

Treasurers Report 2017/2018

Last year the Club received a \$78,000 Rural Dividend grant to fund trail expansion and improvements. This money was received last year but largely spent during the current fiscal year. We were also successful with our Gaming Grant application again this year to fund our Head Coach (\$22,500), and the Wetzinkwa Community Forest Grant (\$10,000), which will help support needed repairs to the equipment shed. During last fiscal year the club spent just shy of \$40,000 on infrastructure projects; these were supported almost entirely by grants and Recreation Sites and Trails funding.

Brief summary on income, expenses and budgets for fiscal year 2018:

- Over budget on our maintenance expenses for buildings, equipment, and tracksetter (primarily due to Piston Bully repairs)
- Over budget on our operating costs (primarily due to more wages than expected and higher utilities costs)
- Brought in more fees than budgeted
- Did not add any money to reserve funds for infrastructure or tracksetter replacement and removed money from the infrastructure and member/area fund to support major repairs on the lodge (roof) and trail upgrades.
- NSDP program came in under budget for expenses and over budget for income and put some money into the NSDP reserve fund

Financial reports are posted on the AGM page on the website for more details on how money was spent last year (FY2018) and in comparison to previous years, and the proposed budget for this year (FY2019).

Trail Pass Fees

At the AGM last year we asked for thoughts on potential fee increases for this year. After considering the input received along with the financials for the past several years the board decided to increase day passes as follows: Children under 9 are still free, Youth rates increased from \$8 to \$10, Adult rates increased from \$10 to \$15, and Family rates increased from \$20 to \$30. The new rates are posted on our website. Season pass fees have been adjusted to cover Zone 4 and credit card processing fees but otherwise have not increased.

The increase in day use fees was done to help support the club's operating costs. The largest financial shortfall that we have been dealing with each year is due to maintaining the tracksetter and putting aside sufficient money each year toward future tracksetter replacement. The Club has been meeting operating needs each year, but at the expense of our reserve funds – we have needed to make some withdrawals from these funds to cover large relevant repairs and have not been able to add as much (or any) money to the reserve funds as targeted. In addition, the cost of fuel and other utilities has been increasing each year, whereas our fees have not.

In our discussions we recognized that our day pass rates were low relative to most other clubs, had not been increased in many years and we wanted to better balance the day pass to season's pass ratio. We will continue to work on reducing our operating costs where possible. The club is tracking and analyzing tracksetter costs and lifespan to better understand how much money we need to operate and to budget for replacement of our tracksetter. We are also working on a trail grooming policy that explores ways to reduce our tracksetting costs.

Conclusion

The Club has been able to meet its operating costs and unexpected repair costs every year, but this usually comes at the expense of saving for tracksetter replacement. The Piston Bully is expensive to maintain. In addition, the price of fuel, utilities, and other supplies continues to increase. The reserve funds have supported major repairs to the tracksetter and infrastructure, which has helped buffer budget overruns. The Club has completed several major projects over the past three years, but these were necessary and were undertaken because of the availability of funding which paid for the majority of the costs. Unfortunately, grants are not able to be used to cover operating costs, which is where we may fall short. We are hopeful that day pass fees will help offset increasing operating costs, but it may be necessary to look at reducing some operating expenses in the future in order to stay within our income.