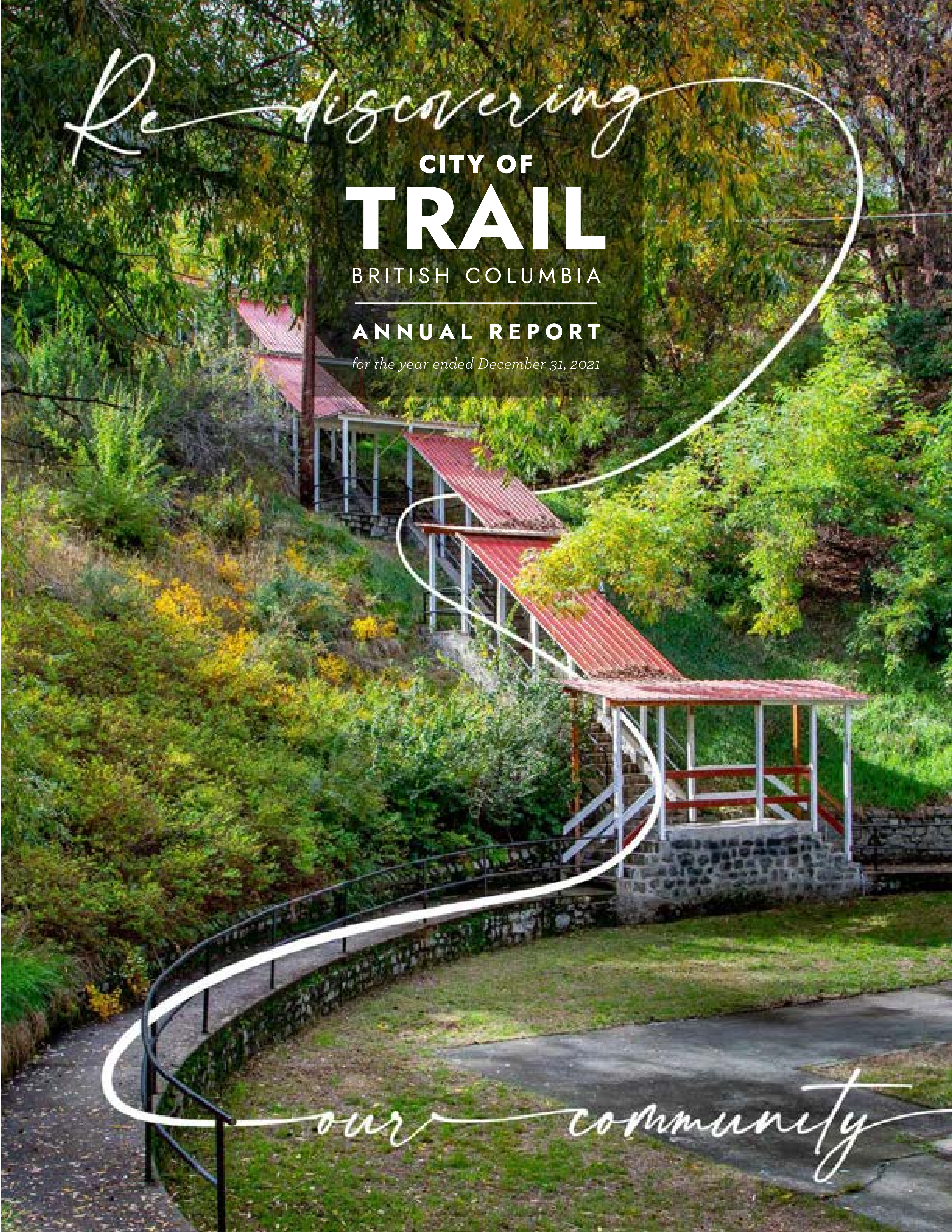

Re-discovering

CITY OF TRAIL
BRITISH COLUMBIA

ANNUAL REPORT

for the year ended December 31, 2021

our community

COVER: "B" Street Park in West Trail. PHOTO: MIKE HOCKLEY
ABOVE: West Trail Rock Walls. PHOTO: MIKE HOCKLEY

Report design by Marian Lowe

discovering

CITY OF

TRAIL

BRITISH COLUMBIA

ANNUAL REPORT

for the year ended December 31, 2021

our community

Pursuant to Section 98 of the *Community Charter*, the City of Trail 2021 Annual Report has been prepared by the Annual Report Planning Committee, representing the Departments of Finance and Administration.

Resurfaced Racquet Courts at Butler Park

The six outdoor racquet courts, located at Butler Park adjacent to the Trail Aquatic & Leisure Centre, underwent a major overhaul to provide a top-notch experience for tennis and pickleball players.

The project included the installation of an increased playing surface to allow for improved space between the courts, new access points specific to pickleball and tennis so users don't interfere with the playing surface of either activity, an improved area for perimeter play, fencing repair, and a new viewing area.

The City was fortunate to receive $135,000 of funding from the Columbia Basin Trust to go toward the $326,362 project. A portion of the funding was used in 2020 for the initial ground work with the remainder being used in 2021 for the resurfacing and other major components.

project highlight

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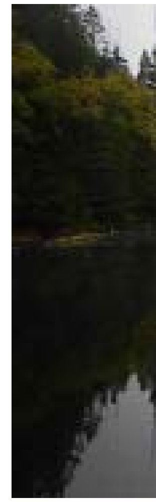


Message from The Mayor,

Lisa Pasin

We can all acknowledge that 2021 was another challenging year, but everyone in our great city worked together to ensure the City of Trail moved forward in a positive and supportive direction.

City of Trail employees continued to provide exceptional support and service despite the many challenges that COVID-19 presented. City employees adapted and persevered, and continued to deliver the extensive portfolio of services that our citizens are accustomed to and rely on.

The pandemic accentuated social issues that are increasingly prevalent across the province and nation, including gaps in support for our most vulnerable citizens. I thank all our community members and partners who approached those who are most disadvantaged with a lens of compassion, patience and tolerance.

Progressive improvements to the City's infrastructure remained a priority in 2021 including the Violin Lake and Cambridge Dam decommissioning project, the Green Avenue Infrastructure Project, multiple park and playground improvements, a roof replacement at the Trail Aquatic & Leisure Centre, resurfaced racquet courts at Butler Park for tennis and pickleball, and a new multi-purpose room in the space previously occupied by the Trail & District Public Library at the Trail Memorial Centre. Passenger counts at the Trail Regional Airport steadily increased, and we are thankful for our ongoing relationship with Pacific Coastal Airlines.

In 2022, we all look forward to a higher level of community engagement with our fellow citizens, reconnecting with our friends, family, colleagues and loved ones. We are a strong and resilient community. Thank you for your part in making Trail the best it can be.

> ***"I thank all our community members and partners who approached those who are most disadvantaged with a lens of compassion, patience and tolerance."***

Lisa Pasin
City of Trail Mayor

The Violin Lake and Cambridge Dam Decommissioning Project

The Cambridge Creek and Violin Lake Ecosystem Restoration Project restored 901-hectares in 2 watersheds by removing 4 dams (Cambridge Creek Dam, Violin Lake Dams South, North, and Cambridge Creek Diversion Dam) that were used as a drinking water source for the City of Trail until 1994.

The damns were near the end of their life cycle - without significant rehabilitation, they would be unsafe. Wetlands, streams, and watershed functions impacted by the dams and associated reservoirs, stream diversions, road, and siphon pipe construction were restored, now accommodating the natural habitat for native fish, wildlife, birds, reptiles, and amphibians. The project also increased the natural capacity of the area to adapt to climate change while making make the community more resilient to natural disasters.

The City received $2,396,815 in funding from various provincial and federal funding streams including the Healthy Watersheds Initiative, the Investing in Canada Infrastructure Program, the COVID-19 Resilience Infrastructure Stream, and the Adaptation, Resilience & Disaster Mitigation Stream. Project details are available at:

www.trail.ca/ViolinLakeProject

project highlight

council

Select Committee & Council Appointments

MAYOR LISA PASIN

Major Industrial Property Taxation Committee (Chair)
Trail Health and Environment Committee (Chair)
Organizational Review Committee (Chair)
Governance and Operations Committee (Alt.)
Regional District (Alt.)

COUNCILLOR CAROL DOBIE

Communities in Bloom (Alt.)
Trail Ambassador Programme (Alt.)
Columbia River
Ktunaxa Treaty Advisory
Senior Citizens Advisory Committee (Alt.)

COUNCILLOR ELEANOR GATTAFONI ROBINSON

Communities in Bloom (Alt.)
Trail Ambassador Programme
Chamber of Commerce (Alt.)
Historical Society
Riverfront Centre Advisory Committee
Senior Citizens Advisory Committee (Alt.)

COUNCILLOR PAUL BUTLER

Chamber of Commerce
LCCDT Society
Organizational Review Committee
Riverfront Centre Advisory Committee
Community Safety Task Force
Protective Services
Acting Mayor – March, July, and November 2021

COUNCILLOR ROBERT CACCHIONI

Major Industrial Property Taxation Committee
Regional District
Historical Society (Alt.)
Senior Citizens Advisory Committee
Protective Services (Alt.)
Acting Mayor – February, June and October 2021

COUNCILLOR COLLEEN JONES

Silver City Days Committee (Chair)
Library Board
Greater Trail Home of Champions
Ktunaxa Treaty Advisory (Alt.)
LCCDT Society
Organizational Review Committee
Riverfront Centre Advisory Committee
Acting Mayor – April, August, and December 2021

COUNCILLOR SANDY SANTORI

Governance and Operations Committee (Chair)
Major Industrial Property Taxation Committee
Trail Health and Environment Committee
Community Safety Task Force
Organizational Review Committee
Acting Mayor – January, May, and September 2021

trail's vision

Japanese Maple trees colourfully decorate Trail's Esplanade.
PHOTO: MIKE HOCKLEY

City of Trail Council and staff value our residents and businesses and we strive to provide a high level of sustainable services in a welcoming and inclusive environment.

Trail, situated on the Columbia River in the West Kootenay region of southern British Columbia, is a unique and culturally rich town populated by 8,250 people. It is a special place with affordable real estate, outstanding recreational facilities, an abundance of outdoor activities, an active arts and culture community, and a variety of service clubs and organizations. Trail is centrally located, has a temperate climate and an excellent interior transportation network, including the Trail Regional Airport (YZZ) with daily service to Vancouver's (YVR) South Terminal. Trail is also a thriving area for technology and research and development. Trail's skilled workforce enjoys a balanced lifestyle with challenging jobs, and an enviable quality of life. Teck Trail Operations, one of the largest fully integrated zinc and lead smelting and refinery complexes in the world, is located in Trail and drives the regional economy. Metal Tech Alley, world leaders in metallurgical product development and materials science, reside in Trail, and the city is home to the Kootenay Boundary Regional Hospital (KBRH), the largest diagnostic and acute care hospital in the West Kootenay region. The province recently invested in a new Emergency Department, Phase 2 Pharmacy, and Ambulatory Care. Trail's exceptional educational facilities ensure that residents can increase their knowledge and develop their skills without the necessity of moving away. It is a financial, service, and retail centre and has a wide array of shopping options. Trail offers stunning natural surroundings, a rich cultural and architectural history and a wealth of opportunities and possibilities. Residents are immensely proud of their community, as evidenced by their strong volunteerism. For residents and visitors alike, Trail offers outstanding opportunities for living life well and to the fullest.

staff profile

"I am so grateful for the opportunity to work for the City of Trail. I am going into my 4th year as an irrigation operator, and I take pride in ensuring everything is green while trying to use our water efficiently."

MARK SCHREINER
IRRIGATION OPERATOR/
PUBLIC WORKS LABOURER

Green Avenue Infrastructure Project

In November 2020, a watermain break and road washout occurred deeming it necessary to close an 85-metre section of Green Avenue, a vital access road to the historic neighbourhood of West Trail.

It was then determined the aging underground infrastructure, a 6" watermain and sanitary sewer line, needed to replaced. The project also included concrete curbing and some sidewalk improvements and road (gravel and paving) reconstruction.

The total cost of the project was $710,000.

project highlight

project highlight

Victoria View Room at the Trail Memorial Centre

The old library space at the Trail Memorial Centre was renovated into the Victoria View Room, a multi-purpose room that can be used for meetings, fitness classes and other community gatherings and events.

In order to open and modernize the space, the drop ceiling, offices, linoleum flooring, windows, electrical, plumbing, and mechanical equipment were removed. A new HVAC unit and ducting were installed, as well as LED lights and sport flooring. Larger windows, overlooking the Victoria Street highway corridor were installed, allowing room-goers a better view of Trail's downtown.

The cost of the project for the City was $350,000, and $672,000 of grant funding was received from the Federal/Provincial Investing in Canada Infrastructure Program, COVID-19 Resilience Infrastructure Stream.

Message from The Deputy CAO,

Michelle McIsaac

Over the course of 2021, certain words and phrases took on new meaning and became a common part of our vocabulary as we, as a community, continued to grapple with the global COVID-19 pandemic and the ever-changing restrictions implemented to protect from its harm.

Bubble. Social distancing. Isolate. Quarantine. Unprecedented. New normal. Pivot. Resiliency.

As I reflect on the City's operations in 2021, I can't think of a better word to describe the fortitude displayed by our employees than resiliency, defined as "the ability to recover from or adjust easily to adversity or change; the capacity to recover quickly from difficulties or illness; toughness". In a year of continued challenges, our employees were required to adapt to constantly changing conditions and expectations as we embarked on the reopening of City facilities and the restoration of services that had been impacted by COVID, all the while providing the core municipal services necessary for a well-functioning community.

