

# Draft 2021-2023 Budget

Presentation to Town Council

October 26, 2020

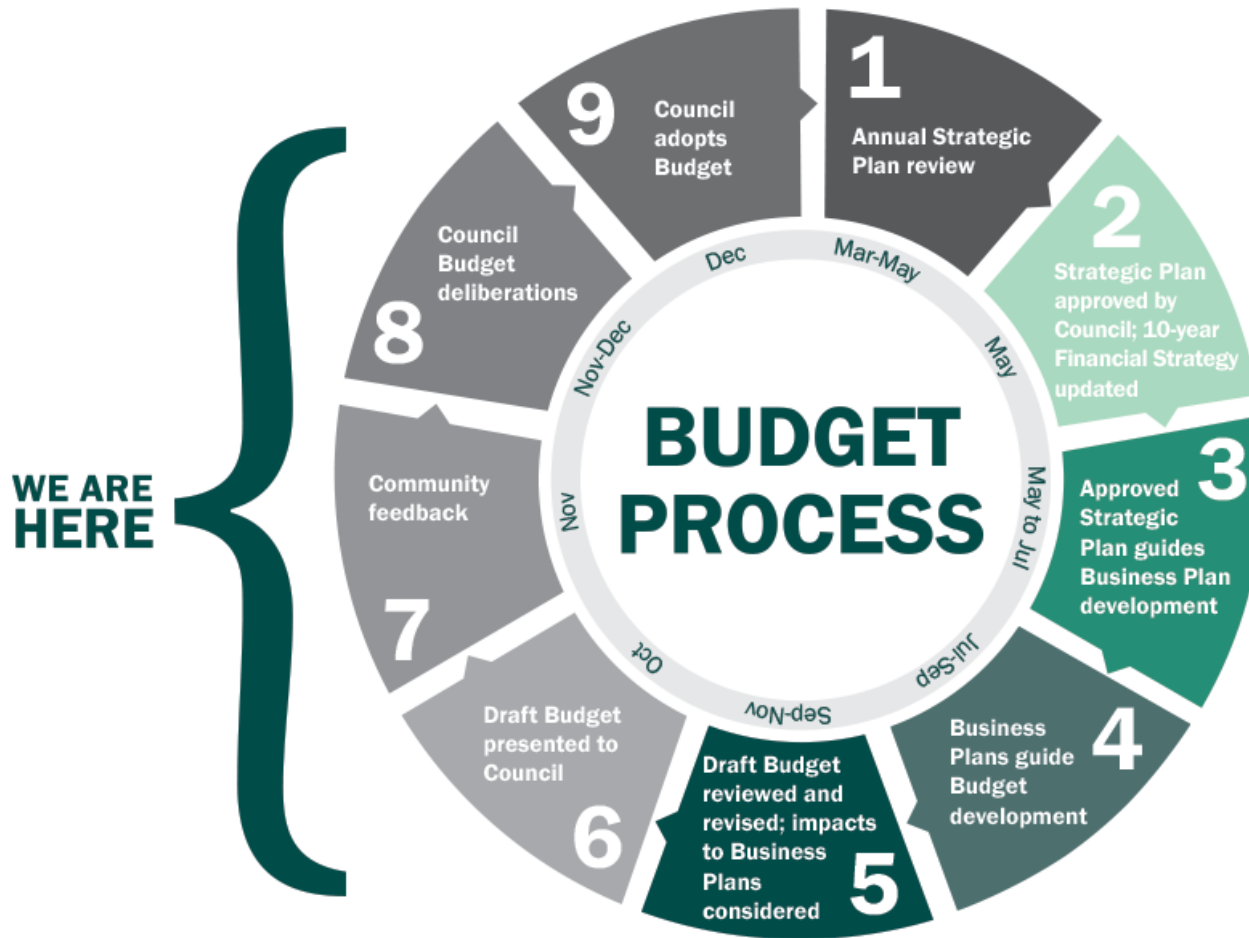


# The proposed 2021-2023 budget:

- Delivers on Council's strategic priorities;
- Invests in the infrastructure required for our community; and
- Ensures continued service delivery.



