



In conformity with section 105.2.2 of the Cities and Towns Act, I am pleased to present the highlights of the financial statements for the year ended December 31, 2022. The financial results in this report are a summary of the official financial statements of the City of Côte Saint Luc ("City") audited by Deloitte S.E.N.C.R.L. Although this report has important information, I invite you to view the detailed Ministry of Municipal Affairs (MAMH) financial statements posted on the City's website.

## Report Highlights

- ▶ In 2022, operating revenues increased by \$5.87 million (7.5%), operating expenses increased by \$6 million (8.8%), capital repayments increased by \$130,000 (2.3%), and appropriations to/from reserves increased by \$576,200 compared to 2021.
- ▶ The Agglomeration apportionment increased from \$29.4 million in 2021 to \$32.4 million in 2022. The majority of the \$3 million increase was due to the deficit incurred by the City of Montreal in 2020 related to net COVID-19 expenses.
- ▶ The City posted an operating surplus of \$2.87 million for 2022 that was possible due to large property sales that generated significantly more in transfer duties revenues than budgeted.
- ▶ The major variances that contributed to the \$2.87 million surplus (actual versus budget) are the following:
  - Revenues:** i) increase in transfer duties revenues (\$3.88 million); ii) increase in government grants/transfers (\$368,600); iii) increase in taxation revenues due to new construction/other (\$764,900); iv) increase in interest revenue due to higher interest rates (\$796,800); v) decrease in recreation and culture program revenues (\$465,600); and vi) increase in all other revenues (\$624,700) - total increase in revenues was \$5,969,400 compared to the original budget.
  - Expenses:** i) increase in administration, public safety and pension plan expense (\$311,600); ii) decrease in public works expenses, including snow removal (\$93,400); iii) increase in environmental services (\$129,500); iv) decrease in recreation, ACC and library expenses (\$548,300); v) decreases in appropriations from reserves (\$395,600). In addition, the City did not need to use any of the MAMH COVID grant (\$2,958,000) in 2022, therefore, it will remain in restricted surplus for future years. \$2.1 million of the grant will be used in 2023 to help cover the unexpected significant increase for the Agglomeration apportionment.
- ▶ The City's unrestricted operating surplus is \$14.3 million at December 31, 2022, compared to \$11.4 million at December 31, 2021. The unrestricted surplus can be used to finance capital projects or reduce long-term debt.
- ▶ In addition, the City has a restricted surplus of \$4.97 million at December 31, 2022. The restricted surplus includes the MAMH COVID grant (\$2.96 million), reserved funds for various capital projects (\$1.60 million) and legal purposes (\$400,000).
- ▶ The City spent \$12.1 million in capital expenditures in 2022. The expenditures were financed by government grants (\$3.97 million), internal transfers from surplus/reserves (\$1.2 million) and long-term debt (\$6 million). The balance will be financed in future years once projects are completed.
- ▶ The City's long-term debt has increased slightly to \$51 million at December 31, 2022, compared to \$50.7 million at December 31, 2021. The City borrowed \$6 million of new long-term debt and reimbursed \$5.7 million in capital repayments in 2022.
- ▶ The City received an unqualified audit opinion from Deloitte S.E.N.C.R.L. regarding the financial statements that were deposited by the City Treasurer to the Council on May 8, 2023. The auditor's report indicates that, in all material respects, the financial results present an accurate portrait of the City's financial position as at December 31, 2022.



