

TRANSALTA TRI LEISURE CENTRE CORPORATE PLAN 2017



2017 Objectives

Identify Operational Efficiencies

- Restructured organizational chart which reduces the level of managerial layering.
- Re-organizing positions within the chart to more properly align positions with the business units serviced.
- In depth review of all contractual agreements and procurement methods to ensure optimal value to the organization.
- Optimize existing revenue opportunities through lengthy rate comparison based on benchmarks while also building upon new revenue streams.

Increase Utilization

- Build upon the traditional sport offering through the increase of programs and services available to the public.
- Offer a variety of unique opportunities to the public in non-traditional ways (concerts, special events, functions and otherwise)
- Develop unique opportunities for spontaneous use throughout the facility (mini-sticks rink, outdoor skating, etc.)

Strategic Priorities

- Build upon the infrastructure program by rolling out the first year of the long range capital plan.
- Build upon 2016's special events calendar to provide unique opportunities for the community to gather at the TLC.
- Continue to be a part of the community by actively participating in community special events.
- Work with our stakeholders to develop an intimate knowledge of their wants and needs.
- Continue to cultivate an open and inclusive workplace for all of our staff.

Introduction

The Tri Municipal Leisure Facility Corporation (Corporation) board of directors, administration and staff have served the residents of the Tri-Municipal Region well, providing a wide range of recreation, sport, wellness and cultural facilities and activities since 2001. The Corporation and the TLC continue to evolve in order to serve the many people that utilize the TLC from a diverse and constantly growing region.

TLC administration places significant importance on determining how best to serve Tri-Municipal residents by reviewing and analyzing the changing marketplace and developing financial and strategic corporate plans that will provide viable programs, services and facilities for years to come.

Budget Process

The 2017 budget process started immediately following the completion of the 2015 year-end audit. In 2017, the TLC is working to advance its budget schedule by one month to provide improved opportunity for the municipalities to review and consider the budget request. In 2016, the TLC presented its budget request to the municipalities in November and December, which is late in the municipal budget process, and in some cases the presentation occurred following the municipalities own corporate plan approval. Development and planning the 2017 budget follows these steps:

- First draft development analyzed internally by March 18th, 2016.
- First draft budget and detailed report presented to the board on May 12, 2016.
- Second draft budget and detailed report presented to the board on June 16, 2016.
- TLC General Manager and Manager of Finance to meet with the three CAOs to review and discuss the proposed budget the latter part of June of 2016.
- A summary of the CAOs recommendations to be reviewed at the September 8th, 2016 board meeting. TLC administration will seek approval of the proposed budget and request direction to forward the 2017 final proposed budget to the three municipal councils.
- General Manager to present the 2017 proposed budget to the municipalities in mid-late September.
- Councils typically approve their corporate plans late in November or early December.

Strategic Priorities

PEAK Priorities

The TLC's Strategic Plan is focused on 4 PEAK priorities which form the pillars of both our future strategies while guiding the allocation of resources and informed decision making at an operational level.

Personnel
Engagement with Stakeholders
Asset Management
Key Service Levels (internal and external)

Each PEAK priority below includes a description, key initiatives to be implemented and key results to be achieved.

Personnel (Workforce)

The TLC believes that our people are our greatest strength and asset. Through proactive mentorship, professional development and sound human resource practices, the TLC will ensure that our staff experience a safe, creative, supportive and inclusive workplace.

Engagement with Stakeholders

The TLC will endeavor to cultivate meaningful relationships with all of its stakeholders by prioritizing needs through ongoing evaluation, engagement and communication. Additionally, the TLC will strive to enhance its reputation in the Tri-Municipal Region through active involvement in community activities and events, and through positive contributions towards health, wellness, and culture, while also collaborating with local organizations to ensure continued opportunities for residents to get active through successful program development and implementation.

Asset Management

The TLC will ensure that a heightened focus on sustainable infrastructure and life cycle planning is a core priority. This includes an amplified focus on preventative maintenance, improved long-range capital planning and a more proactive reporting strategy with the municipal partners.

Key Service Levels (Internal and External)

The TLC will continue its commitment to excellence in diverse and engaging program and service delivery for all residents of the Tri-Municipal Region. Additionally, the TLC will develop, through the stakeholder engagement process, an identifiable service level framework that will guide both operational standards and fiscal planning.

Personnel (Workforce)
<i>The TLC believes that our people are our greatest strength and asset. Through proactive mentorship, professional development and sound human resource practices, the TLC will ensure that our staff experience a safe, creative, supportive and inclusive workplace at all times.</i>
Key Results
<ul style="list-style-type: none"> • Reduce total recordable injury frequency (TRIF) rates. • Achieve targeted staff engagement rates. • Reduce turnover rates. • Set a baseline for staff engagement rates. • Complete development plans for all permanent full-time employees.
Initiative 1
Provide a safe and supportive worksite through the development and implementation of ongoing health and safety programs.
Initiative 2
Provide opportunity for advancement through consistent training, professional development (development plans, career path planning) and mentoring.
Initiative 3
Develop a performance management and recognition program.
Initiative 4
Develop and implement a process to measure staff engagement.
Initiative 5
Develop a staff communications plan.
Initiative 6
Set a baseline for staff engagement rates.

Engagement with Stakeholders
<p><i>The TLC will endeavor to cultivate meaningful relationships with all of its stakeholders by prioritizing needs through ongoing evaluation, engagement and communication. Additionally, the TLC will strive to enhance its reputation in the Tri-Municipal Region through active involvement in community activities and events, through positive contributions towards health, wellness, and culture, while also collaborating with local organizations to ensure continued opportunities for residents to get active through successful program development and implementation.</i></p>
Key Results
<ul style="list-style-type: none"> • Increase stakeholder engagement and satisfaction. • Increase collaborative opportunities with external agencies and partners. • Meet the service levels set for the organization.
Initiative 1
<p>Research opportunities for developing, expanding and enhancing partnerships with local, provincial and national-level organizations in order to better meet the needs of stakeholders.</p>
Initiative 2
<p>Establish and evaluate service levels through the implement of a strategic stakeholder engagement strategy.</p>
Initiative 3
<p>Analyze and report on the feedback from stakeholders as a key component of the annual corporate planning process.</p>
Initiative 4
<p>Set a baseline for stakeholder engagement and satisfaction.</p>

Asset Management
<i>The TLC will ensure that a heightened focus on asset management and life cycle planning is a core priority. This includes an amplified focus on preventative maintenance, long-range capital planning and proactive communication strategy with the municipal partners.</i>
Key Results
<ul style="list-style-type: none"> • Increased up-time on infrastructure components. • Improved capital budget lead time. • Reduced environmental impact.
Initiative 1
Develop and implement a comprehensive maintenance program (including a process for work orders, electronic asset tracking, development of performance measures and an ongoing evaluation of asset status).
Initiative 2
Develop and implement safe work practices and measurable outcomes across all facility positions and departments.
Initiative 3
Develop a 10-year capital plan resulting from the detailed life cycle and asset management program.
Initiative 4
Research green initiatives and evaluate the return on investment related to incorporating them into projects or upgrades.

Key Service Levels (Internal & External)
<p><i>The TLC will continue its commitment to excellence in diverse and engaging programming for all residents of the Tri-Municipal Region. Additionally, the TLC will develop, through the stakeholder engagement process, an identifiable service level framework that will guide both operational standards and budget development.</i></p>
Key Results
<ul style="list-style-type: none"> • Increased customer satisfaction. • Increased utilization. • Increased member registration and retention. • Revenue realized from non-traditional revenue streams.
Initiative 1
<p>Research opportunities for repurposing, renovating or expanding facilities, programs and services to better meet the needs of stakeholders.</p>
Initiative 2
<p>Establish and evaluate service levels as part of the annual planning process.</p>
Initiative 3
<p>Conduct program and service needs and usage assessments to ensure that the programs offered are meeting the needs of stakeholders.</p>
Initiative 4
<p>Develop unique revenue streams to enhance financial standing and customer experience (such as mobile fitness units, satellite/offsite locations, unique events or activities, innovative partnerships and creative programming, etc.)</p>

Service Levels

The TLC's value to the Tri Region has often been judged based on the cost recovery percentage earned on a given year, the amount of money in reserves, and the level of subsidization or cost required from the municipalities. Although this doesn't fully depict the true value of the facility to the Tri Region, it is a reasonable measuring stick for individuals evaluating the facilities level of success.

