

REPORT TO THE COMMUNITY

2021

cochrane
HOW THE WEST IS NOW





On behalf of Council, I am pleased to present the Town of Cochrane 2021 Report to the Community. This report demonstrates our 2020 accomplishments, successes, and challenges. And beyond that, it demonstrates our resiliency, sense of community and commitment to responding to the evolving needs of Cochrane.

Each December, Council approves a budget which ensures we are making best use of our tax dollars and funding. Early into 2020, we had to pivot and adjust to respond to our new social and economic realities.

2020 brought forward unprecedented challenges, as we collectively responded to the global pandemic. And yet our community responded in a unique to Cochrane style – by supporting our neighbours, treating each other with kindness, shopping local and ensuring the continued delivery of projects and services that our community has grown to anticipate and appreciate.

A key focus of our response was ensuring we were recognizing and responding to the social and financial impacts of the pandemic, which was supported through the commitment and dedication of the Economic Recovery Task Force and the Social Recovery Task Force members.

I'm proud of all of the work accomplished despite the unprecedented challenges created by COVID-19 and the response of our community.

This report highlights just some of the great work of Town staff. And while the report might be all about what happened in 2020, it also represents the culmination of years of commitment to making our town so special.



Mayor Jeff Genung





I am pleased to present the 2020 Report to the Community. Having only recently joined the Town of Cochrane in January 2021, I am proud to be part of a progressive and thriving community as it continues to grow and evolve.

As I reflect on the details provided in this report and everything that was accomplished in 2020 while the organization and the world responded to the pandemic, it's clear to see the commitment and dedication of all Town staff in the delivery of services, facilities and community improvements. Over the last year, we built a new bridge, upgraded our roadways, invested in parks and pathways, recognized organizational efficiency efforts, and transitioned to a fully functional online service delivery model.

I look forward to recognizing and celebrating everything we can accomplish moving forward.

Mike Derricott, MBA
Chief Administrative Officer

BUILDING THE BRIDGE



The Jack Tennant Memorial Bridge officially opened in October 2020

Have you ever considered what's involved in building a bridge? In short, a lot:

- 1,750 cubic meters of concrete
- 500,000 kg of steel plate girders
- 250,000 kg of rebar
- Nearly 20 years of planning

From selecting the right location, to engaging the community, to choosing a name – building a bridge is a significant community investment. But the investment is already paying off in spades.

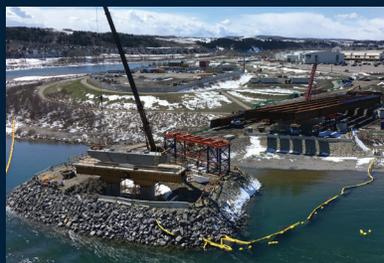
Driving down the big hill it is a striking sight to see the Jack Tennant Memorial Bridge spanning the river, providing connection and community, progress and accessibility.

Projects of this scale and complexity require significant time and resources to get all components aligned appropriately to move forward.

This \$53 million dollar project started back in 2002 when the location was chosen, from there agreements were signed in 2017, followed by the ground-breaking in 2020 and the grand opening in October of 2020.

But what to name it? Through a comprehensive process of public participation, the community chose to honour Jack Tennant, a long-time Cochrane resident who was also the founder and publisher of the Cochrane Eagle newspaper and honorary member of the Stoney Nakoda nation. Tennant passed away in 2018 and his legacy continues.

The completion of the bridge was a significant achievement for our community, and a big step forward for connectivity in Cochrane. The bridge delivers on Council's commitment to work towards alleviating traffic congestion in Cochrane. The bridge and roadway were completed on time and on budget, funded from off-site levies and provincial grants. Best of all, it honours a Cochraneite who dedicated his life to building bridges between people and communities.



CELEBRATING OUR FIRST YEAR OF COLT SERVICE

In September 2020, Cochrane celebrated its first year of COLT (Cochrane On-demand Local Transit) – a fully demand-responsive public transit service. This dynamic service was launched as a five-year pilot program to provide residents with affordable, inclusive and accessible local transportation.

After one year of operation, the service has over 6,500 users registered, with ridership steadily climbing. The flexible, on-demand service, which has catered a wide range of journey types – from daily commuting to getting around town – has been rated highly by customers for its convenience (4.8/5 stars), value for money and the politeness of its customer-focused drivers.

Despite the impact the COVID-19 pandemic had on ridership, COLT was able to provide a flexible, safe, and efficient service by limiting vehicle capacity, enhancing cleaning and offering contact tracing. COLT's responsive on-demand design was also able to maintain service levels while reducing the number of vehicles on the road to match lower levels of demand.

The start of construction for Cochrane's Transit Hub and Innovation Centre was announced in June 2021. This 7,700 sq. ft. building will

include a transit hub, municipal office space, public washrooms and access to Town services.

Plans are underway to add a fixed-route service as well as connections to regional destinations like Crowfoot LRT station and post-secondary institutions in Calgary.

Cochrane's innovative transit solution received recognition from the Federation of Canadian Municipalities' (FCM) Sustainable Communities Awards for innovative environmental initiatives in the Transportation category, as well as the prestigious Hermes Creative Awards for logo design and marketing planning.

COLT operates at one-third the cost of a conventional system.





MAKING A DIFFERENCE: COMMUNITY PANDEMIC RESPONSE

The Town began 2020 with a full slate of existing work and new initiatives, and the intent to boldly advance Council's strategic priorities.

In March, it became clear that our operations would be seriously impacted by the pandemic. The Town's Emergency Coordination Centre (ECC) was activated to ensure a coordinated, community-wide response.

As local and Provincial states of emergency were declared, Cochrane had to make the difficult decision to close its public-facing facilities and modify service delivery. This ensured that we could continue to deliver services to the community by protecting the health and safety of Town staff. While most Town facilities have re-opened, our pandemic response is ongoing as we continue to support the evolving needs of our community.

ECONOMIC AND SOCIAL RECOVERY

Recognizing the social and economic impact of the pandemic, the Town turned its attention to broader economic and social recovery. As a municipality, Cochrane has limited tools to directly impact the local economy. However, there are many areas where can provide much needed support.

Recognizing the financial realities faced by many of our residents and local businesses, the Town extended the due date for property taxes and utility fees from June 30 to September 30. The Town also deferred utility bill payments and adjusted residential water consumption thresholds to mitigate the risk of increased costs resulting from higher water usage.



#CochraneTogether: Encouraged residents to show each other how they were helping their neighbours and local businesses.

#CochraneSaysThanks: Helped residents express gratitude.

To help define our recovery work, Council, administration and community stakeholders provided valuable input to the Economic Recovery Task Force and Social Recovery Task Force. Combined with input gathered through public engagement, these task forces have served as the foundation and driving energy behind helping residents, organizations and businesses recover.

Economic Recovery Task Force

Focused on collaboration with local business, community organizations and higher levels of government, this task force worked to create opportunities to support Cochrane’s economy.

Achievements:

- Launched Open & Safe shop local campaign
- Developed online business directory
- Received approval for an external marketing project Think Big, Live Cochrane
- Presented the River Wave Feasibility Study to Council
- Supported businesses with \$20,000 COVID-19 Professional Services Grant program
- Completed business/consumer engagement survey

Social Recovery Task Force

Collaborated with local support agencies and provincial and federal government to create opportunities to support and enhance the well-being, safety and resilience of Cochrane residents.

Achievements:

- Collaborated with neighbourhoods and organizations to deliver safe programs and events
- Presented six live-streamed events to promote well-being

- Completed two public engagement surveys and one organization engagement survey
- Created a weekly curated list of 10 Things You CAN do during the pandemic, with creative ideas for exploring the town, creating community connections, and enjoying safe activities
- Received grant funding to:
 - expand the Cochrane & Area Resources & Essential Services (CARES) app
 - provide cell phone service plans for clients of Big Hill Haven
 - purchase a virtual platform subscription for secure client meetings
 - upgrade technology in the FCSS meeting space

Throughout the pandemic, we wanted to keep the community connected while we remained physically separated.

- Cochrane Fire Services sparked a ‘drive by birthday’ initiative to help youth celebrate their birthdays
- A virtual program guide was produced that included online programming
- A COVID-safe version of the Town’s Neighbourhood Block Party planning kit was created, and participants were provided with free ice cream, hand sanitizer and masks to help host their events
- Stay & play kits were distributed to families

Cochrane has always been a community that takes pride in working together and helping each other. Whether we are showing gratitude for our essential workers, or thanking friends and family for kind gestures, Cochrane truly cares.

If 2020 has taught us anything, it’s that we are truly stronger together.





COCHRANE WELCOMES FAMILY RESOURCE NETWORK FUNDING

2020 was a challenging year for Cochrane Family and Community Support Services, having experienced over \$700,000 in provincial, municipal and other forms of funding cuts. These cuts resulted in the loss of staff resources and programs at a time when the social demands and needs of the community were increasing in response to the pandemic. FCSS delivers a wide variety of programs and activities for children, youth, parents and seniors. This critical resource plays an essential role in supporting our growing community in a time of great adversity.