| ÉTAT DES RÉSULTATS<br>Exercice terminé le 31 décembre 2022   |  | 2022              |                                | 2021                           | 2022 vs<br>2021                                   | STATEMENT OF OPERATIONS<br>Year ended December 31, 2022 |  |
|--|--|-------------------|--------------------------------|--------------------------------|---|---|--|
|  |  | Budget (\$)       | Réalisations<br>Actual<br>(\$) | Réalisations<br>Actual<br>(\$) | Aug./(dim.)<br>Inc./(Dec.)<br>(%)                 |   |  |
| REVENUS  | Taxes                                      | 67 233 500        | 68 126 053                     | 66 191 296                     | 2.9%  | REVENUES  | Taxes  |
|  | Compensation tenant lieu de taxes          | 1 635 000         | 1 607 031                      | 1 685 786                      | (4.7%)  |   | Payments in lieu of taxes                    |
|  | Transferts—subventions<br>(fonctionnement) | 1 415 170         | 1 790 851                      | 1 576 062                      | 13.6%   |   | Government grants<br>(operating budget only) |
|  | Autres revenus                             | 8 105 100         | 12 782 594                     | 9 040 007                      | 41.4%   |   | Other revenues                               |
|  |  | <b>78 388 770</b> | <b>84 306 529</b>              | <b>78 493 151</b>              | 7.4%  |   |  |
| CHARGES ET FRAIS DE SERVICE DE LA DETTE                      | Administration générale                    | 14 674 591        | 14 677 356                     | 12 613 934                     | 16.4%   | EXPENSES AND DEBT SERVICE COSTS                         | General administration                       |
|  | Sécurité publique                          | 15 052 411        | 14 943 379                     | 13 421 909                     | 11.3%   |   | Public security                              |
|  | Transport                                  | 17 721 793        | 17 495 881                     | 16 476 888                     | 6.2%  |   | Transportation                               |
|  | Hygiène du milieu                          | 10 341 455        | 9 792 881                      | 10 104 766                     | (3.1%)  |   | Environmental hygiene                        |
|  | Santé et bien-être                         | 441 785           | 441 127                        | 407 465                        | 8.3%  |   | Health and welfare                           |
|  | Aménagement urbanisme<br>et développement  | 2 291 250         | 2 320 152                      | 2 328 937                      | (0.4%)  |   | Urban planning and development               |
|  | Loisirs et culture                         | 21 534 145        | 20 853 818                     | 18 803 430                     | 10.9%   |   | Recreation and culture                       |
|  | Frais de financement                       | 1 038 000         | 1 240 905                      | 1 384 749                      | (10.4%)   |   | Financing expenses                           |
|  | <b>Sous-total</b>                          | 83 095 430        | 81 765 499                     | 75 542 078                     | 8.2%  |   | <b>Sub-total</b>                             |
|  | Remboursement de la dette à long<br>terme  | 5 131 900         | 5 680 100                      | 5 550 080                      | 2.3%  |   | Repayment of long-term debt                  |
| Affectations au / (du) budget<br>de fonctionnement           | (2 600 160)                                | 753 980           | 177 745                        | 324.2%                         | Appropriations to/(from)<br>the operating budget  |   |  |
|  | <b>85 627 170</b>                          | <b>88 199 579</b> | <b>81 269 903</b>              | <b>8.5%</b>                    |   |   |  |
| Revenus nets   | <b>(7 238 400)</b>                         | (3 893 050)       | (2 776 752)                    |                                | Net Revenues                                      |   |  |
| Ajustements: Amortissement                                   | 7 238 400                                  | 6 708 841         | 6 531 621                      |                                | Adjustments: Depreciation                         |   |  |
| Produit de cession / Gain<br>sur cession                     | 0  | 51 624            | 0                              |                                | Net proceeds of disposition /<br>Gain on disposal |   |  |
| <b>EXCÉDENT (DÉFICIT) DE<br/>FONCTIONNEMENT POUR L'ANNÉE</b> | <b>0</b>                                   | <b>2 867 415</b>  | <b>3 754 869</b>               |                                | <b>SURPLUS (DEFICIT) FOR THE YEAR</b>             |   |  |

