City of Trail
2023 General Fund Operating & Capital Plan

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May 1, 2023

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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)

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2023 General Fund Overview

Highlights:

- Recommending a 4.47% average overall property tax increase
- Revenue improvements at the TMC, TALC & Airport are assisting keeping the tax increase lower would have been required
- Growing communities grant of $2,979,000 will be placed in a reserve until Council has an opportunity to go through the Strategic Priorities process for their term and direct staff on how they want to allocate it

2023 Capital Budget: 9.2 million

- Major projects include:
  - Daniel street retaining wall,
  - Kids rink upgrade (Made possible by the generous donation by the Murphy foundation
  - Plow truck purchase
  - Day care building construction

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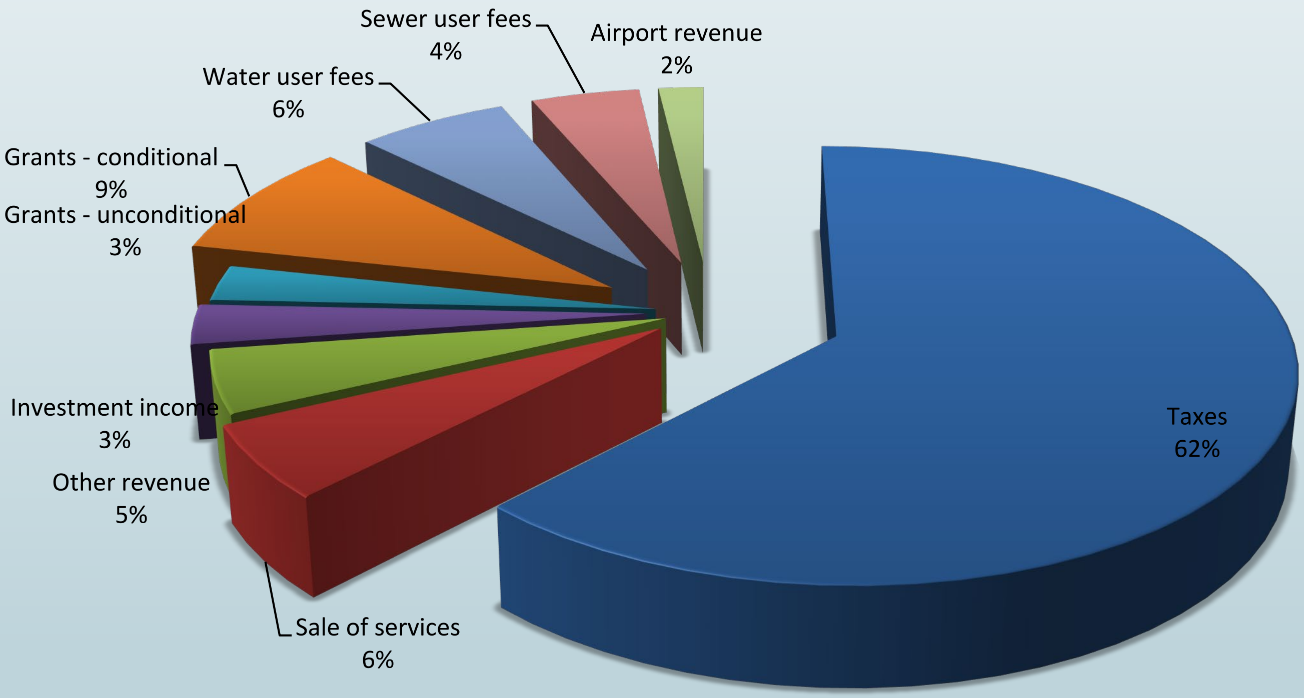
2023 Proposed or Actual Municipal tax increases

