

TREASURER'S REPORT

Municipality of the District of East Hants

Kim Ramsay, CPA, CMA
Director of Finance & Administration, Treasurer

July 19th, 2016



EAST HANTS
We live it!

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WARDEN'S MESSAGE

This past year East Hants has undertaken several exciting projects and initiatives; Council's commitment to our seven strategic priorities is demonstrated throughout this report.

The Municipality has made some exciting in-roads with tourism infrastructure along the Bay of Fundy and the Shubenacadie River. Significant investment has been made this past year at Burntcoat Head Park, the site of the world's highest recorded tides; with the installation of a beautiful set of stone stairs taking visitors to the ocean floor and a new comfort station. The Park is positioned to become a world class tourism destination. East Hants also oversaw the operation of the Fundy Tidal Interpretive Center for the first time in 2015, welcoming record numbers of visitors to the Center. Design of three river front parks, that will form part of the Trans-Canada Trail system was completed. Construction is underway as this report goes to publication.



Warden James Smith

Plan East Hants is set to come to conclusion by mid-summer 2016. We are in the final phase of this multi-year process, with Council having received several background papers and policy position papers on various planning policies. This two year process has included a great deal of public consultation. I would like to personally thank each and every community member, developer, business and property owner and the youth who took the time to provide input into this process. Thank You!

An updated Strategic Economic Development Plan was finalized in 2015, this plan will serve as a foundation and guide for economic planning and policy development for East Hants over the next five years. This plan will engage our Economic Development staff as well as all other departments in business planning for the future. Again, a huge "Thank You" to all of the stakeholders who participated in the numerous engagement sessions held during the development of this Plan.

Moving forward, Council remains focused on creating a vibrant, diverse and growing community. We are well positioned to move forward with initiatives that will encourage economic development and promote our community as a place to create opportunity, attract business and tourism investment and welcome new residents.



A handwritten signature in blue ink, consisting of stylized initials and a long horizontal line extending to the right.

Warden James Smith

MUNICIPAL COUNCIL

Municipal Council

COLCHESTER COUNTY

MUNICIPALITY OF WEST HANTS

HALIFAX REGIONAL MUNICIPALITY

- District 6: Wayne Green
- District 5: Keith Rhyno
- District 8: Greg Grant
- District 4: Albert Flemming
- District 11: Eleanor Roulston
- District 9: Eldon Hebb
- District 3: Willy Versteeg
- District 7: John MacDonald
- District 2: Norval Mitchell
- District 12: Rosanne Bland
- District 1: Cecil Dixon
- District 13: Cyril McDonald
- District 10: Warden Jim Smith

MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

The Municipality of East Hants provides a wide range of services and infrastructure to its residents. Operating under the direction of the Chief Administrative Officer are five departments: Economic & Business Development, Finance & Administration (includes Accounting, Finance, Property Administration, General Administration, Information Services and Procurement), Infrastructure and Operations (includes Solid Waste, Transportation and Engineering), Parks Recreation & Culture, and Planning & Development (includes Development Control, Building Inspection and Emergency Measures).

Our staff have been working diligently on several important initiatives aimed at achieving the goals set by Council in the current strategic plan. Our major strategic initiatives include tourism development of Burntcoat Head Park and operationalization of the Fundy Tidal Interpretive Center, business park expansion and moving forward with a new planning strategy through Plan East Hants.




Connie Nolan, CPA, CA CFE
Chief Administrative Officer

Infrastructure continues to be an important part of our work. Design is underway, with anticipated 2016 construction, of two skateboard parks and a multi-purpose sport pad. Council has approved the construction of a new aquatic centre for the community. The project is in the early stages with staff working on land acquisition, funding opportunities and setting up the procurement plan for the project. Water and wastewater infrastructure continue to be an important consideration in our planning, to that end we completed condition and capacity studies along with planning work for major infrastructure upgrades.

You will see throughout this report that staff have been working on improvements in communication, community engagement and improved municipal service delivery. Our major initiatives have included extensive public consultation (Plan East Hants and the Aquatic Facility). The Municipality is offering enhanced services for customers through electronic delivery of tax and water bills (ePost™), a new online mapping tool (Interactive East Hants) and a waste management education and reminder tool (What Goes Where?). A new municipal website was launched this year, serving as a key communication tool in our online communication strategy. We are enhancing our presence online through various social media venues. In terms of Economic Development, we are developing programs to be better in touch with existing businesses in our community and to assist them with growth and expansion.

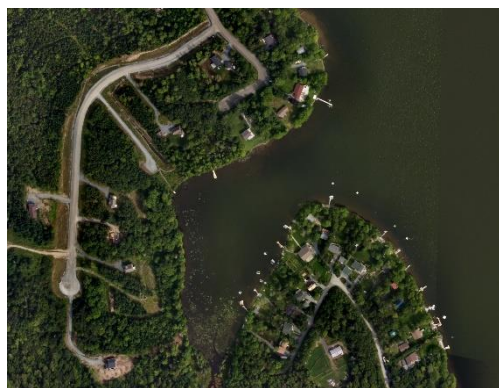
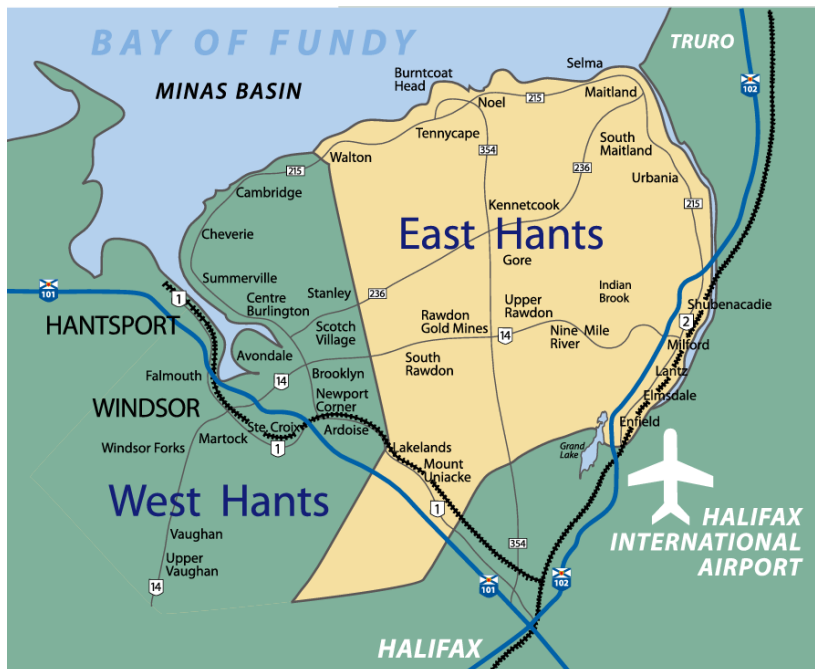
The report includes a section on our Strategic Plan along with a progress report on each of our Key Strategies. Section 3 of this report provides the reader with more detail on initiatives and activity through the Annual Departmental Updates. This Municipality is fortunate to have a group of dedicated and knowledgeable staff members, second to none in the Province. Because of their history and knowledge, our staff are sought after to sit on various committees on topics of provincial and local interest- broadband improvements, Municipal Government Act revisions, Open Data opportunities to name a few. I would like to recognize our staff along with all of the public who put their trust in us to deliver on these exciting municipal projects!


Connie Nolan, CPA, CA, CFE
Chief Administrative Officer

ABOUT EAST HANTS

The Municipality of East Hants is centrally located on mainland Nova Scotia. It is comprised of a diverse mix of landforms and community types which are divided by the Rawdon Hills running west to east.

The northern and central parts of the Municipality are dominated by vast areas of forest dotted with small communities and villages. Agriculture is prevalent along both the scenic Minas shore and Kennetcook River. This area includes the communities of Walton, Noel, Maitland, Kennetcook, Stanley & Gore.



Mount Uniacke and Lakelands, along Hwy 101, is a community of seven lakes with both fulltime residential and seasonal cottage development. Mount Uniacke is also home to one of two municipally owned business parks.

The most densely populated area is along two key transportation routes running from Halifax to Truro (Hwy 102 & Hwy 2) and from Halifax to Windsor (Hwy 101 & Hwy 1). The south-eastern portion of the Municipality (generally referred to as the 'Corridor') includes the communities of Enfield, Elmsdale, Lantz, Milford and Shubenacadie and is the most urbanized part of the Municipality. The "Corridor" adjoins Halifax and is only minutes from Halifax Stanfield International Airport, Dartmouth and downtown Halifax.

Mission Statement

Through innovation and excellence in service delivery, East Hants provides municipal programs and services that continually enhance a healthy and sustainable community.

Municipal Vision

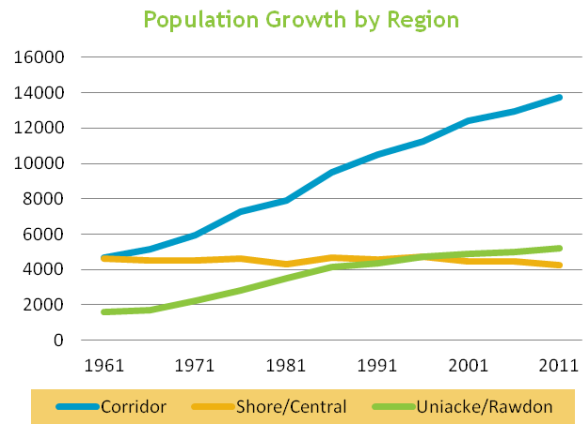
East Hants is a vibrant, diverse, growing municipality attractive to residents and visitors because of our unique;

- Blend of urban and rural residential settings
- Commercial activities
- Programs and services
- History
- Cultures and values
- Active healthy lifestyle
- Affordable housing
- Beautiful landscapes
- Volunteers
- Recreation opportunities

These strengths, combined with sustainable economic development, a skilled workforce, strong agriculture and tourism sectors, productive working relationships, and open government processes, ensure we are recognized as a leading municipality in Nova Scotia.

Our People

The Municipality of East Hants, being the largest of the three Municipal units in Hants County, is one of the fastest growing rural municipalities in Nova Scotia. The change in population from 2006 to 2011 is 3.3% compared to the Provincial increase of 0.9%. In the last census period, East Hants gained more population than any other municipality in Nova Scotia with the exception of Halifax. In particular, the 'Corridor' has experienced significant residential growth over the previous two decades.



East Hants has a well-educated population with 70% having achieved high school education and beyond; 15% of the population has achieved apprenticeship or trade certificates or diplomas. This exceeds the provincial average of 12%. With regards to employment; 64% of the East Hants labour force work in sales, trades or business/finance/administration. East Hants is recognized as a bedroom community of the Halifax area: 52% of our labour force of 10,910 is employed outside of East Hants. Two primary industries in East Hants are farming and forestry, with farming being the most prominent. There are

179 farms operating within the Municipality, representing 5% of the total farms operating across the province; the majority of these are sole proprietorship dairy farms.

East Hants has so much to offer its people. There are a vast number of natural wonders to enjoy, rich and diverse communities throughout the Municipality, many services and amenities for families and businesses and many recreational opportunities for residents of all ages. East Hants is experiencing senior friendly development with many new town houses and accessible apartment buildings being built. Enfield is also home to the Magnolia Continuing Care facility. East Hants has a strong volunteer base that provides for a range of recreation programs and services.

The Municipality of East Hants is proud to be an area with a rich history of shipbuilding, forestry, railway construction and preserved natural surroundings. Our current strategic direction focuses on business development, promoting tourism and recreation and strengthening our organizational efficiency and effectiveness in order to serve our residents and grow into the future. East Hants is open for business and for community living!



Property Assessment in East Hants



Along with the approved tax rate, property assessment is the basis for the largest source of revenue for East Hants which are property taxes. The 2015 filed assessment roll showed an increase in assessment for both residential and commercial values. Despite the increase in commercial assessment the commercial sector still accounted for only 8.5% of the taxable base (see Table below). Significant effort continues to be placed on economic development in East Hants to address this residential/commercial split, which ideally would be at least 20% commercial and 80% residential. One of the key strategies in Council's strategic plan is economic development; while all departments are involved in economic development in one sense or another, the Department of Economic & Business Development report (in Section 3 of this report) outlines the on-going effort to bring economic prosperity to East Hants while building a healthy and sustainable commercial tax base. The updated Strategic Economic Development Plan approved in 2015 will set the stage for the next 5 years of business planning.

With assessments capped at 2.1% increase for 2015, 75% of the residential assessment increase was related to an increase in market value of existing homes, the remainder being attributable to renovation or new home construction.

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Number of Taxable Properties	14,502	14,194	14,114	14,032	13,963
Residential Assessment (000's)	1,420,417	1,357,200	1,304,283	1,234,559	1,154,599
Resource Assessment (000's)	46,467	44,686	44,032	46,391	44,389
Commercial Assessment (000's)	137,043	129,223	122,559	109,643	92,733
Residential/Commercial Split	91.5%/8.5%	91.6%/8.4%	91.7%/8.3%	92.1%/7.9%	92.8%/7.2%
Exempt Assessment (Assessment Act) (000's)	93,695	94,392	93,075	93,909	92,946
Exempt by Municipal Bylaw (000's)	29,461	29,000	26,356	19,140	5,357
Farm Acreage	37,288	37,463	36,972	37,119	37,069
Forest Acreage < 50,000 Acres	172,313	174,566	174,445	174,861	174,993
Forest Acreage > 50,000 Acres	56,283	57,673	74,533	80,273	80,194
Uniform Assessment (000's)	1,522,654	1,463,209	1,394,470	1,309,997	1,224,739

Property Tax in East Hants

East Hants operates with an area rate property tax system, whereby expenses specific to an area are paid only by that area. Services such as wastewater, hydrant protection, sidewalks and streetlights are charged by area rate whereas general services such as RCMP (as one example of many) are paid for through the General Tax Rate. The general operating budget for 2015/2016, including area rates, was approved by Council at approximately \$28.3 million.

The individual rates for 2015/2016 compared to 2014/2015 were as follows (rates per \$100 of assessment):

	2015/2016	2014/2015
General tax rate - Residential/Resource	\$0.8573	\$0.8706
General tax rate - Commercial/Business Occupancy	2.7000	2.7000
Urban service rate (Enfield, Elmsdale, Lantz) - Residential	0.1330	0.1620
Urban service rate (Milford) - Residential	0.3100	0.3280
Urban service rate (Shubenacadie) - Residential	0.3530	0.3820
Urban service rate (Enfield, Elmsdale, Lantz) - Commercial	0.8500	0.9000
Urban service rate (Milford) - Commercial	1.2400	1.2600
Urban service rate (Shubenacadie) - Commercial	0.9500	1.0000
Streetlights - Enfield Horne Settlement	0.0180	0.0180
Streetlights - Mount Uniacke	0.0200	0.0200
Streetlights - Nine Mile River	0.0250	0.0250
Streetlights - Rawdon	0.0430	0.0430
Wastewater Management Fee (<i>rate per 1000 gallons of water</i>)	6.00	5.00



The following table summarizes 5 years of Property Tax Information. This data shows positive trends for East Hants. Council is always cognizant of the tax burden faced by tax payers. Due to assessment increases in the community, East Hants has been able to reduce the tax rate while maintaining sufficient revenue to run the municipality. Other positive trends show growth in Residential and Commercial assessment and a low tax arrears rate, demonstrating an economically stable community.

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Property Tax Rates (\$/\$100 of Assessment)					
Residential/Resource Rate	\$0.8573	\$0.8706	\$0.8706	\$0.8764	\$0.8895
%age Change	-0.98%	0.00%	-0.58%	-1.31%	-0.01%
Commercial Rate	\$2.70	\$2.70	\$2.70	\$2.71	\$2.70
Assessment CAP Program					
Capped Assessment (000's)	\$223,000	245,000	237,000	152,000	186,000
Tax Rate Differential Due to CAP Program	0.13	0.13	0.13	0.09	0.12
Tax Revenue					
Residential/Resource	\$12,550,967	\$12,183,321	\$11,703,158	\$11,160,237	\$10,646,985
Commercial	\$3,662,959	\$3,452,664	\$3,298,068	\$2,944,470	\$2,484,837
Other (GIL, Farm, Forrest)	\$364,141	\$354,800	\$353,457	\$370,141	\$332,354
Tax Arrears (% of Total Taxes) (excluding Infrastructure Charges)	2.73%	2.76%	2.71%	2.81%	4.53%
Deed Transfer Tax Revenue	\$1,190,500	\$1,329,663	\$1,157,070	\$1,378,172	\$1,232,090

The table above refers to the Assessment CAP Program, a Provincial program introduced in April 2005 that caps the annual increase in taxable assessment (of eligible residential and resource property) to a maximum of CPI. Various property types have been included in the CAP program making it easier for homeowners to have their residential assessment capped. In 2011, 2012, 2013, 2014 and 2015 assessments were capped at 2.9%, 3.9% 1.4%, 0.9% and 2.1% respectively; this has had a profound effect on the distribution of tax burden in East Hants.



The table above shows the amount of assessment that is no longer taxable (Capped Assessment) and the effect these changes have had on the residential tax rate in East Hants. The differential in the tax rate indicates the amount by which the tax rate could have been reduced had the CAP not been in place. This rate differential means that even though a home owner has a CAP value on their assessment, they may still be paying more in property tax than they would have otherwise been paying had the program not been put in place. New home owners and newly constructed or renovated homes (which are not part of the CAP) are most certainly paying a higher tax bill due to the CAP system being in place.

STRATEGIC PLAN

The Municipality of East Hants has seven key areas of strategic focus each supported by goals, current year initiatives and longer-term initiatives. Key Strategies include:

Infrastructure Sustainability

- *Provide robust fixed infrastructure that satisfies the needs of a growing community*

Governance

- *Build a governance model that represents and is suitable to the needs of the various communities of interest*

Communication & Engagement

- *Strengthen our stakeholder relationships through effective and ongoing communications*

Community Planning and Development

- *Foster viable and vibrant communities*

Transportation

- *Improve the efficient movement of goods and people that positively impacts quality of life and economic opportunity*

Sustainability

- *Incorporate the principles of sustainability in municipal operations management*

Economic Development

- *Facilitate the growth of the commercial assessment base*

Service Highlights 2015/2016 Annual Report

Each of the seven key areas of strategic focus are supported by initiatives. Key initiatives are outlined in the following pages.

**Infrastructure
Sustainability**

*Provide robust
fixed
infrastructure that
satisfies the needs
of a growing
community*

GOALS

1. Develop and implement a plan to ensure environmental regulatory compliance in wastewater and water
 - Development of a Cross Connection Control Program for the water utility, intended to mitigate risk to and ensure the quality of our drinking water
 - A Shubenacadie Water Source Protection Plan monitoring program was submitted to Nova Scotia Environment in Fall 2015
2. Assess adequacy of piped services capacity and develop a capital program to enable and manage future growth
 - Undertook an assessment, through scanning, of the Shubenacadie water main system
 - Performed a technical assessment of the Lantz wastewater site and lagoon
 - Performed a major inspection of the Elmsdale and Shubenacadie water towers
 - Completion of a Sewer Capacity Study to identify requirements for future Growth Management Area expansion
 - The water utility has been working towards obtaining easements for the future construction of a new Enfield water transmission main
3. Develop an effective Asset Management Program leading to life cycle management and better preventative planning
 - Continued to monitor and make repairs to the East Hants Swimming Pool building and mechanical systems
4. Support the development and upgrading of tourism infrastructure to enhance the tourist experience
 - East Hants began operating the Fundy Tidal Interpretive Center in South Maitland
 - Construction of stairs and a comfort station at Burntcoat Head Park in Noel
5. Facilitate the creation of community infrastructure that leads to a healthy, active and engaged community regardless of age, gender, geographic location or financial ability (includes active transportation)
 - Design of a multi-purpose sport pad in Hants North with community group construction to take place in 2016
 - Design of two skateboard parks (Mt. Uniacke & Lantz) with construction in 2016
 - Upgrades done to twin the Bulk Water Station in Enfield, providing improved access to potable water for rural customers of the water utility
 - Improvements were made to reduce infiltration into the Milford Sewage Collection System during 2015/2016
 - Council purchased approximately 60 acres of prime river front park/commercial property in Milford
 - Two river park concept designs have been completed as part of the Trans Canada Trail. The Municipality of East Hants was awarded a \$100,000 matching grant from Trans Canada Trails for this project. Construction at the sites will begin in the summer of 2016.
 - Local improvement projects were undertaken for paving of John Murray Drive (Enfield) and Lohnes Street/Hubley Road (Milford business park)

Governance
Build a governance model that represents and is suitable to the needs of the various communities of interest

GOALS

1. Develop an effective governance policy framework

- The Council Procedural Policy was created in 2013
- 2016 updates included: Update to Police Advisory Section and the addition of Audit Committee Terms of Reference
- Council made changes to the structure of the Police Advisory Committee, incorporating this committee into Executive Committee, which is a committee made up of the whole of Council. The Police Advisory Committee also has three public members and is supported by the local Staff Sergeant of the Enfield detachment. Department of Justice approved the new structure on a two year pilot.

2. Conduct an internal boundary review

- Boundary review complete with UARB approval of new electoral district boundaries (13 to 11)

3. Explore potential move to Mayoral system

- Completed in 2014, with decision to remain with Warden system



GOALS

1. Create and implement a communication framework to ensure the timely, accurate and targeted exchange of information
 - Senior Management received Communication and Media training
 - Fabrication of interpretive signage for the Burntcoat Head Park
 - Obtained professional imagery of Burntcoat Head Park for marketing purposes
 - The Plan Review had a full communication strategy using various traditional media forums and also included social media and web based communication tools
2. Improve Municipal Relationship with Business Community
 - Held the tri-annual East Hants Design Awards ceremony, recognizing developer and architectural contributions to the built environment of East Hants
 - Created and communicated two petitions for the business community; 1) Milford Business Park paving petition (successful), 2) Elmsdale Business Park security petition (unsuccessful)
 - Throughout the Plan Review and development of the Economic Development Strategy, staff met with the Chamber of Commerce and held joint consultation events with them; as part of the Plan Review staff also met with developers on an individual basis
3. Enhanced community engagement
 - Consultation/engagement was held with stakeholders in Shubenacadie (agriculture producers and residents) on the Shubenacadie Source Water Protection Plan
 - The Environmental Monitoring Division held five educational events reaching 73 community members during the 2015-2016 fiscal year
 - During the Plan Review staff held various consultation events including 3 youth sessions and community surveys around community goals and visual preference; consultation was also held with Sipekne'katik through the year
 - During the Plan Review a Community Advisory Panel was engaged to review the recommendations that were presented to Council for consideration
 - Council hosted a Volunteer Appreciation Night and Long Term Fire Service Awards event at the Mount Uniacke Legion in the Spring of 2016
 - Hosted several community events including: Bike Week events from June 5-14th, 2015; Canoe to the Sea on June 27th, 2015; Kite Day on July 11th, 2015 in East Gore; and, the East Hants Tidal Run on August 15th, 2015 at Burntcoat Head Park
4. Enhance our customer experience
 - Completed Phase 1 of the 4 year Municipal Service Management Project - aimed at developing a unified approach to quality service delivery and performance measurements to track the progress towards strengthening our core value of excellence and to enhancing a culture of continuous improvement of Municipal Services.
 - Launched Interactive East Hants - an online open data mapping site
 - Enhanced traffic and internal building directional signage at the Lloyd Matheson Centre, including a door numbering schematic to enhance fire safety
5. Leverage the use of technology to increase effectiveness of communications
 - Creation and launch of a new municipal website based on a new Online Strategy
 - Launched the ePost™ service for obtaining tax and water bills through email and facilitating online payment through internet banking

Communication & Engagement

Strengthen our stakeholder relationships through effective and ongoing communications

GOALS

1. Develop land use planning policy that reflects community aspirations, protects natural resources, reduces conflict, and encourages the efficient development and servicing of land
 - Plan East Hants is underway, a comprehensive Municipal Planning Strategy review
2. Continue to provide community supports that respect the changing needs of individual communities
 - Council provided funding (for the first time) for a Community Partnership Fund grant program designed to provide multi-year core funding to help maintain and build capacity of community based organizations whose mandate is aligned with key strategies of the Municipality
 - Council created a Heritage Incentive Program with a budget of \$10,000 per year
 - The Municipality on boarded two additional Private Road Agreements for Monte Vista and Lakefield roads (to collect fees from home owners for road maintenance done by the Association).
 - Garden Meadows Natural Playground was completed and is an example of joint cooperation between a local community group, a developer and the Municipality.
 - MacInnis trail, which is managed by a community group, was completed with the Municipality providing assistance in developing a second driveway and parking.
 - Several open space projects are in progress at March 31, 2016
 - Two river park concept designs have been complete as part of the Trans Canada Trail. The Municipality of East Hants was award a \$100,000 matching grant from Trans Canada Trails for this project. Construction at the sites will begin in the summer of 2016.
 - Provided community programs aimed at improving the recreational opportunities available to our community including: Aquatics, After School programs, East Hants Senior Games, Free Skating opportunities, fundamental movement programs for pre-school children, Active East Hants Day Camps, Youth Leadership Programming and March Break day camps.
 - Added adapted equipment to the municipal Equipment Lending Program.
3. Ensure serviceable land is available for commercial and residential development
 - Completion of a Sewer Capacity Study to identify requirements for future Growth Management Area expansion
 - Expansion of Serviceable Boundary for the Lister property to enable future serviced development along Highway 214
4. Ensure EH Official Community Plan continues to be reflective of current circumstance
 - A complete review of our Planning documents is underway through the Planning Review, several discussion papers were reviewed and approved throughout the year
5. Complete and implement a Climate Change Action Strategy
 - Completed in 2013; included: an infrastructure vulnerability review, identification of water sources (protection through Planning regulations) and reviewed flood mitigation issues
6. Enhance accuracy of floodplain mapping
 - Study was complete by CBCL in 2013; any changes deemed appropriate will be implemented through the Plan Review

Community Planning & Development

*Foster viable and
vibrant
communities*

Transportation
 Improve the efficient movement of goods and people that positively impacts quality of life and economic opportunity

- GOALS**
1. Consideration of options related to public transportation within East Hants and between MEH and HRM
 - Council received a study, including the financial impact, of a transit service in East Hants, servicing Lantz through to Enfield - Council did not proceed with offering this service but will review transit service if sufficient funding becomes available
 - Provided a Community Partnership Fund grant to East Hants Community Rider to enable the provision of cost effective community transportation within East Hants
 2. Explore Rail Access options in relation to movement of goods
 3. Pursue opportunities, in collaboration private investors with other levels of government, for improved access to 100 series Highways.
 - Staff continued discussions with TIR Provincial staff on traffic studies, future development and planning for East Hants traffic growth
 4. Educate on and promote the use of active transportation infrastructure
 - Construction of sidewalk for safe pedestrian access to the Lloyd Matheson Center
 - Council passed a snow clearing bylaw to prevent obstruction of roadways and sidewalks in winter months
 - The issue of active transportation and community walkability was studied during the Plan Review with recommendations for enhanced connectivity in developments part of the recommendations going forward for approval



Sustainability
 Incorporate the principles of sustainability in municipal operations management

- GOALS**
1. Support a diverse range of housing options that accommodates residents through their evolving needs
 - Prepared a background paper on Housing as part of the Plan Review, resulting in proposed new zoning for town-house and accessory dwelling units
 2. Encourage and promote the integration of renewable energy developments within the municipality (not doing it ourselves)
 - Currently have supportive regulations for wind and bio-fuels development with new regulations being proposed through the Plan Review for solar
 3. Through awareness and education, encourage sustainable and environmentally sound practices (primarily non regulatory)
 4. Economic Prosperity
 - See Economic Development Key Strategy



Sustainability (Continued)

GOALS

5. Ensure an appropriate financial model is in place to support the long term sustainability of the Municipality
 - Upgraded the payment card system at the bulk water station in Enfield
 - Acquired a template for use in procurement - the Negotiated Request for Proposal - able to lessen contractual risk and provide more flexibility when going to market
 - Obtained grant funding for various capital and operating projects totaling \$484,000 with \$1 million in Gas Tax funding
 - Council changed the formula for Fire Department operating grants and upgraded the Fire Department loan program
 - A background paper was prepared to support Council adopting a tool to measure the fiscal impact to the Municipality and it's agencies of development proposals
6. Provide effective and efficient emergency management and protective service systems (emo, fire, police, bylaw enforcement, animal control)
 - Installation of five new fire hydrants in the water distribution system
 - Supported Fire Service TMR2 radio replacement project
 - Waste Management Center fire and EMO response training held Fall 2015
 - Developed a standing offer for Fire Scene security to allow Fire Service volunteers to leave the scene following a fire
 - Provided full cycle accounting service to 8 of 13 volunteer fire departments
 - Dog Tag Program education efforts resulted in a 27% increase in registrations (390 to 494 tags issued)
 - After hours dog control call service implemented (75 calls with 17 requiring after hours staff response)
 - Approximately 23 staff members who hold positions in the Emergency Coordination Centre (ECC) received either on-line training or training through municipally hosted training events
7. Continue to be a leader in solid waste management programs
 - With a full time Waste Compliance Officer over 700 curbside waste audits were done in 2015/2016
 - Organics processing options investigated by staff throughout 2015/2016
 - Launched the "What Goes Where?" app for sorting of waste materials
 - Held successful Household Hazardous Waste and Compost Giveaway events
 - Council supported full Extended Producer Responsibility (EPR) for packaging of materials that end up in our waste
8. Enhance organizational efficiency and effectiveness
 - Engaged a Business Analyst on staff to roll out a Service Management framework with business process documentation and a continuous improvement program; continued focus on information management throughout the year
 - Staff participated in security awareness training to help protect Municipal assets related to technology and access
 - East Hants is the sponsor of a Permit Exchange Project (partnering with PVSC) improving the permitting system through real time data capture and timely updates for permits and assessment data
 - Installed new communication equipment at Elmsdale water tower to improve the monitoring of Public Works infrastructure
 - Centralized repository of all Administrative and Council policies created and communicated via intranet and public website, respectively; centralized repository of all bylaws was created and communicated via the public website

Sustainability

*Incorporate
the principles
of
sustainability
in municipal
operations
management*

GOALS

A new 5 Year Economic Development Plan was adopted by Council in 2015/2016; the goals below relate to the overall Strategic Plan of the Municipality and are not specific to the new 5 Year Economic Development Plan.

