

2019 BUDGET

CITY OF TRAIL



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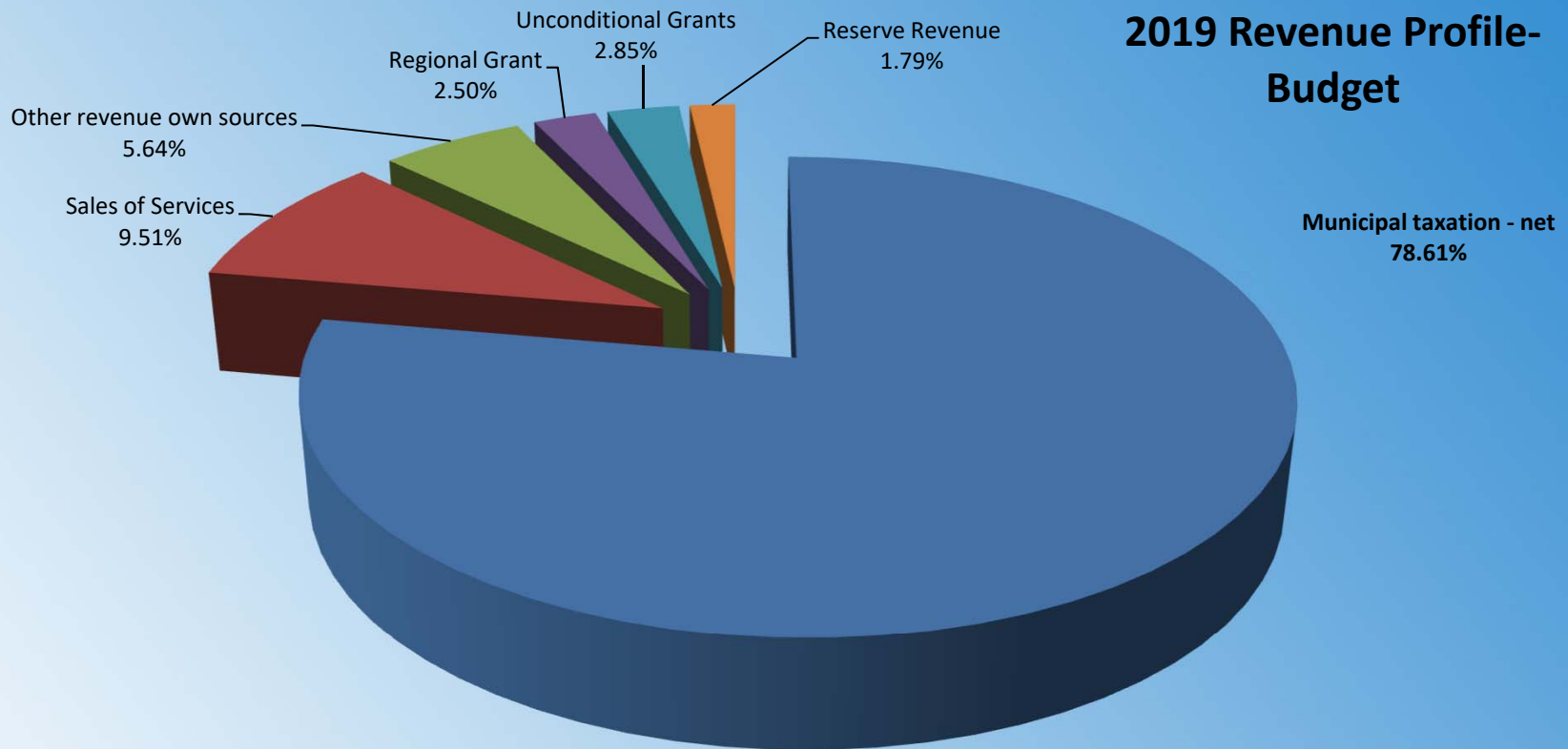
2019 BUDGET

Presentation Overview:

- Revenue Perspective
- Revenue Category Review and Approval
- Public Consultation