Cochrane FCSS and local partner organizations had to pivot to alternative forms of service delivery to continue to support Cochrane residents. Despite these challenges, FCSS-funded organizations rose to the occasion and were innovative and adaptable in the face of crisis. There was increased collaboration across the sector to ensure Cochranites had seamless access to programs at different organizations.

In March, the Province invited organizations running Parent Link Centre and Resource Centre programs to formally express interest

for funding under the new Family Resource Network (FRN). The Town was successful in its application and designated a FRN under Alberta Children's Services (ACS).

Family Resource Networks deliver prevention and early intervention services and supports for families with children aged 0 - 18, through a provincial network of community-based service providers. Through a 'hub and spoke' model of service delivery, FRN hubs organize and coordinate services in their geographic areas and in various cultural communities. These services are provided either directly by a hub, through spoke services, or collaboratively with informal and formal community partners.

The preventative programs and early intervention services offered through FCSS and the Cochrane and Area FRN played a critical role in our communities' social response to the pandemic. The Cochrane & Area FRN opened its doors in October 2020. Since that time, over 460 children and nearly 700 parents attended critical child development programs between April and December.



COUNCIL'S STRATEGIC



Community Connectivity

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

ACTION ITEMS	STATUS
1 <ul style="list-style-type: none"> Continue to work with Alberta Transportation on the design & construction of the Highway 1A/22 interchange. (2021-2023) Relocate the municipal utility infrastructure as required by the Province to facilitate the first phase of interchange completion. (2021) 	<ul style="list-style-type: none"> In progress. Alberta Transportation has confirmed funding for this project. Work is anticipated to begin in 2022. Municipal utility infrastructure will be relocated in the summer 2021 construction season.
2 <ul style="list-style-type: none"> Facilitate construction of second access to Sunset Ridge. (ongoing) 	
3 <ul style="list-style-type: none"> Complete Highway 1A improvements, including four lanes on highway 1A, intersection improvements and the realignment of 4th Avenue to 5th Avenue. (2021-2022) 	<ul style="list-style-type: none"> Construction has begun. Work is anticipated to be completed in the fall of 2022.
<ul style="list-style-type: none"> Prioritize commercial and industrial development, while broadening residential housing options including affordable housing. (Ongoing) 	<ul style="list-style-type: none"> Ongoing.
4 <ul style="list-style-type: none"> Complete improvements to Centre Avenue, including four lanes from Highway 1A to Railway Street. (2022) 	<ul style="list-style-type: none"> Project to be included in the 2022 construction season.



HIGHWAY 1A IMPROVEMENTS

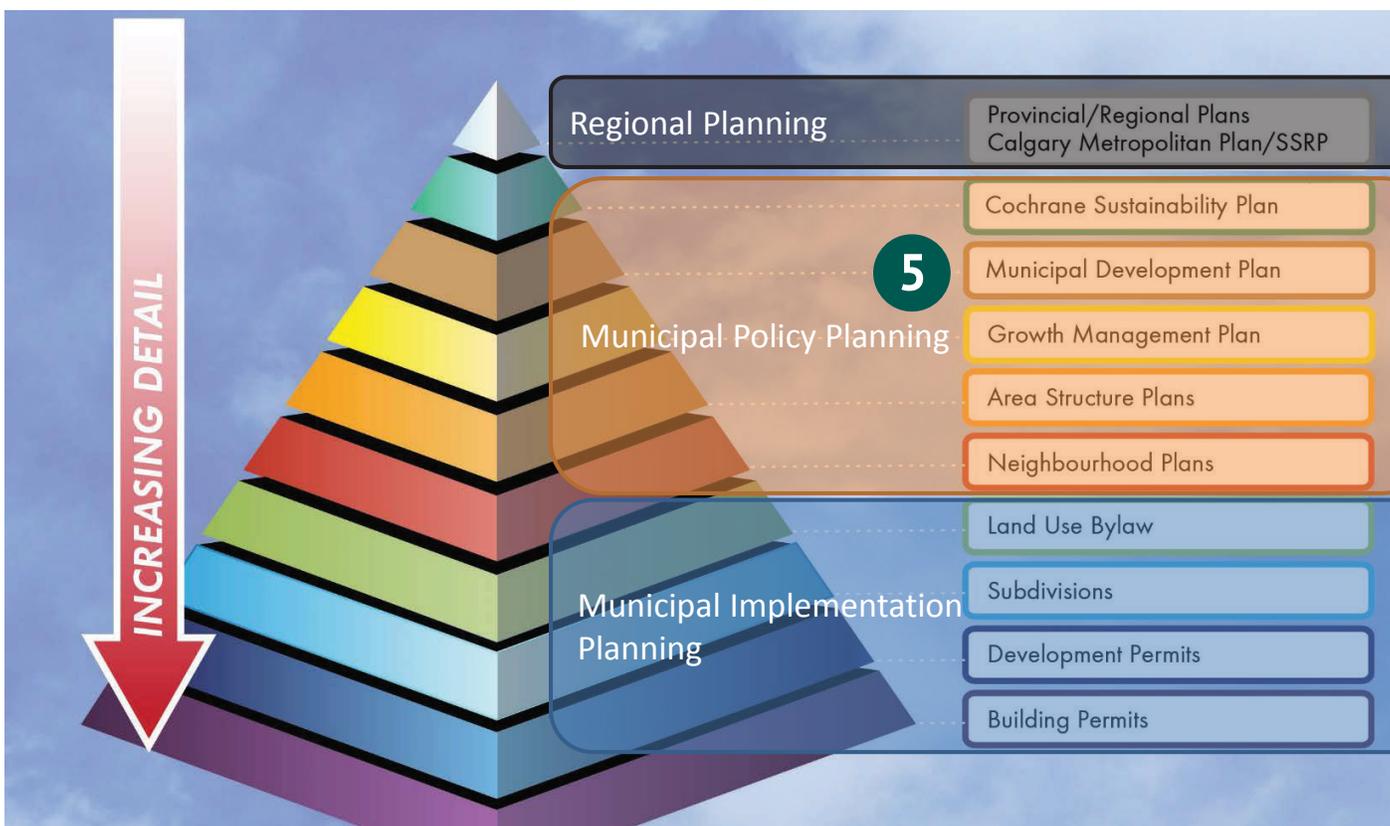
PRIORITIES 2021-2023



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.

ACTION ITEMS	STATUS
<ul style="list-style-type: none"> Develop and implement a water supply strategy which includes licensing, storage and infrastructure required to accommodate future growth. (2021-2023) 	<ul style="list-style-type: none"> In progress.
<ul style="list-style-type: none"> Complete the Stormwater Master Plan. (2021-2022) 	<ul style="list-style-type: none"> In progress.
5 <ul style="list-style-type: none"> Review and update the Municipal Development Plan, implementing an annual review and update every five years. (2021-2023) 	<ul style="list-style-type: none"> Timing dependent on CMRB Growth Plan.
<ul style="list-style-type: none"> Prioritize commercial and industrial development, while broadening residential housing options including affordable housing. (Ongoing) 	<ul style="list-style-type: none"> Ongoing.
<ul style="list-style-type: none"> Focus on development of the Regional Management Growth Plan and Servicing Plan. (2021) 	<ul style="list-style-type: none"> Growth Plan and Servicing Plan submitted to the Province for consideration and approval.
<ul style="list-style-type: none"> Implement the 10-year business development strategy. (ongoing) 	<ul style="list-style-type: none"> In progress.

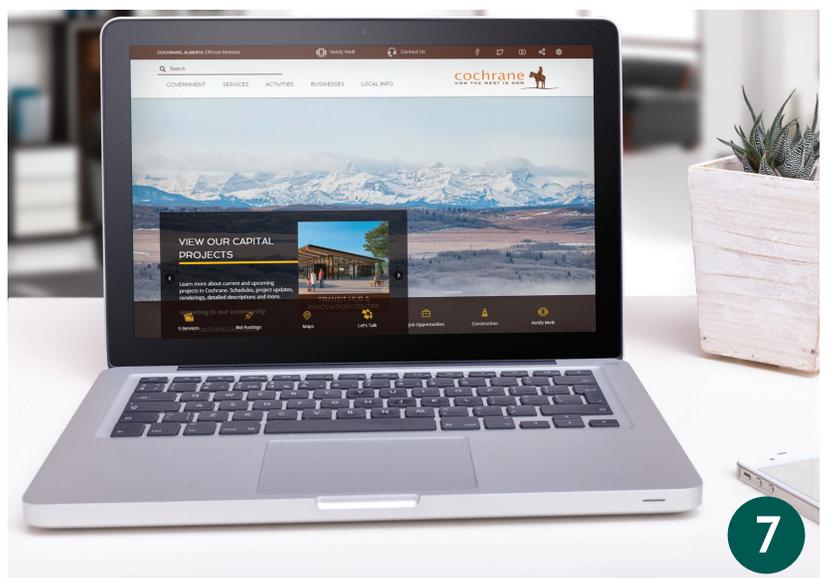




Community Engagement

Focus on improved community engagement opportunities.

