



2015 Financial Plan



Presentation Outline

- Budget Highlights
- Mill Rate Comparison
- Tax Result Comparison
- Question Period



Revenues - Highlights

- The financial plan must include a balanced budget
- Fees & Fines increased by 3.74%, consistent with the 2014 tax increase
- UCN buildings and housing have been added to the tax roll, with a 50% reduction recorded as per by-law 1913-2014.
- Additional revenues for the Fitness Area have been included to offset the additional expenses



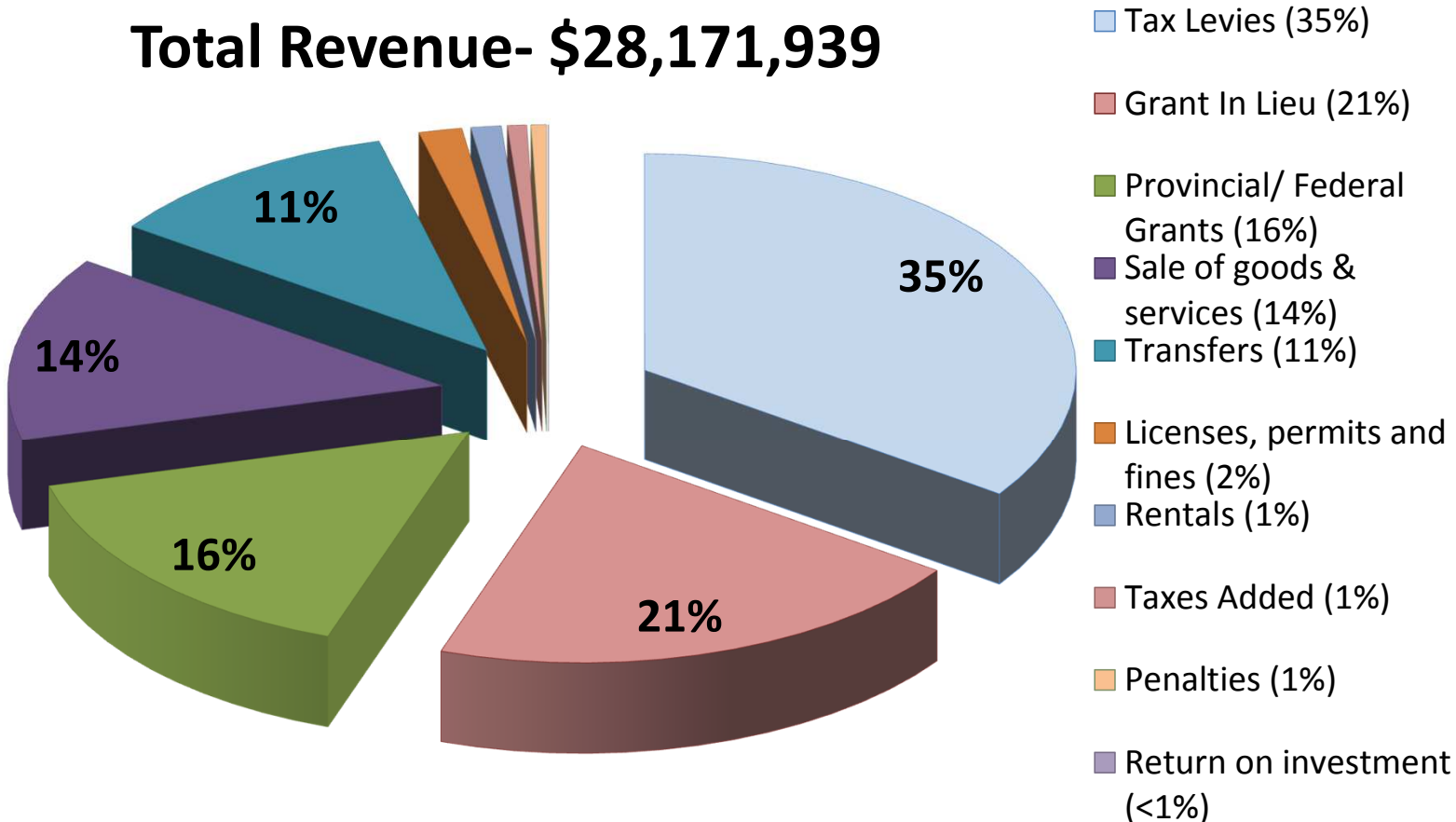
Revenues - Highlights

- \$750,000 of the \$3M Vale Grant-in-lieu Infrastructure funding is included in the capital revenues.
- Council has allocated this funding at \$600,000 per year for capital projects over the five year GIL.



City of Thompson Revenues

Total Revenue- \$28,171,939



Grants (16% of Revenues)

| Operating | | Capital | |
|-----------------------------|-----------|----------------------|---------|
| Per Capita Grant | 2,119,105 | Gas Tax | 675,059 |
| General Support Grant | 225,823 | Municipal Road Grant | 400,000 |
| VLT Grant | 196,000 | | |
| Firefighter Grant | 328,600 | | |
| Downtown Ambassador | 15,000 | | |
| Cultural Grant | 9,200 | | |
| Transit Operating | 158,656 | | |
| Transit (debenture Payment) | 87,434 | | |
| Ambulance Grant | 198,749 | | |



Sales of Goods and Services (14%)

