

Statements

**MOUNTAIN VIEW COUNTY
2015 BUDGET
STATEMENT OF OPERATIONS
REVENUE BUDGET**

VARIANCE CALCULATION: 2015 budget compared to 2014 budget.

	2013 ACTUAL \$	2014 PROJECTED \$	2014 BUDGET \$	2015 BUDGET \$	CHANGE \$	%
TAXES:						
MUNICIPAL	26,626,321	28,174,932	27,821,150	29,001,600	1,180,450	4
EDUCATION	11,315,006	11,269,215	11,220,000	11,536,000	316,000	3
SENIOR'S HOUSING	334,318	659,666	654,000	587,000	(67,000)	(11)
REGIONAL WASTE MANAGEMENT	167,169	175,923	173,000	450,000	277,000	62
TOTAL CURRENT TAXES LEVIED	38,442,814	40,279,737	39,868,150	41,574,600	1,706,450	4
Net Over/Under Levy	(31,201)	(40,202)	32,700	125,600	92,900	
TOTAL TAXES	<u>38,411,612</u>	<u>40,239,535</u>	<u>39,900,850</u>	<u>41,700,200</u>	<u>1,799,350</u>	4
SALES OF GOODS & SERVICES:						
Sale of Goods	155,647	144,830	150,600	145,600	(5,000)	(3)
Sale of Services	764,059	763,991	803,400	811,400	8,000	1
Fees & Levies	2,870,519	2,426,537	3,196,150	1,596,150	(1,600,000)	(50)
Fines & Penalties	371,964	446,762	388,500	378,500	(10,000)	(3)
Return on Investments	1,095,079	1,264,205	942,500	902,000	(40,500)	(4)
Rentals	299,529	263,727	276,050	276,050	0	0
Recovery	370,197	711,346	225,930	192,880	(33,050)	(15)
Other	0	408,032	70,000	20,000	(50,000)	(71)
	<u>5,926,994</u>	<u>6,429,430</u>	<u>6,053,130</u>	<u>4,322,580</u>	<u>(1,730,550)</u>	(29)
GRANTS:	<u>2,056,039</u>	<u>1,496,167</u>	<u>1,176,020</u>	<u>1,307,220</u>	<u>131,200</u>	11
TOTAL REVENUE	<u><u>46,394,645</u></u>	<u><u>48,165,132</u></u>	<u><u>47,130,000</u></u>	<u><u>47,330,000</u></u>	<u><u>200,000</u></u>	0

Refer to Appendix 2 for Tax Revenue and Grant details

Refer to Appendix 4 for details of other revenues by department

**MOUNTAIN VIEW COUNTY
2015 BUDGET
STATEMENT OF OPERATIONS**

EXPENSE BUDGET

VARIANCE CALCULATION: 2014 budget compared to 2013 budget.

