



# Request for Decision

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|------------------------|-------------------------------|---|-----------------------------|
| <b>SUBJECT:</b>        | May Financial Results         | <b>REVIEWED AND APPROVED FOR SUBMISSION</b> |                             |
| <b>SUBMISSION TO:</b>  | Policy & Priorities Committee | <b>CAO:</b> TM                              | <b>MANAGER:</b>             |
| <b>MEETING DATE:</b>   | June 22, 2011                 | <b>DIRECTOR:</b> GW                         | <b>PREPARER:</b>            |
| <b>DEPARTMENT:</b>     | Corporate Services            |   | <b>LEGAL/POLICY REVIEW:</b> |
| <b>FILE NO./LEGAL:</b> |                               |   | <b>FINANCIAL REVIEW:</b>    |

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**RECOMMENDED ACTION:**

That the Policies and Priorities Committee receive the May financial results and bank reconciliation statements as information.

That the Policies and Priorities Committee recommend that Council review the equipment ordered in 2010, received in 2011, but not included in the 2011 Budget.

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**BACKGROUND / PROPOSAL:**

There were a number of pieces of equipment that were in the 2010 budget but were not received in 2010. Normally these items would be flagged as carry over items in the 2011 budget. However, these items were not identified on the list of priority items that are part of the 2011 budget. To avoid confusion over the status of these items it's suggested that these items be brought back to Council for review and approval.

The cost of the items is just under \$900,000. This amount appears in the Capital section of page 4 in the attached statements.

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**DISCUSSION / OPTIONS / BENEFITS / DISADVANTAGES:**

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**COSTS / SOURCE OF FUNDING:**

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**ATTACHMENT(S):**

- Financial Overview
- Statement of Financial Position
- Statement of Revenue
- Statement of Expenses
- Statement of Cash Flows
- Operational Services Maintenance Detail
- Bank Reconciliation

# Mountain View County

## May 2011

### Financial Statement Overview

#### General Comments

It is still early in the year, so identifying trends is difficult.

#### Financial Position (Pages 1)

- **Cash** – At the end of May the County had \$8.1 million in cash. The balance at the end of May 2010 was \$5.3 million.
- **Tax Receivable** – The full amount of taxes receivable has been booked. However only a prorated amount of revenue to the end of May (\$14.3 million) has been booked with the difference of \$20 million booked to deferred revenue.

#### Revenue (Page 2)

Revenues to date are generally tracking well compared with the budget.

- Revenue trends are difficult to determine this early in the year. Overall Planning revenue has continued to trend below budget. If the trend for the first five months continues through the rest of the year Planning revenue would be \$200,000 below budget (\$200,000 represents 1/3 of the budgeted revenue). Well Drilling fees continue to trend to be significantly above budget.

#### Expenses (Page 3)

Generally expenditures are tracking well against the budget other than items specifically noted below relating to Operational Services.

#### Cash Flow (Page 4)

Amortization is trending to be above budget. Amortization won't be able to be fully calculated until year end when capital additions have been factored in.

#### Operational Services (Page 5)

Operational Services items to note are below:

- Support Activities are tracking ahead of budget in the first five months at \$455,000 which represents 85% of the budgeted amount. This area is trending to be \$500,000 - \$600,000 over budget by year end.
- Gravel road blading activities picked up in May with \$200,000 spent in this area.
- Hard Surface Road patching saw a relatively quiet spring. Only 10% of this budget has been spent to the end of May.
- Snow removal costs are \$1.8 million to the end of May. Snow removal costs are already \$400,000 over budget for the year.
- Overall Operational Services is trending to be \$800,000 over budget.
- Most projects have yet to start.