- Includes:
 - Ambulance Revenue (\$1.9M)
 - Garbage Pick-up (\$400K)
 - Custom Work, Transit (\$265K)
 - Recreation revenues (\$766K- TRCC including arenas, Norplex pool, Fitness Area and outside rentals)



Transfers (11%)

- Accounts for the transfers from the reserves:
 - To fund capital projects (subject to parameters set by council)

| | | |
|------------------------|-------------------|-----------------------|
| Gas Tax Reserve | Equipment Reserve | Public Safety Reserve |
| Infrastructure Reserve | Building Reserve | |

- Economic development
 - Election
 - Affordable housing initiatives
- Accommodation tax (\$500K) and land sales (\$256K)



Licenses Permits and Fines (2%)

Includes:

- ~\$45,000 in business licenses (approximately 250 licenses annually)
- ~\$12,500 in animal licenses
- ~\$225,000 in building inspections (including plumbing, etc.)
- ~\$125,000 in by-law and traffic fines
- Other small licenses and taxi transfers are included here



Rentals (1%)

Rentals mainly includes RCMP rentals

- 25 year lease agreement
- Receive rental revenue from the Rural RCMP for their proportionate share of the public safety building costs
- Rural RCMP also pay a proportionate share of the debenture for the RCMP building

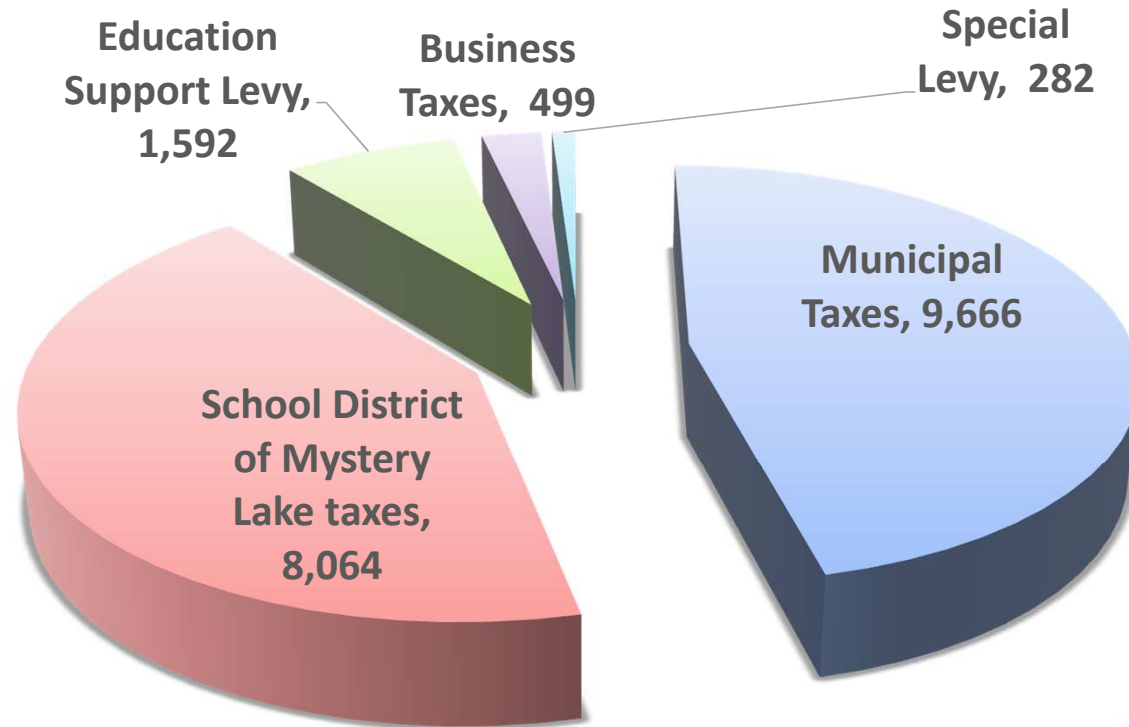


Taxes Added and Penalties

- Taxes added (\$200,000)
 - Results from changes in assessments during the year (buildings completed or updated, etc.)
- Penalties (\$160,000)
 - Monthly amount of 1.25% on outstanding taxes



2015 Property Taxes- Thousands



Accommodation Tax

- The City budgeted \$500,000 in revenue from the Hotel Accommodation Tax.
- The Hotel Accommodation Tax By-Law allocates revenue in the following manner:
 - 60% to Infrastructure Reserve
 - 20% to Public Safety Reserve
 - 20% to Affordable Housing Reserve



