

2018 BUDGET

CITY OF TRAIL



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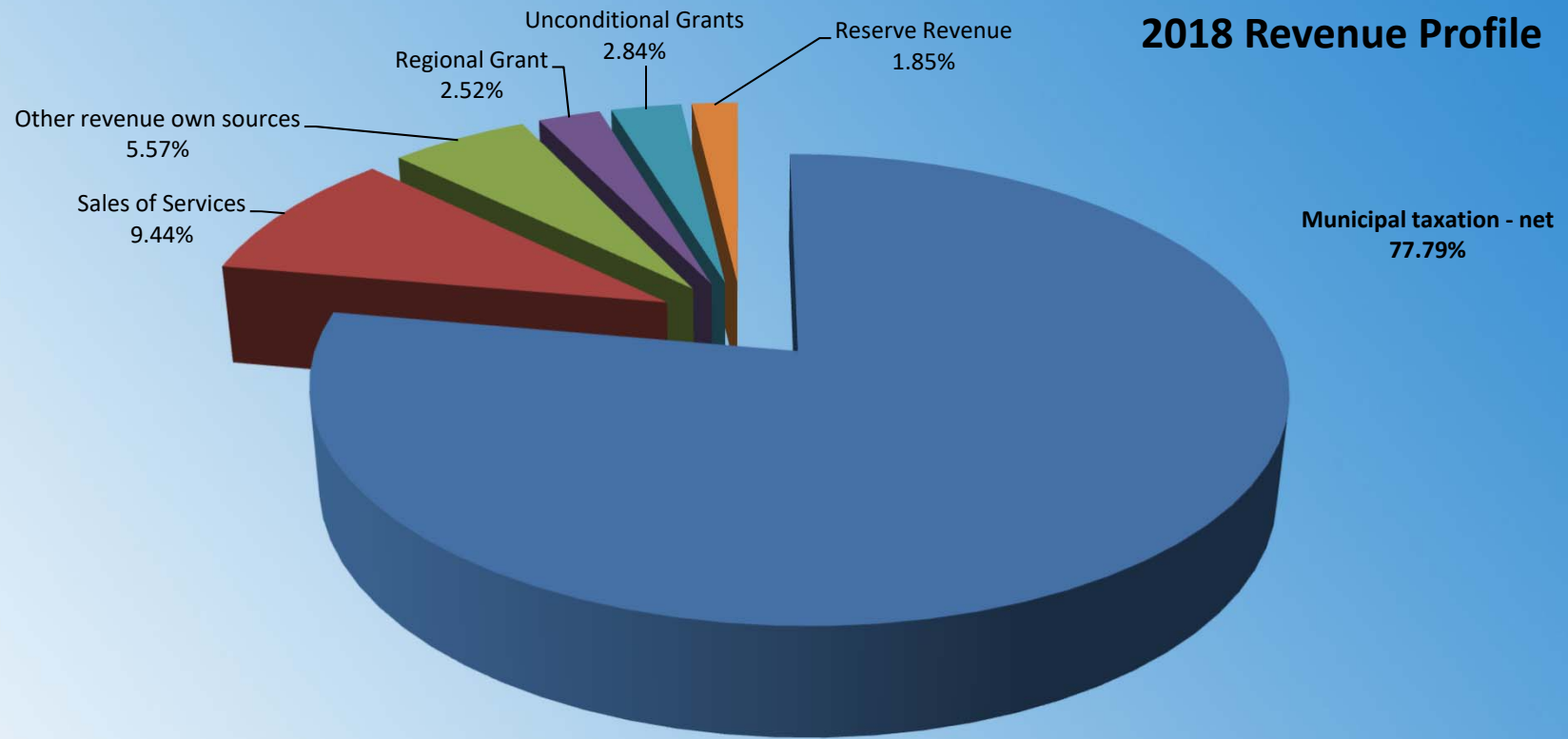
2018 BUDGET

Presentation Overview:

- Revenue Perspective
- Revenue Category Review and Approval
- Public Consultation
- Municipal Progress Reporting