ACTION ITEMS	STATUS
<p>6</p> <ul style="list-style-type: none"> Establish engagement strategies with key stakeholders for key community issues and projects, including: <ul style="list-style-type: none"> Municipal Development Plan (2021-2023) (Timing dependent on CMRB Growth Plan) Strategic Plan (2022) Sustainability Plan (2022) Budget & Council's Strategic Priorities (ongoing) Connecting Cochrane (Transportation Master Plan) (2022) 	<ul style="list-style-type: none"> Strategies to be completed in alignment with project timelines.
<p>7</p> <ul style="list-style-type: none"> Focus on improved communication to residents about community safety programs and services, achieving solutions through education and awareness. 	<ul style="list-style-type: none"> Ongoing
<ul style="list-style-type: none"> Implement the Council approved recommendations of the Economic and Social Recovery Task Force. (2021) 	<ul style="list-style-type: none"> In progress.
<ul style="list-style-type: none"> Create and implement a provincial and federal advocacy strategy. (2021) Highway 1A/22 interchange, including: <ul style="list-style-type: none"> Gap 1 (twinning of highway 1a from interchange project to HWY 1a improvements project) Gap 2 (twinning of HWY 22 from interchange to Sunset Blvd) Regional mass transit system in the Bow Valley Corridor Seniors Housing & Affordable Housing Water Supply Policies 	<ul style="list-style-type: none"> In progress. Anticipated completion fall 2021.
<ul style="list-style-type: none"> Establish and implement strategic communication strategies for priority projects, including: <ul style="list-style-type: none"> Highway 1A Improvements Transit Hub & Innovation Centre Updated Land Use Bylaw and Municipal Development Plan New Protective Services Building Highway 1A/22 Interchange Centre Avenue Improvements Horse Creek Sports Park 	<ul style="list-style-type: none"> In progress. Communication strategies complete for projects anticipated to begin in 2021.





Community Facilities and Services

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

ACTION ITEMS	STATUS
<p>8</p> <ul style="list-style-type: none"> Construct the new Protective Services Building. (2021-2023) 	<ul style="list-style-type: none"> Construction initiated June 2021. Anticipated completion 2023.
<p>9</p> <ul style="list-style-type: none"> Complete the Tri-Site implementation strategy: Design and construction of the former Esso Bulk Station site: <ul style="list-style-type: none"> Transit Hub & Innovation Centre (2021-2022) Update Horse Creek Sports Park Master Plan and complete site servicing. (2021 & 2023) 	<ul style="list-style-type: none"> Construction of the Transit Hub & Innovation Centre initiated June 2021. Anticipated completion summer 2022. Facility name selected: The Station at Cochrane Crossing Updates to the Horse Creek Sports Park Master Plan in progress.
<ul style="list-style-type: none"> Evaluate existing recreation operating model and identify future opportunities. (2021) 	<ul style="list-style-type: none"> In progress.
<ul style="list-style-type: none"> Focus on achieving organizational efficiencies. 	<ul style="list-style-type: none"> Ongoing.



OFFICE OF THE CAO



12,582

FACEBOOK FOLLOWERS



4,842

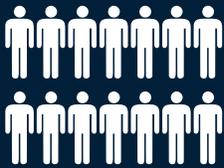
TWITTER FOLLOWERS



Let's Talk
Cochrane

1,103

ONLINE PUBLIC ENGAGEMENT
SURVEYS COMPLETED



255

FULL-TIME, PART-TIME
AND CASUAL EMPLOYEES (APPROX.).



8.5

YEARS AVERAGE LENGTH OF
SERVICE FOR TOWN STAFF

The Office of the Chief Administrative Officer (CAO) is responsible for the overall leadership and direction for all Town staff, ensuring compliance with legislation, policies and overall direction of Council. The CAO directly leads both the Human Resources team and the Intergovernmental & Corporate Communications team.

2020 ACCOMPLISHMENTS

- Supported and guided the Town's COVID-19 response
- Lead the implementation of Council's strategic priorities
- Worked with our municipal partners to support the Calgary Metropolitan Region Board (CMRB)
- Celebrated the opening of the Horse Creek Pedestrian Crossing

Communications

- Kept the community informed on local COVID-19 information through a variety of campaigns, videos, signage and much more
- Completed an internal engagement survey and subsequent strategy to help guide the organization's efforts in this area

Human Resources

- Supported Council in the recruitment for a new CAO
- Successful in our Health and Safety Audit
- Initiated a corporate cultural shift to increase employee engagement





CORPORATE SERVICES

Corporate Services manages the Town's financial and information technology services, including financial reporting, assessment, property taxes, accounts payable and receivable, capital project financing and tracking, utilities, animal licensing, network user support and geographic information systems (GIS).

2020 ACCOMPLISHMENTS

- Successfully completed the 2020 financial statement audit on time and with a 34% reduction in fees
- Completed the implementation of budgeting software solutions, continued to work through budget process efficiencies and successfully delivered the 2021-2023 Town of Cochrane budget

Assessment & Taxation

- Created process improvements by transitioning paper processes to digital format
- Successfully participated in the first virtual property assessment board appeal hearing

Business Development

- Launched two campaigns: *Open and Safe* shop local campaign in response to COVID-19 restrictions and *Think Big, Live Cochrane* external marketing campaign
- Lead the Economic Development Task Force, providing recommendations to Council

Cochrane RancheHouse Event Centre, Community Events and Culture:

- Routinely booked for AHS compliant events/services such as small wedding ceremonies, Cowboy Church services and theatre rehearsals
- Offered virtual arts and culture programs and supported the local arts community by hosting a variety of events

Financial Services

- Engaged an additional Customer Service Representative, increasing capacity within the Financial Services team
- Leveraged an external mailing service for billings, reducing overall administrative costs

Information Services/GIS

- Launched GIS property viewer, providing residential property information online
- Supported the transition of 80% of staff to work from home
- Implemented improvements to Town security measures and increased security awareness programs



15,069

ASSESSMENT AND
TAXATION ACCOUNTS



12,787

UTILITY ACCOUNTS



1,949

BUSINESS LICENCES



DEVELOPMENT & COMMUNITY

Development & Community Services is responsible for ensuring Planning, Civil Land Development and Safety Codes are completed within relevant requirements of provincial and municipal legislation. In addition, this section oversees the Family and Community Support Services (FCSS), Municipal Energy Management program and delivery of Cochrane On-Demand Local Transit.

2020 ACCOMPLISHMENTS

- Lead the Town's participation in the Calgary Metropolitan Region Board, providing strategic direction
- Transitioned processes, programs and events to virtual platforms

Civil Land Development

- Transitioned to fully digital submissions from paper
- Advanced the River Heights reservoir expansion design to support future growth

COLT

- Provided 24,155 rides with 29,358 passengers, and an average ride rating of 4.8 out of 5 stars
- Awarded the Federation of Canadian Municipalities' (FCM) Sustainable Communities Award for Transportation 2020

Family and Community Support Services (FCSS)

- Led the Social Recovery Task Force to support and enhance the well-being, safety and resilience of Cochrane residents through the pandemic
- Opened the Family Resource Network to support families with children birth-18
- Partnered with Cochrane Society for Housing Options to complete an Affordable Housing Needs Assessment and a homelessness estimation count
- Supported over 3,000 individuals/families with information, referrals and support

Municipal Energy Management

- Conducted energy scans of Town facilities to identify energy conservation opportunities
- Assessed renewable energy and energy efficiency projects and explored energy grants

Planning

- Successfully transitioned to online meetings and digital planning permits
- Continued to advance the draft Land Use Bylaw

Safety Codes

- Implemented the first stage of an online contractor permit portal to provide more efficient permit/inspection management for contractors
- Developed and implemented an electrical homeowners guide to help aid homeowners with the installation of electrical work



3,353

BUILDING PERMITS
ISSUED



153

DEVELOPMENT PERMIT
APPLICATIONS



8

SUBDIVISION
APPLICATIONS



5,894

SAFETY CODES
INSPECTIONS COMPLETED



1,156

CHILDREN AND PARENTS
ENGAGED IN VIRTUAL
PROGRAMS

SERVICES



LEGISLATIVE & PROTECTIVE



914

CALLS RESPONDED TO BY
FIRE SERVICES



2,055

CALLS RESPONDED TO BY
MUNICIPAL ENFORCEMENT



6,521

PET LICENCES

Legislative and Protective Services oversees the operations of Fire Services, Municipal Enforcement, RCMP and Legislative Services and provides strategic oversight and of coordination legal matters.