In 2017, the TLC is putting an added focus on identifying the service levels provided to the Tri-Municipal region for the financial commitment of the partner municipalities. There are numerous social, physiological, physical and emotional benefits to having a facility like the TLC in a community and many of those benefits come without revenue or financial benefit. The TLC's service level review helps to quantify our service levels and provide specifics about what the communities get for their investment.

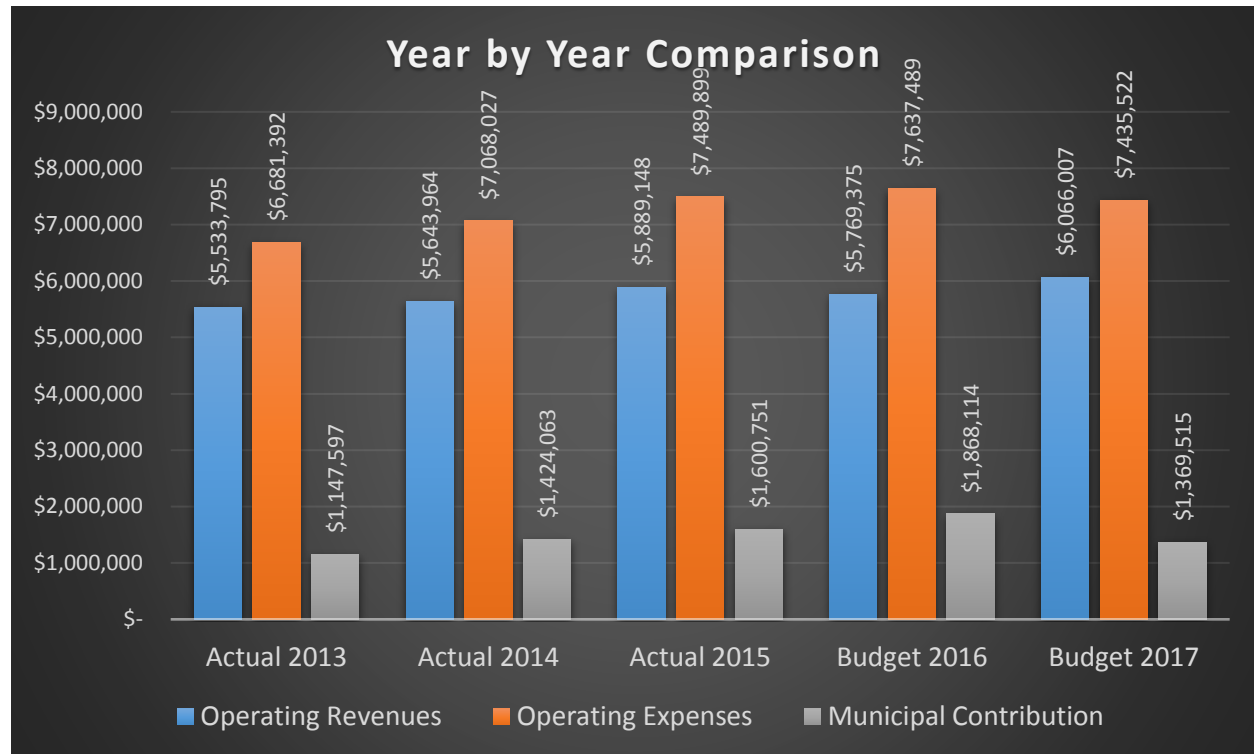
On the surface it is simply to pinpoint what the TLC provides. Aquatics, arenas, fields, child services, fitness Centre, track, gymnasium and other complimentary services are the physical qualities of the Centre. However, there are also many unique elements of TLC operations which can go unrecognized and are a part of the service level provided to the community. Here is a sampling of those added features that help to build community:

- Seniors Day – the second Wednesday every month the TLC hosts a free Seniors Day. This includes live entertainment, dancing, coffee, snacks and an opportunity for area residents to enjoy friends and family in a welcoming and inclusive environment.
- Golden Memberships – at the TLC, any individual 80 years of age or older is eligible for complimentary membership. This category represents an active and vibrant percentage of the TLC's membership and this benefit is offered at a cost to the facility.
- Child Minding Services – this service is offered at a deficit to the community to provide a low cost and convenient option for families with young children. It is commonly used for mothers or fathers to be able to participate in TLC activities while their children are care for by TLC staff members.
- Outdoor Skating – our outdoor skating project in 2015 provided another free community recreational opportunity. This project did require resources from the TLC to develop and maintain throughout the winter months and added yet another option for local residents.

These examples are just the tip of the iceberg when it comes to the value to the community not cannot be measured by revenues or expenses. Attached as Appendix "A" is a full service level summary which outlines exactly the services the TLC offers within the budget package presented herein.

Budget Overview

The draft 2017 budget represents more aggressive revenue projections along with the anticipation of a leaner operation on the expense side. Although this results in a much tighter budget, TLC administration believes this to be a realistic target for 2017 based on actual data taken from the past three financial cycles along with the analysis of interim data from 2016 operations.



The following summary points are highlighted in the draft 2017 budget request:

- Operational cost recovery of 81.58%.
- 27% decrease in municipal operating contribution representing a savings of \$498,600.
- Increase of 5.14% in earned revenues from 2016 budget to 2017 budget (excludes municipal operating contribution).
 - Aggressive opportunity development for programming with specific growth anticipation in aquatics and children and youth services programming. These two areas have showed significant and continued growth over the past three years.
 - Increased utilization of field and arena use consistent with 2016 trending.
 - Realistic and industry comparable rate adjustments on facilities rental rates.
 - Expected increases to programming revenue and reduction in membership revenue based on trending.
- Decrease of 2.6% in operating expenses.
 - Restructured organization including the elimination of 5.5 FTE positions (currently vacant positions).
 - Status quo in materials, goods and supplies budget with the exception of transitioning custodial expenses from salaries and benefits to materials, goods and supplies.
 - Realized savings on utility, insurance and employee benefit rates.
- Capital and infrastructure projects with a focus on:
 - Life cycle replacement resulting from the newly developed life cycle & capital plan.
 - Planned projects identified as a result of specific need.

To summarize the draft 2017 budget, the following represents the total budget requests from 2016 and the current draft budget request for 2017:

	Approved 2016 Budget	Draft 2017 Budget
Total Revenues	\$7,637,490	\$7,435,522
Earned Revenues	\$5,769,375	\$6,066,007
Municipal Operating Contribution	\$1,868,115	\$1,369,515
Total Expenses (including depreciation)	\$7,912,489	\$7,710,519
Infrastructure Expenses	\$421,700	\$304,500
Capital Expenses	\$321,517	\$374,730
Total Municipal Contribution	\$2,611,332	\$2,048,745
Municipal Operating Contribution	\$1,868,115	\$1,369,515
Municipal Infrastructure Contribution	\$421,700	\$304,500
Municipal Capital Contribution	\$321,517	\$374,730

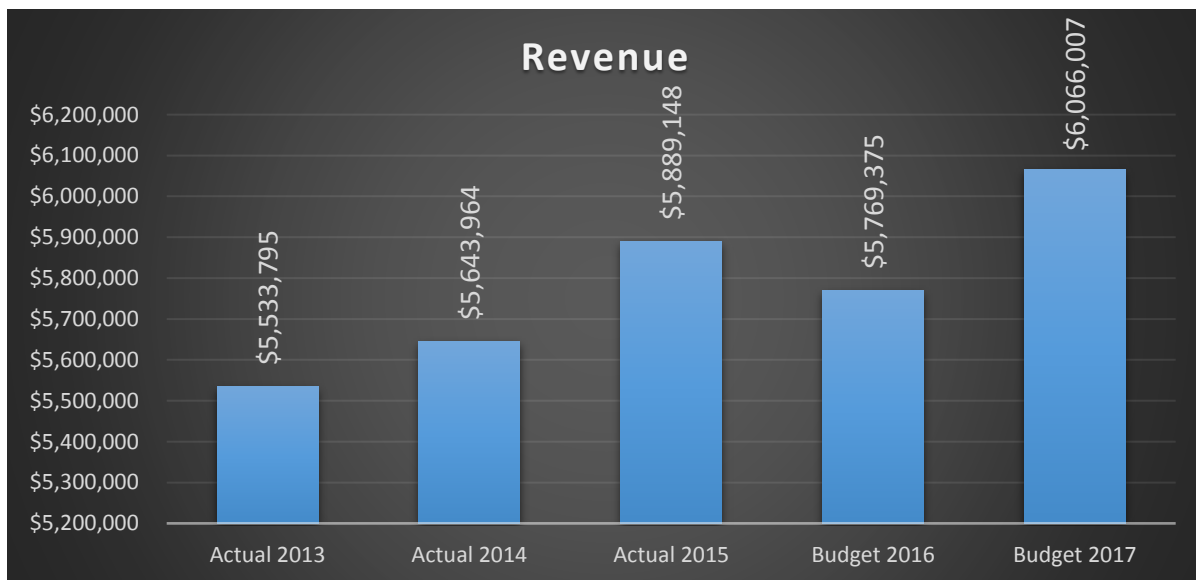
Detailed Budget

The following provides a detailed explanation of the draft 2017 budget as prepared by TLC administration.

