



MAYOR'S REPORT ON THE 2016 FINANCIAL SITUATION

TABLED IN AUGUST 2017



MESSAGE FROM THE MAYOR

Dear fellow citizens,

I am pleased to present the annual report on our borough's financial situation again this year – an exercise in transparency and information that we provide for you in accordance with section 144.7 of the *Charter of Ville de Montréal*. The report paints an overall picture of our achievements in 2016 and the many upcoming projects that will benefit everyone in the Côte-des-Neiges-Notre-Dame-de-Grâce borough.

The borough's budget is divided into two parts: operations and investments, i.e. the Three-year Capital Works Program (TCWP). Operations include snow removal, waste collection, sports and recreation and anti-poverty measures. The TCWP covers investments planned over the next three years, financed through borrowing, earmarked for such purposes as repairing and maintaining our infrastructures and our buildings, upgrading our parks and purchasing urban furniture.

Our objective has been to manage the budget strictly, but also to take on ambitious projects for the borough. This approach allowed us once again this year to re-inject surpluses of over \$5 M in strategic projects. Respecting these management principles in 2016 and 2017 will allow us to continue maintaining our urban infrastructure. No fewer than 24 km of streets were paved in 2016 and we plan to do even more this year. This responsible management approach gives us the means to fulfil our ambitions and make our borough a great place to live.

To keep pace with people's changing lifestyles, we are continuing to transform the Le Triangle sector into a greener and more sustainable residential neighbourhood. And with the creation of the first Fab Lab in Montréal as part of the Montréal, Smart and Digital City program, along with a roundtable on anti-poverty measures, we are demonstrating our ability to innovate and our desire to keep doing more.

Day after day, the employees and elected officials of your borough strive to offer everyone quality services, and we are aware of how important these services are to you.

Russell Copeman
Borough Mayor

MAIN ACHIEVEMENTS

IN 2016

Development of parks and other real estate assets

Parc Van Horne

- Converting the wading pool to a water play area under the Programme aquatique de Montréal (PAM).

Parc de la Place Darlington

- New water play modules.

Parc de la Confédération

- Converting the pétanque court into an urban agriculture garden (vegetables and herbs).

Parc Marie-Gérin-Lajoie

- Rehabilitating and upgrading the park through infrastructure work on the walking and cycling paths and the addition of street furniture.

Rue du Frère-André

- Converting the street to a pedestrian mall as part of the program to create pedestrian and shared streets.

Parcs Georges-Saint-Pierre, Loyola and William-Hurst

- Repairing the park chalet roof.

Parc Loyola

- Lighting work on the small baseball diamond.

Notre-Dame-de-Grâce Community Centre

- Masonry repairs.

Notre-Dame-de-Grâce Cultural Centre

- Completing the construction of the new Notre-Dame-de-Grâce Cultural Centre and Benny Library.

Bill-Durnan arena

- Retrofitting the arena's refrigeration system.

Parc de Kent and parc Notre-Dame-de-Grâce

- Building two public squares as heritage legacies for Montréal's 375th anniversary.

Housing, urban development and business services

- Ongoing development work on the public domain along chemin de la Côte-des-Neiges.
- Ongoing development and infrastructure work on the Le Triangle project, and acquisition of a lot from the Volvo dealership in order to create a park.
- Permanently hiring two building sanitation inspectors.
- Permanently hiring an animal control officer.
- Purchasing three electric cars for building inspectors.

Borough management

- Creating a monetary reserve for social housing.
- Organizational optimization under the five-year workforce plan.

Culture, sports, recreation and social development

- Officially opening the Notre-Dame-de-Grâce Cultural Centre.
- Creating Montréal's first Fab Lab (factory laboratory), with a 3D printer and robotics, as part of the Montréal, Smart and Digital City program.
- Improving digital services in all borough libraries, by adding Internet stations and audiovisual equipment available to the public (televisions, video games, sound systems).
- Creating a partnership with the Fraser Hickson Library as part of "Off the Wall" activities.
- As part of "May, Physical Activity Month," inaugurating the first "Mayor's Walk" and organizing a public celebration

Public works and parks

- **Road repair program (PRR):**
 - nearly 24 km of streets paved;
 - 37,348 square metres of sidewalks repaired;
 - 129 speed bumps (traffic calming measures) and 10 sidewalk extensions installed.
- **Repairs to water-supply infrastructure:**
 - 1,712 full fire hydrant inspections and 34 replacements;
 - 942 network valve inspections;
 - 453 valve boxes cleaned;
 - 177 water leaks repaired;
 - 80 lead water service connections replaced;
 - 10.1 km of auscultations and 2.5 km of sewer mains cleaned;
 - 1,712 sumps cleaned and 89 replaced;
 - 18 network valves replaced;
 - 162 access boxes repaired (pneumatic excavation);
 - 8 sewer manholes replaced;
 - 16 domestic drains replaced;
 - 17 full replacements or installations of service connections.

- **Combatting emerald ash borer infestations:**

- 383 ash trees felled;
- 726 trees planted (different species).

