

# What's New in Mountain View

Pull Out

## Key Highlights

### TAX REVENUES

**Overall:** The 2013 operating budget is based on a 1.5% tax increase across all assessment categories – the first such increase in municipal taxes in four years. An average residential ratepayer in Mountain View County can expect to see their taxes increase 1.5% compared to 2012 if their assessment dropped by the average market reduction of 4.74%. If the assessed value dropped by more than 4.74% the average residential ratepayer will see less than a 1.5% increase and if it dropped by less or increased they will see more than a 1.5% increase in their taxes compared to last year.

- Council's decision to approve the tax rate increase is predicated on increasing reserves in order to fund future projects or potential increases in service levels. With the provincial government decision to zero-fund rural bridge construction and maintenance projects the responsibility for these projects may fall on the municipality. Additional funding has been reflected in the 2013 budget to mitigate the possibility of bridge funding falling solely to the municipality.
- 2013 tax revenue is budgeted to increase 6% (\$2.3 million) from the 2012 level. Of the additional tax revenue \$2 million is available to the County for municipal purposes compared to last year when the majority of increased revenue was dedicated towards the education tax increase. Along with the increase to the tax rate a moderate level of growth in the tax base has also helped realize an increase in tax revenue. Assessment growth is being driven primarily by new oil and gas wells within the County.
- Requisitions that the County collects on behalf of organizations include: \$11.3 million for provincial education taxes (an increase of 2% or \$156,000); \$329,000 for Seniors' Housing and \$164,000 for the Mountain View Regional Waste Management Commission. Both are at similar levels to 2012.

### OPERATING EXPENSES

**Overall:** Operating expenses are expected to increase by \$2,024,000 in 2013. Planned fire equipment purchases, requisition increases and road maintenance expense are the prime factors for the expected increase.

There are many small changes within the budget that contribute to the overall change in operating expenses and below are a summary of the significant changes:

- Increase of \$200,000 in road blading expense
- Increase of \$110,000 in snow removal expense
- Increase of \$105,000 related to drainage management
- Increase of \$130,000 related to vegetation control
- Increase of \$843,000 to support fire equipment purchases
- Increase of \$95,000 related to a 1% cost of living adjustment
- Increase of \$120,000 for salaries and wages of employees
- Increase of \$254,500 related to requisition increases

### CAPITAL PROGRAM

In 2013 the Capital Program is \$20.1 million, an increase over the \$16.2 Capital Program in 2012. Approximately 97% of the County's Capital Program is related to County road infrastructure. Major projects in 2013 include:

- \$7.5 million for the Acme Road reconstruction project

- \$1,795,000 for the recurring re-gravelling program
- \$3.4 million for the recurring re-chipping program
- \$1.7 million in bridge projects proposed but may be in jeopardy due to provincial government budget changes.

In 2013, the capital program is funded from \$6,589,600 in tax revenue, \$11,510,500 in grants and \$1,948,615 from reserves.

**Cash Balances:** Cash balances are expected to decrease by \$2.7 million in 2013. This will leave the balance at \$28.8 million. The decrease is attributed to higher than average capital expenditures in 2013; however funds have been accumulated specifically to fund projects like the Acme Rd.

### RESERVES

- The County's operating reserves are expected to decrease by 1% or \$290,000 in 2013. This is due to a larger than normal expenditure on fire equipment funded from the Fire Reserve.
- The Capital reserves are expected to increase by \$1.6 million, including \$585,000 to the bridge reserve.
- Total transfers from reserves are supporting just over \$1.9 million of the 2013 capital program.

### GRANTS

Provincial and Federal government grants continue to provide the County with the opportunity to support expenditures on road infrastructure and fund capital replacements. Without capital grants from other levels of government, the County would face a \$2.5 million operating deficit. Although increases since 2005 haven't been as large as originally proposed, the grants continue to play a vital role in capital replacements.

- Overall the County is planning to use \$11.5 million in grants to fund a significant portion of the 2013 capital program.
- In 2013, the County is eligible for just under \$4.4 million from the provincial Municipal Sustainability Initiative (MSI) grant program. The MSI funding is being used to fund the upgrading of Acme Road this year.
- The Federal Gas Tax program is expected to continue with the County eligible for \$700,000 in funding for 2013.

The approved budget for 2013 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](http://www.mountainviewcounty.com) or available as a document from the County Office during business hours. Questions or comments are welcome.



### MOUNTAIN VIEW COUNTY 2013 BUDGET STATEMENT OF OPERATIONS

#### REVENUE BUDGET

VARIANCE CALCULATION: 2013 budget compared to 2012 budget.

