



Mountain View
C O U N T Y

Request for Decision

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SUBJECT:	July Financial Results	REVIEWED AND APPROVED FOR SUBMISSION	
SUBMISSION TO:	Policy & Priorities Committee	A/CAO: DH	MANAGER:
MEETING DATE:	August 15, 2010	DIRECTOR: GW	PREPARER:
DEPARTMENT:	Corporate Services	LEGAL/POLICY REVIEW:	
FILE NO./LEGAL:		FINANCIAL REVIEW:	

RECOMMENDED ACTION:

That the Policy & Priorities Committee receive the Unaudited July 2010 financial results and bank reconciliation as information.

BACKGROUND / PROPOSAL:

DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:

COSTS / SOURCE OF FUNDING:

ATTACHMENT(S):

- Financial Overview
- Statement of Financial Position
- Statement of Revenue
- Statement of Expense
- Operational Services Maintenance Detail
- Capital Projects Detail
- Bank Reconciliation

Mountain View County

July 2010

Financial Statement Overview

General Comments

Except for a few exceptions, both revenue and expenses are tracking close to budget.

Financial Position (Pages 1)

- **Cash** – At the end of July the County had \$3.8 million in cash. This is a higher cash balance than expected. \$4 million in MSI grant funding was received in July and large payments related to the Red Lodge Road did not come due until the beginning of August. The timing of both these large items was uncertain. The balance at the end of July 2009 was \$833,000.
- **Tax Receivable** – We have accrued for total taxes receivable in 2010 and deferred the unearned portion for the remainder of the year i.e. \$14,000,000.
- **Trade Payables** – This item has a higher balance than normal due to a large invoice related to the Red Lodge Road that had been received but had not yet been paid at month end.
- **Deferred revenue** – This item includes \$4 million related to the MSI grant and \$14 million related to deferred tax revenue.

Revenue (Page 2)

Revenues to date – Overall revenues are tracking well compared with budget. There are a few items noted below. Grant revenues will be booked as projects progress further.

- **Sale of Services** – Re-designation fees are tracking to be ahead of budget. \$60,000 in revenue was budgeted with \$88,000 in revenue received to the end of July. \$132,000 of revenue from this line item should be re-classified as a Recovery.
- **Fees & Levies** – Development permit revenue is tracking well to budget and Sub Division Fees are tracking to be \$20,000 ahead of budget. Building permit revenues are tracking to be slightly short of budget expectations. Well Drilling Fees have picked up in 2010 and are projected to be \$100,000 to \$200,000 above budget expectations. Overall Fees & Levies are expected to exceed the budget.
- **Fines & Penalties** – Traffic Fine revenue is expected to be close to budget expectations. The majority of Tax Penalty revenue won't be booked until November.
- **Rentals** - Actual rental revenues exceed budget due to inclusion of capital lease rentals (shops, \$92,000). These revenues were anticipated in the budget just not in this line item. As well \$96,000 of revenue from this line item should be re-classified as a Recovery.
- **Recovery** – In order to correctly match budget and actual results some revenues from the Sale of Services and Rentals need to be re-classified to this line. Overall Operational Services recoveries are tracking behind budget. The biggest single item is the recoveries from the Alberta Highway Services contract for snow removal.

Expenses (Page 3)

Generally expenditures are tracking well against the budget. Details for Operational Services are below.

Cash Flow (Not included for July)

Operational Services (Page 4)

Operational Services items to note are below:

- Administration: So far this year this area is trending to be over budget by \$50,000 - \$250,000.
- Support Activities: The budgeted amount for this area has been spent as of the end of July. This area is trending to be \$250,000 - \$500,000 over budget by year end.
- Gravel Roads: The main areas of expense in this area are dust control (\$355,000) and road balding (\$660,000). There was \$240,000 of activity in this area in July. The remaining budget will support 3 more months of activity at this level. As most the activity in this area is during the construction season this area appears to be tracking well compared to budget.
- Hard Surface Roads: The main expense in this area is road patching which is where almost all the funds to date have been spent. In July there was \$140,000 of activity. This area is trending to be below budget.
- Snow removal costs: \$831,000 to the end of July - represent 62% of the 2010 snow removal budget. Even with a lack of major snow events in this period, this item will almost certainly exceed budget.
- Work Charged Out: This area of expense is made up primarily of costs associated with gravel sales, supporting the Alberta Highway Services contract and providing dust control. So far this area is tracking to be below budget which corresponds to Recovery revenue also being below budget.
- Capital Projects are proceeding with a number of projects yet to start. Areas of significant expenditure so far are the Red Lodge Road project and the Re-graveling program. The re-graveling program is getting close to completion with 109,000 tonnes of gravel placed.