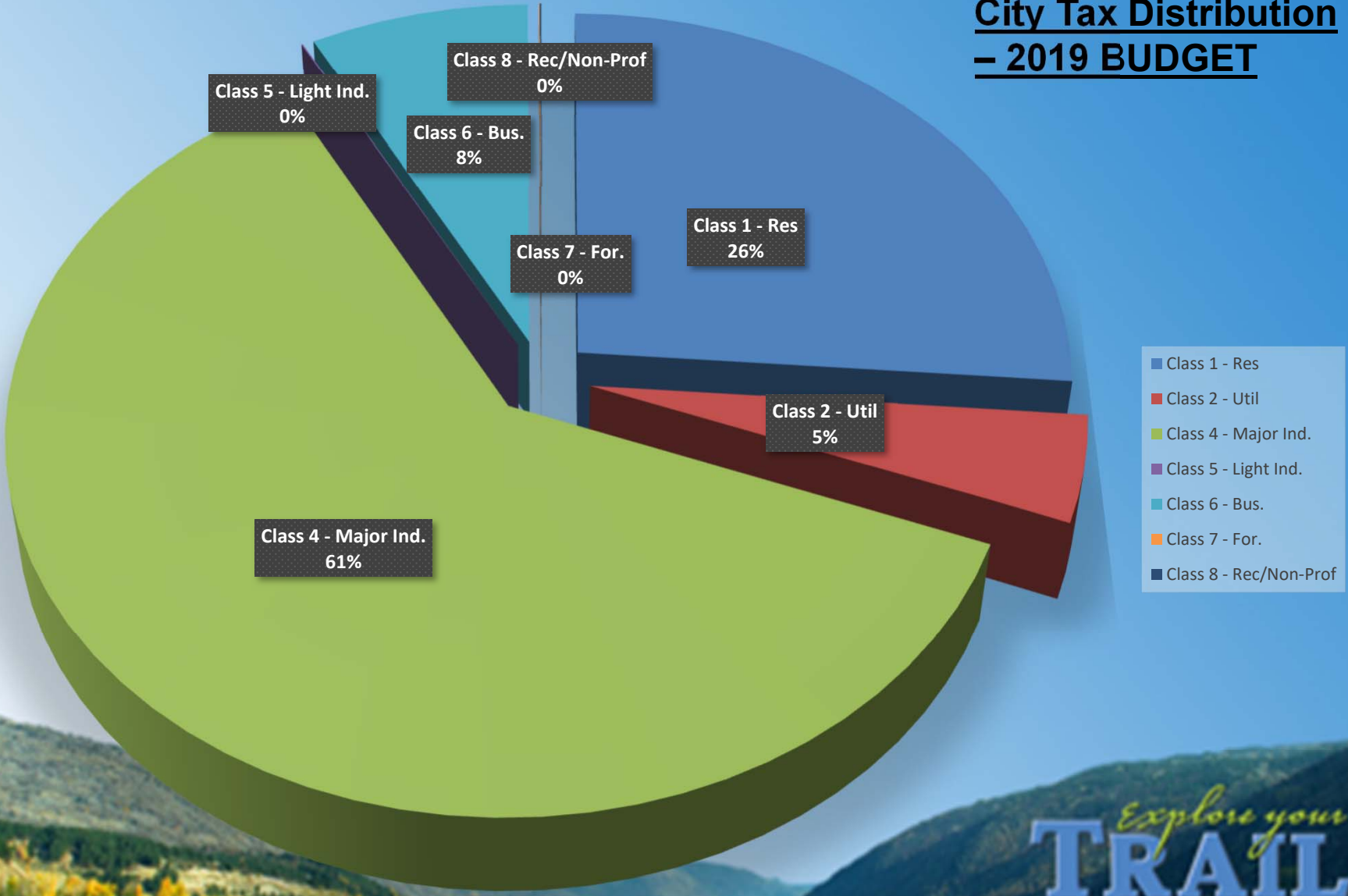
2019 Revenue Profile- Budget



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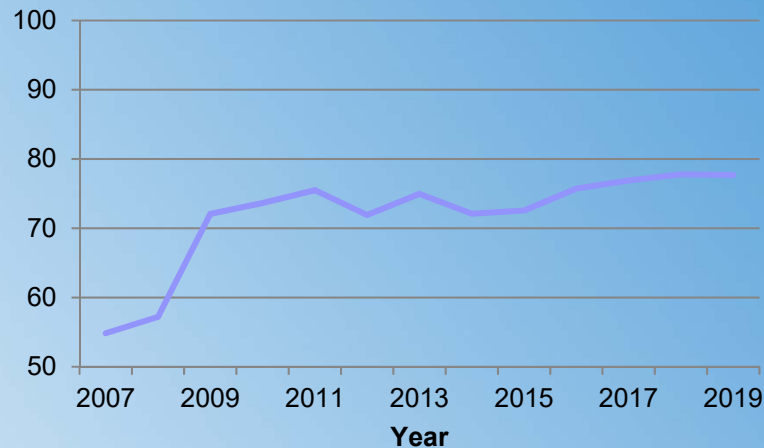