**MOUNTAIN VIEW COUNTY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT MAY 31, 2011 (Unaudited)**

|   | <b>2011</b>        | <b>2010</b><br><b>Year end</b> |
|---|--------------------|--------------------------------|
| <b>FINANCIAL ASSETS</b>                 | <b>\$</b>          | <b>\$</b>                      |
| Cash and temporary investments (note 2) | 8,142,988          | 15,869,098                     |
| Taxes receivable (note 3)               | 33,472,998         | 723,351                        |
| Accounts receivable (note 4)            |                    |                                |
| Federal government                      | 81,855             | 387,214                        |
| Provincial government                   | 327,729            | 536,166                        |
| Local governments                       | -                  | 38,064                         |
| Other                                   | 668,103            | 911,416                        |
| Investments (note 5)                    | 1,005,503          | 1,005,503                      |
| Notes receivable (note 16)              | 9,038,439          | 9,115,026                      |
| Land held for resale                    | 179,664            | 179,664                        |
| Trust accounts (note 6)                 | 131,080            | 99,621                         |
| <b>Total Financial Assets</b>           | <b>53,048,359</b>  | <b>28,865,123</b>              |
| <b>LIABILITIES</b>                      |                    |                                |
| Accounts payable & accrued liabilities  |                    |                                |
| Federal government                      | 17,552             | -                              |
| Provincial government                   | 12,599             | 40,844                         |
| Local governments                       | 37,448             | 97,437                         |
| Trade payables                          | 985,831            | 1,904,140                      |
| Deferred revenue (note 7)               | 21,710,033         | 910,814                        |
| Employee benefit obligations (note 8)   | 598,843            | 464,263                        |
| Trust accounts (note 6)                 | 130,463            | 99,621                         |
| Pit reclamation obligation (note 20)    | 6,019,989          | 6,019,989                      |
| Other liabilities                       | 720,457            | 461,939                        |
| Long-term debt (note 9)                 | 8,968,770          | 9,045,358                      |
| <b>Total Liabilities</b>                | <b>39,201,984</b>  | <b>19,044,405</b>              |
| <b>Contingencies (note 18)</b>          |                    |                                |
| <b>NET FINANCIAL ASSETS</b>             | <b>13,846,375</b>  | <b>9,820,718</b>               |
| <b>NON-FINANCIAL ASSETS</b>             |                    |                                |
| Inventory for consumption               | 4,521,333          | 4,241,807                      |
| Prepaid expenses                        | 720,223            | 669,409                        |
| Tangible capital assets (note 13)       | 136,980,930        | 140,376,448                    |
| <b>Total Non Financial Assets</b>       | <b>142,222,485</b> | <b>145,287,664</b>             |
| <b>ACCUMULATED SURPLUS (note 19)</b>    | <b>156,068,860</b> | <b>155,108,382</b>             |

**MOUNTAIN VIEW COUNTY  
REVENUES  
FOR THE PERIOD ENDED MAY 31, 2011 (Unaudited)**

VARIANCE CALCULATION: 2011 budget compared to 2011 actual.

|                                       | <b>2010<br/>ACTUAL<br/>\$</b> | <b>2010<br/>ACTUAL - YTD<br/>\$</b> | <b>2011<br/>BUDGET<br/>\$</b> | <b>2011<br/>ACTUAL - YTD<br/>\$</b> | <b>VARIANCE<br/>\$</b> | <b>Bench Mark<br/>%<br/>58%</b> |
|---------------------------------------|-------------------------------|-------------------------------------|-------------------------------|-------------------------------------|------------------------|---------------------------------|
| <b>TAXES:</b>                         |                               |                                     |                               |                                     |                        |                                 |
| TOTAL TAXES                           | 33,919,158                    | 14,030,452                          | 34,296,000                    | 14,304,837                          | 19,991,163             | 58                              |
| <b>SALES OF GOODS &amp; SERVICES:</b> |                               |                                     |                               |                                     |                        |                                 |
| Sale of Goods                         | 218,865                       | 31,981                              | 243,200                       | 28,837                              | 214,363                | 88                              |
| Sale of Services                      | 991,995                       | 355,576                             | 695,500                       | 300,269                             | 395,231                | 57                              |
| Fees & Levies                         | 596,362                       | 367,898                             | 688,725                       | 372,481                             | 316,244                | 46                              |
| Fines & Penalties                     | 314,474                       | 79,776                              | 291,500                       | 45,880                              | 245,620                | 84                              |
| Return on Investments                 | 303,303                       | 40,487                              | 582,000                       | 125,920                             | 456,080                | 78                              |
| Rentals                               | 417,165                       | 233,494                             | 287,100                       | 162,227                             | 124,873                | 43                              |
| Recovery                              | 398,018                       | 2,615                               | 521,045                       | 274,871                             | 246,174                | 47                              |
| Other                                 | 65,101                        | -                                   | 74,100                        | 60,852                              | 13,248                 | 18                              |
|                                       | <u>3,305,283</u>              | <u>1,111,827</u>                    | <u>3,383,170</u>              | <u>1,371,336</u>                    | <u>2,011,834</u>       | 59                              |
| <b>GRANTS:</b>                        |                               |                                     |                               |                                     |                        |                                 |
| Federal                               | 783,732                       | 0                                   | 880,000                       | 0                                   | 880,000                | 100                             |
| Provincial                            | 5,994,159                     | 859,478                             | 5,620,830                     | 717,783                             | 4,903,047              | 87                              |
|                                       | <u>6,777,891</u>              | <u>859,478</u>                      | <u>6,500,830</u>              | <u>717,783</u>                      | <u>5,783,047</u>       | 89                              |
| Contributed Capital                   | 1,011,610                     | 0                                   | 0                             | 0                                   |                        |                                 |
| <b>TOTAL REVENUE</b>                  | <u>45,013,942</u>             | <u>16,001,757</u>                   | <u>44,180,000</u>             | <u>16,393,956</u>                   | <u>27,786,044</u>      | 63                              |

