



## **TOWN OF PINCOURT**

**November 8, 2016**

### **THE MAYOR'S REPORT ON THE TOWN'S FINANCIAL POSITION**

**FOR THE 2016 FISCAL YEAR**





November 8, 2016

Dear fellow citizens and colleagues,

For eight years now, I have been proud to present the Mayor's report on the Town's financial position, as prescribed by section 474.1 of the *Cities and Towns Act*.

I will address the followings topics:

- ☐ The December 31, 2015 financial statement;
- ☐ Preliminary financial results for the current fiscal year;
- ☐ An overview of the 2017 fiscal year;
- ☐ The triennial capital investment program 2017-2018-2019;
- ☐ The compensation of elected municipal officials in 2016;
- ☐ The auditor's report for the 2015 fiscal year;
- ☐ The list of all contracts exceeding \$25,000.

You will find the full text of my report on the Town's website as well as in the December Info-Pincourt that will be distributed to every civic address on the municipal territory. It will also be available, with appendices, at the Town Hall during regular business hours.

### **FINANCIAL STATEMENTS AS OF DECEMBER 31, 2015**

At the end of the 2015 fiscal year, the Town of Pincourt had an accumulated surplus of approximately \$8,071,386, after this year's contribution of just over \$2,525,143.

We have kept our debt service level below the average values normally deemed to be acceptable by the "*Ministère des Affaires municipales et de l'Occupation du territoire*". As a result, we are able to pursue our program of repairs and improvements to many Town infrastructures to better serve our community.

To ensure the available surplus is used wisely, the Town Council adopted a resolution last year to create three-year reserves to pay for various works and projects, set aside funds for interventions in specific areas, and stabilize debt service. Following the adoption of the results from the last fiscal year, those reserves were increased, leading to the following results:



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**Balances available as of October 25, 2016**

**Unallocated surplus**

Available surplus from fiscal year 2015	\$2,525,143
Cancellation of res. balances allocated to various proj.	<u>\$659,673</u>
Subtotals	<u>\$3,184,816</u>

**Creation of 2016 reserves:**

Increase in contingency reserve	\$352,000
Increase in working capital	\$325,000
Reserve for repayment of debt service costs	\$2,000,000
Reserve to balance 2017 budget	<u>\$260,000</u>
	<u>\$2,937,000</u>

<b>Unallocated surplus balance at October 25, 2016</b>	<b><u><u>\$247,816</u></u></b>
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**Reserved surplus**

Contingency reserve	\$591,322
Reserve for professional and legal fees	\$150,000
Reserve for deferred revenue R715	\$181,400
Reserve for annuities R817 (including 2019)	\$590,506
Reserve for 2019 refinancing R817	\$1,882,141
Reserve for debt service repayment	\$2,000,000
Reserve to balance 2017 budget	\$260,000
Reserve for 2014 and 2015 commitments	\$268,879
Reserve for bad debts	\$77,585
Reserve for infrastructure repair projects	\$881,737
Reserve for park investment projects	\$250,000
Reserve for building and furnishing maintenance	\$330,000
Reserve for IT equipment and network improvements	\$60,000
Reserve for special projects	<u>\$300,000</u>

<b>Reserved surplus balance at October 25, 2016</b>	<b><u><u>\$7,823,570</u></u></b>
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The Town of Pincourt's financial statements were audited by the firm "Goudreau Poirier et associés". The report does not contain any reservations, and the consolidated financial statements fairly present the Town of Pincourt's financial situation at December 31, 2015.

## **PRELIMINARY FINANCIAL RESULTS FOR 2016**

### **➤ Operating Budgets**

According to the quarterly reports produced to date by the Town's departments and reviewed by Administrative and Financial Services, we are on track with our budget projections so far and, if trends hold, should end the year with a small budget surplus. Last year we noted a slowdown in real estate activity in terms of both construction starts and building stock transactions. That trend is increasing, and the Town's revenues generated by the sector are down as a result.

### **➤ Three-Year Program**

We were very active in terms of infrastructure upgrading this year, carrying out repairs to a substantial section of Forest Avenue, to 23<sup>rd</sup> Avenue from Cardinal-Léger Boulevard to chemin Duhamel, as well as to 24<sup>th</sup> and 25<sup>th</sup> Avenues, between chemin Duhamel and Olympique Avenue.

