



EAST HANTS

ANNUAL REPORT | **MUNICIPALITY OF EAST HANTS**
2018/2019

Nature created this wonder. We live it!

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Cover Photo: Donna MacNeil, Enfield

St. Bernard's Park. Photo by: Donna MacNeil, Enfield



In this 2018/2019 Annual Report we will share with you the significant accomplishments of the Municipality of East Hants and how they relate to the four key strategies outlined in the 2017-2020 Strategic Plan. The report also contains important information related to the Municipality's core services, year-end financial results and the overall financial health of the Municipality.

Council has been working with the existing Strategic Plan as adopted after the election in October 2016. This plan guides the decisions of the current Council with a focus on four key strategies: Infrastructure Renewal; Corporate Excellence; Strong Community; and Economic Prosperity.

Infrastructure represents the foundation of any community. Construction is underway on the new \$19 million aquatic centre. This project, the largest municipal project in East Hants history, will provide recreation benefits to the entire region for many years. Another significant project completed in 2018/2019 was the replacement or upgrading of almost 2,800 water meters throughout the water utility district.

East Hants is unique among municipalities in Nova Scotia with more children than seniors. The community has made it clear that they want opportunities to be active. As a result, Council has set recreation infrastructure as a priority for our growing community. This past year, we have completed construction on numerous public spaces, including playground development in South Uniacke and redevelopment of the Lantz Playground Park as well as trail and picnic space development throughout the municipality. We have adopted an ambitious master plan for development of Parks, Open Space and Active Transportation. As developments are occurring, we will ensure that the objectives of the Master Plan are pursued.

I am pleased to report on our continued favourable Financial Condition Indicators (FCI) for the last reported year. FCIs provide an indication of strengths, trends and risk areas. East Hants has 11 of 13 indicators well within the acceptable thresholds set by the Province, with two indicators, the budget accuracy and debt ratio indicators, moderately outside of threshold. Neither of these indicators raise any flags for Council given the amount of activity in East Hants at the present time. Our Municipality has strong financial oversight and proactive, long-term financial management plans. Our reserve balance of \$27 million is an example of how we actively plan for the future.

Council strives to provide opportunities that promote physical activity. We want people and businesses to feel a sense of pride, safety and connectedness. Council is proud to support community groups who help us achieve this sense of togetherness through support for successful events like Tide Fest, through Community Partnership Grants to youth, senior, family and support organizations, and through District Recreation Funds for capital infrastructure. Council distributed \$1.3 million in grants this year, including \$730,000 in tax exemptions to non-profit community groups. In addition to monetary support, Council has added additional staff resources to support community development,

providing one-on-one support to 20 different community groups in various areas of governance and program support. The first of a series of workshops was held in October 2018 focusing on how to capitalize on recreation grant opportunities.

Council recognizes the importance of a safe community and is appreciative of the volunteer men and women of the East Hants Fire Service and other volunteer groups that we support including Ground Search and Rescue among others. We also greatly value our relationship with the RCMP who continue to play an important role in keeping us all safe. Council has implemented a recognition program for those businesses that allow volunteer firefighters to leave work in order to answer calls and to those that provide financial support or donation of services or supplies that aid in the delivery of this vital service. We were honoured to recognize ten firefighters this year with long service awards, including Morris Williams from Mount Uniacke who received his 60 year award!

The role of Council is to anticipate emerging opportunities and plan for the community's long-term development and growth. East Hants Council is capitalizing on both our tourism assets and business park development to stimulate the economy and support growing our assessment base. Long-term planning is ongoing to ensure East Hants has business park land available for development, with expansion planning underway for the growth of both the Elmsdale and Mount Uniacke business parks. With the 2017 announcement of a new Lantz interchange, development applications have been received for two large developments in the Lantz area. These new homes will translate into more people living, working and enjoying our community, adding to the economic vitality of our neighbourhoods and supporting local businesses. Council continues to focus on supporting our existing business community and is pleased to offer a Business Retention and Expansion program. Through this program we are actively able to connect businesses with financial resources and business advice.

Reflecting on all that we accomplished together in 2018/2019, I am grateful for the engagement of our citizens and the dedication of municipal staff, Councillors, and the many volunteers who give their time or serve on our committees and boards throughout the community. I want to extend my thanks to everyone who played a role in the successes and highlights featured in this report. I look forward to continuing our work together to deliver value to our citizens and create a safe and healthy community for everyone to enjoy and where business thrives!



James D. Smith, Warden
Municipality of East Hants

East Hants Aquatic Centre Sod Turning



MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER



I am pleased to present the 2018/2019 Annual Report. This report focuses on the core municipal services provided to our stakeholders, as well as the important initiatives aimed at achieving the goals set by Council in the Strategic Plan. In addition to the CAO/Administrative branch, our services are provided through five departments: Economic & Business Development, Finance, Infrastructure & Operations, Parks, Recreation & Culture, and Planning & Development.

Quality program delivery was a key objective in 2018/2019; it was also a year of planning. Staff have been working with the stakeholders of two large development agreements for the Lantz area and provincial staff who are planning the Lantz interchange construction. We have prepared designs for significant wastewater infrastructure projects (for construction in 2019), applied for federal funding on two more large projects and have purchased property for future wastewater development in the village of Shubenacadie. Staff have also been working on a long-term plan for the former Elmsdale Elementary School property on Highway 214, through condition assessment studies of the building and property.

Our continued success depends on gaining and maintaining public trust. A key element of this is good governance, supported by strong bylaw and public policy frameworks that reflect the community's needs. Council has undertaken a review of the Maitland Heritage Conservation District Plan and bylaw, made improvements to the Solid Waste Tipping Fee Policy, improved the Community Grant Policy to broaden the scope to include insurance for parades, and established an Accessibility Advisory Committee. Council also carried out a review of the Dangerous & Unightly Premises complaint process and made amendments to improve the related policy, as well as making headway on the removal of illegal signs in the provincial right-of-way. From a risk management perspective, Council successfully trialed a secondment of in-house, part-time legal counsel and sent several staff to risk-based training related to emergency measures, insurance, worker's safety and understanding due diligence.

As an organization that values fiscal responsibility, we intentionally manage our costs and strive to make our organization as efficient as possible. To this end, Council has amended its Streetlight Policy to ensure financial sustainability of that service through limiting the installation of lights to public roads and have made value adding amendments to both the contractor Worker's Compensation Policy and the Procurement Policy. We have implemented enhanced performance management of our waste collection contracts and refined several procurement processes to increase efficiency. A new recreation registration and reservation system will move us to online, fast, secure and easy transactions for our recreation and tourism customers, and the organization continues to work towards centralized records management.

Understanding that effective communication is essential to our success, we have developed a communication strategy to guide our efforts. The Municipality has expanded on its accountability reporting of the Strategic Plan to increase transparency and public understanding of the community's goals. In the past year we have streamlined information on our website to better meet the needs of our stakeholders, implemented a new telephone system, held vendor

information sessions around procurement, hosted the biennial developer consultation session and the triennial East Hants Design Awards, celebrating an interesting array of construction projects in our community. We have added two new targeted e-newsletters to our e-communication portfolio, one to the development community and the other to community groups. To improve the visitor experience at the Lloyd E. Matheson Centre in Elmsdale, we have enhanced reception services, added a digital information display in the lobby and initiated a customer service survey for the Planning & Development Department.

The cornerstone of our growth is the work we do in economic and community development including building business and tourism assets, and the development of parks, trails and active transportation routes. Significant projects like the new East Hants Aquatic Centre play a role in community development, placemaking and the overall good feel of the community. Staff have been very successful in securing funding grants this year, with several recreation programming grants and capital assistance grants being secured. Expansion of our business parks and the work being done to support and retain local business across all industries is essential to our long-term sustainability.

I would like to recognize East Hants staff and thank the public for putting their trust in us to deliver progressive municipal services. East Hants has a dedicated team of professionals and municipal leaders who genuinely care about the success of municipal government in Nova Scotia. Our Council is a strong supporter of local government through staff representation on over 35 provincial, association or industry working groups, advisory committees or boards. Among others this year, staff participated on the provincial working group for the new *Nova Scotia Accessibility Act* and led the working group advocating for changes to the CAP assessment program.

Finally, it has been my honour to serve as your Director of Finance and Chief Administrative Officer for the last 33 years of my career. I am excited about the opportunities that exist for our growing, thriving community. I know I am leaving the Municipality in capable hands and I am extremely proud of all that this Council and staff have achieved in my years here.

This Annual Report is just a glimpse into the projects and progress that took place in 2018/2019.



Connie Nolan, CPA, CA, CFE
Chief Administrative Officer

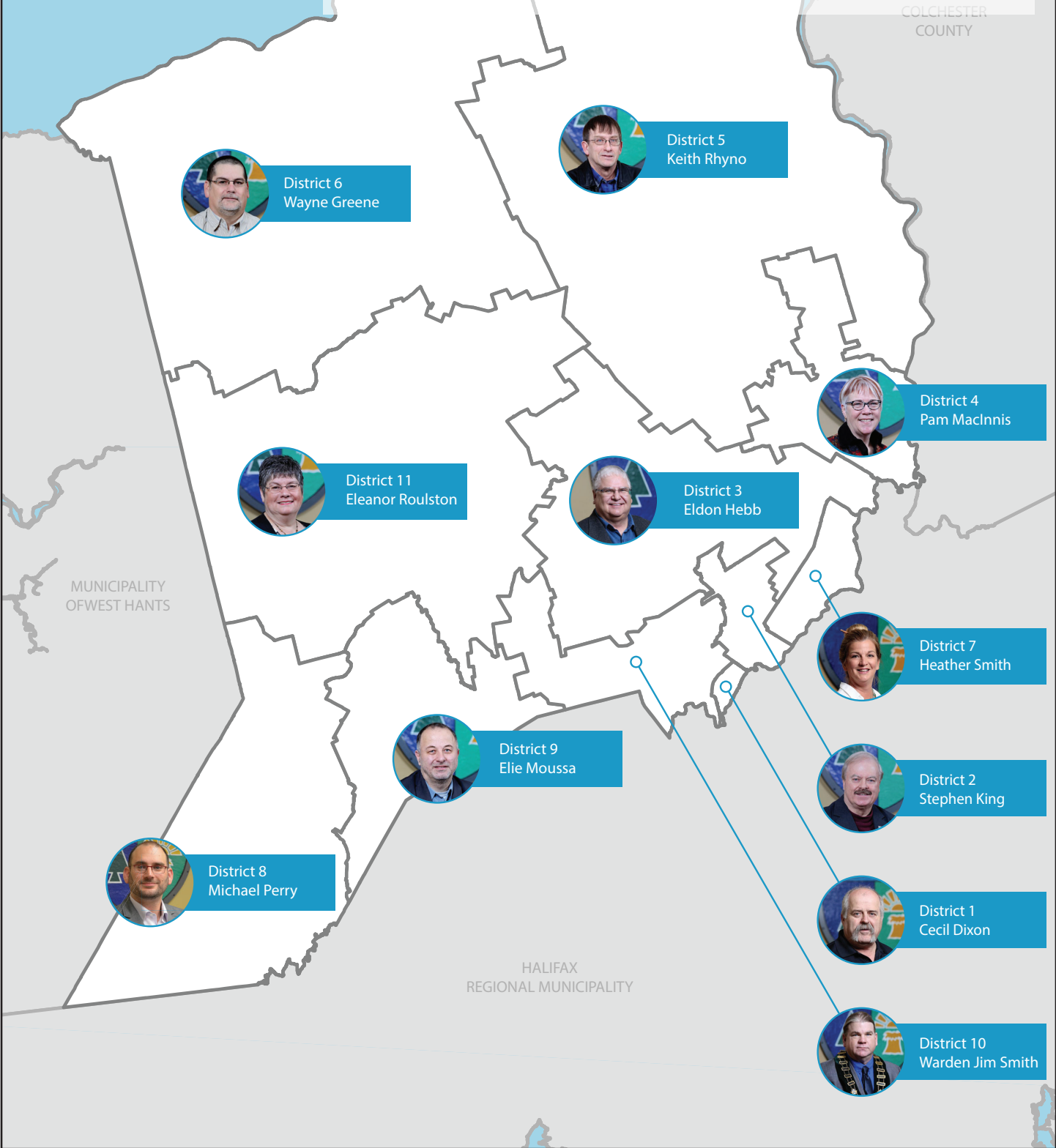


Shubenacadie River by Sarah Lynn Photography

Municipal Council

Council works to make decisions on the best level of service required to meet the needs of residents living and businesses conducting operations in the Municipality of East Hants.

Council provides a range of services to the public through the business of the six municipal departments and through service relationships with the RCMP, Colchester East Hants Regional Library, Property Valuation Services Corporation and the East Hants Fire Service.



ORGANIZATIONAL CHART



CHIEF ADMINISTRATOR'S OFFICE, CONNIE NOLAN, Full Time Staff (FTS) = 5.6

Core Services: Organizational leadership; Legislative Support to Committees of Council and Council; Councillor support; Human resources; Occupational health & safety; Communications; Online strategy; Special research for Council; Policy/procedure development (Council and Administrative); FOIPOP & privacy; Issues management.



DEPUTY CAO, KIM RAMSAY, FTS = 8

Core Services: Municipal fire levies & administrative support to Volunteer Fire Departments; Procurement support; Risk management; Municipal buildings and properties; Project management and special research; Technology support; Records & information management support to the organization.



DEPARTMENT OF FINANCE, SUE SURRETTE, FTS = 11

Core Services: Accounting services; Treasury; Organizational budgeting & business planning; Customer service & reception; Tax and water billing and collection; Bookkeeping service for volunteer Fire Departments.



DEPARTMENT OF PLANNING & DEVELOPMENT, JOHN WOODFORD, FTS = 11

Core Services: Planning and research services including land use policy and regulation, rezoning and development agreement applications; Demographic and population projections; Development control - issuance of subdivision approval, site plan control, variances, and development permits; Fire inspection; Building inspection; Bylaw Enforcement of all municipal bylaws; Geographic Information System (GIS) services to the organization; Civic numbering & road naming; Private Road Maintenance Agreement negotiation and information; Animal control services; Emergency measures preparedness planning and response; Heritage program.



DEPARTMENT OF ECONOMIC & BUSINESS DEVELOPMENT, VACANT, FTS = 2.4

Core Services: Investment and business attraction; Local Business Retention and Expansion; Business park management and development; Business Advisory Services; Economic Development project management; Relationship building, outreach, and engagement; Business development/sales, marketing, and communications; Economic data reporting.



DEPARTMENT OF INFRASTRUCTURE & OPERATIONS, JESSE HULSMAN, FTS = 21

Core Services: Wastewater collection and treatment, Solid waste collection, education and programming; Road, sidewalk, and streetlight maintenance; Engineering services to the organization; Capital project planning and management; Engineering review of transportation and municipal services proposals for all new developments; Technical records management; Environmental compliance quality assurance, reporting and system optimization; Technical issue resolution; Water treatment and distribution; Water resources management and watershed protection.



DEPARTMENT OF PARKS, RECREATION & CULTURE, KATE FRIARS, FTS = 8

Core Services: Policy development in the areas of aquatics, recreation, tourism, culture, parks, trails and open space; Ensure public access to recreational programs and services; Assisting volunteers with organization, training, leadership development, fiscal and human resource management; Direct program delivery of aquatics programming, summer day camps, special events, after school programs, tourism experiences; Grant administration of District Recreation Funds and tourism-related grants; Acquire develop and maintain municipally-owned parks, trails, and open space.



EAST HANTS

Mission Statement

Through innovation and excellence in service delivery, East Hants provides municipal programs and services that build a strong, sustainable community

Municipal Vision

East Hants is a vibrant, diverse, growing municipality that is a preferred place to live, work, play and do business in Nova Scotia.

A man is seen from the back, wearing a grey t-shirt with the words "WE DO LOCAL" printed in white. He is also wearing a grey mesh cap with an orange brim and blue pants. He stands with his hands on his hips at a wooden table filled with fresh green herbs and vegetables. In the background, other people are visible, some wearing yellow safety vests, suggesting an outdoor market or community event.

WE DO LOCAL

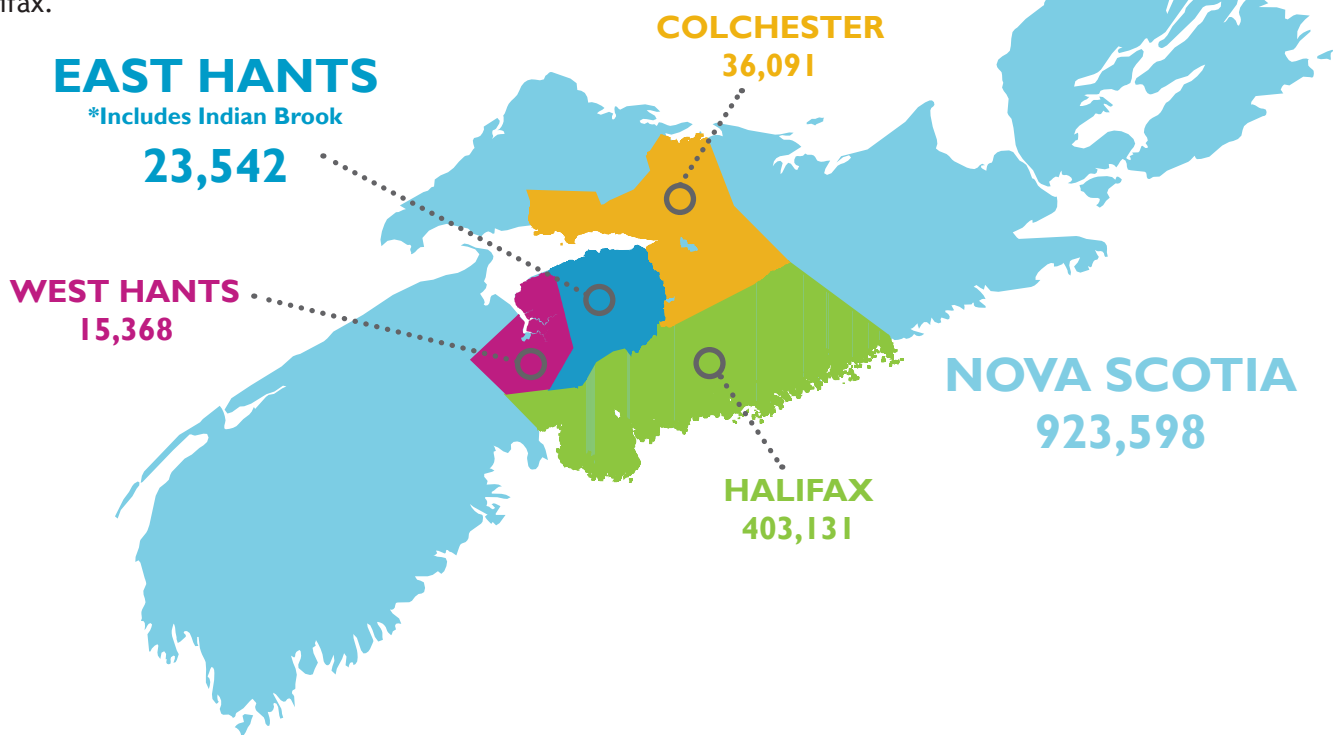
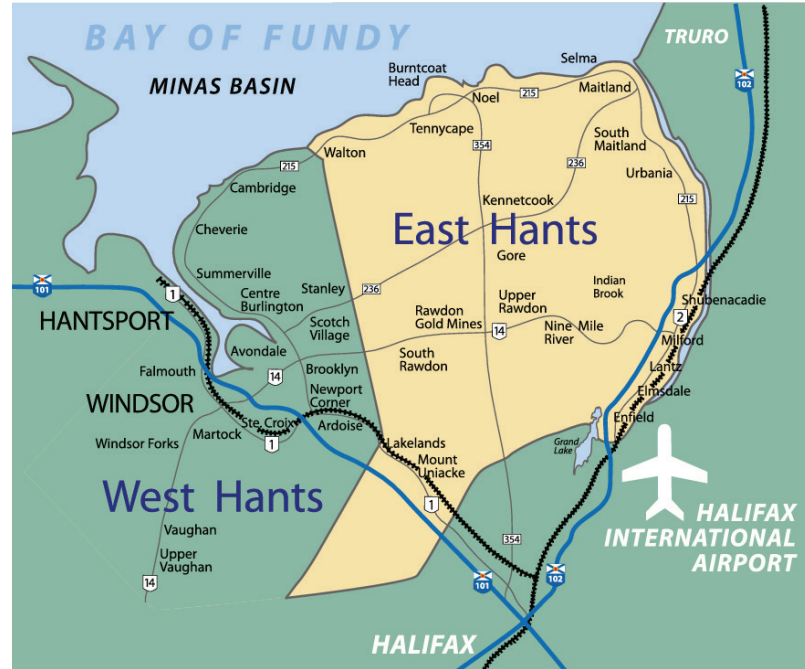
ABOUT EAST HANTS

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 the 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 full-time 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.



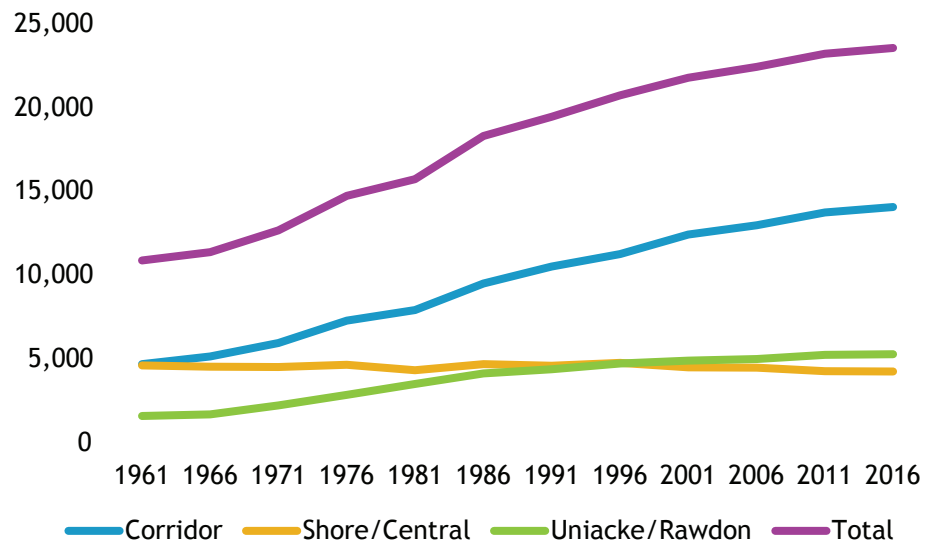
OUR PEOPLE

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 2011 to 2016 is 1.5% compared to the Provincial increase of 0.2%. 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 79% having achieved high school education and beyond; 25% of the population has achieved apprenticeship or trade certificates or diplomas. This exceeds the provincial average of 22% (based on 2016 Census data). Our largest labour market industries are retail trade, construction, manufacturing, transportation & warehousing, health care and public administration. East Hants is recognized as a bedroom community of the Halifax area with over half of the labour force employed outside of East Hants.