I am proud to say that our employees have risen to all of the challenges presented and am grateful to be surrounded by a team of people who are dedicated to the betterment of our community - and who come to work each day and show it! Without each and every one of them, we could not provide the high levels and range of services that our residents and visitors have come to rely on and expect.

As we look forward to further recovery from the adversity experienced in recent year, may we seek to rediscover the beauty of our community and its people, and explore the myriad of opportunities available to us as we re-engage with our family, friends and neighbours.

Michelle McIsaac
Deputy Chief Administrative Officer/Corporate Administrator

> *"I am proud to say that our employees have risen to all of the challenges presented and am grateful to be surrounded by a team of people who are dedicated..."*

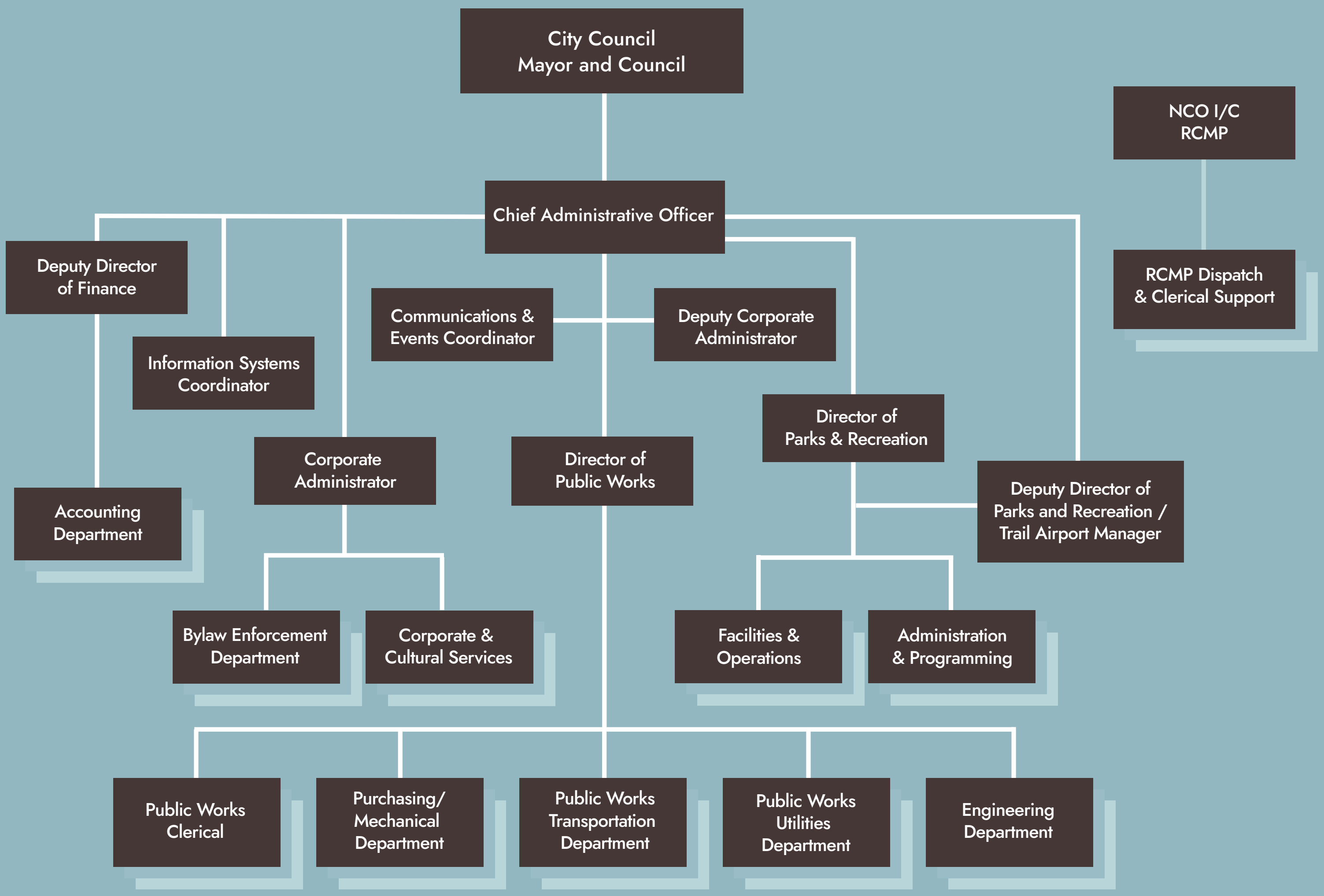
staff profile

"I have worked as the Grounds & Roads Superintendent for three years and with the City in various capacities since 2012. It has been a pleasure working for an organization that, throughout my tenure, conveys dedication to providing the services citizens expect in a responsible manner."

DAVE MOORHEAD
GROUNDS & ROADS SUPERINTENDENT

organizational chart

City of Trail
Organizational Structure
January 24, 2021



city officials

Michelle McIsaac
Deputy Chief Administrative Officer/
Corporate Administrator

Trisha Davison
Director of Parks and Recreation

Chris McIsaac
Director of Public Works

Robert Baker
Airport Manager / Deputy Director
of Parks and Recreation

strategic priorities

Members of City Council and senior staff met with a Local Government Leadership Facilitator in January 2019 to develop a list of strategic priorities. This approach, the same planning process that has been utilized by several past Councils, creates a certain amount of familiarity and comfort with well-developed end results. To be strategic means that, in addition to expectations for the future, Council must have a sense of current realities and conditions - both positive and adverse. Conducting this assessment is important to get the process rooted in the real world after thinking about the ideal future. It collects ideas and information while beginning to focus the strategic priorities.

In 2021, priorities shifted to accommodate the need for urgent decision making during the pandemic including temporary facility closures, public health and safety, and critical needs for the downtown population. The new Council, to be elected in late 2022, will meet in early 2023 to develop the strategic priorities for their term.

STRATEGIC PRIORITIES CHART

CORPORATE PRIORITIES (Council/Chief Administrative Officer)

NOW	TIMELINE
1. 5-Year Capital Plan: Priorities	Ongoing
2. Hospital 2nd Access: Route Selection	Closed
3. Housing Needs Assessment	Complete
4. Community Safety Task Force	Ongoing
5. Official Community Plan Update	Ongoing

NEXT

- FISCAL SUSTAINABILITY PLAN
- DOWNTOWN PLAN REVIEW: ToR
- CHIEF ADMINISTRATIVE OFFICER: Recruitment Process - Complete
- HUMAN RESOURCES STRATEGY
- HOUSING STRATEGY: Options

ADVOCACY / PARTNERSHIPS

- Hospital Expansion - Complete
- Wide Area Site (WAS) Remediation (Ministry of Environment and Ministry of Health)
- Supportive Housing (BC Housing) - Ongoing
- Selkirk Program Expansion (Ministry of Advanced Education) - Complete
- Old Trail Bridge: Demolition (Ministry of Transportation and Infrastructure) - Ongoing

strategic priorities (continued)

STRATEGIC PRIORITIES CHART

CORPORATE PRIORITIES (Council/Chief Administrative Officer)

CHIEF ADMINISTRATIVE OFFICER

1. HUMAN RESOURCES STRATEGY: ToR - Ongoing
2. COMMUNITY SAFETY TASK FORCE: Start-up - Ongoing
3. CAPITAL PRIORITIES - Ongoing

- Workplace Strategy

PUBLIC WORKS

1. Asset Management Strategy: Inventory - Ongoing
2. Public Works: Structure Review - Ongoing
3. Hospital Second Access: Route Selection - Closed

- Public Works: Service Level Review
- Purchasing Policy: Review

PARKS & RECREATION

1. Vacant Library Space: Lease - Complete
2. Aquatic Staff: Structure Review - Ongoing

- Asset Management System: Input
- Trail Memorial Centre 'Old' Space Plan

AIRPORT

1. Site Plan: Data Input - Ongoing
2. Asset Management Plan: Input - Complete

CORPORATE ADMINISTRATION

1. Development Tax Incentives: Review - Complete
2. 798 Victoria Development: Approval - Complete
3. OFFICIAL COMMUNITY PLAN: ToR - Ongoing

- DOWNTOWN PLAN REVIEW: ToR

LCIC

1. HOUSING NEEDS ASSESSMENT: Request - Complete

staff profile

"During my 27 years with the City of Trail, I've worked in many different areas including our recreation facilities, parks and the cemetery. I feel fortunate to receive positive feedback from the community about our amenities, green spaces and services. I also value the strong relationship our union members have with the management team – it's inspiring to work for a united organization that takes pride in all areas of its operations."

TERRY YURIS
EQUIPMENT OPERATOR

operational objectives

COUNCIL AND ADMINISTRATION

Economic Development
— Continue to promote growth and new development and continue working agreements with the LCCDT, the RDKB and other partners.
— Monitor performance of these partners through reporting metrics and assess future relationships.

Old Trail Bridge Demolition
— Assess future options and funding for bridge demolition and include this funding within the future Financial Plan in order to avoid future liability.
— Tourism
— Promote local tourism and continue to operate the Visitor Information Centre and the City's RV Park.
— Track and monitor visitor use and with the goal of increased visitors year to year.

Official Community Plan
— Update the City of Trail Community Plan (OCP) with the goal of completion and update to its Bylaw and the Zoning Bylaw by 2022.

City Service Capacity
— Review and rationalize City service levels from the newly developed organizational review.
— Adjust the budget to implement the chosen organizational changes.

Downtown Properties
— Develop plans to deal with City-owned or purchased properties in the downtown core to maximize the use of City property as part of redeveloping properties with derelict buildings.
— Include funding in the budget for demolition of the old downtown medical clinic.

Downtown Plan
— Promote the continued revitalization of the downtown core and review the current Downtown Plan.
— Continue the promotion of the Revitalization Tax Exemption Program and assess the levels of its success.

PARKS & RECREATION

Facilities
— Increase the number of large community events, games and tournaments by working with community groups and organizations.
— Establish long-term capital project plans to manage aging infrastructure.
— Ensure facilities are event-ready and safe for patrons.

Community Health
— Increase participation and awareness in programs and events that promote active, healthy living and develop key partnerships with community groups.
— Evaluation of the action plans implemented through the Healthy Communities Initiative and Age Friendly Planning and for Leisure Access Plan (LAP) holders.

Parks, Recreation & Culture Department Operations
— Evaluate and improve the department as needed as indicated in the Parks & Recreation Master Plan including succession planning, recruitment and post-pandemic recovery.

Revenues
— Create new ways to increase revenues by reviewing rates, grant opportunities, expansion of services and increased partnerships while managing the impact of the pandemic on overall budgets.

84

Approximate acreage of city-owned parks and green spaces maintained by Parks & Recreation (including the Mountain View Cemetery)

6624

Approximate number of hours the grounds crew spent mowing/caring for the parks and green spaces.

There are **56** covered staircases in Trail with a total length of **1.73km**

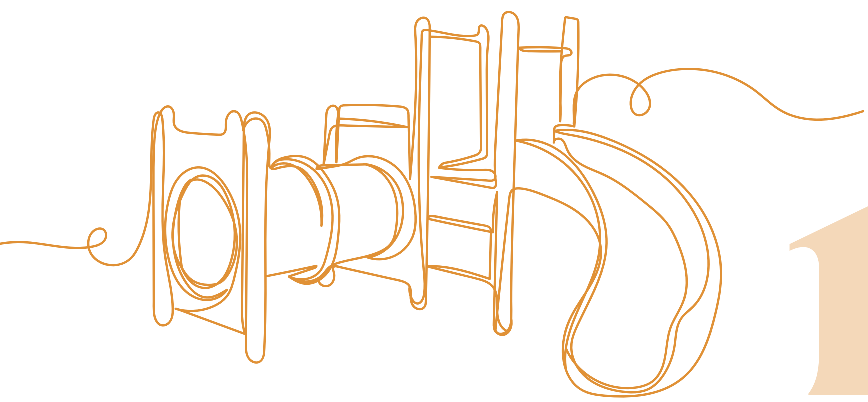
690

labour hours are budgeted for crews (or contractors) to maintain the covered stair cases.

There are **86** garbage receptacles throughout Trail's parks and green spaces

As well as **19** dog bag dispensers

There are **13** city-owned playground pieces



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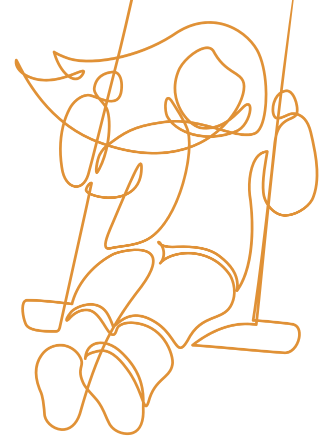


of these have have adjacent swing sets.

Grant Funding

- Maximize grant opportunities.
- The CBT Outdoor Revitalization Grant of $337,000 for Groutage Avenue / Esplanade connection was transferred to the Butler Park Pole, Lighting and Netting project.
- Visitor Centre (student), summer camp services, and Family Day grant received and ICIP grant of $672,000 for the Trail Memorial Centre roof and old library space were received.

Expenditures

- Minimize increases in expenditures and implement more cost-effective options for operating by improving facility efficiencies and infrastructure through cost-effective methods of building operations, green improvements and leading-edge technologies and by building flexibility into staff roles, cross training, developing strategic alliances with community groups, and utilizing in-house experience.

Staff Development

- Increase and evaluate employee performance plans that align with the Recreation Master Plan, and increase training documentation, and involvement in operations by meeting with staff to establish work and personal goals and objectives and encouraging staff departmental discussion.