We are starting work on replacing the water mains in the section of 5<sup>th</sup> Avenue between the new SP-3 pump-house, at the intersection of chemin Duhamel and 5<sup>th</sup> Avenue, and Bellevue St. In addition, we will be extending Bellevue St. from 6<sup>th</sup> Avenue to 5<sup>th</sup> Avenue to meet our commitments associated with the creation of the riverside esplanade along chemin Duhamel.

### **➤ Other projects**

On July 1 we officially opened the first section of the riverside esplanade along chemin Duhamel. So far it has been very successful, judging by the number of users, both young and old, families and individuals alike, who come from all over town to make the most of this new facility. As one of 12 inspiring projects selected by the Montreal Metropolitan Community, we will continue to pursue this pilot project until next spring, when we will conduct a review. In 2017, since we will be upgrading the same section of the road that the esplanade currently follows, it will be less accessible during the summer season, but we hope that this magnificent esplanade will see even greater use once work has been completed.

In June the Town played host to the "*Grand Défi Pierre Lavoie*" during the night of June 18 to 19. The event was a great success, and the activity was perfectly in keeping with our efforts to promote healthy lifestyles, as advocated in our social and sustainable development policy.





This year Firemen's Day was a three-day affair, spread out from Thursday, August 11 to Saturday, August 13. This year also marked the beginning of a joint undertaking with Montreal's "Orchestre Métropolitain", which decided to take advantage of the exceptional Bellevue Park site to close its summer season as part of a tour taking it from the four corners of Greater Montreal to the Mount Royal lookout. We sincerely hope to have better weather when they visit us again next year, as well as for our Firemen's Day celebrations. Despite the inclement weather, we were able to enjoy the Suroît region's largest and most spectacular fireworks display on the Sunday. We'll chalk our bad luck up to the fact that it was held on the 13 of the month, and we'll cross our fingers for another 35-year stretch of nice weather starting next year.

Our popular BBQ workshops, well known to everyone in the region, got a boost this year by featuring a couple of highly renowned chefs, Jonathan Garnier and Stephen Raichlen, at the season's opening and closing workshops. The event was made possible by the support of the amiable owner of Pincourt's Canadian Tire, Mr. Christopher Lussier, the Director of Pincourt's Scotiabank branch, Mr. Pietro Campisi, and their respective teams.

Regarding our parks, we redesigned the hill in Olympique Park to the delight of everyone who enjoys winter sledding, and built a new hill in Taillon Park. Also in Taillon Park, we created a path that in 2017 will be home to our Trekfit circuit for Pincourt adults and seniors.

The construction of colourful and pleasant rest stops near the "*Office municipal d'habitation*" residences and at D'Ambrosio Park will give everyone who's out and about a chance to take a well-deserved rest. D'Ambrosio Park is also where we have set up the region's first "Biciborne," an autonomous bicycle repair station.

## **GENERAL GUIDANCE FOR THE YEAR 2017**

### **➤ Operating Budgets**

We have asked our Town Management Office to draw up a draft budget that respects our citizens' ability to pay, and our goal is keep your tax bills at levels comparable to current levels. We are anxiously waiting for the announcement of assessed contributions set by community organizations and the various levels of government. The Vaudreuil-Soulanges Regional County Municipality has already announced that its assessment will remain essentially the same as this year's assessment, due to the postponement of organic waste collection services and the associated costs to 2018. The "*Régie de l'eau de l'Île Perrot*" has also prepared a budget comparable to last year's, a direct result of the water-saving programs introduced by our town and the rigorous enforcement of our by-laws on the use of drinking water.



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However, we are concerned that the adoption of Bill 76, which will abolish the “*Agence métropolitaine de transport*” (AMT) and local and regional transportation bodies like our own “*Conseil intermunicipal de transport de la Presqu’île*” and replace them with new metropolitan structures, namely the “*Autorité régionale de transport métropolitain*” (ARTM) and the “*Réseau de transport métropolitain*” (RTM), will lead to higher costs. In terms of service levels, we have been assured that they will remain the same.