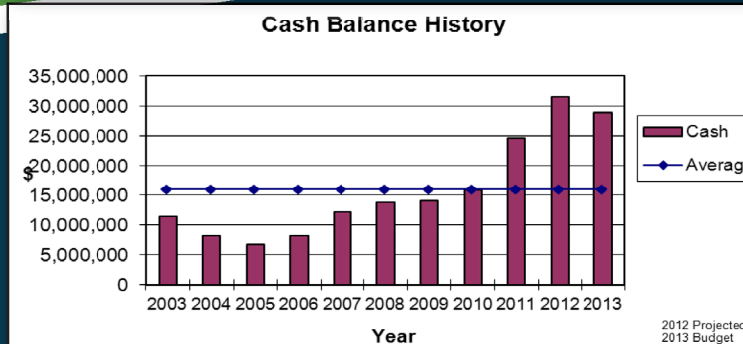
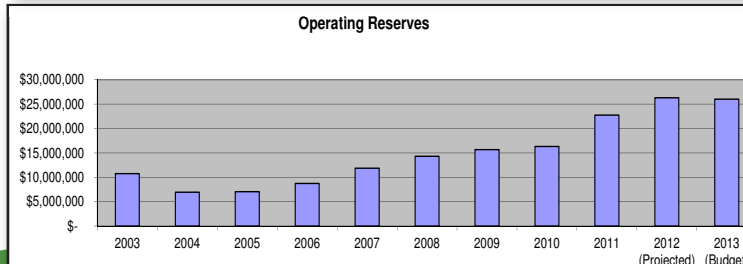
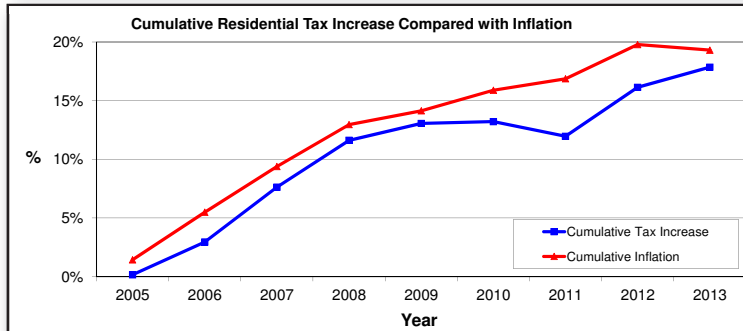
	2012 BUDGET \$	2013 BUDGET \$	CHANGE \$	%
<b>TAXES:</b>	35,550,600	37,864,550	2,313,950	6
<b>SALES OF GOODS &amp; SERVICES:</b>	3,660,880	3,711,430	50,550	1
<b>GRANTS:</b>	1,351,520	1,361,520	10,000	1
<b>TOTAL REVENUE</b>	<u>40,563,000</u>	<u>42,937,500</u>	<u>2,374,500</u>	<u>6</u>

#### EXPENSE BUDGET

	2012 BUDGET \$	2013 BUDGET \$	CHANGE \$	%
<b>COUNCIL:</b>	545,600	585,900	40,300	7
<b>CAO SERVICES:</b>	650,450	742,100	91,650	14
<b>CORPORATE SERVICES:</b>	3,605,500	3,817,215	211,715	6
<b>PLANNING &amp; DEVELOPMENT SERVICES:</b>	1,951,970	1,959,500	7,530	0
<b>LEGISLATIVE, COMMUNITY &amp; AGRICULTURAL SERVICES:</b>	5,695,830	6,751,985	1,056,155	19
<b>OPERATIONAL SERVICES:</b>	19,457,650	19,819,800	362,150	2
<b>REQUISITIONS:</b>	11,532,000	11,786,500	254,500	2
<b>TOTAL EXPENSES</b>	<u>43,439,000</u>	<u>45,463,000</u>	<u>2,024,000</u>	<u>5</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES</b>	(2,876,000)	(2,525,500)		
<b>OTHER:</b>				
Government transfers for Capital	9,046,000	11,510,500		
<b>EXCESS REVENUES OVER EXPENSES</b>	<u>6,170,000</u>	<u>8,985,000</u>		

### MOUNTAIN VIEW COUNTY 2013 BUDGET STATEMENT OF CASH FLOWS

	2012 BUDGET \$	2013 BUDGET \$
<b>NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:</b>		
<b>Operating</b>		
Excess Revenues Over Expenses	6,170,000	8,985,000
Non-cash charges to operations		
Amortization	12,300,000	12,370,000
Transfer of tangible capital assets to other municipalities	(2,041,000)	-
Cash provided by operating transactions & capital grants	<u>16,429,000</u>	<u>21,355,000</u>
<b>Capital</b>		
Acquisition of tangible capital assets	(16,225,400)	(20,133,715)
<b>Cash Funding</b>	<u>203,600</u>	<u>1,221,285</u>
<b>Net Change in non-cash working capital balances related to operations</b>	<u>1,832,000</u>	<u>(3,923,000)</u>
<b>Financing/Investing</b>		
Cash provided by financing/investing activities	-	-
Net increase in cash and cash equivalents	2,035,600	(2,701,715)
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>24,661,924</u>	<u>31,543,274</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>26,697,524</u>	<u>28,841,559</u>



**Mountain View  
COUNTY**