City Tax Distribution - 2019 BUDGET



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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	2019 BUDGET	% change Vs 2018 Budget	2018 BUDGET
Taxation			
Municipal purposes	13,830,600	3.64%	13,344,700
Debt purposes	778,400	1.07%	770,150
Total municipal taxation	14,609,000 ▲	3.50%	14,114,850
Change	494,150		
<u>Levy Increase:</u>	Levy Change	% versus 2018	% total increase
General Government	95,250	0.67%	19.27%
Protective Services	58,700	0.42%	11.88%
Transportation Services	182,000	1.29%	36.83%
Recreation	65,350	0.46%	13.22%
Airport	51,200	0.36%	10.36%
Capital Enhancement	82,300	0.58%	16.65%
Net other revenue gains	(65,100)	-0.46%	-13.17%
Other Adjustments	24,450	0.17%	4.95%
Total Levy Increase	494,150	3.50%	100.00%

Tax Apportionment – Ratios and property tax rates to be presented after the overall budget is approved and the City’s 2019 tax levy determined.

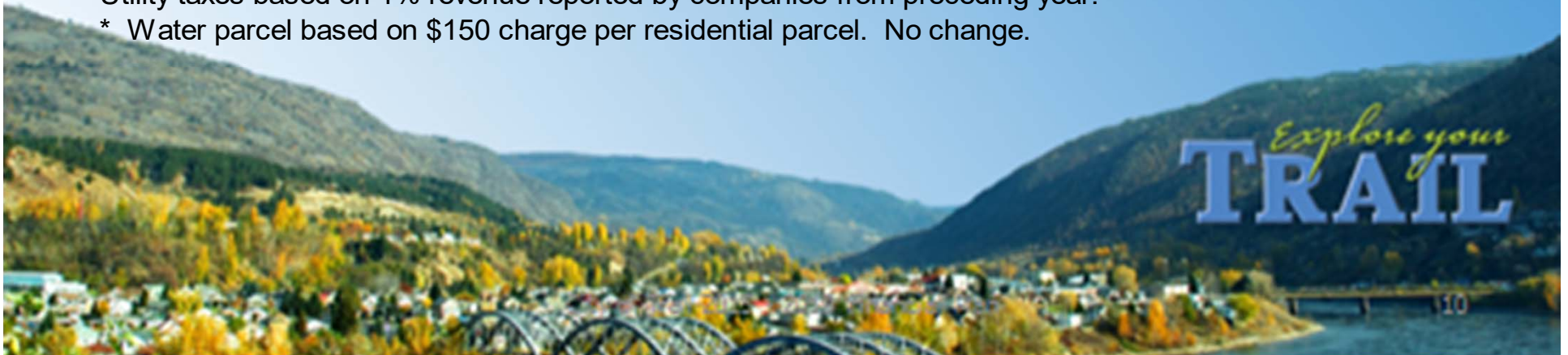


2019 OTHER TAXES

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	2018 BUDGET
1% Utility Taxes	166,550	8.43%	153,600
Local improvement	2,700	0.00%	2,700
Water Parcel Tax *	503,000	0.00%	503,000
Total other taxes	672,250	1.96%	659,300
<u>Utility taxes</u>			
Telus	20,350	-3.10%	21,000
Fortis Gas	47,400	17.04%	40,500
Shaw Cable	8,950	-8.21%	9,750
Fortis Electric	89,850	9.11%	82,350
Total utility taxes	166,550	8.43%	153,600