**MOUNTAIN VIEW COUNTY  
EXPENDITURES  
FOR THE PERIOD ENDED MAY 31, 2011 (Unaudited)**

VARIANCE CALCULATION: 2011 budget compared to 2011 Actual

|  | <b>2010</b>         | <b>2011</b>       | <b>2011</b>         |                   | <b>Bench Mark</b> |
|--|---------------------|-------------------|---------------------|-------------------|-------------------|
|  | <b>ACTUAL - YTD</b> | <b>BUDGET</b>     | <b>ACTUAL - YTD</b> | <b>VARIANCE</b>   | <b>%</b>          |
|  | <b>\$</b>           | <b>\$</b>         | <b>\$</b>           | <b>\$</b>         | <b>58%</b>        |
| <b>COUNCIL:</b>                              | 196,916             | 562,340           | 220,436             | 341,904           | 61                |
| <b>CAO SERVICES:</b>                         | 232,264             | 627,130           | 216,511             | 410,619           | 65                |
| <b>CORPORATE SERVICES:</b>                   |                     |                   |                     |                   |                   |
| Finance & General Office                     | 617,221             | 1,975,920         | 616,732             | 1,359,188         | 69                |
| Assessment & Taxation                        | 179,792             | 451,100           | 175,112             | 275,988           | 61                |
| Business Services                            | 337,663             | 757,650           | 269,864             | 487,786           | 64                |
| Utilities (Solid Waste Collection)           | 128,447             | 405,000           | 133,167             | 271,833           | 67                |
| Non Recurring                                |                     | 40,000            |                     |                   |                   |
|  | <u>1,263,122</u>    | <u>3,629,670</u>  | <u>1,194,875</u>    | <u>2,434,795</u>  | <u>67</u>         |
| <b>PLANNING &amp; DEVELOPMENT SERVICES:</b>  |                     |                   |                     |                   |                   |
| Planning                                     | 378,358             | 1,068,100         | 396,242             | 671,858           | 63                |
| Permitting                                   | 195,239             | 250,600           | 82,734              | 167,866           | 67                |
| Development                                  |                     | 263,300           | 97,229              | 166,071           | 63                |
| Non Recurring                                | 98,099              | 142,000           | 69,764              | 72,236            | 51                |
|  | <u>671,696</u>      | <u>1,724,000</u>  | <u>645,969</u>      | <u>1,078,031</u>  | <u>63</u>         |
| <b>LEGISLATIVE &amp; COMMUNITY SERVICES:</b> |                     |                   |                     |                   |                   |
| Legislative Services                         | 268,795             | 796,045           | 245,739             | 550,306           | 69                |
| Community Services                           | 237,533             | 721,600           | 265,806             | 455,794           | 63                |
| Non Recurring                                | 147,524             | 1,048,700         | 207,687             | 841,013           | 80                |
| Community Grants                             | 316,777             | 560,875           | 302,851             | 258,024           | 46                |
| Third Party Services                         | 766,493             | 2,357,280         | 947,199             | 1,410,081         | 60                |
|  | <u>1,737,122</u>    | <u>5,484,500</u>  | <u>1,969,281</u>    | <u>3,515,219</u>  | <u>64</u>         |
| <b>OPERATIONAL SERVICES:</b>                 |                     |                   |                     |                   |                   |
| Operational Services Maintenance             | 3,109,725           | 16,601,900        | 7,798,814           | 8,803,086         | 53                |
| Infrastructure Support Services              | 278,934             | 880,650           | 386,450             | 494,200           | 56                |
| Parks  | 13,510              | 49,900            | 20,072              | 29,828            | 60                |
| Other Operational Services Projects          |                     | 142,500           |                     | 142,500           | 100               |
| Agriculture Service Board                    | 181,917             | 815,500           | 224,457             | 591,043           | 72                |
| Agriculture/Environmental Projects           | 57,841              | 191,910           | 54,374              | 137,536           | 72                |
|  | <u>3,641,927</u>    | <u>18,682,360</u> | <u>8,484,166</u>    | <u>10,198,194</u> | <u>55</u>         |
| <b>REQUISITIONS:</b>                         | 2,600,285           | 10,570,000        | 2,702,239           | 7,867,761         | 74                |
| <b>TOTAL EXPENDITURES</b>                    | <u>10,343,333</u>   | <u>41,280,000</u> | <u>15,433,478</u>   | <u>25,846,522</u> | <u>63</u>         |
| <b>EXCESS REVENUES OVER EXPENSES</b>         | <u>5,658,424</u>    | <u>2,900,000</u>  | <u>960,478</u>      |                   |                   |