1. Build awareness of East Hants as preferred option for business location
 - Staff explored expansion and re-location options with 23 potential commercial clients
2. Support existing businesses through connecting and facilitating access to pertinent resources, information and programs (supporting growth, efficiency and productivity efforts, investment attraction, attracting, retaining skilled)
 - Access to broadband is important to everyone – East Hants co-hosted an i-Valley regional economic development event aimed at developing “Smart Communities” in Nova Scotia and a Smart Community East Hants initiative.
 - BR+E (Business Retention and Expansion) program partnership initiated with the East Hants Chamber of Commerce’s Advocacy Committee
 - Provided support to 20 businesses in retention and expansion related functions
 - Provided support to 8 new entrepreneurs resulting in two new business start-ups
 - Roger Brooks Community Opportunity Assessment complete - this report will be used as input into the East Hants Tourism Plan (2016/2017).
 - Special Event Grants were awarded to Mud Craft (\$10K) and Canadian Superbikes (\$5K) to promote East Hants as a destination for tourists and large events.
3. Effective management of the growth and development of the business park model
 - Environmental Assessment application partially completed to support the future expansion of the Elmsdale Business Park - project will continue into 2016/2017
 - Sale of two business park lots totaling 2.39 acres
 - Municipal business park construction contributed \$1.09 million of new commercial tax assessment in 2015/2016, with overall assessment increases of \$2.6 million on the 2015 roll.
 - 42 acres of land purchased for the potential future expansion of the Uniacke Business Park (park currently has zero lots in inventory) - project will continue into 2016/2017
4. Provide a fair, efficient and supportive regulatory environment for business
 - Plan Review background papers have been approved prosing regulations that should reduce the number of development and re-zoning applications
5. Target key sectors in business attraction activities
 - Partnership developed with Perennia Innovation Centre in Bible Hill, NS and Chamber of Commerce to develop and deliver an agriculture/agri-food related business seminar in 2016/2017
 - Business services delivered to support start-up of a weekend farmers and makers market. Market launched in June 2016.
 - Staff attended a site visit and held discussions with National Gypsum surrounding support for a provincial Gypsum Centre of Excellence.
6. Foster key partnerships with related economic development agencies to capitalize on regional opportunities
 - East Hants hosted a delegation of Chinese investors providing them with a tour and local investment opportunities

*Economic
Development
Facilitate
the growth
of the
commercial
assessment
base*

INVESTING IN OUR INFRASTRUCTURE

The five year Capital Investment Plan is approved each year by Municipal Council with several single and multi-year capital projects. The plan consolidates capital spending for urban service infrastructure, municipal operations and the East Hants Water Utility. The five year investment in infrastructure is as follows:



Description	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
General Government (Municipal Administration, Buildings, Information Systems, Legislative, Human Resource systems)	\$184,640	\$825,882	\$226,874	\$2,680,359	\$885,180
Transportation (Roads, Sidewalks, LED Streetlights)	159,178	185,713	2,828,075	1,111,125	1,701,613
Environmental Development (Economic Development, Industrial Parks, Tourism, Community Development)	1,135,995	49,997	82,286	99,704	320,611
Environmental Health (Wastewater, Waste Management, Environmental Stewardship)	215,311	710,775	597,840	176,103	3,331,314
Recreation & Cultural Services (Recreational Facilities, Parks, Libraries, Cultural Buildings)	443,053	0	0	0	\$27,879
Water Utility (Infrastructure and Equipment related to Water Treatment & Distribution)	275,202	275,781	87,071	69,386	912,066
TOTAL	\$2,413,379	\$2,048,148	\$3,822,146	\$4,136,677	\$7,178,663

Infrastructure Highlights: Completed Projects in 2015/2016

Milford Sewage System Upgrade

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ 180,667	\$ 35,954	\$ 139,185	\$ 175,139
Capital out of Revenue		-	3,650	3,650
Building Canada Fund (Federal Government Funding)	361,333	71,127	285,671	356,798
Total	\$ 542,000	\$ 107,081	\$ 428,506	\$ 535,587

For further information see page 3 - 25.

Commerce Court Sidewalk

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ 72,000	\$ 110,163	\$ 9,100	\$ 119,263
Debt	73,000	-	-	-
Total	\$ 145,000	\$ 110,163	\$ 9,100	\$ 119,263



This project was \$25,700 under budget; in lieu of borrowing \$73,000 for the project Council was able to fund the project completely with reserve funds.

Bulk Water Station

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ -	\$ 3,456	\$ -	\$ 3,456
Gas Tax	218,050	185,804	\$ 18,408	204,212
Total	\$ 218,050	\$ 189,260	\$ 18,408	\$ 207,668



This project included twining the bulk water station to maximize the disbursement of water for the bulk water halers. The planning for this project commenced in 2013/2014 and completion was in the summer of 2015. The majority of the project was funded with Gas Tax Funds (98%) and was \$10,400 under budget.

Infrastructure Highlights: Work-in-Progress Projects in 2015/2016

Burntcoat Head Park

Project Funding	Total Budget	Actual Expenditures		
		2015-2016	Prior Years	Total
Other Levels of Government	292,415	264,883	-	264,883
External Other	400,000	-	-	-
Temporary Financing	-	140,130	-	140,130
Debt	357,585	-	-	-
Total	\$ 1,050,000	\$ 405,013	\$ -	\$ 405,013



The stairs at Burntcoat Head Park were constructed in 2015/2016 and lead tourists to the ocean floor.



The comfort station at Burntcoat Head Park

Land Acquisition - Uniacke Business Park

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ 440,000	\$ 520,453	\$ -	\$ 520,453
Debt	275,000	-	-	-
Total	\$ 715,000	\$ 520,453	\$ -	\$ 520,453



The acquisition of this land is part of an overall expansion plan for the Mt. Uniacke Business Park.

Records Management

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ 136,000	\$ 77,737	\$ -	\$ 77,737
Capital out of Revenue	-	-	47,085	47,085
Total	\$ 136,000	\$ 77,737	\$ 47,085	\$ 124,822

The Information Management Plan for East Hants included the acquisition and implementation of an enterprise records management system. In 2014 the Municipality acquired Laserfiche with a final license purchase in 2015.

Ross' Hill Lift Station Upgrade

Project Funding	Total Budget	Actual Expenditures		
		2015/2016	Prior Years	Total
Special Reserves	\$ 90,000	\$ 6,403	\$ 47,919	\$ 54,322
Total	\$ 90,000	\$ 6,403	\$ 47,919	\$ 54,322

This project is to purchase and install a new electrical panel, SCADA equipment, two pumps, a station cover and piping for the Ross' Hill Lift Station in Lantz. Equipment at this station is over 30 years old and no longer effectively meets the needs of the area. The new equipment will improve the reliability and pumping capacity of the Ross' Hill Lift Station.

INVESTING IN OUR COMMUNITY

Each year Council makes a significant contribution to the community through grants to non-profit groups, special events and community beautification. Council also has a Municipal Tax Assistance Program (MTAP) to help families who are struggling to pay their property tax bills and they disburse several million dollars to the Provincial Government as a contribution to the Education system in Nova Scotia.

Grants

East Hants takes great pride in being able to offer a wide range of funding to individuals and organizations within the Municipality through a grant process. Funding organizations who offer municipal type services to the community allows the Municipality to build on the key strategies of Sustainability, Economic Development and Communication & Engagement. These groups include family based resources, transportation services, animal control services, sports and recreational programming and facility groups, senior resources and tourism associations.

In 2015/2016 there are \$1,265,395 in grants given out to different groups excluding the Fire Department levies (includes tax exemptions and MTAP). Below is a table summarizing the grants by grant program type. A complete list of grant recipients and the purpose for which money was granted can be seen on Page 1 - 52.

Grant Fund	Amount
Beautification Grant	\$9,392
Community Grants	23,375
District Recreation Fund	63,971
Tourism Grants	33,373
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	9,000
Event Grants	15,000
Facility Access Grant	6,067
Insurance Premiums for Municipally owned and/or leased Tourism Properties	4,023
Annual Maintenance Grants for municipally owned properties	17,500
Dr. JT Snow Bursary	3,000
General Government Grant	26,074
Community Partnership Grant	48,369
EMO Grant	12,633
Annual Fire Department Operating Grant	55,086
Emergency Fire Grant	37,758
Municipal Tax Assistance Program	97,461
Charitable Organization Tax Exemptions	803,313
Total	\$1,265,395

Tax Exemptions to Community Organizations

East Hants exempts a number of non-profit organizations from paying property taxes, through Bylaw F-400. The total cost to the Municipality for these exemptions was \$803,313 in 2015/2016.

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Bylaw F-400 Exemptions	\$803,313	\$775,750	\$704,849	\$513,066	\$139,220

2015/2016 Exemptions

Organization	Exemption (\$)	Organization	Exemption (\$)
Stanley Sport Aviation Association	1,978	Milford Recreation Association	9,825
East Hants Historical Society	32	Minasville Community Centre	1,342
Corridor Community Options	2,893	Lantz Recreation Society	3,794
Milford Recreation Association	387	Trustees Clarksville	405
Shubenacadie Community Development Association	2	Northern Hants Benevolent	3,777
East Hants Municipal Housing	171	Rainbow Community Club Hall	4,315
Nine Mile River & District Volunteer Fire Department	241	Trustees Of The Hardwoodland	3,713
C W Saunders Lodge Hall 125	2,184	Maitland & District Development Association	1,368
Corridor Community Options Society	12,515	Trustees Of N M R	4,126
Shubenacadie Hall & Grounds	4,914	Uniacke Lodge No 128 A F & A M	2,352
Noel Shore Hall Association	948	Upper Nine Mile River Hall Association	3,035
Burntcoat Community Hall	540	United Church Of Canada	3,885
Noel Road Willing Workers Community Club	1,839	Four Points Community Centre	3,796
East Gore Community Club Hall	3,448	East Hants Arena Association (Sportsplex)	439,480
East Noel Community Club	948	Rawdon Hills Health Centre Association	3,753
East Walton Community Hall	1,096	Corridor Community Options Society	1,569
Gore District Volunteer Fire Department	3,386	Tot's Academy Child Care Society	19,067
Rawdon Gold Mines Community Hall	2,940	East Hants Water Utility	232,929
Hall Foresters	1,137	Municipality of East Hants/South Maitland Historical Association	33
Hall Northfield	378	Municipality of East Hants leased to E.H. Horne School Preservation Society	6,826
Stanley & Mosherville Hall Association	888	Municipality of East Hants leased to Enfield Earthkeepers	2,962
Tennecape Community Club	1,183	Landar - South Maitland Society	4,195
Enfield & District Lions Club Association	1,868	Hants North Baseball	850
			\$803,313

In addition to the amounts above table, organizations exempt from tax are not charged area rates applicable to their area; in some cases these could be thousands of dollars more.

Municipal Tax Assistance Program

East Hants currently provides assistance to lower income families through the Municipal Tax Assistance Program (MTAP). In 2015/2016, \$97,461 of exemptions were provided to 138 families and 204 residents living alone in their home. Details on this program can be found on our website:

<http://www.easthants.ca/content/finance-and-tax-information>

	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Exemptions Awarded	\$97,461	\$101,637	\$111,647	\$90,096	\$76,429
# of Families	138	170	191	130	146
# of Single Residents	204	201	217	212	166

CONTRIBUTIONS TO PROVINCIAL SERVICES

East Hants is required by Provincial regulation to rate for Provincial Services. These mandatory Provincial contributions represent approximately 22% of East Hants' annual general operating expenditures. In 2015/2016, the budgeted contributions to provincial services made up \$0.3517 cents of the \$0.8573 general tax rate (41%).

Municipal Contribution to:	2015/2016	2014/2015	2013/2014	2012/2013	2011/2012
Education	\$4,641,048	\$4,459,860	\$4,250,340	\$3,992,868	\$3,727,368
Social Services	\$61,121	\$71,747	\$63,769	\$53,132	\$51,560
Corrections	\$284,519	\$284,009	\$283,169	\$282,473	\$210,564
Regional Library	\$141,986	\$141,986	\$139,714	\$139,714	\$139,714
Property Valuation Services Corporation (PVSC)	\$382,798	\$380,086	\$378,665	\$378,488	\$376,399
TOTAL	\$5,511,472	\$5,337,688	\$5,115,657	\$4,846,675	\$4,505,605

EMERGENCY SERVICES

East Hants Fire Service

Residents of East Hants receive fire/rescue service from 13 mutual aid volunteer fire departments within its boundaries and one volunteer department located in Brooklyn. As outlined in the *East Hants Fire Service Standard Operating Guidelines*, all departments are dedicated to improving and preserving the quality of life, property and the environment through education, leadership, and effective response to emergencies.



All volunteer departments in East Hants are required to adhere to the *East Hants Fire Service Standard Operating Guidelines*. These guidelines provide the framework for safe and efficient operation of fire departments in East Hants and consistent delivery of fire protection to our residents. The East Hants Fire Service is an independently registered Association that works in collaboration with the Municipality, the fire departments are not directly part of Municipal operations. The Municipality provides independent bookkeeping service to eight of the thirteen departments.

In addition to the operating guidelines, all volunteer fire departments are required to meet annual registration requirements with East Hants as well as the Registry of Joint Stock Companies and are required to adhere to the municipal *Financial Guidelines for Volunteer Fire Departments*.

Members of our volunteer fire departments participated in numerous training opportunities this past year, some of which included:

Mobile Burn Unit Fire Control	Vehicle Extrication
Mobile Burn Unit Live Fire	Swift Water Rescue
Basic Fire Fighter Level I & Level II	Health & Wellness
Incident Command System Level I & Level II	Medical First Response

This past year staff and members of the volunteer fire service also worked together to advance the following projects:

- Municipal Support for a common training facility.
- Award of a contract for the provision of security services at fire scenes.
- Upgrade to Trunk Mobile Radio 2 (TMR2) radio system to enable fire departments to communicate much more effectively with other public safety agencies across a much wider area; the TMR2 radio system is used by all public safety agencies in the Province.
- Renewal of service contract for the provision of fire dispatch services.

In April 2015 East Hants formally recognized the dedication and commitment of our volunteer fire service providers with the presentation of Municipal Long Service Award medals to 27 volunteer fire service members. There were 6 members who received 30 year, 7 members who received 35 year, 8 members who received 40 year, 4 members who received 45 year and 2 members who received 50 year Municipal Long Service Award medals! These medals were acquired from the Canadian Volunteer Fire Services Association; their presentation and the names of recipients will be on permanent record with the Association.



Fire Services - Grants

Each year the Municipality provides financial support to the thirteen fire departments who are providing service within our boundaries. The primary source of funding is operating levies charged through the property tax bill. For more urban departments, these range from \$0.12 to \$0.17 per \$100 of assessment and for smaller rural departments, who have significantly less assessment to draw from, the rates are \$0.18/\$100 of assessment. In 2015 Council passed a motion that the smaller department rates will be budgeted with a 1¢ increase for the following five years, this will ensure these departments have more funding for the equipment and infrastructure required.

Council also pays operating grants to the smaller, more rural departments. In 2015, Council also renewed a commitment to these grants by increasing the number of departments that qualify for the grants (increasing the assessment cap from \$35 million to \$75 million). On the recommendation of the Fire Advisory Committee, Council also issued \$22,000 to the Noel Volunteer Fire Department, as an Emergency Grant, for much needed repairs to their on-site septic system.

East Hants Fire Service and the Municipality are working together to upgrade the fire service communication equipment to a Trunked Mobile Radio System. The Municipality is financing this project, with repayments coming from the fire departments over the next five years. As part of this project, Council approved the funding of replacement radios for smaller departments come from the Emergency Fire Grant Fund, the total cost of which was \$15,758.

Fire Department	Fire Levy Collected & Disbursed	Annual Operating Grant	Emergency Grant	Trunked Mobile Radio Project	Total
Enfield	410,586				410,586
Elmsdale	345,648				345,648
Lantz	216,251				216,251
Milford	136,020				136,020
Shubenacadie	189,837				189,837
Maitland	75,413	9,181		4,015	88,609
Noel	79,607	9,181	22,000	3,739	114,527
Walton	26,041	9,181		1,669	36,891
Gore	60,659	9,181			69,840
Kennetcook	65,459	9,181		6,335	80,976
Nine Mile River	144,242				144,242
Rawdon	96,763	9,181			105,944
Mount Uniacke	496,984				496,984
Brooklyn	36,669				36,669
Services Shared by all fire departments					-
Total	2,380,180	55,086	22,000	15,758	2,473,023

East Hants RCMP Service - Annual Report

The Royal Canadian Mounted Police's mandate, as outlined in section 18 of the Royal Canadian Mounted Police Act, is multi-faceted. It includes preventing and investigating crime; maintaining peace and order; enforcing laws; contributing to national security; ensuring the safety of state officials, visiting dignitaries and foreign missions; and providing vital operational support services to other police and law enforcement agencies within Canada and abroad. The RCMP is the Canadian national police service and an agency of the Ministry of Public Safety Canada.

The RCMP is unique in the world since it is a national, federal, provincial and municipal policing body. We provide a total federal policing service to all Canadians and policing services under contract to the three territories, eight provinces (except Ontario and Quebec), more than 150 municipalities, more than 600 Aboriginal communities and two international airports. The RCMP serve in many capacities in Nova Scotia. The RCMP in Nova Scotia has three RCMP Districts: Halifax, Northeast Nova and Southwest Nova.

East Hants RCMP District falls under Northeast Nova. Enfield Detachment is located at 136 Highway 2, Enfield, NS, and Rawdon Detachment is located at 3645 Highway 14, Upper Rawdon, NS. The Mount Uniacke satellite office is located at 555 Hwy 1, Mount Uniacke and is open to the public on Thursdays only. For purposes of policing, East Hants has been divided into 11 zones. East Hants RCMP District shares borders with Halifax, Colchester, and West Hants counties and Indian Brook Reserve.

East Hants District works under the Municipal policing mandate to work closely with residents, partners, and other law enforcement agencies to uncover and diffuse public safety issues to ensure East Hants continues to be a safe place to live. We strive to provide the best possible service to East Hants and to do our part to make our community one of the safest in Canada.

East Hants RCMP provides: front line policing; general investigation; traffic enforcement; crime prevention; street crime enforcement; crime analysis; victim services; community services; school liaison policing services, and court and administrative support services to the citizens of East Hants. It is also supported by specialized Provincial units such as Forensic Identification, Emergency Response Team, Police Dog Services, Major Crime, Integrated Child Exploitation Unit, etc., when and where appropriate, and our Citizens on Patrol and Ground Search and Rescue volunteers.

Annual Policing Costs	Amount (\$)
RCMP Officer Costs	3,133,405
RCMP DNA Case Expenses	14,639
RCMP Prosecution Expenses	11,175
RCMP Shared Services	185,427
Rawdon RCMP Building (includes debt expenses)	42,306
Mt. Uniacke RCMP Building	7,400
Total	3,394,352



FINANCIAL CONDITION INDICATORS

The Financial Condition Index helps municipal councils and other stakeholders make sense of municipal financial information by providing a variety of sources of information in a single document. The index is organized into three financial dimensions that focus on where municipalities get their revenue, how they spend their money, and how they manage their finances.

The index was developed jointly by the Province of Nova Scotia, the Union of Nova Scotia Municipalities, and the Association of Municipal Administrators. Thresholds are based on jurisdictional scans, literature reviews, and municipal consultations.



The Province of Nova Scotia provided a four year comparison of the Financial Condition Indicators for all municipalities in the province in February 2016 on the Provincial Website found here: <http://novascotia.ca/dma/finance/indicator/fci.asp>.

The information in this report has been calculated using East Hants data for 2012/2013 to 2014/2015, the thresholds are however those provided by the Province. Below is a snapshot of East Hants indicators along with comments that are important to our stakeholders for understanding the results. The indicators for 2015/2016 will be calculated by the Province once the Financial Information Returns for all municipal units are filed. The detailed discussion of the results can be found here: <https://www.easthants.ca/government/municipal-departments/finance-administration/financial-condition-index/>.

Revenue Dimension

Revenue Dimension	2014/2015	2013/2014	2012/2013	Recommended Threshold
Reliance on Gov't Transfers	2.1%	1.8%	1.9%	Below 15%
Uncollected Taxes	3.8%	3.9%	3.2%	Below 10%
3- Year Change in Tax Base	19.5%	17.6%	18.9%	Above 3.3%
Commercial Property Assessment	8.50%	8.30%	8.0%	Above 10%
Reliance on Single Business/Institution	1.1%	1.1%	1.2%	Below 10%

Reliance on Government Transfers (%)

The Municipality of East Hants receives government operating grants for Solid Waste Programs, Farm Property Acreage and application based funding agreements. These grants range from 1% to 2% a year of the \$25 million to \$27 million budget. This represents a low percentage on funding from government grants. The Municipality of East Hants does not receive any Equalization funding from the Province.

Uncollected Taxes (%)

The Municipality of East Hants has a full time Collection Officer and actively collects through payment arrangements, tax sale and adherence to Council collection policies. The Uncollected Tax Calculation is favourable for 2012/2013 to 2014/2015 due to the favorable collection of taxes.

Three Year Change in Tax Base (%)

The Municipality of East Hants has a higher percentage for this indicator due to the high rate of assessment growth in East Hants. Overall the Three Year Change in Tax Base indicates that property assessments are increasing more than inflation.

Commercial Property Assessment (%)

The East Hants current Commercial Property Assessment financial indicator score is attributed in large part to our residential growth outpacing our successful commercial development. The commercial tax base has hovered between 7 and 8 percent for a number of years. The municipality is continuing to invest in economic development. Though the factors affecting our assessment split are complex, a major factor is the speed of growth of our residential tax base - which makes the Commercial Property Assessment indicator an ongoing strategic focus for East Hants. Where some municipalities across the Province struggle to attract new residents and new home development, East Hants population has grown and we benefit from approximately 100 new homes built every year. Our proximity to Halifax as a bedroom community and to the two major highways in our province, which run within our municipal borders, makes us very attractive to families.

For full details on the economic activity and opportunities in East Hants, please visit here: <https://www.easthants.ca/business/economic-development-plan/>

Reliance on Single Business/Institution (%)

The ratio for reliance on a single business is low due to the variation of industry represented in East Hants, the large amount of farm and forest lands and our significant residential assessment. This indicator is favourable for East Hants for all three years 2012/2013 to 2014/2015.

Budget Dimension

Budget Dimension	2014/2015	2013/2014	2012/2013	Recommended threshold
Residential Tax Effort	2.8%	2.7%	2.6%	Below 4%
# of Deficits in the last 5 Years	0	0	0	Below 1
Budgeted Expenditures Accuracy	3.3%	6.0%	5.9%	Between -5% and +5%
Liquidity Ratio	3.4	0.9	1.2	Above 1
Operating Reserve	46.5%	41.7%	38.3%	Above 10%

Residential Tax Effort (%)

The ratio for all three years meets the threshold set by the Province. East Hants tax effort for all three years are higher than the Rural Average because East Hants provides urban services such as sewer, hydrants, sidewalks and streetlights to five communities in East Hants, thus resulting in a higher tax expense per dwelling unit. Although our median income is higher than the rural median income (\$66,634 vs. \$45,869), the higher tax burden from services results in a higher percentage for this indicator.

Deficits in the Last Five Years (#)

Municipalities must prepare balanced operating budgets. Any deficits must be repaid in the following budget year. The Municipality of East Hants has not run a deficit in 25+ years.

Budgeted Expenditures Accuracy (%)

The Municipality of East Hants Budget Expenditure Accuracy FCI, as calculated, appears to be un-favourable. In fact, the Municipality has had small surpluses of between \$275,000 and \$320,000 over the last three years, which equate to less than 1.5% of total expenditures (2012: 1.4%; 2013: 1.3%; 2014: 0.8%).

There are several factors at play when calculating East Hants budget accuracy. Several factors affect the East Hants budget to actual results each year:

- The budget is prepared with offsetting funding coming from operating reserves, which is not taken into consideration when calculating this FCI;
- The budget is prepared with a percentage for Pension & Health Benefits - any remaining monies at year end is transferred to the Pension reserve to pay for plan upgrades and solvency deficits;
- The budget is prepared with large projects/studies being funded from reserve (funds not raised in one year on the tax rate); any monies not spent do not have an offsetting in from reserve transfer at year end;
- The actual surpluses recorded in the last few years are a result of a number of variances to budget, the large variances being in Salaries/Benefits related to maternity and other vacancies as well as the associated operating costs of those vacancies. Also affecting the budget are interest expenses relating to delayed capital projects and any variance in policing or education contracts also affect the actual numbers (East Hants budget is set prior to these transfer numbers being known usually resulting in a small percentage variance).

All significant variances are reported to the public in the Treasurer's Report each year.

Liquidity Ratio

The Municipality of East Hants maintains healthy operating reserves that are available to meet most unforeseen operating circumstances. The Municipality's accounting policy is to transfer any surplus cash to the operating reserves at each year end. This cash, and all that in the reserve accounts, was not considered when calculating this indicator for the years prior to 2014/2015. Commencing in 2014/2015 the cash in reserves was included in the indicator calculation.



The Municipality of East Hants, although scoring below the established threshold in 2013/2014, **does not have any cash flow or collection concerns**. If we took into consideration our operating contingency cash, the Municipality's Liquidity ratio would be 1.36, well above the rural threshold.

This indicator is calculated by Short Term Operating Assets divided by Short Term Operating Liabilities.

For East Hants short term assets include cash, taxes receivable and other monies owing from external sources (grants, HST, Deed Transfer Tax, etc.). The short term liabilities include amounts owing for payroll, trade payables (amounts owing to suppliers at the end of the fiscal year) and deferred revenue (monies paid on taxes in advance, for swimming lessons, etc.). The formula in prior years does not take into account our reserve balances:

- In 2013/2014 the Municipality had \$8.8 million in operating reserves, \$1.7 million was for operating contingency (not set aside for any specific purpose).
- In 2012/2013 the Municipality had \$7.9 million in operating reserves, \$1.4 million was for operating contingency.

Operating Reserves (%)

Reserve funds are established by Council by setting aside money to help offset future financing requirements; when required, the funds are drawn upon to finance capital and operating expenditures as designated by Council. Using reserve funds to minimize tax rate fluctuations (due to significant one-time budgeted expenditures, unanticipated expenditures and revenue shortfalls) is a fundamental component of financial management for East Hants. Where the Municipality's capitalization threshold is \$10,000 and with restrictions on what capital reserves can be withdrawn for, Council has chosen to set aside the required funds for capital purchases in the operating reserve.

- 2014/2015 The Municipality continued to have a healthy reserve program, with \$15.4 million in operating and capital reserves. Of the \$9.9 million in operating reserves, \$3.3 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 30.8% and would still exceed the threshold.
- In 2013/2014 The Municipality continued to have a healthy reserve program, with almost \$13 million in operating and capital reserves. Of the \$8.8 million in operating reserves, \$3.2 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 26% and would still exceed the threshold.
- In 2012/2013 The Municipality has almost \$10 million in operating and capital reserves. Of the \$7.9 million in operating reserve \$3 million is money set aside for the replacement of tangible capital assets. Using monies set aside solely for operating reserves this ratio would be 24%.

Debt & Capital Dimension

Debt & Capital Dimension	2014/2015	2013/2014	2012/2013	Recommended threshold
Debt Service Ratio	11.9%	11.7%	11.5%	Below 15%
Outstanding Debt	1.6%	1.8%	1.7%	Below 3.5%
Undepreciated Assets	72%	73.8%	74.90%	Above 60%
5 year Capital Purchases	224.5	227.5%	246.1%	Above 100%
5 year Contributions to Capital Reserve	0%	3%	4%	Above 10%

Debt Service (%)

The debt service ratio of 11.7% is attributed to the significant investment made by Municipal Council to urban infrastructure related to wastewater, recreational facilities, sidewalks and business park development. These expenditures are out of the norm for most “rural” municipalities, affecting how we compare to others.

Outstanding Debt (%)

The Outstanding Debt ratio of 1.5% is well below the required threshold, yet higher than the average of other rural units.

This can be attributed to the significant investment made by Municipal Council to urban infrastructure related to wastewater, recreational facilities, sidewalks and business park development. These expenditures are out of the norm for most “rural” municipalities, affecting how we compare to others.

Undepreciated Assets (%)

The Municipality’s significant investment in infrastructure over the last three years results in a higher % for this indicator. New infrastructure has a higher book value and more remaining useful life than older infrastructure.

Five-year Capital Purchases (%)

The Municipality of East Hants is making sound investments in municipal infrastructure to ensure the sustainability of our municipality for years to come.

- In 2014/2015, the Municipality completed construction on an \$872,000 RCMP Building in Rawdon and invested over \$700,000 in sewer infrastructure. The Municipality also accepted contributed sewer, storm drain, road, and streetlights assets from developers totaling more than \$1.35 million. This ratio is positive from a renewal and sustainability stance.



- In 2013/2014 the Municipality invested almost \$2 million in business park expansion and invested \$900,000 in sidewalks. Other capital work included equipment for the Waste Management Centre, sewer infrastructure, and upgrades to the Mount Uniacke RCMP Community Office. This ratio indicates that the acquisition of capital infrastructure is 2.27 times the depreciation on our aging infrastructure. A positive from a renewal and sustainability stance.
- In 2012/2013 East Hants continued spending on infrastructure in the following areas: \$2.6 million on The Lloyd Matheson Centre and \$1 million in new sidewalks. Other capital work included sewer infrastructure and six additional hydrants.

Five-year Contributions to Capital Reserves (%)

Reserve funds are established by Council by setting aside money to help offset future financing requirements; when required the funds are drawn upon to finance capital and operating expenditures as designated by Council. Using reserve funds to minimize tax rate fluctuations (due to significant one-time budgeted expenditures, unanticipated expenditures and revenue shortfalls) is a fundamental component of financial management for East Hants.

Where the Municipality’s capitalization threshold is \$10,000 it is a policy of Council to fund the purchase of fixed assets through the operating reserve, and not the capital reserve. As such, approximately \$400,000 is contributed to the operating reserve fund annually; this contribution would have been considered a “contribution to capital reserve” prior to Council’s policy change. Adjusting our contributions for this amount the indicator would be between 18% and 20% for the three year period of 2011 to 2014, well within the acceptable range.

Another factor to consider when comparing East Hants to other rural units is the amount of depreciation we have. East Hants has made significant investment in infrastructure for urban services like new roads, wastewater infrastructure and sidewalks (\$11 million dollars’ worth of sidewalks in the last few years) and municipal infrastructure in our business parks. All of this investment drives up the depreciation costs to the Municipality, thereby reducing our Contribution to Capital Reserves ratio.



FINANCIAL RESULTS 2015/2016

The Municipality of East Hants' Treasurer's Report serves as an opportunity to communicate to stakeholders, residents and local businesses regarding the Municipality's 2015/2016 financial and operational performance. The Municipality's financial statements (Section 2) have been prepared in accordance with the Provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada). The Departmental Reports (Section 3) provide information to the reader with respect to civic activity throughout the year.

The financial cycle for 2015/2016 began in October 2014 with the development of the operating and capital budgets. There was significant consultation amongst Municipal staff at the business planning stage; staff strives to find efficiencies and cost savings where ever possible while ensuring an effective level of service and sustainable programs are maintained for the taxpayers of East Hants. Several meetings between senior managers and the CAO took place prior to the first draft of the budget going before Council in January 2015. After much debate at the Council table, the general operating budget for 2015/2016, including area rates, was approved by Council at approximately \$28.3 million.

The 2015/2016 financial results will be discussed below, and variances provided for, on a **consolidated basis**, and by General Tax, Urban Service Rate and Water Utility operations and reserves. Also outlined is the status of the three municipal reserve funds. The Capital Fund holds our investment in infrastructure discussed earlier in this report under *Investing in our Infrastructure*.

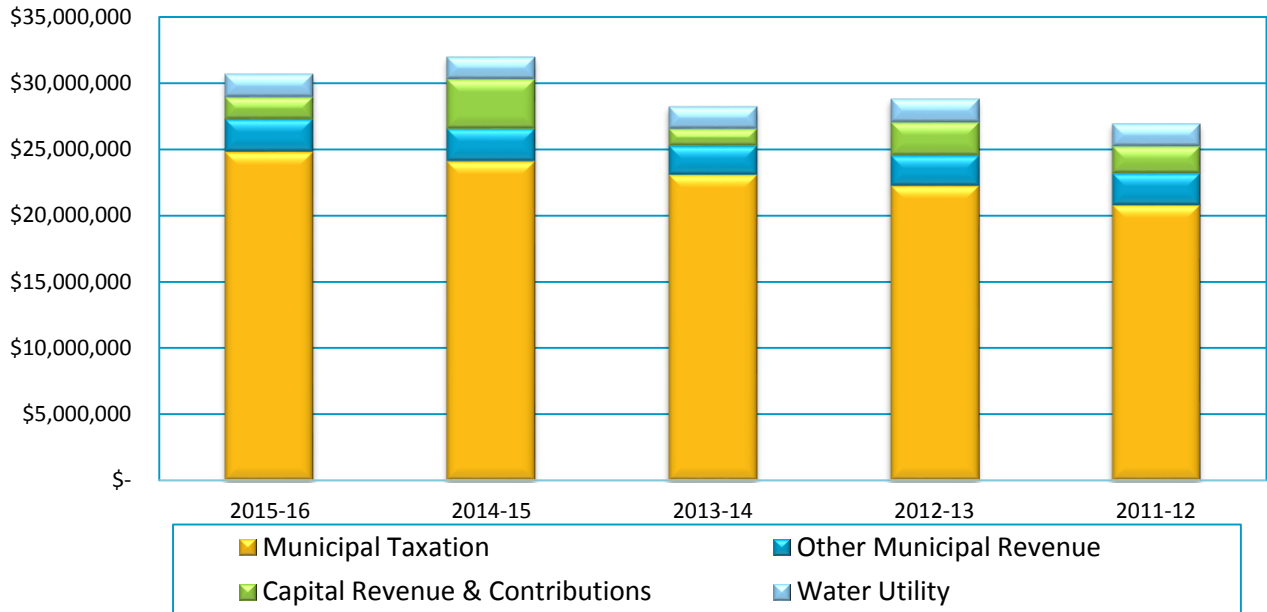


The Public Sector Accounting Board compliant financial statements are in Section 2 of this report. There are four required financial statements: Statement of Financial Position; Statement of Operations; Statement of Changes in Net Debt; and, Statement of Cash Flow. These financial statements provide information on the organization's assets and liabilities, cost of all activities, how they were financed, and investing activities.