	2013 ACTUAL	2014 PROJECTED	2014 BUDGET	2015 BUDGET	VARIANCE	%
	\$	\$	\$	\$	\$	
COUNCIL:	514,754	502,343	567,375	584,335	16,960	3
CAO SERVICES:	668,607	794,249	874,200	903,900	29,700	3
Non Recurring				1,857,200		
CORPORATE SERVICES:						
Finance & General Office	2,333,556	2,596,157	2,612,090	2,618,480	6,390	0
Assessment & Taxation	550,545	634,491	671,375	667,675	(3,700)	(1)
Business Services	597,271	663,895	679,775	710,775	31,000	5
Non Recurring	0	38,925	60,000	5,000	(55,000)	(92)
	<u>3,481,372</u>	<u>3,933,468</u>	<u>4,023,240</u>	<u>4,001,930</u>	<u>(21,310)</u>	<u>(1)</u>
PLANNING & DEVELOPMENT SERVICES:						
Planning	828,246	1,034,881	1,072,625	1,068,575	(4,050)	(0)
Permitting	314,497	283,943	324,700	313,300	(11,400)	(4)
Development	452,166	515,429	491,525	505,725	14,200	3
Non Recurring	1,973	40,176	-	40,000	40,000	0
	<u>1,596,882</u>	<u>1,874,429</u>	<u>1,888,850</u>	<u>1,927,600</u>	<u>38,750</u>	<u>2</u>
LEGISLATIVE, COMMUNITY & AGRICULTURAL SERVICES:						
Legislative Services	944,669	1,129,582	1,202,300	1,261,650	59,350	5
Community Services	773,629	751,358	815,325	865,725	50,400	6
Non Recurring	31,470	30,000	120,000	55,600	(64,400)	(54)
Third Party Services	2,276,940	2,578,685	4,007,900	3,906,850	(101,050)	(3)
Parks/Land	69,078	113,932	113,400	135,500	22,100	19
Agriculture Service Board	724,351	815,643	1,010,075	972,975	(37,100)	(4)
Agriculture/Environmental Projects	159,393	135,272	198,785	199,285	500	0
	<u>4,979,531</u>	<u>5,554,472</u>	<u>7,467,785</u>	<u>7,397,585</u>	<u>(70,200)</u>	<u>(1)</u>
OPERATIONAL SERVICES:						
Operational Services Maintenance	19,591,264	19,205,320	19,394,450	19,253,800	(140,650)	(1)
Infrastructure Support Services	974,311	891,949	1,104,400	1,000,050	(104,350)	(9)
	<u>20,565,575</u>	<u>20,097,269</u>	<u>20,498,850</u>	<u>20,253,850</u>	<u>(245,000)</u>	<u>(1)</u>
REQUISITIONS:	11,785,292	12,064,602	12,079,700	12,698,600	618,900	5
TOTAL EXPENSES	<u>43,592,013</u>	<u>44,820,832</u>	<u>47,400,000</u>	<u>49,625,000</u>	<u>2,225,000</u>	<u>5</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES -BEFORE OTHER	2,802,631	3,344,300	(270,000)	(2,295,000)		
OTHER:						
Contributed Assets						
Assets Transferred to Another Municipality	(10,340)	(141,604)				
Government transfers for Capital	9,218,664	7,643,819	9,710,000	1,355,000		
EXCESS REVENUES OVER EXPENSES	<u>12,010,956</u>	<u>10,846,515</u>	<u>9,440,000</u>	<u>(940,000)</u>		

Refer to Appendix 4 for requisitions and details of expenses by department

**MOUNTAIN VIEW COUNTY
2015 BUDGET
STATEMENT OF CASH FLOWS**

NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:

	2013 ACTUAL	2014 PROJECTED	2014 BUDGET	2015 BUDGET
Operating	\$	\$	\$	\$
Excess Revenues Over Expenses	12,010,956	10,846,515	9,440,000	(940,000)
Non-cash charges to operations				
Amortization	11,216,526	12,438,165	11,560,000	12,100,000
Tangible capital assets received as contributions	-	-		
Loss (gain) on disposal of tangible capital assets	(109,591)	10,480		
Transfer of tangible capital assets to other municipalities				
Transfer of tangible capital assets to land held for resale		11,430		
Loss (gain) tangible capital assets annexed				
Cash provided by operating transactions & capital grants	23,117,891	23,306,590	21,000,000	11,160,000
Capital				
Acquisition of tangible capital assets	(16,493,257)	(17,208,869)	(18,367,000)	(16,112,700)
Proceeds on disposal of tangible capital assets	419,950	44,305		
Cash used in capital transactions	(16,073,307)	(17,164,564)	(18,367,000)	(16,112,700)
Cash Funding	7,044,584	6,142,026	2,633,000	(4,952,700)
Net Change in non-cash working capital balances related to operations	(1,217,925)	1,986,441	(4,034,715)	3,416,535
Financing/Investing				
Cash provided (used) by financing/investing activities	(568,675)	(7,190)	-	(87,500)
Net increase in cash and cash equivalents	5,257,984	8,121,277	(1,401,715)	(1,623,665)
Cash and Cash Equivalents, Beginning of Year	31,543,975	36,801,959	36,801,959	35,400,244
Cash and Cash Equivalents, End of Year	36,801,959	44,923,236	35,400,244	33,776,580