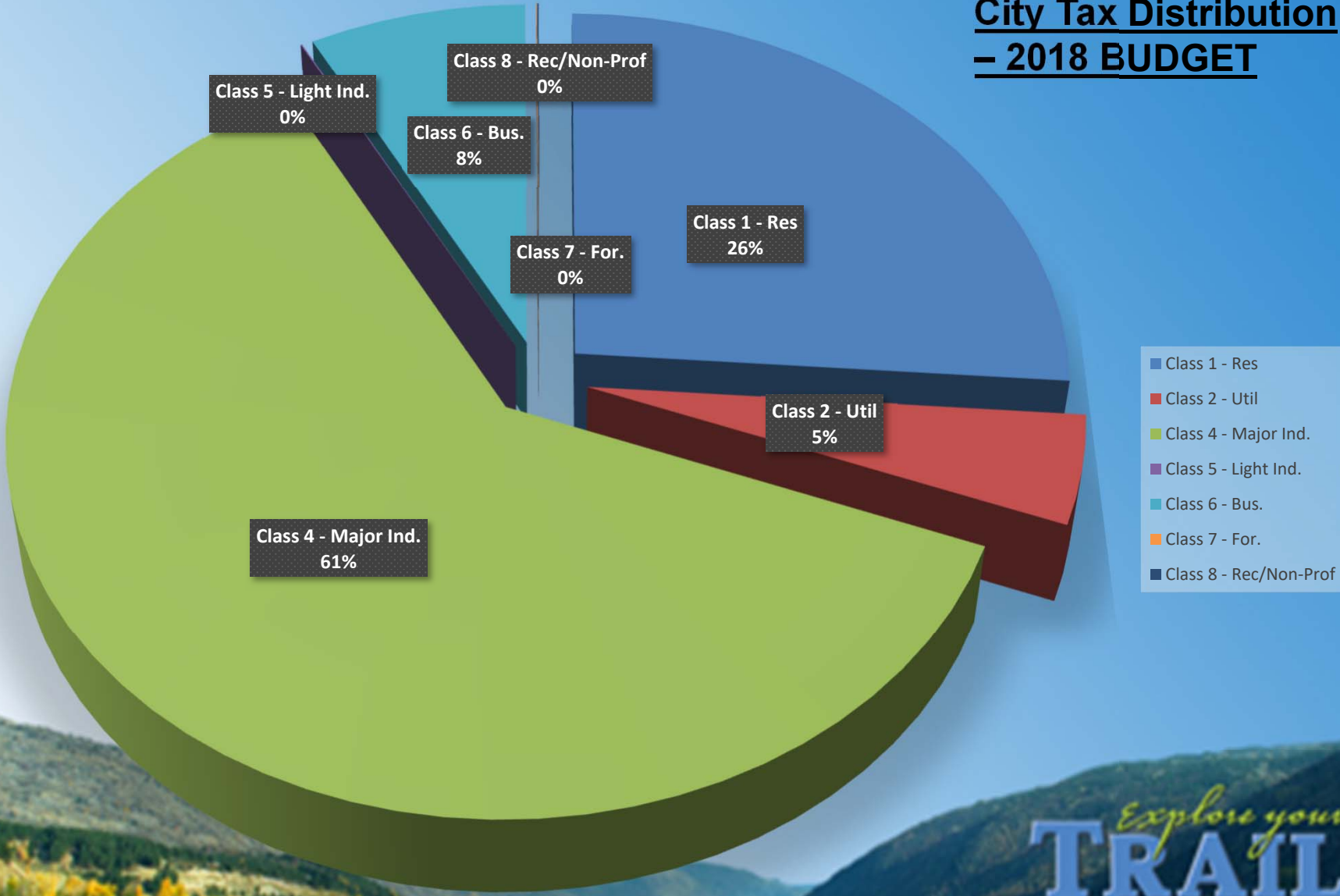
2018 Revenue Profile



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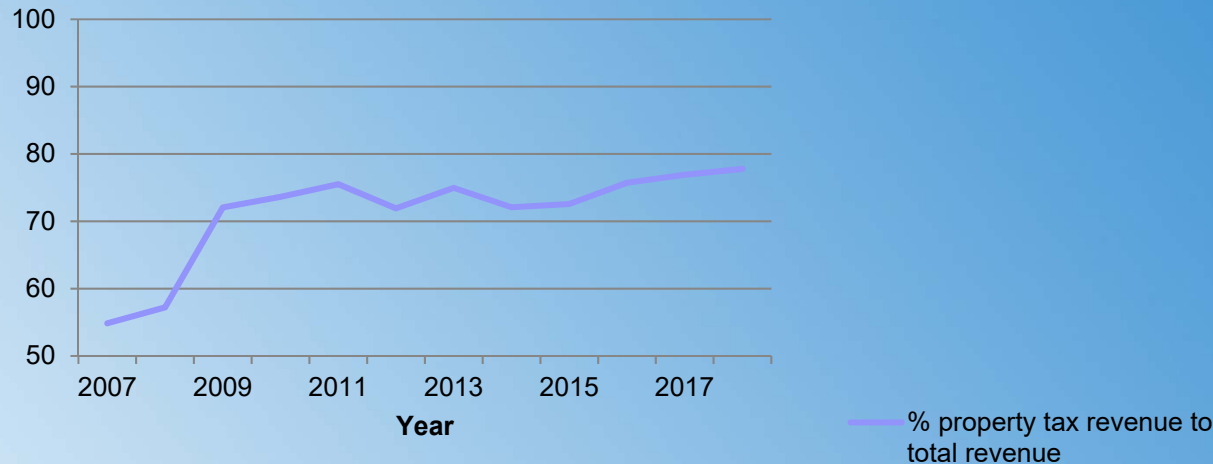
City Tax Distribution - 2018 BUDGET



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Property Taxes - Revenue Dependency



- The City's dependency on property taxes as its primary source of revenue has increased over time and is now approaching 80%.
- Limited revenue generating opportunities and increased expenditures result in higher taxes.
- In the absence of "real assessment growth" property taxes increase each year on the existing properties. Sustainability remains a concern in terms of municipal services and if there ever is a "breakpoint".

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TAXATION



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TAXATION

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	2017 BUDGET
Taxation			
Municipal purposes	13,324,900	4.71%	12,725,750
Debt purposes	770,150	38.40%	556,450
Total municipal taxation	14,095,050	6.12%	13,282,200
Change	812,850		
<u>Levy Increase:</u>	Levy Change	% versus 2017	% total increase
Riverfront Centre Operations	318,600	2.40%	39.19%
Riverfront Centre net debt	253,050	1.91%	31.13%
Economic Development	77,800	0.59%	9.57%
Recreation	92,100	0.69%	11.33%
Other expenses	21,300	0.16%	2.62%
Capital Enhancement	50,000	0.38%	6.15%
Total Levy Increase	812,850	6.12%	100.00%



2018 OTHER TAXES

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	2017 BUDGET
1% Utility Taxes	153,600	-3.58%	159,300
Local improvement	2,700	-11.48%	3,050
Water Parcel Tax *	503,000	0.00%	503,000
Total other taxes	659,300	-0.91%	665,350
Utility taxes			
Telus	21,000	-1.41%	21,300
Fortis Gas	40,500	-8.06%	44,050
Shaw Cable	9,750	-7.14%	10,500
Fortis Electric	82,350	-1.32%	83,450
Total utility taxes	153,600	-3.58%	159,300

Utility taxes based on 1% revenue reported by companies from preceding year.

* Water parcel based on \$150 charge per residential parcel. No change.