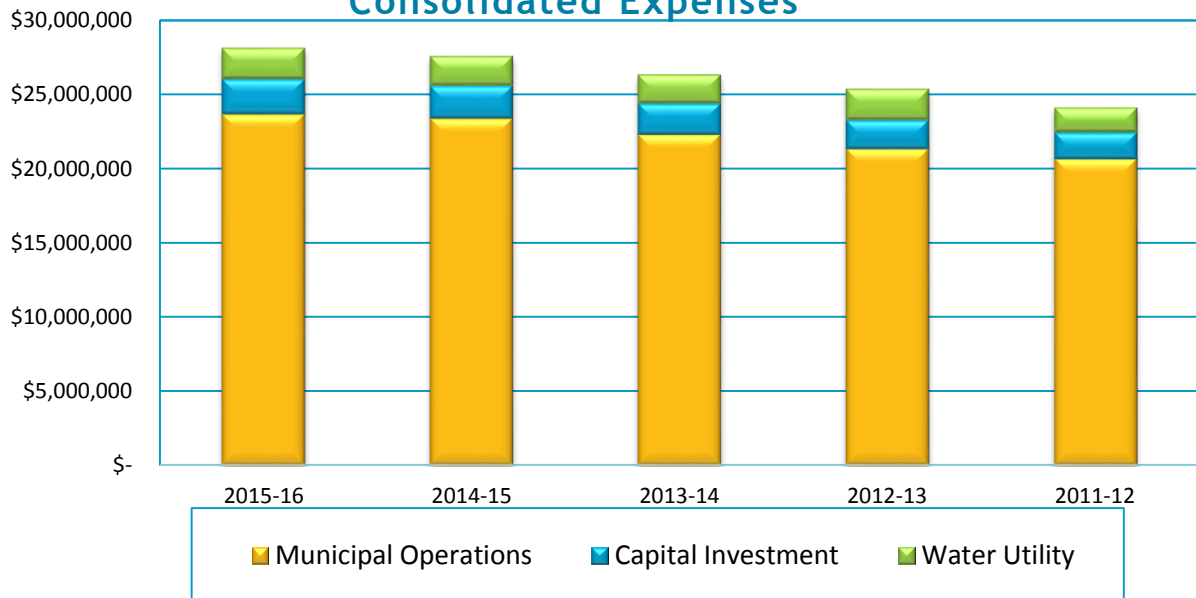
Consolidated Revenues and Expenses

The following charts represent the consolidated revenues and expenses for the Municipality for the previous 5 years:

Consolidated Revenues



Consolidated Expenses



Comparative Statement of Consolidated Revenues and Expenses

The following is a comparative summary of revenues by type and expenditures by function for fiscal 2015/2016. The financial statements include a detailed Consolidated Schedule of Operations by Function (Page 2-27 & 2-28) which gives the reader more details at the expenditure level (break down of expenditures into salaries/benefits, operating costs and fiscal service type expenditures).

CONSOLIDATED REVENUES								
For years ended March 31 (in thousands of dollars)	Budget		Actual		Actual		Budget to Actual Variance	Actual to Actual Variance
	2016		2016		2015			
Taxation	\$ 25,111	84%	\$ 24,995	87%	\$ 24,284	76%	\$ (117)	\$ 710
Sale of services	914	3%	895	3%	877	3%	(19)	\$ 18
Other revenue from own sources	775	3%	1,001	3%	941	3%	226	\$ 60
Government Grants - Operating	345	1%	383	1%	466	1%	38	\$ (83)
Water utility	1,682	6%	1,751	6%	1,707	5%	69	\$ 44
Revenue before Other	28,827		29,025		28,276		197	749
Government Grants - Capital	1,001	3%	1,321	5%	1,229	4%	320	\$ 92
Development & other contributions	102	0%	375	1%	2,516	8%	272	\$ (2,141)
	1,103		1,696		3,745		592	(2,049)
Total Revenue	\$ 29,930		\$ 30,720		\$ 32,020		\$ 790	\$ (1,300)
CONSOLIDATED EXPENSES								
General Government	\$ 5,586	19%	\$ 5,136	18%	\$ 5,204	19%	\$ (450)	\$ (69)
Protective Services	6,658	22%	6,575	23%	6,235	23%	(83)	340
Transportation	2,086	7%	2,054	7%	2,166	8%	(32)	(112)
Environmental Health Services	4,777	16%	4,620	17%	4,453	16%	(157)	167
Environmental Development	1,811	6%	1,471	5%	1,678	6%	(340)	(207)
Education & Social Services	4,823	16%	4,702	17%	4,532	16%	(121)	171
Recreation and Cultural Services	1,657	6%	1,464	5%	1,317	5%	(193)	147
Water Utility	2,423	8%	2,103	8%	2,003	7%	(320)	100
Total expenses	29,821		28,125		27,587		(1,697)	537
SURPLUS	\$ 109		\$ 2,596		\$ 4,433		\$ 2,487	\$ (1,838)

Description	Amount
Variances from Budget to Actual - Consolidated Surplus	
General tax rate variance as per the general operations section (See Page 1-43)	\$694,738
Urban service tax rate variance as per the urban service rate section (See Page 1-47)	51,460
Transfers (see page 2 - 3)	883,405
Net gain on the sale/disposal of Municipal assets	258,199
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	(213,398)
Landfill liability adjustment based on PSAB requirements	(22,139)
Non Urban Streetlights, variance to budgeted surplus	6,750
Water utility variance as per the water utility section (See Page 1-48)	375,926
Receipt of unplanned capital grants	466,511
Lantz Fire Department Recoverable Principal	(14,880)
Net Variance from Budget to Actual	2,486,572
Original planned surplus (see page 2-26)	108,953
Net Surplus end of Year	\$2,595,525



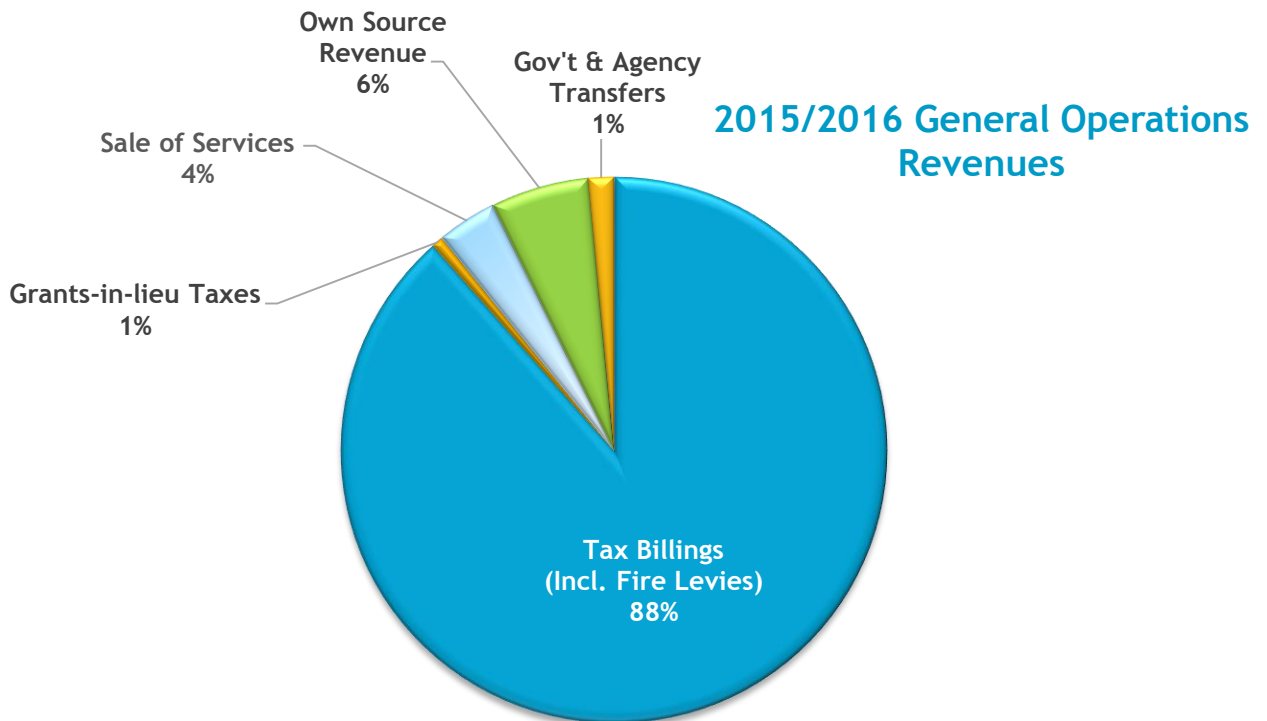
Municipal Operations (Operating Fund)

The **Schedule of Current Fund Operations** (Page 2-22) shows no change in the Operating Fund balance as the surplus in the general operations fund was transferred to reserves as required by the Provincial Financial Reporting Requirements. The 2015/2016 surplus of \$416,375 can be broken down as follows:

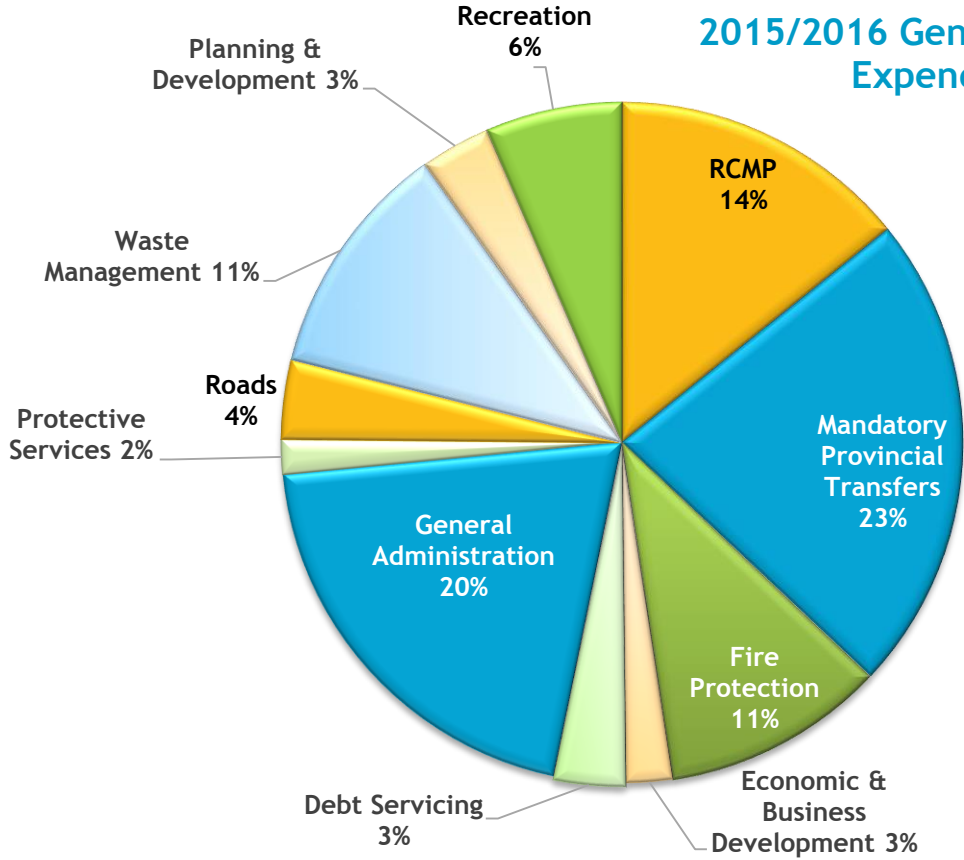
General Operations	\$353,910
Urban Service Rates	\$51,269
Other Lights	\$11,197
Total	\$416,376

General Tax Rate

The following pie charts represent the general tax rate revenues and expenses for the Municipality for 2015/2016 (excluding transfers to reserve, amortization expense, pension accounting and landfill closure entries):



2015/2016 General Operations Expenditures



The general operations surplus was transferred to reserve in two amounts. An amount of \$317,884 was approved to be transferred during the deliberations of the 2016/2017 budget in order to fund specific projects in the upcoming budget. Another \$353,910 was transferred as a general surplus at year end. The variances in general operations revenue and expenses from budget to actual are as outlined/discussed in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUE	
Administration fees charged to Urban Service Rate, East Hants Water Utility & Private Roads	\$ 34,254
Pool Program revenue	5,325
Net taxes, including planned amount for Assessment Appeals	561
MTT Grant/NS Power/HST Offset	26,893
Transfers from other governments - student funding	13,902
Offset by savings in casual wages and training, as revenue is dependent upon Workplace Education Program training (\$9,802) and the hiring of a summer student (\$4,100).	
Recreation Grant Revenue	14,947

Description	Amount
There was Thrive-Facility Access Funding in the budget but it was dependent upon the offsetting expenditures by the Municipality; savings in Community Events (see below) of \$20,392 offset the shortfall in revenue. Funding was received and deferred to 2016/2017.	
Other sale of service	3,535
Grant in lieu	(9,234)
Miscellaneous	(3,599)
Farm Acreage	(2,006)
Fines	(7,000)
Scrap metal - due to the current demand and prices on the global trading markets	29,472
Building permits	10,135
Solid Waste Revenues, including Tipping fee (\$58K) & RRFB Diversion Credit revenue (\$24K)	(83,879)
Interest on investments & receivables net of bank fees	(28,340)
Variance relates to a favourable return on investment in the amount of \$17K and an increase of \$23K in interest on outstanding taxes; offset bank and interest charges	
Deed transfer tax	9,500
Less than 1% variance from budget.	
Conditional Provincial Grant	(28,659)
Funding from Gas Tax (\$20,869) for the Hants North Sport Pad, Central Nova Tourism Association (\$5,000) for the Fundy Tidal Interpretive Centre & Build Canada Funding (\$2,790) for the audit fees associated with the Sewage System Upgrade project in Milford.	
Variance from budget to actual - Revenue	\$ (14,193)
INCREASES / (DECREASES) IN EXPENSES	
Snow removal	\$ 66,055
Snow removal costs were higher than budget - due to snowfall amounts in April 2015.	
Wages & Honorariums	(182,304)
Savings in maternity leave and position replacements and various unfilled positions were offset by pension expense, which was higher due to new pension valuation standards.	
Professional fees	23,091
Funding from Gas Tax in the amount of \$20,869 offset the majority of the increase. The expense was for the design of the Hants North Sport Pad that was re-allocated as operating cost from a capital costs as it is not a Municipal owned asset.	
Various annual transportation contracts and agreements	(59,542)
Business development	(8,651)
Janitorial and other building operating costs	(8,863)
RCMP costs	(25,608)
Savings of \$25,608 in RCMP costs largely due to officer costs of \$1,009 less per officer.	
Building Repairs	11,514
Miscellaneous Items (includes postage, office supplies, publications & operational materials)	(12,853)
Provincial mandated costs (Corrections, Education, Provincial Housing)	(130,185)
Savings of \$116,027 in Education due to the education rate not increasing as expected. Part of the savings (\$101,313) will be used to fund part of the 2016/2017 operating budget.	
Municipal grants	15,126
Timing difference of funding for Hants North Sports Pad; to be funded from Gas Tax in 2016/2017.	



Description	Amount
Computer Hardware & Software	6,544
UNSM and FCM expenses	(8,023)
Allowance of doubtful accounts required was under budget allotment	(16,091)
Association memberships, committee & meeting expenses	(9,350)
Insurance	6,707
Vehicle Maintenance and Fuel	(6,626)
Small equipment (includes purchases and rentals)	(8,731)
Variations from budget to actual for small equipment throughout the organization.	
Telephone (\$7.5K) & cell phone (\$3.9K due to improved usage patterns, staffing changes & vacancies)	(11,475)
Net impact of all costs related to the Lloyd Matheson Center compared to budget (net of revenue; includes Elmsdale Library and all Municipal space)	(37,930)
Interest on Rawdon RCMP Office borrowing; Originally to be in the Fall of 2014, was borrowed in the Spring of 2015	(8,174)
Conference registration and travel	(17,105)
Cancellation of professional development opportunities as time commitments impact ability to complete work requirements.	
Other building and property repairs & maintenance (Ind. Park maintenance, park & trail maintenance)	5,683
Printing and copying (various budgeted publications did not get printed or produced in 2015/2016)	(24,301)
Tax exemptions (includes MTAP program and charitable exemptions per Bylaw F-400)	(11,123)
Solid Waste Processing, Transporting and Collection	(14,722)
Variance in cost per tonnage compared to budget.	
Community Events (offset by reduction of recreation revenue from above)	(20,393)
Promotion and advertising	(115,581)
Unspent advertising monies in the Planning and Development (\$5,500) & Economic and Business Development Departments (\$45,000) for plan review and media campaigns; unspent media campaign funds will be transferred to reserves and spent in 2016/2017. Unspent promotional budgets in Economic and Business Development of \$22,000 and Solid Waste Division of \$4,000 as well as \$16,000 in unspent corporate promotion.	
Training education & associated travel	(77,634)
Variance from budget to actual - Expense	\$ (680,545)
Variance from budget to actual surplus	(694,738)
Increase in transfer from Operations for Capital purposes to enable funding of the Storage Server Replacement, Land purchase at 1705 Highway 2 in Milford & Shubenacadie River Parks Project)	23,343
Original planned deficit/(surplus)	(399)
Net Surplus end of Year	\$ (671,794)
Surplus transferred to General Contingency Reserve	\$ 353,910
Surplus transferred to 2016/2017 budget as per Council:	
P&D - Building inspector code books	2,500
PRC - Burntcoat Signage and Wifi costs	4,500
EBD - Elmsdale Business Park Sign Re-skinning	2,600
CAO - Tourism Advertising	1,660



Description	Amount
Conference	3,630
I&O - Mezzanine Structure at Waste Management Centre	8,300
EBD - Investment Attraction & Promotion Items	21,000
Education Surplus Carry Forward to fund 2016/2017 operating budget	101,313
Landfill Operating Reserve to cover cost of medical absence of operator in 2016/2017	20,320
EBD - Municipal Signage Plan	15,000
Organics Transfer station balloon payment (in November 2017); does not include planned surplus of \$9,797 in the waste management fee	106,061
EBD - Media Campaigns	31,000
Total	\$ 671,794

Included in the above variance report for the General Tax Rate is an actual to budget surplus for in the Solid Waste division of \$136,178. As approved by Council, \$20,320 will be carried forward to 2016/2017 to cover the costs of a staff medical leave and \$115,858 will be transferred to reserves to pay part of the Organics Transfer Station balloon payment in November 2017. The large variance is due to the following:

Description	Amount
(INCREASES) / DECREASES IN REVENUE	
Scrap Metal	\$ 29,472
Tipping Fees	(57,741)
Resource Recovery Board Fund Diversion Credits	(24,042)
Dwelling Unit Fee	(928)
Variance from budget to actual - Revenue	\$ (53,239)
INCREASES / (DECREASES) IN EXPENSES	
Computer support	\$ 11,163
Small equipment (Mezzanine Structure at Waste Management Centre)	(11,189)
Property Repairs and Maintenance (public drop-off area improvements deferred to 2016/2017)	(16,786)
Operational materials & supplies	(2,771)
Conference registration and travel	(2,693)
Advertising & promotions	(11,869)
Net increase in misc expenses & revenues	206
Solid Waste - Processing, Collection & Transportation costs	(14,722)
Vehicles	(1,678)
Contracts	14,131
Wages & Benefits	(36,934)
Savings in wages and employer benefits due to a three month vacancy in Solid Waste Educator Position and six month vacancy in Part-time Solid Waste Inspector Position; in 2015-2016 these positions were combined.	
Variance from budget to actual - Expense	(73,142)
Variance from budget to actual surplus	(126,381)

Description	Amount
Original planned (surplus)	(9,797)
Net Surplus end of Year	\$ (136,178)
Surplus transferred to Reserves as follows:	
Organics Transfer station balloon payment (in November 2017)	(115,858)
Landfill Operating Reserve to cover cost of medical absence of operator in 2016/2017	(20,320)
Net Surplus end of Year	\$ (136,178)

Urban Service Rate

The Urban Service Rate (USR) is the largest of our area rates; charged to residents in the “Corridor” area (Shubenacadie to Enfield), this rate is reported on separately as it affects a significant number of residents and Councilors. The rate covers all urban services (streetlights, wastewater, hydrants and sidewalks) provided by the Municipality with the exception of some sub-urban streetlights. The total USR operating budget for 2015/2016 was set at \$2.9 million. The final surplus was \$51,269; the significant variances from budget for the Urban Service Rate are outlined/discussed in the following table:



Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Urban area taxes - primarily from wastewater fee collection	\$ 37,004
Federal properties Grant in Lieu	696
Sewer Hook-up & Usage revenue, net of reserves transfer	(5,243)
Variance from budget to actual - Revenue	\$ 32,457
INCREASES / (DECREASES) IN EXPENSES	
Snow removal for wastewater properties	(2,193)
Contracts and agreements - primarily due to lift station repairs and work at Lantz Lagoon	31,525
Property Repairs and Maintenance	897
Operational materials - primarily savings in chemicals	(626)
Debt Servicing on Sewer	(5,385)
Computer & admin support - primarily from savings in the Information Services Division	(17,150)
Fire Protection (Rate paid to the Water Utility for fire hydrants - based on UARB formula)	(35,622)
Professional Fees - savings primarily from environmental monitoring (lab testing)	(22,998)
Other general operations - primarily from savings in allsystems related to fuel and staff training	(13,264)
Wages & Benefits	(19,101)
Savings in wages and employer benefits from a vacant Engineer position were semi-offset by an increase due to the transfer of a Treatment Plant Operator position from the East Hants Water Utility.	
Variance from budget to actual - Expense	\$ (83,917)
Variance from budget to actual (surplus)	(51,460)
Variance from capital out of revenue (surplus)	191

Reserves - Urban Service Rate

Reserve funds are funds set aside to help offset future financing requirements; these are drawn upon to finance capital and operating expenditures as designated by Council. Urban type services are very infrastructure intensive, requiring significant funding for most capital projects. For this reason, reserve fund balances are a fundamental component of managing the financial stability of the USR. The following amounts are being held in reserve at March 31, 2016 for the USR systems:

For Capital Purposes:	Amount
Sidewalks	\$ 785
Sewer	\$ 58,426
Fire Protection Systems	\$ 1,033,200
Storm Water	\$ 2,479
Total	\$ 1,094,890

For Operating Purposes:	Amount
Sidewalks	\$ 233,992
Sewer	\$ 111,105
Fire Protection Systems	\$ 210,000
Contingency	\$ 1,395,001
Total	\$ 1,950,098

East Hants Water Utility

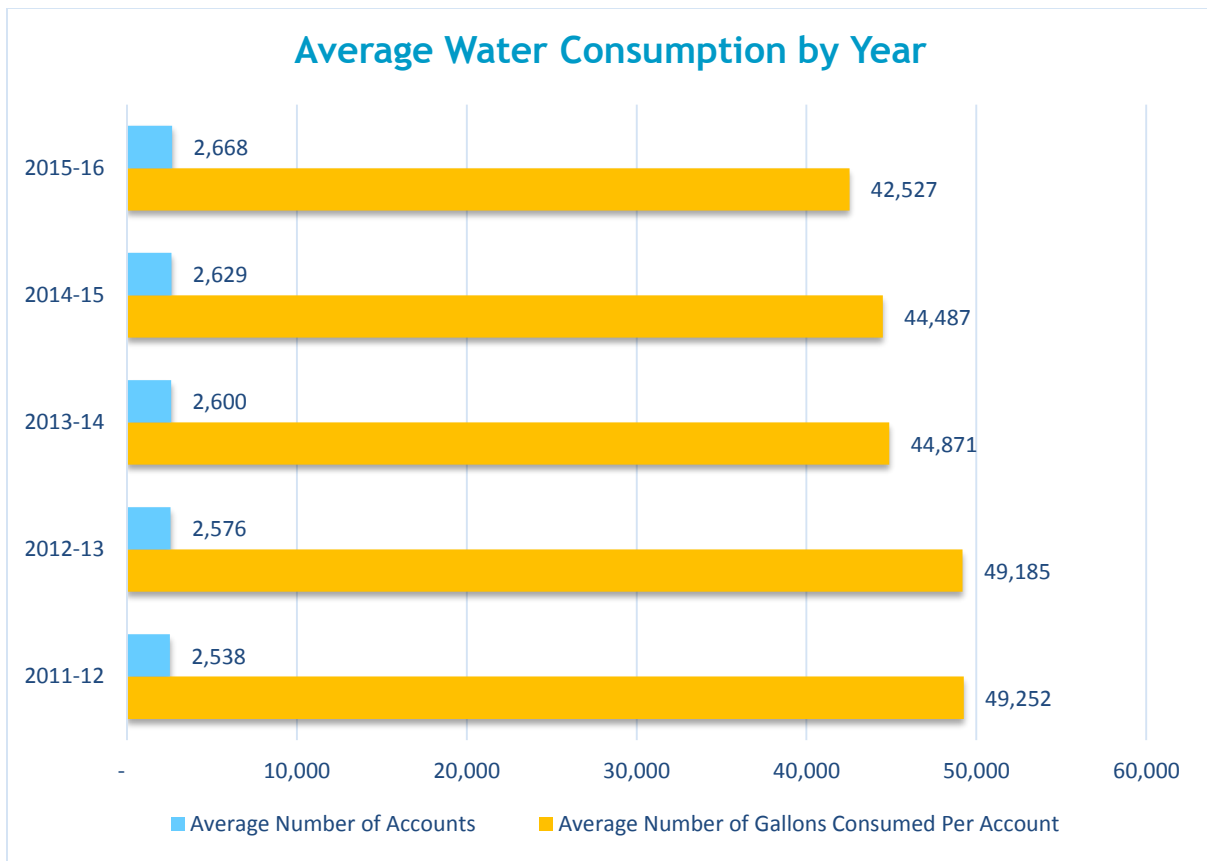


The East Hants Water Utility serves 2,687 customers in the communities of Shubenacadie, Lantz, Elmsdale and Enfield. The Utility also operates a bulk water station in Enfield that serves water haulers and residents throughout the region. The Municipality is accountable to the Utility and Review Board (UARB) for all matters relating to water utility accounting and rate setting. The last rate review application was done in 2009/2010, approving rates to April 1, 2012 onward; a rate review is planned for 2016/2017.

At March 31, 2016 the Utility showed an accumulated fund balance of \$882,200. Operating results for 2015/2016 reflect a negative change in fund balance (operating deficit) of \$155,490. This deficit is explained in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Decrease in Public Fire Protection as per UARB Rules and Regulations	\$ 35,622
Water billing charges	12,178
Decrease in Metered Sales primarily from decrease in water consumption.	
Miscellaneous	(6,495)
Increase in water meter connections, installations and disconnections	
Interest, penalty net of bank fees	1,245
Provincial Capital Assistance Program Grant - Shubenacadie Water Distribution Assessment	(74,022)
Water token revenue	(2,146)

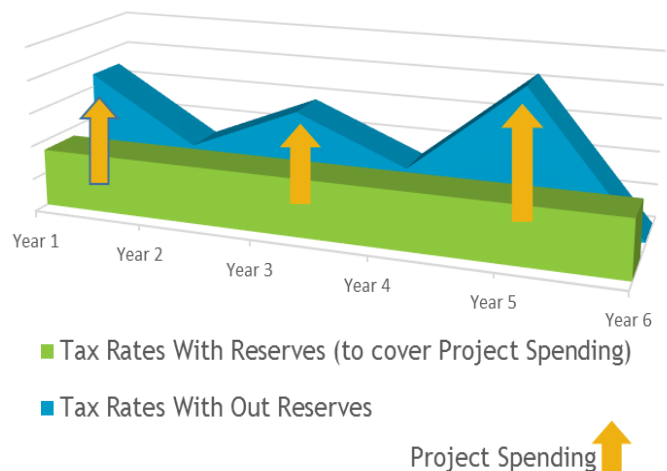
Description	Amount
Variance from budget to actual - Revenue	\$ (33,618)
INCREASES / (DECREASES) IN EXPENSES	
Snow removal	\$ 5,147
Amortization	11,696
Other operating costs	(18,511)
Savings in postage, advertising, bad debt and allsystem costs.	
Computer & Admin support	(19,972)
The overall costs for administration, finance, and IT support were less than budget.	
Professional fees	(34,775)
The number of lab tests decreased due to the new Nova Scotia Environment permit for Shubenacadie Water Treatment Plant in 2014 and savings relating to the Engineered Spring Level Assessment Report.	
Equipment and Property & Grounds Maintenance	(12,739)
Savings in repairs to the pumps, valves and monitors at the water treatment plants as well as repairs at the water towers.	
Savings in Vehicle Expenses - primarily in fuel	(10,299)
Operational materials - primarily savings in chemicals	(21,196)
Computer Hardware - SCADA & Network video recording systems	(3,656)
Wages & Employer Benefits	(97,747)
Resulting from a vacant Engineer position, a four month vacancy with the Public Works Operator In Training position and the transfer of a Treatment Plant Operator position to wastewater operations (including all related employer benefits).	
Capital out of revenue savings - Public Works Truck #103	(2,147)
Contracts and agreements	(138,109)
There was \$175,000 for Easements for the Enfield Transmission Mains that has been deferred to 2016-2017. There were more significant water main breaks (includes time, cost, complexity and size) in 2015-2016 and repairs costs were more than expected.	
Variance from budget to actual - Expense	(342,308)
Variance from budget to actual (surplus)	(375,926)
Variance from capital spending deficit	175,000
Original planned deficit	356,416
Net Deficit end of Year	\$155,490



RESERVES

Reserve funds are established by Council by setting aside money to help offset future financing requirements; when required the funds are drawn upon to finance capital and operating expenditures as designated by Council. Using reserve funds to minimize tax rate fluctuations (due to significant project or one-time budgeted expenditures, unanticipated expenditures and revenue shortfalls) is a fundamental component of financial management for East Hants.

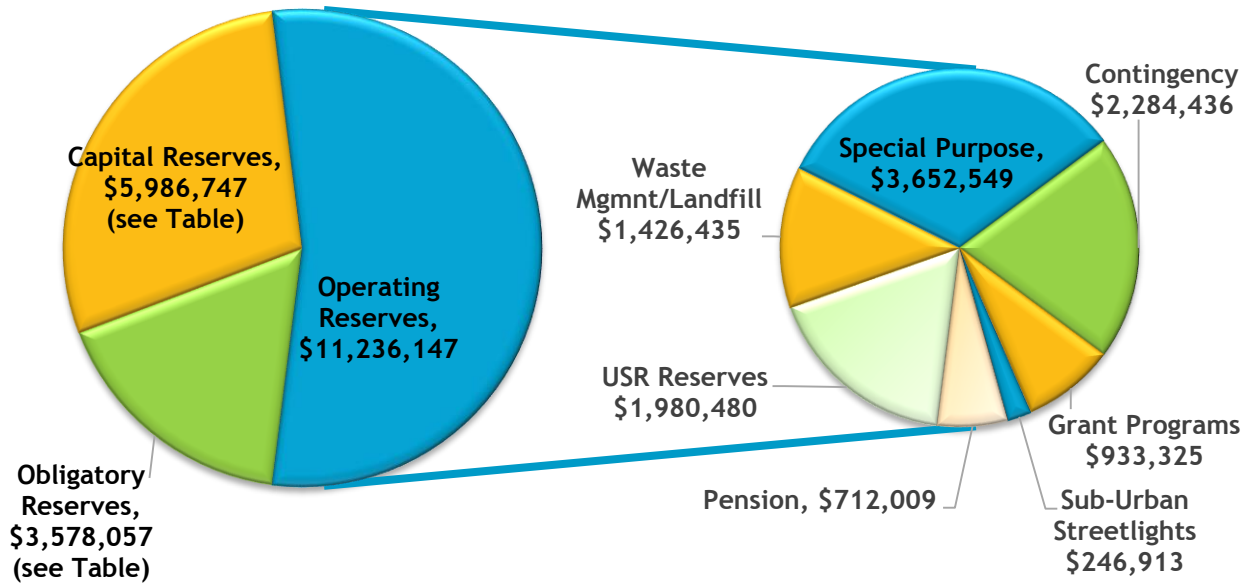
Operating and capital reserves are consolidated within the Accumulated Surplus position on the Statement of Financial Position (Page 2-6); Obligatory reserves are reported in the liabilities section of the Statement of Financial Position (Page 2-6).



