

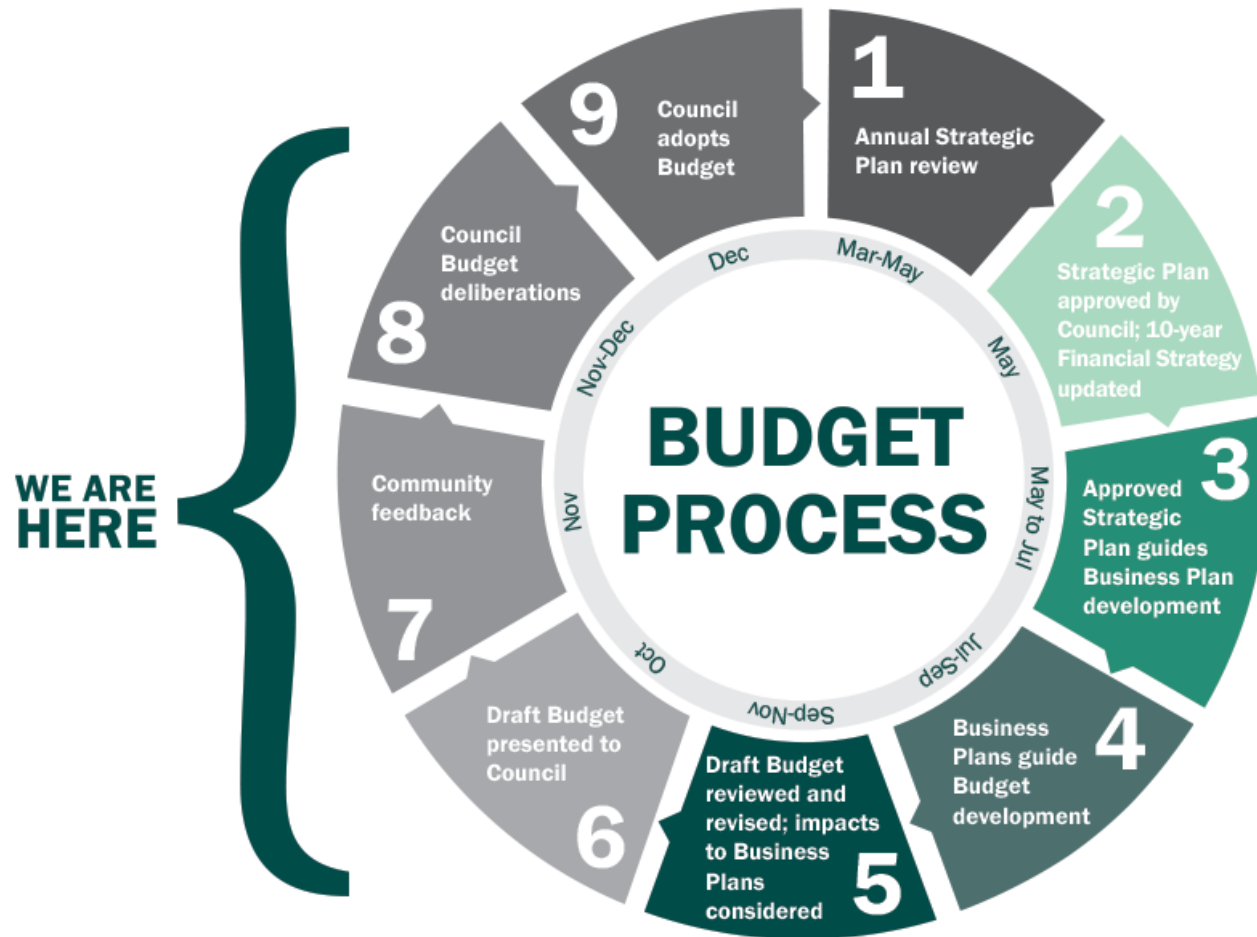
2019 - 2021 Budget Presentation

Public Engagement

November 5, 2018



Budget Process



Guiding Principles for 2019 - 2021 Budget

- Align and support Council's Strategic Priorities
- Align and support Council's policies and direction
- Maintain existing services
- Manage Growth
- Create a proactive infrastructure renewal plan

