



COMMITTEE OF THE WHOLE AGENDA

DATE: 2024.04.10

LOCATION: Council Chambers – City Hall

TIME: 6:00 p.m.

413 Fourth Street, Kaslo

1. **Call to Order**

We respect and recognize the First Nations within whose unceded lands the Village of Kaslo is situated, including the Ktunaxa, Sinixt, and Sylix People, and the Indigenous and Metis Residents of our community.

The meeting was called to order at ____ p.m.

2. **Adoption of the Agenda**

2.1 Adoption of the Agenda for the 2024.04.10 Committee of the Whole Meeting

3. **Discussion**

3.1 **Budget Review and Discussion**

4. **Late Items**

5. **Adjournment**

The meeting was adjourned at _____ p.m.

Village of Kaslo

General Operating & Capital Budget
2024

April 10, 2024



Introduction



Introduction

Assumptions & Observations

- Staff changeover – difficult to undertake detailed analysis or incorporate significant changes to operations
- Accurate 2023 actuals not yet available due to additional entries resulting from audit
- Funding ongoing operational expenses with reserves or one-time funding (e.g. Covid Restart) causes compounding expense the following year.
- Focus on General Operating and Capital (Water & Sewer Utilities previously discussed during RATE adoption)



Revenues

- For the most part – revenues remain similar to 2023
- Grant funding covering some wages (Planning contract, Manager Strategic Initiatives, FireSmart)-unusual for operations
- For consideration – revenue from lease of Village owned assets and Village contracts; understanding policies
- TAXATION
 - Starting point for discussion for taxation = 5.87% (not taking non-market change into account);
 - Common to see higher tax increases than in the past couple of years because of escalating expenses
 - More discussion on Tax Rates and options at end of presentation



Capital and Operating Expenditures

| Operating | 2023 Budget | 2023 Actual (Prelim) | 2024 Budget |
|-------------------------------------|--------------------|---------------------------------|--------------------|
| Operating – General | 2,102,799 | 1,784,748 | 2,604,633 |
| Operating – Water | 228,761 | 166,219 | 216,284 |
| Operating - Sewer | 132,224 | 111,210 | 131,771 |
| Total Operating Expenditures | 2,463,785 | 2,062,176 | 2,952,688 |

| Capital | 2023 Budget | 2023 Actual (Prelim) | 2024 Budget |
|-----------------------------------|--------------------|---------------------------------|--------------------|
| Capital – General | 1,093,443 | 710,227 | 2,185,402 |
| Capital – Water | 277,400 | 81,553 | 1,068,000 |
| Capital – Sewer | | | 50,000 |
| Total Capital Expenditures | 1,370,843 | 791,780 | 3,303,402 |



Water & Sewer Rates & Parcel Tax - Recap

- No change to Parcel Tax in 2024
- Recommendation to redo Bylaw for 2025 with more specific information
- Water Rates determined in December 2023; 5% for each
- Recommend development of formula for the “Administrative Transfers from Utility to General”
- Reserves require greater contribution. Recommend that Asset Management information is used to determine policy for contribution



Labour

| | 2023 Budget | 2023 Actual | 2024 Budget |
|--|-------------|-------------|-------------|
| Administrative (salary & benefits) | 538,493 | 548,928 | 541,836 |
| Public Works (salary & benefits) | 456,350 | 402,387 | 410,674 |
| <i>Funded positions:</i> | | | |
| FireSmart Positions (salary & benefits) | | | 85,866 |
| Mgr of Strategic Initiatives (salary & benefits) | | | 146,400 |

Notes:

- Interim CAO expensed as contract fees rather than salary/benefits (resulting in lower 2024 salary budget)
- FireSmart positions funded by CRI grant for 2024
- Manager of Strategic Initiatives funded by REDIP grant with contribution from COVID Restart funds.