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

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

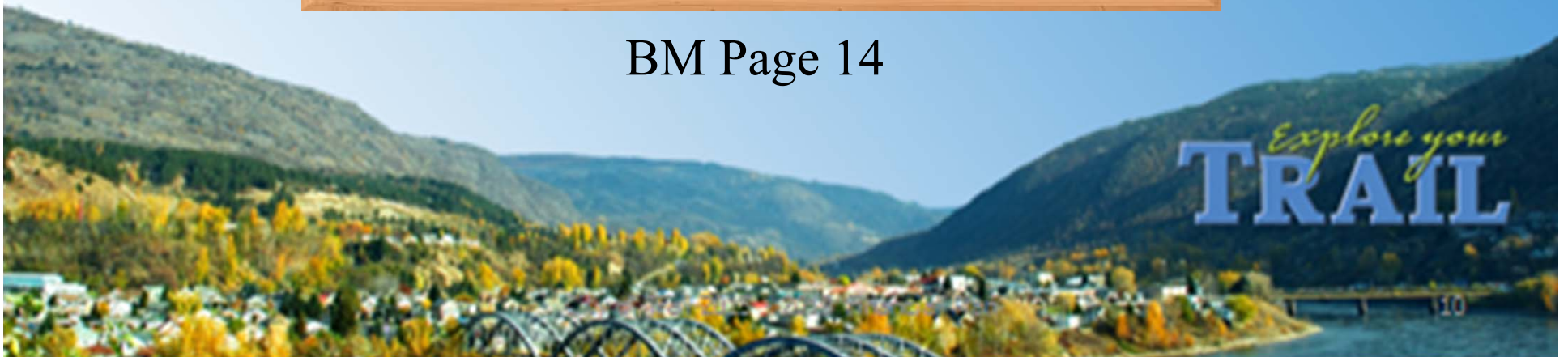


GRANTS IN LIEU OF TAXES



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2019 Budget – Grants in Lieu of Taxes

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	BUDGET 2018
Grants in Lieu of Taxes			
Federal / Provincial government	74,100	15.96%	63,900
<i>Total Grants in Lieu</i>	74,100	15.96%	63,900
TOTAL	74,100	15.96%	63,900
Government Property			2018 Actual
Trail Armories			33,879
ICBC			26,229
Provincial Rental Housing (Bay Avenue)			4,956
			65,064
Less: Transferred to other governments			(35,944)
NET GRANTS IN LIEU			29,120

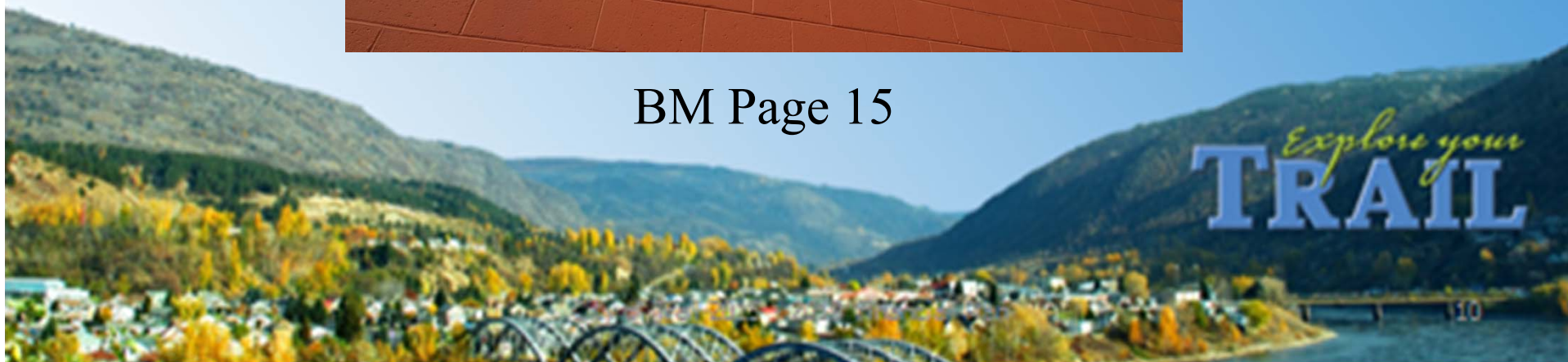


SERVICES - OTHER GOV'TS




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2019 Budget - Services Provided to Other Governments

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	BUDGET
			2018
Other Government Services			
Fieldhouse recovery - SD#20	12,000	-17.24%	14,500
<i>Total Revenue</i>	12,000	-17.24%	14,500
TOTAL	12,000 	-17.24%	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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2019 Budget – Sales of Services

Summary function/ Revenue category	2019	% change Vs 2018 Budget	2018 BUDGET
Sales of Services			
Garbage Fee	446,000	0.95%	441,800
Public Health and Welfare (Cemetery)	31,350	0.32%	31,250
Recreation	891,200	1.58%	877,350
Municipal Airport	405,000	12.97%	358,500
<i>Total Sales of Services</i>	1,773,550	3.78%	1,708,900
TOTAL	1,773,550 	3.78%	1,708,900

2019 Garbage Fee \$132 + \$2

Cemetery rates unchanged.