Council Priorities

- **Community Connectivity - focus on multi-modal solutions that achieve positive traffic and pedestrian flows throughout the community**
 - Design and Construction of new Bow River Bridge including multi use trail (2019 - 2020)
 - Advocate for 1A/HWY 22 interchange (ongoing – target 2019 ground breaking)
 - Intersection improvements at Centre and 1A (design 2019, construct 2022)
 - Design and Construction of Centre Ave widening to 4 lanes (design 2019, construct 2021)
 - Investigate On Demand Transit System for potential implementation in summer 2019 (Council decision December 10, 2018)
 - Grade Separated Crossing at Centre Ave and Railway (design 2026, construct 2027)

Council Priorities

- **Community Development – focus on improved development and land use plans that align with the Social Policy Framework and Growth Management Strategy in order to promote a complete community**
 - Update Land Use Bylaw (ongoing to 2020)
 - Update Municipal Development Plan (2021)
 - Update 10 Year Economic Development Plan (2019)
 - Update Water Strategy for Town (ongoing)
 - Participate in development of regional growth plan at Calgary Metropolitan Regional Board
 - Advocate and plan for more affordable housing (e.g. Tri Site project)

Council Priorities

- **Community Engagement**
 - Let's Talk Cochrane, Tri Site Advisory Committee, Transit Advisory Committee, Smart Cities Working Group, Parks and Recreation Committee, Council Priorities Outreach, 2019 - 2021 Budget Outreach, etc.
- **Community Facilities and Services**
 - Tri Site Advisory Committee (reports in late 2018)
 - Transfers of 2% to Infrastructure Gap Reserve in 2019, 2020 and 2021
 - Advocate for 24 Hour Urgent Care Facility and improved EMS services
 - Design and Construct a New RCMP Detachment in 2020

3 Year Anticipated Tax Increases

	2019	2020	2021
Gross Tax Increase	7.60%	7.66%	6.95%
Less: Growth	(4.00%)	(4.00%)	(4.00%)
Net Tax Increase	3.60%	3.66%	2.95%

Note:

- 1) 3.60% in 2019 includes \$97,000 or 0.38% property tax shortfall in 2018 that was funded by reserves.
- 2) 1% in 2019 represents \$257,202 in additional property tax revenues

Additional Budget Items covered by 3.60% in 2019

- \$97,000 to cover 2018 operating budget shortfall in growth related assessment taxation covered by reserves (estimated tax impact 0.38%)
- Net costs of \$300,000 for On Demand Transit Service based on a September 2019 full service start date (estimated tax impact 1.17%)
- 2% increase in contribution to the Infrastructure Gap Reserve of \$514K (estimated tax impact of 2%)
- Inflationary, reclassifications, OT and step increments for existing staff and Council

Additional Budget Items covered by 4% growth in 2019

- 7.5 FTEs to hire staff to support growth with approx. cost of \$725,000
- One additional RCMP Member (anticipated POP to COP Ratio = 1,211). Target is 1,000 to 1.
- Increase Community Grants Program by \$20,000 to \$380,000
- Increase the Cochrane Library grant by \$49,976 to \$648,392 or \$23.19 per capita. Target \$25 per capita.
- Increase in snow removal budget by \$20,000 for operating and \$30,000 for reserves
- Increase in Rocky View Handibus grant due to growth by \$25,788 to \$215,292

Impact on Average Home

Year	Taxes on Avg. Home	Annual Increase	Cost per Month
2018 - Approved	\$2,191	\$65	\$5.42
2019	\$2,270	\$79	\$6.58
2020	\$2,353	\$83	\$6.92
2021	\$2,422	\$69	\$5.75

2018 Average Single Family Dwelling – Assessed at \$481,410

Staffing - 2019

- Budget includes inflationary, reclassifications, overtime and step increments
- 2019 New Staff Positions (7.5 FTEs funded by property taxes)
 - Roads Operator
 - Parks and Open Space Operator
 - Planner II
 - Civil Land Development Tech 1 (0.5 FTE)
 - Capital Projects Engineer (funded by reserve in 2018)
 - Safety Codes Officer (offsetting contract reductions)
 - Accountant
 - GIS Technician
 - Wage Equity at FCSS (no impact on FTE)
- 2019 New Staff Positions (1.46 FTEs funded by utilities)
 - Water and Wastewater Operator
 - Eco Center Worker (0.20 FTE)
 - Environmental Worker (0.26 FTE)

