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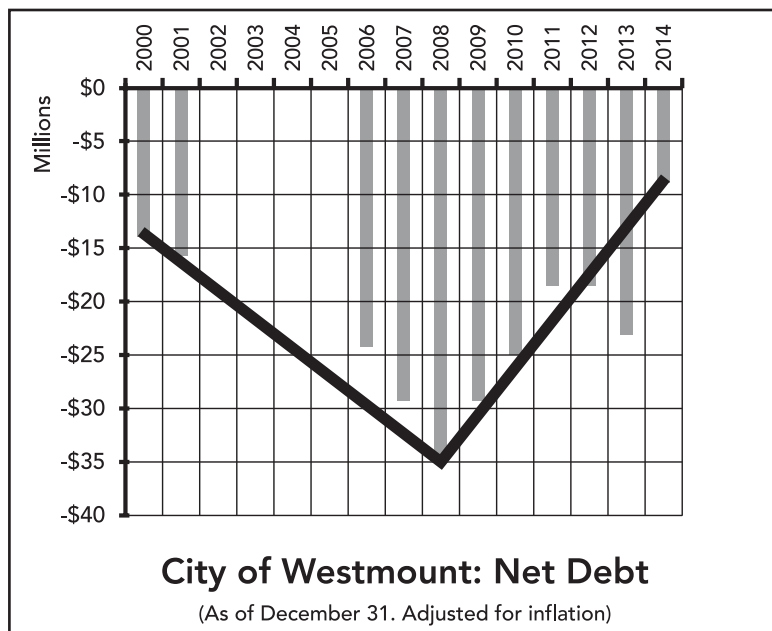
June 18, 2015

Dear Fellow Citizen,

Fixing Westmount's roads, parks...and its debt.

Few Westmounters have failed to notice the lamentable state of our roads and parks. Before I describe what we are going to do about it, let's start with a question: can we fix our infrastructure without raising taxes or going further into debt? Let's start with debt.

A mature municipality should not be significantly in debt. With both its population and its paved area unchanged for decades, Westmount should have no reason to borrow heavily. While merged with Montreal, however, Westmount did get saddled with a ton of debt. Your Council has tried to get debt back to a more reasonable level. I am happy to announce we have succeeded:



NOTES

2002-2005:
Westmount was
part of the City of
Montreal.

2008:
Debt incurred
after taking over
Montreal's water
supply network
in Westmount.

2013:
We borrowed for
the Westmount
Recreation Centre.

Seen through this debtor's prism, we have gone from \$15 million of net debt in 2001 all the way to \$35 million by 2008. Today, we are better off than we were even before the merger: we have \$9 million of net debt. And we have managed to do this while building a \$40 million dollar asset: the award-winning Westmount Recreation Centre (WRC). This achievement came about thanks to grants, citizen donations, and substantial yearly surpluses – the 2014 surplus alone was \$12 million. I hasten to add the WRC costs us less in energy to run than the old arena – with double the space.

Now, while we have made good progress with our financial debt, there is another kind of debt – a very concrete one – that needs attention: our aging infrastructure. One of the goals Council has set for itself is to fix our roads, sidewalks, public buildings, Hydro Westmount equipment, and parks. So, while aiming to be debt-free in a few years’ time, your Council has decided to invest in a blitz in road reconstruction with a specific roads and parks fund. In so doing, we’ll possibly delay our arrival at that ultimate, debt-free, status.

Meanwhile, we’ll pay cash for all routine capital investments: by way of a “pay-as-you-go” policy Westmount pioneered in 1994. Increasing interest rates will, therefore, have no effect on our infrastructure spending.

It’s not enough to spend more money on infrastructure: we must spend it more wisely. We have to improve the quality of the infrastructure work we do. One strategy we are looking at is to insist on much longer warranties for road work. We also are examining our construction methods, materials, quality control, and contract supervision in order to build pavements that last longer.

The current state of our roads (and traffic management) needs immediate attention. Now that we have a Traffic Master Plan, we can literally get moving. We will also pay special attention to our public green spaces: at 123 acres, they take up 12% of Westmount’s entire land area.

On to the bigger picture. The replacement value of Westmount’s entire public infrastructure – including 27 buildings and 60km of roads – is some \$600 million. The bad news is we’ll have to boost our annual spending to keep this infrastructure up to snuff – from the roughly \$8 million we spent in 2014 to as much as \$14 million a year. The good news is that less and less of your tax dollar will go to paying off debt and interest. More and more tax money will be earmarked to pay cash for fixing infrastructure through our pay-as-you-go policy. Some of this investment can also be funded through cash-on-hand. This boost in infrastructure spending, therefore, will not result in any significant tax increases.

I’d like to leave you with one last thought. Westmount has a City Council free of political parties and partisanship. All members of Council are independent, yet united in their commitment to you. While our infrastructure cannot be fixed overnight, while we cannot deliver a Cinderella-like transformation, we are promising that we will work hard to bring Westmount’s infrastructure back to the high standards you have every right to expect.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter F. Trent". The signature is stylized with loops and flourishes.

Peter F. Trent
Mayor