

## **OFFICE OF THE MAYOR**

### **MAYOR'S REPORT**

**December 1st, 2015**

To all the taxpayers of the Town of Bedford,

In accordance with and as required by law, we hereby present the mayor's annual report on the financial situation of the municipality.

This document covers the following topics:

- a) **Remuneration of elected officials of the Town of Bedford (2015);**
- b) **2014 financial statements and auditor's report;**
- c) **Three-year program of fixed assets 2015-2016-2017 (year 2015);**
- d) **Present financial year ending on December 31st, 2015;**
- e) **Guidelines of 2016 budget;**
- f) **Deposit of the list of contracts over 25 000\$ ;**

#### **Conclusion.**

##### **a) Remuneration of elected officials of the Town of Bedford (2015)**

In accordance with Article 11 of the law on the treatment of municipal officials, the mayor declares annually the remunerations and expense allowances of each member of the council, as decreed by our municipal bylaws.

The remunerations, including the allowances for expenses paid to the members of council (33 % of the amount), are, for year 2015 :

- a) for the mayor : 22 770.00 \$
- b) for each councillor : 8 258.00 \$

Elected officials attending a special meeting receive a remuneration of 50.00\$.

Elected officials who attend a convened meeting receive 50.00\$.

The mayor (or his representative) who attends the meetings of Brome-Missisquoi RCM receives an amount of 273.00 \$ for each meeting. Brome-Missisquoi RCM holds 12 regular meetings, therefore 3 276.00 \$ will be paid to the mayor or his representative. The mayor receives from Brome-Missisquoi CLD an amount of 192.00\$ for each meeting as member of the Board of Directors. If the mayor sits on one of the Brome Missisquoi RCM committees, he receives a sum of 192.00 \$ per convened meeting. From October 2014 to September 2015, the mayor has received a total amount of 5 522.50\$ and his representative has received for the same period a sum of 819\$.

In 2015, the elected official designated as delegate for inter-municipal organizations receives 50.00\$ for each meeting he attends and 100.00\$ for the meetings where he presides the organizations assembly.

However, some inter-municipal bodies such as the Inter-municipal Board for the disposal of solid waste in Brome-Missisquoi, pay the expenses for the presence of elected officials to their sittings. The representatives of the Town of Bedford (2) receive as members of the Board of Directors the sum of 126\$ per session or meeting. On October 31, 2015, the mayor received the sum of 1,449\$ and the municipal councillor the sum of 1,575 \$.

**b) 2014 financial statements and auditor's report**

At the end of the fiscal year 2014, total consolidated revenues amounted to 5 906 153\$ and total allocations and total expenditures amounted to 5 873 969 \$. The difference is thus a consolidated surplus of 32 184\$ for the fiscal year 2014. The deficit from municipal administration operations is 112 190 \$, while the surplus from the Inter-Municipal Board for solid waste disposal in Brome-Missisquoi is 144 374 \$.

The audit of the books of the Town of Bedford was entrusted to the firm Raymond Chabot Grant Thornton S.E.N.C.L.R, Chartered Accountants. The auditor's reports indicates that :

« The consolidated financial statements present, in all material respects, a true and fair view of the financial position of the Town of Bedford and the partnership in which it participates at December 31, 2014 and the results of their operations, changes in financial assets (clear of debt) and cash flows for the year then ended, in accordance with Canadian Accounting standards for the public sector».

**c) Three-year program of fixed assets 2015-2016-2017 (year 2015)**

The triennial program of fixed assets 2015-2016-2017 amounted to the sum of 5 835 350 \$.

INVESTMENTS	<u>2015</u>	<u>2016</u>	<u>2017</u>
	\$	\$	\$
Environmental health :			
Repair study of dams no 4 et 3	50 000		
Intervention plan TECQ 2014-2018	22 300		
Upgrading wastewater treatment plant	19 200	1 200 000	
Draining of ponds		80 000	
Community Center :			
Windows		41 650	41 650
Municipal Roadways :			
Sidewalks repair	22 000	20 000	20 000
Leisure and culture			
Arena : Upgrading		2 500 000	
Roof repair	108 000		
Urban planning :			
Development of parking lots			
Public park Dr Adrien Tougas	32 450		
Trail Des Meules	15 700		
Place de l'Estrie	16 400		
Development near Zéphir-Falcon bridge	6 000		
Administrative Management :			
Water Tower/Study-painting	25 000		350 000
Purchase of lots	15 000		
Fred Gilman Industrial Park :	300 000	300 000	
Water Tower development (Phase 2)			180 000
Public Security :			
Purchase of a pump truck	440 000		
	<u>1 072 050 \$</u>	<u>4 171 650 \$</u>	<u>591 650 \$</u>
	=====	=====	=====

**d) The present financial year ending on December 31st, 2015**

The unconsolidated budget adopted amounted to 4 990 845 \$ and the monthly report dated 31 October 2015 indicates the following:

<b><u>REVENUES</u></b>	<b><u>BUDGET 2015 AS ADOPTED</u></b>	<b><u>COLLECTED REVENUES ON OCT 31, 2015</u></b>
Taxes	3 610 900 \$	3 616 647 \$
Compensation for taxes	172 885	123 515
Services provided/municipalities	318 554	263 162
Other revenues	94 000	114 777
Other services provided		294 600378 012
Conditional transferts GVT	319 205	294 217
Not allocated surplus	308 604	
Grand total revenues	<u>5 118 748 \$</u> =====	<u>4 790 330 \$</u> =====

<b><u>EXPENSES</u></b>	<b><u>BUDGET 2015 AS ADOPTED</u></b>	<b><u>REAL EXPENSES ON OCT 31st, 2015</u></b>
Administration	722 115	615 604
Public Security (police- fire- civic sec.)	612 239	556 549
Road transport	508 546	386 392
Environmental health(aqueduct- sewer- garbage)	1 210 610	956 619
Health, well-being and Municipal Housing Office	17 300	27 000
Urban planning and development	190 592	154 972
Leisure (Arena - Centre Perron- library)	776 296	745 179
Investment activities	444 050	
Financing fees (interest)	116 500	79 615
Debt service	520 500	174 136
Expenses total amount	<u>5 118 748 \$</u> =====	<u>3 696 066 \$</u> =====

Since the 2007 fiscal year, municipal agencies adopt accounting principles generally recognized and recommended by the Council on accounting in the public sector. The adoption of the new standards has implications for the presentation of financial information (new reporting entity). The main impact for us is the accounting of future welfare benefits. Besides, the data presented for 2015 are not consolidated.

During the year 2015, the replacement of municipal installations in part of Claves and Academie streets has been completed.

Under the grant program of the gas tax and the contribution of Quebec (TECQ) 2014-2018, the Town of Bedford had to prepare a new plan of action. In order to develop this plan of action, several mandates were awarded, amounting to nearly 40 00 \$. This plan of action should be presented before the end of year 2015 and will allow the elected municipal representatives to target the priority works to be done to municipal infrastructures.

In collaboration with its municipalities partners of the inter-municipal committee of fires, the Town of Bedford has proceeded to the purchase of a new pump truck to the amount of 510 245\$ (taxes included). This vehicle should be delivered in May 2016. The Town of Bedford has acquired a speed display to encourage drivers to reduce their speed and thus ensure safer traffic in the streets of the Town of Bedford.

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The Town of Bedford has acquired two (2) parcels of land (Du Pont Street and Highway 235). These purchase contracts are in preparation.

During 2015, a series of meetings were held with elected officials of seven (7) other municipalities in the western pole of the Brome-Missisquoi RMC over the sharing of the operating costs of Bedford arena. Even though it is in good condition, this arena needs a major upgrade of more than 5 200 000\$. Without the participation of the other municipalities of our pole in sharing the annual operating deficit, the short-term survival of the arena is threatened.

Taking into account expenses to be paid for the next two (2) months, already confirmed commitments, capital repayments and interest in November and December 2015 and taxes receivable in 2015, we expect to end the year with a small surplus, subject to verification to be completed by our external auditor.

**e) General guidelines of 2016 budget**

In September 2015, the municipalities and the Government of Quebec have approved a new 2016-2019 fiscal pact. The main measures of the 2015 transitional fiscal pact were renewed.

The new regulations on the quality of drinking water in force since early 2013 are resulting in higher and higher production costs. As part of the program of the Québec strategy for drinking water conservation, measures should be taken to reduce water use.

Finally, the new Federal Effluent Regulations of sewage systems and wastewater MDDELCC new standards for phosphorus release in 2017 will lead to major investments in the processing of wastewater for the Town of Bedford. Since the new phosphorus discharge standards for each of the municipalities are not identical and are determined by the receiver watershed, the management of the Town of Bedford turned to the Ministry of Municipal Affairs and Land Occupancy for their position on the eligibility for financial assistance. The Ministry does not seem very receptive with the attribution of financial aid since 95% of the phosphorus input come from farmers. Discussions are in process to present a timetable for carrying out acceptable work.

The Municipality must proceed in 2016 to upgrade the ventilation system of ponds 1 and 2 of the municipal treatment plant and, previously, to proceed to the pumping of sludge from these ponds.

**f) Deposit of the list of contracts over 25 000.00\$**

Under the terms of the law, the mayor deposits with his report the list of contracts concluded for and during the year 2015 which exceed 25 000.00\$. This list will be deposited during the regular meeting of December 1st, 2015 and will be available for consultation at the Town hall.

**CONCLUSION**

The budget of the year 2016 and the program of fixed assets for years 2016-2017-2018 will be adopted on time and taxpayers will be notified in advance, by public notice, of the adoption session.

Respectfully yours,

Yves Lévesque  
Mayor