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 recre-

Historic Population Change by Region



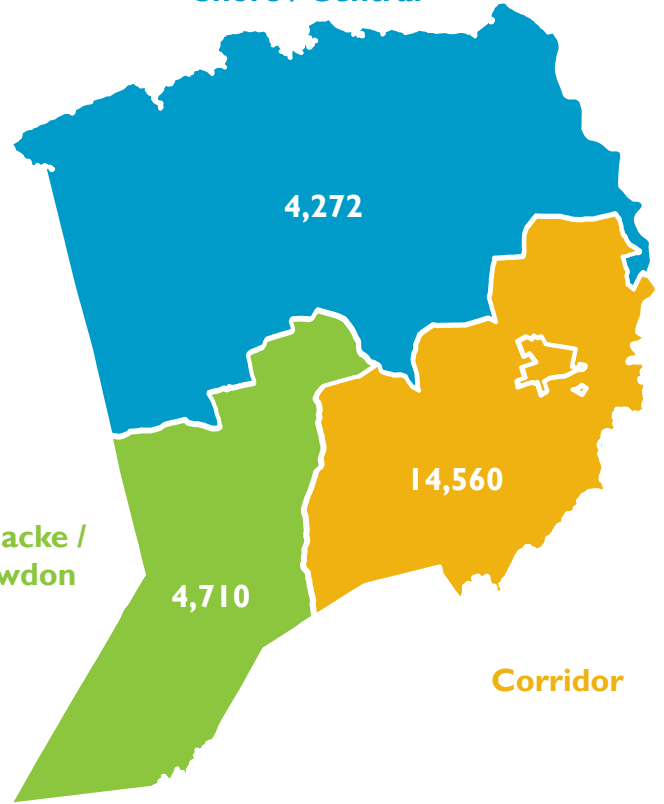
ational opportunities for residents of all ages. East Hants is experiencing senior friendly development with many new town houses and accessible apartment buildings being built. Enfield is also home to the Magnolia Continuing Care facility. East Hants has a strong volunteer base that provides for a range 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!



EAST HANTS AT A GLANCE

Shore / Central



EDUCATION

HIGHEST LEVEL ACHIEVED

27% HIGH SCHOOL DIPLOMA

52% SECONDARY EDUCATION

HOUSEHOLDS

9,427 PRIVATE DWELLINGS WITH USUAL RESIDENTS

**includes Indian Brooks 14*

INCOME

\$72,898 MEDIAN TOTAL INCOME OF HOUSEHOLDS

12.9% PREVALENCE OF LOW INCOME BASED ON THE LOW INCOME MEASURE, AFTER TAX

ECONOMY

36.4% COMMERCIAL TAX ASSESSMENT GROWTH 2011-2016

HEALTH

30.8% OBESE

87% HAVE A FAMILY DOCTOR

LABOUR

66.3% PARTICIPATION RATE

7.7% UNEMPLOYMENT RATE

COMMUTE

TO WORK FROM EAST HANTS

30% COMMUTE WITHIN EAST HANTS

70% COMMUTE OUTSIDE OF EAST HANTS

KEY STRATEGIES

The Municipality of East Hants has four key areas of strategic focus each supported by goals and objectives.

Infrastructure Renewal



Infrastructure represents the foundation of any community. It includes roads, facilities, and systems which keep the community functional and people moving. Ensuring that the necessary structure, facilities, services, and systems are well established, maintained and contribute to increased capacity, growth and investment.

Corporate Excellence



Success of the Municipality depends on public trust. This relationship with the public is achieved through open, transparent and fair decision making, responsible financial management, superior service delivery, and effective communications.

Strong Community



A vibrant and sustainable community is where people feel a sense of pride, are safe, connected and active. This is achieved through long-range community planning and by supporting those who live, work and visit in East Hants.

Economic Prosperity



A strong competitive economy fosters entrepreneurship, stimulates opportunity, creates jobs and enhances the community's attractiveness. Through investment attraction and business support services, East Hants continuously improves the community's business environment and commercial tax base.

INFRASTRUCTURE RENEWAL

Goal: Provide infrastructure that addresses the needs of our growing community.

Objectives

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Plan for and create infrastructure that improves the connectivity of: roads, tourism routes, multi-use trails, and active transportation networks.

- Municipal staff played an active role in advocating for the development of the Lantz Interchange, which also included participating as presenters at provincial public information events.
- Completed the design for a sidewalk extension in Milford that is available for future financial consideration.
- Constructed and redeveloped pathways to improve active transportation connectivity. Two gravel pathways: Elmwood Park in Elmsdale and from Valley Gate community to the new South Uniacke Park in Mount Uniacke. Asphalt pathways: from Highway 2 sidewalk to Ashford Place in Lantz and from Logan Drive through to Towerview Court in Lantz.
- Work continued on a regional approach to tourism planning and development with West Hants and Windsor for Route 215 - the "Rising Tide Shore."

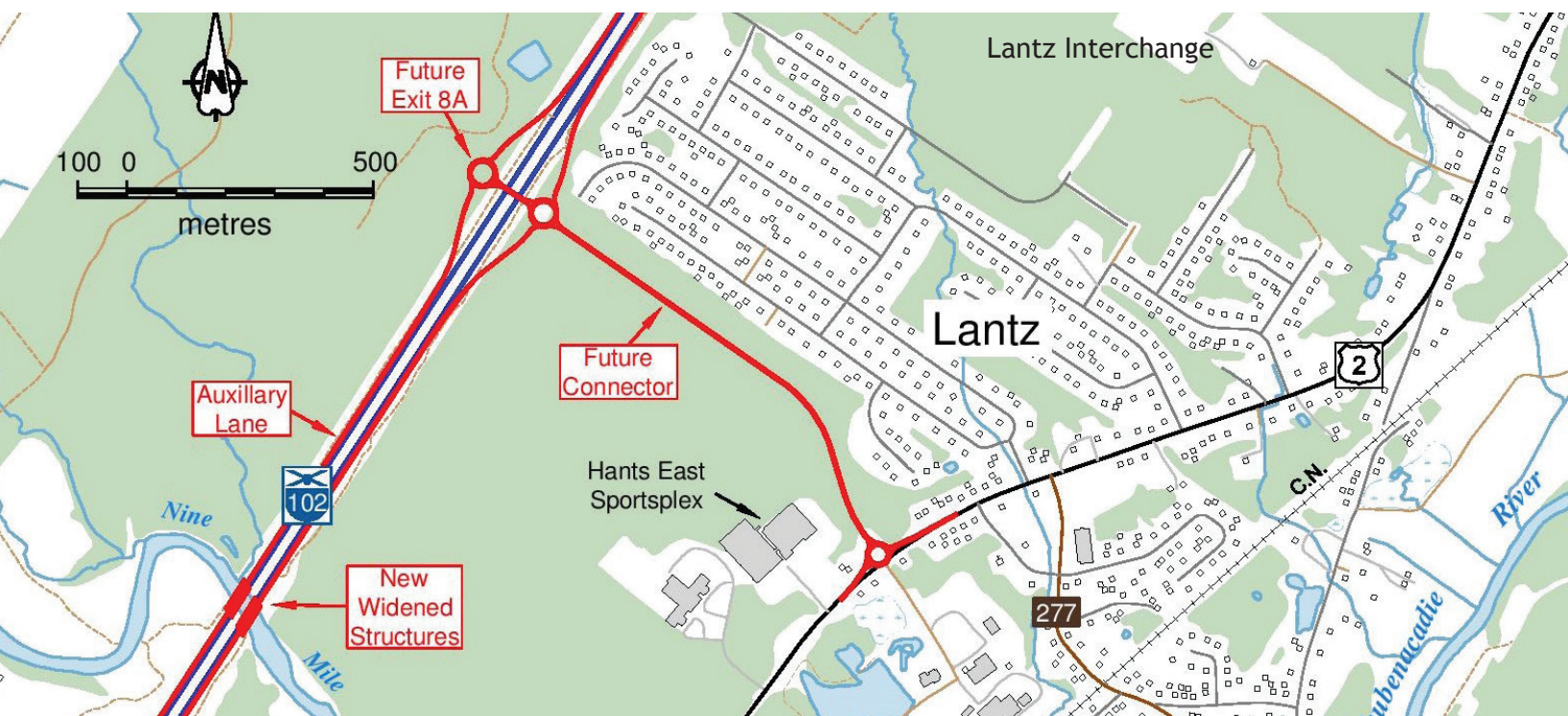
Purposeful planning of long-term infrastructure needs and related funding models.

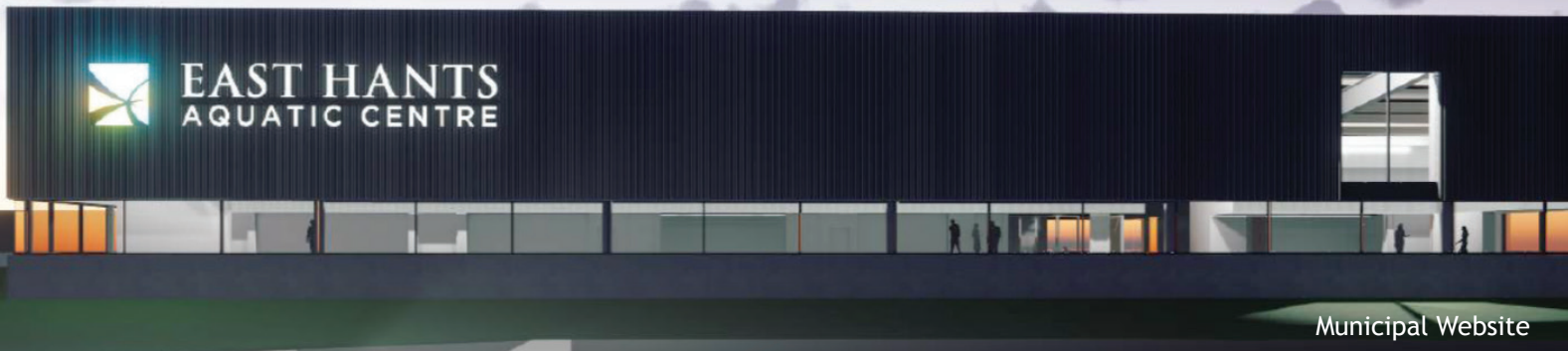
- Funding applications submitted to the *Federal Investing in Canada Infrastructure Program* for two future projects: Wastewater Treatment Plant Replacement in Shubenacadie and Sewer Upgrade on Highway 214.

- Acquired land for future wastewater infrastructure development in Shubenacadie and sewer upgrades on Highway 214.
- Amendment to Council's Street Light Policy to exclude municipally-funded street lights on private roads.

Prioritize renewal of aging infrastructure, meet new regulatory requirements and position the Municipality to provide sustainable services and accommodate growth.

- Construction began on the new East Hants Aquatic Centre which is scheduled to open in late 2019.
- Replaced and upgraded nearly 2,800 water meters with modernization of the water billing system. The new technology used will improve readings, leak detection and troubleshooting for customers.
- Completed the design for the Barney's Brook Sewer Forcemain Project that will see the replacement of the Sewer Forcemain from the Barney's Brook Liftstation to Mader Street in 2019.
- Redeveloped the Lantz Playground Park which included a new playground structure and picnic shelters, an improved parking lot and enhanced landscaping.
- Reconstructed the wooden decking on the observation deck at the Fundy Tidal Interpretive Centre to improve the visitor experience.
- Replaced the roof of the EH Horne School in Enfield, a municipally-owned facility.
- Commissioned and completed condition assessment studies of the former Elmsdale School to determine the long-term viability of the facility.
- Assessed the Walton Lighthouse structure and recommended possible relocation method as part of preparations for potential erosion issues at the site.





CORPORATE EXCELLENCE

Goal: Provide greater value to stakeholders by improving the way we do business.

Objectives

Improve service delivery with a focus on the customer experience.

- Initiated a survey of customers using Planning & Development services to benchmark levels of satisfaction.
- Partnered with Crazy Dog Dehydrated Treats in Mount Uniacke & East Hants Animal Hospital in Elmsdale to improve access to the sale of dog licenses.
- Procured new recreation management software which will allow residents and visitors the option of registering for aquatics, recreation & tourism programs and services online, streamline service delivery, and create efficiencies in financial reporting.
- Piloted a new training method for casual tourism staff. Staff participated in full-day training on occupational health and safety, municipal policies, operations, communications and more.
- Fundy Tidal Interpretive Staff developed and piloted a guided interpretive walk as an additional avenue for visitor engagement.
- Participated on the provincial working group for the new *Nova Scotia Accessibility Act* and created both an internal and Council committee to prepare a Municipal Accessibility Plan.
- Improved accessibility of the Lloyd E. Matheson Centre by installing an automatic door on the second floor.

Ensure appropriate tools are in place for effective and efficient communication with East Hants stakeholders.

- Created a communication strategy and annual communication plan to establish a more comprehensive view of all communication to stakeholders.
- Engaged the development community by hosting a biennial developer consultation and produced email newsletters to keep local developers informed of updates from the Planning & Development Department.
- Met with stakeholders to discuss a Heritage Interpretation Signage Plan for Maitland.
- Hosted two open houses to discuss two large development proposals for Lantz to complement the public engagement requirements of the Municipal Planning Strategy.
- Established a Community Development e-newsletter to improve communication with community groups and increase their access to tools and resources.
- Implemented a new telephone system to serve all municipal sites.
- Continued the work to reorganize content on easthants.ca to improve usability.
- Enhanced reception coverage to better serve visitors to the Lloyd E. Matheson Centre.
- Developed a new digital display program in the lobby of the Lloyd E. Matheson Centre to share municipal messaging with visitors.
- Updated templates and other tools to simplify how sellers can respond to procurement competitions.
- Created a procurement information piece to assist businesses with how to do business with the Municipality that will save them time and money when responding to requests for proposals.

Enhance internal organizational efficiency and effectiveness.

- Launched a new 5-year solid waste collection contract that included an enhanced performance monitoring program.
- Added modules to permitting software to improve bylaw enforcement and inspection tracking.
- Worked towards centralized information management for the organization.
- Refined existing procurement processes and defined new ones to increase efficiency.
- Reorganized staff spaces to improve collaboration and work practices.
- Investigated options for the database management of geographic information system (GIS) data that will improve the gathering, managing and analyzing of data.

Ensure an appropriate financial framework is in place to support the long-term sustainability of the Municipality.

- Staff led a provincial committee to look at changes to the Capped Assessment Program (CAP). A program that was created by the Province to try to address concerns over sudden and dramatic increases in property assessments in some communities.
- Council reviewed and approved a new investment model for the pension plan which resulted in a new Statement of Investment Policy & Procedures for the plan.
- Completed a review on spending and cost recovery in each region. This information will inform Council as they make future community investment and funding decisions.
- Secured grant funding for various capital and operating projects totaling \$2,839,198 with \$1,133,337 of this from Gas Tax funding, and \$1,705,861 of \$5.8 million commitment from Infrastructure Canada for the East Hants Aquatic

Centre.

- Amended the Council Remuneration Policy to incorporate changes to the *Income Tax Act* for elected officials.

Ensure bylaws and public policy are in place and reflect current and changing needs.

- Council reviewed the legalization of cannabis and its impacts on residents of East Hants.
- Introduced a new Procurement Policy and related documents reflecting new trade agreements and changes to procurement processes made by the Province of Nova Scotia.
- Amended the Maitland Heritage Conservation District Plan and Bylaw (P-1100). East Hants has some important Heritage assets including individually registered heritage properties and the Maitland Heritage Conservation District. The amendments are part of a comprehensive review of the Maitland Heritage Conservation District Plan and Bylaw.
- Updated the Solid Waste Bylaw IO-400 and the Tipping Fee Policy as a way of streamlining information.
- Completed the annual review of properties receiving tax exemption under F-400 Exemption from Taxation Bylaw.
- X-300 Repeal of Bylaw 145, Penalties. This bylaw was last updated in 1997 and was deemed redundant.
- Updated the P-200 Emergency Management Bylaw. The original Emergency Measures Plan was adopted in 1993 and has been updated periodically since then. In 2015, EMO Nova Scotia provided an emergency plan template to municipalities in the process of updating their plans. The new Emergency Management Plan has been written using the provided template. Housekeeping amendments have also been proposed to ensure Bylaw P-200 is consistent with the new Emergency Management Plan.
- Council implemented a recognition program for



Heritage Property



Concorde Way Playground

those businesses that allow volunteer firefighters to leave work in order to answer calls and to those that provide financial support or donations of services or supplies that aid in the delivery of fire and emergency services.

- Updated Community Grant Policy - The changes include a stream for financial assistance to community groups that require insurance to obtain a Provincial On-Highway Event Permit.
- Council approved updates to the Workers' Compensation Board Policy that require vendors to provide WCB insurance prior to engaging in work for the Municipality.
- Council approved amendments to the Council Procedural Policy, including a territorial land acknowledgement, the addition of the Accessibility Advisory Committee, a requirement that committee chairs be members of Council and clarification around appointments to the Cobequid Housing Authority Board.
- Council reviewed the complaint process and made subsequent amendments to the Dangerous & Unightly Premises Enforcement Policy.
- Removed 388 illegal signs from power poles across East Hants.

Proactively manage organizational risk.

- Staff attended a risk management seminar delivered by the Municipality's insurer to monitor industry best practices.
- Tried a secondment of in-house, part-time legal counsel to improve decision-making on legal matters.
- Researched historical ownership of the Burntcoat School property, inspected and subsequently

demolished the building because of its dangerous condition.

- Conducted an annual review of the Municipality's Comprehensive Insurance Program and Premises Pollution Liability Insurance to ensure adequate coverage is in place and asset inventory is accurate.
- Embarked on a comprehensive building review of the former Elmsdale Elementary School including a roof and property assessment, hazardous material survey and Phase 1 Environmental Site Assessment.
- Assessed and replaced the roof and removed hazardous trees at the E.H. Horne School Building.
- Senior managers attended due diligence training to reinforce their understanding of the employer's responsibility under the *Occupational Health and Safety (OHS) Act* for workplace safety.
- Began the roll-out of succession plans around the retirement of the current CAO and appointment of Deputy CAO.
- Forecasted staffing needs at the new East Hants Aquatic Centre resulting in an increase in training and certification - seven lifeguards, 13 swim instructors and 57 youth enrolled in Bronze Star, Bronze Medallion or Bronze Cross.
- Continued focus by the Joint Occupational Health and Safety Committee and staff to place high priority on health and safety in the workplace including workplace inspections, education and staff training.
- The employee-driven wellness group hosted financial literacy, mental health in the workplace and physical activity events with support of a grant from the Nova Scotia Federation of Municipalities.



STRONG COMMUNITY

Goal: Provide services, programs and facilities, through direct service delivery and collaboration with others, that allow people and businesses to thrive.

Objectives

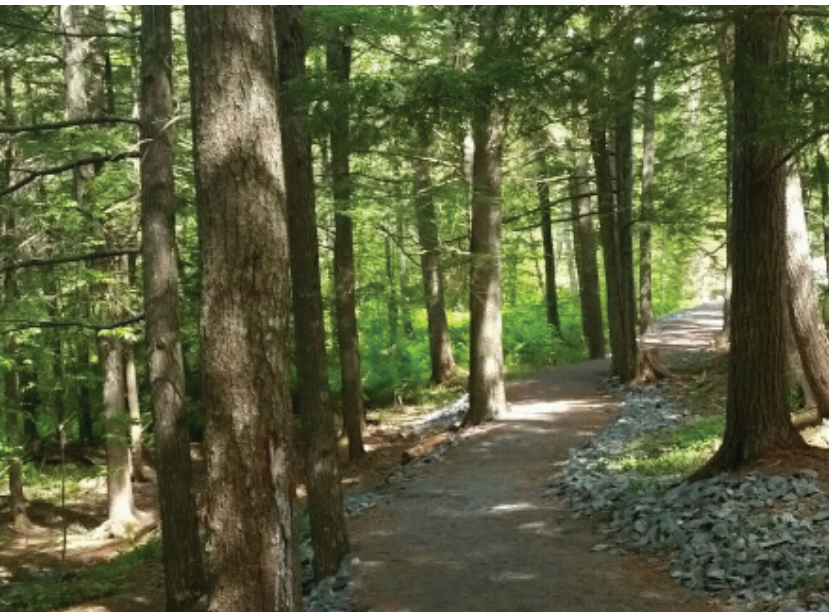
Facilitate and advocate for the creation of community infrastructure and opportunities/services that lead to a healthy, active and engaged community regardless of age, gender, geographic location or financial ability.

- Established an Accessibility Advisory Committee consisting of five public member positions which will advise the preparation of an Accessibility Plan in 2019.
- Constructed the South Uniacke Park that includes a playground structure, basketball court and landscaping.
- Installed two picnic shelters at Lantz Community Park and one at the School Road Playground Park.
- Working in partnership with developers as part of their Open Space agreements, 75% of the walking trails in the Cottage County development in Mount Uniacke, 350m of walkway along the river at Sherwood Drive in Enfield and 500m of walkway at River Country in Nine Mile River were completed.

- Hants schools (funded through the Province of Nova Scotia) to establish a new Learn to Skate program offered to Grade 2 students in East Hants.
- Partnered with the East Hants Family Resource Centre to fund the facility rental for the Ready to Move fundamental skills program for pre-school children.
- Participated in the Early Years Check In days in partnership with Kids Action Program and East Hants Family Resource Centre in Kennetcook and Elmsdale. This event provided families with children under 5 the opportunity to access resources available for Early Childhood Development in East Hants.
- Received in excess of \$42,000 in external grants to support access to recreational programs and services.
- Acquired Dawson Dowell Park as a result of the Maitland District Development Association realigning their operating priorities.

Ensure the East Hants official community plan is effective in managing changes in the community, reducing land use conflict and protecting both natural resources and community character.

- Council approved new regulations regarding the use of shipping containers for dwelling units and accessory dwelling units.
- Council reviewed 12 applications for rezoning, development agreement or land use strategy amendment.



- Received \$25,000 as part of a partnership with the Nova Scotia Department of Communities, Culture and Heritage for the MPAL (Municipal Physical Activity Leadership) program which is designed to improve participation in health enhancing physical activity in our communities.
- Partnered to host a yoga program for seniors in the corridor area.
- Partnered with Play 4 Kids, Enfield RCMP and East

- Continued discussion on the keeping of poultry and the appropriate level of regulation required for our communities.

Support tourism, heritage, sport, social recreation and the arts, enriching the quality of life for residents and attracting visitors.

- Council partnered with Hants County Senior Safety

Association, East Hants Community Rider, East Hants Family Resource Centre, East Hants Youth Links, and the East Hants Sports Heritage Society through the Community Partnership Fund. These community-based organizations all provide socially inclusive, universal programs to our community that support the Municipality's strategic plan.

- Provided funding to local not-for-profit groups through the Tourism Grant Program (three groups), Major Special Event Grant program (one group) and through the Tourism Economic Development Fund (one group).
- Hired an additional staff resource in the Parks, Recreation and Culture Department to provide a focus on community development with local groups. One-on-one support was provided to 20 different community groups in the areas of: event support, grant application support, project planning, fundraising, group revitalization, board evaluation, program review, position descriptions, strategic planning, start-up support, corporate sponsorship program support, bylaw establishment and review, and referrals to many internal and external supports.
- Created a series of workshops that will support and strengthen the governance and operations of non-profit organizations. The first workshop of the series focused on recreation grants and was held in October 2018.
- Established a partnership with East Hants Minor Hockey Association (EHMHA) to host gear swap events during EHMHA hockey registration. The events helped to reduce the cost of sport for families and facilitated the recycling of gear.
- Partnered with the Uniacke Home and School Association to introduce a new, four-week Friday intramural program for Uniacke students.
- Hosted a Home Alone Program for 19 participants aged 10-14 in Elmsdale.
- Sponsored two free swims at the Sackville Sport Stadium for Mount Uniacke and surrounding area residents in December and March.
- Relocated the caboose in South Maitland to the Fundy Tidal Interpretive Centre as part of a refurbishment project.
- Council received a Tourism Background Report that was created in partnership with West Hants and Windsor.
- Operated Fundy Tidal Interpretive Centre and Burntcoat Head Park. Operation of these facilities provided eight seasonal jobs for local residents and supported local businesses through awareness, social media marketing and referrals.
- Welcomed representatives to Burntcoat Head Park from Rendezvous Canada, a major international travel-trade expo in May 2018 as well as representatives from Hotelplan/Travelodge in September 2018.
- Hosted a television shoot for Vacations of the Brave at

Burntcoat Head Park and other East Hants locations.