Bowen Island	14.30%		North Saanich (was 5.9%)	4.90%
Campbell River	11.27%		North Vancouver	5.24%
Castlegar	6.50%		Penticton	9.50%
Central Saanich	5.29%		Port Coquitlam	3.38%
City of Vancouver	9.70%		Port Moody	11.33%
Coldstream	8.40%		Powell River	5.40%
Cranbrook	5.87%		Prince George	7.22%
Creston	4.42%		Prince Rupert (15.7% proposed)	12.50%
Delta	4.90%		Princeton	10.00%
Enderby	5.10%		Quesnel	9.50%
Ferine	6.80%		RDCO	6.80%
Gibsons (Councils wants to 1.5%)	4.50%		Rossland	3.50%
Kamloops	7.00%		Saanich	6.80%
Kaslo	6.00%		Sidney	4.93%
Kelowna	4.00%		Strathcona RD	19.40%
Keremeos	3.50%		Surrey	12.50%
Lake Country	17.05%		Vancouver	10.70%
Langford (draft budget)	11.94%		Veiw Royal	9.40%
Langley	5.37%		Victoria (proposed was 6.9%)	6.00%
Maple Ridge	5.65%		West Kelowna	5.00%
Nelson	5.80%		West Vancouver	6.07%
New West	6.00%		Whistler	6.00%
North Cowichan (was 5.6%)	4.82%		White Rock (proposed was 7.02%)	6.59%

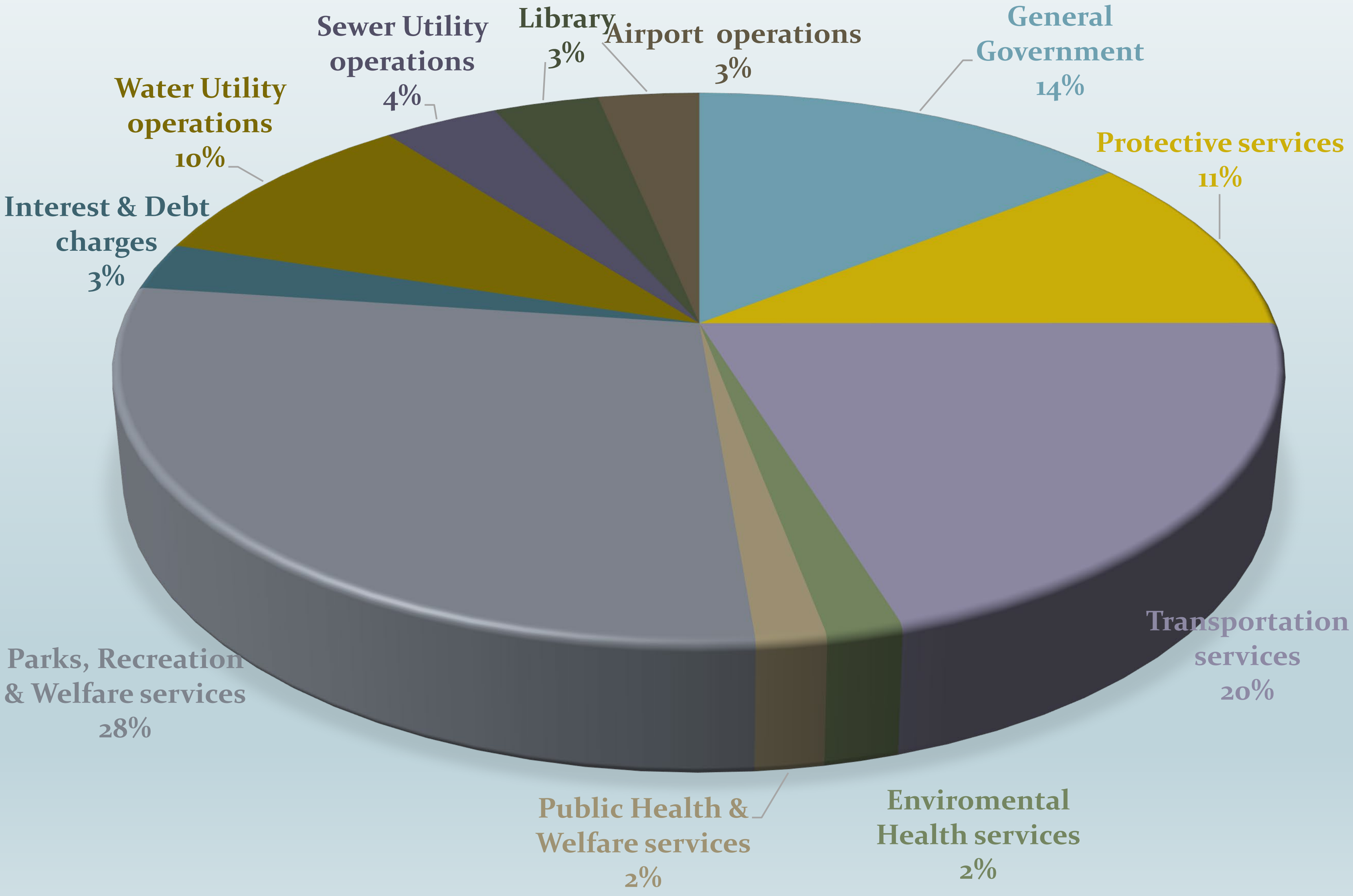
City of Trail Revenues 2022 (unaudited)