The Municipality has approximately \$20.8 million in operating and capital reserves. Of this amount, \$6.0 million is set aside for capital work and \$11.2 million is being held in operating reserves. The Municipality of East Hants also has \$3.6 million in obligatory reserves, money collected specifically for open space and for sewer & water infrastructure.

Each reserve fund is further broken down for specific uses. For a detailed list of Reserve Fund balances, see Page 2 - 25, *Schedule of Reserve Operations*. The following graphs summarize the funds:

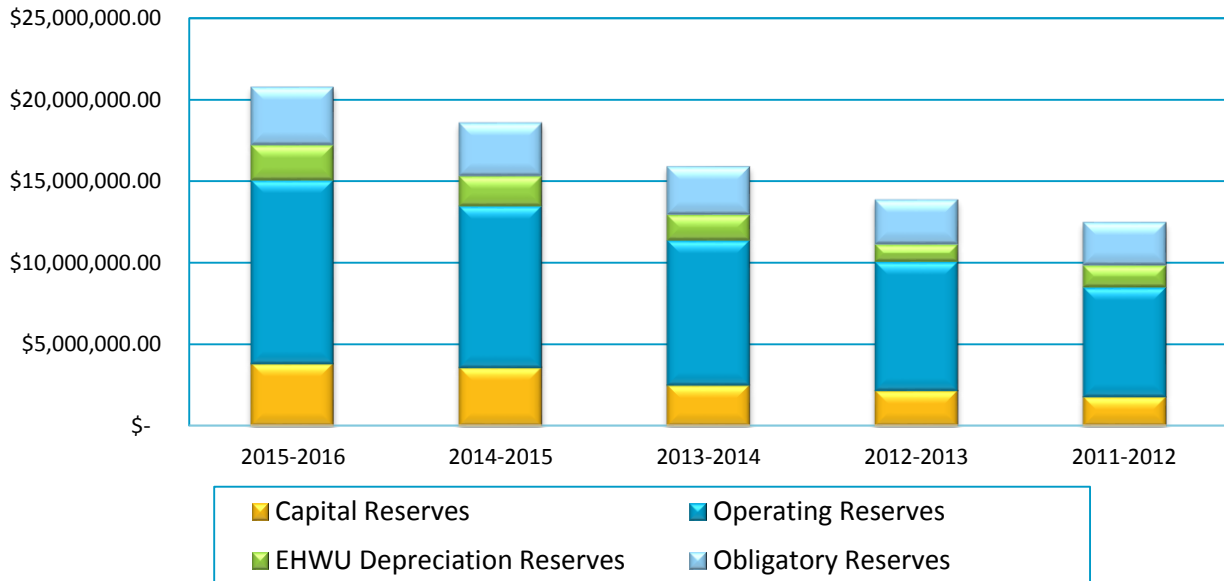
2015/2016 Reserves Held for Future Use - \$20.8M



Capital Reserves	Amount	Obligatory Reserves	Amount
Water System Infrastructure	\$2,177,735	Sewer Infrastructure	\$2,403,946
USR Capital Reserves	1,092,411	Water Infrastructure	1,159,329
Industrial Park Expenditures	607,449	Green Space	14,782
Gas Tax Funding	1,693,318		
Landfill Site Post Closure	276,625		
Other	110,660		
Road Paving	28,549		
Total	\$5,986,747		\$3,578,057

The chart below summarizes the reserve balances by of the municipality over the past five years:

East Hants Five-Year Reserves Comparison



The following amount represents future repayments to the Operating contingency reserve fund:

- \$330,643 (\$368,664 in 2015) will be repaid to the operating reserve fund as the residents in Shubenacadie pay off the accumulated deficit of the Shubenacadie Water Utility.

Reserves are key to the financial success of the Municipality and Council’s ability to respond to the needs of East Hants residents and future development. Council needs to balance the desire to keep the tax burden as low as possible with the need for healthy reserve balances to ensure financial stability into the future.

Grant Details (See Page 1 - 25 Investing in Our Community)

Grant Type	Recipient	Cost Covered	Amount
Beautification Grant	Church of Holy Spirit	Beautification efforts including gravel, grass seed, shrubs, flowers, benches, paint, baskets and pots for the Church of the Holy Spirit	400
Beautification Grant	Rawdon Volunteer Fire Department	Topsoil, sods, or seeding a portion of the fire department yard	500
Beautification Grant	Mt. Uniacke Citizens on Patrol	Materials to make and hang wooden pumpkins and apples on existing hangers around the village of Mt. Uniacke	91
Beautification Grant	Jennifer Marlow	Mt. Uniacke Community Sign	1,500
Beautification Grant	Girl Guides of Canada	Watering and liquid fertilization of annual flowers in community planter	125
Beautification Grant	Enfield in Bloom	Flower Baskets in Enfield	1,000
Beautification Grant	Enfield in Bloom	Flower Baskets in Enfield	1,000
Beautification Grant	Royal Canadian Legion Branch #48 - Elmsdale	Landscaping of grounds	1,000
Beautification Grant	Lantz Recreation Society	Beautification at Lantz Pool	1,000
Beautification Grant	Union Church Cemetery	16 weeks for moving expenses at Cemetery	1,376
Beautification Grant	Maitland Fire Aux	Lawn maintenance	200
Beautification Grant	Rawdon 2-way 4-H Club	Landscaping, flowers and moving	200
Beautification Grant	Uniacke District Rate Payers Association (UDRA)	Grass cutting and brush cutting for the UDRA children's park	500
Beautification Grant	North Noel Road Cemetary	Mowing and upkeep in District 6	500
Community Grants	Ally McDonnell (Belnan)	Youth Challenge Cup for Hockey in Quebec	100
Community Grants	Camden Pero (Enfield)	Canoe-Kayak Canada National Championship 2015 Ottawa	100
Community Grants	Cara Walker (Lantz)	Canadian Highland Dance Championships in Ontario	100
Community Grants	Cobequid 4-H	Woodsman Competition	250
Community Grants	Cobequid 4-H	Equipment for programs	400
Community Grants	Connor MacLeod (Enfield)	Travel for Major Midget Tournament in Bridgewater	100
Community Grants	Coralie MacIntyre (Elmsdale)	U14 Basketball NS Team Travel	100
Community Grants	Dillon Miller (Kennetcook)	Travel for Canada-Cuba Goodwill tour - Baseball	100
Community Grants	Drake White (Kennetcook)	Travel for Canada-Cuba Goodwill tour - Baseball	100

Grant Type	Recipient	Cost Covered	Amount
Community Grants	East Hants Community Learning Association	Leaders for Youth Drama Camp	400
Community Grants	East Hants Family Resource Centre	Equipment for new Two's program	250
Community Grants	East Hants Fine Arts Association	Art Showcase at Milford Rec. Hall	150
Community Grants	East Hants Nationals PeeWee Baseball	Host to Prov. Qualifier Tournament at Lion's Den	150
Community Grants	East Hants Minor Hockey-PeeWee AAA	Host PeeWee AAA Provincials	250
Community Grants	East Hants Minor Hockey Association	Equipment	3,845
Community Grants	East Hants Pee Wee Penguins	Travel to Atlantic	375
Community Grants	East Hants Senior Games Assoc.	Senior Games Awards event at Enfield Fire Hall	1,000
Community Grants	East Hants Sportsplex	Summer youth programming	1,638
Community Grants	East Hants Stingrays Swim Team	Hire coach for Summer swim team	2,500
Community Grants	Emily Trainor (Enfield)	U14 Basketball NS Team Travel	100
Community Grants	Enfield Races	Sparks Brain Bikes for 2 schools	736
Community Grants	Geoffrey Burns (Mount Uniacke)	Special Olympics Canada Games	130
Community Grants	Gwenyth Ettinger-O'Leary (Elmsdale)	U16 Basketball NS Team Travel	100
Community Grants	Hants County 4-H Leaders Council	Host of 2015 NS 4-H Show	250
Community Grants	Hants North Recreation & Development Assoc.	New organization startup costs	150
Community Grants	Hants North Recreation Association	Equipment for Programs at Multi-Purpose Pad	3,845
Community Grants	Ireland Miller (Belnan)	U14 Basketball NS Team Travel	100
Community Grants	Jackson Pero (Enfield)	Canoe-Kayak Canada National Championship 2015 Ottawa	100
Community Grants	Kennetcook Area Volleyball Club	Coaching Clinics & Modules	925
Community Grants	Lantz Recreation Society	LE Shaw Memorial Pool staffing cost	1,000
Community Grants	Lantz Recreation Society	Lantz Fall Fun Fair	200
Community Grants	MADD East Hants	Annual MADD Tea Party	250
Community Grants	Megan Singer	U14 Basketball NS Team Travel	100
Community Grants	Mikayla Bianchi (Elmsdale)	U14 Basketball NS Team Travel	100



Grant Type	Recipient	Cost Covered	Amount
Community Grants	Newbridge Academy Senators	Host Major bantam provincials	250
Community Grants	Noel Fire Department Auxiliary	Teddy Bear Picnic	155
Community Grants	Ryan Pero (Enfield)	Canoe-Kayak Canada National Championship 2015 Ottawa	100
Community Grants	Sarah Delorey (Elmsdale)	U14 Basketball NS Team Travel	100
Community Grants	Shubenacadie Hall and Grounds	Life Guards for wading Pool	576
Community Grants	Tri-County Basketball Association	Junior referee courses	710
Community Grants	Uniacke District Volunteer Fire Dept.	Youth Run	250
Community Grants	Youth Links	Bus trip to Get-Air with youth	1,240
Facility Access Grant	Corridor Minor Baseball	Spring camp facility rental	1,285
Facility Access Grant	East Hants Youth Links	Community free swims and skates	2,973
Facility Access Grant	Tiger Shark Swim Team	Rental facility	1,674
Facility Access Grant	Shubenacadie/Milford 4-H Club	Pool rental	135
District Recreation Fund	East Hants Horne Preservation Society	Repairs to the retaining wall, landscaping the front area of the property including sodding and planting flower beds at the former E.H. Horne school	2,702
District Recreation Fund	Lantz Recreation Society	Support repairs and upgrades to the pool and soccer complex	17,500
District Recreation Fund	Milford Recreation Association	Replacement of windows and doors as well as the repainting of the interior of the hall at the recreation property in Milford	13,000
District Recreation Fund	Shubenacadie Community Development Association	Completion of the final section of the Dr. McInnis Trail; This included trailhead signage, installation of a security gate and picnic tables.	2,572
District Recreation Fund	Shubenacadie Hall & Grounds	Painting and repairs at the pool, playground and assorted out buildings located on the property	2,119
District Recreation Fund	Maitland District Development Association	Maintaining of Dawson Dowel Park	2,267
District Recreation Fund	Noel Willing Workers	Replacement of roof at the Noel Road Community Hall; work included the replacement of the landings at each of the 3 doors which ensured the building remained accessible.	3,455
District Recreation Fund	Grace United Church	Repairing cracks in the foundation of the community hall and replacing damaged siding (estimated cost of \$10,845)	1,007
District Recreation Fund	Hants North Baseball Association	General grounds and maintenance of Hants North Base fields and playgrounds and the purchase of a commercial Slurpee machine at the canteen	2,449
District Recreation Fund	Upper Nine Mile River Community Hall	Repairs to the ceiling which ensured it was up to code as directed by a fire inspection	3,300



Grant Type	Recipient	Cost Covered	Amount
District Recreation Fund	Nile Mile River Trails	Add a 4" top coat of crusher dust on the Green Forest Trail and install a picnic shelter.	9,300
District Recreation Fund	Uniacke & District Legion Branch 165	Replacement of all tables to commercial grade 8 foot tables	2,300
District Recreation Fund	Bell Park Development Association	Ongoing promotion and maintenance of the Bell Park located in Mt. Uniacke	2,000
General government grant	Hants North Baseball Association	Grant to start construction on Multipurpose Sport Pad	15,150
Tourism Grants	Walton Area Development Association	Maintenance of the telescope, building, WebCam, washrooms and snow removal the Walton Historic Lighthouse	7,500
Tourism Grants	Burntcoat Head Park Association	Interior improvements to expand retail and information displays, print 3000 brochures and partial staffing funding	10,098
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	East Hants Museum Society	2015 Staffing Grant	3,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	Burntcoat Head Park Association	2015 Staffing Grant	3,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	Walton Area Development Association	2015 Staffing Grant	3,000
Tourism Grants	East Hants Historical Society	Lower Selma Museum Commemorate 150th anniversary, phase 2 of building restoration which included façade improvements, landscaping, new walkway and repairs to windows and clapboard	8,000
Tourism Grants	Chart Society	To support operations of Maitland Launch Days Festival which included expansion of the festival to host additional events and venues	2,400
Tourism Grants	Canoe Sea	Bussing costs of participants to Shubenacadie from Maitland at the end of the Canoe to the Sea event	375
Tourism Grants	Maitland & District Development Association	Park and craft shop operational costs, insurance costs at Dawson Dowell Park and staff funding at Selma School Cultural Centre	5,000
Event Grants	Michael Blois of Ultimate Obstacle Adventures	Event funding for MudCraft	10,000
Event Grants	Canadian Superbikes Special Event Grant	Canadian Superbike Championship event held at Atlantic Motorsport Park July 31-August 1, 2015	5,000
Insurance Premiums for Municipally owned and/or leased Tourism Properties	Burntcoat Head Park Association	2015 Insurance Grant	570



Grant Type	Recipient	Cost Covered	Amount
Insurance Premiums for Municipally owned and/or leased Tourism Properties	East Hants Historical Society	2015 Insurance Grant	500
Insurance Premiums for Municipally owned and/or leased Tourism Properties	Walton Area Development Association	2015 Insurance Grant	1,138
Insurance Premiums for Municipally owned and/or leased Tourism Properties	Burntcoat Head Park Association	2015 Insurance Grant	1,815
Tourism Economic Development Grant	N/A	N/A	-
Rural Economic Development Grant	N/A	N/A	-
Annual Maintenance Grants for municipally owned properties	East Hants Museum Society (Tin Smith Shop)	2015 Annual Maintenance at Tin Smith Shop	11,000
Annual Maintenance Grants for municipally owned properties	Burntcoat Head Park Association	2015 Annual Maintenance at Burntcoat Head Park	2,500
Annual Maintenance Grants for municipally owned properties	Walton Area Development Association	2015 Annual Maintenance at Walton Lighthouse	4,000
General Government Grant	Enfield, Elmsdale & District Lion's Club	Lion's Club Enfield playground	1,000
Dr. JT Snow Bursary	Hants North Rural High School	High School Bursary	1,000
Dr. JT Snow Bursary	Hants East Rural High School	High School Bursary	1,000
Dr. JT Snow Bursary	Windsor and Area Education Fund Association (Avon View High School)	High School Bursary	1,000
General Government Grant	Remembering Canada's Heroes	Education of school children on war history	1,000
General Government Grant	SPCA 2015/2016 Grant	Annual operating grant	3,000
General Government Grant	Canadian Red Cross 2015/2016 Grant	Annual contribution to Canadian Red Cross Prepared Campaign	4,423
General Government Grant	Hants County Exhibition 2015/2016 Grant	Operating grant for Hants County Exhibition (anniversary year)	1,501



Grant Type	Recipient	Cost Covered	Amount
Community Partnership Grant	East Hants Community Rider	Increase visibility and expansion of services to Hants North and Mount Uniacke.	15,000
Community Partnership Grant	East Hants Family Resource Centre	Annual operating grant	10,000
Community Partnership Grant	Hants Country Senior Safety Association	Operating grant which allowed for the hiring a second part-time coordinator and allow the current part-time employee to work full time; having two coordinator positions will allow them to increase the level of service to the senior population throughout Hants County	18,369
Community Partnership Grant	East Hants Sport Heritage Society	Organizational seed funding that included but was not limited to establishing a website and covering the costs of events and the annual awards	5,000
EMO Grant	Ground Search & Rescue	2015/2016 Annual operating grant	7,500
EMO Grant	Emergency Management Office (EMO) 2015/2016 Contribution - East Hants Special Hazards Response Unit	2015/2016 Annual operating grant	5,133
Annual Fire Department Operating Grant	Gore Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Annual Fire Department Operating Grant	Walton Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Annual Fire Department Operating Grant	Kennetcook Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Annual Fire Department Operating Grant	Noel and District Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Annual Fire Department Operating Grant	Rawdon District Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Annual Fire Department Operating Grant	Maitland & District Volunteer Fire Department	2015/2016 Annual Operating Grant	9,181
Emergency Fire Grant	Noel and District Volunteer Fire Department	Sewer System Upgrades	22,000
Emergency Fire Grant	Walton Volunteer Fire Department	Purchase of TMR2 radios and pagers associated with the TMR2 radio system upgrade	1,669
Emergency Fire Grant	Kennetcook Volunteer Fire Department	Purchase of TMR2 radios and pagers associated with the TMR2 radio system upgrade	6,335
Emergency Fire Grant	Maitland & District Volunteer Fire Department	Purchase of TMR2 radios and pagers associated with the TMR2 radio system upgrade	4,015
Emergency Fire Grant	Noel and District Volunteer Fire Department	Purchase of TMR2 radios and pagers associated with the TMR2 radio system upgrade	3,739
MTAP Program		Individual tax assistance based on Municipal Tax Assistance Program Council policy	97,461

Grant Type	Recipient	Cost Covered	Amount
Bylaw F-400	Stanley Sport Aviation Association	2015/2016 Taxes	1,978
Bylaw F-400	East Hants Historical Society	2015/2016 Taxes	32
Bylaw F-400	Corridor Community Options	2015/2016 Taxes	2,893
Bylaw F-400	Milford Recreation Association	2015/2016 Taxes	387
Bylaw F-400	Shubenacadie Community Development Association	2015/2016 Taxes	2
Bylaw F-400	East Hants Municipal Housing	2015/2016 Taxes	171
Bylaw F-400	Nine Mile River & District Volunteer Fire Department	2015/2016 Taxes	241
Bylaw F-400	C W Saunders Lodge Hall 125	2015/2016 Taxes	2,184
Bylaw F-400	Corridor Community Options Society	2015/2016 Taxes	12,515
Bylaw F-400	Shubenacadie Hall & Grounds	2015/2016 Taxes	4,914
Bylaw F-400	Noel Shore Hall Association	2015/2016 Taxes	948
Bylaw F-400	Burntcoat Community Hall	2015/2016 Taxes	540
Bylaw F-400	Noel Road Willing Workers Community Club	2015/2016 Taxes	1,839
Bylaw F-400	East Gore Community Club Hall	2015/2016 Taxes	3,448
Bylaw F-400	East Noel Community Club	2015/2016 Taxes	948
Bylaw F-400	East Walton Community Hall	2015/2016 Taxes	1,096
Bylaw F-400	Gore District Volunteer Fire Department	2015/2016 Taxes	3,386
Bylaw F-400	Rawdon Gold Mines Community Hall	2015/2016 Taxes	2,940
Bylaw F-400	Hall Foresters	2015/2016 Taxes	1,137
Bylaw F-400	Hall Northfield	2015/2016 Taxes	378
Bylaw F-400	Stanley & Mosherville Hall Association	2015/2016 Taxes	888
Bylaw F-400	Tennecape Community Club	2015/2016 Taxes	1,183
Bylaw F-400	Enfield & District Lions Club Association	2015/2016 Taxes	1,868
Bylaw F-400	Milford Recreation Association	2015/2016 Taxes	9,825
Bylaw F-400	Minasville Community Centre	2015/2016 Taxes	1,342
Bylaw F-400	Lantz Recreation Society	2015/2016 Taxes	3,794
Bylaw F-400	Trustees Clarksville	2015/2016 Taxes	405
Bylaw F-400	Northern Hants Benevolent	2015/2016 Taxes	3,777
Bylaw F-400	Rainbow Community Club Hall	2015/2016 Taxes	4,315



Grant Type	Recipient	Cost Covered	Amount
Bylaw F-400	Trustees Of The Hardwoodland	2015/2016 Taxes	3,713
Bylaw F-400	Maitland & District Development Association	2015/2016 Taxes	1,368
Bylaw F-400	Trustees Of N M R	2015/2016 Taxes	4,126
Bylaw F-400	Uniacke Lodge No 128 A F & A M	2015/2016 Taxes	2,352
Bylaw F-400	Upper Nine Mile River Hall Association	2015/2016 Taxes	3,035
Bylaw F-400	United Church Of Canada	2015/2016 Taxes	3,885
Bylaw F-400	Four Points Community Centre	2015/2016 Taxes	3,796
Bylaw F-400	East Hants Arena Association (Sportsplex)	2015/2016 Taxes	439,480
Bylaw F-400	Rawdon Hills Health Centre Association	2015/2016 Taxes	3,753
Bylaw F-400	Corridor Community Options Society	2015/2016 Taxes	1,569
Bylaw F-400	Tot's Academy Child Care Society	2015/2016 Taxes	19,067
Bylaw F-400	East Hants Water Utility	2015/2016 Taxes	232,929
Bylaw F-400	Municipality of East Hants/South Maitland Historical Association	2015/2016 Taxes	33
Bylaw F-400	Municipality of East Hants leased to E.H. Horne School Preservation Society	2015/2016 Taxes	6,826
Bylaw F-400	Municipality of East Hants leased to Enfield Earthkeepers	2015/2016 Taxes	2,962
Bylaw F-400	Landar - South Maitland Society	2015/2016 Taxes	4,195
Bylaw F-400	Hants North Baseball Association	2015/2016 Taxes	850
Total			1,265,395



SECTION 2 - FINANCIAL STATEMENTS



MESSAGE FROM THE TREASURER

I am pleased to present the East Hants audited consolidated financial statements for the year ending March 31, 2016.

The Municipality’s financial statements have been prepared by Management in accordance with the provincial Financial Reporting and Accounting Manual and the reporting standards set by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada). The financial statements have been audited by Deloitte who have expressed their opinion that these statements present fairly, in all material aspects, the financial position of East Hants as at March 31, 2016.

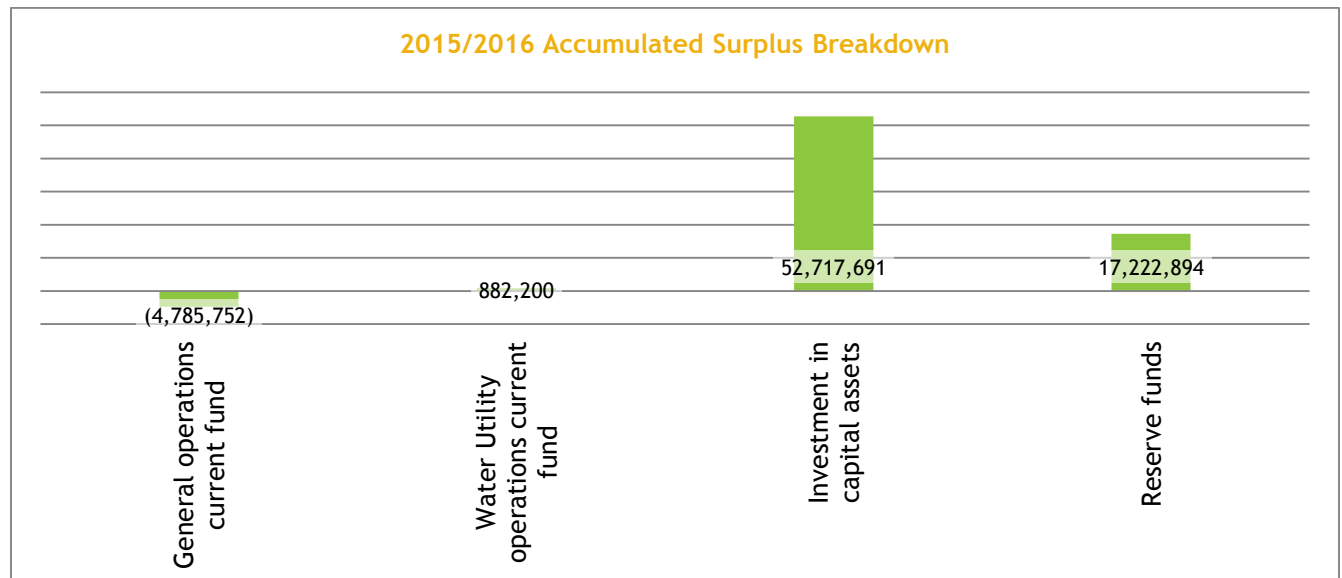
Management is responsible for such internal controls as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at www.easthants.ca.

There are four required financial statements: **Statement of Financial Position**; **Statement of Operations**; **Statement of Changes in Net Debt**; and, **Statement of Cash Flow**. We are pleased to also offer several schedules to support the statements and provide clarification to the reader.

Consolidated Statement of Financial Position

This statement highlights the cash resources of the Municipality, the liabilities, the net debt (which is the difference between the financial assets and liabilities), the assets that are held for service provision and the accumulated surplus.

As a result of the significant investment in tangible capital assets, there is a large accumulated surplus (\$66.0M) and a significant net debt which must be recovered through future tax revenues (see Statement of Changes in Net Debt). The following table shows a breakdown of the accumulated surplus by fund.



Consolidated Statement of Operations

The Consolidated Statement of Operations provides a summary of the revenues, expenses and surplus for the reporting period. The statement consists of the funds for the general operations, the water utility and capital.

The Consolidated Statement of Operations shows an annual surplus for the year of \$2,595,525 with a budgeted surplus of \$108,953. The variance of \$2,486,572 is accounted for as follows:

Description	Amount
VARIANCES FROM BUDGET TO ACTUAL - CONSOLIDATED SURPLUS	
General tax rate variance as per the general operations section (See Page 1-43)	\$ 694,738
Urban service tax rate variance as per the urban service rate section (See Page 1-47)	\$ 51,460
Transfers (see below)	\$ 883,405
Net gain on the sale/disposal of Municipal assets	\$ 258,199
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	\$ (213,398)
Landfill liability adjustment based on PSAB requirements	\$ (22,139)
Non Urban Streetlights, variance to budgeted surplus	\$ 6,750
Water utility variance as per the water utility section (See Page 1-48)	\$ 375,926
Receipt of unplanned capital grants	\$ 466,511
Lantz Fire Department Recoverable Principal	\$ (14,880)
NET VARIANCE FROM BUDGET TO ACTUAL	\$ 2,486,572

Council has established policies that required unspent funds in particular areas to be transferred at year end to an operating reserve. Also, throughout the year Council decisions are made that affect transfers to and from reserves. The following is a list of Council approved transfers to (from) reserves that varied from the approved budget:

Description	Amount
LED Streetlight savings	\$ 9,843
Pension surplus - Budget pension expense at 10.5%, transfer unspent funds	\$ 195,005
Fire Department - Training	\$ 10,000
Professional Fees - as per Council policy, transfer unspent funds to reserve	\$ 94,600
Legal Fees - as per Council policy, transfer unspent funds to reserve	\$ 42,298
Contracts - as per Council policy, transfer unspent funds to reserve	\$ 14,587
Grants - as per Council policy, transfer unspent funds to reserve	\$ 139,563
Projects funded from reserves carried forward to 2016-2017 budget (Tourism Plan, Viticulture Project, Regional Economic Network, Roof Replacement & Flooring Repairs at Municipal Pool, Property Disposal & Registry Project)	\$ 346,998
Other variances affecting transfers to/from reserves (Shubenacadie Sewer Environmental Assessment, Tourism Kiosks, Digital Kiosk, Misc)	\$ 30,512
TOTAL TRANSFERS	\$ 883,405

Statement of Changes in Net Debt

The statement is unique to PSAB reporting; the statement outlines the changes in net debt as a result of annual operations, tangible capital asset transactions and changes in other non-financial assets (pre-paid expenses and inventories). East Hants has strengthened its financial position in 2016 by reducing its net debt by \$3.0 million.

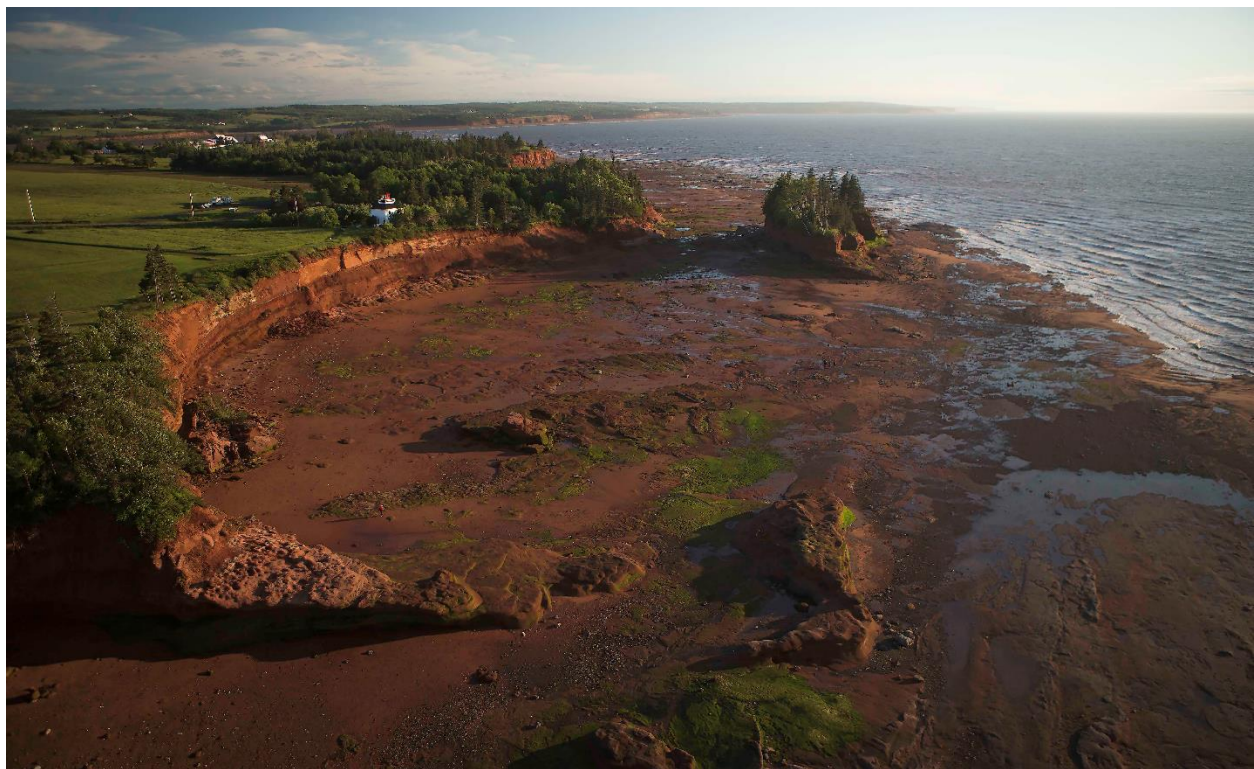
Statement of Cash Flow

The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2016 the consolidated cash balance is \$21.8 million.

The delivery of this report is made possible through the continued efforts of East Hants staff and Council; together we strive for fiscal responsibility in our decision making, being accountable to our stakeholders and being transparent in what we do. My appreciation is extended to all departments for their ongoing cooperation and assistance.



