

Mayor's Report

MAYOR'S REPORT ON THE FINANCIAL POSITION OF THE TOWN OF BAIE-D'URFÉ

Dear Fellow Citizens,

In accordance with Section 474.1 of the *Cities and Towns Act*, I am pleased to submit my annual report on the financial situation of the Town of Baie-D'Urfé for the year ended December 31, 2015 and the projection for the year 2016.

2015 Year-end results

The Town of Baie-D'Urfé's external auditors, *DCA comptables professionnel agréés inc.* verified the Town's 2015 accounts and reported that the Town was in a solid financial position and that all our accounts were in order.

The 2015 audited financial statements were tabled at a meeting of Council held on May 10, 2016.

2015 Revenues

Total revenues for the Town of Baie-D'Urfé for 2015 were \$19 187 402, an increase of \$806 222 over budget. The main factors explaining the increased revenues are:

Property Tax Revenues (based on property values) (mainly resulting from development projects in the industrial sector)	\$351 792
In Lieu of taxes (\$134 089 from retroactive funding of in lieu taxes for certain schools dating back to 2013)	\$144 878
Government Transfers	\$ 204 175
Services rendered	\$58 709
Transfer taxes, Licences & Permits	\$449 312
Transfer taxes, Licences & Permits (Town land on Surrey)	(-\$450 000)

2015 Expenditures

Total expenditures for 2015 were \$18 482 525

Regional expenses accounted for \$11 416 885:

- \$140 808 which was paid to the *Montreal Metropolitan Community* (MMC) in membership fees and \$11 276 077 which was paid to the City of Montréal as our aliquot share for island-wide services.

2015 Surplus

The Town recorded a surplus of \$1 568 615.

This surplus is attributable to increased revenues of \$806 222, Government Gas Tax Funding received in the amount of \$497 217, and lower expenses of \$122 512 (mostly due to a saving in "building maintenance and repair" costs). The difference between the budgeted amounts and the expenditures for "building maintenance and repair" will be allocated to the building reserve fund and used for major building renovation work when required in future years.

As of December 31, 2015, the total accumulated unaffected surplus of the Town of Baie-D'Urfé was \$5 954 308. The Working Fund balance was \$829 499 and the Parks and Playgrounds Fund was \$48 214.

2015 Long Term Debt

Our long-term debt amounted to \$2 461 500 (down \$478 900 from 2014). Of this amount \$411 712 (16.7%) is reimbursed by the Québec Government, whereas the balance of \$2 049 788 (83.3%) is taxed to the residential and/or industrial sectors with \$1 754 605 taxed through local improvement taxes and \$295 183 taxed at large.

Projected 2016 financial results

The 2016 budget for the Town of Baie-D'Urfé was adopted at a special council meeting on December 15, 2015.

For the fiscal year 2016, the Town of Baie-D'Urfé projects an approximate surplus of \$760 000 over the 2016 tabled budget (it would have been more but the funding for several of the unfinished projects was to come from the existing Town surplus).

The projected revenues for 2016 exceed the tabled budget by \$759 800. The additional revenue is mainly generated from transfer taxes of \$668 890 and from new taxation revenues of \$72 350 arising from several development projects in the industrial sector.



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The projected expenditures for fiscal year 2016 are about \$328 000 less than budgeted.

The paving and drainage projects planned this year will be realized in 2017.

General orientation for the 2017 budget

Council is very respectful of the citizens' ability to pay and prides itself in maintaining its position as the Town with the lowest tax rates on the Island, 11 years in a row since the demerger and is fully intending to make 2017 its 12th in a row.

We will continue to finance select projects from the Town's unaffected surplus as we did in the past few years.

The Agglomeration continues to be a very important factor in our overall budget since **72%** of all the property taxes the Town collects go to the City of Montréal to pay for our share of island-wide services.

We will have to wait for the City of Montréal's budget and what the Town's share will be before Council can determine what the final 2017 tax increase will be.

Council will also have to take into account the effect of the new 2017-2019 evaluation roll in the preparation of the 2017 budget. The overall increase for the Town of Baie-D'Urfe was 1.1%, with the average increase by sector as follows: single family homes up 0.8%, 6 apt plus up 3.4%, condos down 3.3%, industrial buildings up 0.9%, commercial up 34.7% and vacant land up 5.1%. For this evaluation period, Council has decided to adjust in 2017 the Town's tax rates accordingly to reflect the new evaluations and not spread the evaluation increase over the three years, as it has been its regular practice in past years.

We expect that there will be some contestations of the new property evaluations and a contingency amount will be put in the 2017 budget to cover possible taxation losses as a result of successful challenges.

The operating budget for 2017 and the capital expenditures program for 2017-2018-2019 are currently in preparation, and will be tabled at a special council meeting in December.

Remuneration of elected municipal council members

During 2016, I will receive from the Town of Baie-D'Urfé a basic annual remuneration of \$21 743 and

an expense allowance of \$10 872. Councillors receive a basic annual remuneration of \$7 248 and an expense allowance of \$3 624.

As a member of the Agglomeration Council, I receive from the City of Montréal a basic salary of \$11 |120 plus an expense allowance of \$5 344.33. As Vice-Chair of the *Agglomeration Commission on Water, Environment, Sustainable Development and Parks*, I received from the City of Montréal a remuneration of \$2224.

Contracts exceeding \$25 000

Finally, in accordance with the *Cities and Towns Act*, I have tabled with the Town Clerk a list of all contracts exceeding \$25 000 entered into between November 1, 2015 and October 31, 2016. The list also includes all contracts involving an expenditure exceeding \$2 000 entered into within that period with the same contracting party, if those contracts involve a total expenditure exceeding \$25 000. This list can be obtained from the Baie-D'Urfé Town Clerk.

Respectfully submitted by

Maria Tutino | Mayor of Baie-D'Urfé