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



City of Trail Expenses 2022 (unaudited)

General Government	$2,892,097
Protective services	2,146,563
Transportation services	4,076,529
Environmental health services	369,657
Public Health & Welfare services	338,522
Parks, recreation & culture	5,746,728
Interest & Debt charges	556,200
Water utility operations	1,947,158
Sewer utility operations	754,683
Library	686,411
Airport operations	659,940
Total	$20,174,488



2023 Airport Overview

Trail Airport

	2023 Budget	2022 Budget	*$ Variance to Budget*	
Revenue				
Airport Sales of service	350,000	204,000	***146,000***	*
Other revenues	209,600	88,600	***121,000***	**
	559,600	**292,600**	***267,000***	
Expense				
Airport Manager	85,000	74,500	***(10,500)***	
Admin expenses	71,000	78,000	***7,000***	
Operational Wages & Benefits	234,000	234,000	***0***	
Operational supplies & services	263,300	157,800	***(105,500)***	**
Building expenses	46,500	42,500	***(4,000)***	
	699,800	**586,800**	***113,000***	
Surplus (deficit)	**(140,200)**	**(294,200)**	**154,000**	

* Increase in passengers & passenger fees and expectation to increase parking rates in 2023

** Majority of these revenue and expesnse relate to Airport fuel sales and cost of fuel

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2023 Airport Overview (cont)

Trail Airport	2022 Projected	2022 Budget	$ Variance	
Revenue				
Airport Sales of service	294,621	204,000	***90,621***	*
Other revenues	205,808	88,600	***117,208***	**
	500,429	**292,600**	***207,829***	
Expense				
Airport Manager	64,858	74,500	***9,642***	
Admin expenses	48,577	78,000	***29,423***	
Operational Wages & Benefits	218,822	234,000	***15,178***	
Operational supplies & services	264,580	157,800	***(106,780)***	**
Building expenses	44,302	42,500	***(1,802)***	
	641,139	**586,800**	***54,339***	
Surplus (deficit)	**(140,710)**	**(294,200)**	**153,490**	

* Increase in passengers & passenger fees and expectation to increase parking rates in 2023

** Majority of these revenue and expesnse relate to Airport fuel sales and cost of fuel

2023 TALC Overview

TALC	2023 Budget	2022 Budget	*$ Variance to Budget*
Revenue			
Admissions	125,000	87,500	***37,500***
Other revenues	340,000	240,375	***99,625***
	465,000	**327,875**	***137,125***
Expense			
Admin Salary & benefits	97,884	103,700	***5,816***
Admin expenses	58,608	57,600	***(1,008)***
Operational Wages & Benefits	588,013	577,900	***(10,113)***
Operational supplies & services	412,350	297,150	***(115,200)***
Building expenses	198,769	195,350	***(3,419)***
	1,355,624	**1,231,700**	***123,924***
Surplus (deficit)	**(890,624)**	**(903,825)**	**13,201**