Kim Ramsay, CPA, CMA
Director of Finance & Administration, Treasurer



Burntcoat Head Park

MARCH 31, 2016 - CONSOLIDATED FINANCIAL STATEMENTS

Municipality of the District of East Hants

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March 31, 2016

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Municipality of the District of East Hants
Consolidated Statement of Financial Position
As at March 31, 2016

	2016	2015
FINANCIAL ASSETS		
Cash (Note 2)	\$ 21,832,056	\$ 19,310,212
Taxes and water rates receivable (Note 3)	2,471,186	2,292,027
Accounts receivable (Note 4)	1,508,049	1,231,185
	<u>25,811,291</u>	<u>22,833,424</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	2,882,559	3,013,498
Deferred revenue - general	1,479,203	1,450,126
Deferred revenue - obligatory reserve (Note 6)	3,578,057	3,272,488
Employee future benefits (Note 9 & 10)	959,334	727,985
Tax sale surplus	258,293	185,555
Long-term liabilities (Note 8)	27,688,711	28,253,664
	<u>36,846,157</u>	<u>36,903,316</u>
NET DEBT	<u>(11,034,866)</u>	<u>(14,069,892)</u>
NON FINANCIAL ASSETS		
Tangible capital assets (Note 7)	75,847,972	76,277,713
Work in progress (Note 7)	957,501	873,427
Inventory and prepaid expenses	266,426	360,260
	<u>77,071,899</u>	<u>77,511,400</u>
ACCUMULATED SURPLUS (Note 12)	<u>\$ 66,037,033</u>	<u>\$ 63,441,508</u>

Contingency (Note 15)

Approved on Behalf of the Municipality
of the District of East Hants

.....Warden

.....Clerk

Municipality of the District of East Hants
Consolidated Statement of Operations
Year Ended March 31, 2016

	2016 Budget Unaudited (Note 1)	2016 Actual	2015 Actual
Revenues			
Property taxes (Note 13)	\$ 24,933,491	\$ 24,808,421	\$ 24,107,140
Grants in lieu of taxes	177,622	186,160	177,299
Sale of services	914,156	894,849	877,270
Other revenue from own sources	774,650	1,001,021	940,809
Unconditional transfers from other governments	178,135	204,181	185,602
Conditional transfers from federal or provincial government	166,896	178,559	280,557
Government grants	1,000,960	1,321,100	1,228,939
Development and other contributions applied	102,331	108,016	2,150,167
Water utility	1,682,150	1,751,389	1,706,897
Total Revenues	<u>29,930,391</u>	<u>30,453,696</u>	<u>31,654,680</u>
Expenses			
General government services	5,585,943	5,135,555	5,204,064
Protective services	6,657,974	6,575,019	6,234,606
Education services (Note 13)	4,757,075	4,641,048	4,459,860
Social services (Note 13)	66,345	61,121	71,747
Transportation services	2,085,831	2,054,185	2,165,788
Environmental health services	4,777,141	4,598,343	4,471,554
Environmental development services	1,810,891	1,204,153	1,312,122
Landfill closure/post closure costs	-	22,139	(18,237)
Recreation and cultural services	1,656,747	1,463,601	1,316,790
Water utility	2,423,491	2,103,007	2,003,310
Total Expenses	<u>29,821,438</u>	<u>27,858,171</u>	<u>27,221,604</u>
Annual Surplus	108,953	2,595,525	4,433,076
Accumulated Surplus, Beginning of Year	63,441,508	63,441,508	59,008,432
Accumulated Surplus, End of Year	<u>\$ 63,550,461</u>	<u>\$ 66,037,033</u>	<u>\$ 63,441,508</u>

Municipality of the District of East Hants
Consolidated Statement of Changes in Net Debt
Year Ended March 31, 2016

	2016 Budget Unaudited (Note 1)	2016 Actual	2015 Actual
Annual Surplus	\$ 108,953	\$ 2,595,525	\$ 4,433,076
Tangible Capital Assets and Work-in-Progress			
Acquisition of tangible capital assets	(2,429,945)	(2,413,378)	(3,945,403)
Amortization of tangible capital assets	2,714,763	2,714,763	2,525,690
Gain on sale of tangible capital assets	-	(258,198)	(354,084)
Proceeds on sale of tangible capital assets	-	302,480	392,345
	<u>284,818</u>	<u>345,667</u>	<u>(1,381,452)</u>
Other Non-Financial Assets			
Decrease (Increase) in inventory and prepaid expenses	-	93,834	(101,901)
Decrease in Net Debt	393,771	3,035,026	2,949,723
Net Debt, Beginning of Year	(14,069,892)	(14,069,892)	(17,019,615)
Net Debt, End of Year	<u>\$ (13,676,122)</u>	<u>\$ (11,034,866)</u>	<u>\$ (14,069,892)</u>

Municipality of the District of East Hants
 Consolidated Statement of Cash Flow
 Year Ended March 31, 2016

	2016	2015
Operating Transactions		
Annual surplus	\$ 2,595,525	\$ 4,433,076
Add amortization of tangible capital assets	2,714,763	2,525,690
	<u>5,310,288</u>	<u>6,958,766</u>
Changes in Non-Cash Assets and Liabilities		
Decrease in accounts receivable	(276,864)	(243,167)
Increase in taxes receivable	(179,159)	(146,198)
Decrease in accounts payable and accruals	(130,939)	(179,209)
Increase in tax sale surplus	72,738	5,023
Increase in deferred revenue	334,646	422,558
Increase in employee benefits/other obligations	231,349	1,499
Decrease (increase) in inventory and prepaid expenses	93,834	(101,901)
Gain on sale of tangible capital assets	(258,198)	(354,084)
	<u>(112,593)</u>	<u>(595,479)</u>
Net Change in Cash From Operations	<u>5,197,695</u>	<u>6,363,287</u>
Financing Transactions		
Long-term liabilities issued (Note 8 e)	1,071,000	-
Long-term liabilities retired (Note 8 c)	(1,635,953)	(1,720,914)
	<u>(564,953)</u>	<u>(1,720,914)</u>
Capital Transactions		
Additions to tangible capital assets	(2,329,304)	(3,359,658)
Increase in work in progress	(84,074)	(585,745)
Proceeds on sale of tangible capital assets	302,480	392,345
	<u>(2,110,898)</u>	<u>(3,553,058)</u>
Increase in Cash Position	<u>2,521,844</u>	<u>1,089,315</u>
Cash Position, Beginning of Year	<u>19,310,212</u>	<u>18,220,897</u>
Cash Position, End of Year	<u>\$ 21,832,056</u>	<u>\$ 19,310,212</u>

1. **1. Significant Accounting Policies**

The consolidated financial statements of the Municipality of East Hants “Municipality” are the representations of management prepared in accordance with Canadian Sector accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada). Significant aspects of the accounting policies adopted by the Municipality of East Hants are as follows:

a) Reporting Entity

These consolidated financial statements reflect the assets, liabilities, revenues, expenditures and changes in net assets and financial position of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable to the Municipality for the administration of their financial affairs and resources and which are owned or controlled by the Municipality, namely:

- General Operating and Capital
- Water Utility Operating and Capital

Inter-departmental and inter-organizational transactions and balances between these entities and organizations are eliminated.

b) Fund Accounting

Funds within the consolidated financial statements consist of current, capital and reserve funds.

Council approves certain amounts to be set aside in reserves and reserve funds for future operating and capital purposes. Transfers between funds are recorded as adjustments to the appropriate fund balance.

c) Revenue and Expenditure Recognition

Revenues are recorded using the accrual basis of accounting as they are earned and measurable. Funds from external parties and earnings thereon restricted by agreement or legislation are accounted for as Deferred Revenue - Obligatory Reserve Funds until used for the purpose specified. Expenditures are recognized using the accrual method of accounting.

Property tax revenue is based on assessments determined in accordance with Nova Scotia legislation. Tax rates are set annually. Taxation revenues are recorded at the time tax billings are issued. Assessments are subject to appeal. Penalties on overdue taxes are recorded in the period levied.

1. **Significant Accounting Policies (Continued)**

d) Tangible Capital Assets

Tangible capital assets are recorded in accordance with section 3150 of the PSAB Handbook.

Amortization has been calculated on a straight-line basis over an asset's useful life as follows:

Land Improvements	20 years
Municipal Buildings	40 years
Buildings - Plants	25 years
Machinery and Equipment	5 - 10 years
Vehicles - residual value \$10,000	4 years
Engineered Structures	
Roadway Systems	50 years
Sidewalks	20 years
LED Streetlights	10 years
Sewer Collection and Disposal	40 - 50 years
Landfill Infrastructure	25 years
Industrial Park Infrastructure	40 years

Water Utility assets are depreciated in accordance with the Nova Scotia Utility and Review Board Accounting and Reporting Handbook section 3040 and 3042.

e) Deferred Revenue

Deferred revenue consists of user charges and fees which have been collected but for which the related services have yet to be performed, at which time they will be recognized as revenues.

The Municipality receives infrastructure charge contributions and payments in lieu of green space under provisions of Municipal By-Laws. These funds by their nature are restricted in their use and until applied to applicable capital works, are recorded as Deferred Revenue - Obligatory Reserve Funds. As applied to capital projects, they are recorded as revenue in the year the funds are expended.

f) Government Transfers

Government and other contributions are recognized as revenue in the period the transfer is authorized and all eligibility criteria have been met. Exceptions to this are when the transfer includes stipulations which have not yet been met and cause the Municipality to incur a liability.

g) Investment Income

Investment income earned on surplus current funds, capital funds, and reserve funds (other than obligatory reserve funds) is reported as revenue in the period earned. Investment income earned on obligatory reserve funds is reported as part of the respective deferred revenue balance.

1. **Significant Accounting Policies (Continued)**

h) Employee Future Benefits

The present value of the cost of providing employees with future benefits programs is expensed as employees earn these entitlements through service. The cost of the benefits earned by employees is actuarially determined using the projected cost method pro-rated on service and management's best estimate of retirement ages of employees and expected health care and other costs.

i) Budget Figures

Council completes separate budget reviews for its operating, water utility and capital budgets each year. The approved operating and water utility budget for 2015 is reflected on the Schedule of Current Fund Municipal Operations and Schedule of Current Fund Water Utility. For capital spending, budgets are set for individual projects and funding for these activities is determined annually and made by transfers from reserve funds, transfers from the operating/water utility funds, by the application of applicable grants, other funds available and by debt financing. As many capital projects are carried out over one or more years, it is not practical to present annualized budget information on the Schedule of Capital Fund Operations.

j) PSAB Budget

The consolidated financial statements include an unaudited PSAS budget.

With the exception of the water utility budget, amortization and the gain/loss on the sale of assets were not contemplated during the development of the budget and, as such, have been included using actual figures for the budget value.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed as a schedule - Reconciliation of the Financial Plan to the PSAS Budget.

k) Use of Estimates

The preparation of these statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and to disclose contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates. The Municipality relies on estimates to calculate the landfill liability, pension liability, sick leave liability, allowance for doubtful accounts and the amortization expenses.

l) Segmented Information

East Hants is a diversified municipal government that provides a wide range of municipal programs and services to its constituents, including fire, RCMP, waste and recycling services, water supply and distribution, wastewater treatment, libraries, recreation and tourism. Segmented information has been prepared by major functional classification, consistent with the Consolidated Statement of Operations and provincially legislated requirements.

1. **Significant Accounting Policies (Continued)**

The major segments are as follows:

General government services: Activities that provide for the overall operation of the municipality and that are common to, or affect all of the services provided by the municipality. This includes the administrative arm of the Municipality (finance, taxation & collection, facilities management (including interest on debt charges), information services, Chief Administrative Officer and human resources) and legislative activities related to the warden and council of the municipality, including their remuneration and expenses.

Protective services: Activities that provide for the public safety of the inhabitants of the municipality, such as: RCMP protection, transfers to correctional services, bylaw enforcement, building inspection, emergency measures, fire department grants and levies and fire hydrants.

Education Services: Mandatory education transferred to Chignecto-Central Regional School Board.

Social Services: Payments made to Housing Nova Scotia to cover the deficits of the public housing authorities in the region.

Transportation services: Activities, transfers and related debt for roads, sidewalks and LED lighting.

Environmental health services: Activities that provide environmentally regulated services, including sewage collection, treatment & disposal, waste management center operations, multi stream waste collection and disposal programs and engineering/environmental stewardship.

Environmental development services: Activities that support and control the municipality's economic development including environmental planning and zoning, industrial park development, tourism and community development.

Recreation and cultural services: Activities that provide recreation and cultural services, including recreational facilities, libraries and cultural buildings.

Water Utility: Activities related to the operations of the East Hants Water Utility, a 2,687 customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2016

	<u>2016</u>	<u>2015</u>
Bank	\$ 18,838,420	\$ 16,516,724
Restricted cash (obligatory reserve funds)	2,993,636	2,793,488
	<u>\$ 21,832,056</u>	<u>\$ 19,310,212</u>

2. **Cash (Continued)**

Administered bank accounts

The Municipality administers bank accounts for Lantz, Maitland, Milford, Mount Uniacke, Nine Mile River, Noel, Rawdon and Shubenacadie Fire Departments. These bank accounts are held in the name of the Municipality of the District of East Hants, but do not belong to the Municipality and therefore these accounts are not included in these financial statements.

3. **Taxes and Rates Receivable**

Taxes receivable have been recorded net of an allowance for doubtful accounts of \$30,215 (2015 - \$45,539), representing management's estimate of uncollectible accounts.

4. **Accounts Receivable**

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$1,508,049 (2015 - \$1,231,185). The balance is comprised of the following:

	<u>2016</u>	<u>2015</u>
Amounts due from provincial/federal government	\$ 264,265	\$ 285,676
Loan to Lantz fire department	286,466	301,653
Local Improvement Loan	66,000	-
Council Stipend/Salary Overpayment (see note 14)	11,040	-
Other	880,278	643,856
	<u>\$ 1,508,049</u>	<u>\$ 1,231,185</u>

In 2008/2009 the Municipality loaned the Lantz Volunteer Fire Department the amount of \$370,000 as per section 66(4)(e) of the Municipal Government Act (MGA). The loan period is for 15 years and it is interest bearing that escalates from 3.10% in year one to 5.48% in year 15. At this time the loan is in good standing but the Municipality has the ability (if needed) to withhold the Fire Levy as collateral on the loan.

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2016

5. Accounts Payable and Accrued Liabilities

	<u>2016</u>	<u>2015</u>
Liability for closure/post closure costs - landfill	\$ 276,625	\$ 254,487
Salaries & wages payable	216,371	159,822
Trade payables and accruals	2,389,563	2,599,189
	<u>\$ 2,882,559</u>	<u>\$ 3,013,498</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2016

6. Deferred Revenue - Obligatory Reserve

	<u>2016</u>	<u>2015</u>
Sewer balance at beginning of year	\$ 2,255,523	\$ 2,111,370
Sewer developer charges (including interest)	188,951	183,871
Transfer - Capital Projections	(10,372)	-
Transfer - Sewer Capacity Study	(30,156)	(39,718)
Sewer balance at end of year	<u>\$ 2,403,946</u>	<u>\$ 2,255,523</u>
Water balance at beginning of year	\$ 1,002,322	\$ 834,032
Water developer charges (including interest)	157,007	168,290
Water balance at end of year	<u>\$ 1,159,329</u>	<u>\$ 1,002,322</u>
Green Space balance at beginning of year	\$ 14,643	\$ 14,472
Green Space contributions (including interest)	139	171
Green Space balance at end of year	<u>\$ 14,782</u>	<u>\$ 14,643</u>
Sewer Developer Charges	\$ 2,403,946	\$ 2,255,523
Water Developer Charges	1,159,329	1,002,322
Green Space Contributions	14,782	14,643
	<u>\$ 3,578,057</u>	<u>\$ 3,272,488</u>

7. Asset Continuity Schedule

MUNICIPALITY OF EAST HANTS
TANGIBLE CAPITAL ASSETS
NOTES TO THE FINANCIALS
For the Year Ended March 31, 2016

	General Capital Assets				Infrastructure				2016 TOTAL	2015 TOTAL
	Land	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP		
Cost										
Opening Costs	2,282,578	12,499,678	2,490,207	252,591	56,095,692	6,301,004	23,551,884	873,427	104,347,061	100,442,809
Additions during year	1,188,914	-	139,459	28,603	703,865	-	275,202	600,150	2,936,193	3,945,403
Disposals & Write downs	(34,271)	-	-	(10,500)	-	-	(6,740)	(516,076)	(567,587)	(41,151)
Closing Costs	3,437,221	12,499,678	2,629,666	270,694	56,799,557	6,301,004	23,820,346	957,501	106,715,667	104,347,061
Accumulated Amortization										
Opening Accum. Amortization	N/A	2,953,830	1,601,337	85,731	16,845,134	1,100,286	4,609,603	-	27,195,921	24,673,121
Amortization in Year	N/A	320,885	220,699	41,530	1,623,812	165,723	342,114	-	2,714,763	2,525,690
Adj/Disposals - Accum Amort	N/A	-	-	17,725	-	-	(18,215)	-	(490)	(2,890)
Acc Amort - End of Year	-	3,274,715	1,822,036	144,986	18,468,946	1,266,009	4,933,502	-	29,910,194	27,195,921
Net Book Value	3,437,221	9,224,963	807,630	125,708	38,330,611	5,034,995	18,886,844	957,501	76,805,473	77,151,140

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2016

8. Net Long-Term Liabilities

a) Of the \$27,688,711 long-term liabilities (2015 - \$28,253,664) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2016</u>	<u>2015</u>
General revenues	\$ 2,760,981	\$ 3,042,693
Local improvement charges	211,556	241,409
Area rates	10,043,572	10,420,052
Sale of land in Industrial Parks	2,900,267	3,088,336
Water charges	4,741,660	4,945,870
Tenants rent	6,750,705	6,220,454
Loan to Lantz fire department	279,970	294,850
	<u>\$ 27,688,711</u>	<u>\$ 28,253,664</u>

b) The total principal repayments in each of the next five years are as follows:

	<u>2016/2017</u>	<u>2017/2018</u>	<u>2018/2019</u>	<u>2019/2020</u>	<u>2020/2021</u>	<u>2022-2031</u>
General Government	\$ 18,200	\$ 19,400	\$ 310,700	\$ -	\$ -	\$ -
Transportation	460,715	467,671	740,878	400,386	398,013	3,296,638
Environmental Development	190,143	192,419	251,251	783,226	344,044	1,139,186
Environmental Health	107,778	231,981	89,351	62,989	66,140	986,469
Sewers	112,068	115,766	119,753	95,897	99,213	1,042,708
Recreation	137,032	142,821	149,162	156,046	163,522	2,130,285
Buildings	259,250	269,290	279,960	291,280	3,086,875	2,564,050
Water Utilities	212,114	220,424	229,162	228,213	237,421	3,614,323
Hospital	28,749	30,016	31,356	32,770	34,563	693,782
Lantz Fire Department	15,650	16,455	17,300	18,200	19,135	193,230
Fire Dept Equipment	8,000	8,298	8,627	8,988	9,379	-
Total	<u>\$ 1,549,699</u>	<u>\$ 1,714,541</u>	<u>\$ 2,227,500</u>	<u>\$ 2,077,995</u>	<u>\$ 4,458,305</u>	<u>\$ 15,660,671</u>

* Principal Payments include balloon payments that may be re-financed

c) Total charges for the year for long-term liabilities are as follows:

	<u>2016</u>	<u>2015</u>
Principal	\$ 1,635,953	\$ 1,720,914
Interest	1,252,249	1,297,152
	<u>\$ 2,888,202</u>	<u>\$ 3,018,066</u>

8. Net Long-Term Liabilities (Continued)

d) Total charges for the year for long-term liabilities were recorded as follows:

	<u>2016</u>	<u>2015</u>
General revenues	\$ 981,644	\$ 962,618
Local improvement charges	104,672	160,898
Area rates	1,065,626	1,077,760
Sale of land in industrial parks	304,519	383,586
Water charges	431,741	433,204
	<u>\$ 2,888,202</u>	<u>\$ 3,018,066</u>

e) Total long-term liabilities issued in 2016 were as follows:

Project	Amount	Loan Term & Interest Rate
Rawdon RCMP Building	\$ 750,000	15 years - 1.011%-3.205%
John Murray Drive	66,000	10 years - 1.040%-2.894%
Elmwood Drive Sewer	255,000	10 years - 1.040%-2.894%
	<u>\$ 1,071,000</u>	

9. Employee Future Benefits

The Municipality provides certain employee benefits that require funding in future periods. Under the personnel policies of the Municipality, unused sick leave can accumulate and employees may become entitled to a cash payment when they leave the Municipality's employment. An actuarial valuation of the sick leave liability was done last fiscal year and has been recorded in the Consolidated Statement of Financial Position.

10. Pension Plan

The Municipality operates a defined benefit pension plan, which provides benefits to employees upon retirement. The accrued benefit obligation as at March 31, 2016 is based on an actuarial valuation for accounting purposes as at December 31, 2013, with adjustments based on additional information provided to the actuary in 2014. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2014. The accrued benefit obligation has changed due to, among other assumption changes, a decrease in the discount rate used and the change in the mortality assumption. All plan assets are held by various Standard Life Funds.

	Estimated <u>December 31, 2015</u>	Estimated <u>December 31, 2014</u>
Accrued Benefit Obligation	\$13,694,166	\$12,125,277
Fair Value Plan Asset	<u>9,547,285</u>	<u>9,289,257</u>
Funded Status - (Plan Deficit) Surplus	<u><u>\$(4,146,881)</u></u>	<u><u>\$(2,836,020)</u></u>

10. Pension Plan (Continued)

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligation as at December 31, 2015 were as follows:

	<u>Dec.31, 2015</u>	<u>Dec. 31, 2014</u>
Expected long-term rate of return on plan assets	6.25%	6.25%
Rate of compensation increase	3.00%	3.00%
Discount rate used to determine benefit obligation	3.75%	4.00%

The Post-retirement mortality assumption was based on CPM2014 Public Sector Mortality with generational projection. The assumption in the prior valuation was 1994 Uninsured Pensioners (UP94) projected to 2016.

An actuarial valuation of the pension plan was performed for accounting purposes using the projected benefit method prorated on service. The unamortized actuarial loss is amortized over the expected average remaining service life ("EARSL") of the employee group; EARSL in 2016 was 16 years and it was 15 years in 2015.

	<u>Dec.31, 2015</u>	<u>Dec. 31, 2014</u>
Accrued benefit obligation, net of plan assets	\$4,146,881	\$2,836,020
Unamortized actuarial loss	<u>(3,367,859)</u>	<u>(2,270,396)</u>
Benefit liability recorded in the statement of financial position	<u>\$779,022</u>	<u>\$565,624</u>

During the year, the Municipality and employees contributed \$261,194 (including special payments) (\$539,805 in 2015) and \$183,165 (\$183,720 in 2015) respectively, to the plan. Benefit payments for the year totaled \$668,742 (\$275,281 in 2015)

Administrative fees paid during the 2015-2016 fiscal year totaled \$5,794 (\$12,845 in 2014-2015).

11. Solid Waste Management Facilities Liabilities

The Municipality owns one landfill site for which the permit to operate expired December 31, 2005. As of March 31, 2007 the site has been capped in accordance with all applicable environmental regulations. The site, although not used as a residual waste disposal site, will continue to be used as a construction and demolition disposal site into the future. In addition the site has an organics and waste transfer facility in operation. East Hants waste has been shipped to a facility outside of its borders since January 1, 2006.

The liability of \$276,625 (2014 - \$254,487) is felt to approximate the present value of post closure costs of the site in accordance with current regulations and has been reported on the Consolidated Statement of Financial Position as an accounts payable and accrued liabilities. Costs relating to the post closure of this site include cost for maintenance of sedimentation ponds and testing of the monitoring wells on the site for 30 years after closure. Closure/post closure costs include managements' best estimates of what those costs will be, based on input from engineers on staff. Some costs are projected at an inflation rate of .1%. All costs are discounted using a rate of 6%.

The liability for closure/post closure has been fully funded.

12. Municipal Fund Balances

a) The current fund balance is comprised of the following:

	<u>2016</u>	<u>2015</u>
Long term liabilities issued to fund Hospital	(851,238)	(878,786)
Long term liabilities issued to fund Sportsplex	(2,878,867)	(3,010,689)
Unfunded pension liability	(779,022)	(565,624)
Landfill liability funded by reserves	(276,625)	(254,487)
	<u>(4,785,752)</u>	<u>(4,709,586)</u>
Water utility operation	882,200	1,037,690
	<u>\$ (3,903,552)</u>	<u>\$ (3,671,896)</u>

b) The capital asset fund balance is comprised of the following:

	<u>2016</u>	<u>2015</u>
Tangible capital assets	\$ 75,847,972	\$ 76,277,713
Work in progress	957,501	873,427
Funds yet to be provided from long term debt	(475,145)	(1,313,545)
Long term liabilities capital	(23,612,637)	(24,069,338)
	<u>\$ 52,717,691</u>	<u>\$ 51,768,257</u>

c) Reserves and reserve funds set aside for specific purposes by Council or required by legislation are comprised of the following:

	<u>2016</u>	<u>2015</u>
Working funds	\$ 11,236,147	\$ 9,885,010
Replacement of equipment/assets	5,710,122	5,205,650
Landfill closure/post closure liability	276,625	254,487
	<u>\$ 17,222,894</u>	<u>\$ 15,345,147</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2016

12. Municipal Fund Balances (Continued)

d) Consolidated Accumulated Surplus:

	<u>2016</u>	<u>2015</u>
Current funds	\$ (3,903,552)	\$ (3,671,896)
Capital asset funds	52,717,691	51,768,257
Reserve funds	17,222,894	15,345,147
	<u>66,037,033</u>	<u>\$ 63,441,508</u>

13. Taxation

	<u>2016</u>	<u>2015</u>
Taxation from real property	\$ 24,808,421	\$ 24,107,140
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(4,641,048)	(4,459,860)
Social Services	(61,121)	(71,747)
Corrections	(284,519)	(284,009)
Net taxes available for municipal purposes	<u>\$ 19,821,733</u>	<u>\$ 19,291,524</u>

14. Remuneration and Expenses Paid to Council Members and the CAO

	<u>Stipend/Salary</u>		<u>Expenses</u>		<u>Total</u>
Council					
Warden James D. Smith**	\$ 36,770	\$	4,957	\$	41,727
Rosanne Bland**	20,564		544		21,108
Cecil Dixon**	19,096		544		19,640
Albert Flemming	20,265		1,789		22,054
Greg Grant**	22,584		2,471		25,055
Wayne Greene	20,999		763		21,762
Eldon Hebb**	19,096		1,702		20,798
John A. MacDonald	19,900		544		20,444
Cyril McDonald**	22,683		2,382		25,065
Norval Mitchell**	19,096		3,611		22,707
Keith Rhyno	20,632		3,205		23,837
Eleanor Roulston	20,632		544		21,176
Willy Versteeg**	19,096		544		19,640
Chief Administrative Officer*	204,180		10,658		214,838
	<u>\$ 485,593</u>	<u>\$</u>	<u>34,258</u>	<u>\$</u>	<u>519,851</u>

* CAO remuneration includes the value of retirement benefits

** Council 2015/2016 Stipend/Salary includes a one-time reduction totaling \$11,040. This was the due to the overpayment in the travel allowance benefit dating back to 2012/2013 which occurred as a result of Council Chambers being move from Milford to Elmsdale. The travel allowance benefit is calculated based on the distance each Councilor/Warden's lives in reference to the Council Chambers.

15. Contingency

The Municipality has guaranteed a loan on behalf of the Lantz Fire Department totaling \$279,970 (2015 - \$294,850).

16. Budget Figures

The Municipality's' Operating, Water Utility, and Capital Budgets are approved by Council. The budget figures are not subject to audit procedures.