Accommodation Tax- Projects Funded

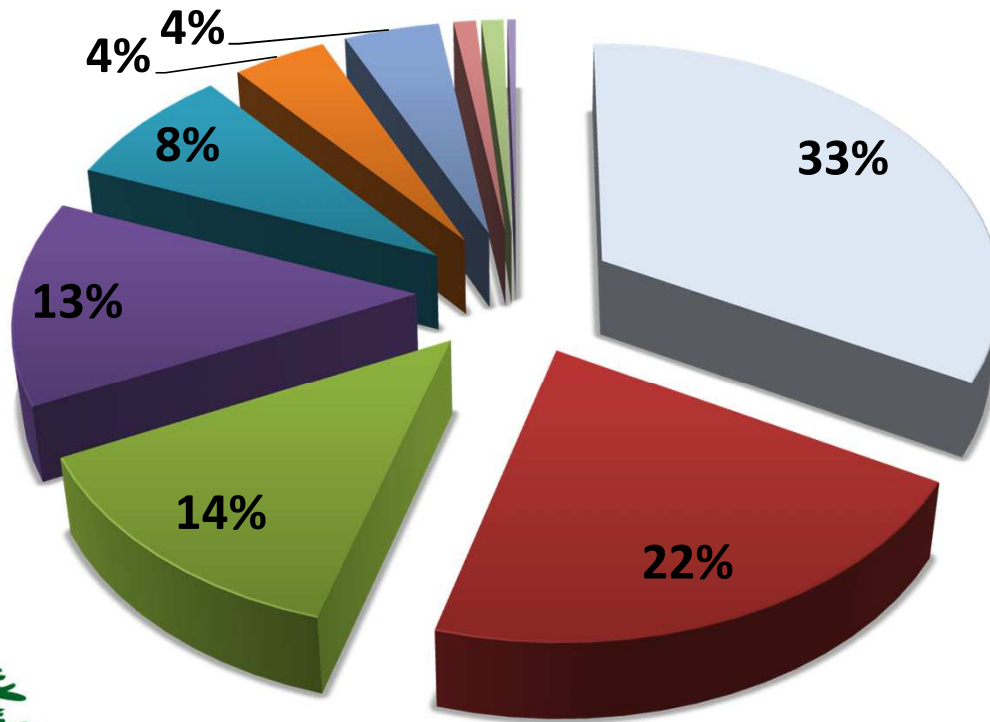
| Infrastructure Reserve | Public Safety Reserve | Affordable Housing Reserve |
|--|---|------------------------------------|
| 2015 | | |
| Equipment Replacement-, Small Capital, Trucks, IT upgrades, BCC Ice Plant, Shop Hoist, desks, line painter | Crew Cab Truck, Defibrillator, snowmobile | Our Home Kikinaw, Homeless Shelter |
| Roof – Public Safety Building, Fire Hall Bathroom upgrades, Columbarium, parks, painting ceiling in GB arena | Roof – Public Safety Building YARN | Thompson Housing Agency |
| 2014 | | |
| Equipment Replacement-, Small Capital, dump truck, ½ ton Trucks, Tractor | Defibrillator, Small Capital | Homeless Shelter |
| Cemetery upgrades, Industrial Subdivision | YARN | Thompson Housing Agency |

Expenses- Highlights

- Status quo budget- only contractual increases included (salaries, RCMP contract, hydro, caretaking, etc)
- \$10,000 allocated to the new branding strategy
- \$220,000 transferred from Nominal Surplus to cover the utility deficit from 2014- Requires PUB Approval



City of Thompson 2015 Expenses

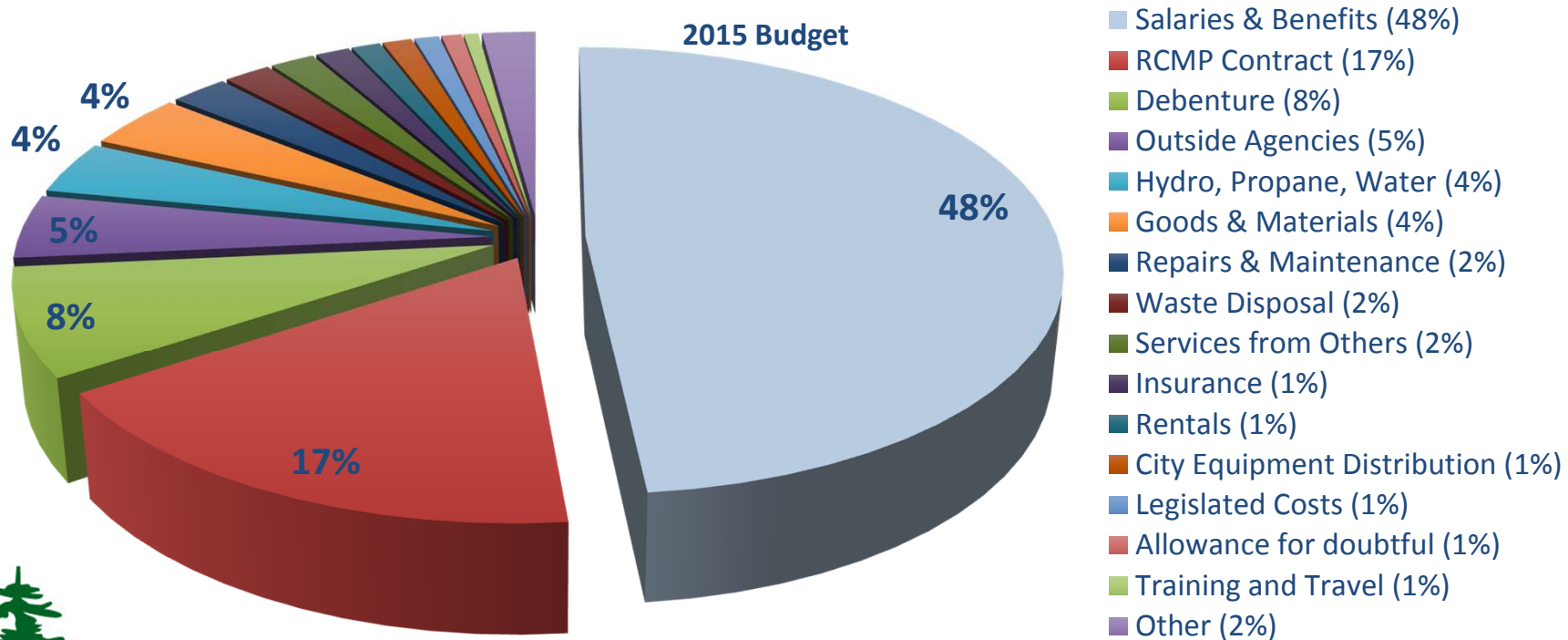


- Protective Services (33%)
- Fiscal Services (22%)
- Transportation Services (14%)
- Recreation and Culture Services (13%)
- General Government (8%)
- Transfer from Reserves (4%)
- Environmental Health Services (4%)
- Economic Development Services (1%)
- Public Health and Welfare Services (1%)
- Environmental Development Services (<1%)