MOUNTAIN VIEW COUNTY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JULY 31, 2010 (Unaudited)

	2010 July 31	2009 Dec. 31
FINANCIAL ASSETS	\$	\$
Cash and temporary investments (note 2)	3,823,586	13,982,622
Taxes receivable (note 3)	31,617,565	727,929
Accounts receivable		
Federal government	476,318	968,338
Provincial government	48,000	850,484
Local governments	-	690,716
Other	431,948	826,457
Investments (note 4, 18)	1,005,983	1,005,983
Notes receivable (note 16)	5,793,988	2,795,339
Land held for resale	71,082	71,082
Trust accounts (note 5)	635,163	597,554
Total Financial Assets	<u>43,903,632</u>	<u>22,516,504</u>
LIABILITIES		
Accounts payable & accrued liabilities		
Federal government	14,308	210,951
Provincial government	53,247	87,537
Local governments	25,950	258,869
Trade payables	3,868,036	1,831,713
Deferred revenue (note 6)	21,211,294	3,133,210
Employee benefit obligations (note 7)	289,856	455,382
Trust accounts (note 5)	635,163	597,554
Pit reclamation obligation (note 20)	5,624,671	5,624,671
Other liabilities	317,491	242,757
Long-term debt (note 8)	5,698,805	2,700,156
Total Liabilities	<u>37,738,822</u>	<u>15,142,800</u>
Contingencies (note 18)		
NET FINANCIAL ASSETS	<u>6,164,811</u>	<u>7,373,704</u>
NON-FINANCIAL ASSETS		
Inventory for consumption	4,560,765	4,666,941
Prepaid expenses	396,976	649,038
Tangible capital assets (note 13)	146,174,725	137,081,279
Total Non Financial Assets	<u>151,132,466</u>	<u>142,397,258</u>
ACCUMULATED SURPLUS (note 19)	<u>157,297,277</u>	<u>149,770,962</u>

**MOUNTAIN VIEW COUNTY
REVENUES
FOR THE PERIOD ENDED July 31, 2010 (Unaudited)**

VARIANCE CALCULATION: 2010 budget compared to 2010 actual.

	2009 ACTUAL \$	2010 BUDGET \$	2010 ACTUAL \$	VARIANCE \$	Bench Mark % 42
TAXES:					
TOTAL TAXES	<u>33,919,158</u>	<u>32,742,500</u>	<u>19,623,030</u>	<u>13,119,470</u>	40
SALES OF GOODS & SERVICES:					
Sale of Goods	218,865	238,400	93,848	144,552	61
Sale of Services	991,995	655,700	574,290	81,410	12
Fees & Levies	596,362	597,625	481,358	116,267	19
Fines & Penalties	314,474	278,000	109,548	168,452	61
Return on Investments	303,303	303,000	44,162	258,838	85
Rentals	417,165	119,100	291,912	(172,812)	(145)
Recovery	398,018	556,700	34,865	521,835	94
Other	65,101	159,100	-	159,100	100
	<u>3,305,283</u>	<u>2,907,625</u>	<u>1,629,984</u>	<u>1,277,641</u>	44
GRANTS:					
Federal	783,732	55,600	0	55,600	100
Provincial	<u>5,994,159</u>	<u>11,264,275</u>	<u>1,869,248</u>	<u>9,395,027</u>	83
	<u>6,777,891</u>	<u>11,319,875</u>	<u>1,869,248</u>	<u>9,450,627</u>	83
Contributed Capital	1,011,610	0	0		
TOTAL REVENUE	<u><u>45,013,942</u></u>	<u><u>46,970,000</u></u>	<u><u>23,122,261</u></u>	<u><u>23,847,739</u></u>	51