- Installed interpretive and warning signage related to the Atlantic Mud-Piddock at Burntcoat Head Park in partnership with the Department of Fisheries and Oceans as part of its program to protect endangered and threatened species.
- Hosted a Wetland Wandering event at the Fundy Tidal Interpretive Centre in partnership with Greenwing Legacy Centre.
- Partnered with Ambassadors Greyline to welcome cruise ship passengers to Burntcoat Head Park and Fundy Tidal Interpretive Centre in 2018 and began contracting for summer 2019 arrivals.
- Extended operations of Burntcoat Head Park by one week in 2018 to accommodate fall visitors.
- Partnered with West Hants and Windsor to apply to Tourism Nova Scotia's Inspired Content Program for 2019. The application was successful and will result in new digital marketing assets for the shore region in 2019/2020.
- Received \$25,000 in funding from Tourism Nova Scotia through their Tourism Revitalization of Icons Program (TRIP) to support development of conceptual design elements for Burntcoat Head Park.
- Registered a new Municipal Heritage Property 'Brenton House' in Shubenacadie.

Provide effective and efficient emergency management and protective service systems.

- Council approved amendments to the Emergency Management Bylaw to reflect changes made to the Emergency Management Plan.
- Participated in a table top exercise as a means of testing our Emergency Management Plan and processes in the event of an emergency.
- Completed a contingency plan for flood-related events.
- Provided training to staff on the Incident Command System (ICS) structure.
- Council approved a grant to Ground Search and Rescue and the Special Hazards Response Unit (SHRU) to provide assistance with general operating expenses.

ECONOMIC PROSPERITY

Goal: Create a strong commercial and residential tax assessment base that supports the economic well-being of the community.

Objectives

.....

Be a municipality of choice to start or invest in business.

- Marketed investment opportunities in East Hants at four key tradeshows and various industry events.
- Facilitated business-to-business meetings and connected with industry leaders in key sectors.

Ensure the availability of suitable land in East Hants to support business and economic growth.

- Completed the design work for a road extension off of Park Road in the Elmsdale Business Park that will add 19 building lots to the existing business park. Construction is planned to start in 2019.
- Designed the Uniacke Business Park expansion (South Phase) for 2 of 3 future phases for the business park with the intention of going to market to start the construction of phase 1 in 2019.
- Council received a long-term vision and financial analysis of the Elmsdale Business Park.
- Began the acquisition of land in the Mount Uniacke Business Park. Scheduled for completion in 2019/2020.
- Participated in Develop NS broadband community consultations to further understand and ensure solutions to current challenges are available to residents and businesses.

Ensure the East Hants Official Community Plan is effective in managing the growth and transformation of the community in relation to commercial and residential growth.

- Consulted on key development agreements in Lantz to promote and maximize commercial opportunities.
- Met with businesses in the Village Core Zones to understand challenges and opportunities within the high growth areas across the communities of Elmsdale, Enfield, Lantz, Milford, Shubenacadie and Mount Uniacke.

- Celebrated ‘good design’ by hosting the triennial 2019 East Hants Design Awards. The 12 projects recognized are quite varied including innovation, site and building design, heritage preservation and community benefit.

Strengthen local business by facilitating access to information and resources.

- Partnered with Nova Scotia procurement staff and the East Hants & Districts Chamber of Commerce to facilitate a session on doing business with government.
- Attended a reverse trade show put on by the Province focused on connecting sellers to buyers.
- Launched a Business Retention and Expansion service in collaboration with the East Hants & Districts Chamber of Commerce, local business leaders, Nova Scotia Works and Community Business Development Corporations.
- Facilitated and led a local Business Action Team providing support to the local business community. This team addresses issues primarily dealing with labour force, training, and access to capital, exporting and specific industry programs.
- Participated on an advisory committee for the East Hants Workplace Education Program with the East Hants & Districts Chamber of Commerce and Nova Scotia Labour and Advanced Education. This program provided 16 business education courses for local entrepreneurs in 2018/2019.
- Participated in meetings with tourism operators as part of the Business Growth Program.
- Enhanced website content on easthants.ca to allow map-based views of commercial investment opportunities in East Hants business parks.

Advance collaboration with economic development agencies and other stakeholders for mutual benefit.

- Signed partnership agreements with the Province of Nova Scotia and the Halifax Partnership to promote collaboration and regional economic development, securing \$130,000 of funding for the East Hants economic development program.
- Provided six partner updates to economic development agencies and stakeholders.



GOVERNANCE

Council works to make decisions on the best level of service required to meet the needs of residents living and businesses conducting operations in the Municipality of East Hants. Council governs through a policy-based structure, continuously updating and improving Council bylaws and policy.

Bylaw Amendments in 2018/2019

- X-300 Repeal of Bylaw 145, Penalties: Nov. 28, 2018
- P-200 Emergency Management Bylaw: Dec. 5, 2018
- F-400 Exemption from Taxation Bylaw: Feb. 6, 2019
- P-1100 Maitland Heritage Conservation District: Feb. 27, 2019
- IO-400 Solid Waste Bylaw IO-400: Mar. 27, 2019

Council Policy Reviews 2018/2019

- Street Lighting Policy: May 23, 2018
- Statement of Investment Policy & Procedures: July 25, 2018
- Recognition of Support of Fire & Emergency Services Policy & Nomination Form: Oct. 24, 2018
- Community Grant Fund Policy: Oct. 24, 2018
- Workers' Compensation Board Policy: Nov. 28, 2018
- Procurement Policy: Feb. 1, 2019
- Council Procedural Policy: Feb. 27, 2019
- Dangerous & Unsightly Premises Enforcement Policy: Mar. 27, 2019
- Tipping Fee Policy: Mar. 27, 2019



Council Chambers, Lloyd Matheson Centre, Elmsdale



Lantz Wastewater Lagoon

WASTEWATER

The Municipality operates three wastewater treatment plants, serving the communities of Shubenacadie, Milford, Lantz, Elmsdale and Enfield. Compliance with provincial and federal regulations is critical for the wastewater utility.

- 1,864 mls of wastewater treated
- 112 lab samples taken
- Reports for Lantz, Milford, and Shubenacadie Wastewater Treatment Plants:
 - 12 quarterly provincial reports
 - 12 quarterly federal reports
 - 2 annual provincial reports
- 7 manhole repairs
- 42 after-hours responses for wastewater
- 55 after-hours responses for water

SOLID WASTE PROGRAM

Solid Waste Collection, Education and Programming

- 1,899 hotline calls

What Goes Where? application:

630 new registrations (total since installation = 2,675)

13,973 searches on the online waste wizard tool

6,109 household addresses searched for collection information

Compliance

44 illegal dumpsites actioned

98 reactive visits from complaints

16 cleanup orders issued

0 summary offence tickets issued

Education



234 educational hours completed (1,251 attendees)

Solid Waste Numbers



1,648 tonnes of organics sent for processing



1,099 tonnes of recycling sent for recycling



5,559 tonnes of waste sent for disposal



457 tonnes of clean wood sent for recycling



286 tonnes of metal sent for recycling



2,015 tonnes of construction and demolition material landfilled at Georgefield



11,277 vehicle visits to the Waste Management Centre

Reporting

- Stats Canada annual reporting on solid waste, composting disposal and recycling
- 4 Waste Management Centre quarterly report submissions to the Province of NS
- 2 Enforcement Hours reports to Divert NS
- 2 Household Hazardous Waste reports to Divert NS
- Nova Scotia Environment Annual Solid Waste Datacall Report
- 2 education hours reports to Divert NS



Waste Management Centre, Georgefield



ROADS/SIDEWALKS/STREETLIGHTS

East Hants is responsible for newer subdivision roads, sidewalks from Shubenacadie to Enfield, and LED streetlights owned and operated by the Municipality.

Assets

- 14.4 km of paved roads owned
- 8.9 km of gravel roads owned
- 20.3 km of sidewalk owned
- 1,867 streetlights owned

Service

- 273 calls
- 85 road inspections
- 35 sidewalk inspections
- 25 streetlight inspections
- 4 new subdivision inspections
- 50 drainage reviews
- 11 road access reviews (7 permits issued)

COMMUNITY PLANNING

Planning & Development completed the Plan East Hants project in 2016/2017 - this resulted in the 2016 East Hants Official Community Plan, a complete set of planning documents including planning policies in the Municipal Planning Strategy (MPS), land use regulations in the Land Use Bylaw (LUB), and regulations for the subdivision of land in the Subdivision Bylaw (SUB). All three documents work together to guide growth and development in East Hants. They form a strategic, long-range plan for the Municipality.

Planning, GIS & Research

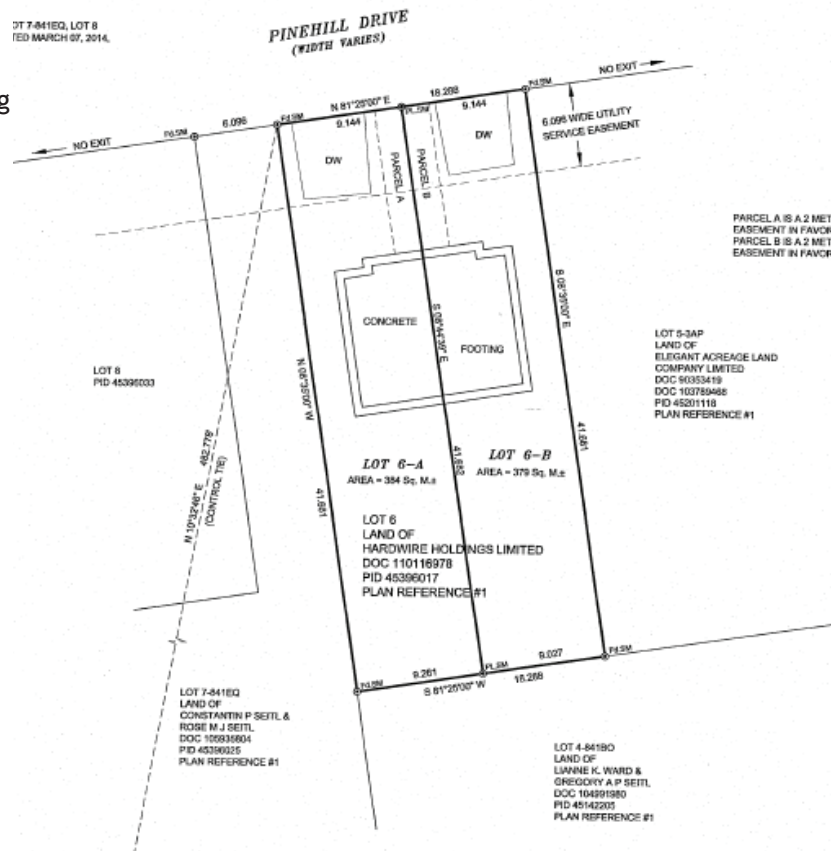
- 9 applications reviewed
- 19 projects completed

Development Control

- 56 plans of subdivision approved (46 final plans registered)
- 62 new lots created

Civic Addressing

- 153 civic addresses issued
- 3 new road listings
- 5 private road signs installed





South Uniacke Park

PARKS

As Council's priority shifts to parks, trails and open space development, East Hants will see more investment and leveraging of external dollars to move key infrastructure projects forward. The East Hants Parks, Open Space and Active Transportation Master Plan was adopted by Council in 2017/2018. Current activities include:

- Built the new South Uniacke Playground Park including a playground structure, swing set and basketball court
- Replaced the playground equipment at the Lantz Playground and completed some park improvements
- Completed the Concorde Way playground
- Built a walking trail in Elmwood Park
- Constructed a river walkway at Sherwood Park

RECREATION

Recreation includes ensuring public access to recreational programs and services, assisting volunteers with program development, and direct program delivery of summer day camps, special events and after school programs.

- 234 participants for Summer Day Camp Programs
- 22 volunteers recognized along with 10 long service volunteer fire fighters at our Volunteer Recognition Event
- Received funding of \$6,105 from the Department of Education for after school programs attended by 35 students (ages 10-14) at three locations:
 - Riverside Education Centre
 - Uniacke District School
 - Hants North Rural High/Kennetcook Elementary
- 3 Winter Fun Days hosted in three locations, Milford Recreation, Findley Park and Uniacke Estates Museum Park encouraging outdoor unstructured winter activities
- 4 free skating events held at the East Hants Sportsplex during Christmas and March Break

AQUATICS

The East Hants Swimming Pool in Milford has served the community for 50+ years. The building is slated for decommissioning when the new East Hants Aquatic Centre opens in December 2019.

- Milford Pool operated an average of 85 hours per week and a total of 341 days
- 10,803 swimmers participated in recreational swims
- 6,548 swimmers attended a total of 234 pool rentals
- 1,668 registered participants in instructional programs including: fitness classes, learn-to-swim, junior lifeguard programs, leadership courses, synchronized swimming and activity camps
- 102 participants (ages 8-15) enrolled in youth development swim programs
 - Jr Lifeguard Club
 - Swim Fit
 - Lifesaving Sport
- 77 participants were trained in lifesaving leadership courses - a more than 100% increase from 2017/2018

- 73 participants took part in March Break Day Camps
- 674 people participated in monthly recreational swims sponsored by the Milford & District Lions Club and East Hants Youth Links
- 262 grade 3 students from nine local schools participated in the Swim to Survive program



TOURISM

Over the past few years, East Hants has invested heavily in two key tourism destinations while continuing to provide support to various operators of municipally-owned assets as well as independent tourism operators. Burntcoat Head Park and Fundy Tidal Interpretive Centre are both operated by the Municipality.

Burntcoat Head Park

- Approximately 30,000 people visited Burntcoat Head Park in the 2018 season, with an estimated 65% of visitors coming from outside of the Atlantic Provinces.
 - Hosted Explore Your Own Backyard event in September welcoming over 300 people
 - Ocean floor tours continue to be popular

Fundy Tidal Interpretive Centre

- Welcomed approximately 13,000 visitors with 75% of visitors coming from outside of Atlantic Canada
 - Hosted a Wetland Wandering event in partnership with Greenwing Legacy Centre
 - Successfully piloted a guided walking tour along the DAR line adjacent to the Ducks Unlimited Wetlands



Burntcoat Head Park



PROTECTIVE SERVICES

Animal Control

- 544 dog tags issued (increase from 447 previous year with 106 tags sold by new external vendors)
- 4 kennel licenses issued
- 14% dog registration compliance rate (up from 11% in 2017/2018)
- 150 dog calls/complaints received
- 21 after-hours calls received
- 13 after-hours call outs required
- 10 dogs impounded (7 owners located, 2 relinquished to the SPCA)

Building & Fire Inspection

- 215 building permits issued
- \$42,203,766 in construction value
- 944 building inspections completed
- 131 new dwelling units created
- 125 properties received a fire inspection

Bylaw Enforcement

- 91 complaints investigated
- 73 cases closed
- 18 cases remain active

False Alarms

- East Hants Fire Service responded to 5 false fire alarms
- RCMP responded to 18 false burglar alarms

EAST HANTS WATER UTILITY

The Municipality operates the East Hants Water Utility, serving the communities of Shubenacadie, Lantz, Elmsdale and Enfield.

Water Treatment and Distribution

- 1,064 ml of water treated
- 106 lab samples taken
- 169 customer move-ins & outs
- 55 after hour alarm responses
- Reports for Lantz, Milford, and Shubenacadie Wastewater Treatment Plants
 - 12 quarterly provincial reports
 - 12 quarterly federal reports
 - 2 annual provincial reports

Water Customers

- 2,789 water customers
- 11,172 water bills issued
- 2,712 reminder notices issued
- 320 door tag reminder notices resulting in 22 accounts disconnected for nonpayment

Water Resource Management and Watershed Protection

- 6 source water lab samples taken
- 89 standard operating procedures updated



ECONOMIC DEVELOPMENT

The Municipality is focused on facilitating the growth of the commercial assessment base and supporting our local business economy.

- 5,385 new visits to Economic and Business Development pages on easthants.ca
- 130 meetings with local businesses and residents interested in starting a new business
- 84% of these clients were referred to supports and programs to start their business
- 23 businesses approached for recruitment to East Hants
- 109 businesses assisted that were interested in locating in East Hants
- 7 businesses successfully attracted to East Hants
- 253 businesses clients assisted, and helped 19 businesses start up, expand, locate, or stay in East Hants in 2018/2019
- \$3,242,185.00 of new investment into East Hants in the purchase of land and the construction or renovation of buildings

Business Parks Market	2018/2019
Availability Rate	5.8%
Total Municipal Business Park Land Sold (acres)	12.03
Total Buildings Privately Sold (sq ft)	13,488
Construction (sq ft)	28,400

Selling Elmsdale and Uniacke Business Park Land

Overall East Hants Business Parks contain 535,220 sq ft of industrial space.

- 28,400 sq ft of new building supply was added to East Hants Business Parks this year with 20,000 sq ft already absorbed by owner occupants.
- The overall availability rate remained low this fiscal year at 5.8%. This indicates that there may not be enough diversity in available industrial buildings for compatible businesses to locate.
- The average East Hants Industrial Asking Rent for 2018-19 was \$11.15 psf. This is 31.4% higher than the Halifax Industrial Asking Rent average of \$8.12 psf (Q4 2018-19).



Construction is complete for this 6,200 sq ft multi-tenancy for lease facility by Lakewater Developments at 14 Martha Avenue in Uniacke Business Park.

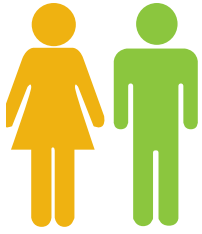


The new Pawsome Adventures Inc. Doggy Day Care location is complete at 36 Venture Crescent in Elmsdale Business Park.



Construction is complete on this owner occupied 10,400 sq ft sales and service location for Shawmut Equipment Ltd. at 318 Park Road.

CORPORATE - OUR PEOPLE



67 full-time equivalent positions

44 is the average age of a municipal employee

33% of municipal employees are age 50 or more as of Jan 1, 2018



12 key positions would be difficult to fill if they were to become vacant and another 11 positions would need to be filled with on-the-job training

Health and Safety

- 3 WCB claims - below industry norm resulting in lower WCB premiums



CORPORATE COMMUNICATION

The Municipality has an increased focus on communication, paying particular attention to our online presence and our business development presence in the marketplace.

Business Development/Sales, Marketing and Communications

- 5,385 visitor sessions to easthants.ca/business
- 731 visitor sessions to easthants.ca/business from international countries
- 8 website posts created to provide relevant content
- 14 email campaigns sent

Corporate Communications

- 347,271 pageviews on easthants.ca (32% increase over 2017-2018)
- Facebook:
 - 2,202 followers - Municipal page
 - 3,153 followers - Active East Hants page
 - 2,982 followers - Burntcoat Head Park page
 - 1,029 Followers - Fundy Tidal Interpretive Centre page
- Social Media Posts:
 - 514 posts - Municipal page
 - 231 posts - Active East Hants page
 - 228 posts - Burntcoat Head Park page
 - 226 posts - Fundy Tidal Interpretive Centre page
- Twitter- 1,327 followers and 205 tweets
- LinkedIn - average of 398 impressions on 32 posts
- Instagram - 445 followers on 58 posts
- Public access to Mapping & Planning Apps
 - Interactive East Hants - 1,828 views
 - Trails & Walkways - 576 views
 - Zoning Lookup Tool - 927 views
 - Water & Wastewater - 298 views
 - Local Perspective - 66 views
 - Heritage Map - 564 views
- 2 Freedom of Information requests completed
- Annual report to the Department of Justice on compliance to the Personal Information Protection and Electronic Documents Act (PIPEDA) completed

PROPERTY TAX

The Municipality's primary source of revenue comes from property taxes. A team of dedicated staff calculate, bill and collect on the 15,000 tax accounts within the Municipality.

Property Taxes

- 25,617 tax bills issued
- 4,275 tax reminder notices issued
- 510 tax information statements for customers
- 574 tax certificates issued
- 241 senior property tax rebate forms completed
- 472 address changes
- 154 managed billing groups
- 32 tax information requests for mortgage companies
- 129 new accounts on the Property Tax Filed Assessment Roll in 2018
- 441 tax account adjustments
- 59 wastewater, private hydrant and sprinkler invoices issued

epost™ users: 390 (2.7%) tax customers, 164 (5.9%) water customers

June 2018 Tax Sale

- 281 pre-warning letters resulted in 173 tax sale letters issued
- 17 accounts in tax sale position, 9 accounts paid, 8 on auction docket, 7 properties sold at tax sale

PROCUREMENT

Procurement advice is centralized at East Hants with small value procurement done within the departments and other procurements done in consultation with the Procurement Division.

- 5,905 payables invoices processed
- 1,904 vendor cheques issued
- 2,033 electronic payments
- 241 new vendors
- 13 requests for proposals
- 16 requests for quotation
- 4 requests for construction
- 4 requests for standing offer

EMERGENCY SERVICES

EAST HANTS FIRE SERVICE

Residents of East Hants receive fire/emergency response 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 ten of the 13 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.

Over the past year, municipal staff and members of the volunteer fire service worked together to improve the self-insurance program for the TMR2 radios owned by the East Hants Fire Service and modernize the registration review process.

In April 2018, East Hants formally recognized the dedication and commitment of our volunteer fire service providers with the presentation of Municipal Long Service Award medals to volunteer fire service members who achieved 30 years or more of service. Ten members of the East Hants Fire Service were recognized for their commitment to their community and awarded a Municipal Long Service Medal.

- Kevin Joudrey, Shubenacadie, 30 Years of Service
- Darrell Bond, Noel, 30 Years of Service
- Phillip Barker, Brooklyn, 30 Years of Service
- Joe Bahri, Brooklyn, 30 Years of Service
- Darrell Hiltz, Mt. Uniacke, 35 Years of Service
- Keith Rhyno, Maitland, 40 Years of Service
- Barrie Wile, Brooklyn, 40 Years of Service
- Garnett Davidson, Brooklyn, 45 Years of Service
- Wayne Swinamer, Brooklyn, 50 Years of Service
- William Morris, Mt. Uniacke, 60 Years of Service



RECOGNITION OF SUPPORT OF FIRE & EMERGENCY SERVICES

Vibrant and sustainable communities are where people feel a sense of pride and safety. Volunteer firefighters provide a very valuable service to our communities to ensure our safety by answering emergency calls. Many of our volunteers work in our communities and without the support of our business community the delivery of volunteer fire and emergency services might not be sustainable. In 2018/2019, a new policy was introduced to recognize those businesses that allow volunteer firefighters to leave work in order to answer calls. It also provides an opportunity to recognize those businesses that provide financial support or donations of supplies and/or materials that aid in the delivery of fire and emergency services.

FIRE SERVICES - GRANTS

Each year, the Municipality provides financial support to the 13 fire departments who provide 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 that have significantly less assessment to draw from, the rates are \$0.21/\$100 of assessment, with the exception of Rawdon Fire who in 2018/2019 raised the rate to \$0.22/\$100 to fund much needed infrastructure.