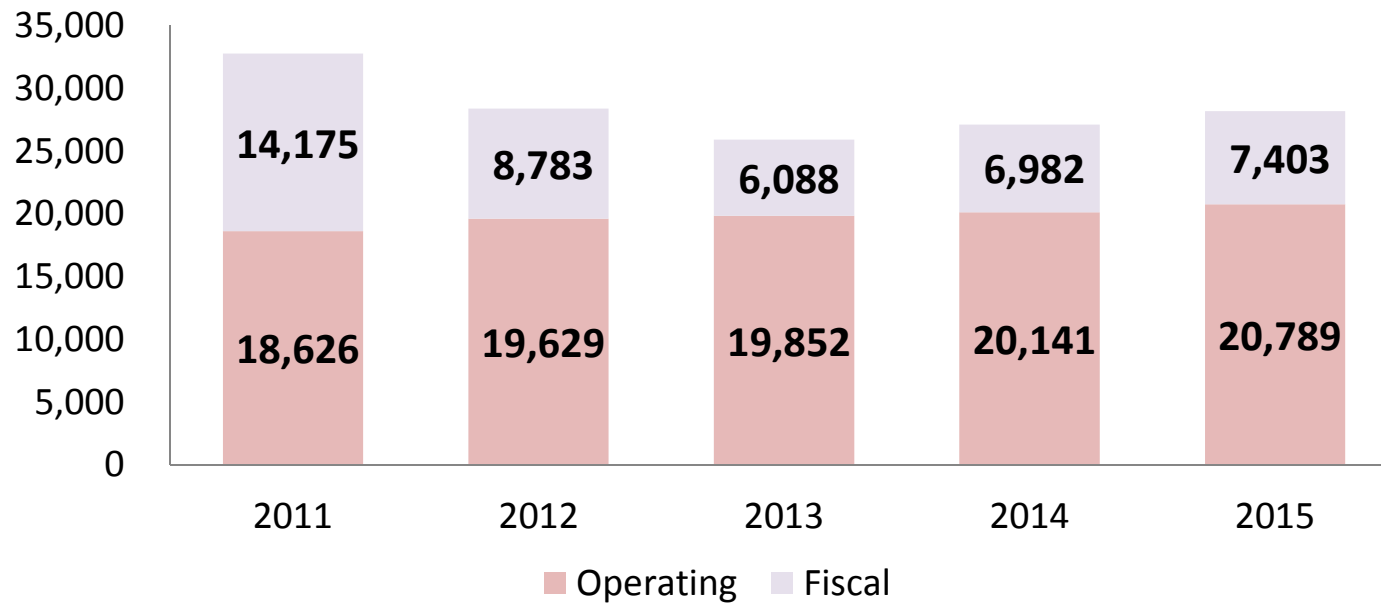
Total Expense \$28,171,939



2015 Budget Costs by Category



Year-Over-Year Summary- Thousands



Debentures

- Principal of \$11,809,018 outstanding on existing debentures (excluding utility debentures)
- Total payment of \$1,840,682 included in the 2015 budget
 - \$1,236,959 principal
 - \$603,723 interest



Debentures

| | Original Balance | Principal Remaining | Annual Payment | Interest rate | Completed in |
|------------------------|------------------|---------------------|------------------|---------------|--------------|
| TRCC | 10,915,000 | 8,155,424 | 1,013,210 | 5.5% | 2027 |
| Public Safety Building | 4,739,460 | 1,178,366 | 438,962 | 6.7% | 2018 |
| UCN Drive& Burntwd Sth | 990,000 | 911,076 | 89,697 | 4.0% | 2028 |
| Recreation Projects | 660,000 | 572,427 | 59,765 | 4.0% | 2027 |
| Rescue Pumper | 472,038 | 349,307 | 58,198 | 4.0% | 2021 |
| Ring Road | 385,000 | 298,824 | 44,155 | 3.9% | 2022 |
| GB Parking Lot | 160,000 | 120,000 | 20,000 | 6.9% | 2023 |
| Transit | 401,859 | 167,607 | 87,435 | 2.9% | 2016 |
| Recycle Upgrades | 134,000 | 55,987 | 29,260 | 3.0% | 2016 |
| Total Operating | | 11,809,018 | 1,840,682 | | |

Controlled Entities

- Due to capital investment and operational efficiencies at the Thompson Recycle Center the funding requirements have been reduced for the 3rd consecutive year for a total decrease of 31% since 2011.
- Funding for the library has increased by 3.2%
- Year 2 of the Debt reduction strategy being implemented
 - Thompson Recycle Center \$74,078 for 15 years
 - Thompson Zoological Society \$19,214 for 10 years
- All other funding has remained status quo for 2015



