



**PRESENTATION BY THE MAYOR
REPORT ON THE FINANCIAL SITUATION OF THE
TOWN OF OTTERBURN PARK**

NOVEMBER 21, 2016

Fellow citizens,
Fellow councillors,
Managers and town employees,

Each year, the *Cities and Town's Act* Law requires that the mayor present, one month before the adoption of the budget, the financial situation of the Town at the closing of the last financial year.

Therefore, in accordance with the Law, I will address the following subjects:

1. Results of the 2015 financial year and the report of the auditor;
2. Forecasts for the current financial year;
3. The guidelines for the 2017 budget and the 2017-18-19 capital expenditure plan;
4. Remuneration of human resources;
5. Remuneration of elected officials.
6. The deposit of contracts of \$25,000 and more.

**1. FINANCIAL STATEMENTS AND REPORT BY THE AUDITOR
ON DECEMBER 31, 2015**

The 2015 financial report was verified for a third consecutive year by this firm *Raymond Chabot Grant Thornton* as per the Canadian accounting standards in force for the public sector.

This means that the financial statements were consolidated with the following boards:

- Conseil intermunicipale de transport de la Vallée du Richelieu (CITVR - public transport);
- Régie intermunicipale de transport adapté de la Vallée du Richelieu (RITAVR-paratransit);
- Régie Intermunicipale de l'Eau de la Vallée du Richelieu (RIEVR - water board);
- Régie d'assainissement des eaux de la Vallée du Richelieu (RAEVR - water purification board);
- Régie intermunicipale de police Richelieu - Saint-Laurent (RIPRSL - police board).

As indicated in the report from *Raymond Chabot Grant Thornton*, the financial statements show a faithful image of the Town's financial situation on December 31, 2015.

The 2015 financial year closed with a surplus of \$929,889.

This surplus is attributable to the reimbursement of the surplus of the regional circuits and the suburban train to the municipalities members of the CITVR for an amount of \$ 397 128. In addition, we received a refund of Recyc-Québec's 2014 compensation in the amount of \$112,223. Finally, revenues from transfer taxes were higher than the budget forecast of just over \$202,000 reflecting sustained real estate activity in our City.

In terms of borrowing, we maintain sound management. By way of illustration, for 2015, total long-term net indebtedness per unit of appraisal is \$3,698 compared to \$5,132 for the twelve (12) municipalities that make up the Regional County Municipality of Richelieu Valley (MRCVR). We are committed to our efforts to properly plan our funding needs.

Here are the financial indicators taken from the 2015 consolidated financial report:

Financial indicators for 2015	
Operating and capital revenues	\$11, 656,004
Burdens or expenditures	\$10, 633,256
Surplus	\$929,889
Accumulated non affected surplus (amount accumulated during previous years, including 2015)	\$2, 471,285
Affected surplus, financial reserves and reserved funds (reserved funds built over the years for the working capital, parks, fire truck)	\$2, 514,068
Long term debt	\$9, 965,061
Debt service charges (paid interests)	\$210,502
Debt ratio/total expenditures (Town)	1,98 %

The shares for the boards in 2015 are as follows:

Board	Amount	Percentage of expenditures
CITVR	\$346,807	3,3 %
RITAVR	\$29,025	0.3 %
RIEVR	\$510,061	4.8 %
RAEVR	\$466,240	4.4 %
RIPRSL	\$1, 273,395	12 %
Total	\$2, 625,528	25.5 %

2. FORECASTS FOR THE CURRENT 2016 FINANCIAL YEAR

As per the information available on September 30, 2015, the Town's forecasted surplus should be of approximately \$517,000.

It is important to note that this surplus is due, on the one hand, to the partial reimbursement of the accumulated surplus for the year 2016 of the CITVR for \$ 126,030 and, on the other hand, The Gasoline Tax and the Quebec Contribution (TECQ) for the years 2014 to 2018. This grant, in connection with the work carried out in 2015 on the streets of Oxford, Prince Edward and Maple, was paid For the years 2014 and 2015 for a higher than forecast amount of \$177,540.

Consequently, excluding these unanticipated sources of revenue, the anticipated surplus in relation to the operating budget is just over \$210,000, representing 1.8% of the established budget.

Several projects were carried out during the financial year, such as:

- a) the implementation of an OPark citizen information platform;
- b) the completion of the second phase of the development of the Pointe-Valaine Park;
- c) the play modules at the Pointe-Valaine, Côté;
- d) contemplative swings at the road rest stop (2) and at Pointe-Valaine Park (4);
- e) the installation at a highway stop of a high-speed electrical charging station;
- f) the provision of an emergency exit and the replacement of the automatic access barrier to Technical Services;
- g) sidewalks on a portion of Patriotes Road;
- h) repair of underground infrastructure on Ruth Street;
- i) repairs to the roof and parking area of Espace Libre Expression;
- j) the acquisition of a 10-wheeler truck used primarily for snow removal.

