Emergency Preparedness	All (except Rossland)	21.23%	449,020	509,752	60,732	13.53%
S015	911 Emerg communications	All	21.23%	384,326	415,771	31,445	8.18%
S018	Culture Arts & Rec Lower Columbia	East End 7	39.77%	270,435	273,597	3,162	1.17%
S050	Fire protection Reg East End	East End 7	39.77%	4,160,096	4,667,707	507,611	12.20%
S070	Animal control	Fruitvale, Montrose, Trail	75.00%	13,738		-13,738	-100.00%
S150	Cemeteries - East End	East End 7	39.77%	607,897	618,240	10,343	1.70%
S700	East End Regional Sewer	Rossland, Trail, Warfield	67.10%	1,850,567	1,970,785	120,218	6.50%
S005	East End Transit	East End 7	39.77%	1,223,272	1,633,514	410,242	33.54%
				14,146,163	16,295,750	2,149,587	15.20%



2024 RDKB City of Trail Services & Portion of Requisition

City of Trail participation in RDKB Services								
February 1, 2024								
Service	Service Name	Partners	% of service paid by Trail	2023	% of service paid by Trail	2024	Diff	% change
S001	General Admin	All	20.69%	233,862	20.26%	286,462	52,600	22.49%
S004	Building inspection	All	25.56%	295,229	22.44%	289,187	-6,042	-2.05%
S005	Planning & Development	All	5.44%	48,333	5.21%	57,022	8,689	17.98%
S009	Police Based Victims Assistance	East End 7	39.56%	36,554	39.49%	38,336	1,782	4.87%
S010	Regionalized Solid Waste Mgmt	All	20.73%	398,129	20.73%	479,587	81,458	20.46%
S012	Emergency Preparedness	All (except Rossland)	20.73%	93,068	20.73%	105,697	12,629	13.57%
S015	911 Emerg communications	All	20.71%	79,605	20.73%	86,210	6,605	8.30%
S018	Culture Arts & Rec Lower Columbia	East End 7	39.28%	106,224	39.49%	108,047	1,823	1.72%
S050	Fire protection Reg East End	East End 7	39.47%	1,641,794	39.49%	1,843,334	201,540	12.28%
S070	Animal control	Fruitvale, Montrose, Trail	56.90%	7,817			-7,817	-100.00%
S150	Cemeteries - East End	East End 7	39.46%	239,906	38.89%	240,415	509	0.21%
S700	East End Regional Sewer	Rossland, Trail, Warfield	68.34%	1,264,637	67.10%	1,322,397	57,760	4.57%
S005	East End Transit	East End 7	39.37%	481,565	38.89%	635,225	153,660	31.91%
				4,926,723		5,491,919	565,196	11.47%



2025 Proposed RDKB City of Trail Services & Requisition

RDKB Tax Requisition for Services							
February 1, 2024							
Service	Service Name	Partners	% of service paid by Trail	2024	2025	Diff	% change
S001	General Admin	All	21.23%	1,413,833	2,127,602	713,769	50.48%
S004	Building inspection	All	65.00%	1,288,708	1,350,245	61,537	4.78%
S005	Planning & Development	All	21.23%	1,093,824	1,110,399	16,575	1.52%
S009	Police Based Victims Assistance	East End 7	39.77%	97,076	102,201	5,125	5.28%
S010	Regionalized Solid Waste Mgmt	All	21.23%	2,312,943	3,269,947	957,004	41.38%
S012	Emergency Preparedness	All (except Rossland)	21.23%	509,752	904,654	394,902	77.47%
S015	911 Emerg communications	All	21.23%	415,771	441,081	25,310	6.09%
S018	Culture Arts & Rec Lower Columbia	East End 7	39.77%	273,597	278,412	4,815	1.76%
S050	Fire protection Reg East End	East End 7	39.77%	4,667,707	5,022,163	354,456	7.59%
S150	Cemeteries - East End	East End 7	39.77%	618,240	638,934	20,694	3.35%
S700	East End Regional Sewer	Rossland, Trail, Warfield	67.10%	1,970,785	3,796,603	1,825,818	92.64%
S005	East End Transit	East End 7	39.77%	1,633,514	1,794,788	161,274	9.87%
				16,295,750	20,837,029	4,541,279	27.87%