2020 ACCOMPLISHMENTS

- Led and participated in the Town's Emergency Response to COVID-19 and continuity of services
- Formalized the new Protective Services Building project team for preconstruction and construction services

Fire Services

- Built upon the Peer Support program for Firefighters to support the incident stress management program for emergency responders and their families
- Substantially increased online public education efforts directed to school-aged children
- Supported the effort of the Emergency Coordination Centre throughout the pandemic

Legislative Services

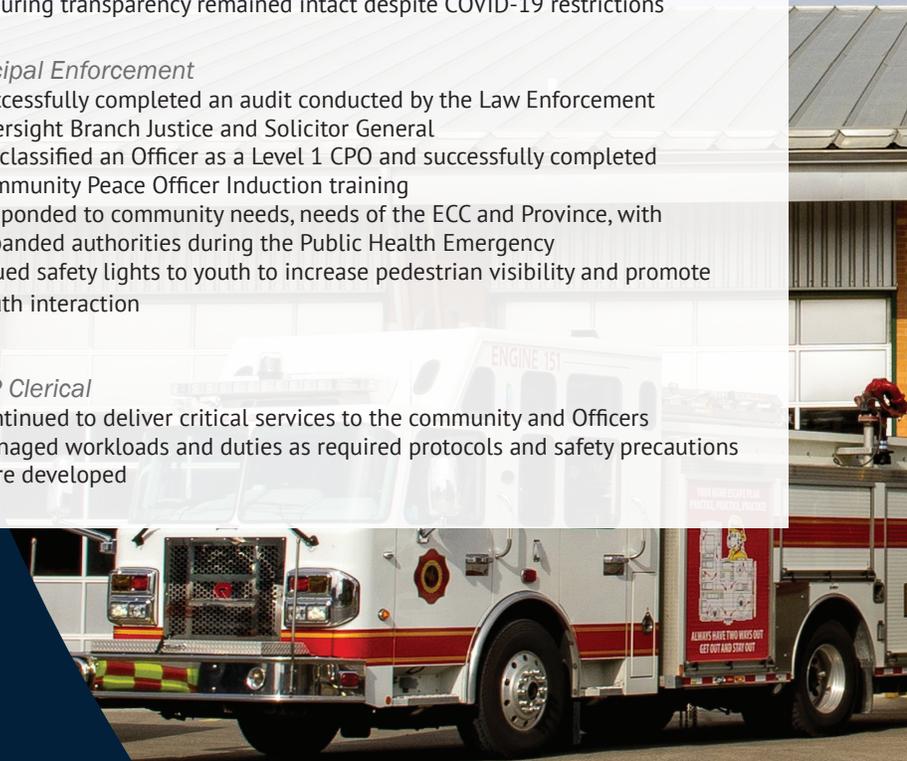
- Successfully transitioned all Committees of Council to live streaming, ensuring transparency remained intact despite COVID-19 restrictions

Municipal Enforcement

- Successfully completed an audit conducted by the Law Enforcement Oversight Branch Justice and Solicitor General
- Re-classified an Officer as a Level 1 CPO and successfully completed Community Peace Officer Induction training
- Responded to community needs, needs of the ECC and Province, with expanded authorities during the Public Health Emergency
- Issued safety lights to youth to increase pedestrian visibility and promote youth interaction

RCMP Clerical

- Continued to deliver critical services to the community and Officers
- Managed workloads and duties as required protocols and safety precautions were developed



SERVICES



INFRASTRUCTURE



75

KILOMETRES OF
PATHWAYS



410

ACRES OF PARKLAND
AND OPEN SPACE



40

PLAYGROUNDS



14

BUILDINGS OPERATED
& MAINTAINED

SERVICES

Infrastructure Services maintains and provides services related to roads, water, wastewater, stormwater, facilities, fleet and waste and recycling services.

2020 ACCOMPLISHMENTS

- Completed construction of the Jack Tennant Memorial Bridge and James Walker Trail Phase 2
- Worked with CP to open the Horse Creek pedestrian crossing between West Pointe and Heartland
- Constructed new downtown 90-stall public parking lot with EV chargers
- Initiated and completed design of highway 1A improvements

Facilities

- Lead the plan development for the Transit Hub and the Protective Service Building.
- Renovated Parent Link space to transition to Family Resource Network
- Installed new storage facility at Matt Kroll Park
- Completed office expansion in Roads facility
- Completed HVAC control update at Cochrane RanchoHouse

Parks and Open Spaces

- Installed nature loop at the cemetery
- Replaced damaged and washed out bridge in Riverfront park
- Completed wheelchair ramps at the Glenhill Bridge
- Upgraded disc golf baskets
- Rolled out adopt-a-bed program in downtown core

Roads

- Upgraded Railway Street to include new underground utilities, surface improvements and bike lanes
- Completed phase 1 of Centre Ave upgrade, including re-stripping the road to accommodate 3 lanes southbound and 1 lane northbound
- Installation of enhanced pedestrian crossings in River Heights and Sunset Ridge.
- Installation of aeration systems at Willows and Riviera storm ponds
- Enhanced traffic safety around Fireside school, including new parking restrictions

Water and Wastewater

- Issued 496 water conservation rebates, representing 1.3 million liters of water saved
- Completed 125 high water consumption investigations, 709 final meter reads, 2,406 infrastructure locates requests
- Replaced 154 aging water meters 356 new water meter installs and 50 non-residential meter and backflow prevention audits

Waste and Recycling

- Diverted 65% of residential waste from landfill
- Completed a blue cart educational program, reaching 10,000 families
- Safely resumed Eco Centre programs and services



171

KILOMETRES OF GRAVEL AND PAVED ROADS



149

KILOMETRES OF SIDEWALK



2,879

MEGALITRES OF DRINKING WATER PRODUCED



5,800

TONNES OF RESIDENTIAL WASTE DIVERTED FROM LANDFILL



1,000

TONNES OF RECYCLABLES RECEIVED AT THE ECO CENTRE

YOUR TAX DOLLARS AT WORK

As the Town's major source of revenue comes directly from our taxpayers, the Town of Cochrane strives to provide good value for resident's tax dollars.

Each May, Council finalizes the amount of money required to support the Town's mandate to provide quality service to residents and businesses, and uses that figure to calculate the tax rate. Property taxes help pay for Town services such as

emergency services, road maintenance, parks and recreation, and community development strategies.

Sixty-three cents of every tax dollar received by the Town goes to fund municipal services. Taxes collected also go towards external requisitions such as provincial education and seniors' housing.

TOTAL 2020 REVENUES: \$59.3 MILLION

USER FEES/RENTALS/
PERMITS 31%

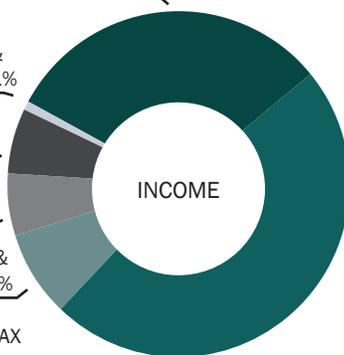
RESERVE DRAWS &
UTILITY PAYMENT 1%

FRANCHISE
FEES 6%

GOVERNMENT
CONTRIBUTIONS 6%

FINES, PENALTIES &
OTHER REVENUE 8%

YOUR MUNICIPAL TAX
DOLLARS 48%



TOTAL 2020 EXPENDITURES: \$59.3 MILLION

COMMUNITY SAFETY 23%

INFRASTRUCTURE 12%

COUNCIL 1%

WASTE &
RECYCLING 6%

PLANNING, ENGINEERING
& ECONOMIC DEV. 6%

COMMUNITY SERVICES 14%



WATER &
WASTEWATER
17%

GENERAL GOV
& CORPORATE
SERVICES 14%

COMMUNITY
PARTNERS
SLSFSC &
LIBRARY 5%

TRANSIT 2%

2020 FINANCIAL OVERVIEW

The 2020 consolidated financial statements for the Town of Cochrane are prepared and submitted to Town Council for information, review and approval. The statements, which are audited by the Town's appointed external auditor, are a key part of upholding the transparency of the Town's financial health.

2020 to date has been marked with considerable volatility for the world's economy, putting additional financial pressures on municipal service delivery and capital programs. Despite this challenging backdrop, the Town of Cochrane was able to shift priorities to focus on responding to the pandemic while supporting local businesses and residents.

Administration identified opportunities to reduce operational spending and defer capital projects where possible to mitigate the financial impact for this unprecedented event. This included extending payment deadlines for property taxes and waiving late payment fees for utility bills.

In the fall of 2020, the Provincial and Federal governments provided funding to municipalities via the Municipal Operating Support Transfer (MOST) grant to minimize the financial impacts of COVID-19. This one-time program to cover the direct costs related to COVID-19 and the loss of revenues due to facility closures was effective from April 1, 2020 to March 31, 2021 and provided the Town with \$2.9 million in funding. A portion of the funds were used to support the Spray Lake Sawmill Family Sports Centre (SLSFSC), with the remainder used to support the additional technology and infrastructure needs, lost revenues due to facility closures, and increased support for our municipal partners.

Despite these challenges and with the support of the Provincial and Federal funding, the Town closed out 2020 on budget.

The full financial impact of the pandemic is anticipated to include financial pressures for years to come. Administration is committed to balancing high priority services, reducing red tape and minimizing the financial impacts on residents and businesses.

FINANCIAL STATEMENTS



BUDGET PROCESS

The Town is mandated under the Municipal Government Act (MGA) to adopt an operating and capital budget for each year. Revenues must equal or exceed expenditures. If a deficit occurs, it must be recovered in future years.

The Town's operating budget includes salaries, contracted services, maintenance, supplies and debt servicing. Property taxes cover 48 percent of operating costs; the remainder is covered by user fees, grants and other income.

The Town's capital budget funds the building of new infrastructure and facilities. The capital budget balances needs such as infrastructure rehabilitation, growth and environmental protection with available financial resources. Funding consists of grants, Town savings in capital reserves, developer contributions, debt and contributed assets.