Revenues

Total revenues (excluding municipal contribution), have shown consistent growth over the past three years of actual data. The 2016 budget projected a decrease in revenue based on the recommendations from a Revenue Review provided by Western Management Consultants and based on the plateauing of many revenue categories from 2014. However, the 2015 and year to date 2016 actual results indicate continued revenue growth on a similar trajectory to previous years.

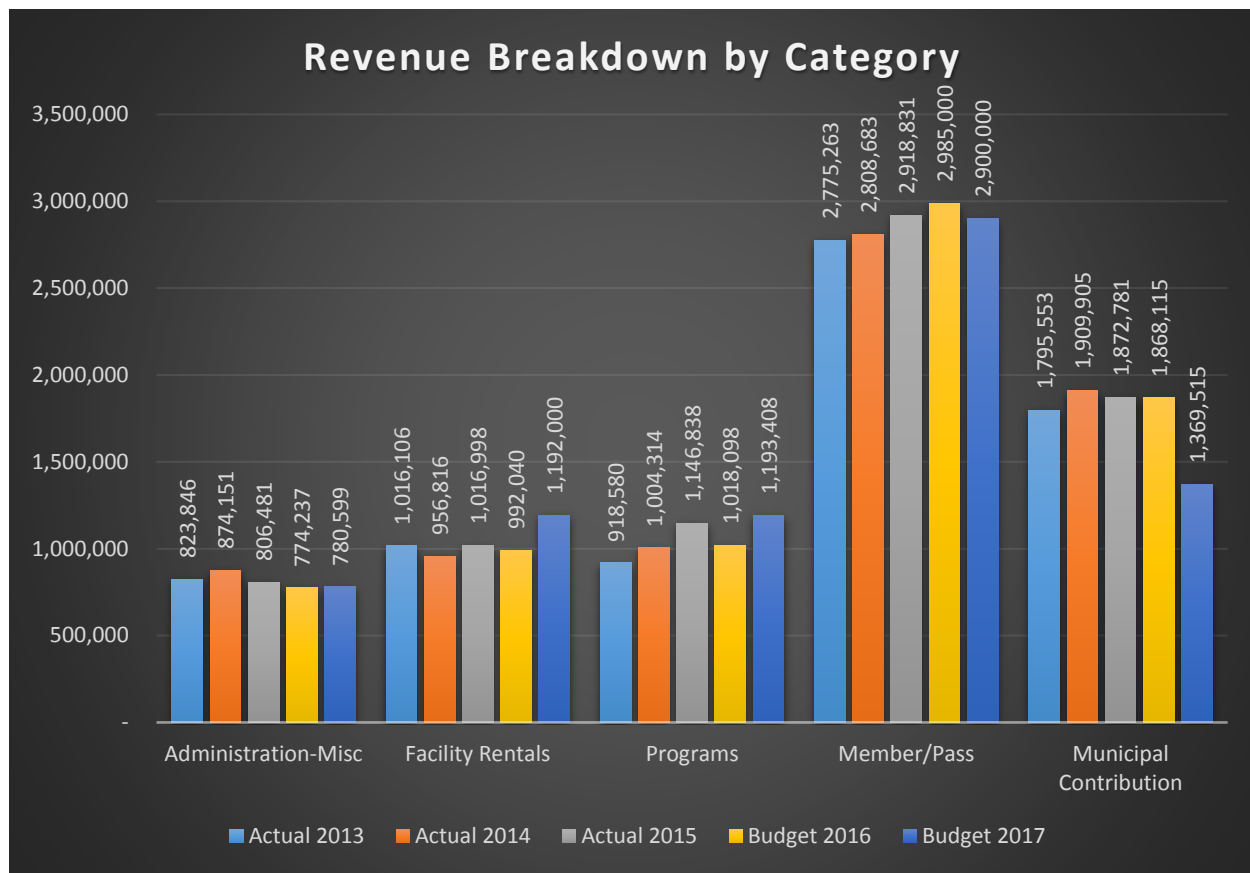
As a result, it is expected that revenue will continue to show upwards progression in 2017 consistent with the past three years of actual data (2013, 2014 and 2015) as well as based on the existing trends from 2016 which are showing healthy growth in most areas of operations at the TLC year to date compare to 2015.



The TLC categorizes revenue into five primary streams:

1. Sales of memberships, passes and daily admissions
2. Registration in programs and services
3. Facility rentals and events
4. Administrative miscellaneous (additional tertiary revenues are recorded as miscellaneous administrative revenues)
5. Municipal contribution (operating)

Over the past several years, each revenue stream has provided predictable and consistent results. TLC administration believes this will continue into 2017. Attached is a detailed summary of revenues by revenue stream going back to 2013. Although there is some variance in each stream from year to year, the data is relatively predictable.



Membership and pass revenue continues to make up a significant amount of total revenues, however, the trending in recent years has shown a reduction in the growth rate for that stream. As a result, TLC administration is taking a conservative approach to projections for 2017 membership and pass revenue.

In contrast, the revenue generated from programs or registerable activities has grown at a consistent and significant rate which has more than offset the slowdown in membership and pass revenues. As a result, the TLC administration feels comfortable in taking a more aggressive position with respect to anticipated revenues from the programs at the TLC.

Detailed Revenues

The draft 2017 budget includes a 5.14% overall increase in earned revenues. This increase is based not only on 2015 actual data, but also a detailed analysis of the first quarter results from 2016 which have been strong. The specific breakdown of where the change in revenue will occur can be summarized as follows:

1. Membership, Passes and Admissions – decrease 2.85%
2. Programs and Services – 17.22% increase
3. Facility Rentals and Events – increase 20.16%
4. Administration (miscellaneous) – increase 1%

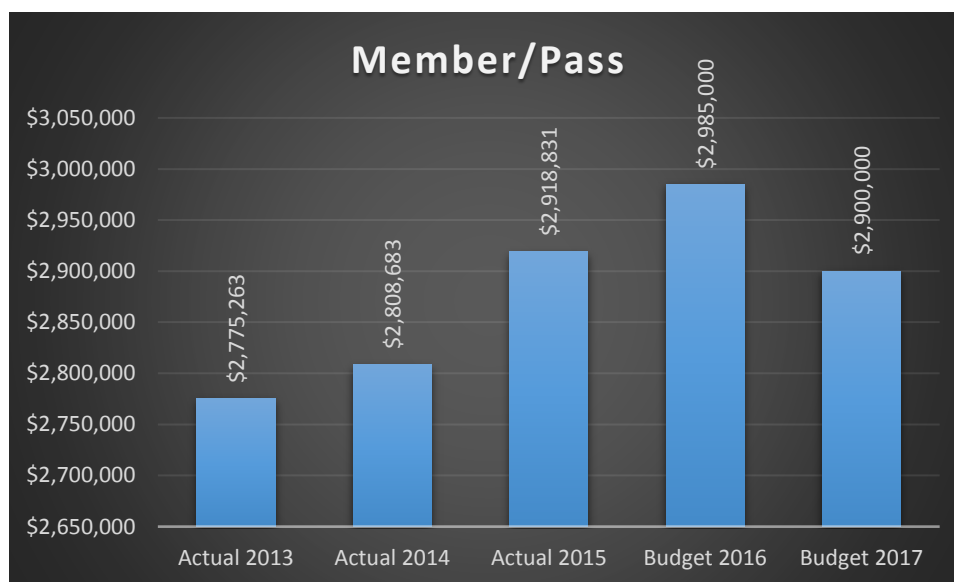
	Approved 2016 Budget	Draft 2017 Budget
Memberships, Passes and Admissions	2,985,000	2,900,000
Programs and Services	1,018,098	1,193,408

Facility Rentals and Events	992,040	1,192,000
Administration (miscellaneous)	774,237	780,599
Total Revenues (excluding municipal operating contribution)	5,769,375	6,066,007

Membership, Pass and Admissions

Membership revenue is one category that has had the growth rate slow in recent years. Overall revenue increases have been due to annual rate increases more so than increases in membership numbers. A significant reason for this plateau is the limited size of the fitness Centre and the ongoing increase to program revenue which reduces the amount of spontaneous use space throughout other areas of the facility (multi-purpose rooms and aquatics Centre as examples).