In 2015, Council passed a motion that the smaller department rates will be budgeted with a 1¢ increase until the year 2019/2020; this will ensure these departments have funding for the equipment and infrastructure required.

Through the Fire Department Funding Policy, Council pays operating grants to the smaller, more rural departments. In 2018/2019, a total of \$56,532 in annual operating grants were awarded to the six rural fire departments of Rawdon, Kennetcook, Noel, Gore, Walton and Maitland.

Funding for fiscal 2018/2019 is summarized below:

Fire Department	Fire Levy Collected & Disbursed	Annual Operating Grant/Support	Emergency Grant	Total
Enfield	\$457,384			\$457,384
Elmsdale	374,830			374,830
Lantz	230,743			230,743
Milford	142,080			142,080
Shubenacadie	204,727			204,727
Maitland	95,598	9,422		105,020
Noel	99,615	9,422		109,037
Walton	32,071	9,422		41,493
Gore	74,737	9,422		84,159
Kennetcook	81,901	9,422		91,323
Nine Mile River	156,755			156,755
Rawdon	126,175	9,422		135,597
Mount Uniacke	526,089			526,089
Brooklyn	48,156			48,156
Fire Service Risk Management		7,509		7,509
Training & Education		6,430		6,430
Total	\$2,650,861	\$70,471	\$0	\$2,721,332

RCMP SERVICE

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. They provide a total federal policing service to all Canadians

and policing services under contract to the three territories, eight provinces (except Ontario and Quebec). Serving Canadians from coast to coast with more than 750 Detachments.

The RCMP serve in many capacities in Nova Scotia. The RCMP in Nova Scotia has three RCMP Districts: Halifax, Northeast Nova and Southwest Nova. As Nova Scotia's provincial police force, they're dedicated to serving and protecting Nova Scotians. The RCMP provides federal, provincial and municipal policing to the province through 53 detachments and more than 1,500 employees. The Nova Scotia RCMP is committed to reducing the number of serious injuries and fatalities on our roadways, and making our roads some of the safest in Canada.

EAST HANTS RCMP

East Hants RCMP District falls under Northeast Nova. Enfield Detachment is located at 136 Highway 2, Enfield, NS, & 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 the municipalities of Halifax, Colchester, & West Hants as well as Indian Brook First Nations Community.

East Hants District RCMP 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 this community one of the safest in Canada. The East Hants Police Advisory Board provides input and feedback to Council on service delivery and policing priorities. The Board receives an update from East Hants RCMP once each quarter on initiatives and statistics.

East Hants District RCMP provides numerous policing services including General Investigation, Traffic Enforcement, Crime Prevention, School Liaison and a Street Crime Enforcement Unit. When required, a variety of specialized services have been leveraged including Major Crime, Forensic Identification, Police Dog Services, Criminal Analysis, Proceeds of Crime, Tactical Troop, Underwater Recovery, and ERT.



During various initiatives, a number of volunteer groups have been utilized including Ground Search and Rescue, East Hants Crime Prevention Association and Citizens on Patrol. East Hants RCMP's focus has continued to reflect the provincial goals of road safety, crime reduction and cybercrime.

Road Safety - With the goal of keeping our roadways safe, East Hants RCMP members continue to focus on the causal factors of fatal and serious injuries from motor vehicle collisions including impaired driving, lack of safety restraints (seatbelts and car seats), speeding/aggressive driving, and driver inattention/distraction. East Hants RCMP officers are patrolling roadways in an effort to reduce the incidents of serious injury and fatal collisions through education, public announcements and enforcement.

Crime Reduction - The Nova Scotia RCMP takes a strategic, proactive approach to reducing crime. The focus for 2018/2019 has been a 10% increase in crime prevention initiatives and providing additional training and education for East Hants RCMP members.

Cybercrime - Cybercrime offences occur when technology is used as an instrument in the commission of a crime. With the rapid evolution of technology, many investigations involve some sort of device; be it a smartphone, laptop or desktop computer. This technology is constantly changing and as such police must constantly enhance their ability to prevent and investigate cybercrime. Due to the specialized nature of these investigations, when required, East Hants investigators often get assistance from the RCMP Divisional

Technological Crime Unit (Tech Crime) because of their specialized techniques and expertise.

East Hants RCMP members continue to increase their investigative skills in line with evolving technological trends as well as educating the public to ensure they do not become a victim of a cybercrime. East Hants RCMP continue to deliver regular presentations to students, parents, community groups, and the general public, educating them as to the dangers and safeguards of using technology.

Council's investment in RCMP services for 2018/2019 included RCMP policing costs and the cost to subsidize the rent to the RCMP for the Rawdon detachment and the satellite community policing office in Mount Uniacke.

Annual Policing Costs	Amount (\$)
RCMP Officer Costs	3,388,915
RCMP DNA Case Expenses	13,803
RCMP Prosecution Expenses	16,300
RCMP Shared Services	230,737
RCMP Station (net of rent) Rawdon/Mt Uniacke	29,436
Total	3,679,191



EMERGENCY MANAGEMENT OPERATIONS

East Hants Emergency Management Operations (EMO) is overseen by the EMO Planning Committee.

The Committee, made up of representatives from the Municipality, Red Cross, the Fire Service, RCMP, Community Services, Chignecto Central Regional Centre for Education (CCRCE), Transportation and Infrastructure Renewal, Ground Search & Rescue (GSAR), Lands & Forestry & EMO Nova Scotia, met 3 times in 2018/2019.

- In May 2018, East Hants representatives participated in a table top exercise titled “Exercise Building Collapse” where various municipal & provincial staff were able to test the functionality of the new Emergency Management Plan. This exercise also included members of the Fire Service and RCMP.
- A Flood Contingency Plan was developed in 2018/2019 and is under review by the EMO Planning Committee.

- Training staff to be prepared for using the Incident Command System (ICS) continues to remain key to East Hants’ ability to respond to an emergency when it arises. In 2018/2019, several staff members who hold positions in the municipal Emergency Coordination Centre (ECC) received training in their respective roles in the event of an emergency.



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 struggling to pay their property tax bills. Several millions of dollars is disbursed yearly to the provincial government as a mandatory 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 offering municipal-type services to the community allows the Municipality to build on the key

strategies of Infrastructure Renewal, Strong Community and Economic Prosperity. These groups include family-based resources, transportation services, animal control services, sports and recreational programming and facility groups, senior resources and tourism associations.

In 2018/2019, \$1,325,015 in grants were awarded to various groups. This amount includes tax exemptions for non-profit groups and the Municipal Tax Assistance Program but excludes the fire department levies.

Below is a table summarizing the grants by grant type. A complete list of grant recipients and the purpose for which money was granted can be seen on page 69.

Grant Fund	Amount
Annual Maintenance Grants for Municipally owned properties	\$ 15,000
Annual Staffing Grant for Municipally owned and/or leased Tourism Properties	6,000
Beautification Grants	16,274
Charitable Community Organization Tax Exemptions (Bylaw F-400)	732,408
Community Grants	33,000
Community Partnership Grant	56,000
District Recreation Funds	196,919
Dr. JT Snow Bursary	3,000
EMO Grant	22,627
Fire Department Annual Operating Grant	56,532
Gas Tax Grants	5,885
General Government Grant	26,156
Heritage Incentive Program	8,000
Insurance for Municipally owned and/or leased Tourism Properties	1,162
Municipal Tax Assistance Program	96,139
Tourism Grants	49,914
Total	\$ 1,325,015

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 \$732,408 in 2018/2019.

	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Bylaw F-400 Exemptions	\$732,408	\$762,747	\$785,415	\$803,313	\$775,750

2018/2019 Exemptions

Organization	Exemption (\$)	Organization	Exemption (\$)
Anglican Church	1,125	Minasville Community Centre	1,347
C W Saunders Lodge Hall 125	1,691	Nine Mile River & District Volunteer Fire Department	371
Community Hall Noel	543	Northern Hants Benevolent	3,320
Community Hall Kennetcook	1,772	Rainbow Community Club Hall	3,790
Community Hall Upper Rawdon	2,847	Rawdon Hills Centre Association	3,544
Corridor Community Options	14,856	Shubenacadie Community Development Association	2
East Gore Community Club	3,142	Shubenacadie Hall & Grounds	4,656
East Hants Arena Association (Sportsplex)	402,972	Stanley & Mosherville Hall Association	859
East Hants Historical Society	32	Stanley Sport Aviation Association	1,969
East Noel Community Club	726	Tennecape Community Club	1,143
East Walton Community Hall	1,070	The CHArt Society	4,596
Enfield & District Lion's Club Association	1,739	Tot's Academy Child Care Society	15,290
Four Points Community Centre	2,918	Trustees Clarksville	392
Gore District Volunteer Fire Department	2,819	Trustees Of N M R Community Hall	3,531
Hall Foresters Maitland	1,112	Trustees Of The Hardwood Land	3,591
Lantz Recreation Society	3,252	Municipality of East Hants leased to E.H. Horne School Preservation Society	6,094
Landar Holdings Ltd	4,282	Municipality of East Hants leased to Enfield Earthkeepers	2,224
Hall Northfield	365	Municipality of East Hants (Maitland Development Association)	53

Hants North Baseball Association	1,768	Uniacke Lodge No 128 A F & A M	2,346
Hants North Medical Association	3,393	Upper Nine Mile River Hall Association	3,062
Maitland & District Development Association	1,224	Water Utility East Hants	206,694
Milford Recreation Association	9,886		
			\$732,408

In addition to the amounts in the table above, 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 2018/2019, \$96,139 of exemptions were provided to 57 families and 270 residents living alone in their home. Details on this program can be found on our website.

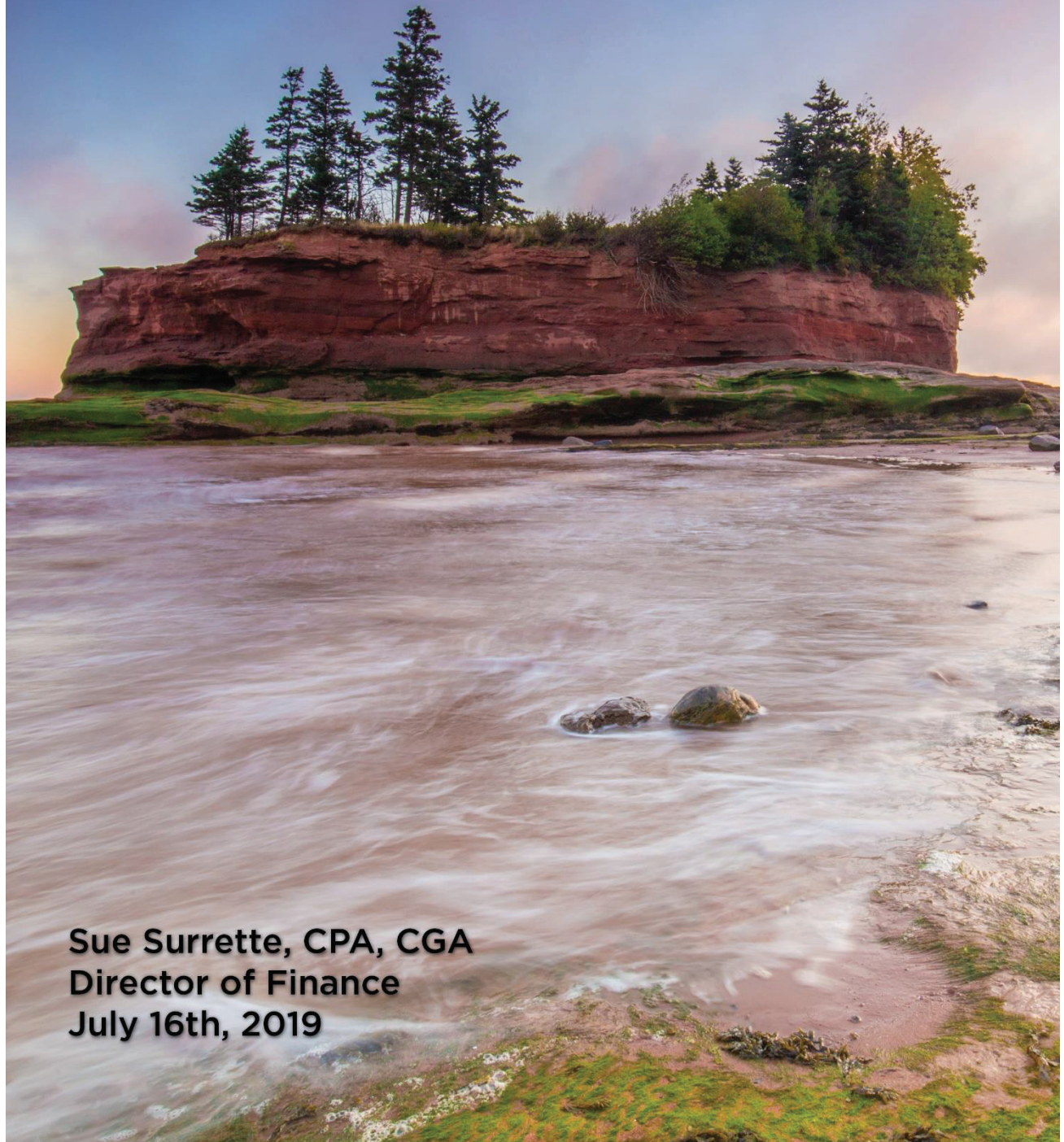
	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Exemptions Awarded	\$96,139	\$96,169	\$95,482	\$97,461	\$101,637
# of Families	57	58	67	74	71
# of Single Residents	270	272	262	267	300

CONTRIBUTIONS TO PROVINCIAL SERVICES

East Hants is required by provincial regulation to collect for Provincial Services in our tax rate. These mandatory provincial contributions represent approximately 20% of East Hants' annual general operating expenditures. In 2018/2019, the budgeted contributions to provincial services made up \$0.3250 cents of the \$0.8607 general tax rate (38%).

Municipal Contribution to:	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Education	\$5,152,788	\$4,953,756	\$4,861,500	\$4,641,048	\$4,459,860
Social Services	\$65,550	\$59,788	\$63,130	\$61,121	\$71,747
Corrections	\$289,216	\$286,763	\$285,881	\$284,519	\$284,009
Regional Library	\$141,986	\$141,986	\$141,986	\$141,986	\$141,986
Property Valuation Services Corporation (PVSC)	\$392,071	\$385,009	\$383,622	\$382,798	\$380,086
TOTAL	\$6,041,611	\$5,827,302	\$5,736,119	\$5,511,472	\$5,337,688

TREASURER'S REPORT



Sue Surette, CPA, CGA
Director of Finance
July 16th, 2019

MESSAGE FROM THE TREASURER



I am pleased to present the East Hants Treasurer's Report and audited consolidated financial statements for the year ending March 31, 2019.

The financial cycle for 2018/2019 began in October 2017 with the development of the operating and capital budgets. During business planning, staff endeavored to find efficiencies and cost savings wherever possible while ensuring an effective level of service and sustainable programs are delivered for the residents, business owners and visitors of East Hants. The general operating budget for 2018/2019, including area rates, was approved by Council at approximately \$30.5 million.

East Hants has a strong property assessment base and is fortunate to have a Council that is cognizant of the total tax burden of their taxpayers. With a property assessment cap increase of only 0.9%, Council approved a 0.22 cent tax increase in 2018/2019. With the increased assessment and the slight increase in the tax rate, there was minimal change in the general residential tax burden for homes.

Council has invested \$8.4 million in our own infrastructure, primarily in the water meter conversion project and construction of the new East Hants Aquatic Centre. The Aquatic Centre is the largest capital project in East Hants history; the project has a budget of \$19 million and an anticipated opening in December 2019.

This report includes an assessment of the provincial Financial Condition Indicators. The indicators present a general picture of the Municipality's financial condition and indicate the strengths, trends and risk areas where municipalities should focus. The data is a year behind other data in this report as it is compiled at the provincial level and released the following year. East Hants is very pleased with the results of the indicators for 2017/2018.

Consolidated financial statements are not always intuitive for the reader. The Financial Results section of this report aims to explain the variances from budget to actual, including various planned and unplanned transfers to reserve. These will be explained at the consolidated level (all funds together) as well as by General Tax, Urban Service Rate (the largest area rate), Water Utility operations and Reserves.

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 in our financial statements to support the statements and provide clarification to the reader.

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, especially during my transition to Treasurer over the past year.

A handwritten signature in blue ink that reads "Surrette".

Sue Surrette, CPA, CGA
Director of Finance

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 2018 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 8.2% 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. One of Council's key strategies is economic prosperity; all departments are involved in economic prosperity in one sense or another, which is reflected in the interconnections of the goals within the 2017-2020 Strategic Plan. The goal of the Municipality is to create a strong commercial and residential tax assessment base that supports the economic well-being of the community.

With assessments capped at a 0.9% increase for 2018, 74% of the residential assessment increase was related to an increase in market value of existing properties, including 143 new dwellings and renovations of others.

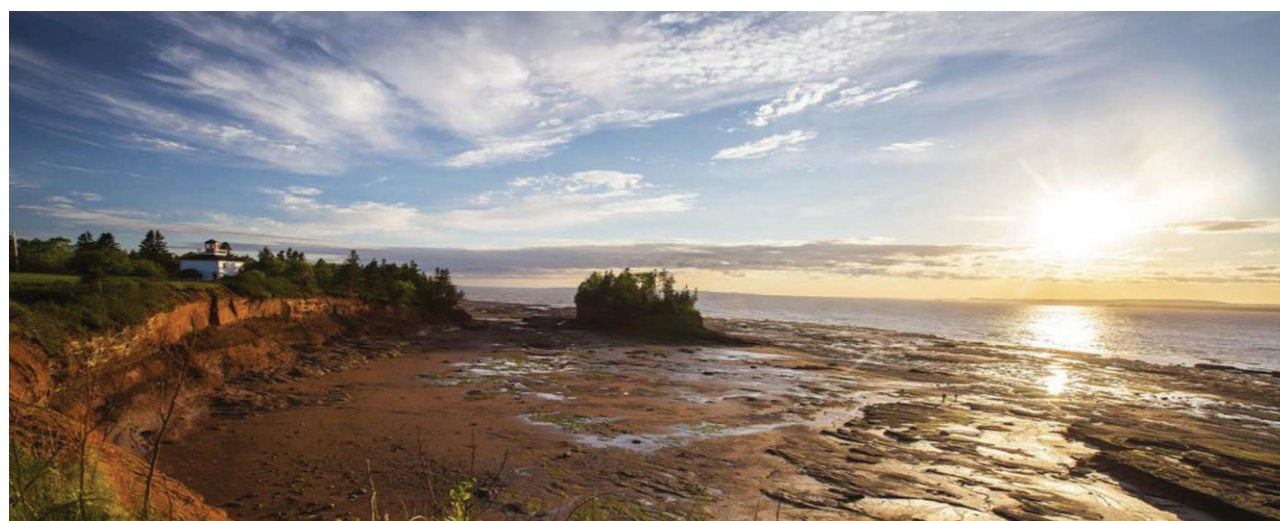
	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Number of Taxable Properties	14,725	14,650	14,520	14,502	14,194
Residential Assessment (000's)	1,546,932	1,506,291	1,450,694	1,420,417	1,357,200
Resource Assessment (000's)	49,318	47,893	48,163	46,467	44,686
Commercial Assessment (000's)	142,296	139,168	135,046	137,043	129,223
Residential/Commercial Split	91.8%/8.2%	91.8%/8.2%	91.7%/8.3%	91.5%/8.5%	91.6%/8.4%
Exempt Assessment (Assessment Act) (000's)	96,803	96,598	95,536	93,695	94,392
Exempt by Municipal Bylaw (000's)	28,195	29,135	29,427	29,461	29,000
Farm Acreage	36,842	36,720	37,442	37,288	37,463
Forest Acreage < 50,000 Acres	172,151	171,575	172,599	172,313	174,566
Forest Acreage > 50,000 Acres	56,157	56,085	56,092	56,283	57,673
Uniform Assessment (000's)	1,690,548	1,625,246	1,594,980	1,522,654	1,463,209

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 2018/2019, including area rates, was approved by Council at approximately \$30.5 million.

The individual rates for 2018/2019 compared to 2017/2018 were as follows (rates per \$100 of assessment):

	2018/2019	2017/2018
General tax rate - Residential/Resource	\$0.8607	\$0.8585
General tax rate - Commercial/Business Occupancy	2.6100	2.6600
Urban service rate (Enfield, Elmsdale, Lantz) - Residential	0.0900	0.1230
Urban service rate (Milford) - Residential	0.3100	0.3200
Urban service rate (Shubenacadie) - Residential	0.3100	0.3430
Urban service rate (Enfield, Elmsdale, Lantz) - Commercial	0.7600	0.8140
Urban service rate (Milford) - Commercial	1.2100	1.2300
Urban service rate (Shubenacadie) - Commercial	0.8600	0.9140
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>)	8.00	7.00



The following table summarizes five years of property tax information. This data demonstrates the stability of the East Hants tax structure. Variations in the tax rate reflect changing needs from year to year to provide sustainable services within the Municipality.



	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Property Tax Rates (per/\$100 of Assessment)					
Residential/Resource Rate	\$0.8607	\$0.8585	\$0.8704	\$0.8573	\$0.8706
Percentage Change	0.26%	-1.37%	1.53%	-1.53%	0.00%
Commercial Rate	\$2.61	\$2.66	\$2.71	\$ 2.70	\$2.70
Tax Revenue					
Residential/Resource	\$13,716,064	\$13,317,502	\$13,044,789	\$12,550,967	\$12,183,321
Commercial	\$3,706,311	\$3,698,025	\$3,648,582	\$3,662,959	\$3,452,664
Other (GIL, Farm, Forest)	\$360,320	\$356,664	\$367,765	\$364,141	\$354,800
Uncollected Taxes (per FCI)	4.0%	3.9%	4.0%	3.9%	3.8%
Deed Transfer Tax Revenue	\$1,597,967	\$1,275,822	\$1,297,861	\$1,190,500	\$1,329,663

Assessment CAP Program	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
Assessment Differential due to CAP Program Residential/Resource (000's)	\$191,000	\$203,000	\$221,000	\$223,000	\$245,000
Tax Rate Differential Due to CAP Program	\$0.09	\$0.10	\$0.11	\$0.11	\$0.13
Restated Rate without CAP	\$0.7707	\$0.7585	\$0.7604	\$0.7473	\$0.7406

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 2014, 2015, 2016, 2017 and 2018, assessments were capped at 0.9%, 2.1%, 0.3%, 1.4% and 0.9% respectively; this has had a profound effect on the distribution of tax burden in East Hants.

