



**Mayor's Report on the 2015 financial situation
Tabled in August 2016**

Dear citizens,

I am pleased to present the annual report on the financial situation of your borough, in accordance with section 144.7 of the *Charter of the Ville de Montréal*. This report summarizes the various achievements recorded in 2015 and looks ahead to those that are anticipated in 2016. We take pride in the many projects that have been put forward for the benefit of the entire population of Côte-des-Neiges—Notre-Dame-de-Grâce.

The borough's budget is always twofold. The operations section, for one, is dedicated to snow removal operations, waste collection, sports and recreation, and anti-poverty measures. The *Three-Year Capital Works Program* includes investments – made over three years and financed through borrowing – earmarked for road repairs, urban furniture, and parks development.

Since 2013, our objective has been to manage the budget with rigour and prudence, and this report attests to that sound management. The year 2015 saw us make significant improvements to our parks as well as our urban and underground infrastructures, and we also succeeded in increasing the number of services offered in sports, recreation and culture. We intend to stay the course if not step up our efforts in 2016, still with the objective making our borough a healthy place to live, where people move, thrive and prosper.

We can be proud of the fact that we generated a surplus of more than \$7M. The centralization of some of our activities with those of the Central City will allow us to continue managing the public purse with renewed rigour. Not to mention the total of about \$20,490,000 that we expect to invest directly in the community, as set out in the 2017-2019 *Three-Year Capital Works Program*.

Every day, borough employees and elected officials endeavour to practice sound and prudent management of the sums entrusted to us, mindful of the importance of continuously improving the services we offer our citizens while respecting their ability to pay.

Russell Copeman
Borough Mayor

PRINCIPAL ACHIEVEMENTS 2015

PARKS DEVELOPMENT AND REAL ESTATE ASSETS

Notre-Dame-de-Grâce Cultural Centre

Construction of the new cultural centre and library.

Parc Rosemary-Brown, parc Loyola and parc Van Horne

Start of project to transform the wading pools into water play modules (*Programme Aquatique Montréal*).

Parc de la Confédération

Start of work to transform the pétanque field into an urban agriculture garden for vegetables and fresh herbs.

Parc de Kent

Repairs on the masonry facades at the Pavillon des baigneurs.

Parc Georges-Saint-Pierre, parc Loyola and parc William-Hurst

Roofing repairs on park chalets.

Parc Georges-Saint-Pierre and parc William-Bowie

Installation of new grandstands alongside the soccer field.

Parc Mackenzie-King

Updating the play equipment.

Parc Loyola

Start of work on the lighting for the small baseball field.

Parc Nelson-Mandela

Development of a multi-purpose playing field.

Madison municipal yards

Structural repairs on salt and equipment shelters.

Centre communautaire et centre Le Manoir Notre-Dame-de-Grâce

Mechanical and corrective structural work, repairs on the gymnasium floor, roof and low roofs.

Aréna Bill-Durnan

Start of the project to update the refrigeration system.

URBAN DEVELOPMENT AND BUSINESS SERVICES

- Ongoing infrastructure development work in the public domain as part of the CHU Sainte-Justine expansion project.
- Development work in the public domain on chemin de la Côte-des-Neiges.
- Start of development and infrastructure work on the Le Triangle project, and acquisition of a lot from the Volvo dealership in order to create a park.
- Maintenance of two building sanitation inspector positions.
- Planning of development work on rue du Frère-André.

BOROUGH MANAGEMENT

- Application of the prevention project in workplace health and safety.
- Organizational optimization as part of the *five-year labour force plan*, involving the elimination of 16 positions.

SPORTS, RECREATION, CULTURE AND SOCIAL DEVELOPMENT

- The Borough purchased and took possession of the divided part of the new building and the Centre communautaire Abe-Limonchik, in co-ownership with the OMHM.
- New equipment (2) for the Conserre mobile urban agriculture container.
- Donation of a piano to CHU Sainte-Justine; the piano is placed on the hospital site during the summer, as part of the *Hors les murs* project.
- Purchase of furniture for the intercultural library as well as the Côte-des-Neiges and Notre-Dame-de-Grâce libraries.
- New summer activity: outdoor film showings at parc Notre-Dame-de-Grâce and parc Jean-Brillant, with a total of 12 showings before more than 5,000 spectators.

PUBLIC WORKS AND PARKS

- **Repairs on the water supply infrastructure:**
 - 1,447 full fire hydrant inspections;
 - 1,554 network valve inspections;
 - 191 water leaks repaired;
 - 74 lead water service connections replaced;
 - 16.5 km of auscultations and 0.7 km of sewer mains cleaned;
 - 2,202 sumps cleaned and 95 replaced;
 - 38 network valves replaced;
 - 229 access boxes repaired (pneumatic excavation);
 - 17 sewer manholes replaced.
- Tree cutting and grubbing operations to counter emerald ash borer infestations.
- Additional pothole filling operations.
- Massive unfreezing operation on pipes in more than 177 private properties in the borough and 112 properties in Outremont.

LIST OF CONTRACTS TOTTALLING \$25,000 OR MORE

The list of contracts – including those for more than \$2,000 concluded with the same contractor and totalling \$25,000 or more, during the period from June 1, 2015 to May 31, 2016 – may be consulted on the Ville de Montréal website at: ville.montreal.qc.ca/cdn-ndg

MOST RECENT FINANCIAL RESULTS (2015)

Expenditure budget	\$74,791,700
Local revenue budget	\$2,799,880
Net management surplus	\$7,332,083

The borough's operating expenditures led to a surplus of \$7,332,083, which stemmed mainly from:

- The reduced labour force deficit and lower expenditures for other budgetary items, particularly snow removal operations;
- The revenue surplus from parking, public property occupancy permits, and various technical services;
- OSH reimbursement resulting from our efforts in relation to occupational safety and prevention files.