**MOUNTAIN VIEW COUNTY
EXPENDITURES
FOR THE PERIOD ENDED July 31, 2010 (Unaudited)**

VARIANCE CALCULATION: 2010 budget compared to 2010 Actual

	2009 ACTUAL	2010 BUDGET	2010 ACTUAL	VARIANCE	Bench Mark %
	\$	\$	\$	\$	42
COUNCIL:	513,622	595,480	272,077	323,403	54
CAO SERVICES:	505,508	627,580	382,452	245,128	39
CORPORATE SERVICES:					
Finance & General Office	1,621,309	1,679,733	799,765	879,968	52
Assessment & Taxation	412,080	430,725	222,660	208,065	48
Business Services	567,007	710,550	427,825	282,725	40
Utilities (Solid Waste Collection)	391,410	402,000	191,432	210,568	52
	<u>2,991,806</u>	<u>3,223,008</u>	<u>1,641,683</u>	<u>1,581,325</u>	<u>49</u>
PLANNING & DEVELOPMENT SERVICES:					
Planning	840,893	948,070	542,522	405,548	43
Permitting	502,022	492,050	281,757	210,293	43
Non Recurring	124,529	142,000	125,301	16,699	12
	<u>1,467,444</u>	<u>1,582,120</u>	<u>949,580</u>	<u>632,540</u>	<u>40</u>
LEGISLATIVE & COMMUNITY SERVICES:					
Legislative Services	541,523	683,260	365,774	317,486	46
Community Services	612,831	656,795	342,927	313,868	48
Non Recurring	1,040,576	1,050,000	279,943	770,057	73
Community Grants	520,331	520,375	332,216	188,159	36
Third Party Services	1,915,845	2,342,997	1,148,835	1,194,162	51
	<u>4,631,106</u>	<u>5,253,427</u>	<u>2,469,694</u>	<u>2,783,733</u>	<u>53</u>
OPERATIONAL SERVICES:					
Operational Services Maintenance	21,407,833	14,577,750	3,873,884	10,703,866	73
Infrastructure Support Services	754,943	728,250	512,269	215,981	30
Parks	36,210	29,000	20,032	8,968	31
Other Operational Services Projects		0		0	0
Agriculture Service Board	788,987	999,500	238,680	760,820	76
Agriculture/Environmental Projects	125,795	211,385	73,051	138,334	65
	<u>23,113,767</u>	<u>16,545,885</u>	<u>4,717,916</u>	<u>11,827,969</u>	<u>71</u>
REQUISITIONS:	10,249,002	10,142,500	5,162,526	4,979,974	49
AMORTIZATION:			0	0	
TOTAL EXPENDITURES	<u>43,472,256</u>	<u>37,970,000</u>	<u>15,595,927</u>	<u>22,374,073</u>	<u>59</u>
EXCESS REVENUES OVER EXPENSES	<u>1,541,687</u>	<u>9,000,000</u>	<u>7,526,334</u>		

**MOUNTAIN VIEW COUNTY
INFRASTRUCTURE MAINTENANCE
AS OF JULY 31, 2010**

	2010 BUDGET	2010 ACTUAL	Remaining Budget	Target 42%
RECURRING EXPENSES: (Budget Page 79 Adj. for Month)				
Operating				
Administration	880,350	543,873	336,477	38.2%
Support Activities	594,000	592,710	1,290	0.2%
Equipment Net Revenue	145,000	(531,933)	676,933	466.9%
Gravel Roads	1,790,000	1,054,303	735,697	41.1%
Hard Surface Road	1,687,000	383,217	1,303,783	77.3%
Snow Operations	1,333,300	831,154	502,146	37.7%
Drainage Management	615,000	116,673	498,327	81.0%
Vegetation Control	192,000	162,410	29,590	15.4%
Bridges	140,000	95,310	44,690	31.9%
Traffic Control	250,000	120,465	129,535	51.8%
Work Charged Out	642,000	205,720	436,280	68.0%
Gravel Pits	250,000	299,980	(49,980)	-20.0%
Amortization	6,204,100			
	<u>14,722,750</u>	<u>3,873,884</u>	<u>10,848,866</u>	<u>73.7%</u>
CAPITAL (Budget Page 40)				
RE-GRAVELING PROGRAM	1,500,000	1,389,393	110,607	7.4%
HARD SURFACE ROADS	3,100,000	105,380	2,994,620	96.6%
COUNTY COLLECTOR NETWORK	5,760,000	5,819,740	(59,740)	-1.0%
LOCAL ROADS	1,925,000	218,975	1,706,025	88.6%
PROJECTS CARRY OVER	584,000	58,684	525,316	90.0%
OTHER	82,115	25,160	56,955	69.4%
BRIDGES	400,000	40,553	359,447	89.9%
LOSS ON DISPOSITION				
	<u>13,351,115</u>	<u>7,657,885</u>	<u>5,693,230</u>	<u>42.6%</u>
	<u><u>28,073,865</u></u>	<u><u>11,531,769</u></u>	<u><u>16,542,096</u></u>	<u><u>58.9%</u></u>