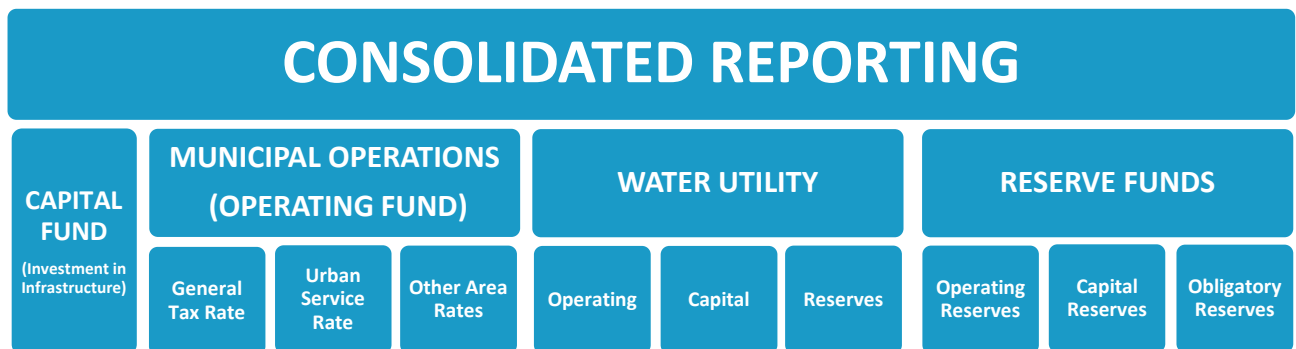
The table on the previous page shows the amount of assessment that is no longer taxable and the effect these changes have had on the residential tax rate in East Hants. The differential in the tax rate indicates the amount by which the tax rate could have been reduced had the CAP not been in place. This rate differential means that even though a homeowner 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 homeowners 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.



FINANCIAL RESULTS 2018/2019

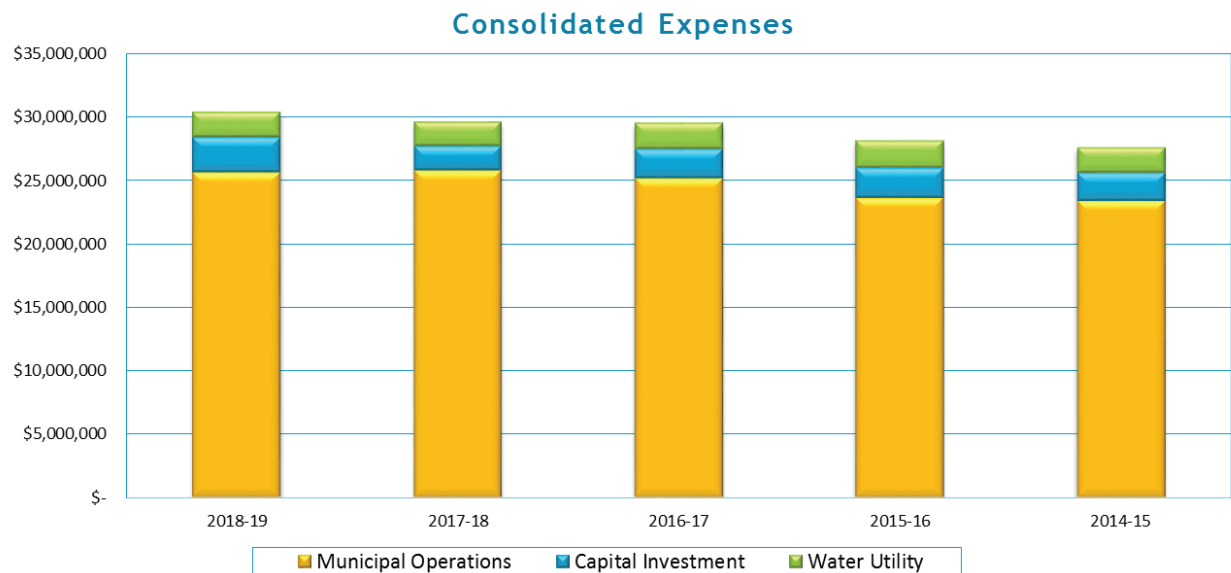
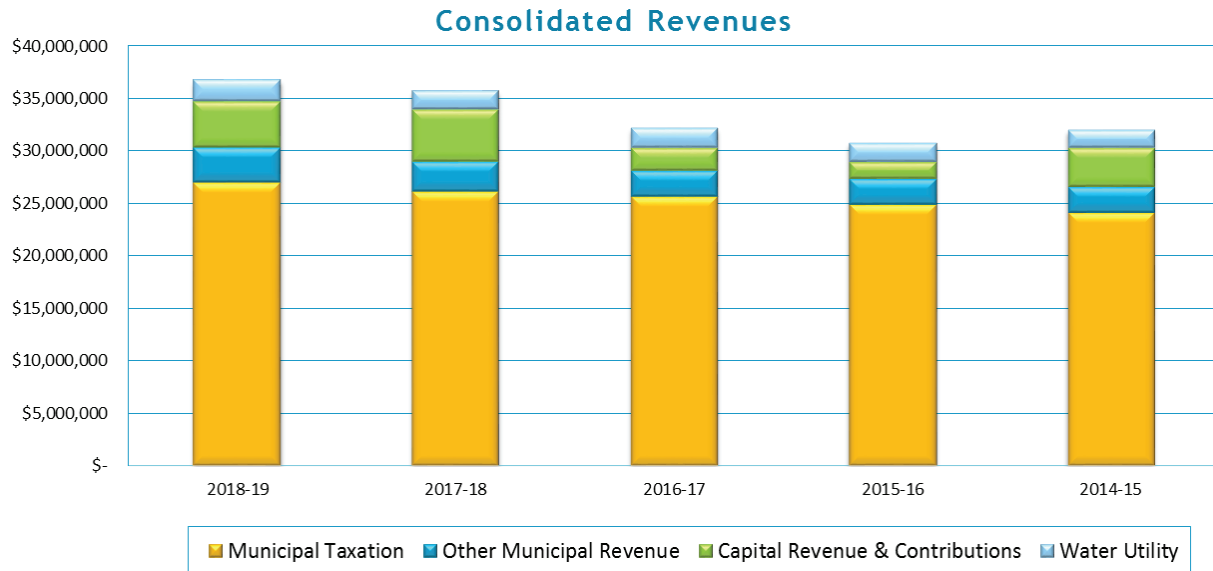
The Municipality of East Hants' Annual Report serves as an opportunity to communicate to stakeholders, residents and local businesses regarding the Municipality's 2018/2019 financial and operational performance.

The 2018/2019 financial results have been prepared on a consolidated basis and by General Tax, Urban Service Rate and Water Utility operations and reserves. This report explains the variance from budget to actual for each of these areas. Also outlined is the status of the three municipal reserve funds. The Capital Fund holds our investment in infrastructure discussed in this report under *Investing in our Infrastructure*. Our financial reporting structure is depicted below:



CONSOLIDATED REVENUES AND EXPENSES

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



Comparative Statement of Consolidated Revenues and Expenses

The following is a comparative summary of revenues by type and expenditures by function for fiscal 2018/2019. The financial statements include a detailed Consolidated Schedule of Operations by Function (Page 106 & 107) 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		Actual to Actual
	2019		2019		2018		Variance	Variance	
Taxation	\$ 26,841	76%	\$ 27,096	74%	\$ 26,283	74%	\$ 255	\$ 813	
Sale of Services	1,029	3%	1,185	3%	1,063	3%	156	122	
Other Revenue from Own Sources	870	2%	1,436	4%	1,183.60	3%	566	252	
Government Grants - Operating	514	1%	534	1%	373	1%	20	161	
Water Utility	2,029	6%	2,085	6%	1,850	5%	56	235	
Revenue before Other	31,283		32,336		30,753		1,053	1,583	
Government Grants - Capital	2,926	8%	2,903	8%	3,626	10%	(23)	(723)	
Development & Other Contributions	1,464	4%	1,540	4%	1,374	4%	76	166	
	4,390		4,443		5,000		53	(557)	
Total Revenue	\$ 35,673		\$ 36,779		\$ 35,753		\$ 1,106	\$ 1,026	
CONSOLIDATED EXPENSES									
General Government	\$ 6,180	19%	\$ 5,940	20%	\$ 5,440	18%	\$ (240)	\$ 500	
Protective Services	7,186	23%	7,111	23%	7,345	24%	(75)	(234)	
Transportation	2,136	7%	2,060	7%	1,987	7%	(76)	73	
Environmental Health Services	4,745	15%	4,612	15%	4,483	15%	(133)	129	
Environmental Development	1,699	5%	1,434	5%	1,442	5%	(265)	(8)	
Education & Social Services	5,218	17%	5,218	17%	5,013	17%	-	205	
Recreation and Cultural Services	2,038	7%	2,004	7%	1,946	7%	(34)	58	
Water Utility	2,142	7%	1,971	6%	2,005	7%	(171)	(34)	
Total Expenses	\$ 31,344		\$ 30,350		\$ 29,661		\$ (994)	\$ 689	
SURPLUS	\$ 4,329		\$ 6,429		\$ 6,092		\$ 2,100	\$ 337	

Description	Amount
Variations from Budget to Actual - Consolidated Surplus	
General tax rate variance as per the general operations section (See Page 53-56)	\$ 813,894
Urban service tax rate variance as per urban service rate section (See Page 57 & 58)	68,821
Transfers (see Page 77)	783,271
Net gain on the sale/disposal of Municipal assets	93,186
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report)	(368,882)
Landfill liability adjustment based on PSAB requirements	46,353
Non-Urban Streetlights, variance to budgeted surplus	12,663
Water utility variance as per the water utility section (See Page 59 & 60)	236,451
Interest earned on capital reserves	473,752
Principal payments general fund - local improvement John Murray Drive (Provincial)	(12,600)
Principal payments general fund - Lantz fire department recoverable	(17,300)
Net Variance from Budget to Actual	2,129,609
Original planned surplus (see Page 81)	4,300,131
Net Surplus end of Year	\$ 6,429,740

INVESTING IN OUR INFRASTRUCTURE (Capital Fund)

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	2018/2019	2017/2018	2016/2017	2015/2016	2014/2015
General Government (Municipal Administration, Buildings, Information Systems, Legislative, Human Resource systems)	\$ 44,669	\$ 70,100	\$ 16,171	\$ 184,640	\$ 825,882
Transportation (Roads, Sidewalks, LED Streetlights)	64,936	20,916	13,826	159,178	185,713
Environmental Development (Economic Development, Industrial Parks, Tourism, Community Development)	191,409	36,178	66,910	1,135,995	49,997
Environmental Health (Wastewater, Waste Management, Environmental Stewardship)	643,437	51,257	133,187	215,311	710,775
Recreation & Cultural Services (Recreational Facilities, Parks, Libraries, Cultural Buildings)	6,388,910	927,567	1,667,935	443,053	-
Water Utility (Infrastructure and Equipment related to Water Treatment & Distribution)	1,102,398	4,387,539	210,208	275,202	275,781
TOTAL	\$ 8,435,759	\$ 5,493,557	\$ 2,108,237	\$ 2,413,379	\$ 2,048,148



Infrastructure Highlights: Completed Projects in 2018/2019

Water Meter Replacement Project

The East Hants Water Utility upgraded all meters to radio read technology. This provides efficiencies in both reading meters and capturing customer data. This project was included in the water rate review and approved by the Nova Scotia Utility and Review Board (NSUARB).

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Depreciation Reserves	\$ 1,068,720	\$ 1,063,561	\$ 830	\$ 1,064,391
Total	\$ 1,068,720	\$ 1,063,561	\$ 830	\$ 1,064,391



Mount Uniacke Streetlights

The Mount Uniacke area received 40 new safety streetlights with funding coming from Federal Gas Tax.

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Gas Tax Funding	\$ 51,600	\$ 41,256	\$ -	\$ 41,256
Total	\$ 51,600	\$ 41,256	\$ -	\$ 41,256

Waste Management Centre Loader Replacement

The loader is one of the most important pieces of equipment at the Waste Management Centre. The replacement includes new technology that tracks fleet information.

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Special Reserves	\$ 150,000	\$ 217,021	\$ -	\$ 217,021
Trade-in Value	\$ 100,000	\$ -	\$ -	\$ -
Total	\$ 250,000	\$ 217,021	\$ -	\$ 217,021

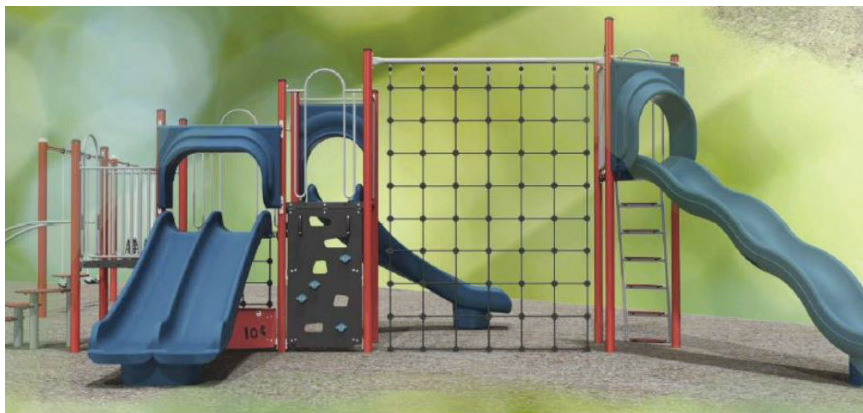
Playgrounds/Parks

The Playgrounds/Parks Projects includes upgrades to five different playgrounds/parks in East Hants over the next five years; with the planned completion of the Memorial Playground in Mount Uniacke with upgrades and replacement of the playground structure and the addition of a picnic shelter in Elmwood Park in 2019/2020. The following projects were completed in 2018/2019:



- Logan Drive, Lantz - play structure with slides & a picnic shelter
- South Uniacke Road Playground
- School Road Picnic Shelter

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Gas Tax Funding	\$ 110,000	\$ 96,000	\$ -	\$ 96,000
Capital out of Revenue	\$ 43,000	\$ 8,894	\$ -	\$ 8,894
Obligatory Reserves	\$ 22,000	\$ -	\$ -	\$ -
Provincial Funding	\$ -	\$ 59,000	\$ 1,386	\$ 60,386
Special Reserves	\$ -	\$ 8,100	\$ -	\$ 8,100
Community Donation	\$ -	\$ 9,000	\$ -	\$ 9,000
Debt	\$ 345,000	\$ -	\$ -	\$ -
Total	\$ 520,000	\$ 180,994	\$ 1,386	\$ 182,380



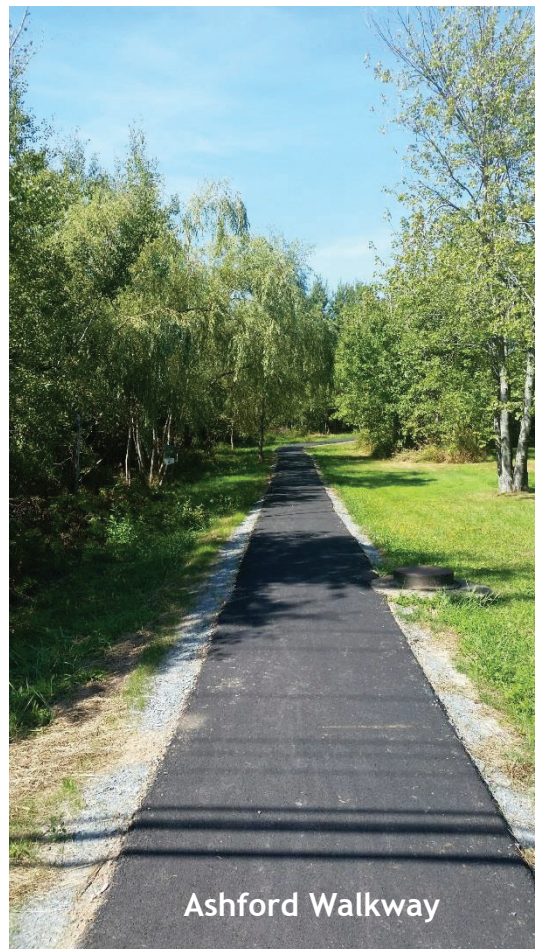
South
Uniacke
Road
Playground



Active Transportation Route

The Parks, Open Space and Active Transportation Master Plan was created after consultation with the public and addresses our community’s needs and desires, future demographic changes and emerging trends in recreation. It directs land use, community design and development in a manner consistent with the interests and needs of the community. Two trails were constructed this year: the Elmwood and Ashford Walkways.

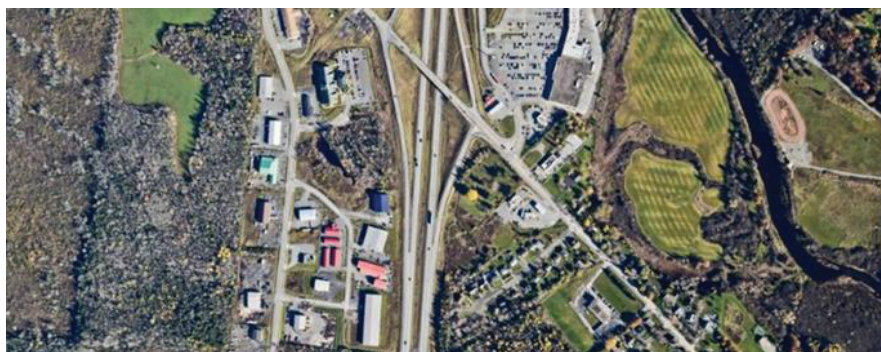
Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Capital out of Revenue	\$ 27,000	\$ 26,814	\$ -	\$ 26,814
Provincial Funding	\$ -	\$ 5,000	\$ -	\$ 5,000
Federal Funding	\$ -	\$ 20,000	\$ -	\$ 20,000
Debt	\$ 1,300,000	\$ -	\$ -	\$ -
Total	\$ 1,327,000	\$ 51,814	\$ -	\$ 51,814



Infrastructure Highlights: Work-in-Progress Projects in 2018/2019

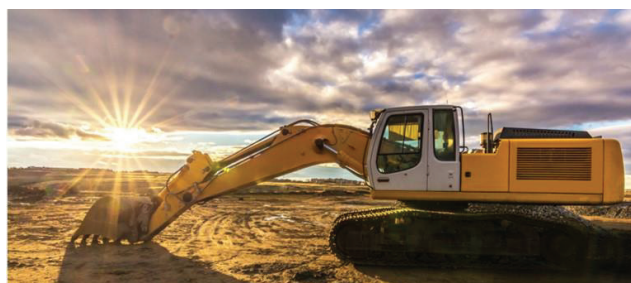
Elmsdale Business Park Expansion

The expansion of the Elmsdale Business Park includes the construction of approximately 600 metres of new road and the creation of 19 additional lots in the Business Park.



Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Special Reserves	\$ 210,000	\$ 68,049	\$ -	\$ 68,049
Debt	\$ 2,000,000	\$ -	\$ -	\$ -
Total	\$ 2,210,000	\$ 68,049	\$ -	\$ 68,049

Uniacke South Phase Development



The expansion of the Uniacke Business Park is underway and will create new commercial lots to facilitate economic growth and prosperity in our communities. The expansion is a 45 acre development of commercial and industrial land, aimed at attracting growing and expanding businesses, locally and regionally, in Atlantic Canada. Phase One of the development, which is currently under construction, is over 18 acres and will add 21 new lots to the Business Park.

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Debt	\$ 1,029,000	\$ -	\$ -	\$ -
Temporary Financing	\$ -	\$ 60,393	\$ -	\$ 60,393
Total	\$ 1,029,000	\$ 60,393	\$ -	\$ 60,393

East Hants Aquatic Centre

The new Aquatic Centre will be a modern facility that offers recreational services to people of all ages. The Centre will make East Hants a more attractive place for people to live, work and play. The new facility will include a six-lane, 25-metre lap pool, an accessible leisure spray pool, a lazy river and other components such as an outdoor splash pad, a slide and a multi-purpose room. Once completed, with an expected opening in December 2019, the centre will provide residents from across the region with increased options for year-round aquatic programming and recreational activities.



Once completed, with an expected opening in December 2019, the centre will provide residents from across the region with increased options for year-round aquatic programming and recreational activities.

Project Funding	Total Budget	Actual Expenditures		
		2018/2019	Prior Years	Total
Federal Funding	\$ 5,821,282	\$ 1,705,861	\$ 11,902	\$ 1,717,763
Capital out of Revenue	\$ 19,710	\$ -	\$ 42,532	\$ 42,532
Special Reserves	\$ 3,113,872	\$ -	\$ 1,452,944	\$ 1,452,944
Debt	\$ 10,045,136	\$ 4,310,316	\$ -	\$ 4,310,316
Total	\$ 19,000,000	\$ 6,016,177	\$ 1,507,378	\$ 7,523,555



MUNICIPAL OPERATIONS (Operating Fund)

The **Schedule of Current Fund Operations** (Page 97) 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.