ACCOUNTING PROCESS

The Town's Financial Services section must follow practices and conventions set out by the accounting profession and provincial government legislation.

AUDIT PROCESS

Town Administration is responsible for the integrity, relevance and comparability of the data in the accompanying consolidated financial statements. The Town practices the highest standard of ethics and has formal policies and procedures for internal controls. Administration is committed to maintaining an extensive system of internal controls, providing reasonable assurance that:

- all transactions are appropriately authorized
- assets are properly accounted for and safeguarded
- all transactions are appropriately recorded
- financial records are reliable for the preparation of financial statements

As set out in the MGA, the Town must appoint an auditor on an annual basis. The municipal auditor must review the financial statements and issue an opinion as to whether the statements have been prepared according to Canadian public sector accounting standards and whether the statements fairly represent the financial position of the municipality. The Town of Cochrane's consolidated financial statements have been audited by the independent firm MNP LLP.



Independent Auditor's Report

To the Members of Council of the Town of Cochrane:

Opinion

We have audited the consolidated financial statements of the Town of Cochrane (the "Town"), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statements of operations, changes in net financial assets, cash flows, and schedules 1 through 6 for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2020, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Town in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged With Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Town's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Town's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Town's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Town to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Town to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements
Debt Limit Regulation

In accordance with Alberta regulation 255/2000, we confirm that the Town is in compliance with the Debt Limit Regulation. A detailed account of the Town's debt limit can be found in note 9.

Supplementary Accounting Principles and Standards Regulation

In accordance with Alberta regulation 313/2000, we confirm that the Town is in compliance with the Supplementary Accounting Principles and Standards Regulation and note the information required can be found in note 13.

MNP LLP

Calgary, Alberta

April 26, 2021

Chartered Professional Accountants

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2020**

	<u>2020</u> \$	<u>2019</u> \$
Financial assets		
Cash and temporary investments (Note 2)	72,121,528	65,194,025
Receivables		
Taxes and grants in place of taxes (Note 3)	1,313,900	885,389
Trade and other receivables	14,702,564	13,347,402
Trade and other inventory	4,155	4,155
Investments (Note 4)	2,017,688	6,958,134
	<u>90,159,835</u>	<u>86,389,105</u>
Liabilities		
Accounts payable and accrued liabilities	6,381,652	10,107,364
Deposit liabilities	1,822,309	1,941,443
Deferred revenue (Note 5)	16,267,740	7,057,569
Employee benefit obligations (Note 6)	1,325,877	1,290,377
Long term debt (Note 7)	7,733,118	9,157,860
Capital lease (Note 8)	6,369,125	6,476,508
	<u>39,899,821</u>	<u>36,031,121</u>
Net financial assets	<u>50,260,014</u>	<u>50,357,984</u>
Non-financial assets		
Tangible capital assets (Schedule 2)	472,767,302	454,815,932
Prepaid expenses	64,553	72,602
	<u>472,831,855</u>	<u>454,888,534</u>
Accumulated surplus (Schedule 1, Note 11)	<u>523,091,869</u>	<u>505,246,518</u>
Contingencies and Commitments (Note 15)		

Approved by Council:

Mayor

CAO

CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget (Note 16) \$	2020 \$	2019 \$
Revenue			
Net municipal property taxes (Schedule 3)	28,763,337	28,700,768	27,727,886
Community revitalization levy	1,398,500	1,329,157	1,316,825
Local improvement taxes	31,615	31,615	31,615
Government transfers for operating (Schedule 4)	2,947,355	3,429,790	2,894,774
User fees and sales of goods	16,121,622	16,511,298	15,288,190
Licenses and permits	1,453,940	1,157,999	1,388,651
Fines and penalties	920,950	713,277	881,712
Rentals, donations and other	778,156	1,005,743	2,665,335
Franchise fees	3,713,130	3,777,322	3,335,761
Investment income	93,000	1,102,102	2,666,187
	<u>56,221,605</u>	<u>57,759,071</u>	<u>58,196,936</u>
Expenses			
Council	545,397	453,132	543,592
General Government	7,624,788	7,102,124	8,388,405
Police and municipal enforcement	5,521,738	4,874,119	5,084,396
Fire	6,030,895	6,709,172	6,259,960
Roads, streets and transit	5,222,661	7,898,178	7,318,201
Water, wastewater and storm sewer	7,072,398	10,832,557	10,739,423
Waste and recycling	3,260,844	2,937,080	3,054,850
Subdivision and land development	2,876,303	2,617,014	2,917,300
Parks and recreation	2,306,964	2,697,847	3,232,319
Culture and facilities	5,931,463	9,196,829	8,117,916
Family and community services	2,444,957	2,057,946	2,295,987
Economic development	413,103	414,375	544,186
Total expenses (Schedule 5)	<u>49,251,511</u>	<u>57,790,373</u>	<u>58,496,535</u>
Excess (deficiency) of revenue over expenses before other items	<u>6,970,094</u>	<u>(31,302)</u>	<u>(299,599)</u>
Other Revenue (Expense)			
Development levies	-	1,571,598	3,903,155
Contributed assets	-	11,797,162	7,114,232
Loss on disposal of tangible capital assets	-	(3,710)	(21,870)
Government transfers for capital (Schedule 4)	601,688	4,511,603	9,443,454
Total other items	<u>601,688</u>	<u>17,876,653</u>	<u>20,438,971</u>
Excess of revenue over expenses	<u>7,571,782</u>	<u>17,845,351</u>	<u>20,139,372</u>
Accumulated surplus, beginning of year	<u>505,246,518</u>	<u>505,246,518</u>	<u>485,107,146</u>
Accumulated surplus, end of year	<u><u>512,818,300</u></u>	<u><u>523,091,869</u></u>	<u><u>505,246,518</u></u>

**CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget (Note 16) \$	2020 \$	2019 \$
	<u> </u>	<u> </u>	<u> </u>
Excess of revenue over expenses	7,571,782	17,845,351	20,139,372
Acquisition of tangible capital assets	(21,600,000)	(17,484,053)	(27,305,410)
Contributed assets	-	(11,797,162)	(7,114,232)
Amortization of tangible capital assets	-	11,326,135	11,067,169
Changes in prepaid expenses	-	8,049	(30,545)
Loss on disposal of tangible capital assets	-	3,710	21,870
	<u>(21,600,000)</u>	<u>(17,943,321)</u>	<u>(23,361,148)</u>
Increase (decrease) in net financial assets	(14,028,218)	(97,970)	(3,221,776)
Net financial assets, beginning of year	50,357,984	50,357,984	53,579,760
Net financial assets, end of year	<u>36,329,766</u>	<u>50,260,014</u>	<u>50,357,984</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	2020 \$	2019 \$
Net inflow (outflow) of cash related to the following activities:		
Operating		
Excess of revenues over expenses	17,845,351	20,139,372
Non-cash items		
Amortization of tangible capital assets	11,326,135	11,067,169
Loss on disposal of tangible capital assets	3,710	21,870
Contributed Assets	(11,797,162)	(7,114,232)
Net change in non-cash operations (net change):		
Decrease (increase) in taxes and grants in place of taxes	(428,511)	(193,483)
Decrease (increase) in trade and other receivables	(1,355,162)	(4,291,746)
Decrease (increase) in prepaid expenses	8,049	(30,545)
(Decrease) in accounts payable and accrued liabilities (Schedule 2)	(4,909,222)	5,406,135
Increase (decrease) in deposit liabilities	(119,134)	42,965
Increase (decrease) in deferred revenue	9,210,171	1,133,544
Increase (decrease) in employee benefit obligations	35,500	312,637
Cash provided by (applied) to operating transactions	<u>19,819,725</u>	<u>26,493,868</u>
Capital		
Acquisition of tangible capital assets (Schedule 2)	<u>(16,300,543)</u>	<u>(30,624,791)</u>
Investing		
Increase in investments	<u>4,940,446</u>	<u>7,429,448</u>
Financing		
Long-term debt repaid	<u>(1,532,125)</u>	<u>(7,908,399)</u>
Change in cash and cash equivalents during the year	6,927,503	(4,609,874)
Cash resources, beginning of year	<u>65,194,025</u>	<u>69,803,899</u>
Cash resources, end of year	<u><u>72,121,528</u></u>	<u><u>65,194,025</u></u>

**SCHEDULE 1: CONSOLIDATED SCHEDULE OF CHANGES IN ACCUMULATED SURPLUS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Unrestricted Surplus	Restricted Surplus	Equity in Tangible Capital Assets	2020 \$	2019 \$
BALANCE, BEGINNING OF YEAR	991,108	65,073,846	439,181,564	505,246,518	485,107,146
Excess of revenues over expenses	17,845,351	-	-	17,845,351	20,139,372
Unrestricted funds designated for future use	8,128,371	(8,128,371)	-	-	-
Restricted funds used for tangible capital assets	-	(11,400,852)	11,400,852	-	-
Current year funds used for tangible capital assets	(6,083,201)	-	6,083,201	-	-
Contributed tangible capital assets	(11,797,162)	-	11,797,162	-	-
Disposal of tangible capital assets	3,710	-	(3,710)	-	-
Annual amortization expense	11,326,135	-	(11,326,135)	-	-
Long term debt repaid	(1,532,125)	-	1,532,125	-	-
Change in accumulated surplus	17,891,079	(19,529,223)	19,483,495	17,845,351	20,139,372
BALANCE, END OF YEAR	18,882,187	45,544,623	458,665,059	523,091,869	505,246,518