2023 TALC Overview (cont)

TALC	2022 Projected	2022 Budget	$ *Variance*
Revenue			
Admissions	129,466	87,500	***41,966***
Other revenues	344,729	240,375	***104,354***
	474,195	**327,875**	***146,320***
Expense			
Admin Salary & benefits	100,470	103,700	***3,230***
Admin expenses	47,683	57,600	
Operational Wages & Benefits	635,377	577,900	***(57,477)***
Operational supplies & services	418,905	297,150	***(121,755)***
Building expenses	207,663	195,350	***(12,313)***
	1,410,098	**1,231,700**	***178,398***
Surplus (deficit)	**(935,903)**	**(903,825)**	**(32,078)**

2023 TMC Overview

TMC	2023 Budget	2022 Budget	*$ Variance to Budget*
Revenue			
Cominco Arena	145,000	121,250	***23,750***
Other reveneus	95,000	79,400	***15,600***
	240,000	**200,650**	***39,350***
Expense			
Admin Salary & benefits	97,009	102,700	***5,691***
Operational Wages & Benefits	485,958	477,600	***(8,358)***
Operational supplies & services	499,837	442,100	***(57,737)***
Building expenses	331,705	326,000	***(5,705)***
	1,414,509	**1,348,400**	***66,109***
Surplus (deficit)	**(1,174,509)**	**(1,147,750)**	(26,759)

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2023 TMC Overview (cont)

TMC	2022 Projected	2022 Budget	$ Variance
Revenue			
Admissions	165,415	121,250	***44,165***
Other revenues	106,692	79,400	***27,292***
	272,107	**200,650**	***71,457***
Expense			
Admin Salary & benefits	109,488	102,700	***(6,788)***
Operational Wages & Benefits	583,909	477,600	***(106,309)***
Operational supplies & services	429,534	442,100	***12,566***
Building expenses	324,578	326,000	***1,422***
	1,447,509	**1,348,400**	***99,109***
Surplus (deficit)	**(1,175,402)**	**(1,147,750)**	**(27,652)**

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Effect of Assessments in 2023

Property Class	2022 Assessed Values	2023 Assessed Values	% Change	% of Total Assessment
Residential	$1,119,988,900	$1,302,869,300	16.70%	75.85%
Utility	16,378,340	18,034,175	10.11%	1.05%
Major Industry	220,352,000	225,530,000	2.35%	13.13%
Light Industry	3,189,700	3,471,900	10.04%	0.20%
Business	152,551,350	164,653,000	10.79%	9.59%
Forest	597,000	932,000	56.11%	0.05%
Non-Profit	2,090,300	2,290,700	9.59%	0.13%
Total	**$1,515,147,590**	**$1,717,781,075**	**13.90%**	**100.00%**

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2023 Airport Overview (cont)

Trail Airport

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Revenue				
Airport Sales of service	294,621	204,000	***90,621***	*
Other revenues	205,808	88,600	***117,208***	**
	500,429	**292,600**	***207,829***	
Expense				
Airport Manager	64,858	74,500	***9,642***	
Admin expenses	48,577	78,000	***29,423***	
Operational Wages & Benefits	218,822	234,000	***15,178***	
Operational supplies & services	264,580	157,800	***(106,780)***	**
Building expenses	44,302	42,500	***(1,802)***	
	641,139	**586,800**	***54,339***	
Surplus (deficit)	**(140,710)**	**(294,200)**	**153,490**	

* Increase in passengers & passenger fees and expectation to increase parking rates in 2023

** Majority of these revenue and expesnse relate to Airport fuel sales and cost of fuel

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Effect of Assessments in 2022

Property Class	2021 Assessed Values	2022 Assessed Values	% Change	% of Total Assessment
Residential	$855,379,200	$1,119,988,900	30.93%	73.93%
Utility	16,785,605	16,378,340	-2.43%	1.08%
Major Industry	218,488,900	220,352,000	0.85%	14.54%
Light Industry	2,666,200	3,189,700	19.63%	0.21%
Business	128,054,099	152,551,350	19.13%	10.07%
Forest	655,000	597,000	-8.85%	0.04%
Non-Profit	1,753,600	2,090,300	19.20%	0.14%
Total	**$1,223,782,604**	**$1,515,147,590**	**23.81%**	**100.%**