Controlled Entities

| | 2014 | 2015 |
|---|-----------|-----------|
| Thompson Housing Agency | \$50,000 | \$50,000 |
| Thompson Public Library | \$237,500 | \$245,000 |
| Thompson Zoological Society | \$85,000 | \$85,000 |
| Thompson Community Development Corporation (TU) | \$150,000 | \$150,000 |
| Thompson Recycling Center | \$260,000 | \$240,000 |



Community Groups

- The 2015 Plan includes the following contributions to community groups:

| | |
|-------------------------|----------|
| Museum | \$60,000 |
| Homeless Shelter | \$25,000 |
| Spirit Way/ Lions' Park | \$12,000 |
| Curling Club | \$9,000 |
| YARN | \$15,000 |
| Ambassador Program | \$15,000 |
| Humane Society* | \$31,126 |

* Fee for service

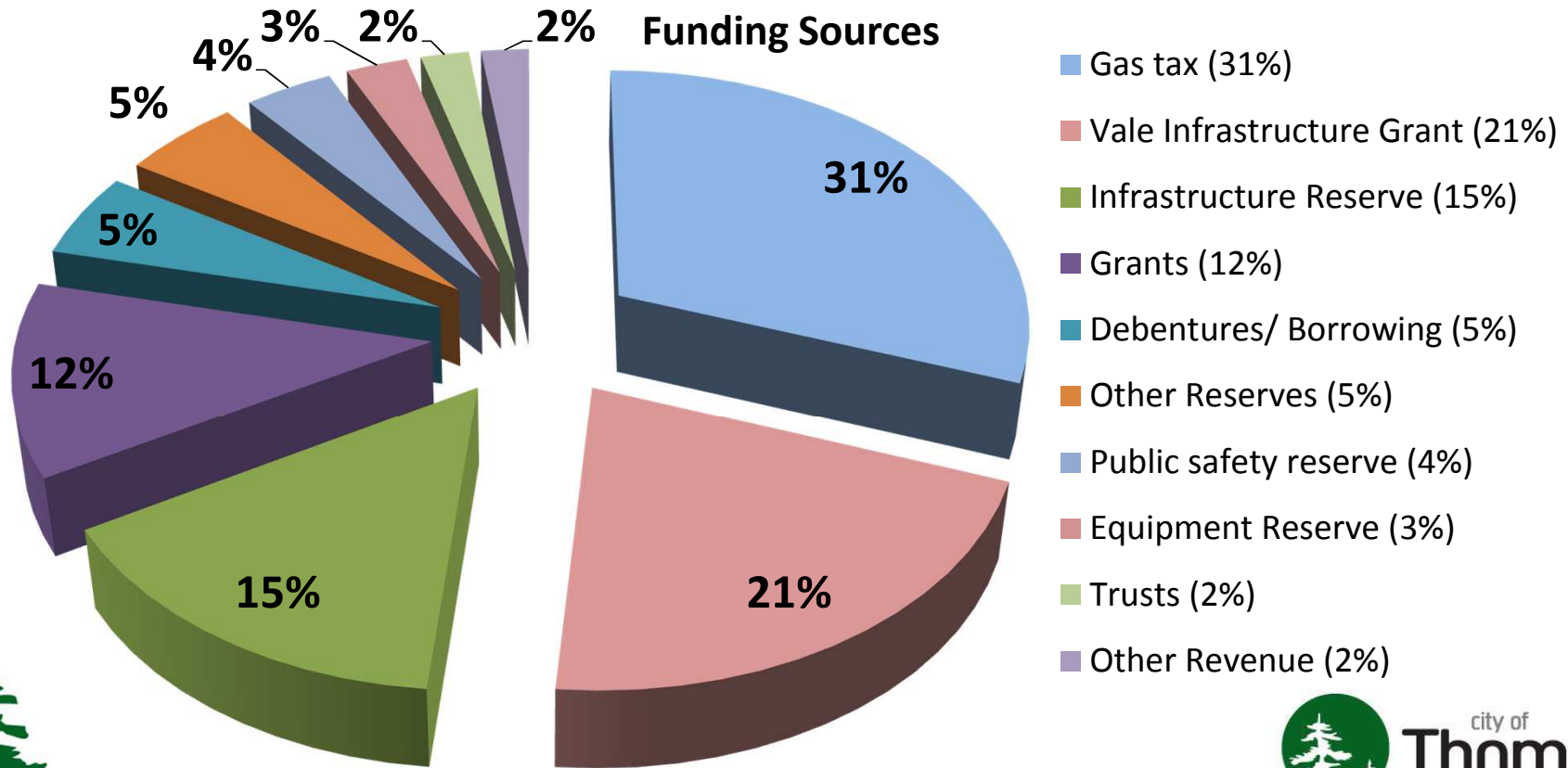


Capital Funding

- Zero property tax dollars have been required for the purchase of capital for the third consecutive year
- No new debentures(borrowings) are being approved to leave sufficient room for the Waste Water Treatment Plant
- Vale Grant-in-lieu agreement includes an infrastructure component – 3rd year of the program



