

2014 DRAFT BUDGET

TOWN OF COCHRANE



See how the Town of Cochrane manages its finances and plans for our future.

EXECUTIVE SUMMARY

The 2014 Draft Budget maintains service delivery at current levels with resources for Council's priorities, including funding for projects that will further economic development opportunities arising from growth in new subdivisions and improvements to our downtown core.

The 2014 Draft Operating Budget has expenditures of \$39.9 million with \$20.9 million in offsetting revenues excluding property taxes, and \$19 million in municipal property taxes to achieve a balanced budget. This is a 5.5% increase over the 2013 net cost of operations. Although the Town estimates it will receive additional property tax revenue in 2014 from estimated 4% growth, this is not enough to respond to significant budget pressures arising from community growth, external and internal drivers, and funding priorities detailed in the Town's Ten Year Financial Strategy approved in June 2013 (available on www.cochrane.ca/council).

Cochrane's rapid growth is impacting staff capacity and it is getting more difficult to sustain existing services. Staff have worked hard to find efficiencies and Managers have prepared budgets that are zero based and maintain service delivery. Even with these efforts, a 1.49% property tax increase is proposed in the 2014 budget to sustain existing services in our growing community.

2014 STRATEGIC PLAN PRIORITIES

The 2014 Draft Budget includes resources to achieve Council's top three priorities as well as our Strategic Plan goals. Examples are:

- Designate \$3.5 million in MSI Capital grant to the future Aquatic Facility.
- Implement Economic Development Strategy, and the Integrated Downtown Action Plan
- Implement Open Space Master Plan including Riverfront Park
- Create Cochrane's Renewable Energy Framework
- Update Land Use Bylaw
- Do a Community Needs Survey

2014 DRAFT OPERATING BUDGET

Proposed municipal tax increase of 1.49% or \$2.63/month for municipal taxes on \$428,200 assessment (average single family dwelling):

- Fire net cost of service increased by growth of 4% with no increase in fire tax.
- Wastewater consumption rate proposed increase 5.3% but no change to sewer base rate.
- Storm sewer rate increase of 3%
- No change to water consumption or base rate
- No change to Eco Centre fees
- Waste & Recycling Collection rate proposed increase 3.9% or \$0.70/month
- Workforce budget \$16.8 million in 2014 (42% of total expenditures) for 192.53 full time equivalent staff.

2014 DRAFT CAPITAL BUDGET

Thirty-two capital projects are proposed in 2014 at \$14.3 million; \$2.5 million to be grant funded.

Projects include:

- \$8 million: Police Station (debt funded)
- \$2 million: Booster Station upgrades
- \$1.7 million: East End Road improvements
- \$400,000: RancheHouse Rd access
- \$250,000: Highway 1A/Centre lights
- \$200,000: Roads bucket truck

2014 contributions to capital budget from operating are 3.6% of total operating expenditures. Capital reserve contributions total \$1.4 million toward Town savings for future asset replacements.

The 2014 budget proposes \$8 million new debt for the Police Station. Debt repayments are not included in the Police operating budget in 2014 as the facility will not be completed until 2015. Annual debt repayments are estimated at \$680,000 a year, with \$330,000 in rental revenue from the RCMP for the rural detachment. This will result in an additional \$350,000 for debt servicing in 2015.

Council passed a debt strategy resolution which limits the municipality to incur any more than 80% of our legislated debt limit. The Town is forecast to be at 49% of its Council approved debt limit and 39% of our MGA legislated debt limit at the end of 2014.

New debt in 2014 will result in the following debt limits.

2014 Budget	\$20,800,000
2013 Budget	\$13,600,000
Budget Change	\$7,200,000
Change by %	53%
2014 % of Council Debt Limit	49%
2014 % of MGA Debt Limit	39%
2013 % of MGA Debt Limit	26%
Municipal Affairs Median Debt Benchmark	34%

PARTICIPATE in the budget process

OPEN HOUSE

Monday November 18, 6-8 pm, Cochrane RancheHouse
 Anyone who wants to participate but who can not attend, may give feedback at www.cochrane.ca/budgetfeedback or contact Paige Milner, Senior Manager of Corporate Services at 403-851-2524 or budget@cochrane.ca.