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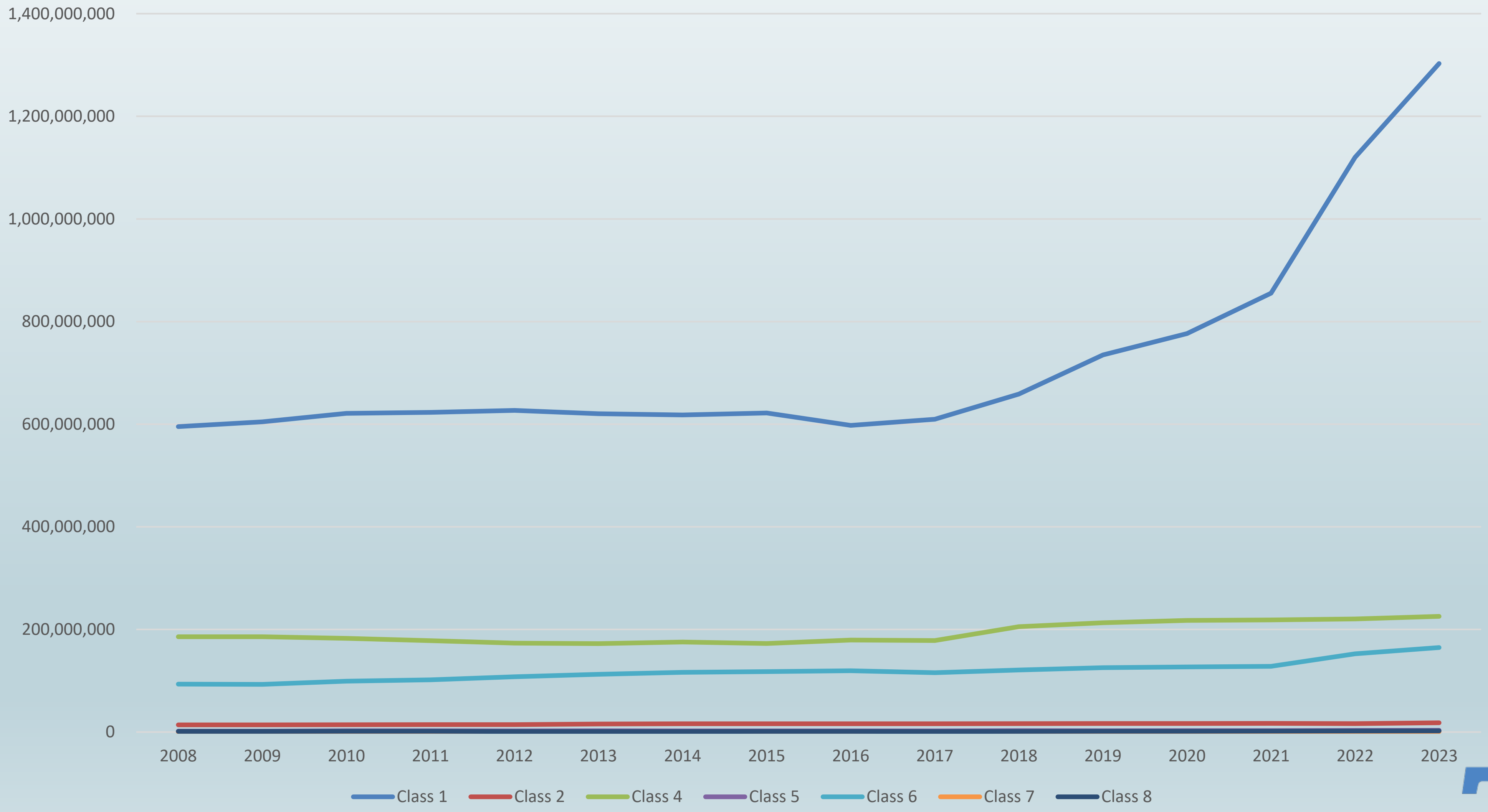
2023-2008 City of Trail Assessment History