Transit Funding Strategy

	2019	2020	2021
Operating Costs (net revenue)	\$300,000	\$600,000	\$600,000
Less: Operating Reserve	(\$0)	(\$146,164)	(\$0)
Less: MSI Operating Grant	(\$0)	(\$100,000)	(\$100,000)
Net Tax Impact	\$300,000	\$353,836	\$500,000

Incremental Tax Impact	\$300,000	\$53,836	\$146,164
% Tax Impact	1.17%	0.19%	0.49%

Tax Supported Capital Reserve Transfer included in proposed budget

- In 2018 Council create the Infrastructure Gap Reserve to increase Tax Supported Capital Transfers to Reserves from less to 8% to a target of 15% of Property Taxes.
- In 2018 Council transferred 1% or \$238,500 of Property Taxes to the Infrastructure Gap Reserve
- In the draft 2019 to 2021 Budget an additional 2%, 4% and 6% is transferred in 2019, 2020, 2021 respectively. Incrementally 2% more each year.

	2018 Approved	2019 Projected	2020 Projected	2021 Projected
Tax Supported Reserve Transfer	\$2,134,342	\$2,642,601	\$3,281,646	\$3,905,030
% Property Taxes	8.30%	9.55%	11.02%	12.25%
Tax Supported Depreciation (2017)	\$5,811,740			
% of Depreciation	36.7%	45.5%	56.5%	67.2%

Capital Plan Highlights

Roads and Bridges - Transportation Projects

- 2019/20
 - Bow River Bridge (OSL Funded Debt and MSI)
- 2021
 - Centre Ave. Widening to 4 lanes (OSL/MSI Funded)
- 2022
 - Centre Ave/1A Intersection Improvements (OSL/MSI Funded)
- 2026/27
 - Grade Separated Crossing at Centre Ave (OSL/MSI Funded)

Capital Plan Highlights

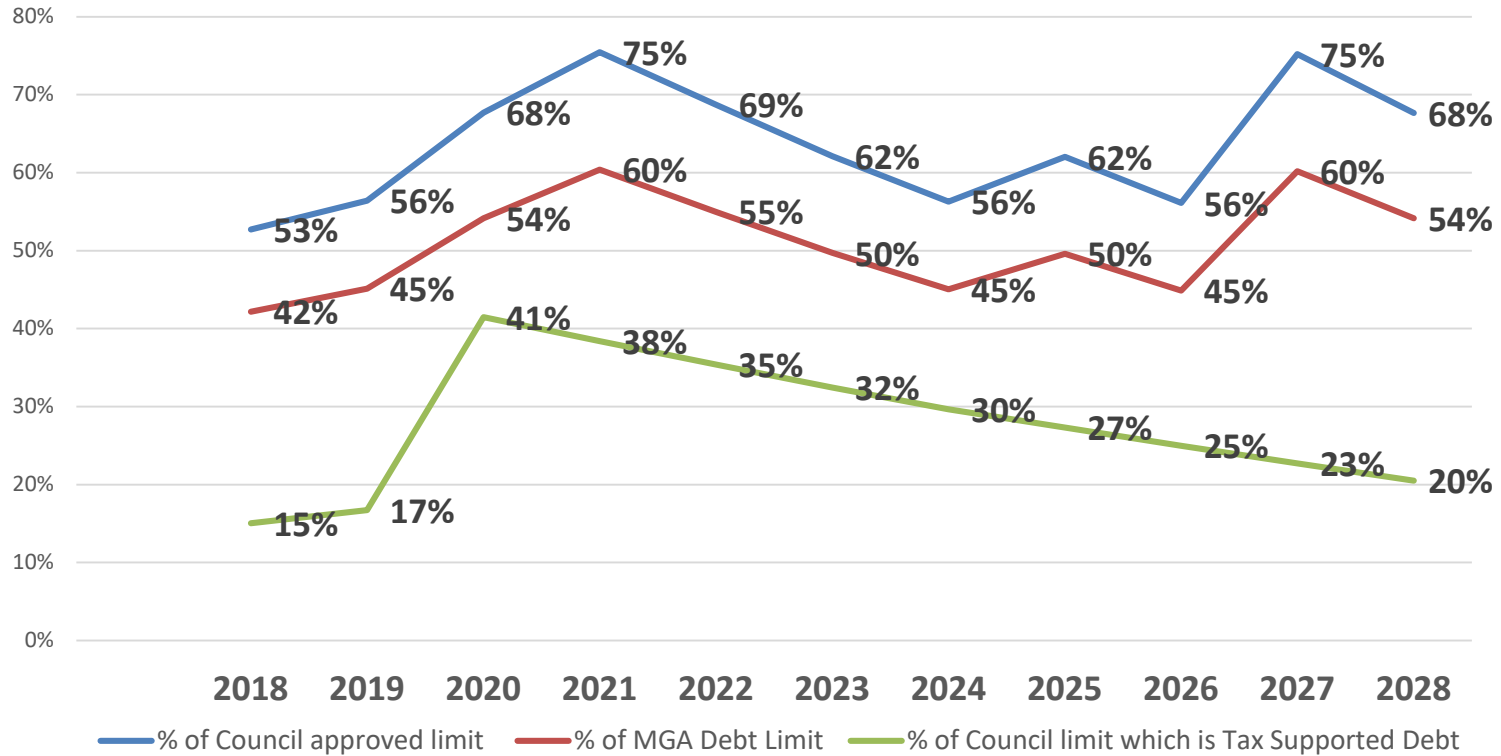
- **Multi Modal - Transportation Projects**
- **2019**
 - Transit Infrastructure – 2019/2020 (GreenTRIP, CRL and MSI Funded)
 - Horse Creek Pedestrian Crossing (OSL/MSI Funded)
 - Sunset Ridge Pathway Connection to RancheHouse and Cochrane Ranche (Reserve Funded)
 - SLSFSC Connection to Jim Uffelmann Memorial Park (Reserve Funded)
- **2020**
 - Esso Bulk Station Pedestrian Crossing – 2020/2021 (CRL Funded)
 - Upgrade Crawford Ranch Pathway – 2020 (Reserve Funded)
 - Jumping Pound Asphalt Pathway – 2020 (Reserve Funded)
 - River Ave. to Riverfront Pathway System – 2020 (Reserve Funded)
- **2021**
 - Upgrade asphalt pathway from Mitford Park to water plant to West Terrace Path – 2021 (Reserve Funded)