Sources of Capital Funding



Capital Projects

| Capital Project | Value | Funding Source |
|--------------------------------------|-------------|--|
| Cree Road- Fox Bay to Thompson Drive | \$1,300,000 | Gas Tax Revenues, Vale GIL, Municipal Road Grant |
| Multi- Use Paths- Broadway to Cree | \$320,000 | Vale GIL |
| Sidewalk Renewal Program | \$70,000 | Gas Tax |
| Burntwood Trailer Court Renewal | \$90,000 | Gas Tax Revenues |
| Geotechnical and Engineering | \$90,000 | Gas Tax Revenues |
| TRCC Parking Lot Lighting | \$90,000 | Debenture |
| Traffic Light Control Cabinets | \$35,000 | Gas Tax |



Capital Projects- Cont'd

| Capital Project | Value | Funding Source |
|--|-----------|---|
| Equipment Upgrades- Defibrillator, Fire Chief Vehicle, snowmobile, Half Tonnes, Handivan, shop hoist Fitness area access, BCC Ice Plant (Contribution), Columbarium, line painter, desks, upgrade of electrical and mechanical (Norplex), GB Ceiling Painting, Library Boiler upgrades | \$480,500 | Infrastructure Reserve, Public Safety Reserve, Building reserve, TRCC Trust |
| Safety Projects- including additional street lighting, Re-roof public safety building, traffic light pole and pedestal, Fire Hall bathroom | \$149,000 | Infrastructure Reserve, Public Safety Reserve |
| Small capital, Asphaltite, wall of fame, baffling for MPR, Clearing, Baffling for TRCC, Parks | \$186,000 | Infrastructure reserves, Gas Tax, Trust, debenture |
| Completion of 2014 capital carry-over projects | \$547,000 | Reserves, Debentures |



Road Renewal



| REVISIONS | APPROVAL | DESIGNED |
|--------------|-------------|----------|
| Date | Description | Drawn |
| | | Checked |
| File No. | | Approved |
| Sheet 1 of 1 | | Title |

2015 Cree (Fox Bay to Thom Dr N)
Assets & Infrastructure
Capital Projects 2015

CITY OF THOMPSON

Multi use Path



| | | | | | |
|-----------|----------|-------------------------|----------|---------|-----|
| REVISIONS | Approved | 2015 Multi-Use Pathways | Drawn | Checked | Job |
| Inspector | | Assets & Infrastructure | | | |
| | | Capital Projects 2015 | | | |
| | | | Approved | | |
| | | | Title | | |



Debentures

- The parameters of the 2015 budgets included no new debentures to be taken out due to the debt requirements of the waste water treatment plant in 2016/2017
- The following debentures carried forward from 2014 will be used in 2015

| | |
|--|------------------|
| UCN Drive Paving | \$155,000 |
| TRCC South Parking Lot | 160,000 |
| Utility- Wastewater treatment plant | \$500,000 |
| Utility Establishment | \$662,000 |



Utility

- The PUB approved an interim rate for 2015 in December, 2014, and current rates were implemented January 1, 2015
- 2015 Water rates are set at 1.40/cubic meter and sewer rates are set at .70/cubic meter
- The 2015 flat fee is \$105.67 (2014 \$81.51)
 - includes 14 cubic meters of water
- A rate study was completed in 2014 to determine the rates for 2015 to 2017, which is currently being reviewed by the PUB