Subsequent to various transfers to reserve and funding adjustments (see General Tax Rate section below), the General Operations surplus was recorded at \$274,290 for 2018/2019 and transferred to the Operating Contingency Reserve. The full 2018/2019 surplus of \$387,479 can be broken down as follows:

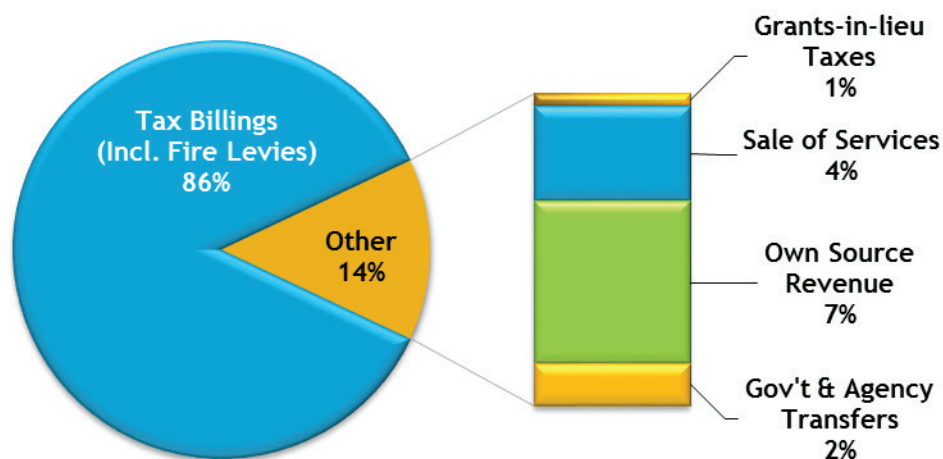


General Operations	\$	274,290
Urban Service Rates		89,059
Other Lights		24,130
Total	\$	387,479

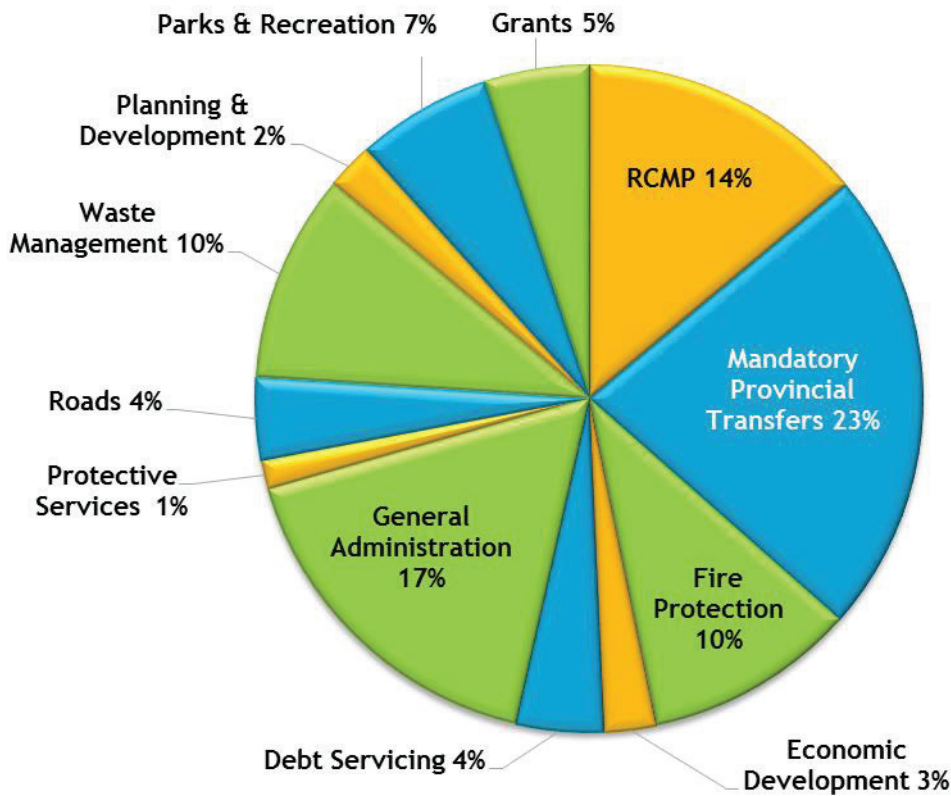
General Tax Rate

The following pie charts represent the general tax rate revenues and expenses for the Municipality for 2018/2019 (excluding transfers to reserve, amortization expense, pension accounting and landfill closure entries):

2018/2019 General Operations Revenues



2018/2019 General Operations Expenditures



The total General Operations budget for 2018/2019 was set at \$27.6 million. The table below reflects a positive variance of \$813,894 (2.95% of budget), prior to the unplanned transfers to and from reserves. The significant variances in general operations revenue and expenses from budget to actual are outlined and discussed in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUE	
Deed Transfer Tax	\$ (297,967)
Tipping fee & RRFB Diversion Credit revenue	(194,800)
Interest on investments & receivables net of bank fees	(80,936)
Bell Grant/NS Power/HST Offset	(39,192)
Pool Program revenue	(27,379)
Scrap metal - favourable current prices on the global trading markets	(25,101)
Fines	(13,265)
Tax Certificates	(3,642)
Net taxes, including planned amount for assessment appeals of \$45,000	(1,486)
LEMC Tenant Revenue Net of rent expense	7,990

Description	Amount
Provincial Grants	12,152
Building permits	12,245
Transfers from other governments - primarily REN funding	14,843
Administration fees	44,406
Variance from budget to actual - revenue	\$ (592,132)
INCREASES / (DECREASES) IN EXPENSES	
Wages & Honorariums - savings due to various staff vacancies	\$ (307,660)
Training education & associated travel	(39,774)
Tax exemptions	(37,503)
Promotion and advertising (CAO \$10k, Tourism \$11.9k, EBD \$8.5K, Finance \$4k)	(34,492)
Power, heating fuel and water (primarily LEMC savings in power)	(32,583)
Various operational items -primarily for community events and programming	(28,743)
Printing costs	(25,164)
Miscellaneous Items (includes postage, office supplies, publications & operational materials)	(22,173)
Conference registration and travel	(19,605)
RCMP costs	(14,347)
Snow removal	(12,664)
Savings in uncollectible accounts receivable	(11,695)
Computer Hardware, Software, & Support	(11,467)
Business development	(11,152)
Vehicle maintenance and fuel (fuel savings \$4k)	(8,552)
Provincial mandated costs (Corrections, Education, Provincial Housing)	(1,511)
Municipal Grants	3,893
Mechanical maintenance at Milford pool (\$25k) offset by savings for building repairs	6,298
Small equipment (includes purchases and rentals)	26,003
Solid Waste Processing, Transporting and Collection (primarily due to increased tonnage)	26,890
Professional Fees - primarily Burntcoat park planning/design & former Elmsdale school assessment	60,047
Aquatic Centre Debenture interest	65,035
Legal Fees related to secondment, rezoning, Burntcoat Park and General Services	209,157
Variance from budget to actual - expense	\$ (221,762)
Variance from budget to actual surplus	(813,894)
Decrease in transfer from operations for capital purposes - parks & trails	(29,457)
Decrease in planned transfer to reserve for Aquatic Centre	(321)
Adjustment to local improvement loan revenue to offset local improvement debt	(4,425)
Original planned deficit	6,683
Net surplus end of year	\$ (841,414)

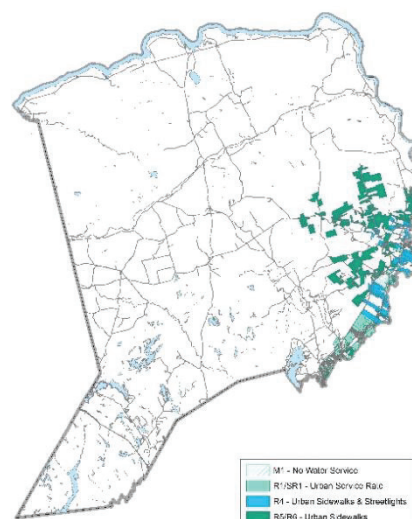
Description	Amount
Surplus transferred as follows:	
Admin - Renovations LEMC	\$ (34,030)
Admin - Roof at EH Horne School	(1,000)
CAO - Legal Fees for secondment	(15,000)
EBD - Mt. Uniacke Commercial Land Sale Signs	(14,000)
PRC - Burntcoat Head Park Conceptual Design	(21,243)
Transfer to reserves surplus	(274,290)
Transfer to reserves surplus for Waste Management future debt	(183,884)
Transfer to East Hants Aquatic Centre future debt	(297,967)
Total	\$ (841,414)



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 Councillors. The rate covers all urban services (streetlights, wastewater, hydrants and sidewalks) with the exception of some sub-urban streetlights.

The total USR operating budget for 2018/2019 was set at \$2.8 million. The final surplus was \$89,059, which was transferred to the Contingency Reserve. The significant variances from budget for the Urban Service Rate are outlined and discussed in the following table:



Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Federal grant in lieu	\$ 1,054
Sewer hook-up & usage revenue, net of reserves transfer	1,529
Irving Oil servicing agreement	2,498
Urban service rate tax levies primarily related to Wastewater Management Fee	29,982
Variance from budget to actual - revenue	\$ 35,063
INCREASES / (DECREASES) IN EXPENSES	
Wages & benefits - savings related to vacant Mgr. Water/Wastewater and Engineer positions	\$ (33,183)
Plant Maintenance for wastewater properties	(29,517)
Computer & admin support - overall costs savings for administration, finance and IT support	(21,812)
Operational materials - primarily savings in chemicals	(12,849)
Other general operations -primarily from savings in allsystems	(13,680)
Snow removal for wastewater properties	(16,731)
Manhole & asphalt repairs for wastewater properties	23,888
Variance from budget to actual - expense	\$ (103,884)
Variance from budget to actual (surplus)	(68,821)
Decrease in transfer from Operations for Public Works truck	(20,309)
Original planned deficit	71
Net Surplus transferred to USR Contingency at end of Year	\$ (89,059)

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, 2019, for the USR systems:

For Capital Purposes:	Amount
Sewer	\$ 49,457
Storm Water	2,531
Total	\$ 51,988

For Operating Purposes:	Amount
Sidewalks	\$ 330,939
Sewer	276,525
Contingency	1,786,574
Total	\$ 2,394,038

Council has approved a plan to reduce debt payments in the Urban Service Rate by setting aside \$130,000 in the sidewalk operating reserves to fund future sidewalk debt payments.



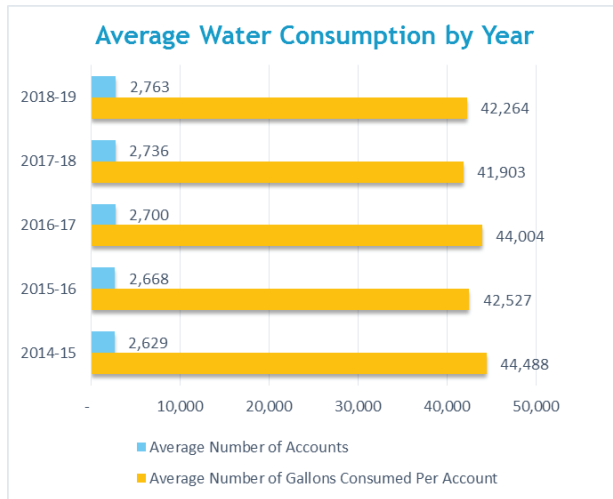


The East Hants Water Utility (EHWU) serves 2,789 customers in the communities of Shubenacadie, Lantz, Elmsdale and Enfield. The Utility also operates a bulk water station in Enfield that serves water haulers and residents throughout the region. The Municipality is accountable to the Nova Scotia Utility and Review Board (NSUARB) for all matters relating to water utility accounting and rate setting. East Hants received approval from the UARB to increase rates effective July 1, 2017, with additional rate increases in April 1st, 2018 and April 1st, 2019.

At March 31, 2019, the Utility showed an accumulated fund balance of \$1,244,367. Operating results for 2018/2019 reflect a positive change in fund balance (operating surplus) of \$281,392. This surplus is explained in the following table:

Description	Amount
(INCREASES) / DECREASES IN REVENUES	
Bulk water revenue increase from dry summer and increase in rate at Bulk Water Station	\$ (41,739)
Miscellaneous - Increase in water meter connections, installations and disconnections	(3,535)
Interest and penalty revenue	(2,364)
Water billing revenue - Decrease in base charge offset by increase in water consumption	676
Variance from budget to actual - revenue	\$ (46,962)
INCREASES / (DECREASES) IN EXPENSES	
Wages & benefits - savings related to vacant Mgr. Water/Wastewater and Engineer positions	\$ (62,102)
Equipment & Property and Grounds Maintenance - Reduced operational work due to vacant positions	(41,433)
Other operating costs	(23,712)
Computer & admin support - overall costs savings for administration, finance and IT support	(20,321)
Snow removal	(20,103)
Professional fees - primarily savings in lab testing, monitoring wells, and contracts	(16,157)
Amortization - delay in completion of EHWU Capital Projects	(6,178)
Savings in Vehicle Expenses - primarily in fuel & maintenance	(2,344)
Operational materials - primarily increase in chemicals	2,860
Variance from budget to actual - expense	\$ (189,490)

Description	Amount
Variance from budget to actual (surplus)	(236,452)
Increase in transfer from Operations for Public Works truck	(7,735)
Original planned (surplus)	(37,205)
Net Surplus end of Year	\$ (281,392)

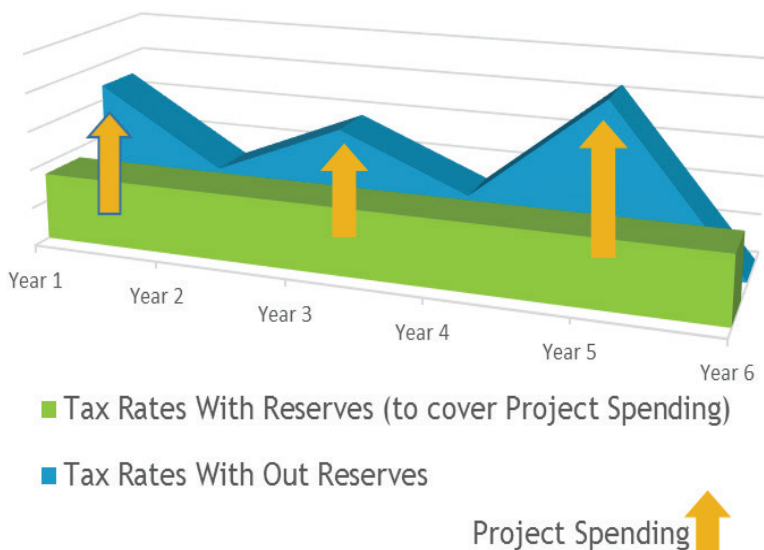


RESERVES

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 80); Obligatory reserves are reported in the liabilities section of the Statement of Financial Position (Page 80).

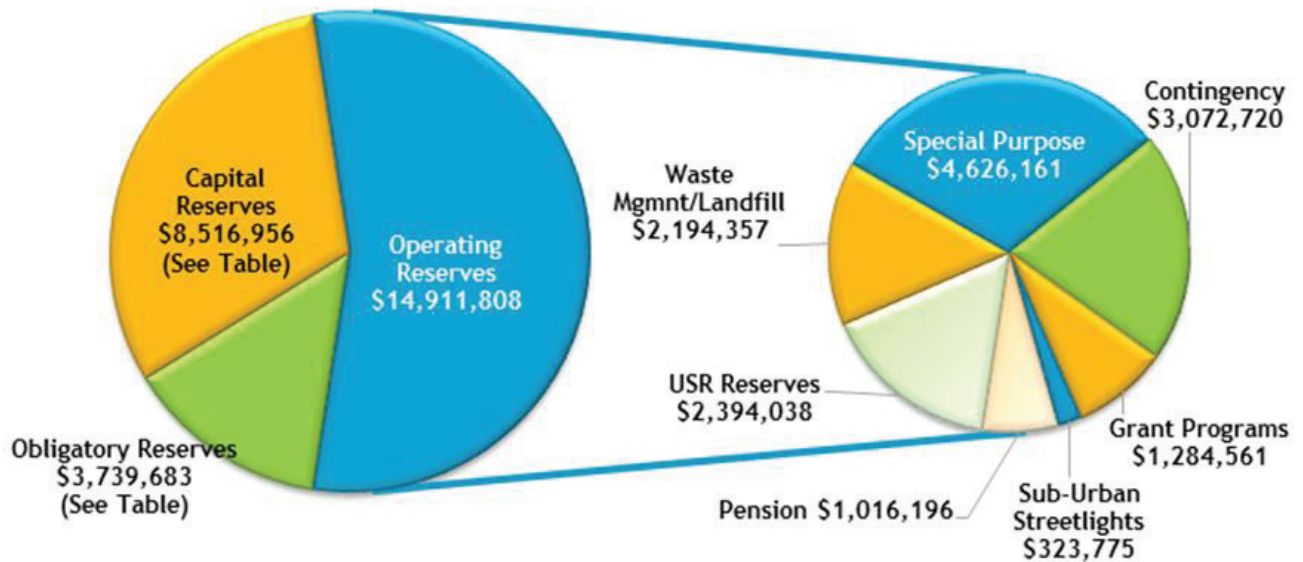


Reserves are key to the financial success of the Municipality and Council's ability to respond to the needs of East Hants residents and future development. Council needs to balance the desire to keep the tax burden as low as possible with the need for healthy reserve balances to ensure financial stability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

The Municipality has approximately \$27 million in operating and capital reserves. Of this amount, \$8.5 million is set aside for capital work and \$14.9 million is being held in operating reserves. The Municipality of East Hants also has \$3.7 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 103, Schedule of Reserve Operations. The following graph summarizes the funds:

2018/2019 Reserves Held for Future Use - \$27M

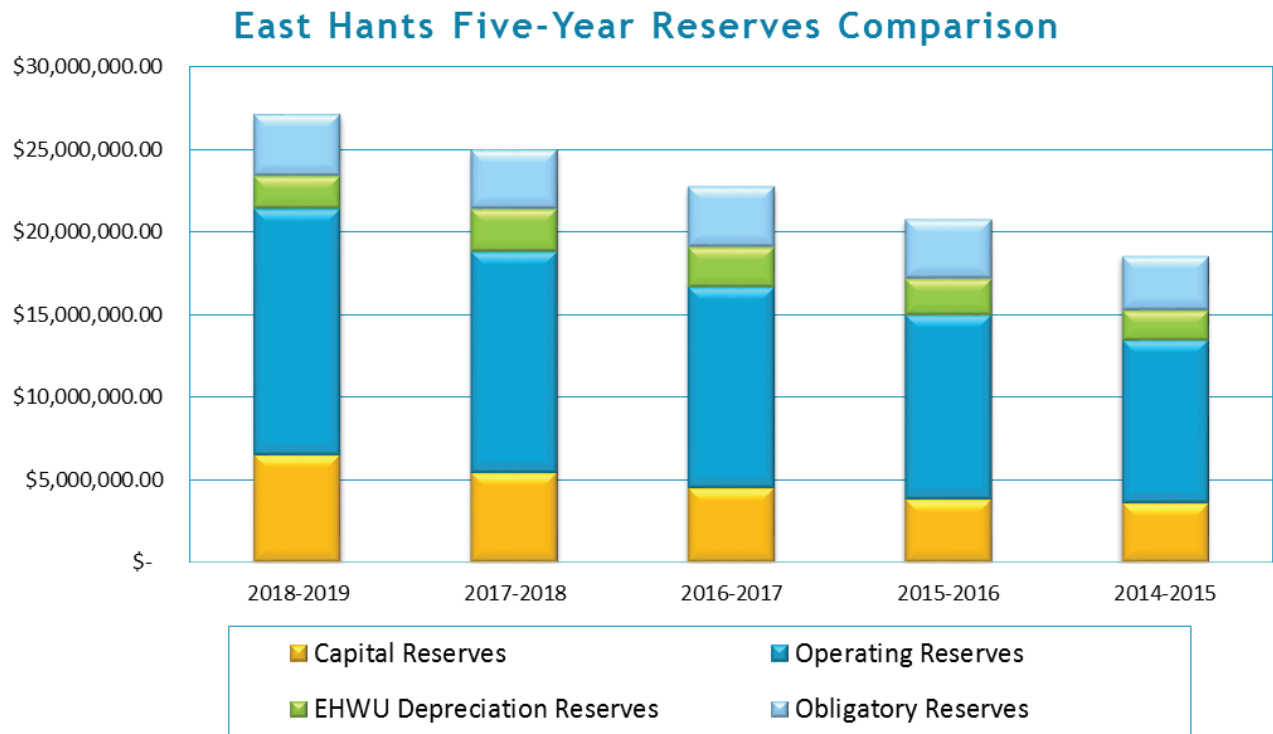


Capital Reserves	Amount	Obligatory Reserves	Amount
Water System Infrastructure	\$ 2,035,826	Sewer Infrastructure	\$ 2,644,953
USR Capital Reserves	51,988	Water Infrastructure	1,021,309
Industrial Park Expenditures	1,256,169	Green Space	73,421
Gas Tax Funding	3,121,859		
Landfill Site Post Closure	182,212		
Other	1,868,320		
Road Paving	581		
Total	\$ 8,516,956		\$ 3,739,683

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

- \$122,389 (\$162,004 in 2017/2018) will be repaid to the operating reserve fund as the residents in Shubenacadie pay off the accumulated deficit of the former Shubenacadie Water Utility.

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



TYPES OF RESERVES



- Special Reserves (monies set aside for a specific purpose, both Capital and Operating)
- Special Reserves (monies set aside for future debt repayment)
- Contingency Reserves (surplus funds set aside for unanticipated expenditures)
- Obligatory Reserves - Infrastructure reserves (trunk sewer and water fees)
- Depreciation Reserves (Water Utility)

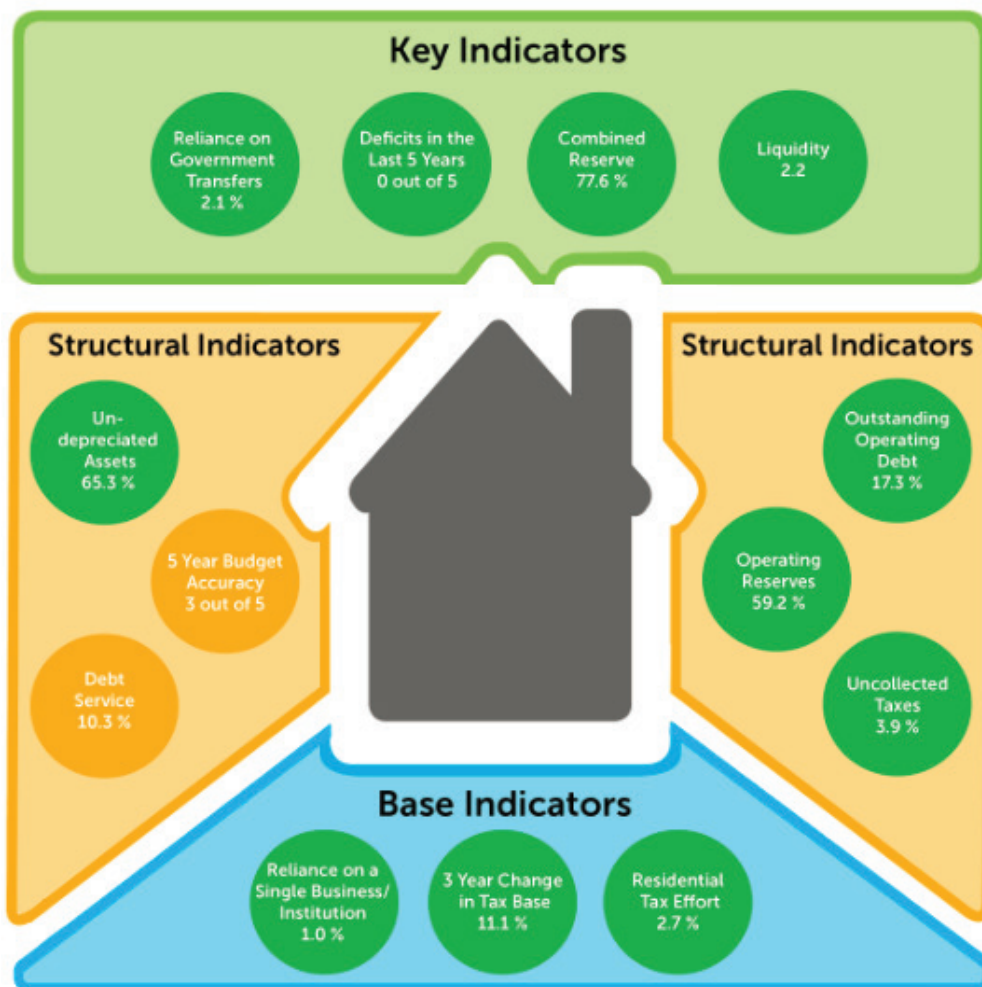
FINANCIAL CONDITION INDICATORS

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 indicators that focus on the municipality's strengths, trends and risk areas.

The index was developed jointly by the Nova Scotia Government, the Union of Nova Scotia Municipalities and the Association of Municipal Administrators. Thresholds are based on jurisdictional scans, literature reviews, and municipal consultations. A **GREEN** circle around the indicator indicates low risk, **YELLOW** indicates moderate risk and **RED** indicators are a predictor of high risk situations (none below).

The Province of Nova Scotia provided a five-year comparison of the Financial Condition Indicators for all municipalities in the province in May 2019. East Hants' results (below) were very favourable.

The information in this report has been calculated using East Hants data for 2016/2017 and 2017/2018, with the recommended thresholds being 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 2018/2019 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 on the East Hants website: easthants.ca/government/municipal-departments/finance-administration/financial-condition-index/



Key Indicators

	2017/2018	2016/2017	Recommended Threshold
Reliance on Government Transfers	2.1%	2.2%	Below 15%
Deficits in the Last 5 Years	0/5	0/5	0/5
Combined Reserve	77.6%	69.2%	Above 40%
Liquidity	2.2	2.2	Above 1.5

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% per year of the \$30 million budget. This represents a low percentage of funding from government grants. The Municipality of East Hants does not receive any Equalization funding from the Province.

Deficits in the Last 5 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. East Hants incurred surpluses for this period and is therefore assessed at a low risk.

Combined Reserve (%)

The Municipality of East Hants sets aside funds each year for reserves in order to plan ahead and ensure large capital investments and operating expenditures can be met without an increased tax burden for residents. This indicator measures East Hants' combined reserve (includes operating, capital and water reserves) as a percentage of total operating and amortization costs. At 77.6% in 2017/2018, East Hants is above the target (40%) and has limited its future risk by maintaining a healthy reserve balance.