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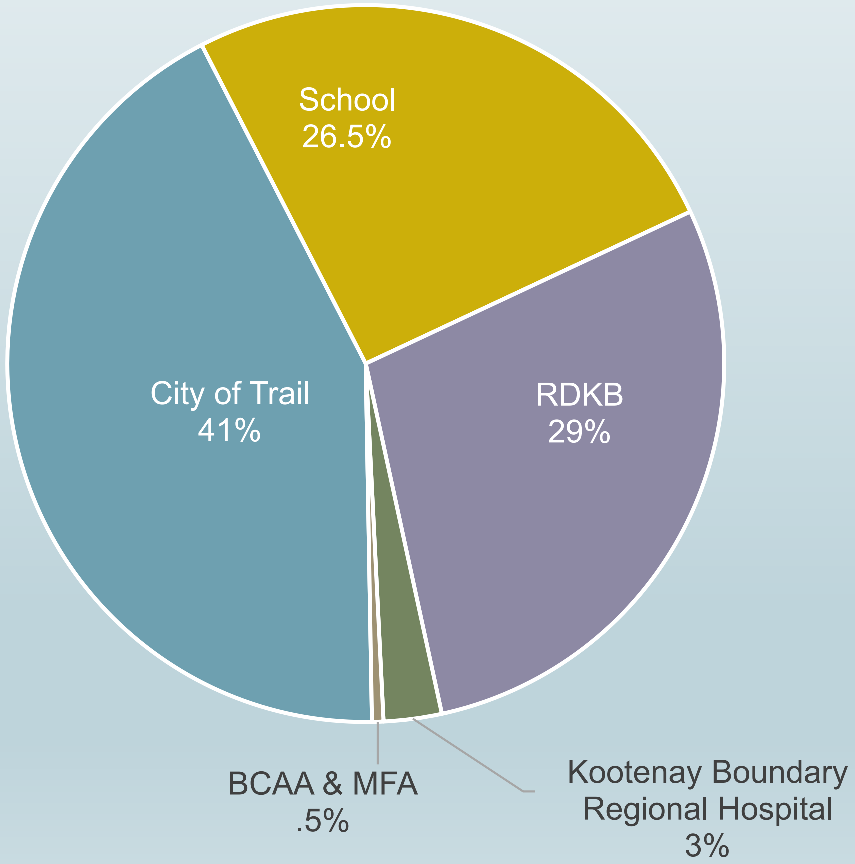
2023 Property Tax – All Agencies

Effect on Average Single Family Dwelling - $387,698 in 2023

	2022	2023	Net Change	% Change
Municipal Property Tax	$996	$1,042	$46	4.5%
RDKB*	666	730	64	9.6%
Kootenay Boundary Regional Hospital*	61	71	10	16.4%
School Tax	597	665	68	11.3%
BC Asses/MFA	12	13	1	8.3%
Less HOG	(770)	(770)	0	
Overall	**$1,562**	**$1,751**	**$189**	**12.1%**

*With residential assessed values going up by an average of 17% & assessed values of Major industry and Utilities with little change a major tax shift occurred again in 2023. The municipality adjusts the tax multipliers each year to keep the tax allocation between classes consistent each year. However, the multipliers for RDCK and Hospital are set by the province and have not changed in years so the significant change in residential assessed values, like in 2023 & 2022, has resulted in tax shifting, from Major industry to residential

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**

2023 RDKB Tax Requisition Funding

City of Trail				
RDKB 2023 tax class allocations & shifting				
April 10, 2023				
	2023	2022	diff	%
Total RDCK tax requisition	4,926,723	4,725,927	200,796	4.25%
Breakdown by class				
Residential	2,465,273	2,239,509	225,764	10.08%
Utilities	194,038	188,283	5,755	3.06%
Heavy Industry	1,449,910	1,497,270	-47,360	-3.16%
Light Industry	23,066	22,407	659	2.94%
Business	784,813	770,826	13,987	1.81%
Managed Forest	5,288	3,579	1,709	47.75%
Rec/non-profit	4,332	4,177	155	3.71%
	4,926,720	4,726,051	200,669	4.25%