On another front, the cost of “*Sûreté du Québec*” police services will certainly be higher on account of the new assessment roll that took effect this year. The “*Sûreté du Québec*” always adjusts its billing one year after the annual revision of the assessment roll. Consequently, last year’s increase in valuation levels will be reflected in our bill this year.

It should be noted that the total of the various assessments required by legislation and regulations accounted for 23% of our operating budget last year.

### **2017-2018-2019 THREE-YEAR PROGRAM**

The full three-year program will be available at Town Hall after it is adopted. The biggest project in the three-year plan, the repair of chemin Duhamel, will start and end in 2017. I wish to remind you that the Town will receive a contribution from the federal-provincial TECQ program, which will provide a little over \$4 million in funding for the project as a whole.

In addition, we plan to proceed with construction of a brand new building that will house our municipal workshops as well as shared spaces that can be used by the fire station or municipal workshops as required, bringing down construction costs through economies of scale. The new building will be on Cardinal-Léger Boulevard. The existing building, built in 1970 to meet the needs of the day, will be kept and used as storage room for our equipment and vehicles, most of which remain outdoors all the time and are suffering from excessive exposure to the elements.

Reconstruction of Northcote Street will also figure on our schedule of major works, since it has reached the end of its useful life and is a major thoroughfare for our public transit network.

The plan for major infrastructure work also includes reconstruction of the municipal pool chalet and possibly repairs to the pools. The scope of the project will depend on the financial assistance that could be received from higher levels of government.

Finally, an ad hoc repair program for certain thoroughfares and municipal facilities will be drawn up. Once the budget has been adopted, we will be able to provide you with the list of projects to be tackled in 2017.



## **2016 MUNICIPAL OFFICIALS' REMUNERATION**

Under regulation number 666-2, the remuneration of elected municipal officials in 2016 was as follows:

	<b>Remuneration</b>	<b>Non-taxable expense allowance</b>
<b>Mayor</b>	\$47,864.46	\$16,216.00
<b>Councillors</b>	\$14,239.66	\$7,119.88

These sums paid to elected officials in 2016 represented 0.94 % of the Town's total budget. The members of the Town Council receive no additional compensation for taking part in Town Council commissions or committees.

The Mayor, or his substitute, receives from the RCM:

	<b>Remuneration</b>	<b>Non-taxable allowance</b>
<b>Participation to RCM Council meetings</b>	\$1,511.00	N/A
<b>Participation in the administrative committee</b>	\$149.00	N/A
<b>Participation in various working committees</b>	\$1,237.53	N/A

The Town of Pincourt's representatives, the mayor and Town Councillor Mrs. Diane Boyer, receive the following pay for their participation in the REIP board of directors:

	<b>Remuneration</b>	<b>Non-taxable allowance</b>
<b>Mayor</b>	\$1,000.00	\$500.00
<b>Councillor</b>	\$1,000.00	\$500.00

Finally, the Town of Pincourt's representative, Town Councillor Mr. Jim Miron, and his substitute, Town Councillor Mr. Alexandre Wolford, received the following pay for their participation to the "Conseil intermunicipal de transport de la Presqu'île"

	<b>Remuneration</b>	<b>Non-taxable allowance</b>
<b>Town representative</b>	\$1,650.00	N/A
<b>Substitute</b>	\$150.00	N/A



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## **CONCLUSION**

The Town's finances are sound.

We are working to maintain and improve its financial situation so that citizens can enjoy a good quality of life that also respects the environment.

The Town's elected officials have begun the 2017 budget process in close cooperation with the Town Manager and his team.

As always, our priority is to respect citizens' ability to pay.

## **Appendices**

- I. The December 31, 2015 consolidated financial report and the independent auditor's report;**
- II. The triennial capital investment program 2016-2017-2018;**
- III. The compensation of elected municipal officials in 2016;**
- IV. The list of all contracts exceeding \$25,000;**
- V. Analysis of the debt service of the Town of Pincourt for the triennial capital investment program 2017-2018-2019.**

**I would like to take this opportunity to invite you to the Council meeting on December 14, 2016 at 7:30 pm at the Omni-Centre, as we adopt the 2017 budget.**

Yvan Cardinal  
Mayor of the Town of Pincourt