Refer to Appendix 3 for details on Tangible Capital Asset Acquisitions and Amortization

Reconciliation of Cash Funding

Unappropriated Surplus	22,079	(250,002)	-	-
Operating Reserves	3,605,490	3,410,409	1,313,500	(3,318,000)
Capital Reserves	3,341,669	2,123,228	1,319,500	(1,722,200)
Airports	(275,555)	408,032		
Capital Fund	-			
Unfunded Pit Reclamation	321,385	432,980		
Unfunded Post Retirement	29,516	17,379		
	7,044,584	6,142,026	2,633,000	(5,040,200)

**MOUNTAIN VIEW COUNTY
2015 BUDGET**

NON CASH WORKING CAPITAL

DEFERRED CHARGES

DEFERRED DEVELOPMENT EXPENSE

The development of Areas Structure Plans (ASPs) under the Municipal Government Act are optional. ASPs adds value to the County as they identify the future community vision for the location, type and intensity of future development and inform decision making. Expenses incurred in developing these ASPs (called Deferred Development Expenses) are borrowed internally from the cash flow and recovered in future years from a non refundable fee charged when planning application are applied for (redesignation, subdivision and development permits).

	2014 Beginning Balance	2014 Projected	2014 Budget	2015 Budget
	\$	\$	\$	\$
Deferred Development Expense				
Bergen ASP		100	7,000	
Bearberry ASP			7,000	
South McDougal Flats (formerly Sundre Airport) ASP			10,000	10,000
Wessex Growth Centre ASP				80,000
Wessex ASP			7,000	6,900
Olds 2 & 27 ASP		6,000	17,215	11,400
		<u>6,000</u>	<u>17,215</u>	<u>11,400</u>
Total Costs	783,493 *	6,100	48,215	108,300
Deferred Development Expense - Recovery	425,461	30,000	30,000	30,000
Ending Deferred Development Expense Balance	358,031	334,131	352,346	412,431
Change in Deferred Development Expense				<u>(78,300)</u>

* Includes historical ASP deferred development expenses

DEFERRED REVENUE	Grant	Expenditure	Change
Federal Gas Tax	647,895	-	647,895
Municipal Sustainability Initiative (MSI)	4,201,940	(1,355,000)	2,846,940
Change in Deferred Revenue			<u>3,494,835</u>

**MOUNTAIN VIEW COUNTY
2015 BUDGET
RESERVES**

	Beginning of Year \$	Additions \$	Withdrawal \$	End of Year \$
Public Transportation Reserve	13,550	100	(13,650)	-
Public Works:				
Snow Removal	1,000,000			1,000,000
Pit Stripping and Reclamation Reserve	1,503,033	549,100	(300,000)	1,752,133
Projects Reserve	7,188,975	2,555,000	(3,347,000)	6,396,975
Road Maintenance Reserve	849,595	150,000		999,595
Gravel Reserve	208,242		-	208,242
Rechipping Reserve	2,691,968			2,691,968
Sundre Airport Reserve	5,981			5,981
Tax Rate Stabilization Reserve	5,635,000	670,100	(2,374,500)	3,930,600
Road Network Reserve	8,524,126	458,900	(600,000)	8,383,026
Rural Community Reserve	15,645	100	(15,745)	-
Parks Reserve	13,198			13,198
General Fire Reserve	1,108,987	475,000	(1,433,561)	150,426
Didsbury Fire Reserve	105,442	-	(102,439)	3,003
Agriculture Reserve	73,838		-	73,838
Statutory Documents Reserve	250,000	50,000		300,000
Working Capital Reserve	4,112,650		(39,405)	4,073,245
	<u>33,300,231</u>	<u>4,908,300</u>	<u>(8,226,300)</u>	<u>29,982,230</u>
NET CHANGE IN OPERATING RESERVES				<u>(3,318,000)</u>