Although the facility has seen growth to revenue in this category through each of the last four years, 2016 trending is showing a slight levelling off of membership revenue. As a result, TLC administration is anticipating a slight reduction in total member/pass revenues for 2017 and taking a conservative approach to planning for member/pass revenues.



In spite of this trending, revenues generated through the sale of memberships, passes and daily admissions makes up 39% of total earned revenues in the draft 2017 budget.

TLC administration will continue to monitor member/pass revenue closely on an ongoing basis to ensure that the category remains successful. Some of this monitoring will include:

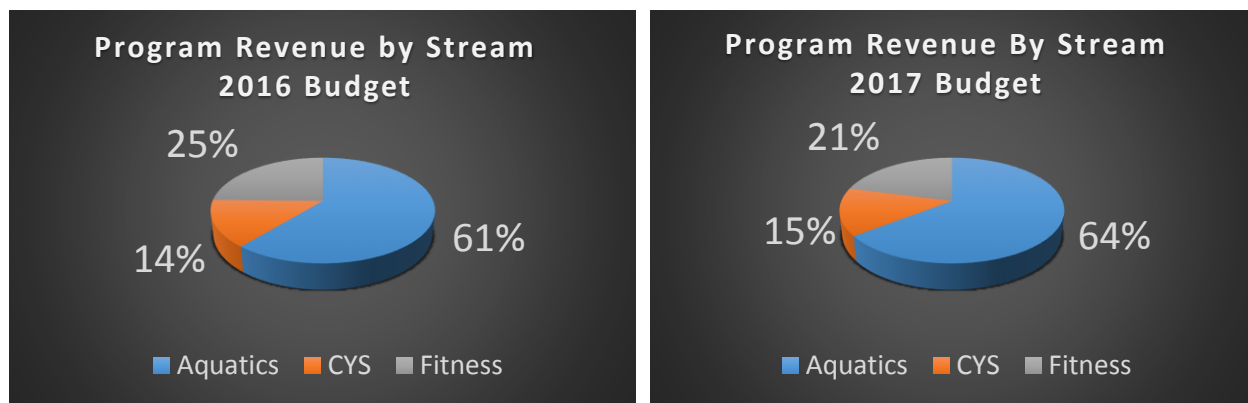
1. Evaluating how new membership categories impact or cannibalize existing membership categories. For example, do new, more cost effective, membership categories (Walk-Run Membership as an example), draw away members from other categories that generate a higher revenue?
2. Analysis of program offerings and utilization of space to ensure there is ample spontaneous use areas for members. With the continued increase to the programming side of the TLC, administration recognizes the ongoing challenge of providing excellent programming while also allowing for spontaneous use of space.

3. Find creative ways to draw in new clients and to provide added value to existing members. This can include promotional programs, enhanced corporate membership participation, referral bonus opportunities or other initiatives to grow our membership.

Programs

Programs represented 15% of the total actual revenues generated by the TLC in 2015. Programs are also trending upwards on the year to date 2016 figures. The draft 2017 budget indicates that programs will generate 18% of total revenues. The TLC generates program and service revenues in the following categories:

1. Aquatic programs
2. Children and Youth (CY/Collaborative) programs
3. Fitness programs and services

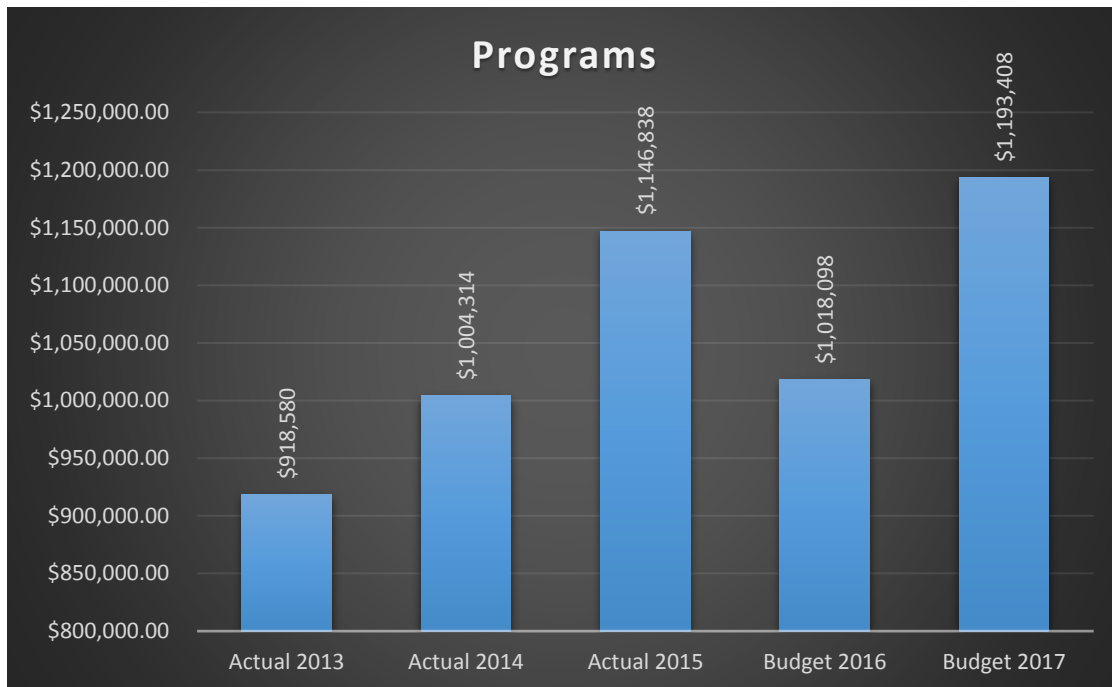


The increase in the ratio of program revenues to total revenues is specifically linked to the trending of increases to aquatics and CYS programs. These two categories continue to see significant increases in participation amongst registrants and to revenues as a result of that participation.

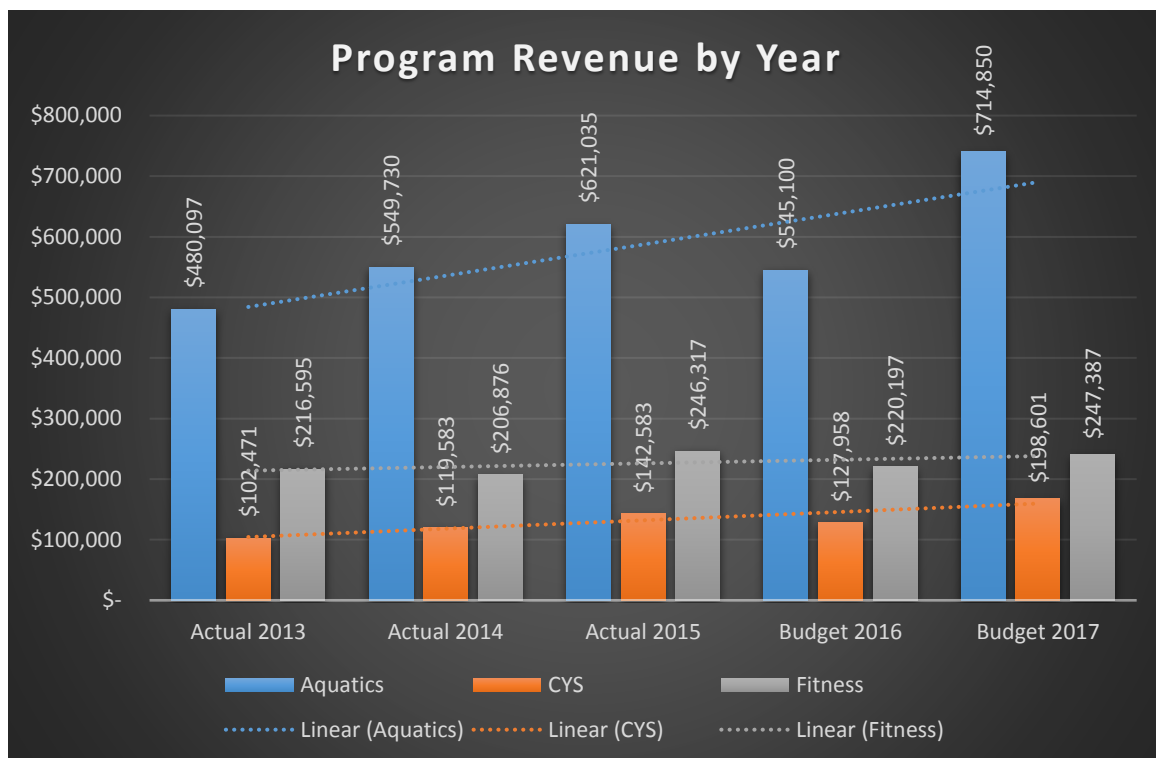
Program revenue has shown considerable growth in recent years and the trending in 2016 continues to show success. In fact, through the first quarter of 2016, aquatics revenues increased 11.7% compared to 2015 for the same time period. CYS revenues have grown 22% in 2016 compared to the same time period in 2015. The TLC will look to build upon these areas to continue to find success with programming revenues for 2017.

