

Key 2014 Budget Highlights

TAX REVENUES

The 2014 operating budget is based on a 1% tax increase across all assessment categories. For an "average" residential ratepayer in Mountain View County who's made no changes to their property, the impact in most cases will be small. For residential tax payers just under 80% will see an increase of less than \$100 and of the 80% over half will see a tax decrease.

- Council decision to approve the tax rate increase for 2014 was based on a need to cover an approximate \$80,000 budget deficit at the originally proposed 0% tax rate increase for all assessment categories. The extra 1% will raise approximately \$400,000 in tax revenue for Mountain View County. Council decided the additional revenue (approximately \$320,000) be directed to the bridge reserve in order to fund future projects or potential increases in service level. This is in response to the provincial government's decision to zero-fund rural bridge projects again in 2014.
- 2014 tax revenue is budgeted to increase 5% (\$2 million) from the 2013 level. Most of the additional tax revenue is available to the County for municipal purposes. Along with the increase to the tax rate, a moderate level of growth in the tax base has also helped increase the tax revenue. Assessment growth, for the second year in a row, is being driven primarily by new oil and gas wells within the County.
- Requisitions collected by the County on behalf of organizations includes: \$11.2 million for provincial education taxes, essentially the same as 2013; \$645,000 for Seniors' Housing, an 50% increase over 2013; and \$173,000 for the Mountain View Regional Waste Management Commission, a slight increase over the previous year.

OPERATING EXPENSES

The County's operating expenses are expected to increase by \$1,937,000 in 2014. Planned fire equipment purchases, requisition increases and road maintenance expenses are the major factors for the budgeted increase.

- Every year there are many small changes that collectively contribute to the changes in operating expenses. Those changes include:
- Increase of \$434,000 to support fire equipment purchases
 - Net increase in salaries and wages of \$230,000
 - Increase in road maintenance of \$215,000
 - Increase of \$293,000 related to requisition increases

CAPITAL PROGRAM

In 2014 the Capital Program is \$18.3 million, a decrease from the \$20.1 Capital Program in 2013. Approximately 95% of the County's Capital Program is related to County road infrastructure maintenance and construction.

Major projects for 2014 include:

- \$7.7 million for completion of the Acme Road base and paving project
- \$2.7 million for the recurring re-gravelling program, including dollars left over from uncompleted work in 2013
- \$3.5 million for the recurring re-chipping program
- \$627,000 in bridge projects

In 2014, the capital program is funded from \$5,665,000 in tax revenue, \$9,710,000 in grants and \$2,992,000 from reserves.

Cash balances are expected to decrease by \$1.4 million in 2014. This will leave the balance at \$35.4 million.

RESERVES

The County's operating reserves are expected to increase by 4% or \$1.3 million in 2014. The County's capital reserves are also expected to increase by \$1.3 million in 2014, in part thanks to the additional revenue designated for the bridge reserve by Council.

Total transfers from reserves are supporting just under \$3 million of the 2014 Capital Program.

GRANTS

Provincial and Federal government grants continue to provide the County with the opportunity to support expenditures on road infrastructure and fund some capital replacements. Without capital grants from other levels of government, the County would have difficulty sustaining the capital program.

Overall the County is planning to use \$9.7 million in grants to fund a significant portion of the 2014 Capital Program. In 2014, the County is eligible for \$4,890,132 from the grant programs that now fall under the provincial Municipal Sustainability Initiative (MSI). The MSI funding is being used to fund the completion of the Acme Road project this year.

The approved budget for 2014 continues to support the strong financial position of Mountain View County.

Copies of the Executive Summary for the budget are posted on www.mountainviewcounty.com or available as a document from the County office during business hours. Questions, comments and other feedback are welcome.



MOUNTAIN VIEW COUNTY 2014 BUDGET STATEMENT OF OPERATIONS				
REVENUE BUDGET				
VARIANCE CALCULATION: 2014 budget compared to 2013 budget.				
	2013 BUDGET \$	2014 BUDGET \$	CHANGE \$	%
TAXES:	37,864,550	39,900,850	2,036,300	5
SALES OF GOODS & SERVICES:	3,711,430	6,053,130	2,341,701	63
GRANTS:	1,361,520	1,176,020	(185,500)	(14)
TOTAL REVENUE	42,937,500	47,130,000	4,192,501	10
EXPENSE BUDGET				
	2013 BUDGET \$	2014 BUDGET \$	CHANGE \$	%
COUNCIL:	585,900	567,375	(18,525)	(3)
CAO SERVICES:	742,100	874,200	132,100	18
CORPORATE SERVICES:	3,817,215	4,023,240	206,025	5
PLANNING & DEVELOPMENT SERVICES:	1,959,500	1,888,850	(70,650)	(4)
LEGISLATIVE, COMMUNITY & AGRICULTURAL SERVICES:	6,751,985	7,467,785	715,800	11
OPERATIONAL SERVICES:	19,819,600	20,498,850	679,250	3
REQUISITIONS:	11,786,500	12,079,700	293,200	2
TOTAL EXPENSES	45,463,000	47,400,000	1,937,000	4
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	(2,525,500)	(270,000)		
OTHER:				
Government transfers for Capital	11,510,500	9,710,000		
EXCESS REVENUES OVER EXPENSES	8,985,000	9,440,000		

MOUNTAIN VIEW COUNTY 2014 BUDGET STATEMENT OF CASH FLOWS			
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:			
	2013 BUDGET \$	2014 BUDGET \$	
Operating			
Excess Revenues Over Expenses	8,985,000	9,440,000	
Non-cash charges to operations			
Amortization	12,370,000	11,560,000	
Transfer of tangible capital assets to other municipalities	-	-	
Cash provided by operating transactions & capital grants	21,355,000	21,000,000	
Capital			
Acquisition of tangible capital assets	(20,133,715)	(18,367,000)	
Cash Funding	1,221,285	2,633,000	
Net Change in non-cash working capital balances related to operations	(3,923,000)	(4,034,715)	
Financing/Investing			
Cash provided by financing/investing activities	-	-	
Net increase in cash and cash equivalents	(2,701,715)	(1,401,715)	
Cash and Cash Equivalents, Beginning of Year	24,661,924	36,801,959	
Cash and Cash Equivalents, End of Year	21,960,209	35,400,244	