| ÉTAT DE LA SITUATION FINANCIÈRE<br>Au 31 décembre 2022 |  | 2022                           | 2021                           | 2022 vs<br>2021                     | STATEMENT OF FINANCIAL POSITION<br>as of December 31, 2022  |
|--|--|--------------------------------|--------------------------------|-------------------------------------|---|
|  |  | Réalisations<br>Actual<br>(\$) | Réalisations<br>Actual<br>(\$) | Aug./.(dim.)<br>Inc./.(Dec.)<br>(%) |   |
| <b>ACTIFS FINANCIERS</b>                               |  |                                |                                |                                     | <b>FINANCIAL ASSETS</b>   |
|  | Trésorerie et équivalents de trésorerie  | 13 111 779                     | 10 771 079                     | 21.7%                               | Cash  |
|  | Débiteurs  | 16 743 238                     | 14 060 112                     | 19.1%                               | Accounts receivable   |
|  | Placements de portefeuille   | 0                              | 0                              |                                     | Investments   |
|  | Actif au titre des avantages sociaux futurs  | 0                              | 410 700                        | (100.0%)                            | Employee future benefits  |
|  |  | <b>29 855 017</b>              | <b>25 241 891</b>              | <b>18.3%</b>                        |   |
| <b>PASSIF</b>  |  |                                |                                |                                     | <b>LIABILITIES</b>  |
|  | Créditeurs et charges à payer  | 12 111 884                     | 9 617 207                      | 25.9%                               | Accounts payable and accrued liabilities  |
|  | Revenus reportés   | 1 487 841                      | 1 167 090                      | 27.5%                               | Deferred revenues   |
|  | Dette à long terme   | 51 046 550                     | 50 701 685                     | 0.7%                                | Long-term debt  |
|  | Passif au titre des avantages sociaux futurs   | 283 100                        | 0                              |                                     | Employee future benefits—liability  |
|  |  | <b>64 929 375</b>              | <b>61 485 982</b>              | <b>5.6%</b>                         |   |
| <b>DETTE NETTE</b>                                     |  | <b>35 074 358</b>              | <b>36 244 091</b>              | <b>(3.2%)</b>                       | <b>NET DEBT</b>   |
| <b>ACTIFS NON FINANCIERS</b>                           |  |                                |                                |                                     | <b>NON-FINANCIAL ASSETS</b>   |
|  | Immobilisations  | 102 286 822                    | 96 952 361                     | 5.5%                                | Capital assets  |
|  | Propriétés destinées à la revente  | 0                              | 0                              |                                     | Assets held for sale  |
|  | Stocks de fournitures  | 249 359                        | 245 352                        | 1.6%                                | Inventories   |
|  | Autres actifs non financiers   | 257 333                        | 257 986                        | (0.3%)                              | Other non-financial assets  |
|  |  | <b>102 793 514</b>             | <b>97 455 699</b>              | <b>5.5%</b>                         |   |
| <b>EXCÉDENT (DÉFICIT) ACCUMULÉ</b>                     |  | <b>67 719 156</b>              | <b>61 211 608</b>              | <b>10.6%</b>                        | <b>ACCUMULATED SURPLUS (DEFICIT)</b>  |
| <b>DÉTAILS</b>   | Excédent de fonctionnement non affecté<br>(y compris l'excédent du régime de retraite) | 14 252 949                     | 11 404 146                     |                                     | <b>DÉTAILS</b><br>Unrestricted operating surplus<br>(incl. pension plan surplus)<br>Restricted operating surplus<br>Reserved funds<br>Amount to be taxed or funded in the future<br>Surplus (deficit) from capital asset activities<br>Net investment in capital assets |
|  | Excédent de fonctionnement affecté   | 4 967 704                      | 5 266 291                      |                                     |   |
|  | Réserves financières et fonds réservés   | 3 549 634                      | 3 228 021                      |                                     |   |
|  | Dépenses constatées à taxer ou à pourvoir  | (100 100)                      | (150 000)                      |                                     |   |
|  | Financement des investissements en cours   | (5 339 228)                    | (4 321 186)                    |                                     |   |
|  | Investissement net dans les immobilisations<br>et autres actifs                        | 50 388 197                     | 45 373 636                     |                                     |   |
|  |  | <b>67 719 156</b>              | <b>61 211 608</b>              |                                     |   |

| INVESTISSEMENT<br>Exercice terminé le 31 décembre 2022 |   | 2022                           | 2021                           | CAPITAL INVESTMENTS<br>Year ended December 31, 2022                    |
|--|---|--------------------------------|--------------------------------|--|
|  |   | Actual<br>Réalizations<br>(\$) | Actual<br>Réalizations<br>(\$) |  |
| <b>REVENUS</b>   |   |                                |                                | <b>REVENUES</b>  |
|  | Transferts—subventions  | 3 966 518                      | 1 787 219                      | Government grants  |
|  | Financement de la dette à long terme                                      | 6 000 000                      | 5 000 000                      | Long-term debt financing   |
|  | Affectations—<br>fonctionnement/excédent/réserves                         | 1 183 068                      | 1 416 853                      | Appropriations—<br>Operating/Surplus/Reserves                          |
|  |   | <b>11 149 586</b>              | <b>8 204 072</b>               |  |
| <b>DÉPENSES</b>  |   |                                |                                | <b>EXPENDITURES</b>  |
|  | Conduites d'eau potable et d'égout  | 1 573 297                      | 651 121                        | Aqueduct and sewer infrastructure                                      |
|  | Réparations aux rues, trottoirs, viaduc,<br>feux de rue et de circulation | 3 802 603                      | 4 967 794                      | Repairs to roads, sidewalks, underpasses,<br>street and traffic lights |
|  | Parcs et terrains de jeux   | 5 082 476                      | 2 114 032                      | Parks and playground equipment   |
|  | Bâtiments municipaux  | 581 911                        | 2 580 217                      | Municipal buildings  |
|  | Véhicules   | 852 068                        | 709 485                        | Vehicles   |
|  | Ameublement et équipement de bureau                                       | 45 813                         | 70 084                         | Furniture and office equipment   |
|  | Machinerie, outillage et équipement divers                                | 156 758                        | 129 612                        | Machinery and heavy equipment  |
|  |   | <b>12 094 926</b>              | <b>11 222 345</b>              |  |

## Conclusion

On an annual basis, City Council and Administration focus on creating a fair and responsible budget, and in monitoring revenues and expenses throughout the year. I am very pleased with the current financial position of the City and assure you that we will continue to do everything possible to maintain the same excellent level of services and high quality standards in the future.



**Mitchell Brownstein**  
Mayor

Côte Saint-Luc, May 8, 2023