Liquidity (#)

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.).



Structural Indicators

	2017/2018	2016/2017	Recommended Threshold
Undepreciated Assets	65.3%	67.8%	Above 50%
Five Year Budget Accuracy	3/5	2/5	0/5
Debt Service	10.3%	9.9%	Below 10%
Outstanding Operating Debt	17.3%	18.6%	Below 25%
Operating Reserves	59.2%	55.0%	Above 20%
Uncollected Taxes	3.9%	4.0%	Below 10%

Undepreciated Assets (%)

The Municipality's significant investment in infrastructure over the past few years has resulted in a higher % for this indicator. New infrastructure has a higher book value and a greater remaining useful life than older infrastructure. Normal depreciation will decrease this percentage each year without significant additions to capital infrastructure, which has been the case in 2017/2018. It is expected that this percentage will increase when the East Hants Aquatic Centre (approximately \$19 million) is capitalized next year.

Five Year Budget Accuracy (#)

The Municipality of East Hants Budgeted Accuracy indicator, as calculated, appears to be assessed at medium risk. There are several factors at play when calculating 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 indicator;
- The budget is prepared with a set percentage for Pension & Health Benefits - any remaining monies at year end are 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 transfer in from reserve 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).

East Hants Council has strong budget management policies and practices. Council is engaged throughout the budget process and has strong reserves in place to fund operating and capital projects as they arise. This indicator does not always take these reserve management practices into account. All significant variances to budget are reported to the public in the annual Treasurer's Report.

Debt Service (%)

The indicators around debt can be slightly misleading for a rural municipality investing heavily in urban infrastructure. The 2016/2017 investment of \$280,000 for the Burntcoat Head Park Project resulted in higher debt payments in 2017/2018. Council approved a \$19 million aquatic facility of which close to \$815,000 was spent in 2017/2018 on design, planning and pre-inspection. These investments lead to a higher than normal (compared to other rural units) Debt Service.

Outstanding Operating Debt (%)

This indicator is calculated by measuring East Hants' annual borrowing amount (debt) as compared to its borrowing limit, which is 50% of the combination of taxes levied and transfers from government. At 17.3%, East Hants is comfortably below the threshold limit of 25%.

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.

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 both 2016/2017 and 2017/2018 due to the efficient collection of taxes.



Base Indicators

	2017/2018	2016/2017	Recommended Threshold
Reliance on a Single Business or Institution	1.0%	1.0%	Below 10%
Three Year Change in Tax Base	11.1%	14.4%	3% or Above
Residential Tax Effort	2.7%	2.6%	Below 4%

Reliance on a Single Business or Institution (%)

The ratio for reliance on a single business is low due to the variation of industry represented in East Hants, large amount of farm and forest lands, and significant residential assessment. This indicator is favourable for East Hants for both 2016/2017 and 2017/2018.

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 at a greater rate than inflation.

Residential Tax Effort (%)

The ratio for both the 2016/2017 and 2017/2018 years meets the threshold set by the Province. East Hants tax effort for both 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 household income is higher than the rural median household income (\$72,898 vs. \$57,294), the higher tax burden from services results in a higher percentage for this indicator.



MUNICIPAL GRANT PROGRAM - Investing in Our Community

The Municipal Grant Program supports several non-profit community groups in the delivery of their programs and services. The following table expands on the overall grant information in the Investing in Our Community section of the Annual Report (see Page 35). For those interested, the details of all grants issued by Council in 2018/2019 are:

Recipient	Cost Covered	Amount
Annual Maintenance Grants for Municipally Owned Properties:		
East Hants Museum Society (Tin Smith Shop)	2018/2019 Annual Maintenance at Tin Smith Shop	\$ 11,000
Walton Area Development Association	2018/2019 Annual Maintenance at Walton Lighthouse	4,000
Sub-Total		\$ 15,000

Annual Staffing Grants for Municipally Owned and/or Leased Tourism Properties:		
East Hants Museum Society	2018/2019 Staffing Grant	\$ 3,000
Walton Area Development Association	2018/2019 Staffing Grant	3,000
Sub-Total		\$ 6,000

Beautification Grant:		
Admiral Rock Memorial Assoc.	Chimney for hall and carpet repair	\$ 300
Beth Ouellette	Flowers for flower boxes	129
Centre Rawdon Community Hall	Mowing and planting maintenance	300
Centre Rawdon United Church Cemetery Fund	Mowing	200
Curwin Chater Memorial Account	Flag pole kit, trees shrubs drill rental	395
Driftclimbers Snowmobile Club	Landscaping around new community sign	300
East Hants Historical Society	Maintenance to flower beds & cemetery	300
Elmsdale Beautification Society	Flags, flower baskets (maintenance)	2,000
Enfield in Bloom	Wreaths, flowers	4,000
Four Points Recreation	Gardening supplies and paint	300
Hants North Recreation Assoc.	Enhance area by entrance	500
Hardwood Lands Presbyterian Church	Exterior Painting Hardwood Lands Church	1,000
Maitland District Development Association	Outdoor beautification around Gallery 21	300
Maitland Volunteer Fire Department	Lawn mowing for Fire hall	300
Milford Recreation Association	Build wall around pond shelter	700
Milford Station Cemetery Committee	Repair and repave entrance to cemetery	700
Minasville Community Hall	Mowing and grounds upkeep	500
Rawdon 2 Way 4H Club	Mowing and transplants for Rawdon Fire Hall	250
Rawdon Vol. Fire Department	Landscaping alongside fire hall	500
Shubenacadie Hall & Grounds Society	Lawn mowing and cleaning	500
Shubie Hay Days Society	Street banners	1,500
St Paul's Cemetery	Mowing and upkeep of cemetery	1,000
The CHArt Society	Planters and replace broken pole hangers	300
Sub-Total		\$ 16,274

Recipient	Cost Covered	Amount
Charitable Organization Tax Exemptions:		
Anglican Church	2018/2019 Taxes Bylaw F-400	\$ 1,125
C W Saunders Lodge Hall 125	2018/2019 Taxes Bylaw F-400	1,691
Community Hall Kennetcook	2018/2019 Taxes Bylaw F-400	1,772
Community Hall Noel	2018/2019 Taxes Bylaw F-400	543
Community Hall Upper Rawdon	2018/2019 Taxes Bylaw F-400	2,847
Corridor Community Options	2018/2019 Taxes Bylaw F-400	14,856
East Gore Community Club	2018/2019 Taxes Bylaw F-400	3,142
East Hants Arena Association (Sportsplex)	2018/2019 Taxes Bylaw F-400	402,972
East Hants Historical Society	2018/2019 Taxes Bylaw F-400	32
East Noel Community Club	2018/2019 Taxes Bylaw F-400	726
East Walton Community Hall	2018/2019 Taxes Bylaw F-400	1,070
Enfield & District Lion's Club Association	2018/2019 Taxes Bylaw F-400	1,739
Four Points Community Centre	2018/2019 Taxes Bylaw F-400	2,918
Gore District Volunteer Fire Department	2018/2019 Taxes Bylaw F-400	2,819
Hall Foresters Maitland	2018/2019 Taxes Bylaw F-400	1,112
Hall Northfield	2018/2019 Taxes Bylaw F-400	365
Hants North Baseball Association	2018/2019 Taxes Bylaw F-400	1,768
Hants North Medical Association	2018/2019 Taxes Bylaw F-400	3,393
Landar Holdings Ltd	2018/2019 Taxes Bylaw F-400	4,282
Lantz Recreation Society	2018/2019 Taxes Bylaw F-400	3,252
Maitland & District Development Association	2018/2019 Taxes Bylaw F-400	1,224
Milford Recreation Association	2018/2019 Taxes Bylaw F-400	9,886
Minasville Community Centre	2018/2019 Taxes Bylaw F-400	1,347
Municipality of East Hants (Maitland Development Association)	2018/2019 Taxes Bylaw F-400	53
Municipality of East Hants leased to E.H. Horne School Preservation Society	2018/2019 Taxes Bylaw F-400	6,089
Municipality of East Hants leased to Enfield Earthkeepers	2018/2019 Taxes Bylaw F-400	2,224
Nine Mile River & District Volunteer Fire Department	2018/2019 Taxes Bylaw F-400	371
Northern Hants Benevolent	2018/2019 Taxes Bylaw F-400	3,320
Rainbow Community Club Hall	2018/2019 Taxes Bylaw F-400	3,790
Rawdon Hills Health Centre Association	2018/2019 Taxes Bylaw F-400	3,544
Shubenacadie Community Development Association	2018/2019 Taxes Bylaw F-400	2
Shubenacadie Hall & Grounds	2018/2019 Taxes Bylaw F-400	4,656
Stanley & Mosherville Hall Association	2018/2019 Taxes Bylaw F-400	859
Stanley Sport Aviation Association	2018/2019 Taxes Bylaw F-400	1,969
Tennecape Community Club	2018/2019 Taxes Bylaw F-400	1,143
The CHART Society	2018/2019 Taxes Bylaw F-400	4,596
Tot's Academy Child Care Society	2018/2019 Taxes Bylaw F-400	15,290
Trustees Clarksville	2018/2019 Taxes Bylaw F-400	392
Trustees Of N M R Community Hall	2018/2019 Taxes Bylaw F-400	3,531

Recipient	Cost Covered	Amount
Trustees Of The Hardwood Land	2018/2019 Taxes Bylaw F-400	3,591
Uniacke Lodge No 128 A F & A M	2018/2019 Taxes Bylaw F-400	2,346
Upper Nine Mile River Hall Association	2018/2019 Taxes Bylaw F-400	3,062
Water Utility East Hants	2018/2019 Taxes Bylaw F-400	206,694
Sub-Total		\$ 732,408

Community Grants:		
1 st Uniacke Scouting	Annual Community Tree lighting	\$ 127
Alec Priddle	Travel to Las Vegas for Patu Presidents Cup, Taekwondo	100
CEH Public Library Elmsdale	Equipment to expand Lego Program	920
CHArt Society	Insurance	1,500
Cobequid 4H Club	Regional Woodsman Competition	250
Cobequid 4H Club	Saw for Woodsman Competition	1,000
Cole Vroegh	Attend Royal Winter Fair with Hants 4 -H	100
Corridor Challenger Baseball	Uniforms	1,000
Corridor Challenger Baseball 1	Year-end celebration	250
Corridor Community Church	Garden supplies & Equipment	1,500
Corridor Minor Baseball Assoc.	Balls	1,000
East Hants Jr B Penguins	Travel to JR B Atlantic Championships - 9 players eligible	225
East Hants Minor Hockey	Programming equipment	1,000
East Hants Scotian Hockey Club 1	Travel to tournament in Boston - 11 players eligible	275
East Hants Senior Games	Closing event - Open to all seniors	250
East Hants Swim Team	Coaching Honorarium	1,500
East Hants Tennis Club	Staffing for Tennis lessons	1,500
EH Curling Association	Equipment for curling startup, brooms/sliders	1,000
EH Family Resource Center	Daddy & Me pumpkin carving	188
EH Family Resource Center	Insurance	1,465
EH Horne Preservation Society	75th anniversary picnic	250
EH Museum Society	Marilyn's Fancy Tea event	250
Elmsdale Beautification	Operating expenses	1,500
Enfield Elms District Lion's Club	Insurance	1,500
Ethan MacLellan	NS Youth Selects Baseball U17	100
Hants North Jays	Midget Baseball team travelling to NL for Atlantic	300
HNRH SAC	Grade 8 Class trip to Kejimikujik Park	900
Jonah Priddle	Travel to Las Vegas for Patu Presidents Cup, Taekwondo Do	100
Kids Action Program	Early childhood check in event	250
Lantz Recreation Society	Pool Operating expenses	1,500
Lantz Recreation Society	Fall Fun Fair	250
Lexi Ettinger	Attend Royal Winter Fair with Hants 4 -H	100
MADD East Hants	MADD Tea Party	250
Maitland & District Dev Assoc.	Insurance for Dawson Dowell Park/Wharf, Gallery 215	1,500
Metro Amateur Wrestling Club	Atlantic Wrestling Tournament hosted at REC	250
Milford & District Lions Club	Grounds Maintenance for Lion's park	1,200
Milford Rec Assoc.	Milford Meltdown	250
NMR Trails	Trail maintenance work	1,500
Noel & District Fire Ladies Aux	Teddy Bear Picnic	250
Royal Can Legion Branch 48	Official naming of Veterans Memorial Playground	250
Shubenacadie Comm. Dev Assoc.	Insurance	1,328
Shubenacadie Hay Days	Hay Days event insurance	420
Shubie Hall & Grounds	Insurance	1,500

Recipient	Cost Covered	Amount
Tri County Basketball	Uniforms, equipment, clock	1,000
Uniacke Baptist Church	Vacation Bible Camp program	175
Upper NMR Hall Association	Snow removal	977
Sub-Total		\$ 33,000

Community Partnership Grants:		
East Hants Community Rider	Expansion of services to Hants North and Mount Uniacke	\$ 5,000
East Hants Family Resource Centre	Annual operating grant	10,000
East Hants Sport Heritage Society	Primarily funding the establishment of a website and covering costs of events and annual awards	5,000
Hants County Senior Safety Association	Providing programs that support the well-being, independence, and health and safety of seniors in East Hants.	20,000
Youth Links	Hiring staff to administer programs and obtain insurance	6,000
Sub-Total		\$ 56,000

District Recreation Fund:		
CHArt Society	Grounds maintenance	\$ 518
Corridor Community Church	Community Garden	10,000
Corridor Minor Baseball	Grant	25,750
East Hants Curling Association	Curling rocks and ice making equipment	35,989
East Hants Off Leash Park	Fencing and accessible ramp for dog park	21,825
EH Horne School Preservation Society	Community room and common space upgrades	10,513
Enfield, Elmsdale & District Lions Club	Major Ball field upgrade and repair	19,377
Hants North Baseball Association	Construct a third ball field	7,470
Lantz Recreation Society	Grant	4,976
M&M Recreation	Add Fencing to ball field	2,262
Milford Recreation Association	Batting and Pitching cage, pitching machine	6,993
Rawdon Fire Department	Kitchen upgrade/appliances	17,458
Rawdon Goldmines Hall	Roof replacement including chimney removal	7,538
Shubenacadie Canal Commission	Lock 6 Park Boardwalk	19,023
Shubenacadie Community Development	People's Park restoration Pt 2, Upgrades to McInnis Trail	5,642
Shubenacadie Hall & Grounds	Lawn tractor and chemicals	1,585
Sub-Total		\$ 196,919

Dr. JT Snow Bursary:		
Hants North Rural High School	High school bursary	\$ 1,000
Hants East Rural High School	High school bursary	1,000
Windsor & Area Education Fund Association (Avon View High School)	High school bursary	1,000
Sub-Total		\$ 3,000

EMO Grants:		
East Hants Special Hazards Response Unit	2018/2019 annual operating grant	5,127
Ground Search & Rescue	2018/2019 annual operating grant	\$ 7,500
Walton Shore Volunteer Fire Department	2018/2019 grant to open comfort centre	10,000
Sub-Total		\$ 22,627

Recipient	Cost Covered	Amount
Fire Department Annual Operating Grants:		
Gore Volunteer Fire Department	2018/2019 annual operating grant	\$ 9,422
Kennetcook Volunteer Fire Department	2018/2019 annual operating grant	9,422
Maitland & District Volunteer Fire Department	2018/2019 annual operating grant	9,422
Noel & District Volunteer Fire Department	2018/2019 annual operating grant	9,422
Rawdon District Volunteer Fire Department	2018/2019 annual operating grant	9,422
Walton Volunteer Fire Department	2018/2019 annual operating grant	9,422
Sub-Total		\$ 56,532

Gas Tax Grants:		
Milford Recreation Association	Tennis courts in Milford , signage, work	\$ 5,885
Sub-Total		\$ 5,885

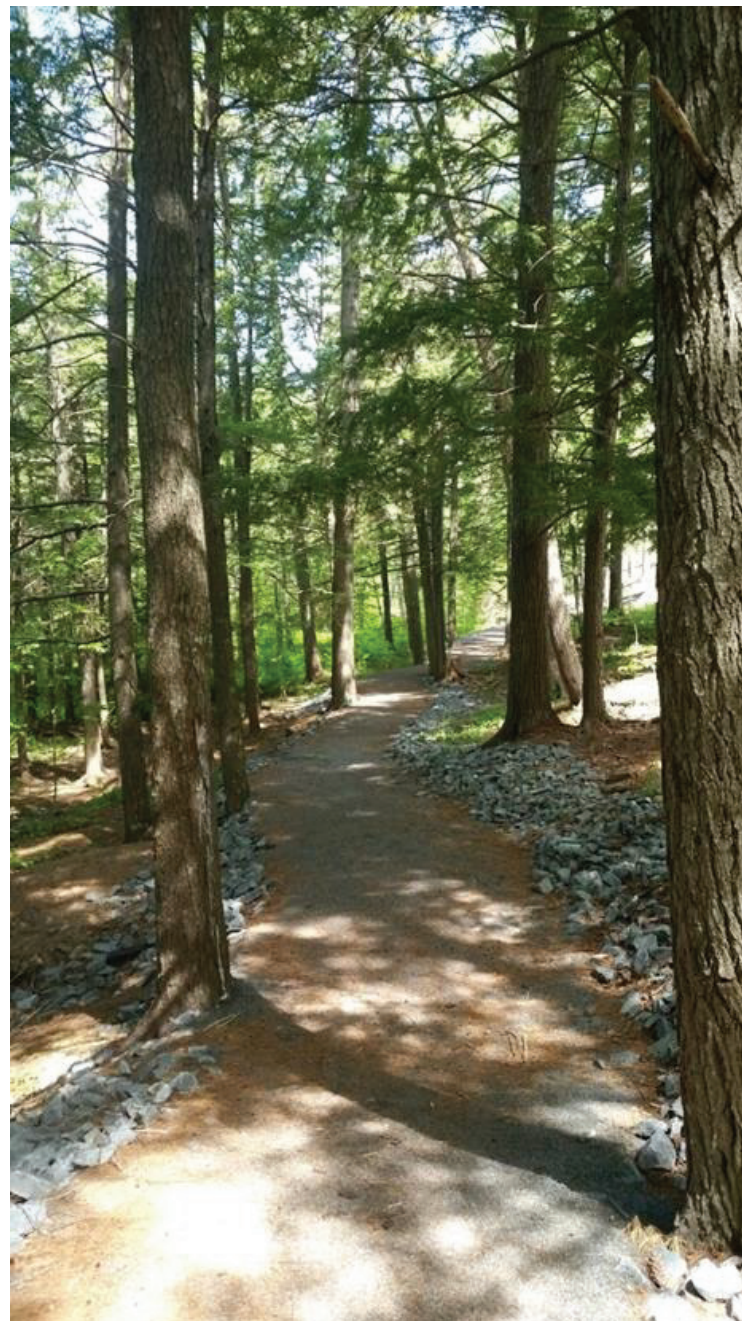
General Government Grants:		
Canadian Red Cross	2018/2019 annual contribution to Canadian Red Cross campaign	\$ 4,423
1 st Tri-Co Pathfinders	Support for August 2019 trip to Europe	2,000
East Hants Historical Society	2018/2019 annual operating grant	14,433
Enfield, Elmsdale & District Lion's Club	Lion's club Enfield playground (Benevity RBC donation)	1,000
Hants County Christmas Angels Society	Support and assist Hants Country families and children at Christmas time.	1,000
Hants County Exhibition	Operating grant for Hants County Exhibition	300
SPCA	2018/2019 annual operating grant	3,000
Sub-Total		\$ 26,156

Heritage Incentive Program:		
Denise Thompson	Re-shingle roof	\$ 2,000
East Hants Historical Society	Professional study	2,000
Holy Trinity Anglican Church	Re-shingle roof	2,000
Maitland District Dev Association	Re-shingle roof	2,000
Sub-Total		\$ 8,000

Insurance Premiums for Municipally Owned and/or Leased Tourism Properties:		
Walton Area Development Association	2018/2019 insurance grant	\$ 1,162
Sub-Total		\$ 1,162

MTAP Program:		
Various	Individual tax assistance based on Municipal Tax Assistance Program Council policy	\$ 96,139
Sub-Total		\$ 96,169

Recipient	Cost Covered	Amount
Tourism Grants:		
CHArt Society	Support operations of the High Tides Arts & Community Centre	\$ 5,000
Come Home East Hants Society	Tide Fest 2018	10,000
East Hants Historical Society	To support operations of the Lower Selma Museum	8,483
Hants North Baseball Association	RED Fund Grant	9,000
Maitland District Development Association	To support operations of Gallery 215 and Dawson Dowell Park, advertising and promotion, and insurance costs	12,431
Rival Boxing Gym	Major Special Event Grant	5,000
Sub-Total		\$ 49,914
Grand Total		\$1,325,015



CONSOLIDATED FINANCIAL STATEMENTS MARCH 31, 2019



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 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, 2019.

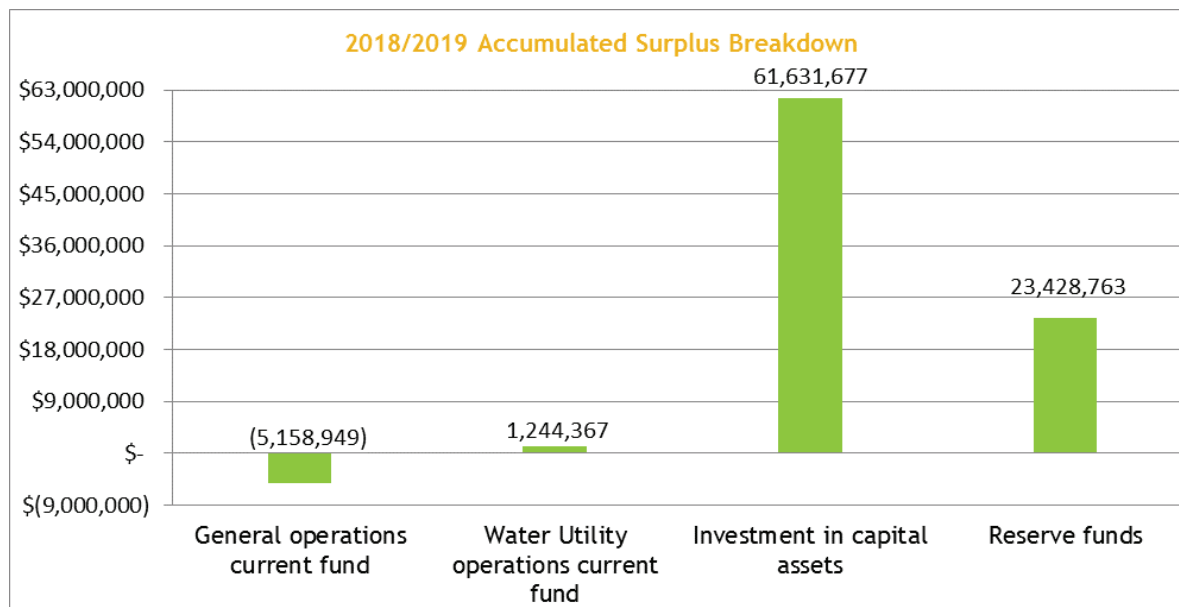
Management is responsible for such internal controls as determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. The Audited Financial Statements are available on the Municipal website at www.easthants.ca.