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Municipal Operations
 Year Ended March 31, 2016

	2016 Budget (Unaudited)	2016 Actual	2015 Actual
Revenue			
Property taxes	\$ 24,933,491	\$ 24,808,421	\$ 24,107,140
Grants in lieu of taxes	177,622	186,160	177,299
Sale of services	914,156	894,849	877,270
Other revenue from own sources	1,521,739	1,655,985	1,512,361
Unconditional transfers from other governments	178,135	204,181	185,602
Conditional transfers from federal or provincial government agencies	166,896	178,559	280,556
Development and other contributions applied	19,000	24,685	39,718
Other transfers	400,000	400,000	400,000
	<u>28,311,039</u>	<u>28,352,840</u>	<u>27,579,946</u>
Expenses			
General government services	5,745,891	5,375,738	5,351,514
Protective services	7,148,099	7,029,522	6,710,134
Education	4,757,075	4,641,048	4,459,860
Social services	66,345	61,121	71,747
Transportation services	1,061,024	1,029,377	1,280,668
Environmental health services	4,490,096	4,285,773	4,192,215
Environmental development services	1,639,282	1,299,118	1,506,306
Landfill closure/post closure costs	-	22,139	(18,237)
Recreation and cultural services	1,708,711	1,528,562	1,371,489
	<u>26,616,523</u>	<u>25,272,398</u>	<u>24,925,696</u>
Net Revenue	<u>1,694,516</u>	<u>3,080,442</u>	<u>2,654,250</u>
Financing and Transfers			
Debt principal repayment	1,431,752	1,416,863	1,510,056
(Decrease) increase in amounts to be recovered	-	(235,537)	3,538
Transfer to capital fund	100,000	123,533	151,332
Transfer from capital reserves	(15,092)	(12,445)	(12,359)
Transfer from operating reserves	177,856	1,788,028	1,001,683
	<u>1,694,516</u>	<u>3,080,442</u>	<u>2,654,250</u>
Change in Fund Balance	-	-	-
Opening Fund Balance	(4,709,586)	(4,709,586)	(4,776,499)
Change in Long-Term Liabilities	-	159,371	153,710
Change in Unfunded Pension Liability	-	(213,398)	(14,698)
Change in Landfill Liability	-	(22,139)	18,236
Change in Accumulated Surplus	-	-	(90,335)
Closing Fund Balance (Note 12)	<u>\$ (4,709,586)</u>	<u>\$ (4,785,752)</u>	<u>(4,709,586)</u>

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Water Utility
 Year Ended March 31, 2016

	2016 Budget (Unaudited)	2016 Actual	2015 Actual
Revenue	<u>\$ 2,234,669</u>	<u>\$ 2,268,286</u>	<u>\$ 2,223,794</u>
Expenses			
Operating	1,973,928	1,622,068	1,531,269
Interest on debt	227,528	227,531	236,495
Amortization expense	330,418	342,114	329,075
	<u>2,531,874</u>	<u>2,191,713</u>	<u>2,096,839</u>
Net Revenue	<u>(297,205)</u>	<u>76,573</u>	<u>126,955</u>
Transfers and Financing			
Principal debt payment	204,211	204,210	196,708
Transfer from Municipal Operating	(175,000)	-	-
Transfer to capital	30,000	27,853	-
	<u>59,211</u>	<u>232,063</u>	<u>196,708</u>
Change in Fund Balance	<u>(356,416)</u>	<u>(155,490)</u>	<u>(69,753)</u>
Opening Fund Balance	1,037,690	1,037,690	1,107,443
Closing Fund Balance (Note 12)	<u>\$ 681,274</u>	<u>\$ 882,200</u>	<u>\$ 1,037,690</u>

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Municipality of the District of East Hants
 Schedule of Capital Fund Operations - Municipal Operations
 Year Ended March 31, 2016

	2016 Actual	2015 Actual
Revenue		
Government grants	\$ 320,140	\$ 235,591
Development and other contributions applied	58,930	\$ 2,110,449
	<u>379,070</u>	<u>2,346,040</u>
Expenses		
General government services	276,684	300,965
Protective services	62,394	41,369
Transportation services	1,024,807	885,118
Environmental health services	796,239	759,973
Environmental development services	(94,964)	(194,184)
Recreation and cultural services	49,291	49,291
	<u>2,114,451</u>	<u>1,842,532</u>
Net Revenue	(1,735,381)	503,508
Financing and Transfers		
Principal payments	(1,461,702)	(1,553,054)
Transfers from reserves	(1,071,727)	127,653
Transfers from operations	(151,386)	(151,332)
	<u>(2,684,815)</u>	<u>(1,576,733)</u>
Increase in Fund Balance	949,434	2,080,241
Opening Fund Balance	51,768,257	49,688,016
Closing Fund Balance (Note 12)	<u>\$ 52,717,691</u>	<u>\$ 51,768,257</u>

Municipality of the District of East Hants

Schedule of Reserve Operations

Year Ended March 31, 2016

	2016 Actual	2015 Actual
Revenue		
Investment income	\$ 148,531	\$ 155,015
Non Governmental Grants	24,401	-
Government grants	1,000,960	993,348
	<u>1,173,892</u>	<u>1,148,363</u>
Net Transfers From/To Other Funds		
Transfers from Current Fund	(1,775,583)	(989,324)
Transfers to Capital Fund	1,071,727	(127,653)
	<u>(703,856)</u>	<u>(1,116,977)</u>
Net Change in Reserve Funds	1,877,747	2,265,340
Opening Reserve Fund Balance	15,345,147	12,989,472
Change in Accumulated Surplus		90,335
Closing Reserve Fund Balance (Note 12)	<u>\$ 17,222,894</u>	<u>\$ 15,345,147</u>
Analyzed as follows:		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 3,008,931	\$ 2,395,953
Solid Waste Diversion Operations	43,000	92,921
General Government	875,441	930,603
Solid Waste Management Facilities/Equipment	1,425,145	1,233,954
Office Equipment	215,588	203,588
Computer Hardware/Software	205,829	225,514
Pool Building and Equipment	750,299	717,420
Transportation and Equipment	953,528	833,016
Recreation and Leisure	16,351	35,376
Emergency Measures	184,899	184,899
Passenger Vehicles	164,750	164,750
Tax Sale Surplus	-	15,586
Gas Tax Excess	1,693,318	919,962
Resource Center	140,000	120,000
Industrial Park Land Development (fr Sales)	607,449	1,027,883
Landfill Closure/Post Closure Costs	276,625	254,487
District Beautification Funds	31,989	28,381
Emergency Grant Fund-Fire Departments	322,360	321,349
Tourism Grant Fund/Capital	123,695	121,880
Economic Development Operations	188,248	138,080
District Recreation Grant Fund	230,421	145,594
Tourism Economic Development Fund	90,000	60,000
Rural Economic Development Fund	177,787	122,787
CSR Contingencies	1,395,001	1,207,334
Lights Communities	131,751	121,830
Lights Other Surplus	114,864	107,801
Corridor Fire Protection System	1,243,200	1,231,916
Sportsplex	30,383	-
Sewer System	169,531	183,626
Sidewalks Excess Debenture/Operations	234,776	320,952
East Hants Water system	2,177,735	1,877,705
	<u>\$ 17,222,894</u>	<u>\$ 15,345,147</u>

Municipality of the District of East Hants

Reconciliation of the Financial Plan to the PSAB Budget

Year Ended March 31, 2016

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAB Budget
REVENUE								
Taxes	\$ 24,933,491	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,933,491
Water utility	-	2,234,669	-	-	-	-	(552,519)	1,682,150
Grants in lieu of taxes	177,622	-	-	-	-	-	-	177,622
Sale of services	914,156	-	-	-	-	-	-	914,156
Other revenue from own sources	1,521,739	-	-	-	-	-	(747,089)	774,650
Unconditional transfers from other	178,135	-	-	-	-	-	-	178,135
Conditional transfers from government	166,896	-	-	-	-	-	-	166,896
Government grants	-	-	-	1,000,960	-	-	-	1,000,960
Development and other contributions applied	19,000	-	-	58,930	24,401	-	-	102,331
Other transfers	400,000	-	-	-	-	-	(400,000)	-
Transfers from reserves (capital/operating)	-	175,000	-	-	(175,000)	-	-	-
Total revenue	28,311,039	2,409,669	-	1,059,890	(150,599)	-	(1,699,608)	29,930,391
EXPENSES								
General government services	5,745,891	-	276,684	-	-	-	(436,632)	5,585,943
Protective services	7,148,099	-	62,394	-	-	-	(552,519)	6,657,974
Education services	4,757,075	-	-	-	-	-	-	4,757,075
Social Services	66,345	-	-	-	-	-	-	66,345
Transportation services	1,061,024	-	1,024,807	-	-	-	-	2,085,831
Environmental health services	4,490,096	-	787,864	-	-	-	(500,819)	4,777,141
Water utility	-	2,531,874	-	-	-	-	(108,383)	2,423,491
Environmental development services	1,639,282	-	171,609	-	-	-	-	1,810,891
Landfill closure/post closure costs	-	-	-	-	-	-	-	-
Recreation and cultural services	1,708,711	-	49,291	-	-	-	(101,255)	1,656,747
Transfer to capital	100,000	30,000	-	-	(130,000)	-	-	-
Debt charges - principal payment	1,431,752	204,211	-	(1,461,702)	-	(174,261)	-	-
Transfer to reserves (capital/operating)	162,764	-	-	-	(162,764)	-	-	-
Total expenses	28,311,039	2,766,085	2,372,649	(1,461,702)	(292,764)	(174,261)	(1,699,608)	29,821,438
Surplus (Deficit)	\$ -	\$ (356,416)	\$ (2,372,649)	\$ 2,521,592	\$ 142,165	\$ 174,261	\$ -	\$ 108,953

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2016

	*General Government	Protective Services	Transportation Services	Env. Health Services	Env. Developmnt Services	Other
REVENUE						
Property taxes	\$ 19,920,908	\$ 2,380,180	\$ 78,874	\$ 2,139,648	\$ -	\$ -
Grants in lieu of taxes	173,734	-	-	12,426	-	-
Sale of services	285,927	-	-	434,692	13,650	-
Other revenue from own sources	1,224,914	118,972	-	188,002	93,026	148,531
Unconditional transfers from other governments	110,139	-	-	94,042	-	-
Conditional transfers from federal or provincial government	5,037	-	-	97,919	-	-
Government grants	-	-	-	-	-	1,321,100
Development and other contributions applied	-	-	-	24,685	-	83,331
Other transfers	-	-	-	400,000	-	-
Gain on sale of TCA	-	-	-	-	266,573	-
Water utility	-	-	-	-	-	-
Elimination Entries	(803,495)	-	-	(400,000)	-	-
Total revenue	20,917,164	2,499,152	78,874	2,991,414	373,249	1,552,962
EXPENSES						
Salaries, wages and benefits	2,193,194	283,077	-	1,025,998	919,484	-
Operating costs	2,885,070	6,712,834	746,851	3,142,782	242,598	4,702,169
Elimination Entries	(516,867)	(516,897)	-	(483,669)	-	-
Amortization	276,684	62,394	1,024,807	787,864	171,609	-
Interest on long term debt	297,474	33,611	282,526	139,132	137,036	-
Loss on sale of TCA	-	-	-	8,375	-	-
Total expenses	5,135,555	6,575,019	2,054,184	4,620,482	1,470,727	4,702,169
Surplus (Deficit)	\$ 15,781,609	\$ (4,075,867)	\$ (1,975,310)	\$ (1,629,068)	\$ (1,097,478)	\$ (3,149,207)

* General government includes revenues and expenses that cannot be attributed to a particular sector.

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2016

	Recreation and Cultural Services	Water Utility	2016 Total	2015 Total
REVENUE				
Property taxes	\$ 288,811	\$ -	\$ 24,808,421	\$ 24,107,140
Grants in lieu of taxes	-	-	186,160	177,299
Sale of services	160,580	-	894,850	877,270
Other revenue from own sources	31,071	-	1,804,516	1,667,377
Unconditional transfers from other governments	-	-	204,181	185,602
Conditional transfers from federal or provincial government	75,604	-	178,560	280,557
Government grants	-	-	1,321,100	1,228,939
Development and other contributions applied	-	-	108,016	2,150,167
Other transfers	-	-	400,000	400,000
Gain on sale of TCA	-	-	266,573	365,793
Water utility	-	2,268,286	2,268,286	2,223,794
Elimination Entries	-	(516,897)	(1,720,392)	(1,643,464)
Total revenue	556,066	1,751,389	30,720,270	32,020,474
EXPENSES				
Salaries, wages and benefits	687,312	525,851	5,634,916	5,574,626
Operating costs	706,313	1,096,217	20,234,834	19,821,684
Elimination Entries	(114,253)	(88,706)	(1,720,392)	(1,643,464)
Amortization	49,291	342,114	2,714,763	2,525,690
Interest on long term debt	134,939	227,531	1,252,249	1,297,152
Loss on sale of TCA	-	-	8,375	11,710
Total expenses	1,463,602	2,103,007	28,124,745	27,587,398
Surplus (Deficit)	\$ (907,536)	\$ (351,618)	\$ 2,595,525	\$ 4,433,076

SECTION 3 - DEPARTMENT UPDATES



CHIEF ADMINISTRATIVE OFFICER'S OFFICE

Year End Report 2015/2016

Introduction

The Chief Administrative Officer's (CAO) office provides organizational leadership and Council support through the provision of:

- Human Resources
- Occupational Health and Safety
- Communications & Project Management
- Legislative Support

As the senior administrative official for the organization, the CAO leads or participates in many of the larger projects undertaken and issues addressed by Municipal Departments. In 2015/2016, these included the following:

Project/Service	Description	Strategic Alignment
Municipal Website Project (including on-line Municipal Services opportunities)	<ul style="list-style-type: none"> • Development of a new municipal website 	<ul style="list-style-type: none"> • Communication & Engagement • Economic Development • Sustainability by increasing efficiency and effectiveness of the organization
Information Management	<ul style="list-style-type: none"> • Ongoing development of an Information Management Program 	<ul style="list-style-type: none"> • Communication & Engagement • Sustainability by increasing efficiency and effectiveness of the organization • Governance
Policy Review Project	<ul style="list-style-type: none"> • Inventory of current Administrative and Council policies • Collection of Council policies posted to public website • Collection of Administrative policies posted to the staff website • Next phase 2016/2017 • 3 new HR Policies • New OH&S Program (Contractor Safety) 	<ul style="list-style-type: none"> • Governance • Communication & Engagement • Sustainability by increasing efficiency and effectiveness of the organization
Annual Salary Review	<ul style="list-style-type: none"> • Annual market salary survey/review by HR Officer 	<ul style="list-style-type: none"> • Fiscal Responsibility

Bylaw Review	<ul style="list-style-type: none"> • Three Bylaws were approved in 2015/2016 • Collection of Bylaws posted to the public website • Next phase 2016/2017 expects to result in ten plus Bylaw updates 	<ul style="list-style-type: none"> • Governance • Communication & Engagement • Sustainability by increasing efficiency and effectiveness of the organization
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The CAO's office takes the lead in organizing and supporting many of the interdepartmental meetings required to coordinate the above-mentioned activities.

The CAO's office plays an integral role in the oversight of municipal business coming to the attention of Council through the preparation of meeting agendas. This requires consultation with staff, members of Council, as well as, contact with members of the public.

The staff in the office of the CAO provides ongoing support to the municipal operation through the management of Council Chambers Online; the provision of recording secretary and administrative support to various committees and meetings, and administrative support to all departments when needed for special requirements, such as mass mail outs and vacation coverage.

The CAO's office prepares and distributes the minutes of Council, Status Update reports that track the decisions of Council to ensure their implementation in an efficient manner, and tracks instructions to staff by Council requiring ratification by Council. The CAO's office has a strong focus on Information Management including policy and Bylaw maintenance and development.

The Communications and Project Officer position has transitioned to a Communications Officer position to support the increasing communications needs of the organization. Recruitment is currently underway to fill this role (filled in June 2016). This position focuses on improving both internal and external communications. In terms of external communications, this position serves as liaison with the media and is responsible for the public connection through various social media channels and the municipal website. In terms of internal and external communications, the organization is developing a communications plan, which is expected to be completed in 2016/2017.

Human Resource Management

The budget for 2015/2016 did not include resources for additional full time equivalents. The number of recruitments from April 1, 2015 to March 31, 2016 included six (6) positions to fill left vacant from departing employees, two (2) to fill full-time newly created positions, one (1) to fill a two-year term position, one (1) to fill a maternity leave position, four (4) to fill casual positions and twelve (12) student positions. There was one (1) co-op student position that the Municipality was unsuccessful at filling. In addition, the Municipality assisted Fundy Recreation in the recruitment of seven (7) After School Program Activity Leaders.

Recruitment Activities April 1, 2015 to March 31, 2016

Department	Position
Office of the CAO	Administrative Support Clerk
Economic & Business Development	Fundy Tidal Interpretive Guides (2) Fundy Tidal Interpretive Centre Supervisor Administrative Assistant

Department	Position
Finance and Administration	Co-op Student - Business Process Analyst (unsuccessful) Information Services Clerk Information and Quality Management Officer (2 year term) Summer Student (document management)
Parks, Recreation & Culture	Summer Students (4 Pool Staff and 5 Day Camp Counselors) Aquatics Supervisor Manager of Park Development and Operations Parks Maintenance Worker (summer) Daytime Lifeguard (part-time - 30 hours/week)
Infrastructure and Operations	Environmental Engineering Technician (12 month casual) Waste Compliance Officer Casual Heavy Equipment Operator Administrative Assistant (I&O) Public Works operator -in -training

DEPARTMENT OF ECONOMIC AND BUSINESS DEVELOPMENT

Year End Report 2015/2016

Introduction

The Department of Economic and Business Development's (EBD) mandate is to deliver the following services:

- Business Attraction and Investment
- Business Retention and Expansion
- Small and Medium Enterprise Development

Business Attraction and Investment

The Business Attraction service is an East Hants public municipal service that provides businesses and commercial real estate clients with site selection information and advice, referrals to funding, business intelligence, advocacy, and issue and opportunity management. The service also includes place marketing, selling East Hants as an investment destination and sales of business park property.

East Hants issued 13 commercial development permits for new businesses opened in 2015/2016. This was a 116% increase over 2014/2015. New businesses operating in East Hants included Fernando's Grill, Pete'za Perfect, East Coast Detailing, Crabapple Cottage Floral and Gifts, and Handy Cabs.

Interest in East Hants commercial land from businesses outside the municipality, including Nova Scotia, Canada and the United States declined in 2015/2016. Staff explored expansion or re-location options with 23 potential clients, a 44% decrease from 2014/2015 inquiries. Interesting to note is that although the overall number of inquiries declined from the previous year, a new trend was a dramatic increase in the number of acres in each request, with the total exceeding 30+ acres.

Municipally-owned commercial land sales declined in 2015/2016. Two business park lots, totaling 2.39 acres sold, a reduction of 41% in total acres sold from 2014/2015. This decline is most likely a combination of the lower number of inquiries generated and the reduction of available inventory in the Uniacke Business Park. This was a 4% land sales rate on inquiries, down 3% from the previous year. We do not track commercial land sales beyond the business parks at this time.

At the close of the fourth fiscal quarter of 2015/2016 the Elmsdale Business Park land inventory had 22.1 acres of subdivided available land. The Uniacke Business Park inventory of subdivided available land remained at zero acres. Municipal business park businesses contributed 1.658 million dollars of new commercial tax assessment in 2015/2016.

Business Retention and Expansion (BR+E)

The Business Retention and Expansion service is an East Hants public municipal service that provides local business clients with business intelligence, business advisory services, expansion and retention support, issue and opportunity management, and referrals to partners and funding.

In 2015/2016 East Hants assisted 20 businesses in retention and expansion related functions. The work resulted in a 90% referral rate to services which included other levels of government, non-government agencies, business and entrepreneur programs, networking connections and potential investors or partners.

Small and Medium Enterprise Development

Small and Medium Enterprise Development (SME) is an East Hants public municipal service that provides business intelligence, start-up support, issue and opportunity management, and access to support agencies, programs and funding for new or emerging entrepreneurs.

East Hants provided assistance to eight new entrepreneurs in 2015-16. This included requests for business planning assistance, market research requests, land and lease opportunities, and funding information requests. This work resulted in a 100% referral rate to support services and contributed to two new business start-ups.

Year-End Status of Priority One Initiatives – 2015/2016 Business Plan

- East Hants Economic Development Plan Implementation
 - The Economic Development Plan adopted this year includes a five-year action plan.
- Highlights from 2015/2016 include:
 - BR+E project partnership development initiated with the East Hants Chamber of Commerce and the Advocacy Committee.
 - Agricultural sector development:
 - Kick-off meeting held for brainstorming on agricultural innovation and development opportunities.
 - Partnership developed with Perennia Innovation Centre in Bible Hill, NS and Chamber of Commerce to develop and deliver an agriculture/agri-food related business seminar in 2016/2017.
 - Business services delivered to support start-up of a weekend farmers and makers market. Scheduled to launch June 2016.
 - Broadband project - co-hosted i-Valley regional economic development event aimed at developing “Smart Communities” in Nova Scotia and a Smart Community East Hants initiative.
 - Site visit and discussions with National Gypsum surrounding support for a provincial Gypsum Centre of Excellence.
- Media Campaign and Buy
 - Project launched and campaign development, design and flight plan completed.
 - Media Buy scheduled to be in market in Q1 of 2016/2017 and completed in Q4.
- Tourism Plan Development
 - Municipal tourism services and the Tourism Development Officer (TDO) moved to the Department of Parks, Recreation and Culture (PR&C).
 - East Hants Tourism Plan development delayed until 2016/2017. The project will be led by PR&C and the TDO working with the tourism sector and Economic and Business Development department sector and destination marketing lead.
 - EBD will continue to lead tourism sector development and sector investment attraction.
- Burntcoat Head Park Development
 - Multi-year project partially complete.
 - Stairs and washroom complete, landscaping before 2016/2017 season opens scheduled.
 - Interpretive panels installed across the site.
 - Way finding signs across the municipality leading visitors to the site complete.
 - Main entrance sign deferred to 2016/2017.
 - New staff hired for upcoming season.
 - Burntcoat Head Park Association election of a new executive and board in place.

- Burntcoat Head Park and the Fundy Tidal Interpretive Centre scheduled to open in late May.
- Project and tourism information services moved to the PR&C during the year.
- Roger Brooks Community/Tourism Assessment
 - Completed. The report will be used as input into the East Hants Tourism Plan.
- Community Welcome - Municipal Entrance Signage
 - Project partially completed and subsequently deferred to 2016/2017 due to low response from vendors. Nine municipal entrance signs are planned.
- Business Park Expansion and Land Acquisition - Mount Uniacke
 - Project partially completed. 42 acres of land purchased for the potential future expansion of the Uniacke Business Park. Project will continue into 2016/2017.
- Business Park Expansion and Land Acquisition - Elmsdale
 - Environmental Assessment application partially completed to support the future expansion of the Elmsdale Business Park. Project will continue into 2016/2017.

Year-End Status of Priority Two Initiatives – 2015/2016 Business Plan

- Tourism Kiosks
 - Project moved to Department of Parks, Recreation and Culture during the year.
- Tourism Operator Staff Training
 - Project moved to Department of Parks, Recreation and Culture during the year.
- Business System Registration Research
 - Research completed. Research will transition to 2016/2017 as part of a data collection project.

DEPARTMENT OF FINANCE AND ADMINISTRATION

Year End Report 2015/2016

Introduction

The Finance & Administration Department consists of 20 staff positions across its four divisions: Information Services (4 & 1 Contract), Finance (10, 1 Part-time), Procurement (1), and Administration (2).

Director (1)		
Administration (2)	Information Services (5)	Procurement (1)
Finance (10, 1 P/T)		
Mgr. of Accounting (7, 1 P/T)	Mgr. of Finance (3)	

Information Services Division

The Information Services Division has had a very busy year with the launch and completion of Phase 1 of the 4 year Municipal Service Management project, development and implementation of WordPress for the public website and continued work on implementing recommendations from our information security audit.

Municipal Service Management Project

The Innovation Working Group developed a Municipal Services Framework which serves as a guide defining each Departments' Programs, Services, and Processes which East Hants uses to deliver value to municipal stakeholders.

The Framework will allow East Hants to develop a unified approach to quality service delivery, performance measurements to help us track our progress as we strengthen our core value of excellence, and to enhance a culture of continuous improvement of Municipal Services.

Web Content Management System Upgrade

This project supported the Public Website project by upgrading the software that manages the content. WordPress was chosen to replace our pre-existing web content management system to provide more flexibility and future functionality to support the Municipality's web presence moving forward. Information Services Staff worked closely with the Communications Officer to ensure that the solution was well fit and supported the recommendations and goals of the Public Website project.

Security Assessment - Recommendations Implementation

To ensure security is meeting or exceeding standards, this audit included vulnerability testing, security management review, facility and network security and provided recommendations in relation to mitigating all threats to the Municipality and its management of information, including internal and external access to information. A majority of facility and network based risks have been mitigated and lower risk items identified have been scheduled for mitigation.

Service Statistics

In addition to infrastructure support and improvement, the IT division is also responsible for day to day helpdesk support, system maintenance and overall IT infrastructure health. The reference below to "uptime" is based on total time minus downtime that impacts normal expected operations. Downtime for maintenance is included in the following numbers:

Service	Result
File and Document Services	99.999% uptime
Email Services	99.999% uptime
Active Directory Services	99.98% uptime
Security Surveillance Services	99.999% uptime
Physical Servers	99.98% uptime
Service Requests	1,085 calls were made to the helpdesk, which generated 487 support tickets. 980 emails were received from users to support@easthants.ca
Email Activity	<p>Average of 24,200 emails per month inbound (290,413 total)</p> <p>Average of 4,542 per month outbound (54,513 total)</p> <p>1,208 email viruses stopped</p> <p>50,971 spam messages were stopped</p>

Finance Division

The Finance Division is staffed with two managers, four back office accounting staff, two back office taxation staff and two front line reception/billing clerks. There is also a part time meter reading technician who does water utility data collection.

The Finance Division is comprised of two separate areas of responsibility, Finance and Accounting. Responsibilities of the Division include all matters related to taxation and collections, water billing and accounts receivable, main reception services for the organization, payroll processing, payables processing, accounting and controlling, year-end financial statements and audit preparation as well as preparation of the capital and operating budgets for the Municipality of East Hants. Staff in Finance also do required reporting to various government agencies in the form of statistical reports. The Division provided bookkeeping services to eight volunteer fire departments (payables, receivables, accounting and year end processing) throughout the year. Senior staffs in the department provide support in policy and procedure development, financial analysis and special project advice.

In the early part of the year recruitment was done for an Accounting Coordinator and an Administrative Services Clerk.

Accounting

The year-end process generally consumes four staff persons for the better part of April, May and June; concluding with the municipal audit, financial statements and a Treasurer's Report presented to Council. The Treasurer's Report was presented to Council in July 2015. Year end 2015 was followed by external reporting required for Statistics Canada, the Utility and Review Board and Service Nova Scotia and Municipal Relations.

The Municipality of East Hants is responsible for the day to day accounting for the Lantz, Maitland, Milford, Mount Uniacke, Nine Mile River, Noel, Rawdon, and Shubenacadie volunteer fire departments. This role includes processing accounts payable, revenue receipting, bank reconciliations, providing monthly and year-end statements to the fire departments and Harmonized Sales Tax (HST) reporting on their behalf.

Part of the mission of the Finance Division is to provide more support to the volunteer fire departments across the municipality. In the summer of 2007 a comprehensive set of policies and guidelines were created and approved for use in holding volunteer fire departments accountable to the public for public monies being spent. Part of the annual work plan is to perform financial review of fire department books. In 2015/2016 the Elmsdale & Walton fire departments were reviewed by municipal staff.

Statistics from Finance in 2015/2016:

Activity	2015/2016	2014/2015
Payable Invoices Processed	5,779	5,353
Cheques Issued	1,846	1,622
Electronic AP Payments Processed	1,612	1,387
Journal Entries Completed	1,273	1,244
Electronic Customer Payments Processed	23,898	21,624
Pre-Authorized Debit Payments Processed	7,794	7,431
Landfill Tickets Processed	1,604	1,446
New Vendors or Amendments	331	203
Payroll Deposits	2,794	2,682
T4's Issued	171	160

In 2015/2016 Finance staff spent considerable time training and following-up with all Municipal staff on the use of the accounting system (SAP) and the ADP EZ-Labor time management system. With the number of turnovers in various departments, this was a fairly time consuming responsibility.

Budgeting and Funding

In October 2015 back office Finance staff turned their attention to the capital and operating budgets for 2016/2017. The Finance Division's role in the budget process is one of coordination, calculation and analysis. Departments are responsible for their own business planning and budget requests; the Finance Division evaluates the larger picture, advises the CAO on relevant tax policy issues and budgets for all of the tax and transfer revenue, the salary and debt expenses, all allocation budgets and those expenditures not tied to operation of any given department. Senior financial staff presented these budgets to committee and managed the process through to the passing of the budgets prior to March 31, 2016.

Several statistics reports are required to satisfy reporting to other levels of government. The Accountant & Budget Analyst is responsible for the preparation of these reports which include: the HST offset program application, various Statistics Canada reports throughout the year (such as quarterly cash statements), statistics required for the uniform assessment calculation, statements of estimates and financial information reports for Department of Municipal Affairs the capital investment plan and the expenditure reports for the Gas Tax program. This year a significant amount of time was spent with Municipal Affairs staff on the Financial Condition Indicators and related calculations and validation of three years of data.

Finance staff conducts regular year to date reviews with representatives from each department, at various points in the year. Assistance is provided when budgets need to be reallocated within policy provisions or when financial analysis of accounts is required. For those reallocations requiring CAO

approval the Finance Division provides oversight and review of transactions before they are placed before the CAO.

Statistics from Budgeting in 2015/2016:

Activity	2015/2016	2014/2015
Statistics Reports Prepared	20	20
Funding Claims/Audits	5	5
Budget Over-expenditures Reviewed	22	41
Budget Reallocations Reviewed	115	46
Budget Transactions (SAP)	4,493	3,188

Taxation

The taxation function was extremely busy this past year. There were over twenty eight thousand tax bills mailed in 2015/2016. The Municipality has 32 mortgage company listings to manage (the larger banks have between 350 and 1,069 accounts each) and 151 property owners who manage multiple properties through a billing group listing (to facilitate the customer's processing of multiple tax bills we provide a listing of all the tax bills that are linked to one owner).

The e-billing initiative rolled out early this year for tax and water billing in partnership with the Property Valuation Services Corporation (PVSC) moving from physical mailing of tax and water bills to e-billing of tax and water bills.

Billing activity for our current process is outlined in the following table:

Activity	2015/2016	2014/2015
Tax Bills Mailed	28,184	27,959
Tax Accounts set up with epost	253	N/A
Accounts Billed Through Mortgage	3,281	3,245

Collections staff dealt with many taxpayers on a personal level to discuss financial situations, make payment arrangements and assist them in dealing with other levels of government on land issues that affect taxation.

During 2015 staff advertised fourteen properties for tax sale (from 93 Preliminary Notices to Proceed to Tax Sale that were sent). The Collection Officer cleared five of these fourteen advertised properties prior to auction, resulting in eight properties being auctioned at tax sale and one property having no bids.

Throughout the year taxation staff maintained just over fourteen thousand tax accounts. This maintenance includes changes to assessment values and customer information, the issuance of updated tax bills, adjustment notices and refunds, responding to requests for property information through the issuance of tax certificates and tax information forms and the review of applications received through the Municipal Tax Assistance Program.

Statistics from Taxation in 2015/2016:

Activity	2015/2016	2014/2015
Tax Reminder Notices Mailed	4,128	3,835

Activity	2015/2016	2014/2015
Tax Collection Officer/Tax Administrator Phone Calls	5,559	5,059
Coll. Officer Fax/letter/email	4,572	2,753
Coll. Officer Meet with Taxpayer	185	165
Tax Assistance Applications Received	424	445
Tax Assistance Applications Approved	335	371
Name/address changes	614	582
Tax Certificates Issued	557	611
Written Tax Information Requests	362	296
Account Assessment, Billing and Balance Adjustments	374	345

Water Utilities

The Finance Division is responsible for the billing, budgeting and accounting functions for the East Hants Water Utility. All of the processes in place for general operations are also in place for the water utility accounting, budgeting and reporting. The Municipality is accountable to the Utility and Review Board (UARB) for all matters relating to water utility accounting and rate setting. The last rate review application was done in 2009/2010, approving rates to April 1, 2012 onward. Process has begun to prepare for a possible rate review in 2016/2017.

The upgrade and expansion of the Enfield bulk water station in East Hants was completed in early fall of 2015.

Statistics from Water Utility billing in 2015/2016:

Activity	2015/2016	2014/2015
Water Accounts	2,687	2,645
Water Bills Mailed	10,776	10,623
Water Arrears/Disconnection Notices	3,966	3,792
Disconnection Door Tags	409	135
Disconnections - Non Payment	23	16
Service Orders Issued	340	315
Account Adjustments	126	68

Procurement

The Procurement Officer continues to be focused on ensuring best value for the citizens of East Hants through the use of best practices when procuring goods and services. This past year has seen the introduction of a new procurement template type called a Negotiated Request for Proposals. This new format was purchased from one of the leading procurement law offices in Canada, Procurement Law Office, headed by Paul Emanuelli, and is unique for two reasons: it lessens the risk of procurement by setting the procurement outside of Contract A and it increases value by allowing a little flexibility in the way East Hants goes to market. Although this is not an appropriate tool for all engagements, it is already in use for the early stages of the new Aquatic Centre procurement, for which the comments have been positive.

The addition of this template completes the new development of formal procurement templates as envisioned in the procurement plan. There should now be a sufficient selection of procurement templates to cover most any requirement with only a small amount of re-drafting.

The Procurement Officer has also started working on less formal procurement templates for use by staff when getting quotations. While low value procurements that are under \$5,000 or otherwise under threshold for public competition are not subject to the same requirements as high value procurements, they may carry equivalent *contractual* risk to such procurements. In looking at low value procurements, to address the inherent procurement and contractual risk is to develop a simple quotation request template that addresses *both*. The Procurement Officer has a few documents in development which will be used on a trial basis this year in hopes to have as templates going forward.

Activities of the Procurement Officer over the past year:

- Participation in the Procurement Advisory Group (PAG), a body comprised of provincial and MASH sector representatives for cross-sector discussions of procurement issues;
 - reviewed new Nova Scotia Construction Contract Guidelines
 - discussion of issues affecting the sectors, including:
 - changes to the NS Procurement Policy
 - changes to the Agreement on Internal Trade
 - privacy issues
- Participation in Atlantic Public Purchasing Association (APPA)
 - Hosted an inaugural conference call to discuss procurement issues within the MASH (Municipality, Academic, School and Hospital) sector
 - Trying to encourage cross-communication and cooperation
 - Sharing session to learn from others' mistakes and from their successes

Low Value Procurements

There were a number of low value procurements throughout 2015/2016 overseen by the Procurement Officer. Many of these procurements were for services and the level of involvement varied from advice (what terms and conditions to include) through to complete oversight of the process. Examples where the Procurement Officer was more involved include: painting services and access control changes for Lloyd E. Matheson Centre (LEM), snow and ice control for LEM and the pool, Shubenacadie River Park recreation work, and other similar projects. There were fewer formal low value procurement packages developed during this period than last, though the complexity was higher on individual items like the access control requirements.

High Value Procurements

A number of High Value procurements have been undertaken this fiscal. The Procurement Officer has worked closely with departments, in particular Parks, Recreation & Culture department, to refine the RFP process, concentrating on specification development, process controls, and evaluation and award. The Procurement Officer has also participated in several construction Tender processes with Infrastructure & Operations.

The following are High Value Procurements/Public Process managed by the Procurement Officer in the 2015/2016 fiscal year:

Department	Description	Procurement Awarded Value
Infrastructure & Operations	RFP - Collection, Transportation and Disposal of Household Hazardous Waste	\$66,000 over 3 years; actuals based on Unit Prices
Infrastructure & Operations	RFSO - Standing Offer for Electrical Services	Unit Prices
Infrastructure & Operations	RFP - Solid Waste Communication Tool	\$20,000 over 5 years if all optional years are accepted
Infrastructure & Operations	Tender - Pool Roof Replacement	Not awarded - no responses
Parks, Recreation & Culture	Tender - Burntcoat Head Stair Construction	\$140,594.58
Parks, Recreation & Culture	Tender - Burntcoat Head Washroom Construction	\$218,471.00
Parks, Recreation & Culture	Design of a Multipurpose Pad	\$20,800 (construction and tendering phases not used)
Parks, Recreation & Culture	RFP - Design and Build Two Skate Parks	\$500,000.00
Finance & Administration	RFSO - Standing Offer - Fire Scenes	Unit Prices
Finance & Administration	RFP - Fire Dispatch Services	\$188,374 over 5 years, subject to adjustments
Economic & Business Development	RFP - Consultant for Burntcoat Head Construction Projects	Awarded in Phases - \$4,000 plus inspection costs (phases 3 & 4)
Economic & Business Development	RFP - Environmental Assessment, Elmsdale Business Park	\$63,400

The values shown are the values, exclusive of HST, at award and do not reflect the value of change directives, if any, that may have been implemented after award. The actual value for Unit Price contracts will be based on the actual quantities used. In addition to the above, much time was spent in procurement planning for the new Aquatic Centre project.

