

VILLE DE PERCÉ

**TO: THE MEMBERS OF CITY COUNCIL
THE TAXPAYERS OF THE VILLE DE PERCÉ**

FROM: ANDRÉ BOUDREAU, MAYOR

**SUBJECT: THE FINANCIAL REPORT IN ACCORDANCE WITH
SECTION 474.1 OF THE CITIES AND TOWNS ACT**

According to law, it is my duty at the end of the year to present a report on the financial situation of the municipality.

The chartered accounting firm "**Raymond Chabot Grant Thornton**" S.E.N.C.R.L. confirms hereby that financial statements of the Ville de Percé fully reflect its situation up to December 31, 2015, as well as the results of its operations and financial progression for the fiscal year ending on that date. These statements are in full accordance with the accounting principles commonly used for the municipalities of the Province of Québec.

WORKING SURPLUS

On **December 31, 2015**, the total unrestricted surplus amounted to **\$173,611**. Adjustments were made, the adjusted balance is **\$188,024**. Up to the present date, **\$4130** was taken from the surplus to cover unexpected or unbudgeted expenses.

Therefore, the Ville de Percé should have at its disposal **\$183,894** within the unrestricted surplus for the current fiscal year, ending December 31, 2016.

WORKING CAPITAL

On **December 31, 2015**, available funds amounted to **\$271,034** and the year's reimbursement to **\$71,799**.

On **December 31, 2016**, available funds will amount to **\$242,833** for a total committed amount of **\$257,167**, including an amount of \$100,000 incurred in 2015 for the acquisition of the former St. Michael School.

LONG-TERM DEBT

On December 31, 2015, the total long-term net debt amounted to **\$9,336,340** and was allocated as follows, to:

- the municipality: **\$5,536,703**
- the Government of Québec: **\$3,799,637**

Current-year reimbursements amount to **\$1,042,675**.

There was no new issuance during 2016.

On December 31, 2016, the long-term debt will therefore amount to **\$8,293,665** of which **\$4,910,778** are charged to the taxpayer, thus representing **2%** of the tax base, amounting to **\$234,872,024**.

THREE-YEAR PROGRAM OF CAPITAL EXPENSES

The three-year program of capital expenses is a plan by which the municipality selects capital-asset projects to be developed over the next three years. The last program shows total expenses amounting to **\$4,440,000** for 2016, 2017 and 2018.

The 2017-2018-2019 program of capital expenses will be issued along with the budget notification.

STATEMENT OF FINANCIAL ACTIVITIES

We expect to end the year on budget, as per the 2016 operating budget established at \$6,363,000, as long as no major unforeseen expenses are incurred by year end.

CONTRACTS

According to law, it is my duty to include in the present a list of all contracts involving an expenditure exceeding \$25,000 entered into by the municipality since the last sitting of the council at which mayor made a report of the financial position of the municipality. I shall also table a list of all contracts involving an expenditure exceeding \$2,000 entered into within that period with the same contracting party, if those contracts involve a total expenditure exceeding \$25,000. No contract of more than \$25,000 has been reached. The list of contracts over \$2,000 will be available at City Hall and on the website of the City (ville.perce.qc.ca)

REMUNERATION OF MEMBERS OF CITY COUNCIL

According to section 11 of the *Act Respecting the Remuneration of Elected Municipal Officers*, the present document must state the compensation of the members of City Council. In 2016 the Mayor's remuneration is \$19,903 plus an annual expense allowance of \$9,952. City councilors' annual remuneration is \$4,979 plus an expense allowance of \$2,489.

Elected municipal officials have the obligation to guarantee sufficient funds to ensure municipal responsibilities and maintain a safe margin of financial flexibility.

The tax burden of town of Percé must be stabilized. Therefore, we strive to develop other sources of income. Our development projects are required to be self-financing, rentable or generate important economic benefits for the entire population.

We talk vigorously with the Ministry of Municipal Affairs and Land Occupancy to show them that their new programs do not work here and that we are unfairly penalize.

Since the beginning of our mandate, we conducted a series of budget cuts and reorganization of services in all departments, which allowed us, despite government cuts, to improve our finances.

In 2016, new assessments have hurt a large majority of taxpayers. Be aware though that rule of assessment roll equilibration, imposed by the government of Québec, is repeated every six years in our city. Whether the current city council or an another, it will be the same. So I repeat, we must develop new sources of income if we want stop digging through your pockets.

Nothing is simple, pay attention to happiness merchants...

Percé, November 1, 2016.

André Boudreau
Mayor
Ville de Percé