Other Major Capital Projects

- New RCMP Detachment – 2020/2021 (OSL and Tax Funded Debt)
- Ongoing Fleet Replacements – ongoing (Tax funded)
- Ongoing Water/Wastewater Upgrades – 2019 - 2028 (OSL and Utility Debt funded)
- Potential Arts/Culture/Innovation/Library – 2025 (Partially CRL Funded)

Debt Projections

Debt vs. Benchmark (%)



Tax and Utility Summary

Residential Average Annual Cost assessed at \$481,410	2018	2019	\$ Annual Increase	% Increase	\$ Monthly Increase
Total Municipal Taxes	\$2,191.06	\$2,270.00	\$78.94	3.60%	\$6.58
Average water bill per year (assumes 20 cubic metres/month) base rate \$6.44 plus \$1.22 per cubic metre	\$346.80	\$370.08	\$23.28	6.71%	\$1.94
Average sewer bill per year (assumes 20 cubic metres/month) base rate \$6.90 plus \$2.30 per cubic metre	\$610.80	\$634.80	\$24.00	3.93%	\$2.00
Storm Sewer Fee (\$.4.47 per month)	\$49.92	\$53.64	\$3.72	7.45%	\$0.31
Waste/recycling collection fee (\$22.01/month - 4 months at 2018 rate and 8 month at 2019 rate)	\$258.60	\$264.12	\$5.52	2.13%	\$0.46
Eco-Centre fee \$5/month	\$60.00	\$60.00	\$0.00	0.00%	\$0.00
Total Annual Costs	\$3,517.18	\$3,652.64	\$135.46	3.85%	\$11.29

Next Steps

- October 22: Draft 2019 - 2021 Budget Presented to Council
- October 17 - November 9: Let's Talk Budget, community engagement
- **November 5: Two Conversation Café Sessions on 2019 - 2021 Budget (today)**
- November 15 and 16 (*19, if necessary*): Council Review of Budget and Feedback
- December 10, 2018: Adoption of 2019 - 2021 Budget by Council

Note: Transit RFP closed November 2, 2018

Thank You

Provide Additional Feedback at
www.letstalkcochrane.ca



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HOW THE WEST IS NOW