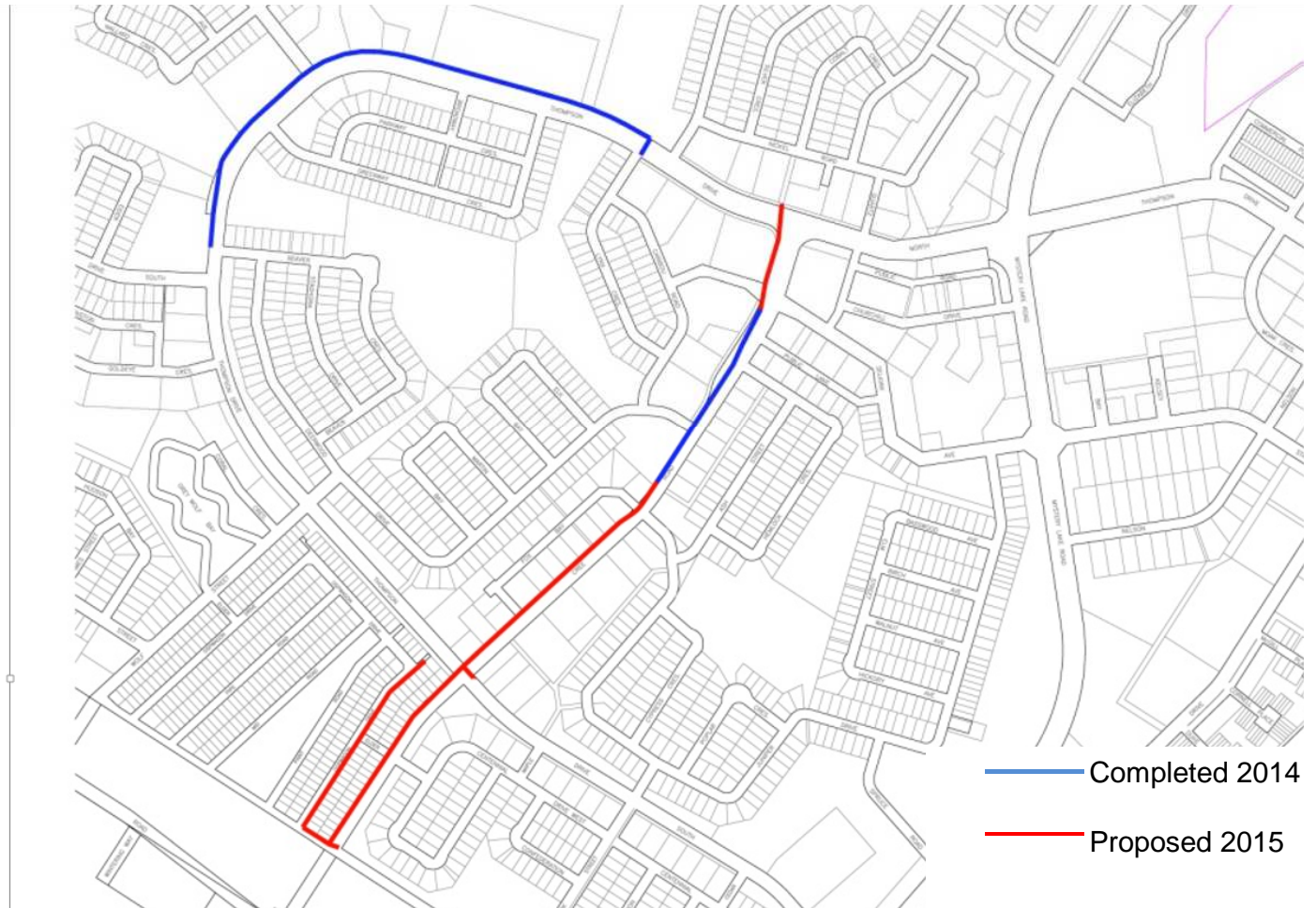
Utility Capital

The 2015 Capital Expenses include:

- Watermain renewals
 - Cree Road- Burntwood Road to Thompson Dr. S., and Ospwagan Dr. from Burntwood Road to Thompson Dr. S.
 - Cree Rd from Thompson Drive S. to Fox Bay
 - Cree Rd from Selkirk Ave to Thompson Dr. N.
- Beginning the process of the Waste Water treatment plant upgrades
- Equipment- Lift station work, ½ Ton truck



Watermain Renewal Map

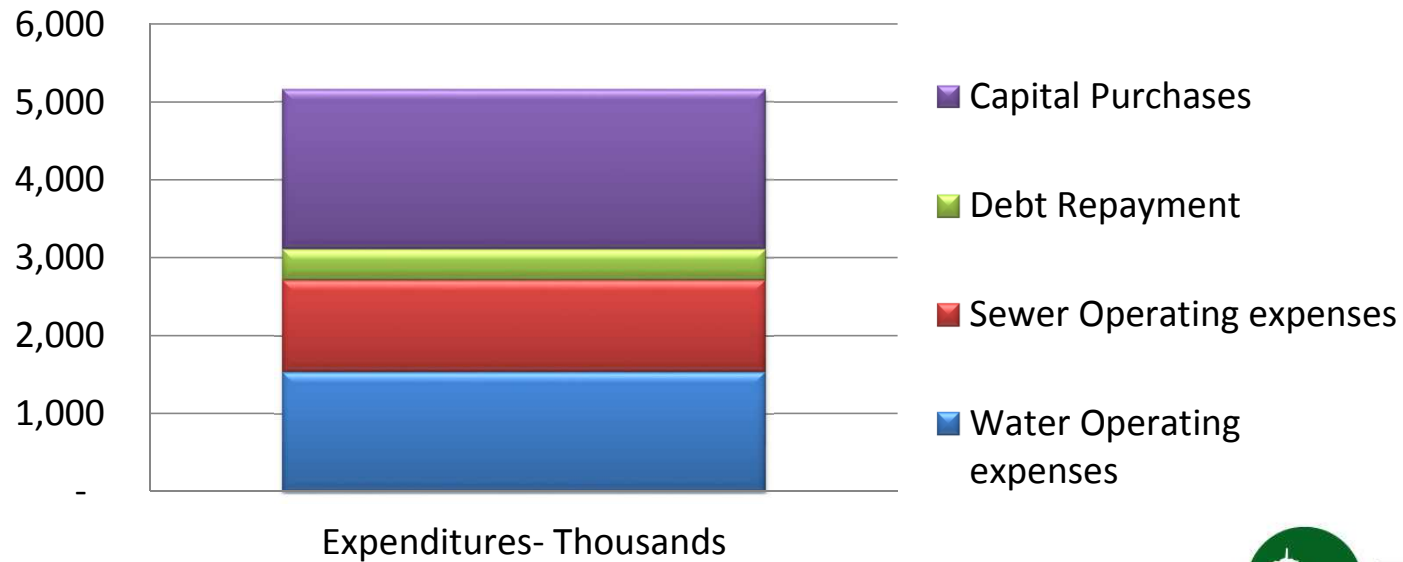


Utility- Thousands

2015 Revenues - \$5,161

2015 Expenses- \$5,161

Does not include WWTP of \$36M.