In the fitness category, 2015 actual revenues were much stronger than anticipated which resulted in the 2016 budget being lower than what actually will occur. However, the first quarter of 2016 actual data shows that the fitness program revenues are slowing and although will be higher than budget, may not grow from 2015-2016 like they did from 2014-2015.

Below is a year to year program revenue graph which shows the consistent upward trend. The budget for 2016, based on the Revenue Review from Western Management Consultants, suggested a plateau in revenue which we are not seeing with first quarter 2016 results. Based on this, TLC administration believes we will continue to see growth on a consistent path to previous years.



It is clear to see the upwards trend with respect to program revenue using the trend line in the graph above. The 2016 budget shows an anomaly based on a prediction of decrease. This does not appear to be the case based on current year to date data for 2016.

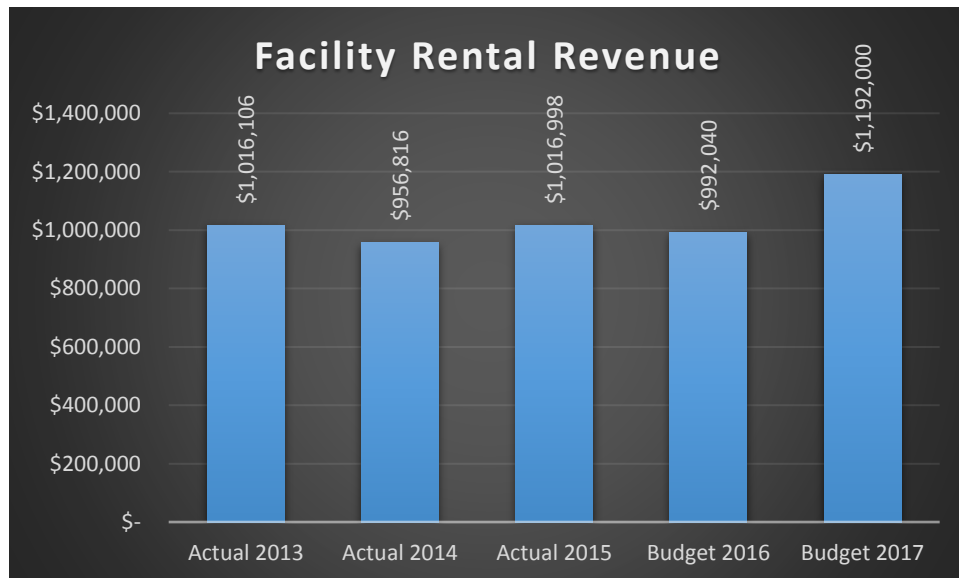


This trending is consistent through all categories of program revenue. Although the upwards trend is not as noticeable in some of the categories, it does continue to swing upwards.

Facility Rentals and Events

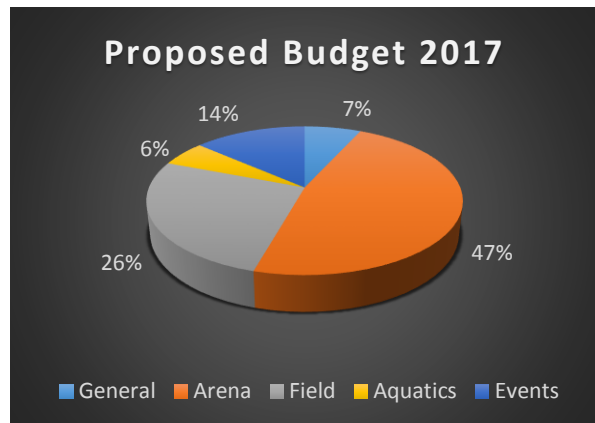
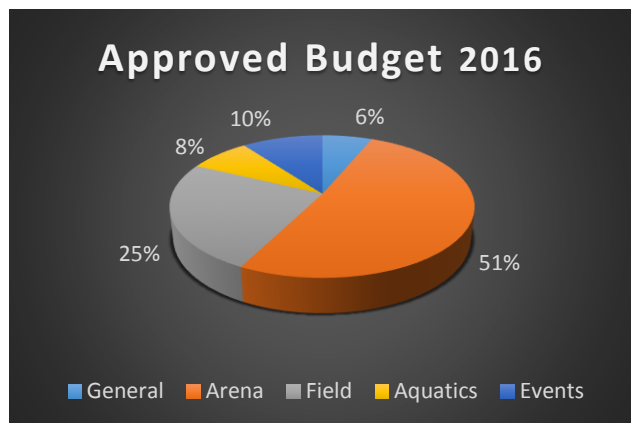
Facility rental and event revenues represent 13% of the total actual revenues in 2016 budget. The draft 2017 budget indicates that facility rentals and events will generate 16.5% of total revenues

marking a 22% increase over the approved 2016 budget. This increase is related to actual facility rentals from 2015 and first quarter results from 2016. Additionally, this total reflects an increased revenue in the events line for the facility as we add elements of special event management to the facilities repertoire.



The TLC generates facility rental and events revenues in the following categories:

1. General Rentals
2. Arena
3. Fields
4. Aquatic
5. Track
6. Events



For the most part, facility and rental revenue remains consistent over the various categories. Increases in the events revenue category represents the largest change in revenues. Additionally, strong usage rate increases in the fields in 2015 and year to date 2016 have resulted in an increase to the percentage of revenue earned through field activities.

TLC administration is recommending fee adjustments to many of the revenue categories in the facility rentals segment of operations. Some of the revenue categories fall below the capital region average which is generally speaking the benchmark for TLC pricing strategies. These rate adjustments will put the rates closer to the benchmarked rates across the capital region.

Administration (Miscellaneous)

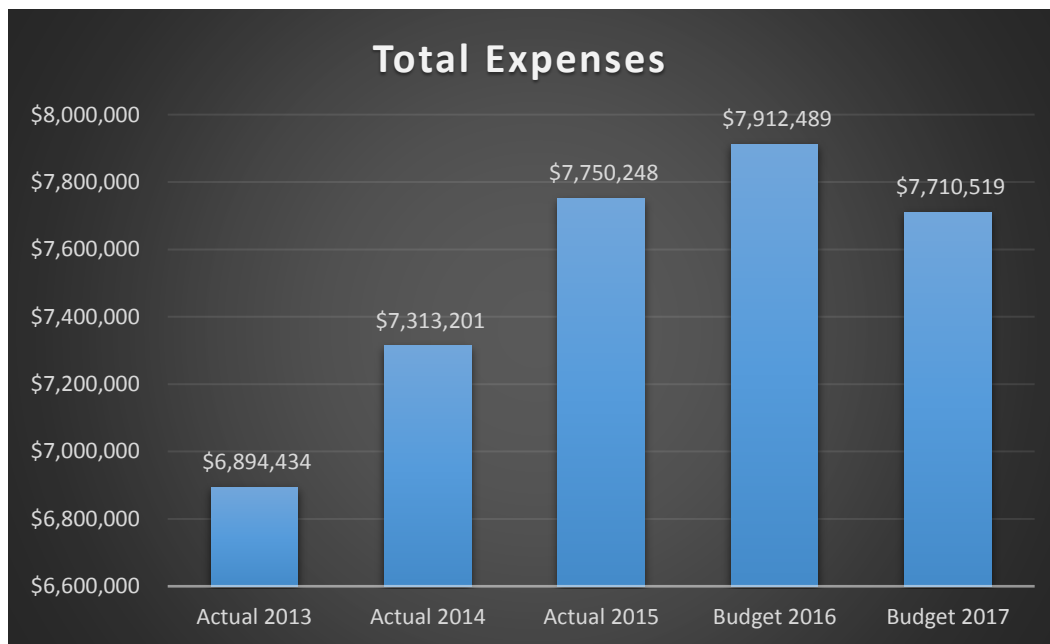
The TLC generates general revenues recorded under administration (miscellaneous) revenues in the following categories:

1. Leases
2. Sponsorships and advertising
3. Investment revenue
4. Pro Shop and vending

TLC administration is expecting consistent administrative revenues for 2017 as many of the categories are consistent year to year and given the economic climate in Alberta, it is believed that growth in these revenue areas may not be achievable at this time. These revenue expectations are achievable as many of the agreements in place (leases and sponsorships as examples), are committed through the 2017 fiscal year.

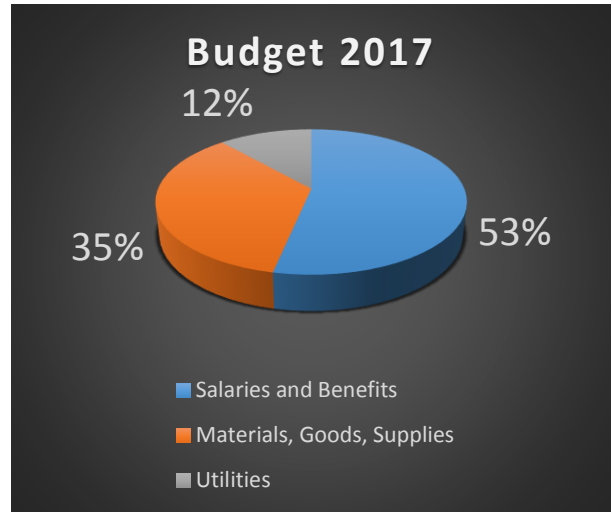
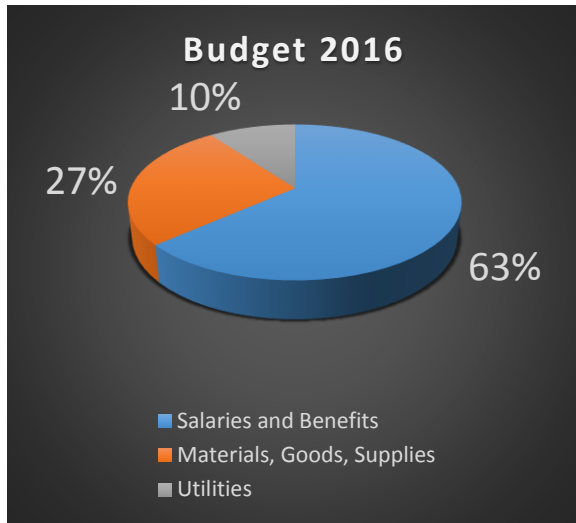
Expenses

The draft 2017 budget includes a 3.5% decrease in operating expenses. This decrease represents a close look at operational efficiencies specifically related to staffing, utilities, insurance, and employee benefits as areas for savings in 2017 compared to 2016.



TLC operating expenses are made up of three primary categories:

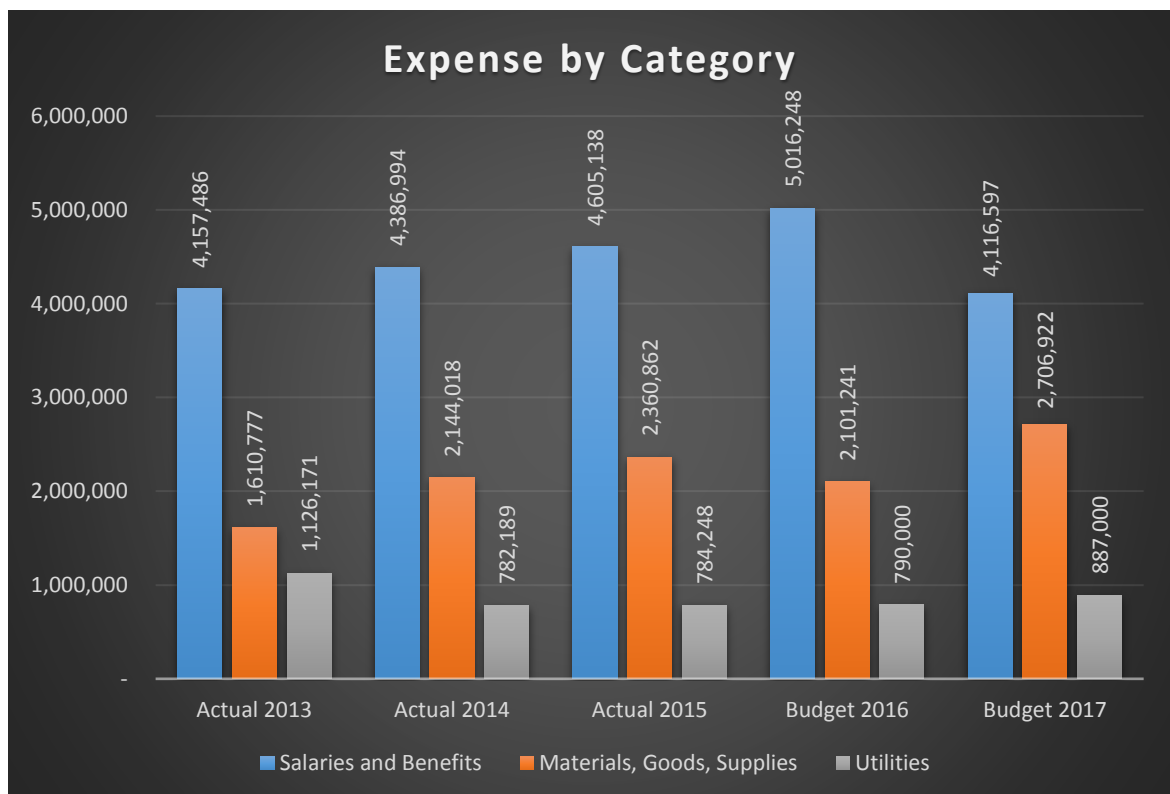
1. Salaries and benefits
2. Materials, goods and supplies
3. Utilities



With a change to the delivery model for custodial services, the percentage of expenses shifted from salaries and benefits (in-house program) to materials, goods and supplies (contracted services). Additionally, other efficiencies with respect to structure allowed a decrease in the total percentage of expenses in the salaries and benefits category.

Detailed Expenses

Salaries and benefits have always been the primary expense category for the TLC and 2017 is no different. That said, the TLC is proposing a number of staffing adjustments to remove some layers of staff to provide a more efficient operation which includes the contracting of custodial services. With respect to materials, goods and supplies, there is a significant increase and that increase is directly related to the movement of the custodial expenses from salaries and benefits to materials, goods and supplies.