# Budget Process



# Meeting Council's Strategic Priorities



## Community Connectivity

Focus on multi-modal transportation solutions that achieve positive traffic and pedestrian flows throughout the community.



## Community Development and Planning

Focus on improved development and land use plans that align with the Social Policy Framework and Growth Management Strategy to promote a complete community while preserving Cochrane's unique identity.



## Community Engagement

Focus on improved community engagement opportunities.



## Community Facilities and Services

Focus on services and spaces that achieve a safe and improved sense of community.

# **2021 Operating Budget – a starting point**

Managers provided information about the resources needed to continue to provide current services and deliver on Council's priorities:

- **20.17 new FTE**
- **6 reclassifications**
- **Increased funding requests from partner organizations**
- **13.8% tax increase before considering growth**



# 2021 Operating Budget – next steps

Senior Leadership reviewed the data:

- Recognized 2021 is a “rainy day”
- Focus on core services and existing staff
- No salary/wage increases for non-union staff & management (3<sup>rd</sup> year for senior management & 2<sup>nd</sup> year for management)
- No new positions
- Vacant positions eliminated



# 2021 Operating Budget – next steps

- Reduced planned capital projects to recognize workforce and financial capacity
- Reduced support to partner organizations from amount requested, but still an increase over 2020
  - Calculated per capita support using last census = 29,277
- Reduced reserve contributions
- Increased reserve draws
- Franchise fee rates unchanged
  - (*Fortis was to increase per Council direction*)



# 2021 Proposed Budget

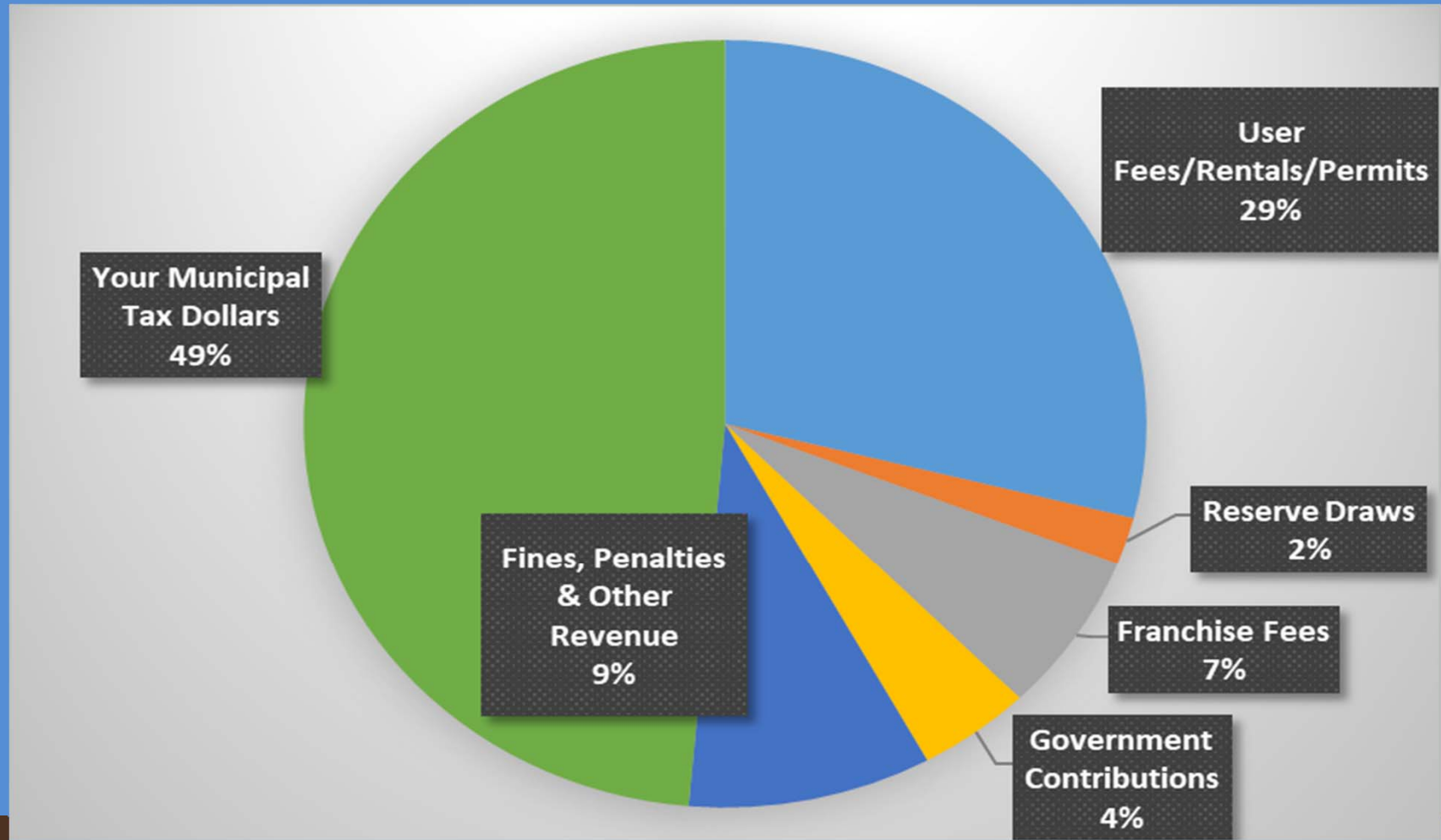
- Non-Tax Revenue: **\$31,187,693**  
(2020: \$30,642,104)
- Revenue from Taxes: **\$29,602,163**  
(2020: \$28,665,468)
- Expenditures: **\$60,789,856**  
(2020: \$59,307,572)