Labour

Wage increases:

- Collective Agreement (April 1, 2024) – 3%
- Exempt contract – BC CPI 3.7%

New CAO (contract beginning March 18, 2024) – not full year

Interim CAO funded as contract expenses rather than salary expense.

Public Works/Utilities wages - net decrease due to retirement at end of 2023

Manager of Strategic Initiatives – expense offset by grant funding (with additional contribution from COVID Restart funds)

FireSmart positions also funded by grant money

Benefits – increased costs!



Budget Pressures

Insurance

- Total cost of insurance is **over \$145,000 annually**
- Property insurance increased by 16.5% in 2024
- Also require cyber insurance, liability insurance, aerodrome insurance
- Illustrates the importance of effective risk management; cost of claims is high and impact is felt for more than one year

Audit (2024 budget \$42,000)

- Auditor currently undertakes a significant amount of audit preparation and reconciliation leading to high expense
- Recommend setting up processes to reduce cost of audit (potentially by nearly ½).



IT & Computer Services - Expenses

Contracted Services

\$ 24,850.00

- Contracted IT support
- Anti-Virus protection
- Email & Microsoft Office Subscriptions
- Other office productivity software subscriptions (e.g. Adobe Acrobat)
- Web Hosting; Hardware costs
- Total was \$19,684 in 2023; increase of \$5,166

Computer Hardware & Software

\$ 10,000.00

Financial Software (AM AIS)

\$ 9,400.00

- Increased by \$500.00 over 2023

2024 Request for additional modules for MAIS financial software & Agenda Management

(costs not included in above)

1. Work Management module – allows tracking of projects; efficiencies in grant tracking and project management
2. Scanning module – allows automatic scanning of invoices into software; improves efficiency
3. Icompass for greater efficiency with agendas and minutes



Planning & Development

- Contracted services for complex applications (subdivisions, large developments)
- Grant funding (capacity building) for work required to amend bylaws & policies to conform with Bill 44 – impact more than just planning contracts
- Active transportation funding
- Rural Dividend & Rural Resident Attraction grants



Public Works & Utilities

- Overall expenses for Public Works operations – remaining steady
- Indications that review of procedures, operational policies, regulatory compliance, etc. is warranted

2024 Projects

New Equipment – Zero turn mower/Skid steer snowblower

WTP UV Treatment

PRV 2 & 4 Replacement – Engineering & Design

WWTP Expansion – Design work



Transfer to Reserves....

Issue: No specified, targeted amounts for annual contributions
-leads to tendency to underfund reserves

| Transfer to: | |
|-------------------------------|---|
| To Arena Property Reserve | \$ 10,000 |
| To City Hall Reserve | \$ 5,000 |
| To Transportation Reserve | \$ 5,000 |
| To Equipment Reserve | \$ 40,000 (increased from 2023) |
| To Parks & Recreation Reserve | \$ 21,093.33 (\$10,000 RDCK & net campground) |
| To Carbon Offset Reserve | \$ 140,884 (annual contribution) |
| To Library Reserve | \$ 20,000 (matched to donations) |



Capital & Operating Projects Review

- Today's focus on the new PROPOSED projects for council direction
- Next week, discussion on the capital projects previously discussed

Planning – funding for Bill 44 (and others) Development
bylaws/policies

Computer Software – discussion (AM AIS modules & Icompass)

Paving Project

Equipment Purchases



Comparable Tax Rate Increases....

| | |
|----------------|-------|
| Nelson | 5.3% |
| Nakusp | 10% |
| Valemount | 5.5% |
| Rossland | 5% |
| Hope | 5.5% |
| Powell River | 9% |
| Prince Rupert | 7.7% |
| Whistler | 8.18% |
| Cranbrook | 8.32% |
| Coldstream | 9.7% |
| Squamish | 13.5% |
| Osoyoos | 24% |
| Creston | 7% |
| North Cowichan | 6.68% |
| Lake Country | 9.5% |

Initial Proposed
Village of Kaslo

5.85% overall (5.1%
after non-market change
considered)

Discussion