Recreation - departmental review.

Municipal Airport - departmental review.



2019 Budget – Sales of Services - Recreation

	<u>2019</u>	<u>2018</u>	Actual	<u>VAR OVER BUDGET</u>	
	Budget	Budget		\$	%
Revenue:					
<u>User Fees/Sales of Services:</u>					
Pool	510,650	504,250	547,231	6,400	1.27%
Memorial Centre	247,950	246,100	238,101	1,850	0.75%
Leisure Programmes	107,000	102,000	123,618	5,000	4.90%
Fieldhouse rentals	17,000	17,000	11,961	0	0.00%
Parks	8,600	8,000	10,083	600	7.50%
Total User Fees/Sales of Services	891,200	877,350	930,994	13,850	1.58%



2019 Budget – Sales of Services - Airport

	<u>2019</u> Budget	<u>2018</u> Actual	Budget	Variance Budget \$	%
Revenue:					
Passenger fees	230,000	216,737	240,000	(10,000)	-4.17%
Leases	42,000	34,522	42,000	0	0.00%
Parking lot revenue	35,000	31,717	30,000	5,000	16.67%
Fuel	78,000	80,955	35,000	43,000	122.86%
Advertising and Sponsorship	19,000	19,175	10,500	8,500	80.95%
Other	1,000	3,836	1,000	0	0.00%
TOTAL REVENUE	405,000	386,942	358,500	46,500	12.97%



OTHER REVENUE OWN SOURCES



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2019 BUDGET – OTHER REVENUE OWN SOURCES

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	2018 BUDGET
Other Revenues			
Penalties and interest on taxes	89,000	0.00%	89,000
Franchise fee	143,000	0.70%	142,000
License and permits	97,450	0.26%	97,200
Rentals/leases	105,000	0.00%	105,000
Charges and fees	360,500	4.19%	346,000
Interest earnings	38,500	6.94%	36,000
Other revenue own sources	236,200	2.16%	231,200
<i>Total other revenues</i>	1,069,650	2.22%	1,046,400
TOTAL	1,069,650	2.22%	1,046,400

Variance \$ 23,250



2019 BUDGET – OTHER REVENUE OWN SOURCES

Description	Changes in Other Revenues	Improvement/rationale	\$ Amount
	Interest income increase based on slightly increased rates and maintenance of surplus/reserve balance.		2,500
	RV Park Fee revenue increase with City taking over management in 2018 from the Chamber of Commerce.		7,000
	Parking Fines and Tickets increased to reflect current trending.		7,500
			<hr/>
			17,000
			<hr/>



2019 Budget – Other Revenue - Parking

	2019 BUDGET	2018 Est.	2018 Budget
Revenue:			
Meter revenue	221,500	227,785	220,500
Fines and tickets	42,000	50,133	38,000
Lots	72,500	89,531	70,000
TOTAL REVENUE	336,000	367,449	328,500
Revenue gain loss vs. budget	7,500		
Expenditure:			
Enforcement personnel	110,700	107,606	108,500
Office expenses	14,650	15,226	14,250
Meters	32,600	65,727	30,500
Parking Lots	47,500	35,569	47,350
TOTAL EXPENDITURES	205,450	224,128	200,600
NET SURPLUS(DEFICIT)	130,550	143,321	127,900
Schedule: Charges and Fees	<u>Net gain (loss)</u>		<u>2,650</u>

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



TRANSFERS - OTHER GOV'TS



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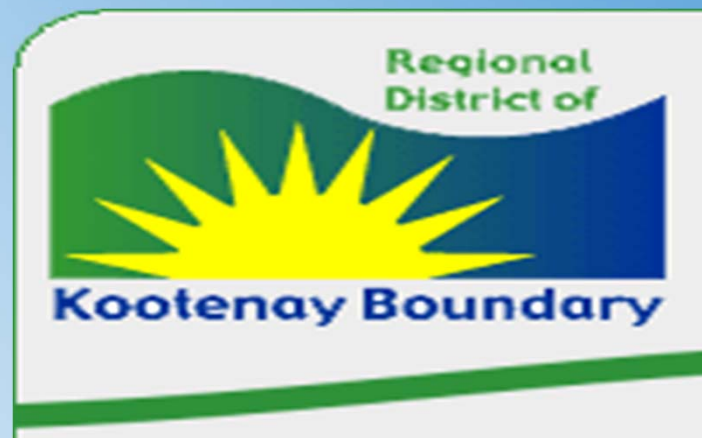
2019 Budget – Government Transfers