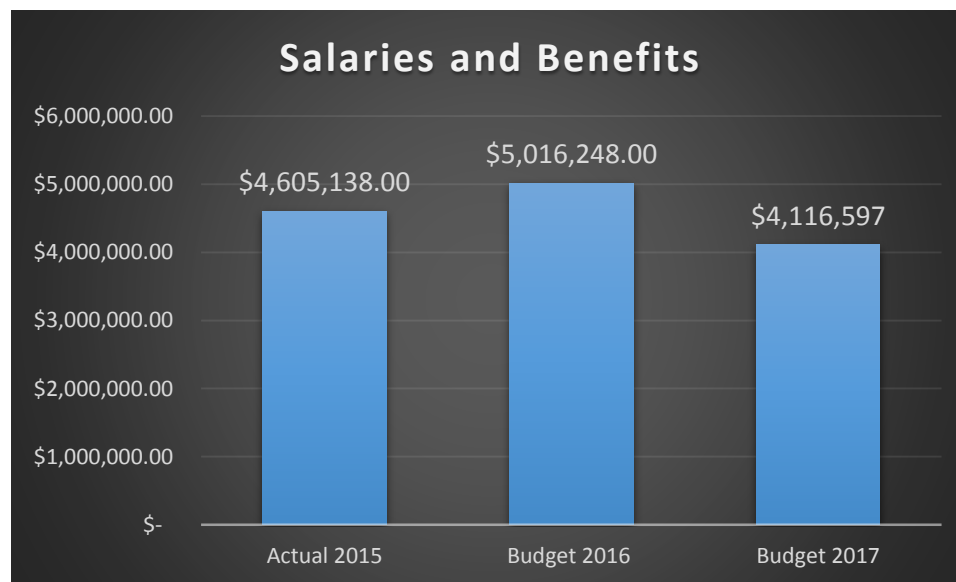


Salaries and Benefits

The draft 2017 budget includes an 18% decrease in salaries and benefits over the approved 2016 budget. This decrease is a result of restructuring in the organization. The salaries and benefits budget is based on:

- 2.25% cost of living adjustment based on collective agreement with IUOE
- Anticipated grid step increases
- Transition to a contracted custodial service
- Elimination of the Manager, Infrastructure Planning and Facility Operations
- Elimination of the Coordinator of Operations
- Elimination of the Coordinator of Maintenance
- Elimination of the Customer Experience Facilitator (1.5 FTE)
- Elimination of the Executive Assistant

TLC administration believes these adjustments more closely reflect the needs of the facility and eliminate layers of supervision which is believed not to be needed. Furthermore, TLC administration feels that by making these changes, there will be a more reasonable level of responsibility in many of the supervisory positions throughout the organization.

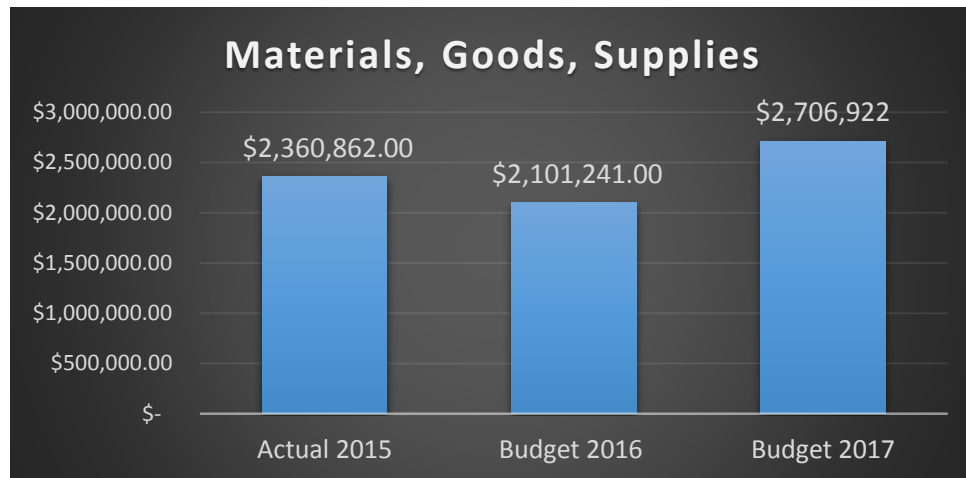


Supplies, Goods and Materials

The draft 2017 budget includes supplies, goods and materials comprised of the following:

1. Building and equipment maintenance
2. Supply items for all departments
3. Contract services for all departments including custodial
4. Insurance
5. Information technology
6. Depreciation expense

A major adjustment to the 2017 supplies, goods and materials budget is the transition to contracted custodial services. This change accounted for the variance in expenses from the 2016 budget.



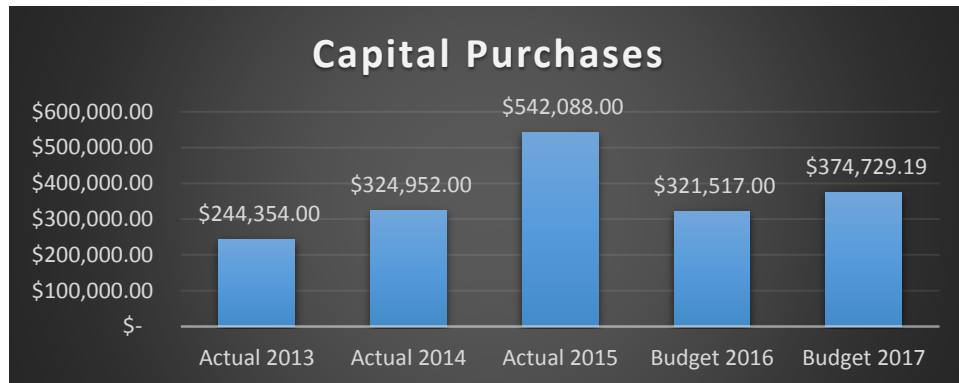
Utilities

TLC administration expects the utility costs for 2017 to be very consistent to the past two years with the exception of the carbon tax which is anticipated to impact utility costs by approximately \$36,000 for 2017.

Capital Expenses

TLC administration's draft 2017 capital budget is based on the lifecycle replacement and purchase of new items and projects valued greater than \$5,000. The draft 2016 capital budget include but is not limited to the following items:

- Fitness equipment
- Facility equipment
- Technology upgrades
- Ice Resurfacing Machine



Infrastructure Expenses

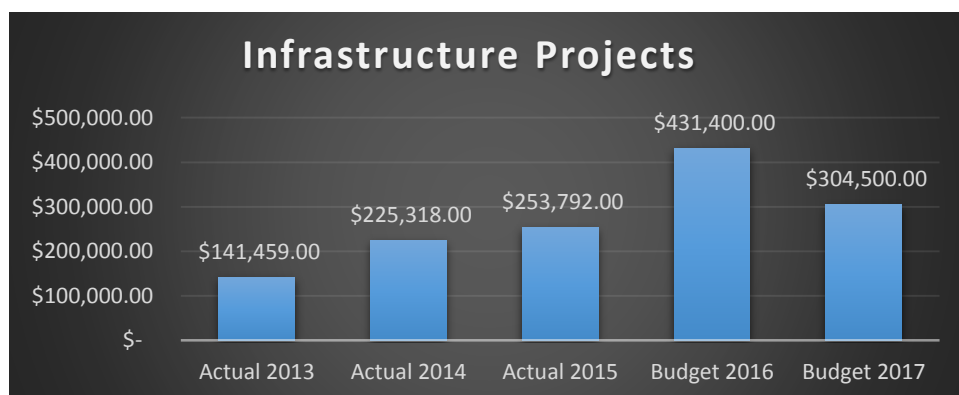
TLC Administration, in consultation with Stantec and the three municipalities, has undertaken a detailed life cycle and maintenance plan for the TLC. This has included full population of the AssetPlanner software, a detailed preventative maintenance program, full implementation of a service level reporting and track module and the creation of a long range capital plan.

Based on this plan, the proposed infrastructure projects planned for 2017 total \$304,500.

Projects include but are not limited to the following:

- Landscaping improvements on the grounds surrounding the TLC
- Wet Change Room Enhancements
- Interior Painting Projects
- Pool Grout Repair Phase 1
- Plumbing Upgrades
- Electrical Upgrades
- Contingency

All infrastructure projects outlined in the FAME report are subject to change based on the annual needs of the facility.



Municipal Contribution

The TLC depends on municipal funding in order to meet the sport, recreation, cultural and overall wellness needs of residents in the Tri-Municipal Region. Consistent growth of revenue at the TLC couple with a leaner take on operational expenses has created a reduction in the anticipated request for subsidization from the municipalities.

TLC administration's draft 2017 budget is a realistic look at the facilities operations. The TLC believes that although there is a reduction in municipal contribution, the service levels provided to the community will remain consistent to previous years.

