

THE CORPORATION OF THE VILLAGE OF MONTROSE

2015 ANNUAL REPORT



Council

Mayor Joe Danchuk
Councillor Cindy Cook
Councillor Mary Gay
Councillor Mark Reid
Councillor Rory Steep

Staff

Garnet Bignell
Carol Cournoyer
Ken Dunnebacke
Amy Gurnett
Kevin Ihas
Alana Lafreniere
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June 2016

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1. Audited Financial Statements Year Ended December 31, 2015
2. Tax Exemptions (2006-2015) – Bylaw #630



INTRODUCTION

This Annual Report has been prepared by Council and Administration of the Village of Montrose in accordance with the reporting requirements contained within Section 98 of the *Community Charter*.

The Corporation of the Village of Montrose's 2015 Annual Report includes the audited financial statements of the Village for the 2015 fiscal year, pursuant to Section 167 of the *Community Charter*. These statements include the consolidated statement of the financial position of the Village and its financial activities of changes to the general, water and sewer operating funds, as well as financial activities in reserve and capital funds. The statements have been prepared by the Village's independent external auditors, Grant Thornton LLP, and are based on generally accepted accounting principles.

Joe Danchuk
Mayor

Amy Gurnett
Deputy Clerk

DISQUALIFICATION DECLARATION

During the year of 2015, the municipality has not made, nor is the municipality aware of electors of the Village of Montrose having made, an application to court for a declaration of disqualification of a person elected or appointed to office on the Council of the Village of Montrose

COUNCIL

In November of 2014, there was an election where the following Council was elected for a new Four-Year Term.



**Mayor Joe
Danchuk**



**Councillor
Cindy Cook**



**Councillor
Mary Gay**



**Councillor
Mark Reid**



**Councillor
Rory Steep**

Our Vision

“We will work together to maintain a high quality of life and excellent service to our community.”

Our Mission

“We will, through strong leadership, provide high quality of life and service for current and future generations through collaboration with our neighbours in a fiscally responsible manner.”

Our Values

- **Respect:** We embrace diversity and treat everyone with courtesy, dignity, and fairness.
- **Integrity:** We deal with others honestly, openly, directly - earning trust by doing what we say.
- **Accountability:** We accept responsibility for our decisions, actions, and overall performance.
- **Collaboration:** We work together and communicate, internally and externally, to achieve common goals.
- **Service:** We take pride in adoption of best practices and improving quality service with the resources available.

Our Operating Philosophy

We intend to be known and earn respect for:

- collaborative Council/Management leadership – visionary, strategic, progressive, transparent and focused on the public good



- support for youth and senior services
- service excellence - innovative, accommodating, continually improving
- appreciation for volunteers and community leaders
- strong partnerships and strategic alliances

2015 PERMISSIVE TAX EXEMPTIONS

In 2015, the Corporation of the Village of Montrose, as per Bylaw #630, provided the exemption of property taxes on the following properties:

1. Beaver Valley Baptist Church: Parcel B, Block 2, Plan 2541, Kootenay Land District, PID# 015-251-519.

CLASS 08 Assessed Value in 2015 @ \$319,700 x 8.952995 = **\$2,862.27**

2. Village of Montrose Skateboard Park (leased to Montrose Youth Action Team Society MYATS): Parcel B, Plan NEP73949, Section 32, Township 7A, Kootenay Land District, PID# 025-726-145.

CLASS 08 Assessed Value in 2015 @ \$19,200 x 8.952995 = **\$171.89**

Total revenue that could have been generated from the above noted tax exempt properties within the Village of Montrose in 2015 was **\$3034.16**.



MUNICIPAL SERVICES & OPERATIONS REVIEW FOR 2015

Revenues

As per the Audited Consolidated Statement of Operations, the Village of Montrose collected a total of **\$2,251,097** in revenues in 2015. The revenue source breakdown is summarized as follows:

| <i>ACTIVITY</i> | <i>TOTAL \$</i> | <i>% of TOTAL</i> |
|---|------------------|-------------------|
| Tax Collected for Other Governments | 763,281 | 33.9% |
| Tax Collection for Village Purposes | 433,792 | 19.27% |
| Water and Sewer User Fees | 257,583 | 11.46% |
| Sales of Goods and Services | 168,690 | 7.5% |
| Investment Income | 24,177 | 1.07% |
| Transfer from Other Governments | 592,155 | 26.3% |
| Gain on Disposal of Tangible Capital Assets | 8,500 | .38% |
| Other Sources | 2,919 | .12% |
| TOTAL | 2,251,097 | 100% |