Standing Offers

East Hants is trying to leverage provincial and internal Standing Offers wherever possible to ensure value for the citizens of East Hants. The benefit to East Hants in using provincial Standing Offers is that we are assured that a competitive process has been undertaken and can contract with the providers, within specified thresholds, for the goods and services without further competition. This allows us to respond more efficiently, have confidence in our pricing and control our costs. East Hants has used the provincial Standing Offer for light duty vehicles (trucks) three times over the past year.

We have reinstated some of the expired internal Standing Offers using new templates. In particular, we have advertised our electrical services (4 providers approved) and instituted a new Standing Offer for security at fire scenes as requested by the Fire Service. We will be advertising for two additional services (clean-up of unsightly premises and demolition) in the new fiscal year and will investigate other opportunities for Standing Offer as they present themselves.

Administration

Properties and Facilities Maintenance

The Administration Division is responsible for the maintenance of municipally owned properties and facilities listed below:

- Branch Libraries - Elmsdale and Mount Uniacke
- Burntcoat Head Lighthouse - Burntcoat
- Court House Hill Memorial Site - Gore
- E.H. Horne School Building - Enfield
- Former CN Train Station - Elmsdale
- Lloyd E. Matheson Centre - Elmsdale
- Municipal Pool - Milford
- Tin Smith Shop Museum - Shubenacadie
- Walton Lighthouse - Walton
- Former Lantz School Property - Lantz
- RCMP Satellite Office - Rawdon - commissioned December 2015
- South Maitland Fundy Tidal Interpretive Center - new in 2015

In addition to routine services such as janitorial, snow and ice removal and general repair and maintenance, a number of upgrades were carried out at municipal properties in 2015/2016.

East Hants Swimming Pool

- Repairs to Dry-O-Tron Unit, Pool heating system, green sand filter and water softer.
- Replacement of Circulator Pump.
- Installation of safety rails and platform in mechanical room.
- Re-painted Pool deck.
- Replaced four steel interior doors.

Mount Uniacke Library

- Replaced two outdoor condensing units and repairs to heating system.

Lloyd E. Matheson Centre

- Security System Upgrades - Engaged a contractor to implement recommendations identified in a Security Assessment conducted in 2014/15. This included replacing 6 Unican Pin Pads at the Lloyd E. Matheson Centre with access card readers; adding an access card reader and burglar alarm system to the Municipality's storage suite at the Lloyd E. Matheson Centre and combining the burglar alarm systems for both sections of the Lloyd E. Matheson Centre under one control system that can be managed electronically.
- Repairs to heating & ventilation system.
- Installation of traffic directional signage and pavement repairs in parking area.
- Updates to internal directional signage.
- Installation of door numbering schematic to enhance fire safety.
- Updated BOMA measurement for Lloyd Matheson Center for lease renewals

Municipal Grant Administration

Two significant grants are administered by the Administration Division.

General Government Grants

It is the policy of the Municipality of East Hants to consider, within its financial capacity, modest financial support to non-profit organizations within the Municipality. This support is provided in recognition of the value these organizations provide to the well-being and growth of the community and in helping the Municipality retain strong community focus. The Municipality recognizes that supporting volunteer community-based organizations is often fundamental to maintaining our quality of life.

The following organizations received General Government Grants in 2015/16:

- East Hants Museum Society
- Burntcoat Head Park Association
- Walton Area Development Association
- Canadian Red Cross
- Hants County SPCA
- Remembering Canada's Heroes
- Hants County Exhibition

Community Partnership Fund

The purpose of this grant fund is to build partnerships and provide multi-year core funding to help maintain and build the capacity of non-profit community-based organizations. Funding is available to non-profit community based organizations proving socially inclusive universal programs or services to the Municipal community that support the key strategies of the Municipality.

The following organizations received Community Partnership funding in 2015/16:

- East Hants Family Resource Centre
- East Hants Community Rider
- East Hants Sport Heritage Society
- Hants County Senior Safety Association

East Hants Community Rider provides cost effective, community transportation services within the Municipality of East Hants. The Municipality of East Hants supports this service delivery by way of annual Community Partnership Funding in support of our key strategy of transportation.

Risk Management

To ensure the long-term sustainability of the organization, the Municipality of East Hants has a comprehensive insurance program that includes General Liability, Errors & Omissions Liability, Non-Owned Automobile Liability, Crime, Board Member Accident, Legal Expense, Property/Data Processing, Equipment Breakdown, Owned Automobile and Environmental Liability coverage. Monitoring and expanding on this insurance program is part of the Administration division portfolio.

Bylaw Administration

Bylaw F-400 - Tax Exemption Bylaw - was reviewed in 2015/2016. *Section 71 of the Municipal Government Act* provides authority for the Municipality to provide tax exemption to organizations. The text of Bylaw F-400, including a Schedules A & B which list properties currently receiving exemption under the bylaw, can be viewed at <https://www.easthants.ca/wp-content/uploads/2016/04/Bylaw-F-400-1.pdf>

Municipal staff conduct an annual review of properties on Schedules A & B to ensure they continue to meet the requirements for exemption under the Bylaw and presented the findings to Council, resulting in amendments to the bylaw going forward.

East Hants Fire Service

The East Hants Fire Service is an independently registered Association that works in collaboration with the Municipality. The Administration Division is responsible for annual registration of all fire departments as well as liaising with the Fire Service on key fire service initiatives. In addition to managing the Fire Advisory Committee, this past year staff and members of the volunteer fire service also worked together to advance the following projects:



- Municipal Support for a common training facility and funding program
- Award of a contract for the provision of security services at fire scenes
- Upgrade to Trunk Mobile Radio 2 (TMR2) radio system to enable improved emergency service communication
- Renewal of the service contract for the provision of fire dispatch services
- Recognition of 27 volunteer fire service members with Municipal Long Service Award medals

Organizational Oversight

Beyond the day to day oversight of the department, over the course of the year the Director of Finance & Administration was involved in various projects and initiatives. These are listed below.

1. Preparation of the 2015/2016 Treasurer's Report.
2. Participated in and provided support to the Strategic Planning process.
3. 2016/2017 Operating and Capital budgets.
4. Several recruitments in the Department.
5. Member of the Senior Grant Review Committee working on improved grant programs for the Municipality.
6. Steering Committee member for the Information Management Plan and Municipal Service Management Plan.
7. Prepared financial information to support the Aquatics Facility reports to Council.
8. Steering Committee participation of Online Strategy & Web Site Development Project.
9. Director level support to the Innovation Committee, a committee whose mandate is to implement service management and process redesign for the organization.
10. Worked with various fire departments in an advisory capacity with respect to bookkeeping, debt and operational issues.
11. Co-chair of the Municipal Government Act Review, Economic & Business Development Working Group.
12. Member of the Association of Municipal Administrator's Board of Directors.
13. Member of the Property Valuation Services Corporation (PVSC) Municipal Advisory Group.
14. Chair of the Municipal Advisory Group for SAP Users.
15. Member of the Nova Scotia SAP Governance Committee (SAPGC).
16. Member of the Municipal Finance Corporation Audit Committee.
17. Kept abreast of economic development initiatives as well as participation in senior management meetings with the MLA and other external stakeholders.
18. Participate in several Business Park discussions around expansion, planning and several meetings regarding land sales and potential client needs.
19. Member of the Compensation Review Committee.
20. Pension Administrator for the organization; reporting to Council on legislative changes, coordinating tri-annual Actuarial Review, meeting with Standard Life to review pension investments, overseeing pension transfers, retirements, etc.

Priority One Initiatives - 2015/2016 Business Plan

Project	Comment
E-Billing for Tax and Water Bills	Project completed in early 2015
Development of Procurement Tools	Complete
Destruction of Documents	Work in Progress
Business Service & Process Documentation	In progress
Phase 1 - Disposal of Surplus Property	On hold pending Parks Master Plan
Unified Communication Platform (Priority 2)	On hold
Risk Management & Internal Control Study (Priority 2)	On hold
Information Management Plan-Phase 4- Asset Management System (Priority 2)	Work in Progress

DEPARTMENT OF INFRASTRUCTURE AND OPERATIONS

Year End Report 2015/2016

Introduction

The Infrastructure and Operations Department consists of 21 staff positions across its five divisions: Public Works, Solid Waste Management, Engineering, Roads Sidewalks Streets, and Environmental Monitoring.

The focus of the department is to ensure that the infrastructure needs of both residents and businesses of East Hants are met in a **reliable, sustainable, cost effective and environmentally responsible** manner with opportunity for growth and community enhancement.

This is achieved by implementing the following objectives:

- **Respond to inquiries**, requests, and complaints in both a consistent and transparent manner.
- **Educate the public** about the services they are provided by the Municipality.
- **Ensure the effective operation** of sites managed and operated by the department.
- **Meet environmental regulatory parameters** by monitoring and updating systems to reflect current and future targets.
- **Improve operational tasks** by focusing on activities that provide the best value for tax payer funding.
- **Ensure infrastructure is built and maintained** in a reliable and cost effective manner.
- **Respond appropriately to critical emergencies** relating to operational services.

Public Works

East Hants Water Utility

A total of 1,058,181,000 liters of water was treated and distributed for residents and businesses across East Hants from our two water treatment plants during 2015/2016. This production represented an increase of 40,000,000 liters or four per cent from 2014/2015. This increase was the result of increased consumption due to dry weather as well as an increase in the number of new water customers from the construction of new homes.

Water was distributed across the 71.0 kilometers of main distribution lines that make up the municipal water network. This network did not increase in 2015/2016. The operation of the Engineered Spring pumping station was not required in 2015/2016.

As part of maintaining the water utility, staff completed 182 water meter repairs and executed 106 water lab samples. There were 24 additional water lab tests required in 2015/2016. These additional samples were completed to verify water quality testing data. An additional 10 water meters were also repaired by staff during 2015/2016.

During the year 38 leaks in the water distribution system were repaired, a reduction of four leaks from the previous year. 7 of these repairs were large in nature, a decrease of one from the previous year. The repair of two of these leaks were deferred until 2016/2017 due the size of the pipe and requirements for safe access.

An assessment of the condition of the water mains in the Shubenacadie area was also completed in the fall of 2015. This assessment was cost shared (50/50) with the Province and was needed to comply with our permit to operate the Shubenacadie Water Treatment Plant. Data from this assessment will be used for the justification of future projects, and was also used to identify and repair water leaks in the distribution system.

Over 2015/2016, five additional fire hydrants were installed in the Elmsdale and Lantz area. Long term plans to infill areas for hydrant installation in the Enfield, Elmsdale, Lantz and Shubenacadie area were reviewed with Fire Department personnel. A major inspection of the Elmsdale and Shubenacadie Water Towers was also completed in August.

Wastewater Treatment

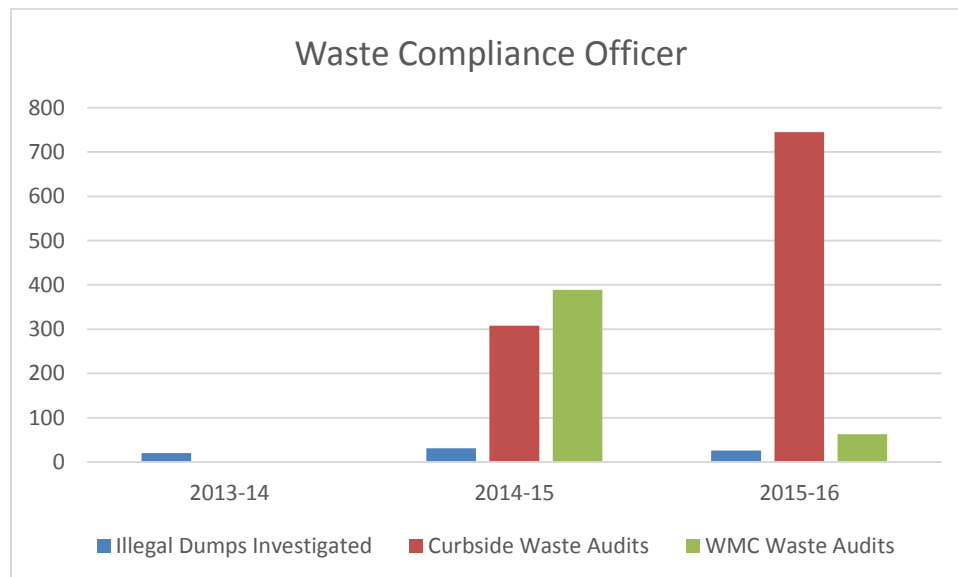
A total of 1,901,023,000 liters of wastewater was treated and discharged through our three wastewater treatment plants in 2015/2016. This total increased by 44,000,000 liters or a two per cent increase requiring treatment. This increase was attributed to the volume of storm water that was received in the spring as a result of the melting of the previous winter’s high level of snow.

As part of maintaining the 80.5 kilometers of wastewater collection mains, staff executed 114 wastewater lab samples, repaired 19 leaks in the wastewater collection lines, and completed major preventative maintenance activities at 10 of 28 lift stations. Four of these lift stations were identified in 2014/2015 as a Priority One Initiatives, however preventative maintenance activities identified other lift stations that required critical upgrades and/or repairs.

Other maintenance activities included the major repair of ten manholes along Highway 2 and the completion of a technical assessment of the operation of the wastewater site and lagoon in Lantz. New communication equipment was installed at the Elmsdale Water Tower in November. This installation improved the Municipality’s monitoring of its Public Works infrastructure in the Elmsdale area. New connections for 5 new properties to the wastewater collection system were also completed in 2015/2016 as per Bylaw 139-3.

Solid Waste Management

The Division shifted from a waste reduction education focus to compliance promotion efforts in 2015/2016, in response to a staff retirement and funding available to the Municipality for solid waste enforcement. In September the Municipality hired a full-time Waste Compliance Officer. To-date the Officer has completed Nova Scotia Environment Investigation Training, been appointed a Special Constable for the Solid Waste Bylaw, and attended meetings with other Municipal Bylaw Officers.



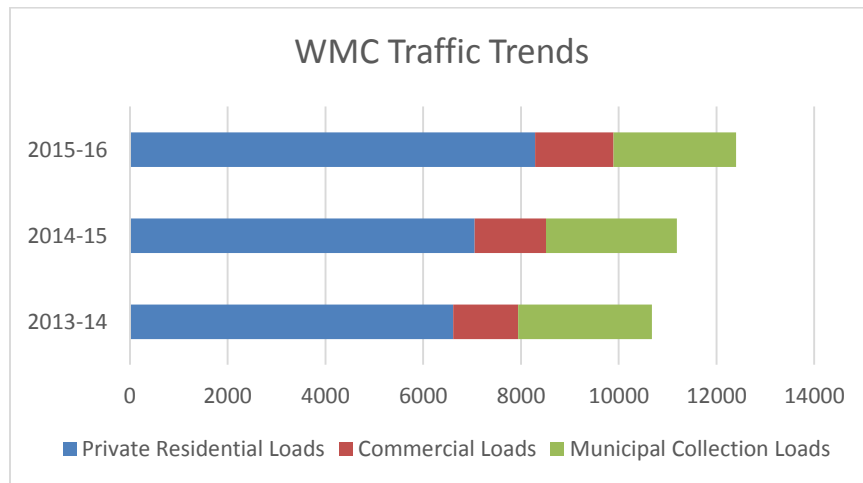
- 2013-14 existing staff managed clean-ups forwarded by Bylaw Office (Planning Dept.)
- 2014-15 staff was on contract (July to March)

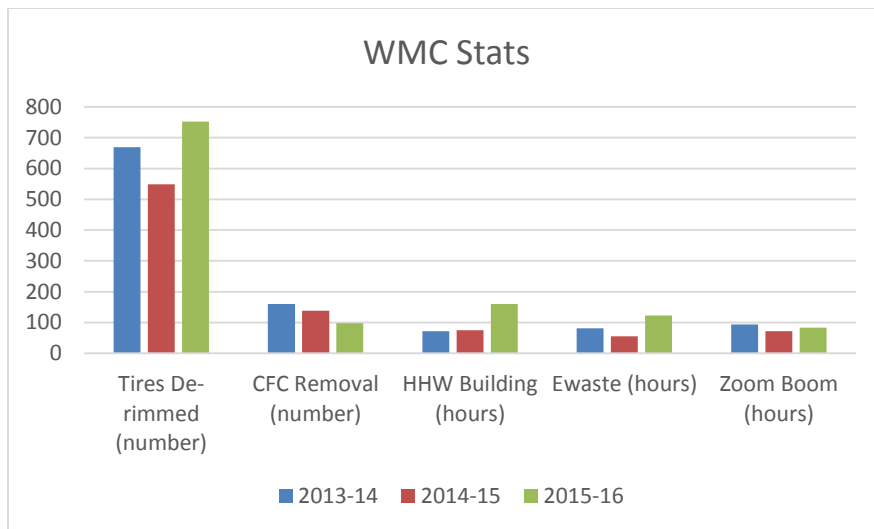
Based on approval from Council, staff continued exploring options for organics processing at the Waste Management Centre. Due to the topic stalling in Halifax and their intensions being presented in April 2016, staff movement on the topic was minimal in 2015/2016.

The Waste Management Centre, in Georgefield, receives both commercial and residential traffic at the facility. Over the past year staff have looked at ways to improve the safety of all users, and enhance the relationship with other partners. New signage was installed at the site to ensure clear messaging on safety. Training was held in November with members from various East Hants Fire Departments, EMO Nova Scotia, and other facility operators on how to mitigate and manage a potential fire.

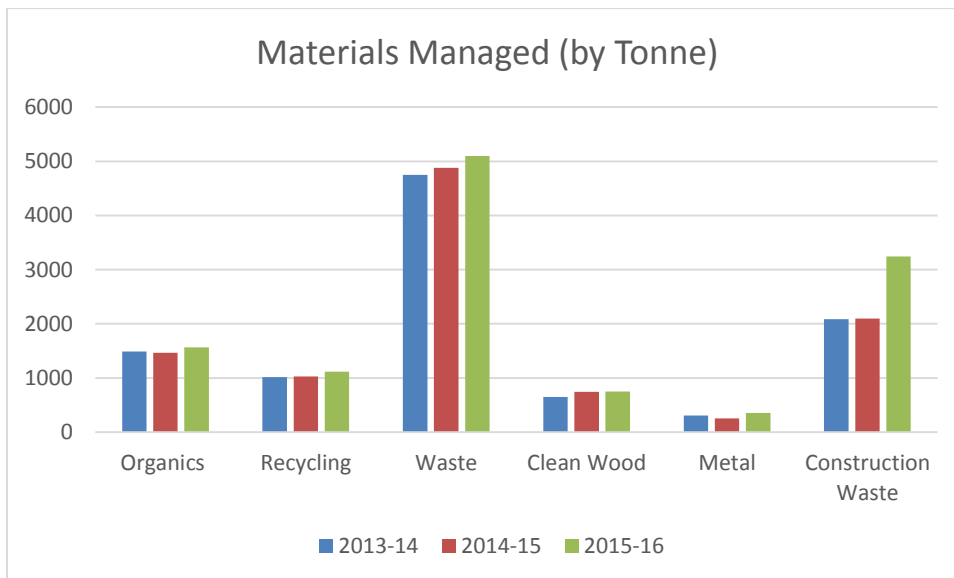


The Waste Management Centre experienced an increase in overall traffic to the site, up 10% from 2014/2015, with a 17.5% increase in private residential loads specifically. Staff projects on-site included repairing the push walls in the Waste/Recycling Transfer Station, installing guard rails on the property, electronics waste storage improvements, and road maintenance efforts.





This table represents staff effort to manage these materials.



Annual special events were popular again this past year including; residential Household Hazardous Waste events (Mount Uniacke and Elmsdale) and the Compost Giveaway (WMC).

Staff launched an online resource for customers, What Goes Where? The resource went live mid-November, and by March 31st we had: 1,355 unique households searched, 576 individuals registered, and 9,790 items searched. The resource allows for direct messaging on program and collection changes, and continues to grow in popularity.

Solid Waste Management

Never miss a collection day or cancellation again! Sign up for regular collection notification or service alerts with the new online Collection Calendar tool.

The screenshot shows a web interface for a 'My Schedule' tool. At the top, there is a dark blue header with the text 'My Schedule'. Below the header, there are three main navigation options: 'My Schedule' (with a calendar icon), 'What Goes Where?' (with a magnifying glass over a recycling symbol icon), and 'Need help?' (with a question mark icon). Below these options is a search area with the prompt 'Type your home address (house number and street name).', a text input field, and a blue 'Search' button. An example address is provided below the input field: 'Example: 15 Commerce Crt, Elmsdale'. At the bottom left of the interface is a link for 'List of Materials', and at the bottom right is the text 'Powered by RCollect'.

Engineering

Engineering Services manages major construction projects for the Municipality. Projects completed in the past year include the Enfield Bulk Water Station, Commerce Court Sidewalk and Milford Sewage Collection System Upgrade (Phase 2). These projects represent \$400,000 in capital expenditures during fiscal 2015/2016.

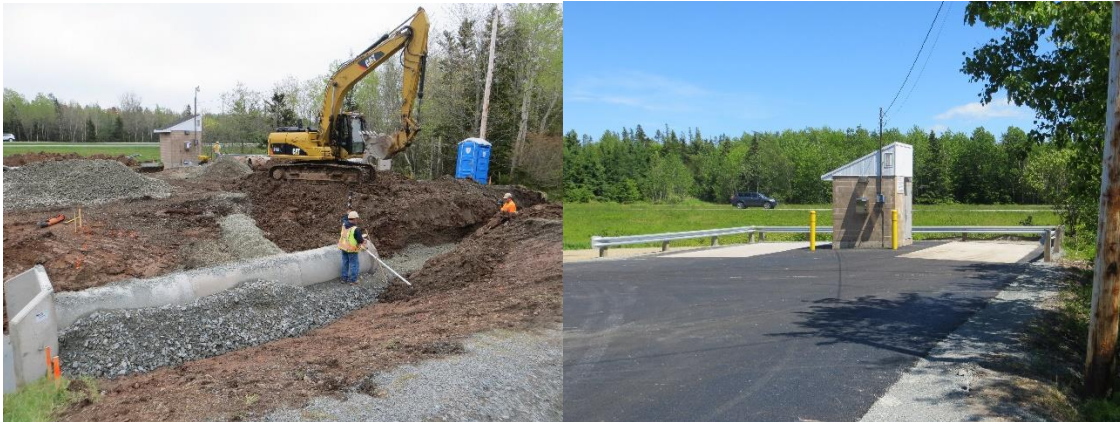
This division also supports development control having reviewed 26 subdivision applications, 1 rezoning application and 3 development agreements for servicing and transportation issues. None of the applications resulted in new Municipal infrastructure (services and roads) during the year. The division also responded to 173 internal and external special requests for information and/or assistance.

A major focus for Engineering in the past year has been completion of the Sewer Capacity Study. The Study reviewed the capacity of the Municipality's three sewer systems (Regional, Milford and Shubenacadie) to identify potential bottlenecks to future growth. The Study lays the groundwork for capital expenditures and upgrades to enable the Municipality to meet its regulatory requirements and plan for future growth.

Staff have also been working with private landowners to facilitate easements for the future Enfield Water Transmission Main.

Enfield Bulk Water Station

The upgrades to the Bulk Water Station in Enfield were completed in June 2015 and consisted of increasing the size of the pipe supplying water to the station and providing an additional dispensing outlet so that two vehicles can fill at the same time. The total cost of the construction came to \$164,789 (the total cost of project was \$207,668) and the work was completed in two weeks.



Commerce Court Sidewalk

The purpose of this project was to provide safe pedestrian access to the Lloyd E. Matheson Centre from Park Road. One hundred and eleven meters of concrete sidewalk and curb was constructed along the length of Commerce Court including a storm drainage system to replace the existing ditch.



Milford Sewage Collection System Upgrade (Phase 2)

Following the successful completion of Phase 1, additional work was undertaken to reduce infiltration into the Milford sewage system. Phase 2 targeted properties upstream of the Wastewater Treatment Plant and involved inspection and replacement of existing cleanouts, repair of mainline breaks and waterproofing two manholes.



Roads, Sidewalks, Streetlights

During the fiscal year, the Roads, Sidewalks and Streetlight division executed three Requests for Proposals; Excavation Services, Road Winter Maintenance and Mowing. In total the division managed seven main contracts throughout the year as part of day-to-day services for the municipality and introduced the Municipal Snow Clearing Bylaw.

Operationally, the division was very active in responding to inquiries from the public. From the topics of drainage, traffic, sidewalks, and streetlights, the division responded to 417 total inquiries. These inquiries help build some of the scope of annual inspections which are completed for municipal roads, sidewalks, streetlights, drainage, road access and inspection of new subdivisions. Across those areas, a total of 189 inspections were conducted.

The division were in contact with Transportation and Infrastructure Renewal (TIR) on a number of occasions regarding Highway 214 and traffic flow and also worked together in respect to the Winter Maintenance Service Exchange.

Discussions were had with the Municipality of Queens to gain insight into their Operational Functions including snow removal, summer maintenance, capital work, and garbage collection as a sizable comparison to East Hants.

Environmental Monitoring

The highlight of the year was the development of a Cross Connection Control Program, which acts as an additional step in the Municipality's multi-barrier approach to ensuring quality drinking water. Work on this program is on-going with plans to implement the program in 2016 in two phases. The first phase requires any new construction where a backflow prevention (BFP) device is necessary have the device installed, tested upon installation, and annually thereafter. The second phase will expand the program to require the testing of devices in all existing buildings where a device is required. It is expected that some property owners will require plumbing retrofits in this phase. Currently, there are approximately

250 devices within our database scheduled to be contacted as part of the retrofit phase. These devices will also require an annual test to insure their operation.

To insure quality control of the program, BFP testers will require a license from the Municipality to test BFP devices in East Hants. To acquire a license, a set of criteria ensuring industry best practices, must be met. There are currently 17 testers from 11 different companies licensed within East Hants. The Municipality will issue and track these licenses annually.

The program will also maintain a database of BFP devices and the annual testing of the devices. Through the website the program provides public awareness and educational material on cross connection control to promote best practices for Water Utility customers.

This year continued to focus on community engagement events for the development of the Shubenacadie Source Water Protection Plan. Meetings continued to be held with agriculture producers to discuss updates and any outstanding issues with the Shubenacadie Source Water Protection Plan. Concerns voiced by agriculture producers within the Wellhead Protection Zones were reviewed and deliberated. A second public meeting for landowners within the Wellhead Protection Zones was also held to keep the residents informed of updates to the Source Water Protection Plan, including zoning, and address any questions or concerns.

Currently, the location of 36 drilled wells within the Wellhead Protection Zones were recorded using the Municipality's GPS resources. Two drilled wells within the zones were decommissioned by the municipality and one drilled well cap was repaired.

Efforts were made by staff to locate appropriate wells and seek land-use permission for potential monitoring locations. The Shubenacadie Source Water Protection Sampling Plan, including sampling parameters, frequency and monitoring locations was submitted to Nova Scotia Environment in Fall 2015. Equipment has been ordered and is scheduled to be installed with sampling beginning in May 2016.



An example of a BFP Device.

Regular scheduled reporting to Nova Scotia



Environment and Environment Canada were conducted reporting monthly, quarterly, and annually. Standard operating procedures were also updated and reviewed by the Environmental Monitoring Division with Public Works staff monthly to ensure regular operations were happening as intended within environmental approvals. As part of a long term strategy for protecting water sources, the Environmental Monitoring Division has continued to educate members of our community. Five educational events reaching 73 community members were hosted during the 2015-

2016 fiscal year.

Local Brownie group taking a tour of the Enfield Water Treatment Plant.

Priority One Initiatives - 2015/2016 Business Plan

I&O Division	Initiative	Update
Public Works	Lift Station Upgrades (4)	Two of the four upgrades were completed, one was 50% completed, and the remaining one was deferred until 2016. Upgrades were re-prioritized during the year due to necessary infrastructure work at other lift stations.
Public Works	Shubenacadie Water Main Scanning	This work was completed, and received PCAP funding from the Province to cover half the expense.
Solid Waste Management	Start-Up of Organics Processing	Review was delayed by a year to assess impacts with other regional decisions. Reassessment will take place in 2016-17
Engineering	Enfield Transmission Main Easements	First contact was made with private property owners to discuss easement pay options. One property survey was completed.
Engineering	Bulk Water Station Construction	Project Completed
Engineering	Infrastructure Charges Review	Deferred to 2016-17
Environmental Monitoring	Amalgamation of Source Water Protection Programming	Completed the Shubenacadie Source Water Protection Plan public consultation process.

Priority Two Initiatives - 2015/2016 Business Plan

I&O Division	Initiative	Update
Public Works	Lantz Lagoon Aeration System Upgrade (Design)	A technical assessment of the lagoon was completed. No further design or capital work will start until potential Build Canada Funding options are explored.
Solid Waste Management	Reacting to Provincial Solid Waste Regulations Review	Provincial Regulations Review was put on hold for an undefined length of time.
Solid Waste Management	Georgefield WMC Public Drop Off Upgrade	Procurement of materials for the project was completed in 2015/16. Construction will be completed in the summer of 2016.
Engineering	Sewage System Upgrade Milford - Phase 2	Project Completed
Engineering	Commerce Court Sidewalk	Project Completed
Engineering	Engineering Standards Review	Deferred to 2016-17

DEPARTMENT OF PARKS, RECREATION AND CULTURE

Year End Report 2015/2016

Introduction

The Parks, Recreation and Culture Department provides services and support to residents of East Hants which provide opportunities for healthy active lifestyles, destination tourism, and enhance residents' quality of life. The department has increasingly provided direct service delivery, and project management responsibilities in the improvement of new parks and open spaces.

As park areas are acquired and developed, increased attention will be required from the municipality to maintain park and open spaces. Staff are responsible for managing municipal park space and providing advice on open space occurring in developments across the municipality.

The Department has also continued its strong indirect service model, collaborating with community organizations to provide sport, cultural, social and active lifestyle events and programs.

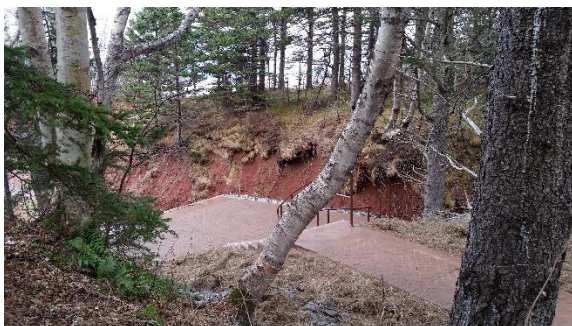
The East Hants Municipal Pool is the main facility operated by the municipality. The facility has served the community extremely well over the years. In 2014, Council supported a feasibility study be completed in anticipation of possibly replacing the current pool. A request for qualifications has closed for architectural services for the design of the new pool. Project planning, and grant applications will continue for the facility, being the department's main priority.

In 2015 the Department took on the responsibility for the delivery of Tourism Services (from the Department of Economic & Business Development). The operation of the Fundy Tidal Interpretive Centre and the finalization of the Burntcoat Head Park improvements was the main focus for the year. During this transition several identified tasks were reprioritized and moved to late 2016 for initiation or completion.

The following is a summary of each Division's activities and accomplishments for the past year.