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	BUDGET 2018
Unconditional Transfers			
Community protection	435,000	4.82%	415,000
Revenue sharing - fines	100,000	0.00%	100,000
School Tax Admin	5,200	-7.14%	5,600
<i>Total Unconditional Transfers</i>	540,200 ▲	3.76%	520,600
Conditional Transfers			
RCMP	47,500	5.56%	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>	301,550 ▲	0.84%	299,050
TOTAL	841,750 ▲	2.70%	819,650

No information has been received regarding Cannabis revenue sharing. First revenue transfer is more likely to occur in 2020.



CONDITIONAL TRANSFER - RDKB



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2019 Budget – Conditional Transfer - RDKB

Summary function/ Revenue category	2019 BUDGET	% change vs 2018 Budget	BUDGET 2018
Conditional Transfer - RDKB			
PARKS & RECREATION	209,350	2.17%	204,900
CEMETERY	263,900	2.45%	257,600
REFUSE DISPOSAL	0		0
TRANSIT	0		0
<i>Total Conditional Transfer</i>	473,250	2.32%	462,500
TOTAL	473,250 ▲	2.32%	462,500
<u>Parks and Recreation:</u>			
BV PARTS (Expires 2021)	125,000	0.00%	125,000
Warfield (Expires 2020)	84,350	12.77%	74,800
	209,350 ▲	4.78%	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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2019 Budget – Transfer from Own Reserves

Summary function/ Revenue category	2019 BUDGET	% change Vs 2018 Budget	BUDGET 2018
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



2019 Budget – Transfer from Own Reserves

- *The reserve transfer is included to effectively “balance” the budget.*
- *Due to ongoing increases in the municipal tax levy, Council has not addressed this operating reserve dependency.*
- *The five year financial plan reflects the following changes in the draw with a view to phase it out.*

Category:	Transfers from own reserves/surplus				
	2019	2020	2021	2022	2023
Year >>	2019	2020	2021	2022	2023
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%
<i>Total draw (2019 - 2023)</i>					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.

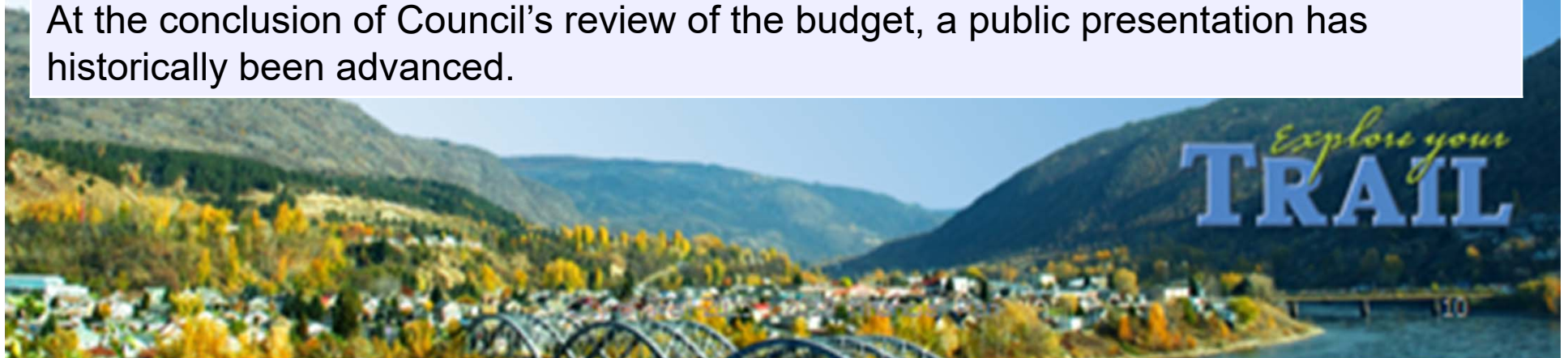
Budget awareness can also be created through social media platforms.

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. When Council reviewed Strategic Priorities, public communication was not identified as a priority.

There is no material change being suggested for 2019.

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



END

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