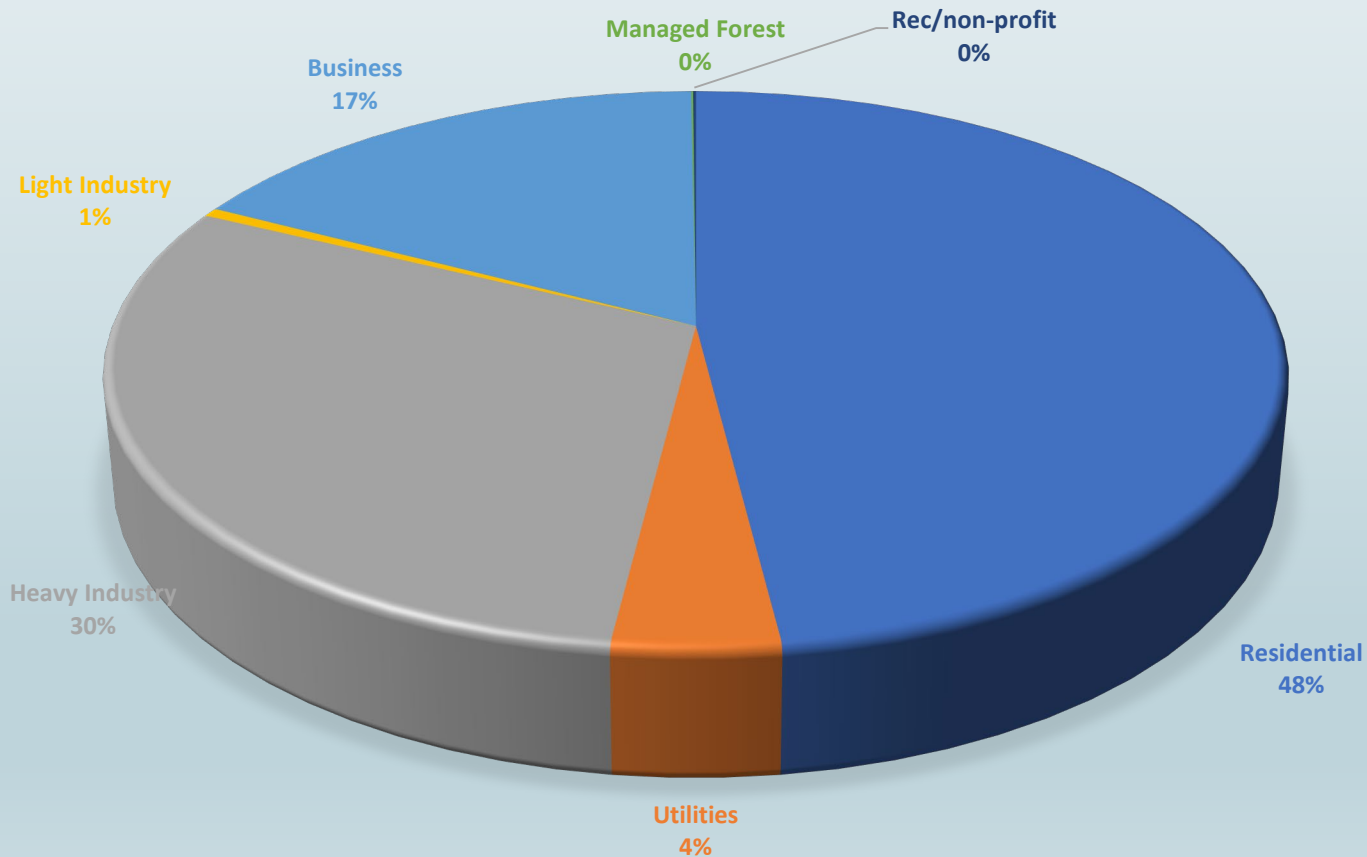


2025 RDKB City of Trail Services & Portion of Requisition

City of Trail participation in RDKB Services								
February 1, 2024								
Service	Service Name	Partners	% of service paid by Trail	2024	% of service paid by Trail	2025	Diff	% change
S001	General Admin	All	20.26%	286,462	20.90%	444,669	158,207	55.23%
S004	Building inspection	All	22.44%	289,187	22.46%	303,304	14,117	4.88%
S005	Planning & Development	All	5.21%	57,022	5.13%	56,941	-81	-0.14%
S009	Police Based Victims Assistance	East End 7	39.49%	38,336	39.49%	40,361	2,025	5.28%
S010	Regionalized Solid Waste Mgmt	All	20.73%	479,587	20.73%	678,021	198,434	41.38%
S012	Emergency Preparedness	All (except Rossland)	20.73%	105,697	20.73%	187,579	81,882	77.47%
S015	911 Emerg communications	All	20.73%	86,210	20.73%	91,458	5,248	6.09%
S018	Culture Arts & Rec Lower Columbia	East End 7	39.49%	108,047	40.10%	111,650	3,603	3.33%
S050	Fire protection Reg East End	East End 7	39.49%	1,843,334	39.49%	1,983,313	139,979	7.59%
S150	Cemeteries - East End	East End 7	38.89%	240,415	39.49%	252,323	11,908	4.95%
S700	East End Regional Sewer	Rossland, Trail, Warfield	67.10%	1,322,397	67.10%	2,547,521	1,225,124	92.64%
S005	East End Transit	East End 7	38.89%	635,225	39.49%	708,783	73,558	11.58%
				5,491,919		7,405,923	1,914,004	34.85%