SCHEDULE 2: CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS FOR THE YEAR ENDED DECEMBER 31, 2020

	Land	Land Improvements	Buildings	Engineered Structures	Machinery and Equipment	Vehicles	Construction in Progress	2020 \$	2019 \$
Cost:									
Balance, beginning of the year	68,290,879	20,266,086	95,272,823	326,533,554	7,859,399	7,551,535	48,484,349	574,258,625	540,084,829
Acquisition of tangible capital assets	-	15,735	458,001	10,514,045	85,712	43,758	18,163,964	29,281,215	34,419,642
Disposal of tangible capital assets	-	-	-	-	331,666	59,307	-	390,973	245,846
Transfers	(175,336)	434,721	1,035,248	2,291,719	1,326,736	1,768,471	(6,681,559)	-	-
Balance, end of the year	68,115,543	20,716,542	96,766,072	339,339,318	8,940,181	9,304,457	59,966,754	603,148,867	574,258,625
Accumulated amortization:									
Balance, beginning of the year	-	7,770,890	22,800,626	79,958,598	5,286,916	3,625,663	-	119,442,693	108,599,500
Annual amortization	-	821,174	2,943,694	6,504,971	387,760	668,536	-	11,326,135	11,067,169
Disposals of tangible capital assets	-	-	-	-	327,955	59,308	-	387,263	223,976
Balance, end of the year	-	8,592,064	25,744,320	86,463,569	5,346,721	4,234,891	-	130,381,565	119,442,693
Net book value of tangible capital assets	68,115,543	12,124,478	71,021,752	252,875,749	3,593,460	5,069,566	59,966,754	472,767,302	454,815,932
2019 NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	68,290,879	12,495,196	72,472,197	246,574,956	2,572,483	3,925,872	48,484,349	454,815,932	

During the year, tangible capital assets were acquired at an aggregate cost of \$29,281,215 (2019 - \$34,419,642), less contributed assets of \$11,797,162 (2019 - \$7,114,232). Of the \$17,484,053 acquired (2019 - \$27,305,410), \$1,882,342 (2019 - \$698,832) remains in accounts payable, therefore, total cash paid for capital assets during the year includes the assets acquired during the year, adjusted for the amounts in accounts payable from the current and prior year-ends which is a total of \$16,300,543 (2019 - \$30,624,791).

During the year, assets having a net book value of \$3,710 (2019 - \$21,870) were disposed of for proceeds of \$nil (2019 - \$nil), resulting in a loss on disposal of capital assets of \$3,710 (2019 - \$21,870).

The net change in accounts payable as stated on the statement of cash flows has been adjusted for the amount remaining in accounts payable related to tangible capital assets.

Included in the buildings category is a capital lease for the Protective Services Facility having a net book value of \$4,241,324 (2019 - \$4,498,374). Amortization of \$257,050 (2019 - \$257,050) has been recorded for the lease during the year. The terms of the capital lease are disclosed in Note 8.

Tangible capital assets include the cost of the expansion of the Aquatic and Curling Multisport Facility. However, the ultimate ownership has yet to be determined on this jointly owned facility and it is uncertain what impact, if any, the final determination will have on tangible capital assets.

**SCHEDULE 3: CONSOLIDATED SCHEDULE OF PROPERTY AND OTHER TAXES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	(Note 16) \$	2020 \$	2019 \$
Taxation			
Real property taxes	43,532,415	43,558,281	42,101,661
Linear property taxes	472,967	472,967	513,855
Government grants in place of property taxes	97,869	97,869	69,949
	<u>44,103,251</u>	<u>44,129,117</u>	<u>42,685,465</u>
Expenses			
Alberta School Foundation Fund	13,437,368	13,513,433	13,077,100
Calgary Catholic School Board	1,699,688	1,711,006	1,676,020
Rockyview Foundation	202,858	203,910	204,459
	<u>15,339,914</u>	<u>15,428,349</u>	<u>14,957,579</u>
Net municipal taxes	<u>28,763,337</u>	<u>28,700,768</u>	<u>27,727,886</u>

**SCHEDULE 4: CONSOLIDATED SCHEDULE OF GOVERNMENT TRANSFERS
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Budget (Note 16) \$	2020 \$	2019 \$
Transfers for operating			
Provincial Government	2,393,803	2,964,538	2,319,001
Federal Government	14,600	22,730	2,100
Other Local Governments	538,952	442,522	573,673
	<u>2,947,355</u>	<u>3,429,790</u>	<u>2,894,774</u>
Transfers for capital			
Provincial Government	601,688	4,035,144	6,283,959
Federal Government	-	476,459	3,159,495
Other Local Governments	-	-	-
	<u>601,688</u>	<u>4,511,603</u>	<u>9,443,454</u>
Total Government Transfers	<u>3,549,043</u>	<u>7,941,393</u>	<u>12,338,228</u>

SCHEDULE 5: CONSOLIDATED SCHEDULE OF EXPENSES BY OBJECT FOR THE YEAR ENDED DECEMBER 31, 2020

	Budget (Note 16) \$	2020 \$	2019 \$
Consolidated Expenses by Object			
Salaries, wages and benefits	23,553,252	23,280,892	23,082,806
Contracted and general services	11,029,649	9,236,328	11,454,119
Purchases from other governments	6,560,242	6,104,715	6,070,721
Materials, goods and utilities	3,884,705	3,855,078	4,119,335
Transfers to local boards and agencies	3,040,281	3,049,302	1,614,105
Bank charges and short term interest	74,000	96,054	88,325
Interest on long term debt and capital leases	1,109,382	841,869	999,955
Amortization of tangible capital assets	-	11,326,135	11,067,169
Total expenses	49,251,511	57,790,373	58,496,535

SCHEDULE 6: CONSOLIDATED SCHEDULE OF SEGMENTED DISCLOSURE FOR THE YEAR ENDED DECEMBER 31, 2020

	Council	Protective Services	Transportation Services	Planning & Development	Community Services	Utility Services	General Government	2020
REVENUE								
Net municipal taxes	546,069	12,430,517	629,826	1,976,706	7,238,337	-	5,879,313	28,700,768
Community revitalization levy	-	-	-	-	-	-	1,329,157	1,329,157
Local improvement taxes	-	-	31,615	-	-	-	-	31,615
Government transfers for operating	-	483,124	120,862	45,881	2,583,190	98,008	98,725	3,429,790
User fees and sales of goods	-	212,547	39,311	532,387	388,799	15,275,195	63,059	16,511,298
Licenses and permits	-	152,009	-	970,875	2,200	-	32,915	1,157,999
Fine and penalties	-	343,315	-	-	6,607	-	363,355	713,277
Rental, donations and other	-	12,250	94,848	300	312,721	138,043	447,581	1,005,743
Franchise fees	-	-	3,777,322	-	-	-	-	3,777,322
Investment income	-	-	-	-	426	-	1,101,676	1,102,102
Development levies	-	-	1,147,221	-	288,384	135,993	-	1,571,598
Capital donations	-	-	-	-	-	-	-	-
Contributed assets	-	-	3,554,294	-	-	8,242,868	-	11,797,162
Government transfers for capital	-	-	4,068,488	-	315,186	127,929	-	4,511,603
	546,069	13,633,762	13,463,787	3,526,149	11,135,850	24,018,036	9,315,781	75,639,434
EXPENSES								
Salaries, wages and benefits	359,633	6,497,734	1,926,355	2,511,747	5,049,670	2,143,767	4,791,986	23,280,892
Contracted and general services	91,077	792,964	1,103,512	418,980	1,399,649	3,648,324	1,781,822	9,236,328
Purchases from other governments	-	3,402,589	-	-	131,746	2,569,064	1,316	6,104,715
Materials, goods, utilities and other	2,422	273,386	1,492,780	9,069	697,702	1,215,838	163,881	3,855,078
Transfers to local boards and agencies	-	22,500	232,752	77,000	2,717,050	-	-	3,049,302
Bank charges and short term interest	-	-	-	-	5,860	-	90,194	96,054
Interest on long term debt and capital leases	-	527,097	179,612	-	74,344	60,816	-	841,869
(Gain) loss on disposal of tangible capital assets	-	-	-	-	3,710	-	-	3,710
	453,132	11,516,270	4,935,011	3,016,796	10,079,731	9,637,809	6,829,199	46,467,948
NET REVENUE, BEFORE AMORTIZATION	92,937	2,117,492	8,528,776	509,353	1,056,119	14,380,227	2,486,582	29,171,486
Amortization expense	-	67,021	2,963,167	14,593	3,876,601	4,131,828	272,925	11,326,135
EXCESS OF REVENUE OVER EXPENSES	92,937	2,050,471	5,565,609	494,760	(2,820,482)	10,248,399	2,213,657	17,845,351

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Town of Cochrane (the "Town") are the representations of management prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of CPA Canada. Significant aspects of the accounting policies adopted by the Town are as follows:

a. Reporting entity

The consolidated financial statements reflect the assets, liabilities, revenue and expenses and changes in financial position of the reporting entity. This entity is comprised of the municipal operations plus all of the organizations that are owned or controlled by the Town and are, therefore, accountable to the Town Council for the administration of their financial affairs and resources. Included with the municipality is the Town of Cochrane Library Board. The schedule of taxes levied also includes requisitions for education and social organizations that are not part of the municipal reporting entity. The consolidated financial statements exclude trust assets that are administered for the benefit of external parties.

b. Basis of accounting

The consolidated financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon receipt of goods or services and/or the legal obligation to pay.

c. Revenue recognition

Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as deferred revenue until used for the purpose specified.