Community Participation

- Increase the number of programs, services, and special event users and the number of fitness, sports, workshops, programs, services through promotion and community alliances while ensuring consistent quality.
- Maintain newly established partnerships and the improved access to services for those who have barriers to participation.

PUBLIC WORKS

Water Utility

- To provide the best quality, most affordable, and safest drinking water possible to the residents of the City of Trail and to ensure compliance with all federal and provincial drinking water guidelines by continuing with watermain flushing, Water Treatment Plant maintenance, facilities assessments and fire hydrant replacements as needed.
- Staff undertaking of all necessary training to obtain and maintain mandatory certifications.

Sanitary Sewer Utility

- To ensure the City's sanitary sewer collection system operates as designed through regular maintenance and inspection and routine cleaning.

Storm System Maintenance and Repairs

- To ensure the City's storm water collection system operates as designed through regular cleaning, maintenance and repairs as needed.

Engineering

- Address the requirements to and strategies to implement the Asset Management Program, GIS Upgrade, the Cambridge and Violin Lake Dams, the Sanitary Sewer Rehabilitation and Active Transportation Plan.

Roads and Grounds – Sidewalk, Playground, Cemetery Inspection and Maintenance

- To provide a safe path for pedestrians with appropriate connections between neighbourhoods and important civic institutions, accessible, safe and enjoyable play spaces for all users, and a dignified and accessible property that holds great meaning for those who visit their loved ones. Achieved through ongoing maintenance, inspection, repairs, bear-proof bins, and equipment replacements as needed.

Beautiful rock walls, built from the **1920-1960s**, showcase Trail's unique neighbourhoods through extensive stonework.

Roads and Grounds - Snow and Ice Removal

— Reduce operational costs, response time and complaints and eliminate claims by developing a full Snow Maintenance Policy based on current service levels and budgets.

Roads and Grounds - Irrigation Inspection and Repairs and Inventory Control

— Provide efficient and effective water service to the City's flowerbeds, active and passive green spaces by creating a Park Maintenance Policy which will help determine services levels for the Park network based on use, location and available budgets.

Purchasing Department Policy and Department Warehouse

— Update and improve local purchase procedure, invoice process, purchase security and improve and upgrade the warehouse layout, storage capacity and functionality through annual reviews of the purchasing policy and continued work on maximizing storage space and warehouse operational efficiency.

Public Works Yard

— Improve the Public Works Yard security by completing perimeter fencing repairs and updates to the Public Work Yard facilities and structures.

Safety

— Develop a comprehensive safety program overview and road map and conduct departmental, equipment and work site safety inspections to meet Work Safe BC regulatory compliance through ongoing review, training and inspections.

Mechanical Department

— Develop training plan to identify training opportunities and requirements and reorganize the Commercial Vehicle Inspection program by continuing with required training and preparing for annual audit certifications.

10

The Rock Wall Project Entusiastico Society has created walking tours to highlight the majestic walls. Each tour route includes a bronze plaque commemorating and celebrating the stonemasons who dedicated their craft to Trail's historic infrastructure

TRAIL REGIONAL AIRPORT (YZZ)

Airport Operations

— Continually improve the effectiveness of the airport by updating the Airport Master and business plans to reflect and address projections for current and future growth.

Airport Development

— Position Trail Regional Airport as the preferred option for air transportation in the West Kootenay region by completing AP Site Plan and submitting BCAAP and ACAP grant applications.

Airport Revenues

— Increase the revenue of existing streams, create new revenue streams by identifying local and regional advertising opportunities and seeking marketing opportunities with the commercial air carrier to improve passenger counts.

Airport Expenditures

— Minimize increases in expenditures and implement cost effective operating practices by finding cost savings by purchasing fleet materials closer to the source of production, or with preferred vendors.

Airport Staff Development

— Improve training program and staff involvement in decision making by Perform annual staff training needs analysis by ensuring all staff are up-to-date with required training plan.

departmental services

The City of Trail provides a multitude of services to the citizens of Trail through several departments.

ADMINISTRATION

The City of Trail Administration Department works closely with the Mayor and Council to ensure that Council's decisions and directives are carried out. The department also takes care of legal and administrative services such as bylaw development, policies and procedures, and provides municipal information to the City's residents. Administration also delivers a diverse bundle of services such as City planning, urban development, environmental concerns and downtown planning. The Administrative team consists of the Chief Administrative Officer, the Corporate Administrator, the Deputy Corporate Administrator, the Communications and Events Coordinator, an Administrative Assistant and two Bylaw Officers.

ENGINEERING

The City of Trail Engineering Department provides support to the Administration and Public Works Departments. The department is also responsible for maintaining City maps, G.I.S, plans, and providing legal descriptions to property owners. The team consists of three Engineering Technicians who can also provide property owners with information regarding services to their property, as well as property dimensions.

FINANCE

The Finance Department provides support services to the municipality, as well as maintaining and communicating financial information to the public, Council and staff. Some of the services provided by the department include:

- Accurate billing and collecting of utility and property tax accounts.
- Processing of all incoming City revenues.
- Dog licences, bus tickets and other applications, licences and permits.
- Maintaining accurate tax related rolls.
- Preparing yearly financial plans and reports as required by legislation.
- Maintaining annual Operating and Capital Budgets.
- Safeguarding and administering the assets of the City through proper internal controls, risk management, accounting systems and policies and procedures.

The team consists of the Deputy Director of Finance and three staff members who provide accounts receivable, accounts payable, payroll and property tax account services.

In 2021, the City added three new vehicles to the fleet for Bylaw and Public Works.
PHOTO: MIKE HOCKLEY

PROTECTIVE SERVICES

Protective services are comprised of police services provided by the Royal Canadian Mounted Police, bylaw enforcement and the Provincial Emergency Program. Police services include administration, crime investigation and prevention, traffic, prisoner custody and court liaison expenses.

INFORMATION SYSTEMS TECHNOLOGY

The City of Trail has the benefit of a comprehensive Information Systems Department that implements information technology for the City of Trail. The team maintains a long-term information systems plan and investigates emerging technologies for potential adoption. Annual capital plans are evaluated on an ongoing basis with a goal to specifically prioritize projects in order that effective management of the department continues. The team consists of an Information Systems Coordinator and an Information Systems Technician.

PARKS & RECREATION

The City of Trail Parks & Recreation Department is responsible for providing community-based recreation programs and services and first-class recreation facilities to the Greater Trail area. The department provides services related to recreation, leisure and culture including administration and program costs as well as grounds and building maintenance. Facilities managed within this area include the Trail Memorial Centre, the Trail Aquatic and Leisure Centre, the Fieldhouse as well as 20 developed parks and playgrounds. The team consists of the Director of Parks & Recreation, the Deputy Director of Parks & Recreation, the Aquatic, Recreation and Facility Coordinators and several aquatic and facility staff members who lead programs and maintain the facilities.

PLANNING

The Planning Policy is set by Council through an Official Community Plan and is implemented through a Zoning Bylaw. The City's Zoning Bylaw regulates the use and development of property in the City. Before considering locating any business in a commercial area or planning any kind of construction, the Planning Department can check for the current zoning of a property. The department can also assist with information pertaining to subdividing a property by altering the legal property boundaries (dividing a property into smaller lots, creating a bare land strata or changing the alignment of an existing property line). The department can also assist with any conflicts that may exist with the Zoning Bylaw, and applications for rezoning of a property through the Board of Variance.

PUBLIC WORKS

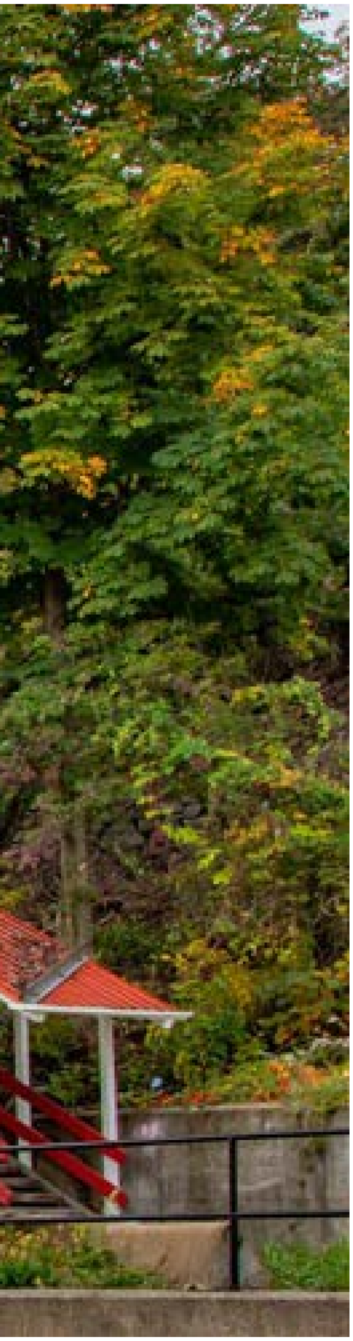
The City of Trail Public Works Department takes pride in providing efficient and responsive services to the citizens of Trail. The Public Works crew maintains the Columbia River Skywalk, 76 kilometers of roads, 88 hectares of parks and green spaces, a large underground utility system, the Mountain View Cemetery, a rapid rate filtration Water Treatment Plant, street lights, traffic lights and signals, parking lots and on-street parking as well as maintenance of workshops, yards and other buildings. The mandate is to provide a safe, efficient, environmentally-sensitive and cost effective transportation network. The team consists of the Director of Public Works, the Utilities Superintendent, the Roads Superintendent, the Purchasing and Mechanical and Superintendent, the Airport Manager and numerous crew members who provide indoor and outdoor maintenance and repair for the City's facilities and infrastructure.

TRAIL MUSEUM & ARCHIVES

The City of Trail owns and operates the Trail Riverfront Centre, a facility that houses the Trail Museum & Archives, the Trail & District Public Library and the Trail Visitor Centre. The Trail Museum & Archives are managed by City staff and consists of the Museum & Archives Manager and a Collections Coordinator.

TRAIL REGIONAL AIRPORT

The City of Trail owns and operates the Trail Regional Airport (YZZ). YZZ services 20,000+ passengers annually with Pacific Coastal Airlines' daily service to YVR's South Terminal. The YZZ teams consists of an Airport Manager, a ground crew and staff of the contracted air service provider, Pacific Coastal Airlines.



THE CORPORATION OF THE CITY OF TRAIL
Year Ended December 31, 2021

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Chief Financial Officer's Report

On behalf of the Finance Department, I am pleased to present the City of Trail's 2021 Annual Report. The report contains the audited consolidated financial statements, the auditor's report, and a summary of the financial and operating services of the City, pursuant to Sections 98 and 167 of the Community Charter.

The City maintains a system of internal controls for financial statement reliability and protection of City assets. The system includes budget preparation, safekeeping of City funds, receiving monies paid to the municipality, investing in authorized investments, expending funds as authorized by Council, and ensuring accurate and complete accounting of all financial transactions.

The preparation and presentation of the financial statements and related information in the Annual Report is the responsibility of the Finance Department. Staff provides support to the external auditors during the yearend audit by preparing the working papers and ensuring unrestricted access to all related financial information.

The consolidated financial statements for the year ended December 31, 2021, included in this report, were prepared by City staff in accordance with Canadian Public Sector Accounting Standards. The consolidated financial statements have been audited by Grant Thornton Chartered Professional Accountants, resulting in an unqualified audit opinion, which can be reviewed on the following pages.

2021 OPERATING RESULTS

With the City having a number of services that were deeply impacted by COVID-19 pandemic, like the airport and recreation facilities, it was encouraging to see an increase in their use and the corresponding revenue increase as compared to 2020. Another positive result in revenues was the increase in building permit revenue, which is not surprising as it was consistent with the many home building and improvement projects Canadians undertook during the pandemic.

An important note for the community to know is that in 2021 the City received $576,000 in provincial unconditional grants (revenue sharing and traffic fine sharing). Without these annual provincial grants, the City would have needed to increase taxes by approximately 4%.

On the expense side most, City services were in line with what was budgeted; however, with the RCMP not being at their full authorized strength, it resulted in Protective Services being under budget. There is a correlation with general government being underbudget and the sewer and water operations being over budget this year. In 2021, an allocation of administrative wages and expenses were apportioned to the utilities in order to recognize the administrative office management costs that these services incur.

Overall, the 2021 financial results were in line with what had been budgeted and expected for the year, taking into consideration the unknown future impact of COVID-19.

CAPITAL SPENDING AND RESERVES

The City was successful in their over $2 million 100% grant funded application to undertake the Violin Lake Dam decommissioning and restoration project. The majority of the work, $1.5 million, was completed in 2021, but the City is expected to monitor for erosion and the re-wilding of the area over the next couple of years.

Capital work continues in the City's recreation facilities with the Butler Park tennis/pickleball courts upgrade, The Trail Aquatic & Leisure Centre roof replacement, and remediation and repairs to the Butler Park baseball facility.

Replacement of key equipment was successful in 2021 with a new Public works Vactor unit, an airport plow truck, and a bylaw vehicle. If staff are going to effective and efficient in carrying out their work, they need to have the proper equipment.

On the utility side, the successful completion of the combined water, sewer, storm sewer Green Avenue Hill project was the main priority and highlight of 2021.

The City has a number of reserve funds and these are and will be key contributors to the capital plans going into the future. The sale of the land from the old union hotel site for the commercial development of a Dairy Queen resulted in visual and operational upgrade to this main thoroughfare area of the City. In addition, it added $440,000 to the land sale reserve that can be used for future capital projects.