**MOUNTAIN VIEW COUNTY
2010 CAPITAL EXPENDITURES - DETAIL**

	BUDGET	ACTUAL
ROADS:		
Gravel Roads:	1,500,000	1,389,393
Hard Surface Roads:		
Internal Chipsealing	1,550,000	105,380
Rechipping - deferred maintenance costs	1,000,000	0
Contract Rechipping	350,000	0
Long Patching	200,000	0
Total Hard Surface Roads	3,100,000	105,380
County Collector Network:		
OS-04-10 Red Lodge Road Paving	5,700,000	5,796,625
OS-08-10 Coal Camp Road Engineering	15,000	
OS-09-10 FallenTimber Trail Intersection Engineering	15,000	8,223
OS-10-10 RR42 Resource Road Engineering	30,000	14,893
Total County Collector Network	5,760,000	5,819,740
Local Roads:		
OS-11-10 Minor Projects (Recurring Each Year)	100,000	46,831
OS-16-10 Lagoon Road RR15 update	380,000	9,285
OS-17-10 RR272 repairs	300,000	
OS-19-10 Winchell Lake TWP 290 guardrail	25,000	25,000
OS-20-10 RR35 upgrade Engineering	30,000	19,116
OS-21-10 RR65 Engineering	25,000	22,288
OS-22-10 RR281 grade raise	200,000	5,124
OS-23-10 TWP334 construction	750,000	61,981
OS-14-10 Railway Crossings (Recurring Each Year)	100,000	
OS-07-10 TWP 340 INTERSECTIONS RR43 & R		20,874
OS-57-10 TWP 312 Engineering	15,000	8,478
Total Local Roads	1,925,000	218,975
Projects Carry Over:		
OS-15-09 Residential Subdivision paving	150,000	4,465
OS-16-09 Didsbury Industrial Subdivision paving	150,000	2,088
OS-26-09 Landscapping, Fencing & Signage - County office	130,000	9,437
OS-35-08 Municipal Sustainability Plan	54,000	
OS-38-08 Utility Corporation Search Fees	10,000	
RA.2.093 TWP 290 (DEER SPRINGS)		252
RA.6.082 Harmattan Bridge Bank Stabilization		192
RA.2.106 Acme Road Engineering RR 35 to RR 30		10,418
RA.1.058 HILL CUT RANGE ROAD 20		9,492
OS-42-08 Shop Building Mtce	90,000	22,340
Total Local Roads Carry Over	584,000	58,684
Other:		
OS-54-10 Maintenance Management Software	82,115	25,160
BC.2.080 Big Prairie Bridge		18,579
BP.2.098, BF Provincially funded Bridge Repairs		6,534
Bridges: (OS-18-10 - Construct New Crossing)	400,000	15,441
		40,553
TOTAL ROADS	13,351,115	7,657,885

**MOUNTAIN VIEW COUNTY
CONSOLIDATED BANK RECONCILIATION SUMMARY
AS AT JULY 31, 2010**

	General Accounts	Trust Accounts	Investments		Other	Total
			Short Term	Long Term		
Opening Balance	720,044.44	635,162.81	92,357.02	995,332.30	10,650.87	1,098,340.19
Deposits:	-					-
Cash Receipts	2,462,317.73					-
Cash Receipts accrued to A/R	4,394,791.82					-
Accrued Interest on Investments	483.77		3.29			3.29
Transfers:						-
Cash in Lieu	-					-
Disbursements:						-
RB Cheques	(3,296,739.13)					-
RB Transfers	(549,307.84)		21.39			21.39
Cancelled Cheques	-					-
Loan payments/requisitions	-					-
Transfers:						-
Investment Accounts (net)	-		-			-
Payroll Account	-					-
Disbursement Account	-					-
U.S. Account	(45.56)					-
Visa	-					-
PTASFF School Tax	-					-
Bank charges	(1,238.48)		(0.31)			(0.31)
Returned items/other adjustments	(102.10)					-
	-					-
Balance per G/L	3,730,204.65	635,162.81	92,381.39	995,332.30	10,650.87	1,098,364.56
Outstanding Items:						
Transfer to Cash in Lieu Account						
Outstanding Deposits	(562,283.58)	(1,328.26)				
Outstanding Cheques	676,130.65					
Other Outstanding Items		-				
Balance per Bank Statement	3,844,051.72	633,834.55	92,381.39	995,332.30	10,650.87	1,098,364.56