**MOUNTAIN VIEW COUNTY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED MAY 31, 2011 (Unaudited)**

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

|   | 2011<br>Budget | 2011<br>Actual - YTD | 2010<br>Full Year |
|---|----------------|----------------------|-------------------|
| <b>Operating</b>  | (unaudited)    | \$                   | \$                |
| Excess Revenues Over Expenses                               | 2,900,000      | 960,478              | 5,337,420         |
| Non-cash items included in excess of revenues over expenses |                |                      |                   |
| Amortization  | 10,579,800     | 4,975,848            | 11,537,069        |
| Gravel Surcharge  | -              |                      |                   |
| Tangible capital assets received as contributions           | -              | -                    | (191,184)         |
| Loss on disposal of tangible capital assets                 | 275,000        | 1,227                | 413,166           |
| Loss on tangible capital assets annexed                     | -              | -                    | 353,441           |
| Net changes to working capital charged to operations        | 2,469,160      |                      |                   |
| Decrease (increase) in taxes and accounts receivable        | -              | (31,954,475)         | 1,467,713         |
| Decrease in accounts payable                                | -              | (988,990)            | (346,650)         |
| Increase (decrease) in deferred revenue                     | -              | 20,799,219           | (2,222,396)       |
| Increase in pit reclamation obligation                      | -              | -                    | 395,318           |
| Decrease (increase) in inventory                            | -              | (279,526)            | 425,134           |
| Net change in other working capital balances                | -              | 341,667              | 99,111            |
| Cash provided by operating transactions                     | 16,223,960     | (6,144,553)          | 17,268,142        |
| <b>Capital</b>  |                |                      |                   |
| Acquisition of tangible capital assets                      | (12,359,550)   | (1,586,146)          | (16,322,395)      |
| Proceeds on disposal of tangible capital assets             | 260,000        | 4,590                | 914,734           |
| Cash used in capital transactions                           | (12,099,550)   | (1,581,557)          | (15,407,661)      |
| <b>Financing and Investing</b>                              |                |                      |                   |
| Change in investments                                       | -              | -                    | 480               |
| Notes receivable issued (gross)                             | -              | -                    | (6,500,000)       |
| Notes receivable collected                                  | -              | 76,588               | 180,313           |
| Long-term debt proceeds (gross)                             | -              | 0                    | 6,500,000         |
| Long-term debt repaid                                       | -              | (76,588)             | (154,798)         |
| Cash provided by financing and investing activities         | -              | -                    | 25,995            |
| Net increase (decrease) in cash and cash equivalents        | 4,124,410      | (7,726,110)          | 1,886,476         |
| Cash and Cash Equivalents, Beginning of Year                | 15,730,000     | 15,869,098           | 13,982,622        |
| Cash and Cash Equivalents, End of Year                      | 19,854,410     | 8,142,988            | 15,869,098        |