Government transfers are the transfer of assets from senior levels of government that are not the result of an exchange transaction, are not expected to be repaid in the future, or the result of a direct financial return. Government transfers are recognized in the financial statements as revenue in the period that the events giving rise to the transfer occurred, providing the transfers are authorized, any eligibility criteria have been met by the municipality, and reasonable estimates of the amounts can be made.

Tax and Community Revitalization revenue is recognized when the tax has been authorized by bylaw and the taxable event has occurred. Requisitions operate as a flow through and are excluded from municipal revenue.

Licenses and permits are recognized as revenue over the period of use.

Franchise fees are recognized over the terms of service of a franchisee agreement.

Fines and penalties are recognized as charged.

Revenue on investments and rentals are recognized on a time proportioned basis as earned.

In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services performed or the tangible capital assets are acquired.

d. Measurement uncertainty (use of estimates)

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the period. Where measurement uncertainty exists, the consolidated financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

The area which requires management to make significant judgements, estimates and assumptions in determining carrying values include, but are not limited to:

i) Amortization

Tangible capital assets are amortized on a straight-line basis over their estimated useful lives. Management reviews useful lives and residual values of the depreciable assets at each reporting date, based on the expected utilization of the assets by the company. Significant judgement is involved in the determination of useful life and residual values will not differ significantly from current assumptions.

ii) Allowance for doubtful accounts

Trade and other accounts receivable are stated after evaluation as to their collectibility and an appropriate allowance for doubtful accounts is provided where considered necessary.

e. Off-site developers' levies

Off-site developers' levies are recorded as revenue when received. Monies received are transferred to reserves for future capital expenditures in accordance with the terms of each agreement.

f. Requisition over-levies and under-levies

Over-levies and under-levies arise from the difference between the actual levy made to cover each requisition and the actual amount requisitioned. If the actual levy exceeds the requisition, the over-levy is accrued as a liability and property tax revenue is reduced. Where the actual levy is less than the requisition amount, the under-levy is accrued as a receivable and property tax revenue is increased. Requisition tax rates in the subsequent year are adjusted for any over-levies or under-levies of the prior year.

g. Restricted surplus – Reserve funds
 Reserve fund represents the amounts set aside to finance future operating and capital expenditures. Reserves are established at the discretion of Council. Transfers to and/or from the reserve fund are reflected as an adjustment to the respective fund.

h. Restricted surplus – Equity in Tangible Capital Assets
 Equity in tangible capital assets represents the Town’s net investment in its tangible capital assets after deducting the portion financed by third parties through debenture, bond and mortgage debts, long term capital borrowings, capitalized leases and other capital liabilities which will be repaid by the municipality.

i. Liability for contaminated sites
 A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the Town is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31.

At each reporting date, the Town reviews that carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The Town continues to recognize the liability until it is settled or otherwise distinguished. Disbursements made to settle the liability are deducted from the reported liability when made.

It is management’s assessment that no contaminated sites exist for the Town.

j. Tangible capital assets
 Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets is amortized over the estimated useful life as follows:

Asset type	Estimated useful life
Buildings	40
Engineered structures	30-75
Land Improvements	20
Machinery and equipment	5-10
Vehicles	10-25

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

k. Contributions of tangible capital assets
 Tangible capital assets received as contributions are recorded at fair value at the date of receipt and are also recorded as revenue.

l. Leases
 Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of the property are accounted for as

capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

m. Inventory
 Inventory held for sale is recorded at the lower of cost and net realizable value using the first-in-first-out (FIFO) method.

n. Non-financial assets
 Non-financial assets are not available to discharge existing liabilities and are held for use in provision of services. They have useful lives extending beyond the current year and are not intended for sale in the normal course of operations. The change in non-financial assets during the year, together with the excess of revenue over expenses, provides the Change in Net Financial Assets for the year.

o. Investments
 Investments are recorded at amortized cost. Investment premiums and discounts are amortized over the term of their respective investments. When there has been a loss in value that is other than a temporary decline, the respective investment is written down to recognize the loss.

p. Pensions
 The Town participates in a multi-employer pension plan. The plan is accounted for as a defined contribution plan. Contributions for current services are recorded as expenditures in the year in which they become due.

q. Segmented Information
 The Town is a diversified municipal government that provides a wide range of services to its citizens including police, fire, roads, water and waste management.

For management reporting purposes, the Town’s operations and activities are organized and reported by functions and services provided. The functions that have been disclosed in the segmented information, along with the services provided are as follows:

- i. Council:** Council consists of Town council.
- ii. Protective Services:** Protective Services includes police, municipal enforcement and fire.
- iii. Transportation Services:** Transportation services include roads and transit.
- iv. Planning and Development:** Planning and Development includes subdivision land development and economic development.
- v. Community Services:** Community Services includes parks and recreation, culture and facilities and family and community services (FCSS).
- vi. Utility Services:** Utility services includes water, wastewater and storm sewer, waste and recycling.
- vii. General Government:** General government consists of general administrative which includes executive leadership, corporate services, legislative services and human resources and communications.

For each reported segment, revenue and expenses represent amounts that are directly attributable to the segments and amounts that are allocated on a reasonable basis. Therefore, certain allocation methodologies are employed in the preparation

of segmented financial information. The accounting policies used in these segments are consistent with those followed in the preparation of the consolidated financial statements. For additional information see the Schedule of Segmented Disclosure (Schedule 6).

2. CASH AND TEMPORARY INVESTMENTS

	2020	2019
Cash	72,121,528	65,194,025

Cash is held in various accounts earning interest at rates between 0.63% and 1.36% per annum.

3. TAXES AND GRANTS IN PLACE OF TAXES RECEIVABLE

	2020	2019
Current taxes and grants in place of taxes	1,038,486	711,337
Arrears taxes	275,414	174,052
Total	1,313,900	885,389

4. INVESTMENTS

	2020	2019
Investments	2,017,688	6,958,134

Long term investments primarily represent term deposits and GICs issued by financial institutions, bearing interest at rates from 2.10% to 2.40% (2019 - 2.10% to 2.40%) for maturities over one year. Market value at December 31, 2020 was \$2,017,688 (2019 - \$6,958,134).

5. DEFERRED REVENUE

	2020	2019
Police Officer Grant	154,452	25,000
Flood Recovery Erosion Control Program	3,777,959	3,777,123
Green Transit Incentives Program	2,480,408	2,538,374
Municipal Sustainability Initiative	3,488,288	-
Federal Gas Tax Fund	2,899,749	-
Other grants revenue	2,488,907	256,869
Deferred facility revenue	47,871	33,080
Deferred developer revenue	629,859	-
Prepaid meters, licenses, fees	300,247	427,123
Total	16,267,740	7,057,569

6. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit obligations consist of vacation, overtime and uniform points liability for unionized personnel. Employees have either earned the benefits or are entitled to these benefits within the next budgetary year

	2020	2019
Employee benefit obligation	1,325,877	1,290,377

7. LONG-TERM DEBT

	2020	2019
Long-term debt	7,733,118	9,157,860

The current portion of the long term debt amounts to \$1,406,634 (2019 - \$1,424,742).

Principal and interest repayments are as follows:

	Principal	Interest	Total
2021	1,406,634	254,637	1,661,271
2022	1,464,579	196,692	1,661,271
2023	1,090,926	135,913	1,226,839
2024	880,813	100,170	980,983
2025	904,987	75,995	980,982
Thereafter	1,985,179	82,396	2,067,575
Total	7,733,118	845,803	8,578,921

Debenture debt is repayable to the Government of Alberta and bears interest at rates ranging from 2.53% to 6.75% per annum (2019 - 1.72% to 9.63%) and matures between 2022 and 2029. The weighted average interest rate is 3.36% (2019 - 3.33%). Debenture debt is issued on the credit and security of the Town of Cochrane at large.

Interest on long term debt and capital leases amounted to \$841,869 (2019 - \$999,955).

Subsequent to year end, the Town secured an additional \$9 million debenture from the Government of Alberta bearing interest at 2.549% per annum, requiring principal and interest payments of \$173,900 and \$114,705 respectively for 2021. The debenture matures March 15, 2041.