OBSERVE council decision-making

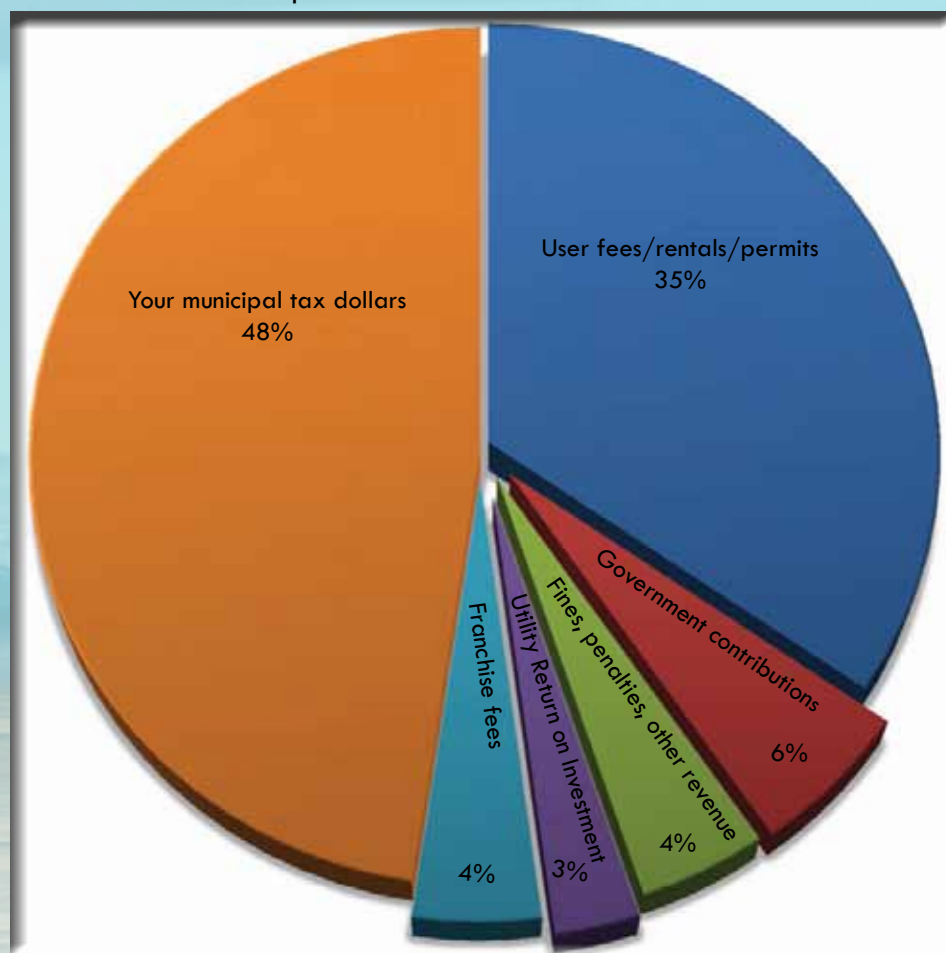
COUNCIL DELIBERATIONS

Friday November 22 and Saturday November 23, 8:30am - 4:30pm.
 As with all Council meetings, budget deliberations are held in Council Chambers, Cochrane RancheHouse and are open to the public.

IMPACT ON RESIDENTS

Residential average annual cost	2013	2014	\$ annual increase	% increase	\$ monthly increase
Municipal Fire Tax	534.44	534.44	-	-	-
Municipal tax average single family dwelling (based on assessed value of \$428,200)	\$1,580.19	\$1,611.79	31.60	2.00%	\$2.63
Total Municipal Taxes	\$2,114.63	\$2,146.23	31.60	1.49%	2.63
Storm sewer fee	45.72	47.04	1.32	2.89%	0.11
Average annual wastewater bill (assumes 20 m ³ /month)	578.04	606.84	28.80	4.98%	2.40
Average annual water bill (assumes 20 m ³ /month)	336.24	336.24	-	-	-
Waste/Recycling collection fee	216.00	224.40	8.40	3.89%	0.70
Eco Centre fee	57.00	57.00	-	-	-
Total annual cost	\$3,347.63	\$3,417.75	\$70.12	2.09%	\$5.84

TOTAL REVENUE \$39.9 MILLION



TOTAL EXPENDITURES \$39.9 MILLION