Expenditures

As per the Audited Consolidated Statement of Operations, the Village's expenditures totaled **\$1,276,597** in 2015. The total expenditure source breakdown is as follows:

| <i>ACTIVITY</i> | <i>TOTAL \$</i> | <i>% of TOTAL</i> |
|---|-----------------|-------------------|
| <u>General Government</u> Activities include the cost of the administration, including Council operations, the office, legal and auditing services, liability insurance, and other general overhead expenditures. | 416,750 | 32.64% |
| <u>Amortization</u> Amortization costs of existing Village tangible capital assets. | 283,564 | 22.21% |
| <u>Loss (TCA)</u> Loss from write down of tangible capital assets | 0 | 0.00% |
| <u>Water and Sewer Operations</u> Water operations include items related to the supply and distribution of water. Sewer operations include items related to the collection and treatment of sewerage. | 235,935 | 18.48% |



| | | |
|---|------------------|----------------|
| <u>Transportation Services</u> | 132,233 | 10.36% |
| Transportation services include the cost of the public works shop, all the Village’s equipment, road maintenance (summer and winter) and streetlights. | | |
| <u>Parks, Recreation and Culture</u> | 72,480 | 5.68% |
| Parks, recreation and culture includes the operation and maintenance of the community hall, the playing field, and the parks. It also includes the cost of recreation programs and the recreation commission. | | |
| <u>Debt Interest, Fiscal Services and Other</u> | 0 | 0.00% |
| Debt interest and fiscal services includes lease payments, interest on the Community Bonds and other long-term debt, and bank service charges. | | |
| <u>Environment and Health</u> | 21,921 | 1.72% |
| Environmental health includes the cost of garbage collection and yard waste collection. | | |
| <u>Protective Services</u> | 25,263 | 1.98% |
| Protective services include bylaw enforcement, hydrant maintenance, and emergency measures. | | |
| <u>Environmental Development</u> | 88,451 | 6.93% |
| Environmental development is the cost of planning. | | |
| TOTAL | 1,378,988 | 100.00% |

Annual Financial Statements

The Village’s complete 2015 Financial Audited Statements, which were prepared by Grant Thornton LLP and received by Council on April 18, 2016, can be found in the Appendices of this report.

PROGRESS REPORT ON OBJECTIVES FOR 2015

In 2015, the Village had several objectives it wished to achieve. The following chart summarizes the Village's position in reaching the objectives that were identified in the 2014 Annual Report.

| <u>SERVICE</u> | <u>OBJECTIVE</u> | <u>STRATEGY</u> | <u>MEASURE</u> | <u>ACHIEVEMENT</u> |
|----------------|---|--|---|--|
| Administration | Staff Training | To continue provide staff with adequate training opportunities | Staff educated to relevant standards | Several webinars, PW courses completed. On-going. |
| | Regional Governance | Maintain strong relationships with neighbouring local governments to mitigate impacts from boundary extensions | Strong, sustainable local shared services | Not completed |
| | General Administration | To continue to review and update Village Bylaws and Policies | Improvements to Village Bylaws and policies | Bylaws and policies reviewed and amended where appropriate |
| | Consistent progress towards GHG emissions targets | Investigate funding opportunities to complete projects identified through committee | Secure funding for projects | Not completed |
| | Improve Urban Wildlife/Human Conflict | Develop education plan with community | Completion of education plan | Not completed |
| | Improvement to records management | Determine feasibility of transfer to electronic records management | Improved records management system | Not completed |
| Public Works | Equipment Replacement | To maintain operating efficiency of the Public Works equipment | Replace one snow plow unit | Completed |
| | Village properties upgrades | Identify priority upgrades to Village properties using a ratings strategy | Identification of priority upgrades | Not completed |
| | Village Solid Waste Collection Review | Review current service delivery model for curbside pick-up program | Determine feasibility of maintaining current service delivery model | Completed. Cost of bags to residents raised |
| Water | Water Conservation | To continue to practice water conservation through participation in CBT Water | Initiatives completed | In progress / year round watering regulations in place |



| | | | | |
|----------------------|---|---|--|---|
| | | Smart Program with focus on public education and data collection | | |
| | Continue a multi-year valve replacement program | Continue to utilize the PW Department for the replacement of end of life water valves | End of life valves replaced. More efficient operations when isolating water system | In progress |
| | Complete Reservoir Improvements | Assess current condition of Upper and Lower Reservoirs | Complete assessments and upgrades to both reservoirs | In progress |
| Sewer | Reduce inflows to LWTP that are caused by infiltration | Identify and prioritize projects from technical report to reduce infiltration to wastewater collection system | Reduction of flow volume at LWTP | In progress |
| | Continue to repair or upgrade collection infrastructure | Repair collection infrastructure identified in previous CCTV review | Identified repairs and upgrades completed | In progress |
| Roads | Act on recommendations from update to road upgrade and maintenance plan | Develop financial policy for implementation of roads upgrade and maintenance plan | Financial policy adopted to fund recommended road upgrades | Not completed |
| | Continue to monitor road conditions for cost effective localized improvements | Continue to monitor road conditions and repair using cost effective methods | Completion of projects | In progress, patching as required completed |
| | Complete assessment of rock wall on 8 th Avenue | Engage consultant to assess the rock wall to provide an estimated remaining life | Completion of assessment and determining of estimated remaining life | Complete |
| | Repair or replace drainage as identified and recommended in Storm-water Management Plan | Prioritize repairs or upgrades to storm-water infrastructure | Drainage system repairs and upgrades | Not completed |
| | Complete assessment of all Village alley road surfaces | In-house determination for upgrades to alley road surfaces (grading and infill) | Complete strategy for future upgrades/maintenance activities for alley road surfaces | In progress |
| Parks and Recreation | Community Hall Improvements | Prioritize improvements identified in strategic plan | Improvements to Community Hall | Sound system upgraded |



