



MAYOR'S REPORT ON THE FINANCIAL SITUATION

October 2nd, 2013

Fellow citizens,

This being the last council meeting before the election, here is the report on the Municipality's financial situation, as required by 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, des Régions et de l'Occupation du territoire*.

The financial report for the year ending December 31st, 2012, prepared by the auditor Richard Deslauriers C.A., presents the state of the financial situation:

Statement of financial position

page 20	2012	2011	2010	2009
Financial assets	3 227 997 \$	2 909 834 \$	2 398 729 \$	2 170 909 \$
Liabilities	3 380 031 \$	1 809 752 \$	661 330 \$	1 234 826 \$
Debt	6 298 555 \$	6 057 995 \$	6 648 824 \$	6 883 916 \$
Net debt	(6 450 589) \$	(4 957 913) \$	(4 911 425) \$	(5 947 833) \$
Non financial assets	23 009 100 \$	20 693 956 \$	19 856 219 \$	19 449 783 \$
Net accumulated surplus	<u>16 558 511 \$</u>	<u>15 736 043 \$</u>	<u>14 944 794 \$</u>	<u>13 501 950 \$</u>

The accumulated surplus is mostly the taxpayers' holdings. This year, organization's accounting activities have reached 822 468 \$.

Net financial value

pages 22-27	2012	2011	2010	2009
Fixed assets costs	29 140 256 \$	26 087 255 \$	24 395 957 \$	23 244 060 \$
Accumulated depreciation	6 278 980 \$	5 561 070 \$	4 727 240 \$	3 981 339 \$
Net book value	<u>22 861 276 \$</u>	<u>20 526 185 \$</u>	<u>19 668 717 \$</u>	<u>19 262 721 \$</u>

The financial year ended with a 315 707 \$ surplus, stemming primarily from taxes collected over the previous years, and amounts previously paid by the Quebec government for various programs.

Management indicators, which complete the financial report, were presented last June and confirm the Municipality's very good financial health and the efficiency of services.

Financial results statement pages 14 -15	Budget	Results	
	2012	2012	2011
Operating revenues	7 555 187 \$	7 720 457 \$	7 414 798 \$
Investment activities		605 434 \$	84 536
Charges (operating expenses with amortization)	7 671 746 \$	7 503 391 \$	7 008 083 \$
Surplus	(116 559) \$	822 500 \$	791 251 \$
Minus investment income	\$	(605 434) \$	(84 536) \$
Fixed assets	825 556 \$	849 096 \$	833 830 \$
Operating surplus before reconciliation	104 159 \$	217 066 \$	706 715 \$
Amortization of capital assets	825 556 \$	840 860 \$	833 830 \$
Financing	(566 087) \$	(581 416) \$	(522 310) \$
Affectations	(142 910) \$	(160 803) \$	(502 775) \$
Surplus	<u>0 \$</u>	<u>315 707 \$</u>	<u>515 640 \$</u>

Throughout 2012, the Municipality has undertaken immobilization work totalling 3 184 219 \$ for which 1,2 million pertaining to Public works and 1,7 million for drinking water networks.

Debt analysis page 37	December 31,st 2012
Debt by sectors	2 964 890 \$
Total debt	2 730 874 \$
Debt paid by the Quebec government	608 641 \$
Debt paid by other	3 869 \$
Long term debt	<u>6 308 274 \$</u>
MRC debt	43 255 \$

Fund analysis to December 31st, 2012	Value of funds	Collected	Allocations
Working capital	400 000 \$	348 987 \$	51 013 \$
Parks and green space fund		75 858 \$	
Road repair fund		45 073 \$	
Parking fund		5 000 \$	
Balance on closed borrowing by-laws		69 992 \$	
Financing of operation activities		9 719 \$	
Committed surplus			224 457 \$
Non committed surplus		427 646 \$	

In 2013, heavy rainfall and wind storms caused substantial damages to forest and the road infrastructure. Town workers' time and part of the Public works budget have been reallocated to fix roads, shoulders, and ditches. In addition, a special collection of fallen trees was done.

The intermunicipal Ecocentre's popularity is undisputable and their acceptance of dangerous domestic and electronic products are increasing. We have reserved part of the surplus to cover additional costs related to the disposal of branches due to the bad weather we've been having.