CAPITAL RESERVES

Heavy Equipment Reserve	4,012,658	1,879,100	(3,267,500)	2,624,258
Truck Fleet Reserve	230,349	-	-	230,349
Facility Reserve	2,223,536	544,800	(224,500)	2,543,836
Office Equipment Reserve	434,907	140,000	(136,700)	438,207
Radio Hub Reserve	39,977	7,800	-	47,777
Recreation Capital Reserve	314,751	106,400		421,151
Bridge Replacement Reserve	3,369,199	950,100	(2,377,700)	1,941,599
Asphalt Roads Reserve	2,905,349	656,000		3,561,349
Other				-
	<u>13,530,726</u>	<u>4,284,200</u>	<u>(6,006,400)</u>	<u>11,808,526</u>
NET CHANGE IN CAPITAL RESERVES				<u>(1,722,200)</u>

**MOUNTAIN VIEW COUNTY
DEBT
2015 BUDGET**

DEBT LIMIT

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/2000 for Mountain View County be disclosed in the County's financial statements. Below is the calculation as of December 31, 2014.

	2014	2013
Total debt limit	\$	\$
Total debt	54,150,794	51,953,383
	9,857,713	9,149,608
Amount below total debt limit	44,293,080	42,803,775
Service on debt limit	9,025,132	8,658,897
Service on debt	1,039,715	936,820
Amount below limit on debt service	7,985,417	7,722,077

The debt limit is calculated at 1.5 times revenue of the County (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 that could be at financial risk if further debt is acquired. The calculation taken alone does not represent the financial stability of the County. Rather, the financial statements must be interpreted as a whole.

2015 Budget

There are no County expenditures in the 2015 budget that require debt financing. Council may decide to borrow some funds related to the construction of a joint fire hall with the Town of Didsbury but internal funds are available if Council chooses. At the time the budget was passed Council hadn't made a final decision. At this point none of the long range plans anticipate long term borrowing.

In order to continue to support Mountain View Seniors' Housing Authority the County borrowed \$1.4 million in late 2013 and a further \$1,252,000 later in 2014. After these transactions the County is still well within the regulated debt limits. These are flow through transactions from the County's perspective and have no net impact on the operations of the County.

**MOUNTAIN VIEW COUNTY
DEBT
2015 BUDGET**

Details of Current Long Term Debt

	<u>Original Principal</u>	<u>Rate</u>	<u>Anniversary Date</u>	<u>Final Payment</u>
Debenture 1-03	1,000,000	6.000%	September 2	2028
Debenture 2-03	1,000,000	5.875%	November 3	2028
Debenture 3-03	1,000,000	5.750%	December 15	2028
Debenture 1-04	100,000	4.960%	March 23	2029
Debenture (4001590)	1,400,000	3.295%	December 16	2028
Debenture (4000910)	3,000,000	4.047%	March 15	2025
Debenture (4001077)	3,500,000	3.885%	December 15	2025
Debenture (4001723)	1,252,000	2.814%	September 15	2029

The purpose of the debentures was to allow the County to provide financing to Mountain View Seniors Housing. The debentures are offset by a note receivable from the Mountain View Senior's Housing. The details of the debentures are above. They are all payable to Alberta Capital Finance Authority. Each \$1,000,000 debenture has annual payments with the payments due on their anniversary dates. The \$100,000, 3,000,000 and \$3,500,000 debentures have payments due twice per year.

Estimated principal and interest payments for the next five years are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Payments</u>
2015	635,171	404,544	1,039,715
2016	661,257	378,458	1,039,715
2017	688,464	351,251	1,039,715
2018	716,842	322,873	1,039,715
2019	746,444	293,271	1,039,715
Thereafter	<u>6,409,535</u>	<u>1,183,379</u>	<u>7,592,914</u>
	<u>9,857,713</u>	<u>2,933,776</u>	<u>12,791,489</u>