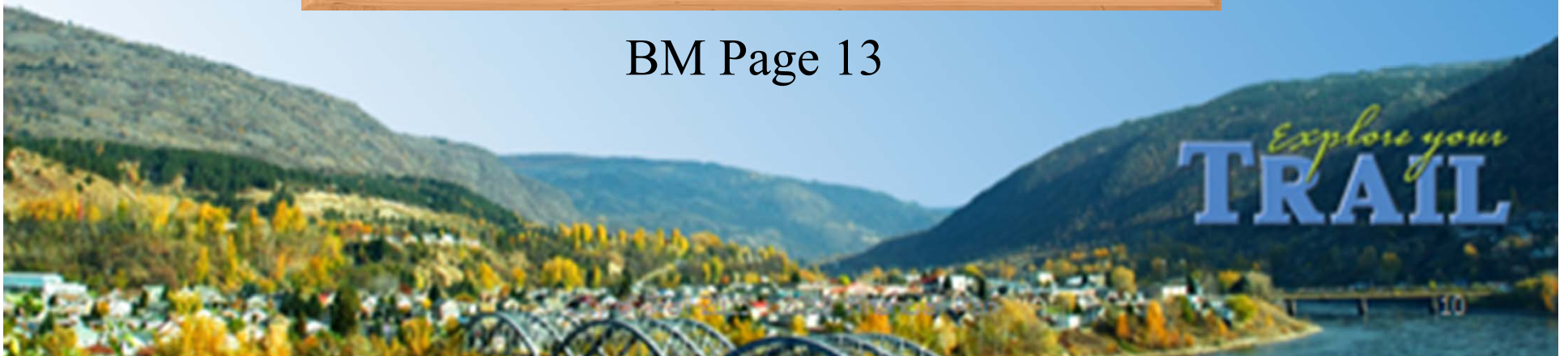


GRANTS IN LIEU OF TAXES



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2018 Budget – Grants in Lieu of Taxes

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	BUDGET
			2017
Grants in Lieu of Taxes			
Federal / Provincial government	63,900	-11.98%	72,600
<i>Total Grants in Lieu</i>	63,900	-11.98%	72,600
TOTAL	63,900	-11.98%	72,600
Government Property			2017 Actual
Trail Armories			33,850
ICBC			25,450
Provincial Rental Housing (Bay Avenue)			5,100
			64,400
Less: Transferred to other governments			(37,500)
NET GRANTS IN LIEU			26,900

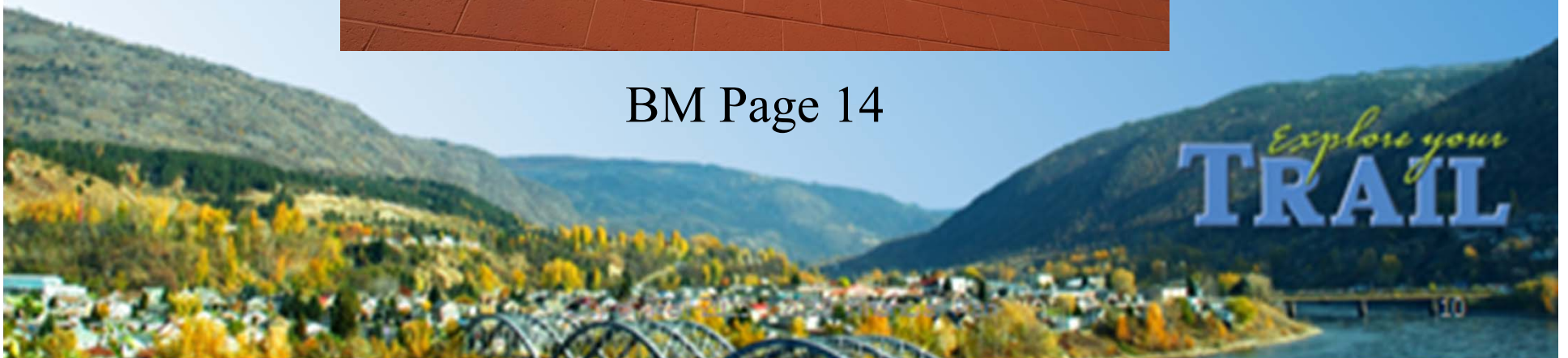


SERVICES - OTHER GOV'TS



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2018 Budget - Services Provided to Other Governments

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	BUDGET
			2017
Other Government Services			
Fieldhouse recovery - SD#20	14,500	0.00%	14,500
<i>Total Revenue</i>	14,500	0.00%	14,500
TOTAL	14,500	0.00%	14,500

Revenue from rental agreement with SD20 for their use of the Fieldhouse. SD 20 pays 40% of specific Fieldhouse cost elements that were modified several years ago.