The amounts available in the Parks fund have been allocated to the construction of a garage and repair shop for the equipment used to maintain our four-season trail network. This project was 60% financed (maximum of \$ 54 411) by the *MRC Pays-d'en-Haut*.

The Parking fund amount was used to complete the library parking lot.

Throughout 2013, Council has allocated the non-invested surplus as follows:

Settlement between the Municipality with Entreprise Bernard Sauvé since 2007	109 044 \$
Bastien Water Works infrastructure updates	109 300 \$
Fire-hydrant replacement	22 000 \$
Repair work on Guénette dam	20 000 \$
Environnemental study - chemin Blue Hills & Lac Peter	5 000 \$
Environnemental study - Protection of drinking water sources ESSIDES	20 000 \$
Work on chemin du Village	150 000 \$

Finally, a snow removal truck to replace the 2000 Volvo and the replacement of the backhoe were financed by a loan to the working capital.

As part of the shoreline protection program in the Lac Cook, Lac Corbeil & Lac Écho areas, the Environment Department has completed its inspections. A notable progress was observed and the few sites remaining requiring improvement will continue to be monitored.

Only five fines have been issued to owners in default for not pumping their septic tank. In all other cases, owners have complied.

The ski chalet at Parc Basler is progressing; the architects have submitted a proposal to Council which is under study. Such a building would allow us to consolidate and develop our networks (cross-country ski, snowshoe and mountain bike trails) to respond to growing demand.

Financial activities are monitored closely. We foresee ending 2013 with a slight surplus since the Québec government will reimburse some of the expenses created by the storm in 2012, and the heavy rainfall of July.

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 infrastructures while respecting the tax payers' ability to pay. In Council's name, I would like to give thanks to the tremendous volunteers who dedicate their time in the community's interest.

It will be up to the Council elected in November to establish the next budget's priorities.

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 and the details regarding Council's earnings:

The Mayor's yearly income is \$22 166,88, to which \$5 805,24 is added for acting as the Municipality's representative on the *MRC Pays-d'en-Haut's* Board, the Council of Mayors, and \$150 to sit at the MRC's committee.

A councillor's yearly income is \$7 389,84, to which \$120,98 per month is added for councillors acting as Pro-mayor, and \$65,99 monthly for Councillors who preside over one of the eleven Council Committees.

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

The mayor,

Tim Watchorn, ing.

Municipalité de Morin-Heights

*Liste des contrats et dépenses par fournisseurs de plus de 25 000 \$
Pour la période de 15 novembre 2012 au 2 octobre 2013*

Nom	Total
ABC RIVE-NORD	55 918,78 \$
ASPHALTE BÉLANGER INC.	135 387,19 \$
AUTO-ELECTRIQUE JEFF MCDONALD	33 558,62 \$
CONSTRUCTION STEWART	69 653,91 \$
CONSULTANTS SM INC. (LES)	52 926,36 \$
CORBEIL DANIEL	33 235,05 \$
DAVID RIDDELL EXCAVATION	292 046,87 \$
DUROKING CONSTRUCTION	1 193 922,64 \$
ENTREPRISES GUY DESJARDINS INC.	798 735,82 \$
FINANCIÈRE BANQUE NATIONALE	193 030,48 \$
GRAND' MAISON	119 361,92 \$
HEWITT	192 346,39 \$
HYDRO-QUEBEC	74 973,42 \$
IMPRIMÉS TRITON (LES)	35 157,85 \$
LAFARGE CANADA INC.	63 192,52 \$
M.R.C. DES PAYS D'EN HAUT	364 328,36 \$
MINISTRE DES FINANCES	973 623,00 \$
MINISTRE DU REVENU	504 045,55 \$
PAROISSE NOTRE-DAME DES MONTS	26 520,00 \$
PLACEMENTS A.G.F. INC.	177 910,01 \$
RCM (division de RCI Envir. Inc.)	272 463,80 \$
RECEVEUR GÉNÉRAL DU CANADA	229 681,25 \$
ROY FOSS MOTORS LTD.(CORP-RATE)	29 396,12 \$
SERVICES R.C. MILLER	130 070,85 \$
SIFTO CANADA CORP.	28 589,74 \$
SSQ GROUPE FINANCIER	87 595,95 \$
ULTIMA ASSURANCES	69 702,00 \$
VILLE DE ST-SAUVEUR	201 958,03 \$
Total	<u>6 640 599,34 \$</u>