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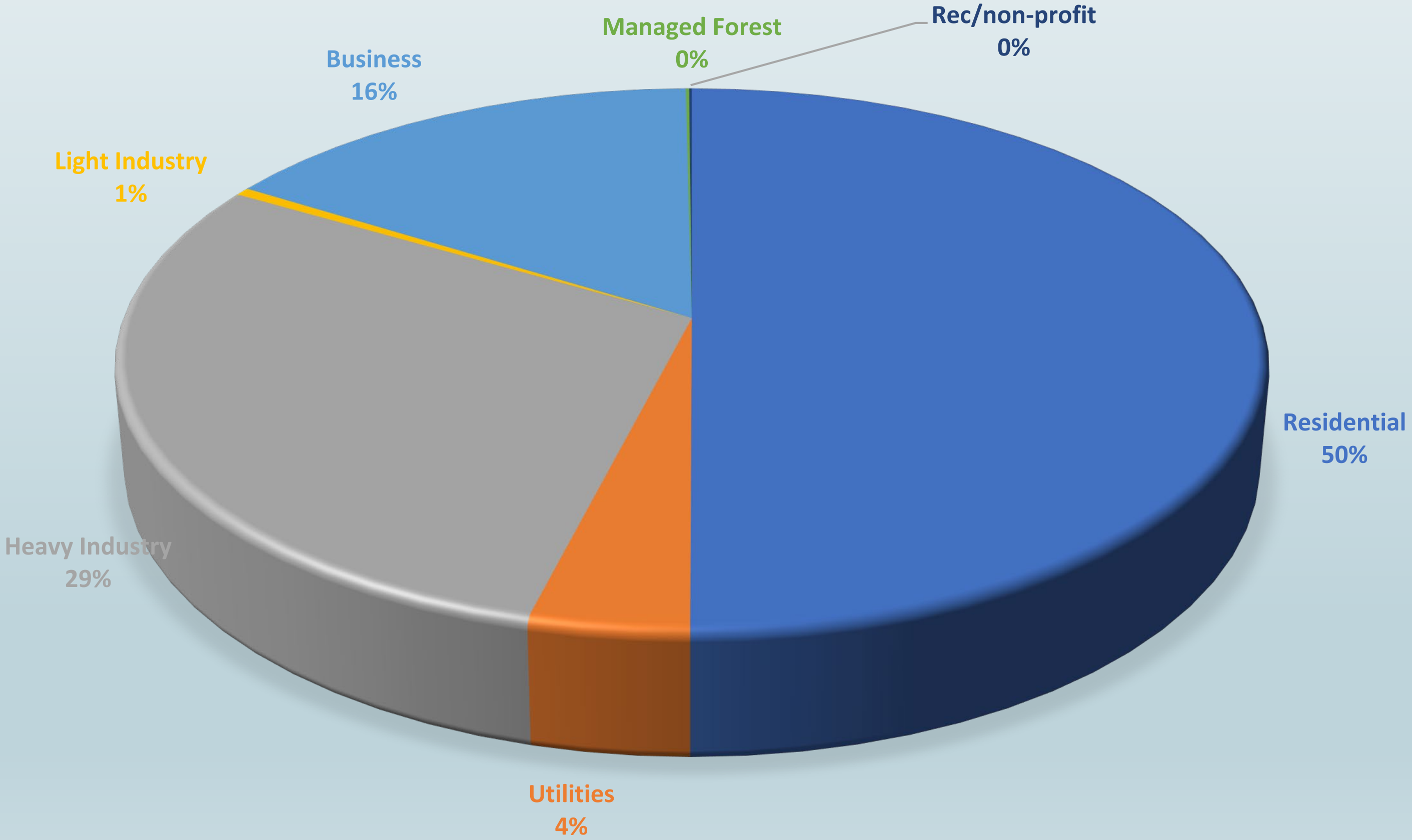
2022 RDKB Tax Requisition Funding