SALES OF SERVICES



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2018 Budget – Sales of Services

Summary function/ Revenue category	2018	% change Vs 2016 Budget	2017 BUDGET
Sales of Services			
Garbage Fee	441,800	2.22%	432,200
Public Health and Welfare (Cemetery)	31,250	1.13%	30,900
Recreation	877,350	0.32%	874,550
Municipal Airport	358,500	13.63%	315,500
<i>Total Sales of Services</i>	1,708,900	3.37%	1,653,150
TOTAL	1,708,900	3.37%	1,653,150

2018 Garbage Fee \$130

Cemetery rates unchanged - historical trending

Recreation per departmental review.

Municipal Airport per departmental review.



2018 Budget – Sales of Services - Recreation

	<u>2018</u>	<u>2017</u>	Actual	<u>VAR OVER BUDGET</u>		<u>VAR ACT</u>
	Budget	Budget		\$	%	%
Revenue:						
<u>User Fees:</u>						
Pool	504,250	494,650	543,092	9,600	1.94%	-7.15%
Memorial Centre	246,100	260,550	299,066	(14,450)	-5.55%	-17.71%
Leisure Programmes	102,000	96,000	121,942	6,000	6.25%	-16.35%
Fieldhouse rentals	17,000	16,000	18,158	1,000	6.25%	-6.38%
Parks	8,000	7,350	11,447	650	8.84%	-30.11%
Total User Fees	877,350	874,550	993,705	2,800	0.32%	-11.71%

- Memorial Centre reduction attributed to library rent revenue loss.



2018 Budget – Sales of Services - Airport

Trail Regional Airport (YZZ)

	<u>2017</u>	<u>2017</u>	<u>2018</u>	Variance Budget	
	Actual	Budget	Budget	\$	%
Revenue:					
Passenger fees	247,282	230,000	240,000	10,000	4.35%
Leases	5,176	9,000	42,000	33,000	366.67%
Parking lot revenue	22,354	30,000	30,000	0	0.00%
Fuel	30,667	45,500	35,000	(10,500)	-23.08%
Advertising and Sponsorship	1,313	0	10,500	10,500	n/a
Other	5,805	1,000	1,000	0	0.00%
TOTAL REVENUE	312,597	315,500	358,500	43,000	13.63%
Operating Expenses	439,792	407,600	478,750	71,150	17.46%
NET Surplus (Deficit)	(127,195)	(92,100)	(120,250)	(28,150)	30.56%
<u>Financing of operating expenses</u>					
% of user fees	71.08%	77.40%	74.88%		
% property taxes	28.92%	22.60%	25.12%		



OTHER REVENUE OWN SOURCES



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OTHER REVENUE FROM OWN SOURCES

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	2017 BUDGET
Other Revenues			
Penalties and interest on taxes	89,000	0.56%	88,500
Franchise fee	118,500	-8.85%	130,000
License and permits	97,200	-0.26%	97,450
Rentals/leases	105,000	-5.41%	111,000
Charges and fees	346,000	-1.42%	351,000
Interest earnings	36,000	16.13%	31,000
Other revenue own sources	231,200	86.15%	124,200
<i>Total other revenues</i>	1,022,900	9.62%	933,150
TOTAL	1,022,900	9.62%	933,150

Variance \$ 89,750

Other revenue increase reflects Teck payment to offset Riverfront Centre debenture debt servicing costs.



2018 Budget – Other Revenue - Parking

	2018 BUDGET	2017 Est.	2017 Budget
Revenue:			
Meter revenue	220,500	200,472	220,500
Fines and tickets	38,000	39,986	38,000
Lots	70,000	85,232	75,000
TOTAL REVENUE	328,500	325,690	333,500
Expenditure:			
Enforcement personnel	108,500	103,997	106,350
Office expenses	14,250	12,222	15,750
Meters	30,500	30,933	30,250
Parking Lots	47,350	48,947	46,250
TOTAL EXPENDITURES	200,600	196,099	198,600
NET SURPLUS(DEFICIT)	127,900	129,591	134,900

Schedule: Charges and Fees Net loss (7,000)

Parking provides an important source of revenue that offsets service costs and reduces property taxes.