Mill Rate Comparison



Residential Mill Rate Comparison

| | 2014 Mill Rate | 2015 Mill Rate | Difference |
|------------------------------------|----------------|----------------|-------------|
| Provincial Education Support Levy | 0.00 | 0.00 | 0.00 |
| SDML Levy | 17.727 | 17.628 | -.6% |
| City of Thompson Levy | 19.987 | 20.670 | 3.4% |
| Total Residential Mill Rate | 37.714 | 38.298 | 1.5% |



Commercial Mill Rate Comparison

| | 2014 Mill Rate | 2015 Mill Rate | Difference |
|-----------------------------------|----------------|----------------|-------------|
| Provincial Education Support Levy | 11.390 | 11.610 | 1.9% |
| SDML Levy | 17.727 | 17.628 | -.6% |
| City of Thompson Levy | 19.987 | 20.670 | 3.4% |
| Total Commercial Mill Rate | 49.104 | 49.908 | 1.6% |



Tax Result – House Assessment of \$200,000 in 2014 & 2015

| | 2014 Mill Rate | 2015 Mill Rate | Change | % Change |
|--------------------------|-----------------------|-----------------------|---------------|-----------------|
| Assessment | 200,000 | 200,000 | 0 | 0% |
| SDML Levy | \$1,595 | \$1,587 | -\$8 | -.6% |
| City of Thompson Levy | \$1,799 | \$1,860 | \$61 | 3.4% |
| Total Taxes | \$3,394 | \$3,447 | \$53 | 1.5% |
| <i>Provincial Rebate</i> | <i>\$700.00</i> | <i>\$700.00</i> | <i>\$0</i> | <i>0%</i> |
| Net Taxes | \$2,694 | \$2,747 | \$53 | 2.0% |

Portioned Residential Assessment = 45% of assessed value (or \$90,000 taxable)

Tax Result – Commercial Property
Assessed at \$1,000,000 in 2014 & 2015

| | Based on 2014 Mill Rate | Based on 2015 Mill Rate | Change | % Change |
|--------------------------------------|--|--|---------------|---------------------|
| Assessment | \$1,000,000 | \$1,000,000 | 0 | 0% |
| Provincial Education Support Levy | \$7,403 | \$7,546 | \$143 | 1.9% |
| SDML Levy | \$11,522 | \$11,458 | -\$64 | -.6% |
| City of Thompson Levy | \$12,992 | \$13,435 | \$443 | 3.4% |
| Total Taxes | \$31,917 | \$32,439 | \$522 | 1.6% |

Tax Result – Business Assessment of

\$100,000

No Change in Business tax rate for 2015

| 2014 Rate | 2015 Rate | Increase/ (Decrease) | % Change |
|------------------|------------------|---------------------------------|---------------------|
| 4.49% | 4.49% | | |
| \$4,490 | \$4,490 | \$0 | 0% |

Business assessment reflects the annual rental value of the property the business is occupying



Special Levies

The 2015 Financial Plan includes revenue from:

- A Special Levy for Water, Storm and Sewer Service Line Maintenance; 2015 amount \$282,000 (estimated at \$88.60/ residence) (2014 amount per residence was \$63.05)
- 2015 is the final year for the current by-law



What does this mean?

If you own a home with the average assessment of \$200,000 you will pay the following taxes:

| | |
|-----------------------------------|---------|
| City of Thompson | \$1,860 |
| SDML | \$1,587 |
| Total before education tax credit | \$3,447 |
| Less education tax credit | -700 |
| Total Taxes Payable | \$2,747 |



What does this mean?

The amount you pay to the City of Thompson for Property taxes is \$1,860. In effect you are purchasing the following programs:

| | |
|-------------------------------|-------|
| General Government | \$214 |
| Protective Services | \$684 |
| Transportation Services | \$366 |
| Environmental Health Services | \$73 |
| Public Health and Welfare | \$25 |
| Environmental Development | \$1 |
| Economic Development | \$11 |
| Recreation | \$310 |
| Debenture Payments | \$176 |



General Government

For an annual amount of \$214 you are paying for:

- Council and council expenditures
- Administrative functions (City Manager, Finance, HR, IT, Purchasing, legal fees)
- Insurance on all City Buildings
- Assessment services
- Elections costs



Protective Services

For an annual amount of \$684 you are paying for:

- \$500 For RCMP, which includes 38 members plus support staff
- \$121 for fire and ambulance services which operates 24 hrs a day, 7 days a week. It includes 24 Fire Medics, as well as 5 emergency medical dispatchers, 2 deputies and the Chief.
- Public Safety program, By-law officers, Animal Control, Building Inspectors



Transportation Services

For an annual amount of \$366 you are paying for:

- Snow removal on streets and sidewalks
- Paving and patching of streets
- Street cleaning
- Sidewalk and curb repairs
- Street Lighting
- Transit buses and Handivan



Environmental Health Services

For an annual amount of \$73 you are paying for:

- Garbage Collection
- Recycling Program
- Spring Clean-up program
- Removal of waste in community garbage and recycling cans



Public Health and Welfare Services

For an annual amount of \$25 you are paying for:

- Cemetery care and maintenance
- Social Assistance payment to the Province of Manitoba



Economic Development Services

For an annual amount of \$11 you are paying for:

- Planning and Development Department which deals with all planning and development issues within the City of Thompson and the Thompson Planning District



Recreation and Cultural Services

For an annual amount of \$310 you are paying for:

- TRCC – CA Nesbitt Arena, Gordon Beard Arena, Bill Comaskey Wellness Center, walking track
- Norplex Pool
- 3 outdoor rinks, 2 wading pools and splash park
- Tennis courts, skate park, all area parks and dog park
- Ball diamonds, soccer fields
- Millennium trail, brushing program, museum contribution, Library, Zoo



Debentures

For an annual amount of \$176 you are paying for debt for projects implemented within the City:

- TRCC phases
- Park projects- Skate Park, Cliff Park,
- RCMP building
- UCN Drive
- Transit Buses
- Fire Truck



Questions?