It should also be noted that the year 2016 was marked by a record rate of attendance at day camps as we welcomed almost 200 children a week attesting to the need for this service for citizens. The latter will be enhanced in 2017 by the establishment of a day camp for toddlers, the 3 to 5 years.

The Age-Friendly Municipalities (MADA) initiative calls for many initiatives to better live together with seniors. As such, you will find a game of bocce and petanque at the back of the Espace Libre Expression. With all exterior development completed, all are invited to participate in these recreational activities. A policy is currently under preparation. We will notify you as soon as it becomes available.

3. THE ORIENTATIONS FOR THE 2017 BUDGET

The council is currently looking at the forecasts and justifications for expenditures prepared by the administration.

The expenditure budget for 2017 will be adopted on December 19, 2016, during the special council meeting.

In 2017, we will be in the second year of a new triennial assessment roll.

Based on the flexibility we have, we will have to consider maintaining current operations, a three-year conservative capital program, meeting our commitments and implementing certain projects.

Among other things, we will plan all the work related to the refurbishment of the existing swimming pool and the construction of a new building. Following the citizens' consultation held last September and the results obtained, we will revitalize this infrastructure with a view to offering a better adapted service to current needs. In the same spirit, we are planning to install tennis courts at Copping Park.

At the same time, we will begin the infrastructure works associated with the new plan of action tabled in the autumn of 2016. This plan makes it possible to target the priority interventions that will have to be planned in the coming years. We will establish our interventions according to the grant programs available.

Currently, the Department of Recreation and Culture is working to set up the IT environment to allow enrollment on-line, in particular for day camps, as early as spring 2017. This will be a response to a popular demand.

Also, as early as the summer of 2017, you will see that a public market will take place at the rest area and we hope that many of you will encourage our local merchants. This will add to the beautification of Pointe-Valaine Park, reflecting our commitment to revitalizing the riverbanks and promoting accessibility.

In addition to the festivities surrounding the National Day, an official opening evening of Pointe-Valaine Park, to which all citizens will be invited, will highlight these beautiful accomplishments and, for each of you, to take ownership of this site Unique to the life of Ottburg.

In addition, two (2) community gardens will be paired with the public market and the collective kitchens which will be put in place very soon in order to meet our desire to encourage the adoption and maintenance of healthy lifestyles.

Finally, certain contributions to our partners are unavoidable and also undergo increases with which we will have to cope.

Partners	Amount	Forecasted increase (decrease)	
CITVR		To be received	
RITAVR		To be received	
RIEVR	\$529,649	+ \$11,837	+ 2.3 %
RAEVR	\$602,161	+ \$67,762	+12.8 %
RIPRSL	\$1,272,431	+ \$28,642	+ 2.2 %
Total	\$2,404,241	+ \$107,674	

4. REMUNERATION OF HUMAN RESOURCES

As stipulated in the annual report of December 31, 2015, the remuneration of the total workforce (managers and unionized employees) is of \$2,638,571. Social security contributions represent an amount of \$493,511. Therefore, for 2015, the wages component represents 29.5% of the Town's expenditures.

5. REMUNERATION OF ELECTED OFFICIALS

The remuneration of municipal elected officials for 2016 is as follow:

- a) The mayor has a yearly salary \$27,500.04, plus a non-taxable portion of \$ 13,749.96;
- b) The salary for a councillor is of \$9,166.68 , plus a non-taxable portion of \$4,583.40;
- c) In 2015, the remuneration (\$62,579), the non-taxable portions (\$28,571) and Social security contributions (\$16,417) for elected officials represent 1 % of the Town's expenditures;
- d) Fees for representation on various boards :
 - o MRCVR : \$166,27 /meeting and non-taxable portion of \$83,13;
 - Committee : \$66,51 /meeting and non-taxable portion of \$33,26;
 - o CITVR : \$123,16 /meeting and non-taxable portion \$61,58;
 - Committee : \$61,58 / meeting and non-taxable portion of \$30,79;
 - o RIEVR : \$73,64 /meeting and non-taxable portion of \$36,82;
 - o RAEVR : \$61,98 /meeting and non-taxable portion of \$30,99;
 - o RIPRSL : \$245,00 /meeting and non-taxable portion of \$122,50;
 - o RITAVR : \$118,60 /meeting and non-taxable portion of \$59,30;
 - Committee : \$59,30 /meeting and non-taxable portion of \$29,65.

7. **FILING OF CONTRACTS OF MORE THAN \$25,000**

Pursuant to section 474.1 of the Cities and Towns Act, two (2) lists are available for the period from November 11, 2015 to November 16, 2016, for consultation at City Hall and on the Web site. A list includes all contracts awarded for an expenditure of more than \$25,000 and the other, all expenditures exceeding \$2,000, but totaling more than \$25,000 for the same supplier.

Thank you for your attention,

Danielle Lavoie
Mayor