List of contracts of \$25,000 or more

The list of contracts for \$25,000 or more for the period from June 1, 2016 to May 31, 2017, including contracts over \$2,000 with a single vendor totalling \$25,000 or more, has been officially tabled and may be viewed on the Ville de Montréal website at

VILLE.MONTREAL.QC.CA/CDNNDG

LATEST FINANCIAL RESULTS (2016)

BUDGETED EXPENDITURE

\$74,000,000

BUDGETED LOCAL REVENUE

\$2,449,800

NET MANAGEMENT SURPLUS

\$5,084,600

The borough surplus for 2016 came from:

- an operating surplus of \$1.2 M;
- surplus revenue of \$1.7 M and revenue adjustments of \$2.1 M, including an amount of \$1.1 M related to the combination of revenue from construction and alteration permits (\$1.1 M) and an amount of \$0.3 M for permit application reviews;
- other adjustments of \$0.7 M, including \$0.3 M for the 2012–2021 Canopy Action Plan.

OPERATING ACTIVITIES (\$'000s)

	2014	Actual 2015	2016	Original budget 2016	Variance 2016	Amended budget 2016
REVENUE						
Taxes	87.0	85.8	132.8	84.6	48.2	84.6
Services rendered and other revenue	5,250.3	4,556.3	4,059.0	2,365.2	1,693.8	2,368.7
Transfers	13.6	7.0	6.1	-	6.1	-
Central transfers	66,889.7	69,568.2	68,762.5	70,693.0	(1,930.5)	69,050.0
Total – Revenue	72,240.6	74,217.3	72,960.4	73,142.8	(182.4)	71,503.3
OPERATING EXPENDITURES						
General administration	6,823.3	7,324.9	7,962.7	9,489.3	1,526.6	9,076.4
Public security	527.2	548.5	565.3	569.3	4.0	572.3
Transportation	20,503.1	20,845.9	19,602.2	21,832.9	2,230.7	20,022.9
Environmental health	11,355.4	11,684.9	11,812.7	11,563.7	(249.0)	11,580.5
Health and well-being	1,590.3	1,547.9	1,416.8	1,385.8	(31.0)	1,449.0
Land use, urban planning and development	3,585.3	3,669.8	3,963.1	4,150.1	187.0	4,214.2
Recreation and culture	24,540.7	24,628.7	25,801.3	25,008.9	(792.4)	25,446.3
Total – Operating expenditures	68,925.3	70,250.6	71,124.1	74,000.0	2,875.9	72,361.6
Allocations	935.7	1,208.3	1,145.8	857.2	288.6	858.3
Management surplus (deficit) based on original budget	4,251.0	5,175.0	2,982.1	-	2,982.1	-
Adjustments	1,350.0	2,157.0	2,102.5			
Management surplus (deficit)	5,601.0	7,332.0	5,084.6	-	5,084.6	-

CAPITAL WORKS ACTIVITIES FOR TAX PURPOSES

Latest Three-Year Capital Works Program (TCWP)

The latest TCWP called for the following investments:

2016	■ \$6,830,000
2017	■ \$6,830,000
2018	■ \$6,830,000

Highlights of the 2016 TCWP

- Road repair and traffic calming program: \$4.1 M.

- Completing the Notre-Dame-de-Grâce Cultural Centre: \$2.5 M.
- Retrofitting the parc Trenholme wading pool and converting the parc Van Horne wading pool to a water play area: \$0.4 M (PAM program).
- Building new water play modules in Place Darlington: \$0.4 M.
- Purchasing vehicles: \$1.0 M.
- Retrofitting the Bill-Durnan arena: \$0.5 M.
- Combating emerald ash borer: \$0.3 M.
- Parcs Georges-Saint-Pierre, Loyola and William Hurst chalet roof repairs: \$0.1 M.

The borough also benefited from investments by the Central City to carry out certain projects: in particular, continuing work to develop Le Triangle (\$3.7 M), repairs to arterial streets (\$3.8 M), additional repair work on local streets (\$1.6 M), roadway milling and paving work (\$0.9 M) and upgrading several parks, including Loyola and Van Horne (\$0.4 M), for total investment of \$10.4 M by the Central City.

PRELIMINARY INDICATIONS OF FINANCIAL RESULTS

2017

Budgeted expenditure for 2017 was set at \$64,084,600 and local revenue at \$2,297,600.

To date, the most significant changes to the 2017 budget have been:

- Combining the snow-removal contracts and management of rolling stock.
- Centralizing wired telephony and data transmission.
- Centralizing revenue from universal parking stickers (Car2go).
- Decentralizing revenue from permit application reviews, after it was first centralized.
- Continuing the five-year workforce plan.
- Applying the third year of the five-year borough financing reform, in accordance with the defined parameters.

- Abolishing the inter-unit charge for court liaison officers.
- 1% indexing of the central transfer budget.

The 225 cm of snowfall in winter 2016–2017 was considered above average, and called for more extensive snow-removal operations, including 5 snow-loading operations and 16 abrasive-spreading operations.

GENERAL BUDGET ORIENTATIONS FOR 2018 AND THE THREE-YEAR CAPITAL WORKS PROGRAM

2018-2020

Boroughs were given their budgetary envelopes in late June 2017.

We already know that budgetary orientations for our borough in 2018 will include:

- Savings from the five-year workforce plan will be retained by the borough, but any increase in compensation must be absorbed in the borough's financial framework.
- In keeping with the borough financing reform (RFA), central transfers are being amended depending on the different orientations established. These transfers include adjustments from the ongoing application of the RFA, updated parameters, and the 1% indexing of transfers in 2017.
- In terms of compensation, borough budgets for 2017 have been reduced by the equivalent of 2.5%, for the estimated savings from vacant positions. This is a recurring reduction.

Concerning the 2018–2020 TCWP, we expect to invest a total of \$20,490,000 over three years, as follows:

2018	■ \$6,830,000
2019	■ \$6,830,000
2020	■ \$6,830,000