LONG-TERM DEBT

The long-term debt issued and outstanding as of December 31, 2021 was $15.6 million. In 2020, this balance was $16.6 million.

The City's long-term debt falls under two classifications—General debt and Utility debt. General debt is funded through taxation while Utility debt is funded and repaid through the related water and sewer rates.

The outstanding debenture debt at the end of 2021 for each of the City's funds is:

General $14,037,980 Water $981,181 Sewer $564,880

The City continued to experience financial pressure in 2021 due to operating an airport and recreation facilities that were deeply impacted by the pandemic. However, green shoots of growth and a positive improvement in patron use provides optimism that usage will meet and exceed pre-pandemic levels in the near future. The City strives to be innovative and creative in how it delivers services while working hard to make good use of every tax and utility dollar that is received. The City commits to being a good steward of the funds it receives and accountable in resource allocation while being sensitive to public needs and expectations.

Colin McClure
City of Trail Chief Administrative Officer/ Chief Financial Officer

RESPONSIBILITY FOR FINANCIAL REPORTING

Management is responsible for the preparation of the accompanying consolidated financial statements. The financial statements have been prepared in accordance with the accounting principles disclosed in Note 1 to the consolidated financial statements and include amounts that are based on estimates and judgments. Management believes that the financial statements fairly present The Corporation of the City of Trail's financial position and results of operations. The integrity of the information presented in the financial statements, including estimates and judgments relating to matters not concluded by fiscal year-end, is the responsibility of management. The consolidated financial statements have been approved by Council.

Management has established and maintained appropriate systems of internal control including policies and procedures, which are designed to provide reasonable assurance that The Corporation of the City of Trail's assets are safeguarded and that reliable financial records are maintained to form a proper basis for preparation of the consolidated financial statements.

The independent external auditors, Grant Thornton LLP, have been appointed by Council to express an opinion as to whether the consolidated financial statements present fairly, in all material respects, The Corporation of the City of Trail's financial position, results of operations, and changes in net financial assets in conformity with the accounting principles disclosed in Note 1 to the consolidated financial statements. The report of Grant Thornton LLP follows and outlines the scope of their examination and their opinion on the consolidated financial statements.

Colin McClure, CPA, CA
Chief Financial Officer

GrantThornton

Independent Auditor's Report

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To the Mayor and Council of
The Corporation of the City of Trail

Opinion

We have audited the consolidated financial statements of The Corporation of the City of Trail (the "City"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, change in net debt, cash flows, and schedule A for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2021, the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. Exhibit I is presented for purposes of additional analysis and is not a required part of the financial statements. Such supplemental information has not been subject to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

Emphasis of matter

We draw attention to Notes 22, 23, and 24 of the financial statements, which explain that certain comparative information presented for the year ended December 31, 2020 has been restated. Our opinion is not modified in respect of these matters.

Responsibilities of management and those charged with governance for the consolidated financial statements

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

Independent Auditor's Report (continued)

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Trail, Canada
December 12, 2022

Chartered Professional Accountants

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2021

	2021	2020 (Restated Note 22 to 24)
Financial Assets		
Cash & cash equivalents (Note 2)	$ 22,401,569	$ 19,158,509
Accounts receivable (Note 3)	2,304,509	1,170,942
Long-term accounts receivable (Note 4)	4,546	4,872
MFA deposits (Note 5)	294,695	289,765
	25,005,319	**20,624,088**
Financial Liabilities		
Accounts payable and accrued liabilities (Note 6)	4,519,816	2,639,104
Deferred revenue (Note 7)	2,171,208	1,673,905
Accrued future payroll benefits (Note 8)	976,015	765,795
Long-term debt (Note 9)	15,584,041	16,579,812
Total reserves	23,251,080	21,658,616
Net Financial Assets	**1,754,239**	**(1,034,528)**
Non-Financial Assets		
Tangible capital assets (Note 10)	105,964,200	104,972,190
Inventory (Note 11)	139,852	126,530
Prepaid expenses	175,608	182,058
Property acquired for taxes	88,040	80,345
	106,367,700	**105,361,123**
Accumulated Surplus (Note 12)	**$ 108,121,939**	**$ 104,326,595**

Commitments and Contingencies (Note 16)

Colin McClure, CPA, CA

Chief Financial Officer

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF OPERATIONS

For Year End December 31, 2021

	2021 Budget (Note 19)	2021	2020 (Restated)
Revenue			
Taxes	$ 16,534,250	$ 15,977,551	$ 15,442,010
Sale of services	1,320,150	1,470,901	1,186,991
Other revenue from own sources	894,750	1,450,545	1,438,030
Investment income	112,000	393,318	376,538
Government transfers - unconditional (Note 17)	560,000	618,325	612,425
Government transfers - conditional (Note 17)	1,643,550	4,539,714	3,475,614
Water user fees	1,681,750	1,655,827	1,621,078
Sewer user fees	1,117,850	1,159,261	1,147,432
Gain on disposal of tangible capital assets	-	-	33,348
	23,864,300	**27,265,442**	**25,333,466**
Expenses			
General government	3,182,550	2,768,502	3,026,215
Protective services	2,466,650	2,216,027	2,307,001
Transportation services	3,806,050	3,746,560	3,858,404
Environmental health services	370,700	376,593	336,336
Public health and welfare services	308,350	284,462	333,389
Parks, recreation and cultural services	4,379,400	4,877,508	4,015,877
Interest and other debt charges	616,650	667,291	578,463
Water utility operations	1,667,800	1,852,013	1,515,459
Sewer utility operations	736,150	927,815	569,698
Library	530,800	637,972	586,680
Airport operations	587,550	578,654	486,001
Amortization	4,237,450	3,940,071	4,064,875
Loss on disposal of tangible capital assets	-	596,630	-
	22,890,100	**23,470,098**	**21,678,398**
Annual surplus	**974,200**	**3,795,344**	**3,655,068**
Accumulated surplus, beginning of the year	**104,326,595**	**104,326,595**	**100,671,527**
Accumulated surplus, end of the year	$ 105,300,795	$ 108,121,939	$ 104,326,595

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN NET FINANCIAL ASSETS

For the Year Ended December 31, 2021

	2021 Budget (Note 19)	2021	2020 (Restated)
Annual surplus	$ 974,200	$ 3,795,344	$ 3,655,068
Acquisition of tangible capital assets	(7,604,150)	(6,137,709)	(3,678,801)
Amortization of tangible capital assets	4,237,450	3,940,071	4,064,875
Proceeds on sale of tangible capital assets	-	608,998	256,760
Loss (gain) on disposal of tangible capital assets	-	596,630	(33,348)
	(2,392,500)	2,803,334	4,264,554
Property acquired for taxes	-	(7,695)	39,706
Consumption of supply inventory & prepaid expenses	-	(6,872)	10,621
	-	(14,567)	50,327
Increase (decrease) in net debt	(2,392,500)	2,788,767	4,314,881
Net debt, beginning of year	(1,034,528)	(1,034,528)	(5,349,409)
Net assets (debt), end of the year	$ (3,427,028)	$ 1,754,239	$ (1,034,528)

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

THE CORPORATION OF THE CITY OF TRAIL

CONSOLIDATED STATEMENT OF CASH FLOWS

For Year End December 31, 2021

		2021		2020 (Restated)
Cash Provided by (Used In)				
Operating Activities				
Annual surplus	$	3,795,344	$	3,655,068
Items not involving cash:				
Amortization of tangible capital assets		3,940,071		4,064,875
Actuarial adjustments		(251,252)		(224,586)
Loss (gain) on disposal of tangible capital assets		596,630		(33,348)
		8,080,793		7,462,009
Increase (decrease) in non-cash operating items:				
Accounts receivable		(1,133,567)		580,062
Long-term accounts receivable		326		307
MFA deposits		(4,930)		(5,843)
Accounts payable and accrued liabilities		1,880,712		23,060
Deferred revenue		497,303		177,929
Accrued future payroll benefits		210,220		61,402
Inventory		(13,322)		(3,307)
Prepaid expenses		6,450		13,927
Property acquired for taxes		(7,695)		39,706
Total reserves		9,516,290		8,349,252
Financing Activities				
Long-term debt repayment		(744,519)		(735,953)
		(744,519)		**(735,953)**
Capital Activities				
Proceeds from disposal of tangible capital assets		608,998		256,760
Acquisition of tangible capital assets		(6,137,709)		(3,678,801)
		(5,528,711)		(3,422,041)
Net increase (decrease) in Cash		3,243,060		4,191,258
Cash, beginning of year		19,158,509		14,967,251
Cash, end of year	$	22,401,569	$	19,158,509

The accompanying summary of significant accounting policies and notes form an integral part of these consolidated financial statements

1. Significant Accounting Policies

The Corporation of the City of Trail (the "City") is a local government in the Province of British Columbia. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards.

The following is a summary of the City's significant accounting policies:

(a) Basis of presentation

The City of Trail's resources and operations are segregated into General, Water Utility, Wastewater Utility and Reserve Funds for accounting and financial reporting purposes. The consolidated financial statements include all the accounts of these funds. All material interfund transactions and balances have been eliminated within the consolidated financial statements.

(b) Revenue recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues.

Taxation revenue

Annual levies for non-optional municipal services and general administrative services are recorded as taxes for municipal purposes. Levies imposed by other taxing authorities are not included as taxes for municipal purposes. Taxes are recognized as revenue in the year they are levied.

Sale of services and user fees

Sale of services and user fee revenues are recorded on the accrual basis and recognized as earned when the service or product is provided or facilities are utilized.

Grant revenues

Grant revenues are recognized when the funding becomes receivable. Non-government conditional grant revenue is recognized to the extent the conditions imposed on it have been fulfilled. Grants for the acquisition of tangible capital assets are recognized in the period in which eligible expenditures are made. Revenue unearned in the current period is recorded as deferred revenue.

Government transfers

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

Investment income

Investment income is recorded on the accrual basis and recognized when earned.
A portion of the City's investments are invested in pooled funds of the Municipal Finance Authority of British Columbia. Earnings on these funds are allocated to the members from time to time based on the market value of the pool. The City recognized only its share of the realized earnings of the pool. This revenue is recorded as investment income and the amount is added to the cost base of the investment.

(c) Deferred revenue

Deferred revenue represents funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes as well as licenses, permits, other fees and grants which have been collected, but for which the related services have not been performed and or projects have not been constructed. These amount will be recognized as revenues in the fiscal year in which it is used for the specified purpose, the services are performed and or the projects are constructed.

(d) Financial instruments

The City's financial instruments consist of cash and investments, accounts receivable, longterm accounts receivable, due from other governments, trades accounts payable and accrued liabilities, employee benefit plans and long-term debt. It is management's opinion that the City 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.

1. Significant Accounting Polices (continued):

(e) Accrued future payroll benefits

The City records the cost of future payroll benefits over the employee's term of employment. Upon retirement a portion of accumulated sick leave credits are paid to the employee based on years of service.

(f) Interest and actuarial gains on long-term debt

The City records interest expense on long-term debt on an accrual basis and actuarial gains when realized as a reduction of the principal balance.

(g) Tangible Capital Assets

Tangible capital assets, comprised of tangible capital assets and tangible capital assets under construction, are recorded at cost 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:

Buildings	10 - 75	years
Furniture, equipment & vehicles	4 - 20	years
Technology	4 - 10	years
Transportation infrastructure	10 - 100	years
Parks and cemetery	10 - 50	years
Water, sewer and storm drain infrastructure	10 - 100	years

(h) 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..

(i) Inventory

Inventory of supplies held for consumption are recorded at the lower of weighted average cost and replacement cost.

(j) Statutory reserves

Statutory reserves are funds that have been restricted by Council. Formal establishing bylaws have been adopted pursuant to the Community Charter, which define how these reserves are to be used.

(k) Reserves set aside by Council

Reserves set aside by Council are non-statutory reserves which represent an appropriation of surplus for specific purposes. These internally restricted funds are not available for unrestricted purposes without the approval of Council.

(l) Use of estimates

The preparation of consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported revenues and expenses during the reporting period. Significant areas requiring estimates include the estimated useful life and related amortization of tangible capital assets, future payroll benefits, allowance for doubtful accounts and provision for contingencies. Actual results could differ from management's best estimates as additional information becomes available in the future.

(m) Budget

Budget data presented in these consolidated financial statements is based on the City's Five Year Financial Plan for the years 2021-2025, adopted by Council on April 12, 2021.

1. Significant Accounting Polices (continued):

(n) **Municipal Pension Plan**

The City's pension plan follows the guidelines of the Municipal Pension Plan which is administered by the Province of British Columbia for all British Columbia municipalities. The City and its employees contribute to the Municipal Pension Plan (a jointly trusteed pension plan). The board of trustees, representing plan members and employers is responsible for administering the plan, including investment assets and administration of benefits. The plan is a multi-employer defined benefit plan.

(o) **Liability for contaminated sites**

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceeds an environmental standard. The liability is recorded net of any expected recoveries. A liability for remediation of contaminated sites is recognized when a site is not in productive use and all of the following criteria are met:

- An environmental standard exists;
- Contamination exceeds the environmental standard;
- The City:
  - Is directly responsible; or
  - Accepts responsibility;
- It is expected that future economic benefits will be given up;
- A reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance, and monitoring that are an integral part of the remediation strategy for a contaminated site.

There were no liabilities recorded as at December 31, 2021.

2. Cash and cash equivalents:

Cash and cash equivalents in the statement of consolidated financial position are comprised of:

	2021	2020 (Restated)
Cash	$ 18,724,023	$ 15,478,284
MFA money market funds	3,677,546	3,680,225
	$ 22,401,569	$ 19,158,509

Municipal Finance Authority (MFA) pooled investment funds are considered equivalent to cash because of their liquidity.