**MOUNTAIN VIEW COUNTY  
INFRASTRUCTURE MAINTENANCE  
AS OF MAY 31, 2011**

|   | <b>2011<br/>BUDGET</b>   | <b>2011<br/>ACTUAL</b>  | <b>Remaining<br/>Budget</b> | <b>Target<br/>58%</b> |
|---|--------------------------|-------------------------|-----------------------------|-----------------------|
| <b>RECURRING EXPENSES: (Budget Page 97)</b> |                          |                         |                             |                       |
| Operating                                   |                          |                         |                             |                       |
| Administration                              | 862,100                  | 313,917                 | 548,183                     | 63.6%                 |
| Support Activities                          | 540,000                  | 454,738                 | 85,262                      | 15.8%                 |
| Equipment Net Revenue                       | -                        | (42,595)                | 42,595                      |                       |
| Gravel Roads                                | 1,659,000                | 327,700                 | 1,331,300                   | 80.2%                 |
| Hard Surface Road                           | 960,000                  | 92,241                  | 867,759                     | 90.4%                 |
| Snow Operations                             | 1,385,300                | 1,820,368               | (435,068)                   | -31.4%                |
| Drainage Management                         | 323,000                  | 110,373                 | 212,627                     | 65.8%                 |
| Vegetation Control                          | 298,000                  | 77,388                  | 220,612                     | 74.0%                 |
| Bridges                                     | 210,500                  | 22,407                  | 188,093                     | 89.4%                 |
| Traffic Control                             | 256,000                  | 95,251                  | 160,749                     | 62.8%                 |
| Work Charged Out                            | 656,000                  | 144,624                 | 511,376                     | 78.0%                 |
| Gravel Pits                                 | 250,000                  | 11,114                  | 238,886                     | 95.6%                 |
|   | <u>7,399,900</u>         | <u>3,427,526</u>        | <u>3,972,374</u>            | <u>53.7%</u>          |
| Loss on Disposition                         |                          | 1,227                   |                             |                       |
| Amortization - Roads & Bridges              | <u>9,202,000</u>         | <u>4,370,062</u>        | <u>4,831,938</u>            | <u>52.5%</u>          |
| <b>Total Operating Expenses</b>             | <u><u>16,601,900</u></u> | <u><u>7,798,814</u></u> | <u><u>8,804,313</u></u>     | <u><u>53.0%</u></u>   |
| <b>CAPITAL (Budget Page 46)</b>             |                          |                         |                             |                       |
| <b>Roads:</b>                               |                          |                         |                             |                       |
| Re-gravelling Program                       | 1,659,000                | -                       | 1,659,000                   | 100.0%                |
| Hard Surface Roads                          | 4,025,000                | -                       | 4,025,000                   | 100.0%                |
| County Collector Road Network **            | 314,000                  | -                       | 314,000                     | 100.0%                |
| Local Roads                                 | 1,927,000                | -                       | 1,927,000                   | 100.0%                |
| Projects Carry-over                         |                          | -                       | -                           | 0.0%                  |
| Other Roads                                 | 60,000                   | -                       | 60,000                      | 100.0%                |
| Bridges                                     | 1,719,000                | 25,475                  | 1,693,525                   | 98.5%                 |
| <b>Total Roads</b>                          | <u>9,704,000</u>         | <u>25,475</u>           | <u>9,678,525</u>            | <u>99.7%</u>          |
| <b>Other Capital:</b>                       |                          |                         |                             |                       |
| Heavy Equipment 2011                        | 729,000                  | 24,655                  | 704,345                     | 96.6%                 |
| Heavy Equipment/Vehilces 2010 Budget        |                          | 896,538                 |                             |                       |
| Vehicles                                    | -                        |                         | -                           | 0.0%                  |
| Other                                       | 1,926,550                | 289,605                 | 1,636,945                   | 85.0%                 |
| Land  |                          | 349,874                 |                             |                       |
| Loss on Disposition                         |                          |                         |                             |                       |
| <b>Total - Other Capital</b>                | <u>2,655,550</u>         | <u>1,560,671</u>        | <u>1,094,879</u>            | <u>41.2%</u>          |
| <b>Total Capital Expenditures</b>           | <u><u>12,359,550</u></u> | <u><u>1,586,146</u></u> | <u><u>10,773,404</u></u>    | <u><u>87.2%</u></u>   |