Reduce risk to users of
Montrose Park

Complete improve-
ments to Montrose
Park as identified in
Risk Control Survey

Improvements com-
pleted

In Progress

OBJECTIVES AND PERFORMANCE MEASURES FOR 2016

| <u>SERVICE</u> | <u>OBJECTIVE</u> | <u>STRATEGY</u> | <u>MEASURE</u> |
|----------------|--|--|--|
| Administration | Staff Training | To continue to provide staff with adequate training opportunities | Staff educated to relevant standards |
| | Regional Governance | Maintain strong relationships with neighbouring local governments to mitigate impacts from boundary extensions | Strong, sustainable local shared services |
| | General Administration | To continue to review and update Village Bylaws and Policies | Improvements to Village Bylaws and policies |
| | Consistent progress towards GHG emissions targets | Investigate funding opportunities to complete projects identified through committee | Secure funding for projects |
| | Asset Management | To have a comprehensive asset management system in place | Asset management program being used by Village Staff |
| Public Works | Equipment Replacement | To maintain operating efficiency of the Public Works equipment | Continue to increase reserves for future equipment replacement |
| | Village properties upgrades | Identify priority upgrades to Village properties using a rating strategy | Identification of priority upgrades |
| Water | Water Conservation | To continue to practice water conservation through participation in CBT Water Smart Program with focus on public education and data collection | Initiatives completed |
| | Continue a multi-year valve replacement program | Continue to utilize the PW Department for the replacement of end of life water valves | End of life valves replaced. More efficient operations when isolating water system |
| | Continue a multi-year fire hydrant replacement program | Continue to utilize the PW Department for the replacement of end of life fire hydrants | End of life fire hydrants replaced |
| | Complete Reservoir Improvements | Assess current condition of Upper and Lower Reservoirs | Complete assessments and upgrades to both reservoirs |



Corporation of the Village of Montrose

OBJECTIVES AND PERFORMANCE MEASURES FOR 2017

| <u>SERVICE</u> | <u>OBJECTIVE</u> | <u>STRATEGY</u> | <u>MEASURE</u> |
|----------------|---|--|--|
| Administration | Staff Training | To continue to provide staff with adequate training opportunities | Staff educated to relevant standards |
| | Regional Governance and Co-operation | Maintain strong relationships with neighbouring local governments to mitigate impacts from boundary extensions | Strong, sustainable local shared services |
| | General Administration | To continue to review and update Village Bylaws and Policies | Improvements to Village Bylaws and policies |
| | Asset Management | Determine upgrades to asset management policies | Complete and implement determined upgrades |
| Public Works | Equipment Replacement | To maintain operating efficiency of the Public Works equipment | Continue to increase reserves for future equipment replacement |
| Water | Water Conservation | To continue to practice water conservation through participation in CBT Water Smart Program with focus on public education and data collection | Initiatives completed |
| | Continue a multi-year valve replacement program | Continue to utilize the PW Department for the replacement of end of life water valves | End of life valves replaced. More efficient operations when isolating water system |
| | Continue a multi-year fire hydrant replacement program | Continue to utilize the PW Department for the replacement of end of life fire hydrants | End of life fire hydrants replaced |
| Sewer | Reduce inflows to LWTP that are caused by infiltration | Identify and prioritize projects to reduce infiltration to wastewater collection system | Reduction of flow volume at LWTP |
| | Continue to repair or upgrade collection infrastructure | Repair collection infrastructure identified in previous CCTV review | Identified repairs and upgrades completed |



| | | | |
|----------------------|--|---|--------------------------------------|
| | Continue to monitor road conditions for cost effective localized improvements | Continue to monitor road conditions and repair using cost effective methods | Completion of projects |
| | Repair or replace drainage as identified and recommended in Stormwater Management Plan | Prioritize repairs or upgrades to stormwater infrastructure | Drainage system repairs and upgrades |
| Parks and Recreation | Community Hall Improvements | Prioritize improvements identified in strategic plan | Improvements to Community Hall |

APPENDICES

1. Audited Financial Statements Year Ended December 31, 2015
2. Tax Exemptions (2006-2015) – Bylaw #630