3. Accounts Receivable:

Accounts receivable are recorded net of allowance and are comprised of the following:

	2021	2020 (Restated)
Property taxes	$ 403,481	$ 386,866
Utility billings	227,170	216,843
Other governments	172,968	92,323
Trade & other receivables	1,500,890	474,910
	$ 2,304,509	$ 1,170,942

4. Long-term accounts receivable

In January 2017, City Council adopted a bylaw, the Lerose Street Water Supply Parcel Tax Bylaw No. 2823, 2017. This authorized the City to install a new water service connection to the property at 314 Lerose Street with the construction costs to be financed by the City and repaid by the property owners by way of a parcel tax.

5. Municipal Finance Authority debt reserve fund

The City issues its debt instruments through the MFA. As a condition of these borrowing, the City is obligated to lodge security through a debt reserve fund, made up of demand notes and interest bearing cash deposits based on the amount of borrowing. The deposits are included in the City's financial statements as MFA cash deposits. If the debt is repaid without default, the deposits are refunded to the City. The demand notes, which are contingent in nature, are held by the MFA to act as security against the possibility of debt repayment default and are not recorded in the financial statements. Upon maturity of a debt issue, the demand notes are released and the cash deposits are refunded to the City.

As at December 31, 2021, the total of the Debt Reserve Fund was comprised of:

	2021 Cash deposit	2021 Demand note	2020 (Restated) Cash deposit	2020 2020 Demand note
General fund	$ 219,573	$ 389,622	$ 215,901	$ 389,622
Sewer utility	39,892	78,038	39,224	78,038
Water utility	35,230	59,373	34,640	59,373
	$ **294,695**	$ **527,033**	$ **289,765**	$ **527,033**

6. Accounts Payable and Accrued Liabilities:

	2021	2020 (Restated)
Trades payable	$ 4,036,055	$ 2,454,325
Accrued wages and benefits	370,986	184,780
Accrued interest	112,775	-
	$ **4,519,816**	$ **2,639,105**

7. Deferred Revenue

	Opening Balance	Contributions Received	Revenue Recognized	Ending Balance
Federal Gas Tax Grant *	$ 937,845	$ 776,935	$ (1,714,780)	$ -
Tax prepayments	185,826	361,147	(307,594)	239,379
Utility prepayments	45,579	33,696	(54,859)	24,416
Other Grants	374,471	1,949,606	(793,178)	1,530,899
Other	130,184	673,314	(426,984)	376,514
	$ **1,673,905**	$ **3,794,698**	$ **(3,297,395)**	$ **2,171,208**

* The Federal Gas Tax grant is recognized into revenue and immediately transferred into the Community Works Fund reserve.

8. Accrued future payroll benefits

		2021		2020
Holiday pay	$	341,172	$	279,808
Sick leave		569,525		427,860
Sick leave		65,318		58,127
	$	**976,015**	$	**765,795**

The City accrues holiday pay, sick leave, and banked overtime as they are earned by the employee, however, it is expected that these substantially funded liabilities will be met on a continuous basis over the long-term. Payment of these amounts will be funded from revenues of the period in which they are settled.

Unionized employees are entitled to earned benefits related to non-vested accumulating sick leave and sick leave gratuity. The liability and expense for these post-employment benefits and compensated absences ar recognized in the consolidated financial statements in the period in which employees render services and on the basis and the benefits are expected to be provided when the employees are no longer providing active service.

The liabilities reported in 2021 are based on the City's policy to fully recognized and accrue the benefit using the following valuation assumptions

Discount rate	2.90%
Inflation rate	5.10%
Expected compensation increase	13,400

Employee benefit liabilities as at December 31, 2021 and the continuity of the City's employee benefit liabilities are as follows

		2021		2020
Beginning of the year	$	418,504	$	430,263
Add: Current service costs		7,626		13,371
Interest cost		3,251		3,898
Less: Actual benefits paid		(8,002)		(29,028)
	$	**421,379**	$	**418,504**

The City manages the payment of these future payroll obligations as they become due in the current operating budget. The actuarial valuation accrued benefit obligation as at December 2017 was $450,900

The deferred liability related to sick leave is valued at management's best estimate, which is based on past experience and assumptions about retirement, wage, and salary increases and employee turnover.

9. Long-term debt

Debt Bylaw # Purpose of Bylaw	Interest Rate %	Year of Maturity	Original Issue	2021 Balance	2020 Balance
General purposes:					
2781 Riverfront Centre	2.80%	2042	$ 6,288,000	$ 5,566,465	$ 5,754,920
2809 Riverfront Centre	2.80%	2027	1,095,700	695,836	800,282
2775 Columbia River Skywalk	2.60%	2041	4,916,000	4,239,184	4,384,017
2716 TALC - HVAC	3.85%	2033	2,482,200	1,714,136	1,823,828
2467 RCMP Detachment	1.75%	2027	2,700,000	972,359	1,108,505
2836 Airport Terminal	0.00%	2038	1,000,000	850,000	900,000
			18,481,900	14,037,980	14,771,552
Water purposes:					
2668 Tadanac Water Line	2.90%	2028	1,700,000	750,791	842,192
2476 Water (Specified Area)	1.75%	2026	750,000	230,390	270,099
			2,450,000	981,181	1,112,291
Sewer purposes:					
3109 Sewer improvements	1.80%	2025	2,148,000	564,880	695,969
			2,148,000	564,880	695,969
Total long-term debt				$ 15,584,041	$ 16,579,812

Principal payments and expected actuarial additions for the next 5 years and thereafter are as follows:

	General	Water	Sewer	Total
2022	$ 758,622	$ 136,752	$ 135,022	$ 1,030,396
2023	784,630	142,639	139,072	1,066,341
2024	811,633	148,783	143,244	1,103,660
2025	839,671	155,194	147,542	1,142,407
2026	868,785	161,884	-	1,030,669
Thereafter	9,974,639	235,929	-	10,210,568
	$ 14,037,980	$ 981,181	$ 564,880	$ 15,584,041

10. Tangible capital assets

	Cost	Accumulated Amortization	2021 Net Book Value	2020 Net Book Value
Land	$ 11,194,703	$ -	$ 11,194,703	$ 10,677,773
Buildings	42,271,070	20,326,881	21,944,189	22,457,433
IT, equipment & furniture	16,831,033	13,234,013	3,597,020	3,580,443
Transportation infrastructure	54,949,552	33,080,697	21,868,855	22,493,533
Parks & cemetery	6,123,498	2,041,140	4,082,358	3,644,739
Water infrastructure	38,986,252	13,561,552	25,424,700	25,566,542
Sewer infrastructure	12,069,375	3,572,090	8,497,285	8,149,292
Storm sewer infrastructure	12,067,594	4,114,943	7,952,651	7,936,247
Assets under construction	1,402,439	-	1,402,439	466,188
	$ 195,895,516	**$ 89,931,316**	**$ 105,964,200**	**$ 104,972,190**

See schedule of tangible capital assets for more information.

11. Inventory

Inventories recognized in the statement of consolidated financial position are comprised of:

	2021	2020
General	$ 36,508	$ 39,642
Water system	92,304	76,351
Sewer system	11,040	10,537
	$ 139,852	**$ 126,530**

12. Accumulated surplus

	2021	2020
Restricted Reserves		
Capital projects	$ 508,375	$ 507,191
Climate action	96,213	96,066
Community works fund	1,437,802	-
Equipment replacement	593,947	246,535
Fieldhouse	216,320	216,055
Insurance	206,848	206,848
Library	39,594	-
Local improvements	374,442	373,604
Water	196,223	195,924
	3,669,764	**1,842,223**
Statutory reserves		
Land sales	659,547	220,5891
Off street parking	38,302	30,163
Tax sale	25,703	25,664
	723,552	**276,416**
Total reserves	4,393,316	2,118,639
Operating		
General	6,753,869	7,206,751
Water	2,539,014	2,695,704
Sewer	3,082,951	3,195,267
Library	173,296	142,457
	12,549,130	13,240,179
Capital		
General	407,566	316,603
Water	93,958	93,816
Sewer	297,809	164,980
	799,333	**575,399**
Invested in tangible capital assets	90,380,160	88,392,378
Total accumulated surplus	$ 108,121,939	$ 104,326,595

13. Trust Funds:

The Cemetery Care Trust Fund, made up of the Mountain View Mausoleum and Cremains & Plots, is not reported in these consolidated financial statements. The following is a summary of Trust Fund transactions for the year:

		2021		2020
Balances, beginning of year	$	638,979	$	628,092
Contributions received		8,303		5,971
Interest earned		1,295		4,916
Balances, end of year	$	648,577	$	638,979

14. Taxes levied for other paid authorities

In addition to taxes levied for municipal purposes, the City is legally obligated to collect and remit taxes levied for the following authorities. These collections and remittances are not recorded as revenue and expenses.

		2021		2020
Provincial Government - school taxes	$	3,081,321	$	2,312,906
Regional District of Kootenay Boundary		4,658,448		4,655,117
West Kootenay Boundary Hospital District		450,967		483,610
British Columbia Assessment Authority		166,707		164,871
Municipal Finance Authority		412		395
	$	8,357,855	$	7,616,899

15. Pension plan

In addition to taxes levied for municipal purposes, the City is legally obligated to collect and remit taxes levied The City of Trail and its employees contribute to the Municipal Pension Plan (a jointly trusteed pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2020, the plan has about 220,000 active members and approximately 112,000 retired members. Active members include approximately 42,000 contributors from local governments.

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 entryage 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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a $2,866 million funding surplus for basic pension benefits on a going concern basis. The City of Trail paid $551,621 (2020 - $528,657) for employer contributions to the plan in fiscal 2021.

The next valuation will be as at December 31, 2021 with results available in 2022. 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 individual employers participating in the plan.

16. Commitments and contingencies

Regional District of Kootenay Boundary (District) debt
Regional District debt is, under the provisions of the Community Charter of B.C., a direct, joint and several liability of the District and each member municipality within the District including the City of Trail.

Claims for damages
In the normal course of a year the City is faced with lawsuits and claims for damages of a diverse nature. The City records an accrual in respect of legal claims that are likely to be successful and for which a liability amount is reasonably determinable. The remaining claims, should they be successful, will be recorded when a liability is likely and determinable.

Reciprocal insurance exchange agreement
The City is a subscribed member of the Municipal Insurance Association of British Columbia (the "Exchange") as provided by Section 3.02 of the Insurance Act of British Columbia. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange agreement, the City is assessed a premium and specific deductible based on population and claims experience. The obligation of the City with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several and not joint and several. The City irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other Subscriber may suffer.

Indemnification
Pursuant to the Community Charter, the Council of the City is authorized to indemnify, defend, reimburse and save FortisBC harmless from and against any loss or liability FortisBC may suffer or incur arising from the existence or escape of any contaminant on or in the parcel described as Lots 1 to 10, Block1, District Lot 230, Kootenay District Plan 465 and Block1, District Lot 230, Kootenay District Plan 465. The indemnity is limited to a maximum of $15 million in 1992 dollars and shall expire not later than 50 years from August 31st, 1992.

Old Bridge
The City of Trail retired the "Old Bridge" from active service on October 22, 2010. Prior to this date, the City had contracted annual structural assessments of the Old Trail Bridge. At that time, it was the contracted Engineering firm's opinion that the "current capacity of the bridge piers to resist unusual loads is insufficient to meet current standards". The contracted Engineering firm recommended the bridge to be closed to all public use. The City promptly closed the Old Bridge indefinitely.

The City has received Engineering demolition cost estimates regarding the Old Bridge. These estimates range from $4.5 million to $8 million in 2016 dollars. The City also has had discussions and continues to discuss demolition costs funding options with the Provincial government. To date, no funding solution has been established. Therefore, as at the financial statement date, it is uncertain as to the City of Trail's funding portion or to a potential demolition date. No liability is recorded in these statements because there is insufficient information to reasonably estimate the expected costs.

17. Government transfers

Grants received during the year were composed of the following government transfers and other:

	2021	2020
Federal government	$ 2,975,922	$ 20,630
Provincial government	974,027	2,795,985
Regional/other	1,221,877	1,271,424
	$ 5,171,826	**$ 4,088,039**

18. Segmented information

The City is a diversified municipal government institution that provides a wide range of services to its citizens. City services are provided by departments and their activities are reported in these service areas. Departments disclosed in the segmented information, along with the services they provide, are as follows:

General government services
The departments and divisions within general government services are responsible for adopting bylaws; adopting administrative policy; levying and collecting taxes and utilities; acquiring, disposing and managing City assets; developing and maintaining information technology systems and applications; ensuring effective financial management and communication; administering City grants; developing an effective labour force; administering collective agreements and payroll; emergency planning; economic development; monitoring and reporting performance; preparing land use plans, bylaws and policies for sustainable development of the City; and ensuring that high quality City service standards are met.

Protective services
Protective services are comprised of police services, provided by the Royal Canadian Mounted Police, bylaw enforcement and the Provincial Emergency Program. Police services include, administration, crime investigation & prevention, traffic, prisoner custody and court liaison expenses. The costs for the maintenance and repair of the RCMP station are included in this segment. Bylaw is responsible for parking and other bylaw enforcement, as well as domestic animal control.

Transportation services
Transportation services are responsible for the delivery of municipal works services related to the planning, development and maintenance of the City's physical infrastructure including roads, bridges, sidewalks, drainage systems, street & traffic lights, civic buildings and facilities. The mandate is to provide a safe, efficient, environmentally-sensitive and cost-effective transportation network.