TRANSFERS - OTHER GOV'TS






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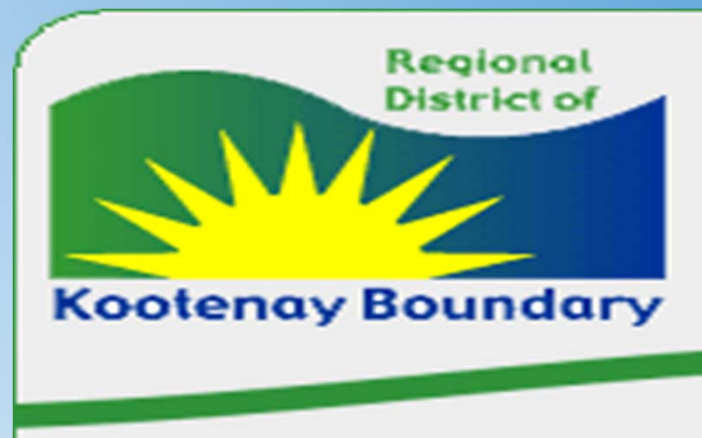


2018 Budget – Government Transfers

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	BUDGET
			2017
Unconditional Transfers			
Community protection	415,000	1.22%	410,000
Revenue sharing - fines	100,000	-4.76%	105,000
School Tax Admin	5,600	0.00%	5,600
<i>Total Unconditional Transfers</i>	520,600 	0.00%	520,600
Conditional Transfers			
RCMP	45,000	0.00%	45,000
Other - studies, etc. (OCP)	0	n/a	0
Federal Gas Tax (Bridge debt)	254,050	0.00%	254,050
<i>Total Conditional Transfers</i>	299,050 	0.00%	299,050
TOTAL	819,650 	0.00%	819,650



CONDITIONAL TRANSFER - RDKB



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2018 Budget – Conditional Transfer - RDKB

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	BUDGET 2017
Conditional Transfer - RDKB			
PARKS & RECREATION	204,900	2.55%	199,800
CEMETERY	257,600	1.30%	254,300
REFUSE DISPOSAL	0		0
TRANSIT	0		0
<i>Total Conditional Transfer</i>	462,500	1.85%	454,100
TOTAL	462,500 ▲	1.85%	454,100
<u>Parks and Recreation:</u>			
BV PARTS (Expires 2021)	125,000	0.00%	125,000
Warfield (Expires 2020)	79,000	5.61%	74,800
	204,000 ▲	2.10%	199,800

- > City no longer provides services to RDKB for landfill site area maintenance.
- > RDKB unilaterally cancelled transit maintenance in 2017.



TRANSFER FROM OWN RESERVES



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2018 Budget – Transfer from Own Reserves

Summary function/ Revenue category	2018 BUDGET	% change Vs 2017 Budget	BUDGET 2017
Transfer from reserves: Funding for operations	340,000	0.00%	340,000
<i>Total Revenue</i>	340,000		340,000
TOTAL	340,000		340,000



2017 Budget – Transfer from Own Reserves

- *The reserve transfer is included to effectively “balance” the budget.*
- *Due to ongoing increases in the municipal tax levy it has not been possible to budget for a reduction.*
- *The five year financial plan reflects the following changes.*

Year >>	2018	2019	2020	2021	2022
Transfer for operations	340,000	340,000	255,000	191,300	95,700
Transfer for capital enhancements	0	0	0	0	0
	340,000	340,000	255,000	191,300	95,700
% change>>>		0.00%	-25.00%	-24.98%	-49.97%
Total draw (2018 - 2022)					1,222,000





Community/Public Consultation

The *Community Charter* requires some form of public consultation before the Financial Plan is adopted by Council.

The form and type of consultation is not specified.

The City provides all budget presentation on the website.

Budget awareness can also be created through social media platforms.

Some communities are trying to expand opportunities for the public to provide input with mixed results.

Additional resources would be required if the City wants to do more in this area and it becomes a strategic priority in the future.

There is no material change being suggested for 2018.

At the conclusion of Council's review of the budget, a public presentation has historically been made.



END

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