



VILLE DE LAC-BROME  
TOWN OF BROME LAKE

## REPORT FROM MAYOR RICHARD BURCOMBE ON TOWN OF BROME LAKE'S FINANCIAL SITUATION

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November 2<sup>th</sup>, 2015

Dear Colleagues,  
Ladies,  
Gentlemen,

In accordance with section 474.1 of the *Cities and Towns Act*, I present the report on Town of Brome Lake's financial situation.

The following subjects are discussed briefly:

- the financial statements and auditors' report for the fiscal year ended December 31, 2014;
- the three-year capital expenditures program currently in progress;
- preliminary information regarding 2015 financial results;
- the general directions of the 2016 budget and the next three-year program of capital expenditures;
- the list of all contracts involving an expenditure exceeding \$25,000 entered into by the municipality since the last Council meeting or since the last Mayor's report was filed;
- the list of all contracts involving an expenditure exceeding \$2,000 entered into within that period with the same contracting party involving a total expenditure exceeding \$25,000;
- The remuneration of elected officials in 2015.

### **2014 FINANCIAL STATEMENTS**

These statements were filed at the regular meeting this past June 8, 2015.

The 2014 fiscal year ended with a **surplus of \$640,000**.

On December 31, 2014, the Municipality's debt was \$9,619,000 and this is assumed by:

All taxpayers:	\$7,300,000
Government subsidies:	\$1,608,000
Taxpayers' portion – water/sewage:	\$ 711,000

Note that the total long-term net debt by unit of evaluation of the Town of Brome Lake compares favorably to that of towns across Quebec. (TBL: \$1,726 and all of Quebec : \$5,757 )

## **AUDITOR'S REPORT**

Auditing of our books as of December 31, 2014, was entrusted to the firm Raymond Chabot Grant Thornton.

The independent auditor's report contains no restrictions and indicates that the consolidated financial statements provide a true picture of the financial situation of the Town of Brome Lake and of the organization that is under its control as at December 31, 2014, that being Brome Lake Recreation and Community Services. All of the above is in conformance with Canadian accounting standards for the public sector.

## **CAPITAL EXPENDITURES PROGRAM FOR THE YEARS 2015-2016-2017**

The 2015-2016-2017 three-year program forecasted expenditures of \$5,970,000 for the year 2015, of which the major expenditures were as follows:

- Sewer/water system, Trailer park – West-Brome : \$2,100,000
- Repairs of roads : \$2,000,000
- Sewer / Water , Other : \$ 590,000
- Repairs of sidewalks : \$ 200,000
- Activate the Jolibourg well : \$ 100,000
- Build of a skate park : \$ 75,000

The project concerning the addition of a waste water treatment system and bringing the drinking water treatment system of the West-Brome mobile home park up to current standards is still, as of this date, awaiting answers from the *Ministère des Affaires municipales* (MAMOT).

A complete analysis of repair needs on roads and sewer and water systems has been completed and integrated in the intervention plan required by the MAMOT. This plan allows us to prioritize the work to be done according to objective criteria of Civil Engineering and is also a prerequisite for access to grant programs.

To date, below are the main achievements as well as those in progress:

- Repair of sidewalks;
- Construction of a skate park;
- Activation of the Jolibourg well;
- Installation a flow meter to better quantify overflows;
- Installation of water meters;
- Purchase of a new generator for City Hall;
- Purchase of breathing equipment for firefighters.

### **PRELIMINARY INFORMATION REGARDING 2015 FINANCIAL RESULTS**

We expect to finish the year 2015 with a surplus of \$289,000. This surplus is mainly due to the following variations (favorable (unfavorable)):

Revenues quarries and sand pits rights:	\$(130,000)
Grants related to the ice storm 2013-14:	\$ 70,000
Savings in road network service:	\$ 188,000
Savings in planned investments:	\$ 129,000
Other:	<u>\$ 32,000</u>
<b>2015 Anticipated surplus</b>	<b>\$ 289,000</b>

The Town's end of year 2015 debt will be \$ 8,595,000.

### **GENERAL ORIENTATIONS OF THE 2016 BUDGET AND THE NEXT THREE-YEAR PROGRAM OF CAPITAL EXPENDITURE**

The administrative team and the Elected Officials are currently working on the development of the budget for the year 2016. By the end of November, they will be familiar with the files, analyze the various proposed scenarios and make the choices to finalize the 2016 budget framework. The 2016 budget and three-year program of capital expenditures will be presented at a special sitting of Council to be held on December 14, 2015.

As you know, Council undertook a strategic planning initiative for 2015-2020. The general guidelines of the 2016 budget and the three-year capital program will obviously be aligned with the five (5) major issues:

- Modernizing municipal infrastructures;
- Strengthening economic and demographic development;
- Enhancing quality of life;
- Protecting the environment and Brome Lake;
- Solidifying the town's governance and institutional relations.

Given their condition, particular emphasis will be placed on the rehabilitation of infrastructures, especially roads, sidewalks and sewer and water systems. Note, however, that none of Towns services will be neglected.

We will continue to review our expenses, our revenues sources and our ways of doing thing in order to get the maximum out of our services and results for the money spent, ensuring that each Town sector receives its fair share. This revision will be done throughout our mandate.

### **LIST OF CONTRACTS FOR AMOUNTS EXCEEDING \$25,000**

As per Article 474.1 of the *Cities and Towns Act*, I am filing the list of all contracts involving an expenditure exceeding \$25,000 entered into by the municipality since the last sitting of Council when such a report was filed, as well as a list of all contracts involving an expenditure exceeding \$2,000 entered into within that period with the same contracting party and involving an expenditure exceeding \$25,000.

Consultation of this list is available at the Town Clerk's office and on the Town's website at [www.ville.lac-brome.qc.ca](http://www.ville.lac-brome.qc.ca)

### **REMUNERATION OF ELECTED OFFICIALS IN 2015**

In accordance with *An Act respecting the remuneration of elected municipal officers*, I inform you that the municipality is paying in 2015 the sum of \$23,534 to the Mayor as base pay and a non taxable expense allocation amount of \$11,766.

Each councillor receives the sum of \$7,844 as base pay and an expense allocation amount of \$3,922.

In addition, the Mayor receives a remuneration sum of \$3,666 as base pay and a non taxable expense allocation amount of \$1,833 as the Town of Brome Lake's representative on the Brome-Missisquoi RCM's Council.

### **CONCLUSION**

I want to acknowledge the commitment of the Town's elected officials, management team and general staff towards its sound management.

I also thank the numerous citizens whose participation in the Town's various committees and volunteering work carried out for the well-being of our community, continues to contribute to its success.