



## Public Report on the highlights of the financial report and the report of the external auditor

Under the provisions of Article 176.2.2. of the Quebec Municipal Code:

*"The mayor, at a regular council meeting no later than in June, reports to the public on the highlights of the financial report, the Auditor General's report and the external auditor's report. This report is distributed in the territory of the municipality in accordance with the terms and conditions determined by the council."*

### **2023 Financial Statements**

The financial statement required of municipalities by the MAMH is very complex and provides a lot of information. This report is a summary of the main financial statements and its elements.

#### ***Audit obligation:***

The external auditor must, among other things, audit the financial statements for the year for which he was appointed. In his report, the external auditor declares whether the financial statements faithfully represent the municipality's financial situation as of December 31<sup>st</sup> and declares the same for the results of the municipality's operations for the fiscal year ended on the same date (section 966.2 Municipal Code).

Prepared by the accounting firm Gariépy Bussière CPA Inc., the audited financial statements for the year 2023, tabled in June 2024, demonstrate that the value of the citizens' assets amounts to \$9,870,965 compared to \$9,689,916 in 2022. This includes our infrastructure such as the town hall, the fire hall, the roadworks garage, all municipal roads and buildings, vehicles, etc. as well as the reserved funds and surpluses.

Fiscal year 2023 ended with a fiscal year surplus of \$143,033, an increase of \$106,731 on the previous year. The balance of this surplus is explained by the allocation of \$130,000 of the accumulated surplus allocated in 2023 to balance the budget that in the end, was not required, and by sound management of municipal finances. Concretely, the surplus allowed the Municipality to limit the tax increase by balancing the 2024 budget, so that the accumulated surplus allocated and reserved for the 2024 budget stands at \$200,000. The reserved funds amount to \$501,214 and are made up of the available balances of closed loan by-laws in the amount of \$142,153, the working capital fund of \$311,384, the mandatory fund (since 2022) of \$13,626 in anticipation of an election or referendum and the infrastructure and municipal equipment funds of \$34,051. The long-term debt as of December 31, 2023, for the Municipality of Mille-Isles is \$3,130,356, of which \$1,105,450 is payable by the Government of Quebec and its organizations.

The independent auditor's report indicates that the financial statements give, in all their material aspects, a true picture of the financial situation of the Municipality of Mille-Isles as of December 31, 2023, as well as of the results of their operations, changes in net financial assets (of their net debt) and of their cash flows for the year then ended, in accordance with Canadian public sector accounting standards.

### **Remuneration of elected officials**

Section 11 of the Act respecting the remuneration of elected municipal officers (L.R.Q., chapter T-11.001) provides that:

*"The treasurer or clerk-treasurer of a municipality whose by-law is in force shall include in the municipality's financial report a reference to the remuneration and expenses allowance that each member of the council receives from the municipality, an agency mandated by it or a supra-municipal body ... "*

Here is the 2023 remuneration for municipal council members:

<b>Fonction</b>	<b>Annual remuneration</b>	<b>Annual allowance</b>	<b>Yearly total</b>
Mayor	\$17,525	\$8,763	\$26,288
Mayor Deputy warden and Councillor at the MRC	\$13,064	\$6,532	\$19, 596
Councillors	\$5,842	\$2,921	\$8,763

### **List of contracts**

The mayor tables the list of all contracts involving an expenditure of more than \$2,000 concluded during the period from **January 1, 2023, to December 31, 2023**, with the same co-contractor when all of these contracts include a total expenditure that exceeds \$25,000. This list indicates, for each contract, the name of the counterparty, the amount of consideration and the purpose of the contract.



### **Highlights of the Year 2023**

In 2023, the Municipality of Mille-Isles obtained \$8,728 grant from the Government of Quebec and the Government of Canada under the Quebec Gas Tax and Contribution Program (TECQ). This recurring grant enabled the Municipality, in 2023, to replace a culvert on Benny Road.

In 2023 and 2024, the Municipality will have to complete all the investments in its five-year program under the TECQ 2019-2024 program, ensuring that it meets the minimum capital expenditure threshold of \$411,000. If we add this amount to the government contribution of \$1,257,539, we are talking about investments worth \$1,668,539 over the five years of the program, to be carried out from 2019 to 2024. To date, \$1,412,687 in eligible work has been carried out in the first five years. The balance of \$255,852 will be used to do paving and shoulder works on Montée du Pont-Bleu and other municipal roads.

As of December 31, 2023, there are eighteen (18) homes construction with a total estimated work value of \$6,805,000. There were applications for four (4) detached garages for an estimated value of \$320,000 and twenty-three (23) permits for the expansion and/or renovation of existing buildings for an estimated value of \$1,742,067. This data shows a significant increase over the previous years but a decrease compared to 2023, from a total estimated value of \$6,831,470 for 2020, \$8,205,468 for 2021, \$15,270,618 for 2022 and \$10,408,861 for 2023. It is important to note that the values reported for work generally differ from the value assigned by the appraiser when the work is completed.

The property value used for 2024 taxation is \$523,810,400 in assessed value compared to \$299,858,900 for 2023 taxation, an approximate increase of 75%. Of this assessed value, \$62,492,633 comes from the category of non-residential buildings (NRB). The NRB category is primarily composed of commercial properties, while the residual property category includes all other properties, including residential, vacant land and agricultural and forestry. A property may belong to both categories, depending on its activities. In the year 2020, Municipal Council made the decision to implement different tax rates for these two categories of buildings, as NRBs generally require more municipal services than residual buildings.

For three years, from 2024 to 2026, the new three-year roll has generated a drastic increase in taxable values because the Municipality had not sustained a significant increase of its taxable values since 2018 as the previous three-year roll had previously been renewed. However, the situation has changed as the current three-year roll was balanced, and the Municipality now has a comparative factor of 1.00 compared to last year's 1.52, which means that the property assessment values in Mille-Isles are getting very close, on average, to their market value.

In closing, I invite the citizens of Mille-Isles who wish to know more about the Municipality's financial situation to consult the website under the "Documentation" tab and the "Budget and Report" sub-tab. The 2023 financial report, the list of contracts and the 2024 budget forecast are available there. These documents are also available for consultation at the municipal office.

**Mayor Howard Sauvé**

*Original signed*

**July 3, 2024**

**Notice to readers: This report was presented at the regular council meeting of July 3, 2024**