Tourism Division

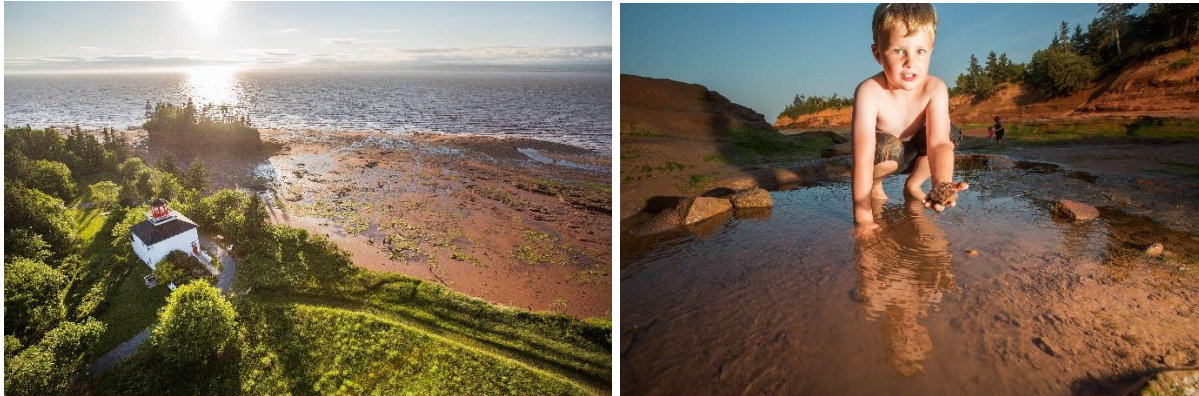
Burntcoat Head Park Development Project



Burntcoat Head Park is being developed into a major attraction site for the municipality, and progress has continued this year. Major infrastructure improvements were tendered in summer 2015, and construction began in September on new stairs to the ocean floor as well as new public washroom facilities.

The Interpretive Plan was finalized and a contract was awarded for fabrication and installation of interpretive signs. Installation will be completed in spring of 2016.

A professional photographer was contracted to capture a large number of high quality images of the park and the ocean floor experience for marketing purposes.



A major focus of the Tourism division moving forward will be the development of a Tourism Strategy. This project has transitioned from a consultant-led project to an in-house project which is scheduled for summer and fall 2016.

The Tourism Development Officer attended various events throughout the year including the Tourism Industry Association Conference, Central Nova Tourist Association board meetings, the Bay of Fundy Partnership AGM, and has continued to work with operators and non-profit groups throughout East Hants.

Community Opportunity Assessment



Assessment Findings and Suggestions Report
Truro, Nova Scotia & Surrounding Areas
October, 2015

ROGER BROOKS
International

In August 2015, a Community Opportunity Assessment was conducted from Truro along route 236 and Highway 215 to Summerville. This project was led by the Central Nova Tourist Association in partnership with East Hants, Tourism Nova Scotia and ACOA. Roger Brooks International, a world renowned tourism consultant, presented recommendations in August, 2015. The 2016/2017 budget includes funding for implementation of some of the recommendations from this report.

Tourism Grants

Tourism grants assist community organizations with tourism related projects. These grants are designed to protect and enhance community identity, values and the marketability of the tourism product.

Applicant	Approved
Walton Area Development Association	\$7,500.00
Burntcoat Head Park Association	\$10,098.25
East Hants Historical Society	\$8,000.00
CHArt Society	\$2,400.00
Canoe to the Sea Society	\$375.00
Maitland District Development Association	\$5,000.00
Total Awarded	\$33,373.25

Special Event Grants

Special event grants are awarded by Council to provide one-time financial assistance to organizations who are hosting a significant or special event that will be open to all members of the public. Special events must have a positive impact on tourism, community or economic development.

Applicant	Approved
Ultimate Obstacle Adventures - MudCraft	\$10,000.00
Canadian Superbikes Event	\$5,000.00
Total Awarded	\$15,000.00

Insurance Grants

Insurance grants cover costs for the three tourism properties owned by the Municipality, but managed by non-profit organizations.

Applicant	Approved
Walton Area Development Association	\$1,138.00
Burntcoat Head Park Association	\$2,385.00
East Hants Museum Society	\$500.00
Total Awarded	\$4,023.00

Staffing Grants

Staffing Grants support staffing costs at the three tourism properties owned by the Municipality, but managed by non-profit organizations.

Applicant	Approved
Walton Area Development Association	\$3,000.00
Burntcoat Head Park Association	\$3,000.00
East Hants Museum Society	\$3,000.00
Total Awarded	\$9,000.00

Parks and Open Space Division



Some of the highlights from the 2015/2016 year:

- In the summer of 2015 a summer maintenance worker was hired to help maintain the growing number of open space areas, parks and tourist locations. It was a successful season but it was evident that more human resources will be required in future years as new open space locations are developed or taken over by the Municipality.
- In the fall of 2015 a Manager of Parks Development and Operations was hired to manage the growing number of open spaces, parks and manage 2016/2017 capital projects.
- Garden Meadows Natural Playground - construction was completed and is an example of joint cooperation between a local community group, the developer and the Municipality.
- MacInnis trail - which is managed by a community group was completed. The Municipality provided assistance in developing a second driveway and parking area of Hwy 2.
- Cottage Country Mount Uniacke - The driveway down to the lake is nearing completion and trail construction is ongoing.
- Megan Lynn Drive - All of the trees have been planted and the park should be complete by the spring of 2016.
- Renfrew Way - The trail connecting this subdivision to Dot Buchanan Park should be completed in the spring of 2016.
- Concorde Way - Playground construction should start in the spring of 2016.
- Shubenacadie River Parks - In the fall of 2015 topographic survey work was completed at the 1705 property in Milford and at a Municipality owned property on Green Road Extension. This data was used for river park concept design at the two location as part of the Trans Canada Trail. The Municipality of East Hants was award a \$100,000 matching grant from Trans Canada Trails for this project and construction at the sites will begin in the summer of 2016.

- Skate parks - In the fall of 2015 the Municipality tender the design and build of two skate parks in the Municipality, one in Lantz and one in Mount Uniacke. The contact of \$250,000 per park was awarded NewLine Skate parks and construction will commence in the spring of 2016.

Recreation Division

2015/2016 Recreation Events

- **East Hants Municipal Volunteer Recognition** - April 17, 2015, Enfield Fire Hall. Eight (8) volunteers were recognized for their contributions to their community group and organizations. This was the first year where Volunteer Fire Fighters Long Service Awards were included. 27 East Hants Volunteer Fire Fighters were awarded with Long Service Awards.



- **Bike Week** - June 5 - 14, 2015. Various biking events happened throughout the Municipality to celebrate Nova Scotia Bike Week, events were well attended. The Department of Parks, Recreation and Culture partnered with the Enfield RCMP, Canadian Tire and the East Hants Sportsplex.
 - Bike Rodeos - East Hants Sportsplex and Mount Uniacke Fire Hall
 - Bike Repair Clinic - Lloyd E. Matheson Centre
 - Family Bike to Avery's for Ice Cream (cancelled due to rain)
 - Bike Week Art and Coloring contest - All East Hants Elementary and Middle Schools. (prizes donated by Canadian Tire)
 - Active Transportation Photo Contest (Prize donated by the Shubenacadie Wild Life Park)
 - Draw for a Youth Bike (donated by Canadian Tire)
 - Created a "Bike Rodeo to Go Kit" for groups to borrow to host their own Bike Rodeo.

- **Canoe to the Sea** - June 27th, 2015. Department of Parks, Recreation and Culture partnered with the Shubenacadie Canal Association to deliver the event. The family friendly Recreational Paddling Race started in Shubenacadie and down the Shubenacadie River, taking out in Maitland in the Minas Basin.

- **Kite Day** - July 11, 2015, East Gore. Small family event held during the same time as the Kennetcook Summer Event. Event consisted of kite making workshop, kite flying and demos from Trick Kitters.



- **East Hants Tidal Run** - August 15, 2015, Burntcoat Head Park. This year was the best attended Tidal Run with 81 participants in the 2.5K run and 46 participants in the 5K run. Partnerships for the run are formed with Burntcoat Head Park Association, Walton Area Development Association and Noel Volunteer Fire Department. This event continues to grow, promoting Physical Activity and draws tourism to the Noel Shore.



2015/2016 Recreation Programs

- **After School Program** - Ages 10-14 takes place in 3 schools - Uniacke District School, Hants North Rural High and Riverside Education Centre. Two, eight week sessions per school coordinated by the Colchester-East Hants After School Committee, funded by the Department of Education.
- **East Hants Senior Games** - April - May, 2015. A staff member sits on the East Hants Senior Games Committee to assist organizing various activities. The Department of Parks, Recreation and Culture facilitate the Carpet Bowling and Walking Events. Over 200 seniors participate in the events held throughout the Municipality.
- **Free Skating** - Nine, one hour sessions between October and March including 2 during March Break of free ice time was provided through the THRIVE Facility Access program from the Province of Nova Scotia.
- **Ready to Move** - A Fundamental Movement Skills program for Preschool aged children in partnership with the East Hants Family Resource Centre. Over 100 children participated in three, 6-8 week sessions in the Dome at the East Hants Sportsplex. The program was provided for free funded by the Facility Access funding through THRIVE.



- **Recreation Equipment Lending Program** - Adapted Equipment was added to the program through an initiative brought together between Colchester and East Hants with assistance from the IWK. Additional snowshoes were added to the program due to the high demand in the winter months.
- **March Break Day Camps** - Two, 2 day, Day Camps were scheduled at Hants North Rural High and the Uniacke Fire Hall. Due to low registration number, camps were cancelled.

- **Active East Hants Physical Activity Summer Camp Numbers** - Children entering grades primary to six. Camps serviced a total of 203 Children in East Hants.



Camp	2013	2014	2015
Elmsdale	48	50	41
Rawdon	35	33	24
Enfield	50	50	50
Mount Uniacke	50	50	29
Lantz	50	17	32
Shubenacadie	21	50	16
Noel	26	14	11

- **Summer Youth Learn to Lead Program - July 2 & 3rd, Victoria Park and On Tree.** A Leadership Program for youth ages 12 to 15. This was a joint program with the County of Colchester and Town of Truro. 15 youth from East Hants participated out of a total of 30 participants in the program.

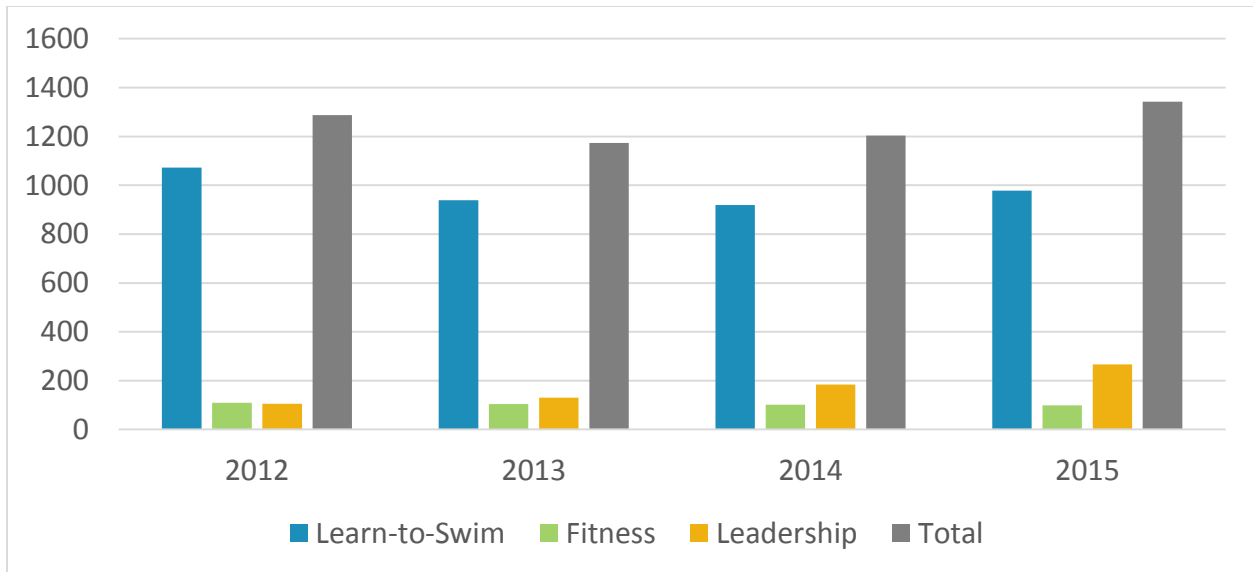


Aquatics Division Programs and Services

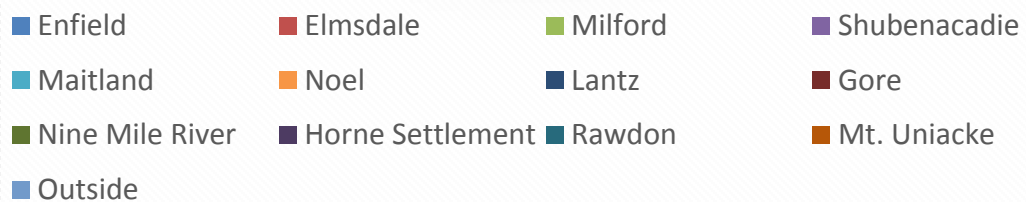
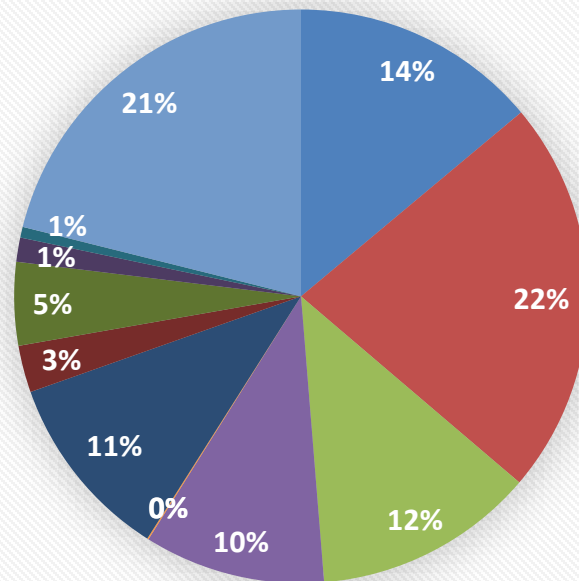
The East Hants Municipal Pool offers a variety of swimming lessons, fitness classes, rentals, training programs, and recreational swims. In general there was an increase in participation rates from last year. Participant numbers are closely tied to the availability of qualified instructors and lifeguards. Many staff have participated in learn to swim programs offered at the pool over the years and staff take great pride in developing a committed group of young people and adults to provide an exceptional experience to patrons.

Instructional Program Participation

This year 1343 registered participants in our instructional programs. These programs include fitness classes, learn-to-swim, junior lifeguard programs, leadership courses and synchronized swimming.



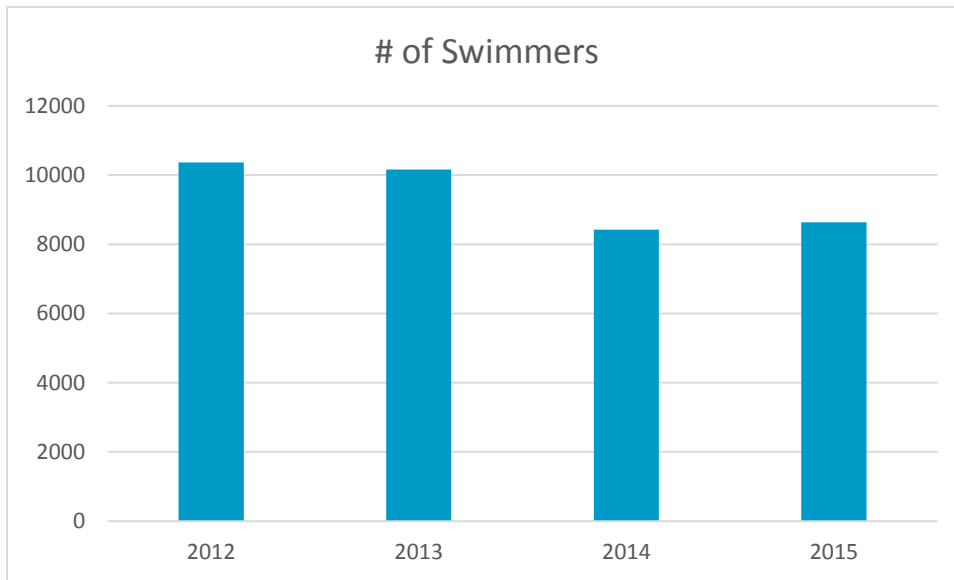
Participation by Area



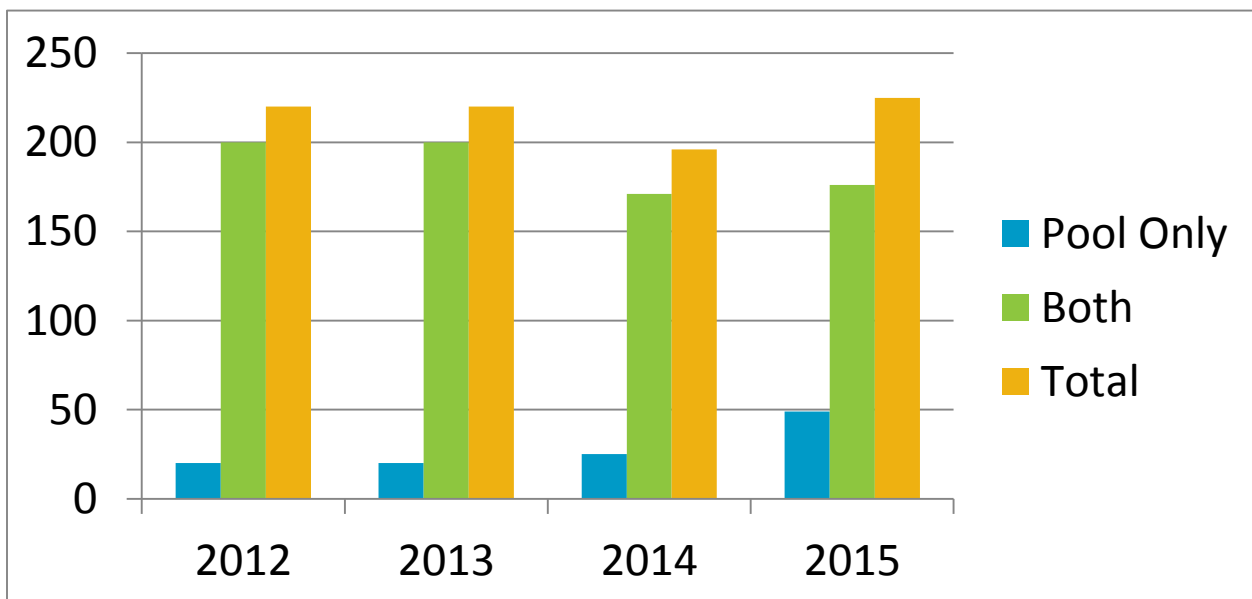
Recreational Swims & Pool Rentals

In 2015/2016 approximately 8,600 swimmers participated in recreational swims, and another 6,100 attended thru pool rentals. Our numbers/attendance for our recreational swims & pool rentals varies from year to year, which is influenced by the availability of staff and weather. Pool rentals compete with many new facilities within a 20 - 30 min drive, which offer a clean new facility with larger change rooms, slides, water features & tot pools.

The Milford & District Lions Club continued their sponsorship of a free swim on the second Friday of each month, and 5 swims over March Break. This year 731 people participated free of charge, thanks to this initiative!



Pool & Balcony Rentals



Highlights from 2015

- 43 Jr. Lifeguards (ages 8 - 15) enrolled in our Jr. Lifeguard Club Programs throughout the year.
- 4 new lifeguards and 13 new swim instructors were certified.
- 31 youth in either Bronze Star, Medallion or Cross were certified.
- 16 swimmers participate in the recreational synchronized swim club.



- During the 2015/2016 school year, the following schools have participated in the Lifesaving Society's Swim-To-Survive program: Dutch Settlement, Oldfield, Rawdon, Shubenacadie, Kennetcook, Elmsdale, Musquodobiot Valley and Enfield. Hants East Rural High also uses the facility.
- The pool received a \$4000.00 grant from the province through their 'After the Bell' program. This money was used to offer a free afterschool program for youth aged 12-15. Pool staff introduced the sport of lifesaving, and participants competed at provincial lifesaving competitions. East Hants ranked 3rd in the province.

DEPARTMENT OF PLANNING AND DEVELOPMENT

Year End Report 2015/2016

Introduction

The Department of Planning and Development provides professional planning advice to Council, a number of development related services to the public, EMO Management, by-law enforcement and some internal support to other Departments through the following functions:

- Planning and Research Services
- Development Control (i.e., subdivision approval, site plan control, variances, development permits)
- Built Heritage
- Fire Inspection
- Building Inspection
- By-law Enforcement
- Geographic Information System (GIS)
- Civic Addressing (Civic Numbering and Road Naming)
- Dog Control
- Emergency Management (EMO)

Over the reporting period the department continues to be focused on a review and update of the East Hants Official Community Plan. In addition a number of important policy issues and development applications were also dealt with.

Over the past year the number of building permits decreased slightly from the previous year while the value of construction decreased significantly. Subdivision activity also decreased significantly with a drop in the number of lots approved and plans of subdivision.

In the reporting period the municipality initiated after-hours dog control service.

Staffing was stable over the reporting period with no vacancies to fill.

In general, however, retaining qualified staff in specialized areas such as GIS, Planning, and Building Inspection has traditionally been a challenge.

ACTIVITY	2013/2014	2014/2015	2015/2016
Planning, GIS & Research			
Planning Applications Reviewed	21	14	12
Planning Projects Undertaken	18	15	19
Building Inspection			
Building Permits Issued	248	246	240
Value of construction	\$32,076,600	\$43,059,784	\$31,363,214
No. of inspections carried out	995	940	921
New dwelling units created	148	152	112

Fire Inspection			
Properties with initial inspections conducted to date	618	683	729
Development Control			
Plans of subdivision approved	52	52	47
New Lots approved	113	197	67
By-law Enforcement			
No. of cases (unsightly, Land Use Bylaw, construction without permit) investigated and concluded	44	45	19
Current open case files	20	12	17
Solid Waste investigations (Illegal dumping and curbside violations)	12	43	Solid Waste Investigations now led by I&O Dept
Animal Control			
Dog tags issued	345	390	494
Dog Registration Compliance Rate	8.7%	9.8%	12.4%
Dog calls/complaints	172	364	314
After hours calls received			75
After hours callouts required			17
No. of dog's impounded	10	16	23
Civic Addressing			
Civic addresses issued	144	178	159
New road listings	5	10	3
Private road name signs installed	9	6	5

Planning Services

Over the past year planning staff completed 19 research projects. Support on a number of these projects is provided by the GIS Technician and Planning and Development Technician. 12 applications from developers for rezoning, development agreements or amendments to the Municipal Planning Strategy were also dealt with over this year.

Projects completed over the year include:

- Plan East Hants - Phase III
- Polling District Review - Supplemental
- Growth Management Area-Sewer Capacity Study
- Interactive East Hants - Open Data Site

- Bylaw Enforcement Policy
- Milford Business Park Paving Petition
- Elmsdale Business Park Security Petition
- 2016 East Hants Design Awards & Ceremony
- Heritage Program Review
- Monte Vista private Road Agreement
- Lakefield Private Road Agreement

Most importantly, the municipality continued an extensive plan review that will result in the development of a new Official Community Plan. This is the first major review of the plan in 15 years. This project is expected to be completed in the next reporting period.

Applications completed or in process over the past year include:

Applicant	Type	Purpose	Location	Outcome
Tolson Developments	Development Agreement	Additional commercial space in existing building	Elmsdale	Refused
Colleen Jordan	MPS/LUB Amendment	Remove Open Space zoning from private land	Enfield	Approved
Wayne & Jean Lister	Serviceable Boundary Adjustment	To enable future serviced development	Elmsdale	Approved
Wilson Fuels	Development Agreement amendment	Redesign of drive-thru	Milford	Approved
Denis Bisson	Development Agreement Amendment	Industrial building at Slate pit	East Gore	Approved
Elie Hoyek	Development Agreement Amendment	Take out restaurant	Milford	Refused
Happy Harry's	Rezoning	To permit retailing	Milford	Approved
Strides	Development Agreement Amendment	Enable larger sign	Elmsdale	Approved
RYC	Rezoning/Development Agreement	16 unit apartment building	Enfield	Approved
Michelle Isenor	Development Agreement	Non-farm Dwelling	Hardwood Lands	In process
Abruzzi Properties	Rezoning and Development Agreement	26 Townhouses	Lantz	In process
Magnum Properties	Development Agreement	Commercial building expansion	Elmsdale	In process

Development Control

In the past year the number of subdivision plans approved decreased slightly from 52 to 47 while the number of new lots created decreased more significantly from 197 to 67.

Enforcement

By-law enforcement investigations are primarily conducted by the Enforcement Officer. However, depending on the nature of the investigation, one of the two Building Inspectors, the Fire Inspector or the Development Officer may also be involved. Over the past year a total of 19 violations of the Land Use By-law, Building By-law, and dangerous and unsightly premises provisions of the Municipal Government Act (MGA) were investigated and successfully brought to a conclusion.

The number of open case files under investigation at year end increased, going from 12 to 17.

Animal Control

Animal control is provided by the municipality under the Dog Bylaw through the Enforcement Officer. The municipality also engages the services of casual staff to fill in for vacations and absences of the full-time officer. In the reporting period, the number of calls/complaints decreased from 364 to 314. However, the number of dogs impounded increased going from 16 to 23.

Within the reporting period the municipality also instituted after hours dog control. A call centre is now utilized to take after hours calls and on-call staff are available to pick up animals on evenings and weekends. Within this first year of service a total of 75 calls were received and staff were required to be called out a total of 17 times.

With an emphasis being placed on education, the number of registered dogs continues to increase, going from 390 to 494.

Building Inspection

The value of construction decreased from \$43,059,784 to \$31,363,214 from the previous reporting period. However, the number of permits issued remained relatively stable. A total of 240 permits were issued compared to 246 in FY 2014/2015. The number of inspections carried out was also down from 940 to 921.

While all districts experienced some new development, the majority of activity is still concentrated in the Enfield/Elmsdale area.

The number of new dwelling units decreased going from 152 to 112 in this reporting period.

East Hants currently has two highly qualified inspectors, holding the Level SRII building official designation. Generally the SRI qualification permits inspection of low density residential buildings while the SRII level allows for the inspection of all types of residential and commercial buildings. The Municipal Fire Inspector has also achieved Level SRII qualification and with this rating is able to act as a back-up inspector during vacations and other absences for the full time inspectors. Achieving this back up capability has enabled the Municipality to provide more seamless service to the public.

Fire Inspection

The Municipal Fire Inspector has conducted initial inspections on approximately 729 restaurants, retail stores, community halls, apartment buildings, churches, and industrial buildings by the end of 2015/2016.

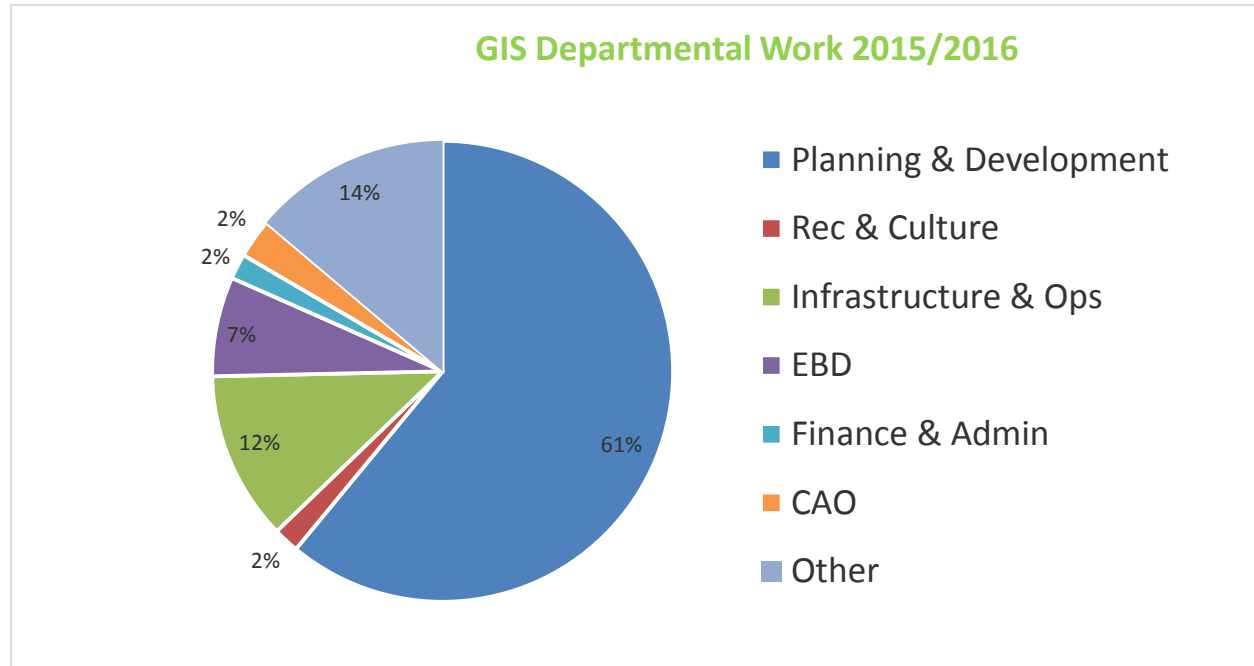
Fire Inspections are carried out in accordance with the *Fire Safety Act* and a Fire Inspection Policy adopted by Council. This policy details the frequency of re-inspection for each type of building. For example, retail stores are to be re-inspected every five years, industrial buildings every four years and apartment buildings every three years. Becoming fully compliant with that policy has been a challenge given that there is one staff person devoted to the effort and there are over 800 buildings in East Hants requiring fire inspection. However, the municipality is managing this risk effectively with higher risk buildings being given priority and a work plan implemented to bring inspections fully into compliance with the policy by the end of FY 2016/2017.

GIS Support

Over the last year the GIS Technician has been involved with continually updating the Townsuite mapping and permitting system. Other work included providing training to numerous Municipal staff on the use of the GIS system, geo-locating municipal infrastructure, assisting planners with preparing imagery for planning reports, and compiling data that the municipality is required by law to supply to Statistics Canada.

A major project over the reporting period was creating and launching an open data website for the municipality called 'Interactive East Hants'. This site enables the public to access municipal data and mapping, which is in keeping with our open government philosophy.

The GIS Technician also provides support to other municipal departments such as Infrastructure and Operations, Parks, Recreation and Culture, Economic and Business Development, and Finance and Administration.



Civic Addressing

The Civic Addressing Coordinator issues new civic numbers for all new buildings and approves new road names as part of the subdivision process. In the reporting period 3 new roads (or road segments) were approved as well as 5 new signs posted on private roads. 159 civic numbers were issued for new buildings or changed for existing buildings which were out of sequence.

Emergency Management Operations

The Emergency Management Operations (EMO) Committee met three times in the reporting period. The Committee is made up of representatives from the Municipality, Red Cross, the Fire Service, RCMP, Community Services, Chignecto-Central Regional School Board, Transportation and Infrastructure Renewal, Ground Search and Rescue and Natural Resources.

The Emergency Management Coordinator (EMC) continued to be active in EMO at both the regional and provincial levels, attending two scheduled EMONS Zone meetings in 2015/2016. The EMC is also continuing to work on the development of draft plans for an Emergency Management Strategic Plan and Comfort Centers within the Municipality.

Training in the Incident Command System for managing emergency responses continued within 2015/2016. During the reporting period, approximately 23 staff members who are intended to hold positions in the Emergency Coordination Centre (ECC), when it is activated, received training. Staff completed on-line courses in Basic Emergency Management (BEM) and ICS-100. In addition, the municipality hosted training events for ICS-200 and an Emergency Coordination Centre Management (ECCM) course. The new Alternate EMC completed ICS-100 and BEM online, along with ICS-200.

Priority One Initiatives - 2015/2016 Business Plan

Project	Comment
EH Official Community Plan Review (Plan East Hants)	Significant progress in reporting period - on schedule to be completed in Summer 2016
Dog Control Education & Awareness Campaign	Currently being implemented. Increasing dog registration compliance (from 8.7% to 12.4%) is an indication of progress.