**BUDGET**

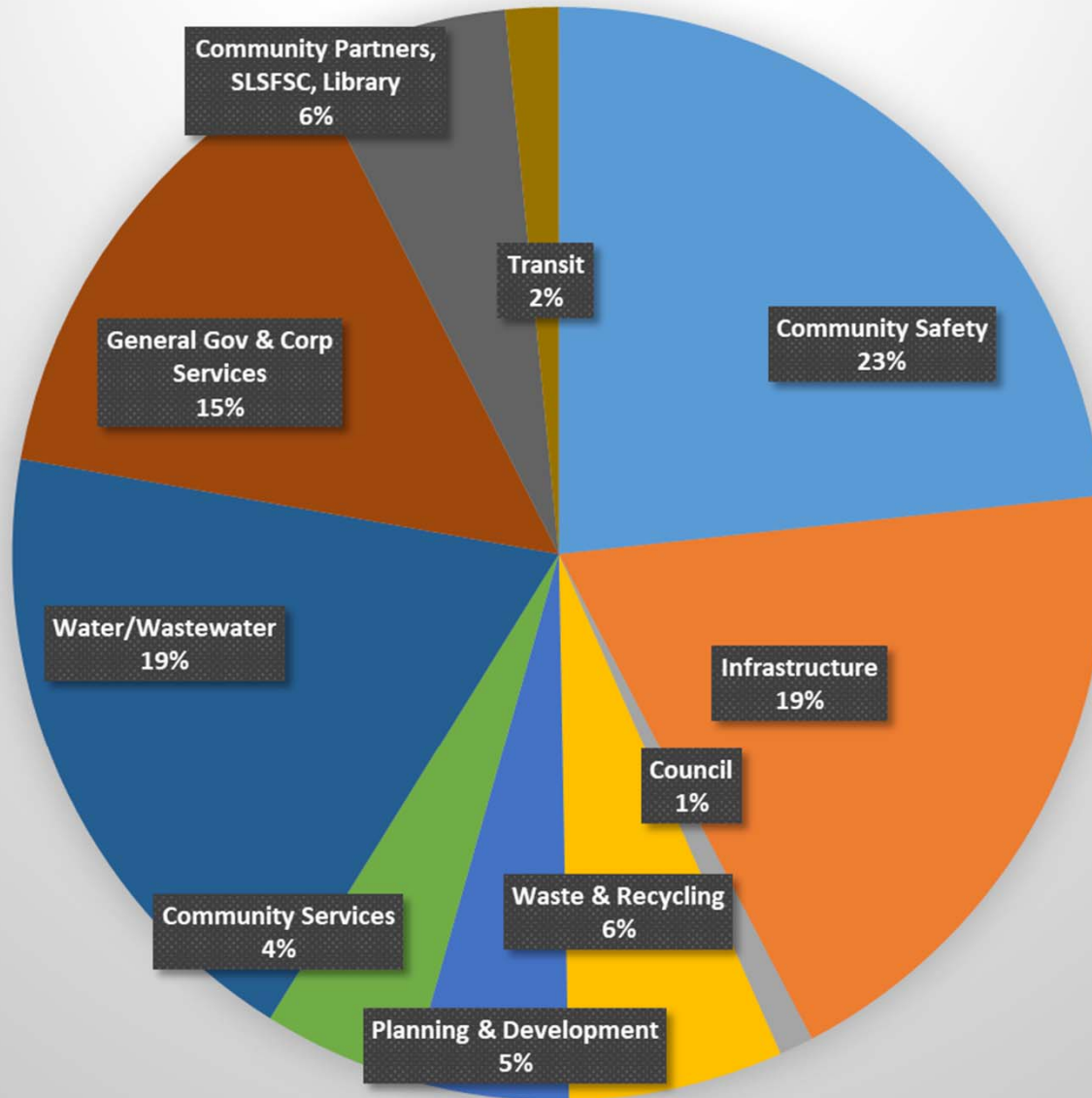




# Where Does Funding Come From?



# What Areas are Supported?



# Proposed Tax Increases

	2021	2022	2023
Gross tax increase	3.27%	6.29%	8.71%
Less growth	2.00%	2.00%	3.0%
Net tax increase	1.27%	4.29%	5.71%

1% represents \$286,654 in additional property tax revenues in 2021.



# Impact on average home

Year	Taxes on average home	Annual increase	Cost per month
2020	\$2,274	\$43	\$3.62
<b>2021</b>	<b>\$2,303</b>	<b>\$29</b>	<b>\$2.45</b>
2022	\$2,401	\$98	\$8.21
2023	\$2,538	\$137	\$11.47

\*2020 average single family dwelling assessed at \$470,100.



# A Bit of History...

Year	Population	Muni Taxes	Muni/Capita
<b>2011</b>	<b>15,424</b>	<b>14,990,415</b>	<b>971.89</b>
2012	17,580	16,625,112	945.68
2013	18,750	18,081,897	964.37
2014	20,708	18,931,509	914.21
2015	23,084	21,498,460	931.31
2016	25,122	23,080,552	918.74
2017	26,320	24,118,598	916.36
2018	27,960	25,650,512	917.40
2019	29,277	27,727,886	947.09
<b>2020</b>	<b>30,242</b>	<b>28,665,468</b>	<b>947.87</b>

# A Bit of History...

- Since 2011 taxes per capita decreased by \$24.02
- During this same period of time CPI increased 21.2%
- If taxes had kept up with CPI, in 2020 the Town would have had \$7M more in property tax revenue to help fund services = 24% of 2020 taxes



# A Way Forward

- The combination of CPI, growth, new service demands, and insufficient historical tax increases have created a significant financial gap that must be corrected
- While the Town has and will continue to implement efficiencies and reduce costs wherever possible, Cochrane has been relying on growth to fund the cost of services and now growth has slowed:
  - Increase taxes
  - Increase non-tax revenue
  - Decrease services
  - Combination of all three



# Capital Plan Highlights

The draft capital budget focuses on priority projects and includes \$49.4M in capital projects for 2021 including:

- Highway 1A and Centre Avenue Improvements
- Protective Service Building
- Transit Hub and Innovation Centre
- Highway 22 Utility Relocate





# Next steps

**Oct 27 – Nov 12**

Online feedback – [LetsTalkCochrane.ca/Budget](https://LetsTalkCochrane.ca/Budget)

**November 16 - 18**

Council budget deliberations

**December 14**

2021-2023 budget adopted by Council