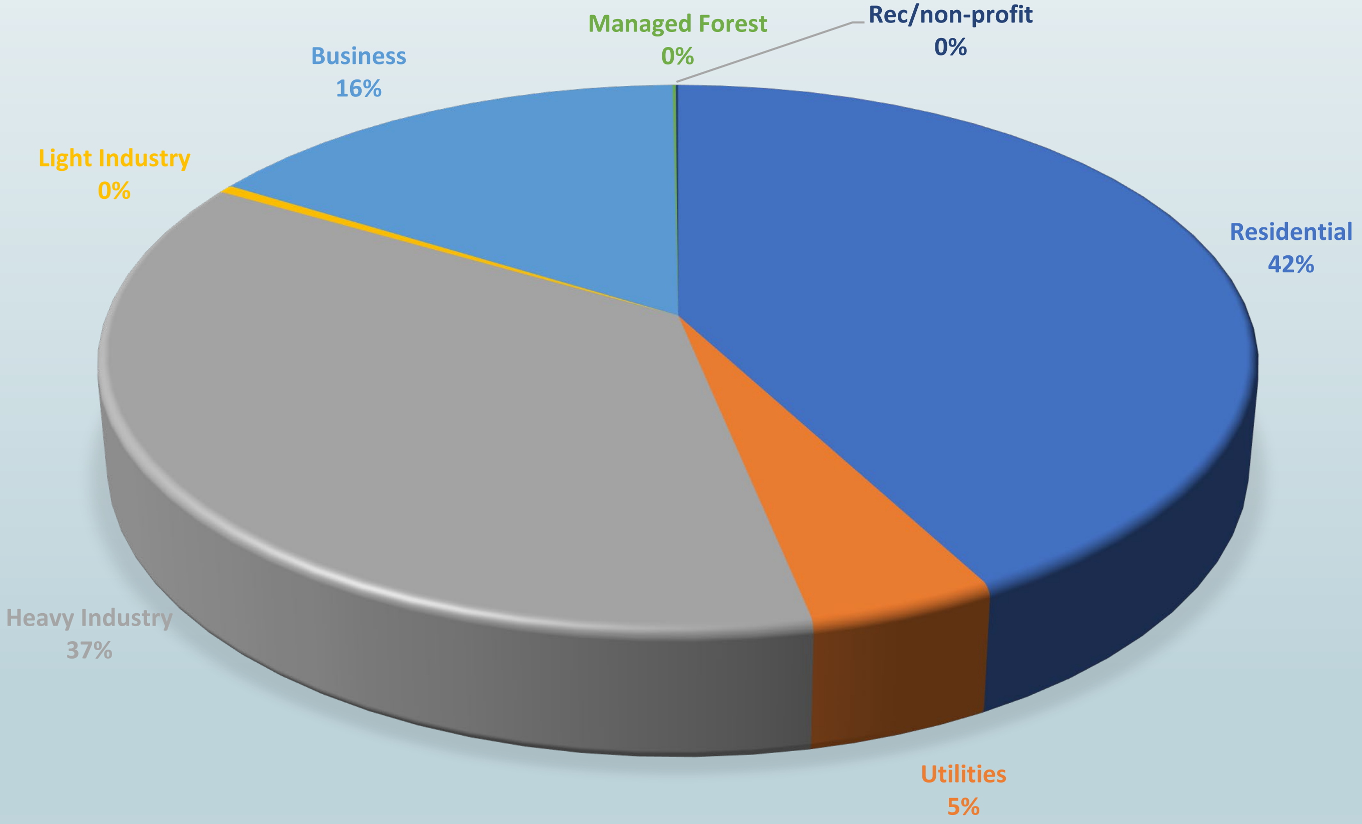
City of Trail				
RDKB 2022 tax class allocations & shifting				
June 15, 2022				
	2022	2021	diff	%
Total RDCK tax requisition	4,726,111	4,659,490	66,621	1.43%
Breakdown by class				
Residential	2,239,509	1,965,026	274,483	13.97%
Utilities	188,283	214,190	-25,907	-12.10%
Heavy Industry	1,497,270	1,705,830	-208,560	-12.23%
Light Industry	22,407	21,497	910	4.23%
Business	770,826	744,408	26,418	3.55%
Managed Forest	3,579	4,512	-933	-20.68%
Rec/non-profit	4,177	4,027	150	3.72%
	4,726,051	4,659,490	66,561	1.43%

2023 RDKB Tax Allocation



Breakdown by class		2023
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



Breakdown by class	
	2021
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