

Mayor's Report on the Financial Situation

November 9th, 2016

Fellow citizens,

This being the last Council meeting before presenting the budget, here is the report on the Municipality's financial situation in accordance to the provisions of the *Code municipal du Québec*.

I invite you to consult www.morinheights.com to find all documents pertaining to finances submitted to the *Ministère des Affaires municipales et de l'Occupation du territoire*.

The financial report for the year ending December 31st, 2015, prepared by our auditor Richard Deslauriers, c.a., reports a surplus of \$ 590,055, on a budget of \$8 317,066. This surplus stems mostly from the increase in property values and real estate transactions.

The accumulated surplus represents taxpayers' holdings. This year, the Municipality's worth has increased by \$ 1 008,194 to reach \$ 19 122,693. Throughout 2015, the Municipality has undertaken infrastructure work totalling \$ 2 511,511.

Financial situation to December 31st, 2015					
Page 13	2015	2014	2013	2012	2011
Financial assets	\$ 3 375 448	\$ 2 605 749	\$ 2 768 065	\$ 3 227 997	\$ 2 909 834
Liabilities	\$ 3 588 981	\$ 3 537 002	\$ 1 331 409	\$ 3 380 031	\$ 1 809 752
Debt	\$ 8 433 031	\$ 7 278 172	\$ 8 046 916	\$ 6 298 555	\$ 6 057 995
Net debt	(\$ 8 646 564)	(\$ 8 209 425)	(\$ 6 610 260)	(\$ 6 450 589)	(\$ 4 957 913)
Non financial assets	\$ 27 769 257	\$ 26 323 924	\$ 24 017 774	\$ 23 009 100	\$ 20 693 956
Net accumulated surplus	\$ 19 122 693	\$ 18 114 499	\$ 17 407 514	\$ 16 558 511	\$ 15 736 043

Net financial value					
See page 15-7	2015	2014	2013	2012	2011
Fixed assets costs	\$ 36 566 974	\$ 34 068 128	\$ 30 980 441	\$ 29 140 256	\$ 26 087 255
Accumulated depreciation	(\$ 8 986 712)	(\$ 7 921 862)	(\$ 7 119 400)	(\$ 6 278 980)	(\$ 5 561 070)
Net book value	\$ 27 580 262	\$ 26 146 266	\$ 23 861 401	\$ 22 861 276	\$ 20 526 185

Debt analysis page 37	DECEMBER 31ST, 2015
Debt by sectors	\$ 4 389 503
Total debt	\$ 3 431 002
Debt paid by the Quebec Government	\$ 579 417
Long term debt	\$ 8 516 022

Financial results statement	RESULTS	BUDGET	RESULTS	BUDGET	RESULTS
Pages 7-8	2015	2015	2014	2014	2013
Operating revenues	\$ 8 743 595	\$8 317 066	\$ 8 455 164	\$ 8 317 067	\$ 8 236 405
Investment activities	\$ 485 677	\$ 0	\$ 183 627	\$ 0	\$ 600 137
Charges (operating expenses with amortization)	(\$ 8 221 078)	(\$ 8 545 817)	(\$ 7 931 806)	(\$ 8 572 280)	(\$ 8 007 881)
Surplus	\$ 1 008 194	(\$ 228 751)	\$ 706 985	(\$ 255 213)	\$ 828 661
Minus investment income	(\$ 485 677)		(\$ 183 627)	\$ 0	(\$ 600 137)
Operating surplus before reconciliation	\$ 522 517	\$ 228 751	\$ 522 358	\$ 255 213	\$ 228 524
Fixed asset amortization	\$ 1 077 519	(\$ 1 006 938)	\$ 1 059 340	(\$ 1 028 023)	\$ 999 280
Financing	(\$ 696 044)	(\$ 660 722)	(\$ 674 357)	(\$ 674 357)	(\$ 703 356)
Allocations	(\$ 313 937)	(\$ 117 465)	(\$ 648 526)	(\$ 98 453)	(\$ 233 236)
Surplus	\$ 590 055	\$0	\$ 259 815	\$ 0	\$ 291 212

Fund analysis to Dec. 31st, 2015	VALUE OF FUNDS	COLLECTED	ALLOCATIONS
Working capital	\$ 600 000	\$ 153 053	\$ 446 947
Parks and Green Spaces Fund		\$ 100 608	
Road Repair Fund		\$ 56 751	
Parking Fund		\$	
Balance on closed borrowing by-laws		\$ 35 797	
Financing of operation activities		\$ 0	
Committed surplus		\$ 92 458	
Non committed surplus		\$ 638 962	

This year, we have continued our infrastructure modernization program. Along with road maintenance, major work has been done on Rang 4, Jonathan and Bennett roads. Also, water pipes have been replaced on Jean Street and in the Mountainview and Glen areas.

The Public Works Department has also multiplied interventions in many other areas and you must certainly have noticed the constant improvement in the road infrastructure, ditches and shoulders.

All local municipalities have delegated the waste management dossier to the *MRC des Pays-d'en-Haut*. We now divert from

landfills: electronics, dangerous domestic products, mattresses and construction materials at the intermunicipal Ecocentre. Large items are also sorted and diverted to recycling businesses. The next step, which is the collection of compostable material, will be up and running in 2018 in order to meet the goals set by the Quebec Government.

Renovation work to transform the Chalet Bellevue into a community centre and sports chalet are underway and we foresee being able to open the building in July 2017.

Requests for new grants have been presented in order to alleviate the costs of this project which is aimed at improving the infrastructure at Basler Park and the cross-country, snowshoe and mountain bike networks, along with offering multifunctional rooms for recreational and community activities.

Major work will be undertaken in 2017 as the main water pipe on Village Road between Grand Orme and Route 364 will be replaced within the 2014-2017 gasoline tax reimbursement program and we are awaiting the confirmation of financial assistance to undertake similar work on Watchorn Road between Village Road and Route 364.

Finally, financial activities are closely monitored and we foresee ending 2016 with a slight surplus.

I would like to thank all Council members and municipal employees for their concerted and sustained efforts in providing the Municipality of Morin-Heights with modern infrastructure while minimizing the tax burden. I would also like to thank the tremendous volunteers who dedicate their time in the community's interest.

As stipulated by Law, I am presenting to Council the list of all suppliers with whom transactions have exceeded \$25,000 during the current year.

Here are the details regarding Council's earnings:

The Mayor's yearly income is \$ 23 020 to which \$ 9 168,36 is added for acting as the Municipality's representative on the *Pays-d'en-Haut Municipalité Régionale de Comté's* Council of Mayors, and \$150 per meeting as a member, or \$ 210 per meeting as president of a committee.

A councillor's yearly income is \$ 7 674, to which \$ 125,64 per month is added for councillors acting as pro-mayor and \$ 68,52 per month for councillors who preside over one of the twelve Council's committees.

In addition to this compensation, Council members are also allowed an expense amount equal to half their annual income.

Great news for Morinheighters! A doctor is now in service at the Coop Santé every Saturday morning for drop-in consultation. It's worth it to become a member!

Tim Watchorn, ing.

Mayor