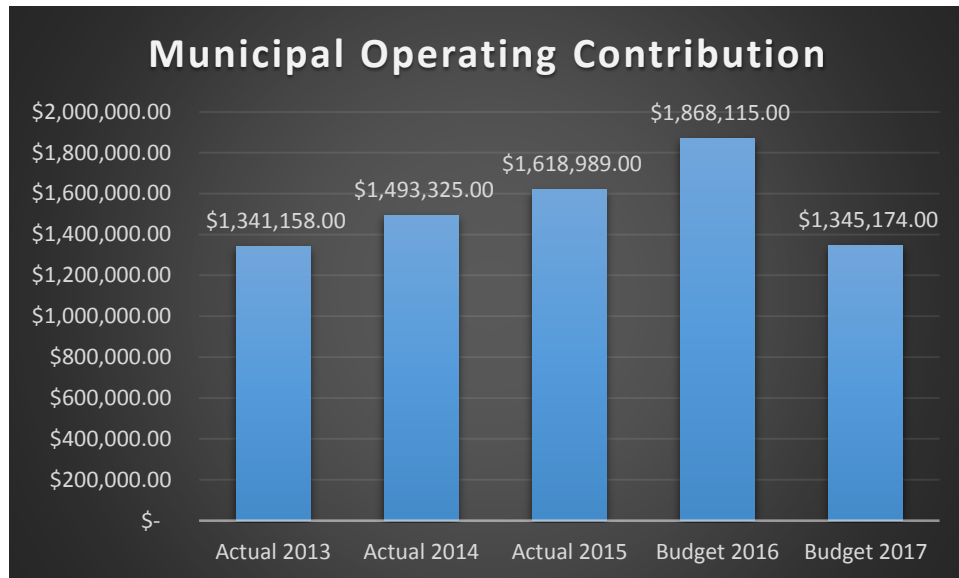
For budget purposes, the municipal contribution to the TLC is separated into three distinct categories:

1. Operating
2. Capital/lifecycle
3. Infrastructure

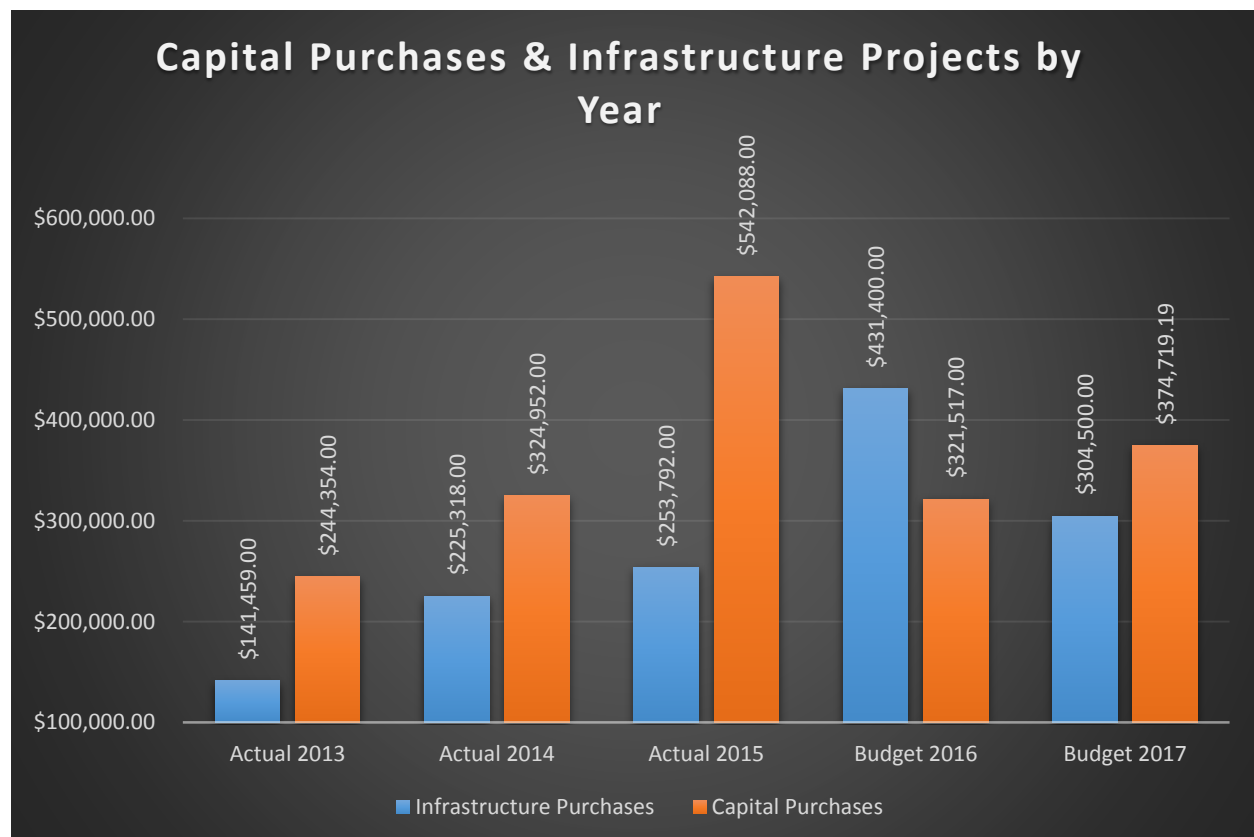
	Approved 2016 Budget	Draft 2017 Budget
Total Municipal Contribution	\$2,611,332	\$2,048,745
Municipal Operating Contribution	\$1,868,115	\$1,369,515
Municipal Infrastructure Contribution	\$421,700	\$304,500
Municipal Capital Contribution	\$321,517	\$374,730

Municipal Operating Contribution

The municipal operating contribution has increased over the past four years. In 2017, the TLC is taking a much more aggressive stance on budget which includes changes to several expense categories intended to find savings for the facility.

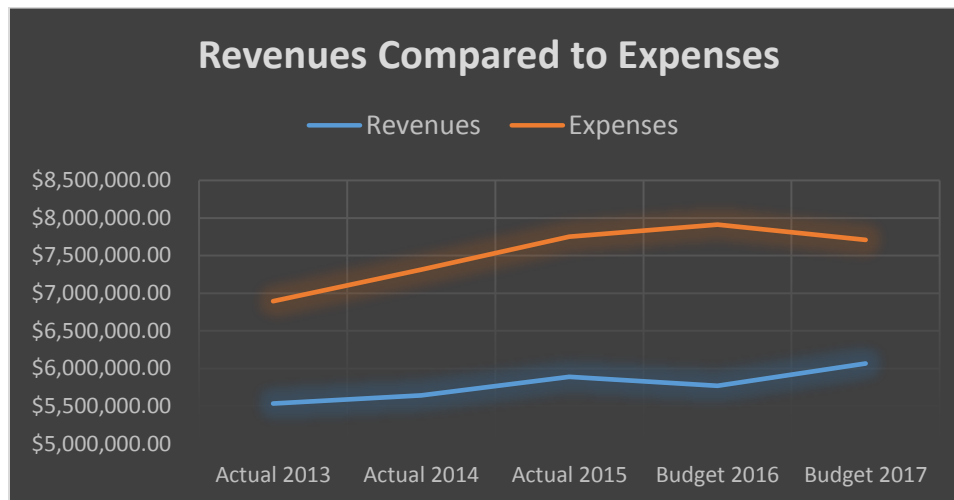


The ongoing development of the lifecycle and maintenance plan for the facility as well as the long range capital plan will provide the TLC and partner municipalities with the framework needed to be able to plan out and executive annual improvements needed.



Revenues Compared to Expenses

The TLC administration is actively seeking opportunities to enhance revenues while controlling expenses. The 2017 budget draft shows a concerted effort around reducing the operational cost recovery percentage at the TLC while continuing to offer high quality services and facilities to the community. Administration believes it is important to work towards finding these efficiencies so that the facility can continue to be a vibrant and valuable resource for the Tri Region.



Although closing the gap between revenues and expenses is a challenging task, administration feels that it is a realistic goal and one that will be sought in the 2017 fiscal year.

Operational Cost Recovery Ratio

TLC administration calculates the annual cost recovery as a percentage of operational expenses recovered through earned revenues.

The TLC's ability to earn revenues against operating expenses determines both the annual operating recovery rate, as well as the municipal contribution required for a given fiscal year.

The proposed 2017 cost recovery ratio is at 81.58%.

Summary

The TLC is proud to serve the residents of the Tri Region. The TLC is also proud to represent the municipal owners in the delivery of high quality recreation and culture programs, services and events. Administration recognizes the importance of providing these opportunities in a responsible and efficient manner and the 2017 budget draft is intended to be a realistic and attainable.

As we progress through 2016 and prepare for 2017, the TLC commits to working towards finding operational efficiencies. The TLC will commit to ensuring that in doing so the integrity of the facility, the board and the municipalities are not compromised.

Appendix “A” – Service Levels 2017