Environmental health
Environmental health services consists of providing solid waste and recycling collection services to citizens. This service is contracted to a third party.

Public health and welfare
Public health and welfare consist of the operation, maintenance and development of a public cemetery.

Parks, culture and recreation services
Parks, culture and recreation provide services related to recreation, leisure and culture including administration and program costs as well as grounds & building maintenance. Facilities managed within this area include the, parks & playgrounds, arenas, swimming pools and stadiums. The Trail Memorial Centre, The Trail Aquatic & Leisure Centre, Butler Park and Trail Riverfront centre are some of the larger facilities included in this service.

Library
As a controlled entity, the City reports and is responsible for the successful operations of the Trail and District Public Library.

Airport
The City of Trail owns and operates the Trail Regional Airport (YZZ). The airport provides safe travel services in compliance with Federally mandated regulations.

Water utility operations
The water utility provides the City's world-class drinking water. It maintains the Sunningdale water intake, reservoirs, water mains and pump stations.

Sewer utility operations
The sewer utility is responsible for the collection of sanitary sewage and drainage, as well as the network of sewer mains and pump stations. Treatment and disposal of the sanitary sewage is the responsibility of the Regional District of Kootenay Boundary through the operation of the Columbia Pollution Control Centre.

Statement of operations by object and function:








	General Government	Protective Services	Transportation Services	Environmental Services	Public Health and Welfare
Revenues					
Taxes	$ 15,458,921	$ -	$ -	$ -	$ -
Sales of service	9,187	9,515	283,756	447,338	53,132
Other revenue from own services	777,321	79,276	288,060	-	-
Investment income	227,663	-	-	-	-
Government transfers - unconditional	575,725	-	-	-	-
Government transfers - conditional	2,291,004	1,538,120	-	-	378,858
Water user fees	-	-	-	-	-
Sewer user fees	-	-	-	-	-
	19,339,821	1,626,911	571,816	447,338	431,990
Expenditures					
Wages and benefits	1,541,954	508,853	1,631,791	-	179,944
Supplies and services	1,226,548	1,707,174	2,114,769	376,593	104,518
Interest and other debt charges	-	-	-	-	-
Amortization of tangible capital assets	319,477	89,319	1,517,184	-	40,656
Loss on disposal of capital assets	596,630	-	-	-	-
	3,684,609	2,305,346	5,263,744	376,593	325,118
Annual surplus (deficit)	**$15,655,212**	**$ (678,435)**	**$ (4,691,928)**	**$ 70,745**	**$ 106,872**

Parks Recreation and cultural	Library	Airport	Water Utility	Sewer Utility	2021 Total
$ -	$ -	$ -	$ 518,630	$ -	$ 15,977,551
336,315	4,166	327,492	-	-	1,470,901
280,319	25,569	-	-	-	1,450,545
-	923	-	86,586	78,146	393,318
-	42,600	-	-	-	618,325
227,951	103,781	-	-	-	4,539,714
-	-	-	1,655,827	-	1,655,827
-	-	-	-	1,159,261	1,159,261
844,585	177,039	327,492	2,261,043	1,237,407	27,265,442
2,609,203	469,204	277,000	989,225	539,236	8,746,410
2,268,305	168,768	301,654	862,788	388,579	9,519,696
575,700	-	-	67,813	23,778	667,291
770,247	116,276	333,011	561,161	192,740	3,940,071
-	-	-	-	-	596,630
6,223,455	754,248	911,665	2,480,987	1,144,333	23,470,098
$ (5,378,870)	**$ (577,209)**	**$ (584,173)**	**$ (219,944)**	**$ 93,074**	**$ 3,795,344**

19. Budget data

The reconciliation of the approved budget for the current year to the budget figures reported in these consolidated financial statement is as follows:

		2021
Budget surplus per statement of operations	$	**974,200**
Less: Capital expenditures		7,604,150
Long-term debt principal repayments		686,100
Budgeted transfers to reserves		848,350
Add: Budgeted transfers from surplus and reserves		3,426,450
Amortization		4,237,450
Debt proceeds		500,500
Net annual budget	$	-

20. Comparative Figures

Prior year comparative figures have been restated to conform with the current year's presentation.

21. Change in Community Works Fund classification

In 2014, the City of Trail signed a new Community Works Fund agreement with the Federal Government. The new agreement removed many of the restrictive covenants that had required, under Canadian Public Sector Accounting Standards, the recording of any unused funds as deferred revenue at year end. Although, the City of Trail did not implement this change in 2014 they are making that change in 2021. This change will result in $1,437,802 in unused Community Works Funds to be recognized as revenue in 2021. To ensure these funds are tracked and accounted for a reserve, called Community works funds, has been set up and the funds allocated to it (see Note 12).

22. Consolidation of the Municipal Library in the Financial Statements

It was determined that the Trail and District Public Library should be consolidated with the City's financial statements. The effect on the Statement of Financial position in the prior year is a $267,227 increase in Financial Assets, $125,162 increase in the liabilities and an increase of $392 in Non-financial assets. The effect on the Statement of Operations is an increase in revenue of $176,617, an increase in expenses of $159,710, an increase in the annual surplus of $16,907 and an increase in the accumulated surplus and $125,550. The comparative balances for the year ended December 31, 2020 have been restated to reflect this change.

23. Correction of an Error

Comparative balances for the year ended December 31, 2020 have been restated to reflect the correction of an error with the respect to the elimination of the revenue earned on the MFA cash deposits in a prior year. The effect of this correction is an increase in 2020 to the annual surplus of $5,842, an increase in and MFA cash deposits by $68,967 and an increase to the 2020 opening accumulated surplus by $63,125.

24. Change in Accounting Policy

During the year the City changed its accounting policy with respect to accounting for the Municipal Finance Authority (MFA) debt reserve funds. This change in policy was applied retrospectively with the following effects on the 2020 comparative figures: decrease the MFA debt reserve deposit by $527,033 decrease the MFA debt reserve by $747,832 and increase accumulated surplus by $220,799.

SCHEDULE 1A – SCHEDULE OF OTHER TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2021

	Opening balance	Additions and Reallocation of Assets under Construction	Disposals	Closing balance
Tangible capital assets				
Land	$ 10,677,773	$ 1,641,655	$ (1,124,725)	$ 11,194,703
Buildings	42,054,062	350,441	(133,433)	42,271,070
IT, vehicles & equipment	16,435,526	958,241	(562,734)	16,831,033
Transportation infrastructure	54,484,603	485,615	(20,666)	54,949,552
Parks and cemetery	5,520,772	619,640	(16,914)	6,123,498
Water infrastructure	38,568,459	419,567	(1,774)	38,986,252
Sewer infrastructure	11,528,642	540,733	-	12,069,375
Storm sewer infrastructure	11,946,551	185,568	(64,525)	12,067,594
Assets under construction	466,190	936,249	-	1,402,439
	$ 191,682,578	**$ 6,137,709**	**$ (1,924,771)**	**$ 195,895,516**

SCHEDULE 1A – SCHEDULE OF OTHER TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2021

(Page 2 of Schedule 1A)

Accumulated Amortization opening balance	Amortization Expense	Reduction on Disposals	Accumulated amortization closing balance	Net carrying Amount End of Year
$ -	$ -	$ -	-	$ 11,194,703
19,596,629	841,376	(111,124)	20,326,881	21,944,189
12,855,083	928,993	(550,063)	13,234,013	3,597,020
31,991,070	1,110,293	(20,666)	33,080,697	21,868,855
1,876,033	171,309	(6,202)	2,041,140	4,082,358
13,001,917	561,161	(1,526)	13,561,552	25,424,700
3,379,350	192,740	-	3,572,090	8,497,285
4,010,304	134,199	(29,560)	4,114,943	7,952,651
-	-	-	-	1,402,439
$ 86,710,386	**$ 3,940,071**	**$ (719,141)**	**$ 89,931,316**	**$ 105,964,200**

Province of BC Restart Grant reconciliation

		2021
COVID-19 Restart Grant opening balance	$	1,083,650
Less grant recognition:		
Revenue shortfal		122,228
Facility reopening & operating costs		147,072
Emergency planning and response		122,328
Bylaw and protective services		3,616
Computer & other electronic technology costs		2,893
Remaining grant	$	685,513

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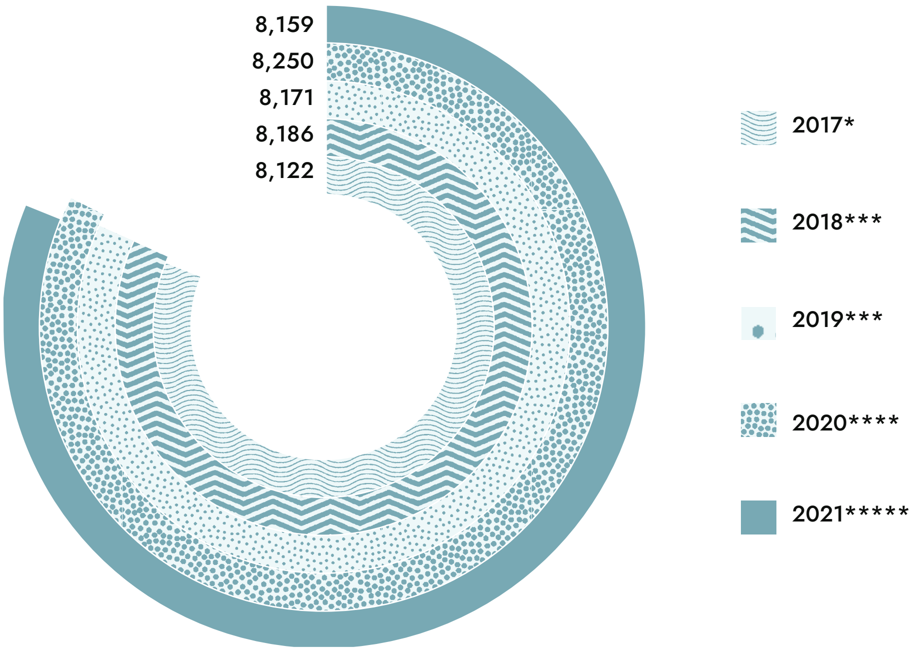
General Municipal Facts

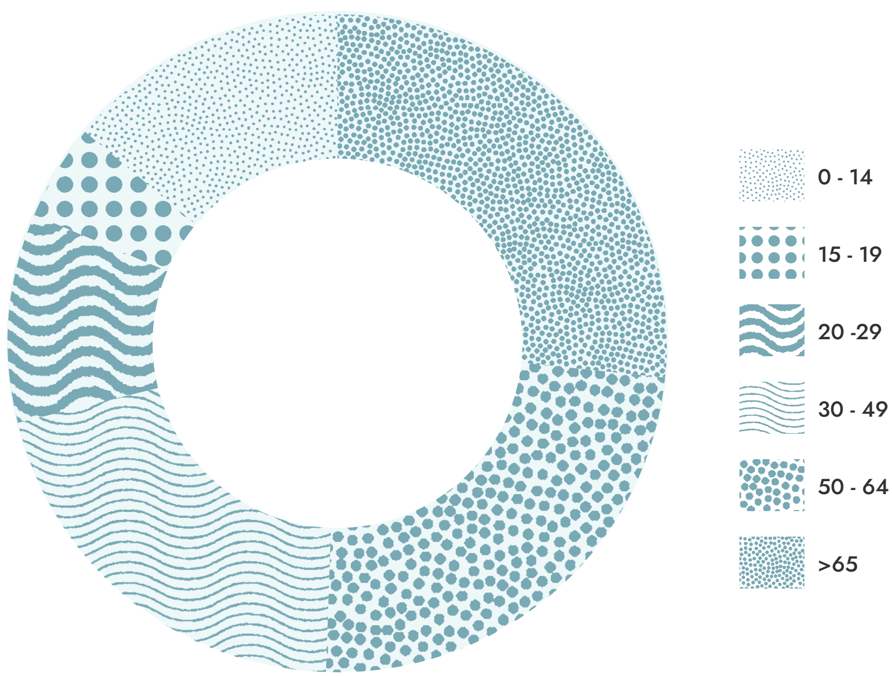
Incorporated:	June 14, 1901
Location:	West Kootenay region of the Interior of British Columbia, located on both banks of the Columbia River, approximately 10km north of the Canada, USA border.
School District:	No. 20, Kootenay – Columbia
Regional District:	Regional District of Kootenay Boundary
Health Authority:	Interior Health Authority
Electoral District, Provincial:	Kootenay West
Electoral District, Federal:	South Okanagan – West Kootenay
Area:	34.87 square kilometers
Population:	8,159 (2021 BC Statistics)
Employees:	110
Council:	1 Mayor, 6 Council
Km of Roads:	81 (paved)
Km of Utilities:	54 (storm), 88 (sanitary), 86 (water)
2021 Operating Budget:	$24.84 million
2021 Capital Budget:	$7.60 million
Banking Institution:	Kootenay Savings Credit Union
Auditors:	Grant Thornton LLP, Chartered Professional Accountants
Solicitor:	McEwan and Co. Law Corporation

Demographic Statistics

POPULATION



AGE OF POPULATION*



* Statistics Canada. 2017. Trail, CY (City) [Census subdivision], British Columbia and Kootenay Boundary, RD (Regional district) [Census division], British Columbia (table). Census Profile. 2016 Census. Statistics Canada Catalogue no. (number) 98-316-X2016001.Ottawa. Released May 3, 2017. http://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm? Lang=E (accessed May 17, 2017).