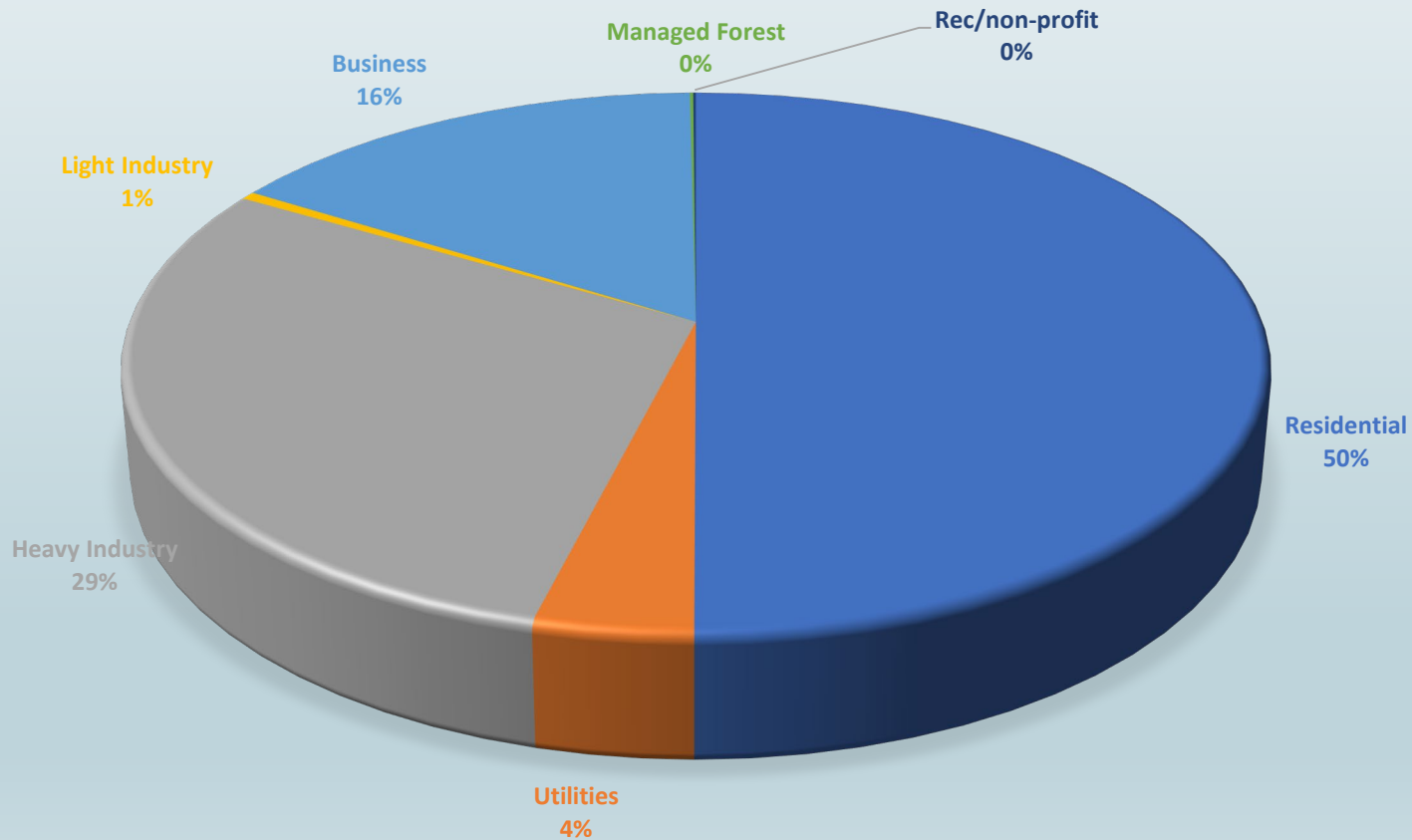


2024 RDKB Tax Allocation



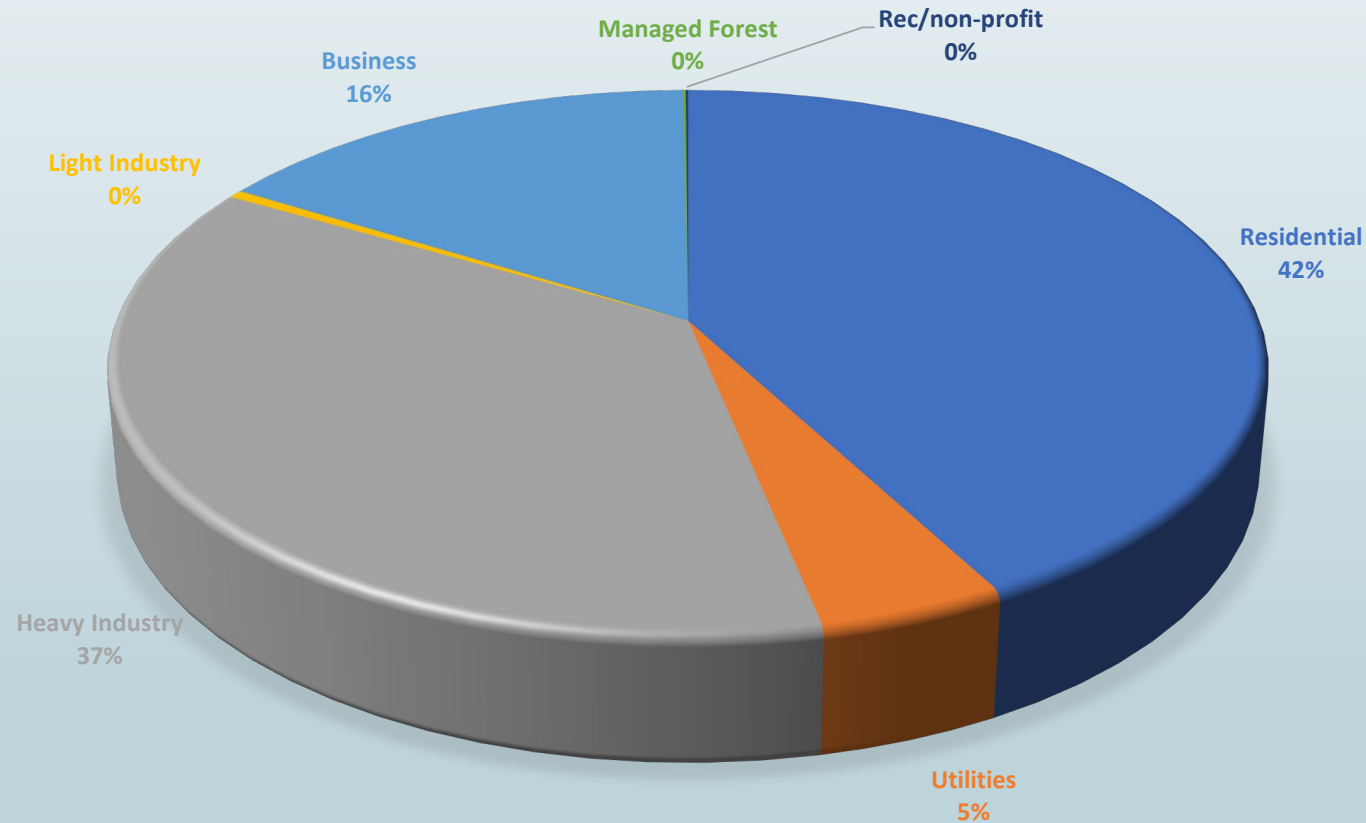
<u>Breakdown by class</u>	
	<u>2024</u>
Residential	2,635,979
Utilities	219,617
Heavy Industry	1,656,767
Light Industry	27,510
Business	943,813
Managed Forest	3,161
Rec/non-profit	5,072
	5,491,919

2023 RDKB Tax Allocation



<u>Breakdown by class</u>	<u>2023</u>
Residential	2,465,273
Utilities	194,038
Heavy Industry	1,449,910
Light Industry	23,066
Business	784,813
Managed Forest	5,288
Rec/non-profit	4,332
	4,926,720

2021 RDKB Tax Allocation



<u>Breakdown by class</u>	
	<u>2021</u>
Residential	1,965,026
Utilities	214,190
Heavy Industry	1,705,830
Light Industry	21,497
Business	744,408
Managed Forest	4,512
Rec/non-profit	4,027
	4,659,490