**MOUNTAIN VIEW COUNTY  
CONSOLIDATED BANK RECONCILIATION SUMMARY  
AS AT MAY 31, 2011**

|                                   | General Accounts    | Trust Accounts    | Investments         |                   | Other            | Total               |
|-----------------------------------|---------------------|-------------------|---------------------|-------------------|------------------|---------------------|
|                                   |                     |                   | Short Term          | Long Term         |                  |                     |
| Opening Balance                   | 3,599,554.31        | 131,079.91        | 5,619,730.55        | 995,332.30        | 10,171.00        | 6,625,233.85        |
| Deposits:                         | -                   |                   |                     |                   |                  | -                   |
| Cash Receipts                     | 1,627,866.08        |                   |                     |                   |                  | -                   |
| Cash Receipts accrued to A/R      | 4,995.24            |                   |                     |                   |                  | -                   |
| Accrued Interest on Investments   | 3,628.77            |                   | 6,388.00            |                   |                  | 6,388.00            |
| Transfers:                        |                     |                   |                     |                   |                  | -                   |
| Cash in Lieu                      | -                   |                   |                     |                   |                  | -                   |
| Disbursements:                    |                     |                   |                     |                   |                  | -                   |
| RB Cheques                        | (2,254,918.44)      |                   |                     |                   |                  | -                   |
| RB Transfers                      | (438,349.24)        |                   | -                   |                   |                  | -                   |
| Online Utility Payments           | (28,750.12)         |                   |                     |                   |                  | -                   |
| Cancelled Cheques                 | 6,650.00            |                   |                     |                   |                  | -                   |
| Loan payments/requisitions        | -                   |                   |                     |                   |                  | -                   |
| Transfers:                        |                     |                   |                     |                   |                  | -                   |
| Investment Accounts (net)         | -                   |                   | -                   |                   |                  | -                   |
| Payroll Account                   | (370.00)            |                   |                     |                   |                  | -                   |
| Disbursement Account              | 370.00              |                   |                     |                   |                  | -                   |
| U.S. Account                      | -                   |                   |                     |                   |                  | -                   |
| Visa                              | (3,172.65)          |                   |                     |                   |                  | -                   |
| PTASFF School Tax                 | -                   |                   |                     |                   |                  | -                   |
| Bank charges                      | (1,004.05)          |                   | (0.31)              |                   |                  | (0.31)              |
| Returned items/other adjustments  | (628.58)            |                   |                     |                   |                  | -                   |
|                                   | -                   |                   |                     |                   |                  | -                   |
| <b>Balance per G/L</b>            | <b>2,515,871.32</b> | <b>131,079.91</b> | <b>5,626,118.24</b> | <b>995,332.30</b> | <b>10,171.00</b> | <b>6,631,621.54</b> |
| Outstanding Items:                |                     |                   |                     |                   |                  |                     |
| Transfer to Cash in Lieu Account  |                     |                   |                     |                   |                  |                     |
| Outstanding Deposits              | (41,912.56)         | (53.77)           |                     |                   |                  |                     |
| Outstanding Cheques               | 627,539.61          |                   |                     |                   |                  |                     |
| Other Outstanding Items           | -                   | -                 |                     |                   |                  |                     |
| <b>Balance per Bank Statement</b> | <b>3,101,498.37</b> | <b>131,026.14</b> | <b>5,626,116.99</b> | <b>995,332.30</b> | <b>10,171.00</b> | <b>6,631,621.54</b> |