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/population-estimates (accessed May 17, 2017)

***www2.gov.bc.ca/gov/content/data/statistics/people-population-community/

population/population-estimates (accessed May 22, 2019)

****www2.gov.bc.ca/gov/content/data/statistics/people-population-community/

population/population-estimates (accessed April 29, 2020)

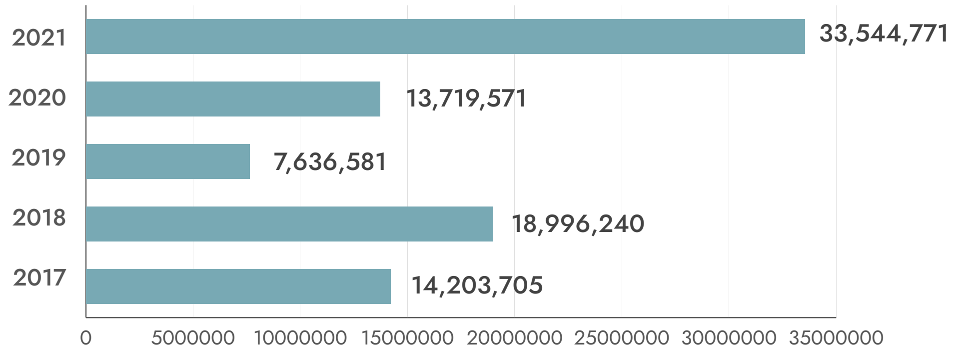
*****www2.gov.bc.ca/gov/content/data/statistics/people-population-community/population/population-estimates (accessed May 17, 2021)

Building Permit Fees and Building Values

	2021	2020	2019	2018	2017
Building Value	33,544,771	13,719,571	7,636,581	18,996,240	14,203,705
Permit Fee Value	259,648	111,339	58,877	143,949	99,787
No. of Permits	147	141	163	170	186

Source: Regional District of Kootenay Boundary

BUILDING VALUE



Assessed Values for General Municipal Purposes, Land and Improvements, General Municipal Tax Rates, Municipal Tax Ratios

ASSESSED VALUES OF LAND AND IMPROVEMENTS

Property Classifications	2021	2020	2019	2018	2017
CL1 - Residential	855,203,900	776,643,100	734,704,200	656,717,300	609,702,900
CL2 - Utilities	16,785,605	16,752,015	16,622,335	16,445,815	16,228,800
CL4 - Major Industry	218,488,900	217,538,200	213,070,300	205,318,700	178,237,100
CL5 - Light Industry	2,666,200	2,656,000	2,642,000	2,689,700	2,378,700
CL6 - Business	128,131,799	126,930,300	125,284,700	120,685,000	115,674,256
CL7 - Managed Forest	655,000	577,000	511,000	522,000	474,000
CL8 - Rec/Non-profit	1,753,600	1,650,100	1,477,000	1,243,000	1,200,900
	1,223,685,004	1,142,746,715	1,094,311,535	1,003,621,515	923,896,656

Source: BC ASSESSMENT 2021 Roll Totals

GENERAL MUNICIPAL TAX RATES (PER $1,000 OF ASSESSED VALUE)

Property Classifications	2021	2020	2019	2018	2017
CL1 - Residential	3.4559	3.5820	3.8076	4.0372	4.0488
CL2 - Utilities	37.7868	37.7149	37.7333	37.6711	38.2085
CL4 - Major Industry	40.2854	38.8325	39.6676	39.7099	43.6542
CL5 - Light Industry	2.7544	2.6507	2.6653	2.5273	2.6601
CL6 - Business	8.6950	8.4249	8.4643	8.5185	8.5430
CL7 - Managed Forest	6.9947	7.6153	8.6014	8.1188	8.3243
CL8 - Rec/Non-profit	4.9177	5.0184	5.6086	6.4272	6.3647

Source: City of Trail Tax Rates Bylaw No. 2903, 2021

MUNICIPAL TAX RATIOS

Property Classifications	2021	2020	2019	2018	2017
CL1 - Residential	1.00	1.00	1.00	1.00	1.00
CL2 - Utilities	10.94	10.53	9.91	9.33	9.44
CL4 - Major Industry	11.66	10.84	10.42	9.84	10.78
CL5 - Light Industry	0.77	0.74	0.70	0.63	0.66
CL6 - Business	2.52	2.35	2.22	2.11	2.11
CL7 - Managed Forest	2.02	2.13	2.25	2.01	2.06
CL8 - Rec/Non-profit	1.42	1.40	1.47	1.59	1.57

Source: City of Trail Finance Department

Principal Corporate Taxpayers 2021

Property Owner/Lessee	Sector	Property
Top 10		
TECK METALS LTD.	Industrial	Multiple Properties
WAL-MART CANADA CORP	Retail	Wal-Mart
CANADIAN TIRE REAL ESTATE LTD	Retail	Canadian Tire
FORTISBC INC	Utility	Hydro Utility
KOOTENAY SAVINGS CREDIT UNION	Financial Services	Multiple Properties
SNOWCAT PROPERTY HOLDINGS LTD	Retail	Safeway
G C WANETA PLAZA LTD	Retail	Waneta Plaza
TERRA NOVA MOTOR INN LTD	Hospitality	Best Western
FERR-MART HOLDINGS LTD	Retail	Ferraro Foods
BOAZ ENTERPRIZES LTD	Hospitality	Crown Point

Source: City of Trail Finance Department

Tax Exemptions - Established by Bylaw 2890, 2020

Folio	Civic Address	Owner/Lessee	Exempted
232 000236.000	1705 Riverside Avenue	Generation to Generation Society	$ 1,781
			$ 1,781

Assessment Exempted	Assessment Class
$158,100	1
$130,700	6

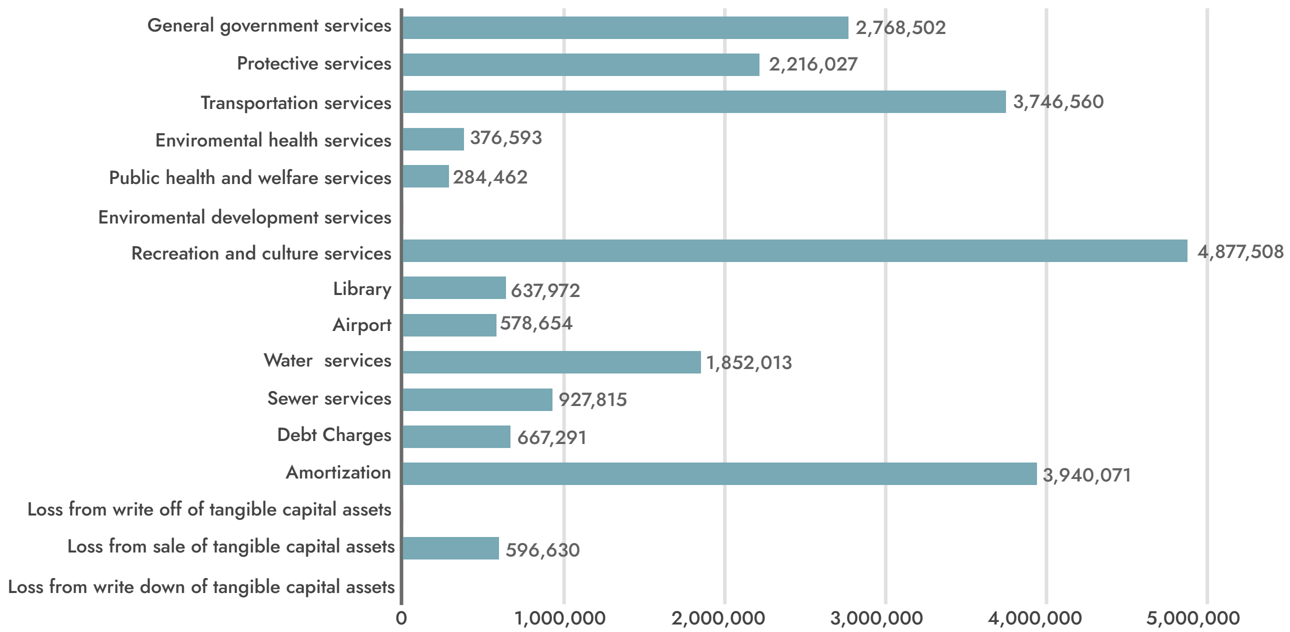
Source: City of Trail, Administration Department, Bylaw No. 2890,2020

Expenses by Function

Expenses by Function	2021	2020 (Restated)	2019	2018	2017
General government services	2,768,502	3,026,215	2,607,952	3,102,409	2,527,407
Protective services	2,216,027	2,307,001	2,402,535	1,970,255	1,975,529
Transportation services	3,746,560	3,858,404	3,804,193	3,271,922	3,212,639
Environmental health services	376,593	336,336	374,234	375,590	369,308
Public health and welfare services	284,462	333,389	372,419	387,094	362,295
Environmental development services	-	-	197,719	158,032	71,452
Recreation and culture services	4,877,508	4,015,877	5,143,494	4,953,860	4,418,827
Library	637,972	586,680	-	-	-
Airport	578,654	486,001	577,267	518,179	453,169
Water services	1,852,013	1,515,459	1,612,956	1,468,778	1,592,658
Sewer services	927,815	569,698	581,714	691,221	651,684
Debt charges	667,291	578,463	801,123	828,498	793,861
Amortization	3,940,071	4,064,875	3,953,694	3,900,922	3,680,475
Loss from write off of tangible capital assets	-	-	261,961	-	53,974
Loss from sale of tangible capital assets	596,630	-	-	-	24,850
Loss from write down of tangible capital assets	-	-	26,839	-	-
	23,470,098	21,678,398	22,718,100	21,626,760	20,188,128

Source: City of Trail Finance Department

EXPENSES BY FUNCTION

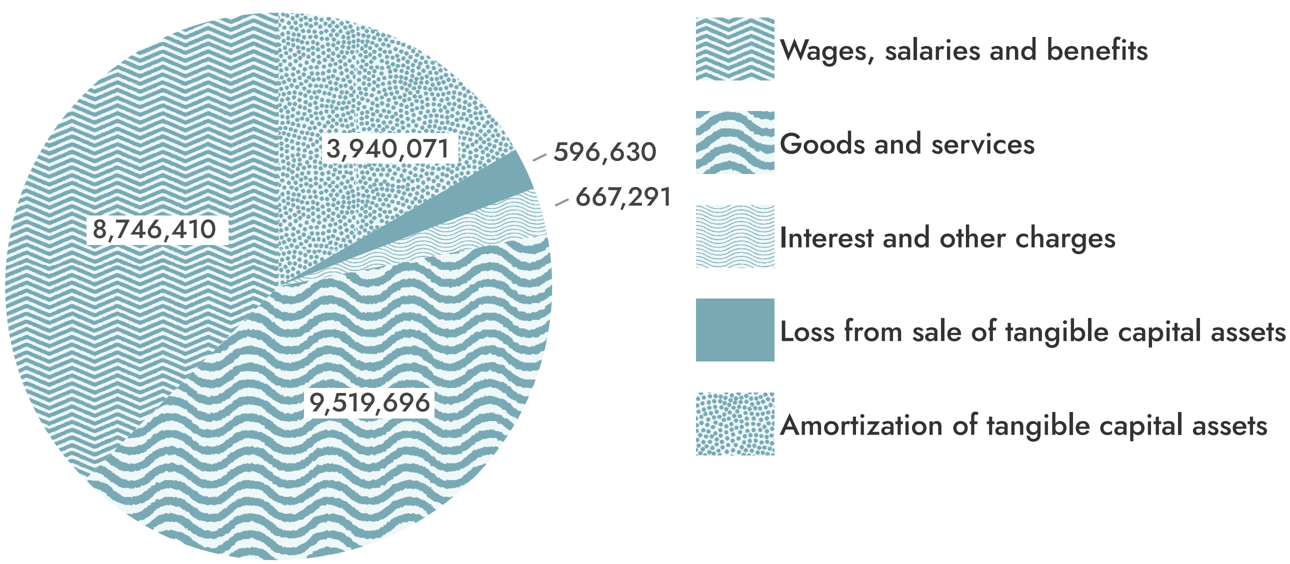


Expenses by Object

Expenses by Object	2021	2020 (Re-stated)	2019	2018	2017
Wages, salaries and benefits	8,746,410	8,105,866	8,631,644	8,218,901	8,041,003
Goods and services	9,519,696	8,929,194	9,042,839	8,080,922	7,593,965
Interest and other charges	667,291	578,463	801,123	828,498	793,861
Loss from write off of tangible capital assets	-	-	261,961	-	53,974
Loss from sale of tangible capital assets	596,630	-	-	597,517	24,850
Loss from write down of tangible capital assets	-	-	26,839	-	-
Amortization of tangible capital assets	3,940,071	4,064,875	3,953,694	3,900,922	3,680,475
	23,470,098	21,678,398	22,718,100	21,626,760	20,188,128

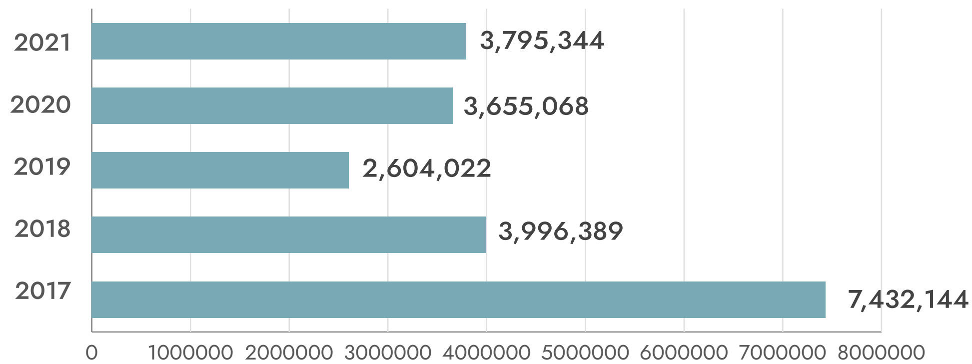
Source: City of Trail Finance Department