8. CAPITAL LEASE

On March 13, 2006, Council approved a Partnering Agreement with Grand Central Properties Ltd. ("GCP") to construct a Protective Services Facility on their site located on Griffin Road. The facility was completed in August 2007 and the Town began leasing the building for 30 years at a rate of \$18.66 per square foot for the first five years with rent increases of \$2 per square foot every five years to the end of the lease term. The cost of the asset under capital lease is \$7,711,498, the accumulated amortization is \$3,470,174 (2019 - \$3,213,124), and the resulting net book value included in

tangible capital assets is \$4,241,324 (2019 - \$4,498,374).

At the end of the lease, the Town has an option to purchase GCP's land for fair market value less a one million dollar credit.

The Protective Services Facility lease bears interest at 8.20% (2019 - 8.20%) and matures in 2037. The lease is collateralized by underlying assets.

	2020	2019
Capital lease	6,369,125	6,476,508

The current portion of the capital lease is \$116,527 (2019 - \$107,383). Principal and interest repayments are as follows:

	Principal	Interest	Total
2021	116,527	517,953	634,480
2022	139,096	514,051	653,147
2023	177,647	512,833	690,480
2024	193,350	497,130	690,480
2025	210,440	480,040	690,480
Thereafter	5,532,065	3,363,877	8,895,942
Total	6,369,125	5,885,884	12,255,009

9. DEBT LIMITS

Section 276(2) of the *Municipal Government Act* requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Town of be disclosed as follows:

	2020	2019
Total debt limit	88,996,003	93,150,136
Total debt (Notes 7 and 8)	14,102,243	15,634,368
Service on debt limit remaining	74,893,760	77,515,768
Debt servicing limit	14,832,667	15,525,023
Debt servicing	2,295,751	2,373,994
Amount of debt servicing limit available	12,536,916	13,151,029

The debt limit is calculated at 1.5 times revenue of the Town (as defined in Alberta Regulation 255/2000) and the debt service limit is calculated at 0.25 times such revenue. Incurring debt beyond these limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities which could be at a financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the municipality. Rather, the consolidated financial statements must be interpreted as a whole.

As disclosed in note 8, subsequent to the December 31, 2020 year end, the Town secured an additional \$9 million debenture. If the above table was updated to include the new debenture, the debt limit remaining would be \$66,085,653, and, the service on debt limit remaining would be \$12,280,293.

10. EQUITY IN TANGIBLE CAPITAL ASSETS

	2020	2019
Tangible Capital assets (Schedule 2)	472,767,302	454,815,932
Long-term debt (including capital leases) (Note 7 and 8)	(14,102,243)	(15,634,368)
Total	458,665,059	439,181,564

11. ACCUMULATED SURPLUS

Accumulated surplus consists of restricted and unrestricted amounts and equity in tangible capital assets as follows:

	2020	2019
Unrestricted surplus	18,882,187	991,108
Restricted surplus (note 12)		
Operating reserves	13,033,801	13,109,938
Capital reserves	32,510,822	51,963,908
Equity in tangible capital assets	458,665,059	439,181,564
Total	523,091,869	505,246,518

12. RESTRICTED SURPLUS - RESERVE FUNDS

Council has set aside funds as an internal allocation of accumulated surplus as follows:

	2020	2019
Restricted operating surplus		
Reserves for commitments	2,440,811	2,440,811
Reserves for contingencies	10,592,990	10,669,127
Operating reserves	13,033,801	13,109,938
Restricted capital surplus		
Offsite and voluntary levies	10,680,175	21,964,150
Asset replacements and other capital reserves	21,830,647	29,999,758
Capital Reserves	32,510,822	51,963,908
Total	45,544,623	65,073,846

13. SALARY AND BENEFITS DISCLOSURE

Disclosure of salaries and benefits for elected municipal officials, the chief administrative officer and designated officers as required by Alberta Regulation 313/2000 is as follows:

	2020			2019
	Salary	Benefits	Total	Total
Mayor (Genung)	99,600	10,615	110,215	108,613
Councillors:				
Fedeyko	34,440	8,924	43,364	41,143
Flowers	34,440	4,926	39,366	38,585
McFadden	34,440	8,924	43,364	41,143
Nagel	34,440	4,926	39,366	38,085
Reed	34,440	8,924	43,364	41,143
Wilson	34,440	8,924	43,364	41,143
Administrators				
Chief Administrative Officers (3, 2 in 2019)	598,889	49,113	648,002	456,371
Designated Officers (1)	113,533	27,160	140,693	164,895

Council salary includes regular base pay, gross honoraria and any other direct cash remuneration. Council benefits include:

- employer's share of all employee benefits and contributions or payments made on behalf of employees including health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans; and
- allowances and the employer's share of the cost of additional taxable benefits, including special leave with pay, car and travel allowances, conferences and memberships.

CAO, of which there were 3 during 2020, (2 during 2019), and Designated Officers salary include regular base pay, bonuses, overtime, lump sum payments, gross honoraria and any other direct cash remuneration. Amounts for CAO and Designated Officers benefits include:

- employer's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, vision coverage, group life insurance, accidental disability and dismemberment insurance, long and short term disability plans, professional memberships and tuitions.

14. LOCAL AUTHORITIES PENSION PLAN

The Town is a member of the Alberta Municipal Insurance Exchange ("MUNIX"). Under the terms of the membership, the Town could become liable for its proportionate share of any claim losses in excess of the funds held by the exchange. Any liability incurred would be accounted for as a current transaction in the year the losses are determined.

The Town is required to make current service contributions to the Local Authorities Pension Plan (the "Plan") of 9.39% (2019 - 9.39%) of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 13.84% (2019 - 13.84%) for the excess. Employees of the Town are required to make current service contributions of 8.39% (2019 - 8.39%) of pensionable salary up to the year's maximum pensionable salary and 12.84% (2019 - 12.84%) on pensionable salary above this amount.

Total current and prior period service contributions by the Town to the Plan in 2020 were \$1,587,898 (2019 - \$1,625,630). Total current and prior year service contributions by the employees of the Town to the Plan in 2020 were \$1,439,486 (2019 - \$1,471,879). At December 31, 2019, the date of the most recent actuarial valuation, the Plan disclosed an actuarial surplus of \$7.9 billion (2020 - surplus of \$3.5 billion).

15. COMMITMENTS AND CONTINGENCIES

i. Lawsuits and Claims

There are pending claims by and against the Town. Litigation is subject to uncertainties, and the outcome of the individual matters is not predictable with assurance. Management believes the Town has minimal exposure to these actions at December 31, 2020.

ii. Bow Valley High School Servicing Conditional Grant

The Town received a \$5 million conditional grant in 2006 from the Province of Alberta (the "Province") to construct utility services for Bow Valley High School. The total project cost was \$7,608,973 with \$5 million funded by the Provincial grant and \$2,608,973 advanced by the developer. The Town recovered the full \$2,608,973 of advances from offsite levies collected. The Province is now receiving payments on the \$5 million conditional grant which is only repayable if there is sufficient offsite levies collected from future development. The Town must provide the Province with annual reports which forecast the amount, nature and timing of expected development and anticipated revenue from associated development levies within the affected area, and the anticipated grant repayment schedule. Offsite levies collected and remitted to the Province in 2020 were \$44,695 (2019 - \$20,319). As of December 31, 2020, the remaining amount to be paid is \$917,519 (2019 - \$962,214).

iii. Spray Lake Sawmills Recreation Park Society

Effective June 20, 2017, the Town entered into a reimbursement agreement with the Spray Lake Sawmills Recreation Park Society (the "Society") wherein the Town has agreed to reimburse the Society for operating losses incurred for 7.5 years from the date of the agreement, with an automatic renewal for an additional 7.5 years, unless the agreement is terminated in writing by one or both of the parties not less than twelve months prior to its expiry. During the year, the Town provided \$2,336,895 (2019 - \$951,420) to support the Society. The amount is included in transfers to local boards and agencies as disclosed in the Community Services segment on schedule 6.

16. BUDGET INFORMATION

The disclosed budget information has been approved by Council. The following is reconciliation between the approved budget and the amounts on the consolidated financial statements.

i. Budgeted Revenue	
Approved budget revenue	59,307,572
Draws from reserves	(2,484,279)
Presented as other revenue	(601,688)
Total	56,221,605

ii. Budgeted Expenses	
Approved budget expenses	59,307,572
Transfers to reserves	(8,297,143)
Principal debt repayments	(1,758,918)
Total	49,251,511
	6,970,094

17. APPROVAL OF FINANCIAL STATEMENTS

Council and Management have approved these financial statements.

18. SIGNIFICANT EVENT

During the year, there was a global outbreak of COVID 19 (Coronavirus), which has had a significant impact on businesses and governments through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders.

The impact of COVID 19 on the town has been limited during 2020. There was decreased using fee revenue from concession sales, rentals, etc. The Town also increased it's transfer payments to the Spray Lake Sawmills Recreation Park Society. The Town also received stimulus funding from the provincial government to offset incremental costs and reduce revenue associated with COVID 19. At this time, it is unknown the extent of the impact the COVID 19 outbreak may have on the Town as this will depend on future developments that highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that currently, or may be put in place, by Canada and other countries to fight the virus.

TOWN OF COCHRANE
101 RancheHouse Road
Cochrane, AB T4C 2K8
403-851-2500

www.cochrane.ca

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HOW THE WEST IS NOW