MAIN VARIATIONS | REVENUE

Services rendered and other revenues:

- Additional revenues of \$0.8M stemming from public property occupancy permits;
- Favourable variance of \$0.5M generated by contributions for needs related to parks and parking;
- Additional revenues of \$0.5M from parking tickets and meters as well as admission fees to the Centre sportif de Notre-Dame-de-Grâce.

Central City transfers:

- The variance stems mainly from specific agreements with certain central services (e.g., partnership agreement on the maintenance of secondary water supply networks).

OPERATING EXPENDITURES | BUDGET

The principal variations between the original budget and the amended budget concern:

- The integration of the real-estate management team into the Direction des services administratifs, which generated a net variance of \$0.4M;

General administration:

- Essentially, savings of \$1.3M were recorded in various technical services and in unused rights of access to courts.

Transportation:

- Savings of \$0.7M recorded, mainly on snow removal and transportation operations, and road works;
- Conversely, a cost overrun of \$0.3M was recorded for street lighting.

Land use, urban planning and development:

- Savings of \$0.5M recorded in general expenditures;
- Additional expenditures of \$0.2M in building rentals.

Environmental hygiene:

- Work operations on the water supply and sewer networks, costing \$1.7M and reimbursed on a subsequent date by the Central City;
- Savings of \$0.3M recorded in activities related to residual materials, mainly in the remuneration of blue collar workers.

OPERATING ACTIVITIES

REVENUS in thousands of dollars	Budget 2015	Achievements 2015	Achievements 2014
Taxes	88	86	87
Payments in lieu of taxes			
Transfers		7	14
Services rendered	2,464	3,480	4,167
Imposition of duties	52	1,136	2,203
Fines and penalties	197	367	203
Interest			
Other revenues		573	207
Central transfers	71,608	73,262	70,159
Total	74,409	77,911	77,040
Operating expenditures			
General administration	9,146	7,325	6,824
Public security	463	549	527
Transportation	21	20	21
Environmental hygiene	14	15	15
Health and well-being	1,745	1,548	1,590
Land use, urban planning and development	4,038	3,670	3,585
Recreation and culture	24	24	24
Financing charges	74,792	73,413	73,725
Surplus (deficit) for the financial year	(383)	4,498	3,315
Financing			
Reimbursement of the long-term debt			
Reserve			
Capital asset activities		(158)	1
Unrestricted surplus			
Restricted surplus	383	1,273	915
Financial reserves and funds earmarked		(468)	15
Provision for future amounts		30	5
Total	383	677	936
Management surplus based on amended budget		5,175	4,251
Ajustements		2,157	1,350
Management surplus		7,332	5,601

CAPITAL ASSET ACTIVITIES FOR TAX PURPOSES

The last Three-Year Capital Works Program (TCWP)

The last TCWP called for the following investments:

2015	\$7,451,000
2016	\$6,830,000
2017	\$6,830,000

The Borough incurred capital asset expenditures in the order of \$9,493,000 for the year 2015. A sum of \$6,853,000 was financed through borrowing, and a sum of \$2,604,000 stemmed from the borough's operating budget surplus, the parks fund, or grants.

The Borough also benefitted from several investments from the Central City for purposes of completing some of its projects: the construction of the new Notre-Dame-de-Grâce Cultural Centre and the acquisition of the Benny Library's first collection of books; the updating of the Aréna Bill-Durnan; the transformation of wading pool into water play modules (Programme Aquatique Montréal); the road repair program (RRP); and the project to develop the public domain in Le Triangle.

Côte-des-Neiges—Notre-Dame-de-Grâce: \$8.6M Central City

Construction of a library:	\$1.9M
Road repair program: (local and arterial)	\$4.1M
Development of old parks:	\$1M
Replacement of vehicles:	\$0,4M
Le Triangle project:	\$1.2M

PRELIMINARY INFORMATION ON FINANCIAL RESULTS (2016)

The 2016 expenditure budget was set at \$74,000,000, the local revenue budget at \$2,449,800.

Several budgetary changes have marked the year 2016 to date, including the following:

- Centralization of management contracts for residual materials (technical services) through the divestment of \$4,169,900;
- Application of year three of the five-year labour force plan;
- Pursuit of the five-year borough financing reform, in accordance with the parameters set out, and adjustment of \$2,137,200, including the financing portion from the Central City for the new Notre-Dame-de-Grâce Cultural Centre;
- Integration of the agreement with the Service de l'eau into the borough's budget, coupled with an adjustment of \$1,479,500;
- Opening and operation of the new Notre-Dame-de-Grâce Cultural Centre.

At the beginning of 2016, the Borough was able to stay within the usual snow removal norms, with some 140 cm of snow requiring four loading operations and 12 abrasive spreading operations. Snow removal management must be centralized during the year 2016, but the Borough will continue to carry out the operations.

GENERAL BUDGET ORIENTATIONS FOR 2017 AND THE *THREE-YEAR CAPITAL WORKS PROGRAM FOR 2017-2019*

The orientations for 2017 will be determined by the Central City over the course of the summer of 2016.

Already, however, we know that the important budgetary orientations for our borough in 2017 will include the following:

- Centralization of the rolling stock and revenues for universal permits (*car2go*);
- Complete centralization of snow removal management operations;
- Continued efforts to limit the local tax increase.

Concerning the TCWP 2017-2019, we expect to invest a total of \$20,490,000 over three years:

2017	\$6,830,000
2018	\$6,830,000
2019	\$6,830,000