EXPENSES BY OBJECT



Annual Surplus, Accumulated Surplus and Net Liabilities

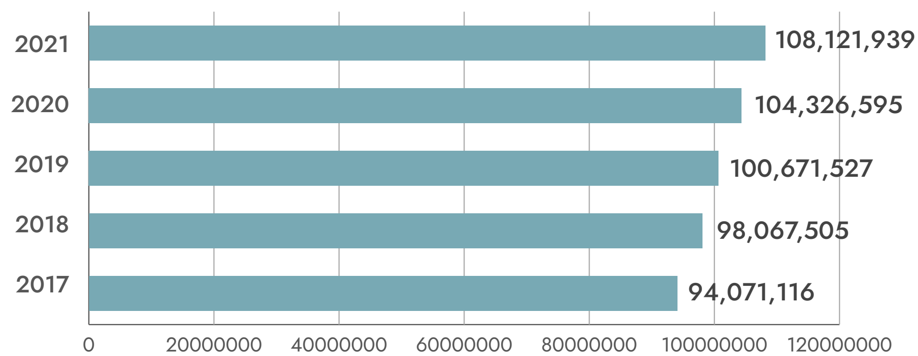
ANNUAL SURPLUS



	Annual Surplus
2021	$3,795,344
2020 (Restated)	$3,655,068
2019	$2,604,022
2018	$3,996,389
2017	$7,432,144

Source: City of Trail Finance Department

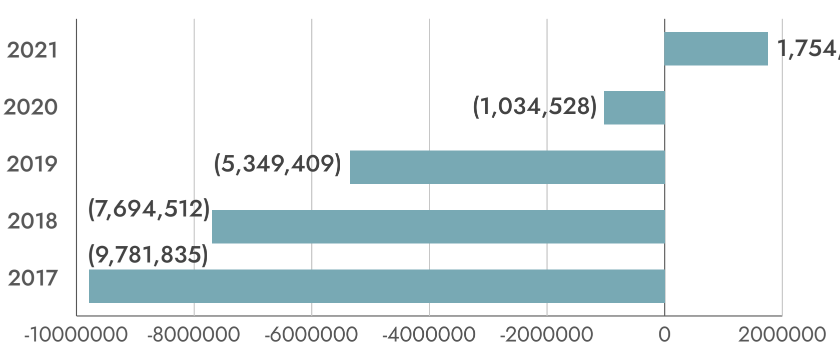
ACCUMULATED SURPLUS



	Accumulated Surplus
2021	$108,121,939
2020 (Restated)	$104,326,595
2019	$100,671,527
2018	$98,067,505
2017	$94,071,116

Source: City of Trail Finance Department

NET FINANCIAL ASSETS (LIABILITIES)



	Net Financial Assets (Liabilities)
2021	$1,754,239
2020 (Restated)	$(1,034,528)
2019	$(5,349,409)
2018	$(7,694,512)
2017	$(9,781,835)

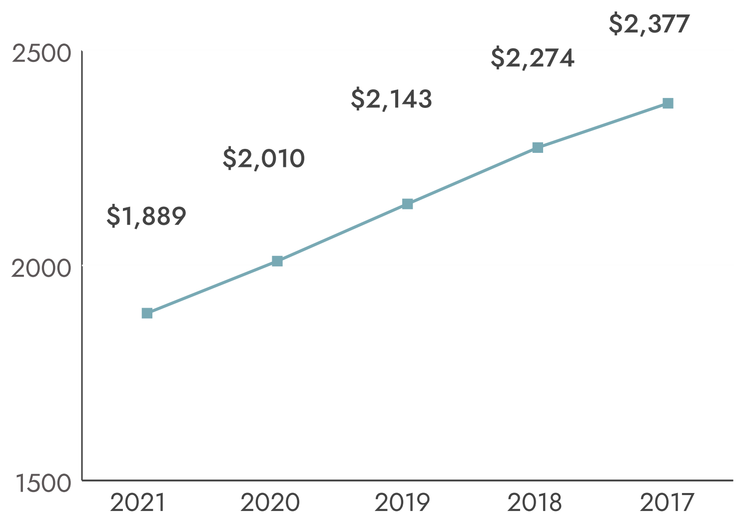
Source: City of Trail Finance Department

Long Term Debt by Fund and per Capita

Long Term Debt	2021	2020	2019	2018	2017
General	14,037,980	14,771,540	15,480,983	16,167,180	15,780,980
Water	981,181	1,112,298	1,238,000	1,358,522	1,474,079
Sewer	564,880	695,970	821,365	942,521	1,059,580
	15,584,041	16,579,808	17,540,348	18,468,223	18,314,639
Population	8,159	8,250	8,171	8,186	8,122
Long Term Debt per Capita	$ 1,889	$ 2,010	$ 2,143	$ 2,274	$ 2,377

Source: City of Trail Finance Department

LONG TERM DEBT PER CAPITA

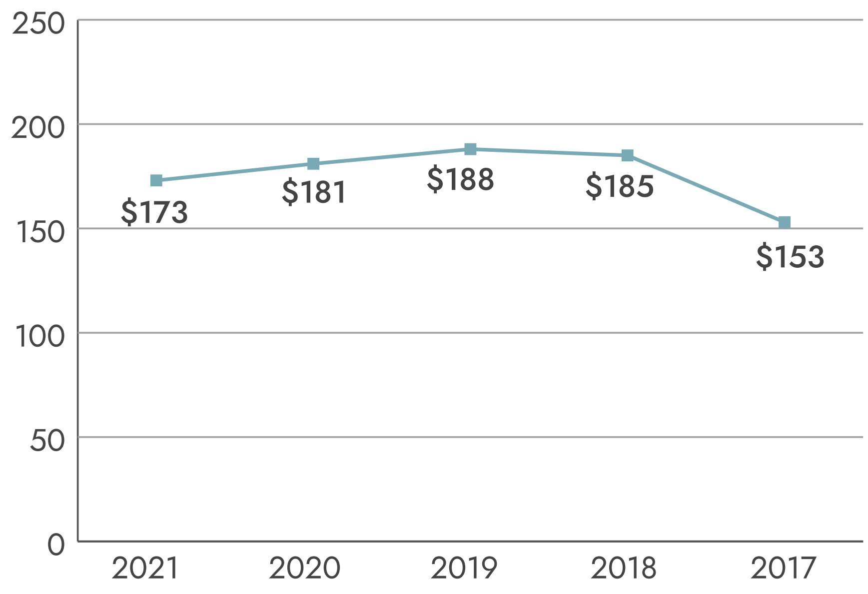


Debt Capacity Limits

	2021	2020	2019	2018	2017
Debt Servicing Limit	5,000,353	4,837,501	4,957,367	4,922,009	4,570,834
Less:					
Debt servicing costs supported by property taxes	1,159,887	1,241,428	1,284,221	1,223,346	948,269
Debt servicing costs supported by water utility	140,616	135,228	135,228	173,478	173,477
Debt servicing costs supported by sewer utility	111,306	117,628	117,628	117,628	117,628
Total debt servicing costs	**1,411,809**	**1,494,284**	**1,537,077**	**1,514,452**	**1,239,374**
Available Debt Servicing Capacity	3,588,544	3,343,217	3,420,290	3,407,557	3,331,460
Population	8159	8250	8171	8186	8,122
Total Debt Servicing Costs per Capita	**$ 173**	**$ 181**	**$ 188**	**$ 185**	**$ 153**

Source: City of Trail Finance Department

TOTAL DEBT SERVICING COSTS PER CAPITA



Schedule of Payments to Suppliers of Goods and Services

Supplier Name *(Suppliers equal and over $25,000)*		Total
DYNAMIC LANDSCAPING	$	125,963
SEQUOIA FUELS		96,197
AARDVARK PAVEMENT MARKING SERVICES		48,422
ALPINE CONTRACTING LTD		66,900
AL-VA IRRIGATION LTD		99,902
AON REED STENHOUSE INC		314,070
ARROW PROFESSIONAL LANDSCAPING		96,898
BA BENSON & SON LTD		188,681
BC WILDLIFE FEDERATION		202,952
BLACK PRESS GROUP LTD		26,519
BRANDT TRACTOR LTD		25,500
PAUL MURRAY		59,466
BF ROOFING LTD		523,859
RACHAEL BROWN		80,559
CAREER DEVELOPMENT SERVICES		96,834
CHAMCO		64,960
CH MECHANICAL		82,378
CLEARTECH INDUSTRIES INC		27,687
COLUMBIA BASIN BROADBAND CORPORATION		46,454
COLUMBIA BASIN TRUST		51,680
COLUMBIA GLASS LTD		62,099
COLUMBIA STEEL FABRICATING & WELDING LTD		41,520
CORAL CANADA WIDE LTD		48,448
CORVUS CONSTRUCTION LTD		151,005
DB PERKS & ASSOCIATES LTD		31,834
GHD DIGITAL (CANADA) LIMITED		32,771
FALCON EQUIPMENT LTD		302,655
FORTIS BC		1,022,633
GEORAMA HOLDINGS LTD		32,454
GESCAN		59,586
GFL ENVIRONMENTAL INC		220,771
GLACIER VALLEY TREE CARE LTD		116,629
GRANT THORNTON LLP		41,423
HABITAT SYSTEMS INC		46,958
HIL-TECH CONTRACTING LTD		139,431
HOME HARDWARE BUILDING CENTRE		28,843
HOULE ELECTRIC LTD		71,881
ICONIX WATERWORKS		94,150
IGI RESOURCES		67,319
INLAND ALLCARE		89,387
INGRAM MICRO		45,184
INSIGHT CANADA INC		36,517

Supplier Name *(Suppliers equal and over $25,000)*	Total
ICBC	49,700
RIMKUS CONSULTING GROUP CANADA INC	39,942
JOSH THE GARAGE DOOR GUY	45,601
KAYS ROAD CONTRACTING LTD	438,635
KENDRICK EQUIPMENT LTD	33,633
MICHELLE LAURIE	115,950
LEADERS INTERNATIONAL EXECUTIVE SEARCH	33,525
LITE ACCESS TECHNOLOGIES INC	32,538
LORDCO PARTS LTD	40,475
FVBS MAGLIO TRAIL	29,129
MAIO'S JANITORIAL SERVICE	39,850
M.B. LANDSCAPE DESIGNS	110,500
MCEWAN & CO. LAW CORPORATION	27,932
MEASUR	36,520
MUNICIPAL FINANCIAL ASSOCIATON	1,249,034
MICROSOFT CORPORATION	49,935
MUNICIPAL INSURANCE ASSOCIATION OF BRITISH COLUMBIA	75,559
MYERS ROOFING INC	30,135
PACIFIC BLUE CROSS	426,918
RUSSELL PATERSON	36,091
POLAR ENGINEERING	27,748
POWER PAVING LTD	260,349
RECEIVER GENEARAL - RCMP	1,309,408
REGIONAL DISTRICT OF KOOTENAY BOUNDARY	185,371
RDM JANITORIAL	53,550
ROLLINS MACHINERY LTD	38,786
CITY OF ROSSLAND	28,042
TERUS CONSTRUCTION LTD	516,381
SELKIRK SECURITY SERVICES \LTD	90,257
SHOPA'S EXCAVATING LTD	41,402
SIERRA LANDSCAPING LTD	339,190
SNC - LAVALIN INC	45,993
SOUTHERN BUTLER PRICE LLP	33,734
SPANMASTER STRUCTURES LTD	109,715
SPEEDPRO SIGNS	43,785
SPENCER NAVIGATION MAINTENANCE LTD	59,302
STUDIO 9 ARCHITECTURE + PLANNING	25,721
SUBLATUS INC.	551,637
SUMMIT VALVE & CONTROLS INC	88,108
TRANE CANADA ULC	76,288
TROWELEX RENTAL & SALES	114,512

Schedule of Payments to Suppliers of Goods and Services cont.

Supplier Name *(Suppliers equal and over $25,000)*	**Total**
TRUE CONSULTING GROUP	173,723
CENTRAL SQUARE TECHNOLOGIES	46,391
VALLEN CANADA	47,895
VALHALLA REFRIGERATION LTD	43,160
VIMAR EQUIPMENT LTD	53,141
WANETA AUTO & EQUIPMENT REPAIR INC	28,670
WASTE MANAGEMENT	38,619
WEST KOOTENAY MECHANICAL LTD	68,348
WEST K SAND & GRAVEL LTD	131,102
WESTERN NOISE CONTROL (2015) LTD	90,267
ROBIN ANNSCHILD	266,006
WORKSAFE BC	107,629
WSP CANADA INC	93,104
YOUNG ANDERSON-BARRISTERS & SOLICITORS	129,372
Total payments to Suppliers equal and over $25,000	**13,407,688**
Payments to Suppliers under $25,000	**2,265,366**
Total payments made to Suppliers	**15,673,054**
Grants and Contributions equal and over $25,000	
LOWER COLUMBIA COMMUNITY DEVELOPMENT TEAM SOCIETY	83,010
CAREER DEVELOPMENT SERVICES	30,000
	113,010
Total payments made to Suppliers	**$ 15,786,064**

Prepared under the Financial Information Regulation, Schedule 1, 7(1) and (2)

Source: City of Trail Finance Department

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