There are four required PSAS 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 (\$81.1M) 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 \$6,429,740 with a budgeted surplus of \$4,300,131. The variance of \$2,129,609 is accounted for as follows:

Description	Amount
Variance from Budget to Actual - Consolidated Surplus	
General tax rate variance as per the general operations section (Page 53-56)	\$ 813,894
Urban service tax rate variance as per the urban service rate section (Page 57 & 58)	68,821
Transfers (see table below)	783,271
Net gain on the sale/disposal of Municipal assets	93,186
Pension adjustment for the unamortized actuarial loss (Note 10 Financial Report - Page 92)	(368,882)
Landfill liability adjustment based on PSAB requirements	46,353
Non-Urban Streetlights, variance to budgeted surplus	12,663
Water utility variance as per the water utility section (Page 59 & 60)	236,451
Interest earned on capital reserves	473,752
Principal Payments General Fund - Local Improvement - John Murray Drive (Provincial)	(12,600)
Principal Payments General Fund - Lantz Fire Department Recoverable	(17,300)
Net Variance from Budget to Actual	\$ 2,129,609

Council has established policies that require 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 (USR)	\$ 9,721
Pension surplus - Budget pension expense at 10.5% (GTR \$119,581 & USR \$12,184)	131,765
Fire Department - Training	3,570
Professional Fees - as per Council policy, transfer unspent funds to reserve	107,340
Grants - as per Council policy, transfer unspent funds to reserve	60,193
Other variances affecting to (from) reserves (pool maintenance, contracts, snow removal, etc.)	234,436
Projects carried forward to 2019/2020	211,246
Contracts - Roads	25,000
Total Transfers	\$ 783,271

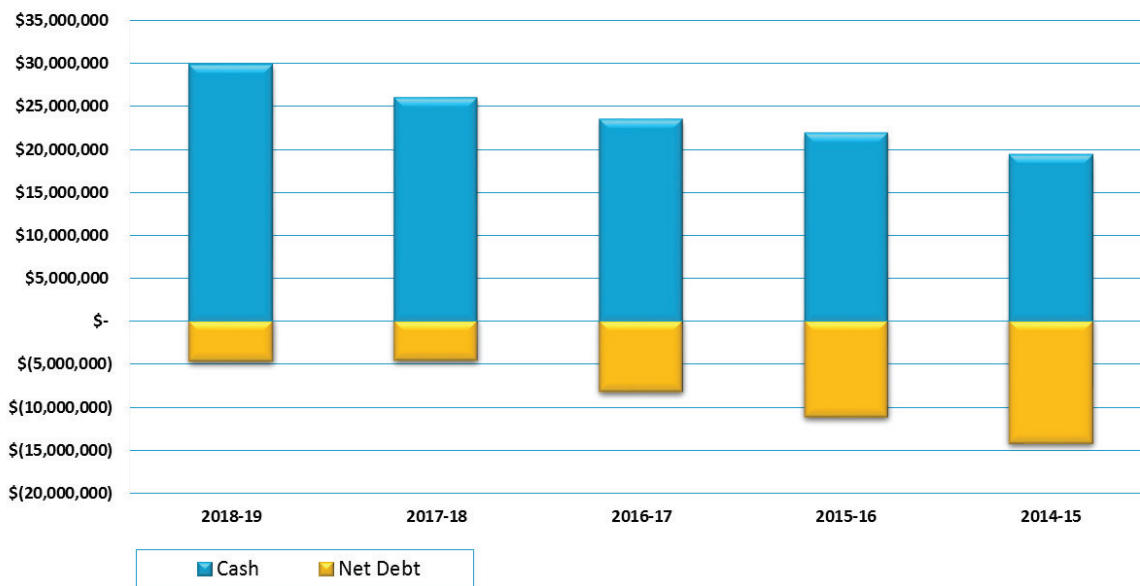
Statement of Changes in Net Debt

The statement is unique to PSAS 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 is continuing to strengthen its financial position by reducing its net debt. Since 2015, East Hants has reduced its net debt by \$9.5 million or 205%.

Statement of Cash Flow

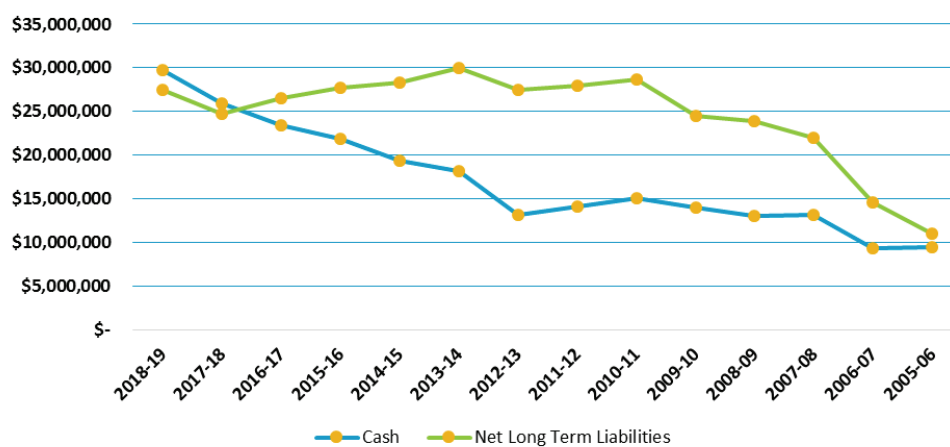
The Statement of Cash Flow reports changes in cash and cash equivalents resulting from operating activity and shows how the Municipality financed its activities during the year and met its cash requirements. East Hants values fiscal responsibility and as such has a reserve program; including reserve balance, as of 2019, the consolidated cash balance is \$29.7 million.

5 Year Cash vs. Net Debt



As of March 31, 2019, East Hants' consolidated cash balance (\$29.7 million) is greater than its total long term liabilities (\$27.5 million). This is the second year in a row that this has occurred (previously had not happened since the 2004/2005 fiscal year) and it reiterates the organization's goal to reduce debt and demonstrate overall fiscal responsibility, as shown in the below graph:

Cash & Net Long Term Liabilities Trend



MARCH 31, 2019 - CONSOLIDATED FINANCIAL STATEMENTS

Municipality of the District of East Hants

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March 31, 2019

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Municipality of the District of East Hants
 Consolidated Statement of Financial Position
 As at March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash (Note 2)	\$ 29,738,900	\$ 25,904,233
Taxes and water rates receivable (Note 3)	2,545,240	2,506,376
Accounts receivable (Note 4)	2,058,042	1,501,240
	<u>34,342,182</u>	<u>29,911,849</u>
LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	3,688,241	2,586,113
Deferred revenue - general	1,650,058	1,554,235
Deferred revenue - obligatory reserve (Note 6)	3,739,683	3,553,916
Employee future benefits (Note 9 & 10)	2,016,663	1,621,969
Tax sale surplus	386,547	337,122
Net Long-term liabilities (Note 8)	27,468,973	24,730,475
	<u>38,950,165</u>	<u>34,383,830</u>
NET DEBT	<u>(4,607,983)</u>	<u>(4,471,981)</u>
NON FINANCIAL ASSETS		
Net tangible capital assets (Note 7)	77,824,552	72,276,659
Work in progress (Note 7)	7,412,413	6,407,201
Inventory and prepaid expenses	516,876	504,239
	<u>85,753,841</u>	<u>79,188,099</u>
ACCUMULATED SURPLUS (Note 12d)	<u>\$ 81,145,858</u>	<u>\$ 74,716,118</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, 2019

	2019 Budget Unaudited (Note 16)	2019 Actual	2018 Actual
Revenues			
Property taxes (Note 13)	\$ 26,662,673	\$ 26,917,549	\$ 26,104,755
Grants in lieu of taxes	178,010	179,054	178,010
Sale of services	1,029,191	1,184,809	1,063,209
Other revenue from own sources	869,558	1,435,914	1,184,595
Unconditional transfers from other governments	186,934	220,626	447,646
Conditional transfers from federal or provincial government	327,920	319,086	163,352
Government grants	2,897,313	2,897,314	3,388,247
Development and other contributions applied	1,463,669	1,457,267	454,178
Water utility	2,029,137	2,074,546	1,850,039
Total Revenues	35,644,405	36,686,165	34,834,031
Expenses			
General government services	6,180,317	5,940,375	4,738,669
Protective services	7,185,580	7,110,328	7,342,670
Education services (Note 13)	5,152,791	5,152,788	4,953,756
Social services (Note 13)	65,550	65,550	59,788
Transportation services	2,136,422	2,059,674	1,987,115
Environmental health services	4,745,353	4,636,760	4,586,177
Environmental development services	1,698,382	1,362,626	1,225,405
Landfill closure/post closure (recovery) costs	-	(46,353)	(56,671)
Recreation and cultural services	2,037,980	2,003,683	1,946,309
Water utility	2,141,899	1,970,994	1,958,470
Total Expenses	31,344,274	30,256,425	28,741,688
Annual Surplus	4,300,131	6,429,740	6,092,343
Accumulated Surplus, Beginning of Year	74,716,118	74,716,118	68,623,775
Accumulated Surplus, End of Year	\$ 79,016,249	\$ 81,145,858	\$ 74,716,118

Municipality of the District of East Hants
 Consolidated Statement of Changes of Net Debt
 Year Ended March 31, 2019

	2019 Budget Unaudited (Note 16)	2019 Actual	2018 Actual
Annual Surplus	\$ 4,300,131	6,429,740	\$ 6,092,343
Tangible Capital Assets and Work-in-Progress			
Acquisition of tangible capital assets	(12,930,404)	(9,494,722)	(5,555,151)
Amortization of tangible capital assets	2,841,802	2,841,802	2,775,511
Net gain on sale of tangible capital assets	(93,186)	(93,186)	(873,237)
Proceeds on sale of tangible capital assets	193,000	193,000	1,343,570
	<u>(9,988,787)</u>	<u>(6,553,105)</u>	<u>(2,309,307)</u>
Other Non-Financial Assets			
Increase in inventory and prepaid expenses	-	(12,637)	(243,865)
Decrease (Increase) in Net Debt	(5,688,656)	(136,002)	3,539,171
Net Debt, Beginning of Year	(4,471,981)	(4,471,981)	(8,011,152)
Net Debt, End of Year	<u>\$ (10,160,637)</u>	<u>(4,607,983)</u>	<u>\$ (4,471,981)</u>

Municipality of the District of East Hants
Consolidated Statement of Cash Flow
Year Ended March 31, 2019

	2019	2018
Operating Transactions		
Annual surplus	\$ 6,429,740	\$ 6,092,343
Add amortization of tangible capital assets	2,841,802	2,775,511
	<u>9,271,543</u>	<u>8,867,854</u>
Changes in Non-Cash Assets and Liabilities		
Increase in accounts receivable	(556,802)	(325,533)
(Increase) decrease in taxes receivable	(38,864)	13,221
Increase in accounts payable and accruals	1,102,128	747,861
Increase (decrease) in tax sale surplus	49,425	(40,234)
Increase (decrease) in deferred revenue	281,590	(100,678)
Increase in employee benefits/other obligations	394,694	357,404
Increase in inventory and prepaid expenses	(12,637)	(243,865)
Net gain on sale of tangible capital assets	(93,186)	(873,237)
	<u>1,126,348</u>	<u>(465,061)</u>
Net Change in Cash From Operations	<u>10,397,890</u>	<u>8,402,793</u>
Financing Transactions		
Long-term liabilities issued	5,000,000	-
Long-term liabilities retired (Note 8c)	(2,261,501)	(1,748,535)
	<u>2,738,499</u>	<u>(1,748,535)</u>
Capital Transactions		
Additions to tangible capital assets	(8,489,510)	(423,923)
Increase in work in progress	(1,005,212)	(5,131,228)
Proceeds on sale of tangible capital assets	193,000	1,343,570
	<u>(9,301,722)</u>	<u>(4,211,581)</u>
Increase in Cash Position	<u>3,834,667</u>	<u>2,442,677</u>
Cash Position, Beginning of Year	<u>25,904,233</u>	<u>23,461,556</u>
Cash Position, End of Year	<u>\$ 29,738,900</u>	<u>\$ 25,904,233</u>

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 Public 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 debt 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 the Province of 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 PSAS Handbook and are recorded at cost less accumulated amortization.

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 Contributions**

Government 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 2019 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) PSAS 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)**

l) **Segmented Information (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 2,789 customer utility that operates two modern water treatment plants and related infrastructure.

2. **Cash**

Cash is comprised of:

	<u>2019</u>	<u>2018</u>
Bank	\$ 26,460,603	\$ 22,870,318
Restricted cash (obligatory reserves)	3,278,297	3,033,915
	<u>\$ 29,738,900</u>	<u>\$ 25,904,233</u>

2. Cash (Continued)

Administered bank accounts

The Municipality administers bank accounts for Lantz, Maitland, Milford, Mount Uniacke, Nine Mile River, Noel, Rawdon, Shubenacadie and Walton 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 Water Rates Receivable

Taxes and water rates receivable have been recorded net of an allowance for doubtful accounts of \$25,267 (2018 - \$28,776), representing management's estimate of uncollectible accounts.

4. Accounts Receivable

The balance for accounts receivable on the consolidated Statement of Financial Position totaled \$2,058,042 (2018 - \$1,501,240). The balance is comprised of the following:

	<u>2019</u>	<u>2018</u>
Amounts owing from government	\$ 904,847	\$ 535,186
Loan to Lantz fire department	235,988	253,671
Local Improvement Loan	94,200	106,800
Other	823,007	605,583
	<u>\$ 2,058,042</u>	<u>\$ 1,501,240</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.

5. Accounts Payable and Accrued Liabilities

	<u>2019</u>	<u>2018</u>
Liability for landfill closure/post closure	\$ 182,212	\$ 228,565
Salaries and wages payable	262,872	224,479
Trade payables and accruals	3,243,157	2,133,069
	<u>\$ 3,688,241</u>	<u>\$ 2,586,113</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2019

6. Deferred Revenue - Obligatory Reserve

	<u>2019</u>	<u>2018</u>
Sewer balance March 31, 2018	\$ 2,636,908	\$ 2,505,722
Sewer developer charges	163,587	99,828
Sewer developer interest	51,431	31,358
Transfer - Capital Projects	(203,375)	-
Transfer - Common Forcemain Easement	(3,598)	-
Sewer balance March 31, 2019	<u>\$ 2,644,953</u>	<u>\$ 2,636,908</u>
Water balance March 31, 2018	\$ 857,117	\$ 1,140,006
Water developer charges	163,587	93,828
Water developer interest	13,069	12,254
Transfer - Lantz & Enfield Easements	(12,464)	(388,971)
Water balance March 31, 2019	<u>\$ 1,021,308</u>	<u>\$ 857,117</u>
Green Space balance March 31, 2018	\$ 59,891	\$ 14,916
Green Space contributions	12,240	44,766
Green Space interest	1,291	209
Green Space balance March 31, 2019	<u>\$ 73,422</u>	<u>\$ 59,891</u>
Sewer Developer Charges	\$ 2,644,953	\$ 2,636,908
Water Developer Charges	1,021,308	857,117
Green Space Contributions	73,422	59,891
	<u>\$ 3,739,683</u>	<u>\$ 3,553,916</u>

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2019

7. Tangible Capital Asset Continuity Schedule

	Infrastructure										2018 TOTAL
	General Capital Assets					Infrastructure					
	Land & Land Improvements	Buildings	Machinery & Equipment	Vehicles	Engineered Structures	Industrial Parks	Water Utilities	Assets in WIP	2019 TOTAL		
Cost											
Opening Costs	\$ 3,939,762	\$ 13,056,690	\$ 2,897,231	\$ 362,927	\$ 57,083,678	\$ 6,332,093	\$ 23,924,750	\$ 6,407,201	\$ 114,004,332	\$ 109,025,552	
Additions during year	1,044,266	-	341,224	32,671	1,397,524	-	5,676,197	6,293,270	14,785,153	5,558,016	
Disposals & Write downs	(92,825)	-	-	(27,961)	-	(2,372)	(96,373)	(5,288,058)	(5,507,589)	(579,236)	
Closing Costs	4,891,203	13,056,690	3,238,455	367,637	58,481,202	6,329,721	29,504,574	7,412,413	123,281,895	114,004,332	
Accumulated Amortization											
Opening Accum. Amortization	41,013	3,919,077	2,250,487	152,278	21,758,276	1,597,455	5,601,886	-	35,320,472	32,650,999	
Amortization in Year	45,799	441,458	192,539	46,249	1,532,957	168,832	413,967	-	2,841,802	2,775,511	
Adj/Disposals - Accum Amort	-	-	-	(20,971)	-	-	(96,373)	-	(17,344)	(106,038)	
Acc Amort - End of Year	86,813	4,360,535	2,443,026	177,557	23,291,233	1,766,287	5,919,480	-	38,044,930	35,320,472	
Net Book Value	\$ 4,804,390	\$ 8,696,155	\$ 795,429	\$ 190,080	\$ 35,189,969	\$ 4,563,434	\$ 23,585,094	\$ 7,412,413	\$ 85,236,965	\$ 78,683,860	

Municipality of the District of East Hants
Notes to the Consolidated Financial Statements
Year Ended March 31, 2019

8. Long-Term Liabilities

a) Of the \$27,468,973 long-term liabilities (2018 - \$24,730,475) certain payments represent a burden on general Municipal Revenues, as they are to be recovered in future years from other sources.

	<u>2019</u>	<u>2018</u>
General revenues	\$ 7,146,643	\$ 2,595,832
Local improvement charges	109,534	148,506
Area rates	7,693,610	8,689,280
Sale of land in Business Parks	2,266,456	2,517,705
Water charges	4,079,960	4,309,122
Tenants rent	5,942,205	6,222,165
Loan to Lantz fire department	230,565	247,865
	<u>\$ 27,468,973</u>	<u>\$ 24,730,475</u>

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

	<u>2019/2020</u>	<u>2020/2021</u>	<u>2021/2022</u>	<u>2022/2023</u>	<u>2023/2024</u>
Transportation	\$ 406,386	\$ 404,013	\$ 408,274	\$ 1,317,077	\$ 946,648
Environmental Development	783,226	403,924	177,450	178,791	145,192
Environmental Health	62,989	66,140	623,265	363,204	-
Sewers	95,897	99,213	102,780	103,332	107,230
Recreation	156,046	163,522	171,568	180,156	189,317
Buildings	291,280	3,086,875	98,000	99,900	102,000
Water Utilities	228,213	237,421	1,615,340	1,623,463	152,446
Hospital	32,770	34,563	35,932	145,600	140,268
Lantz Fire Department	18,200	19,135	20,120	21,160	151,950
Tourism	28,000	28,000	28,000	28,000	28,000
East Hants Aquatic Centre	200,000	200,000	200,000	200,000	200,000
Fire Dept Equipment	8,988	9,379	-	-	-
Total:	<u>\$ 2,311,995</u>	<u>\$ 4,752,185</u>	<u>\$ 3,480,729</u>	<u>\$ 4,260,683</u>	<u>\$ 2,163,051</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>2019</u>	<u>2018</u>
Principal	\$ 2,261,501	\$ 1,748,535
Interest	1,100,127	1,137,064
	<u>\$ 3,361,628</u>	<u>\$ 2,885,599</u>

8. **Long-Term Liabilities (Continued)**

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

	<u>2019</u>	<u>2018</u>
General revenues	\$ 1,170,911	\$ 981,598
Local improvement charges	42,062	71,021
Area rates	1,373,336	1,106,322
Sale of land in business parks	348,512	298,107
Water charges	426,807	428,551
	<u>\$ 3,361,628</u>	<u>\$ 2,885,599</u>

e) Total long-term liabilities issued in 2018 were for the East Hants Aquatic Centre in the amount of \$5,000,000, amortized over 15 years with an interest rate of 2.490% to 3.551%.

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 completed within the March 31, 2017 fiscal year and has been recorded in the Consolidated Statement of Financial Position as at March 31, 2019.

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, 2019, is based on an actuarial valuation for accounting purposes as at December 31, 2017, with adjustments based on additional information provided to the actuary in 2018. The next actuarial valuation for accounting purposes is to be prepared as of December 31, 2018. The accrued benefit obligation has changed due to, among other assumption changes, an increase in the discount rate used and the change in the mortality assumption. All plan assets are held by various Manulife Funds.

	Estimated <u>December 31, 2018</u>	Estimated <u>December 31, 2017</u>
Accrued Benefit Obligation	\$15,948,990	\$16,314,654
Fair Value Plan Asset	<u>10,201,273</u>	<u>10,449,798</u>
Funded Status - (Plan Deficit) Surplus	<u><u>\$(5,747,717)</u></u>	<u><u>\$(5,864,856)</u></u>

10. Pension Plan (Continued)

The significant actuarial assumptions adopted measuring the Municipality's accrued benefit obligation as at December 31, 2018 were as follows:

	<u>Dec. 31, 2018</u>	<u>Dec. 31, 2017</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	4.00%	3.50%

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 2018.

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 2019 was 19 years and it was 18 years in 2018.

	<u>Dec. 31, 2018</u>	<u>Dec. 31, 2017</u>
Accrued benefit obligation, net of plan assets	\$5,747,717	\$5,864,856
Unamortized actuarial loss	<u>(3,981,951)</u>	<u>(4,467,972)</u>
Benefit liability recorded in the Statement of Financial Position	<u>\$1,765,766</u>	<u>\$1,396,884</u>

During the year, the Municipality contributed \$391,997 (\$474,462 in 2018) and the employees contributed \$218,673 (\$185,342 in 2018) to the plan. Benefit payments for the year totaled \$442,191 (\$516,083 in 2018).

Administrative fees paid during the 2018/2019 fiscal year totaled \$10,855; Plan Valuation costs were \$7,891.

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 \$182,212 (2018 - \$228,565) 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>2019</u>	<u>2018</u>
Long term liabilities to fund Hospital	\$ (761,117)	\$ (792,472)
Long term liabilities to fund Sportsplex	(2,449,854)	(2,599,013)
Unfunded pension liability	(1,765,766)	(1,396,884)
Landfill liability funded by reserves	(182,212)	(228,565)
	<u>\$ (5,158,949)</u>	<u>\$ (5,016,934)</u>
Water utility operation	1,244,367	962,975
	<u>\$ (3,914,582)</u>	<u>\$ (4,053,959)</u>

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

	<u>2019</u>	<u>2018</u>
Tangible capital assets	\$ 77,824,552	\$ 72,276,659
Work in progress	7,412,413	6,407,201
Long term financing overage (shortage)	327,949	(340,480)
Long term liabilities capital	(23,933,237)	(20,984,319)
	<u>\$ 61,631,677</u>	<u>\$ 57,359,061</u>

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

	<u>2019</u>	<u>2018</u>
Working funds	\$ 14,911,807	\$ 13,425,667
Replacement of equipment/assets	8,334,744	7,756,784
Landfill closure/post closure liability	182,212	228,565
	<u>\$ 23,428,763</u>	<u>\$ 21,411,016</u>

12. Municipal Fund Balances (Continued)

d) Consolidated Accumulated Surplus:

	<u>2019</u>	<u>2018</u>
Current funds	\$ (3,914,582)	\$ (4,053,959)
Capital asset funds	61,631,677	57,359,061
Reserve funds	23,428,763	21,411,016
	<u>\$ 81,145,858</u>	<u>\$ 74,716,118</u>

13. Taxation

	<u>2019</u>	<u>2018</u>
Taxation from real property	\$ 26,917,549	\$ 26,104,755
Less: Taxation collected to pay mandatory provincial taxes for:		
Education Services	(5,152,788)	(4,953,756)
Social Services	(65,550)	(59,788)
Corrections	(289,216)	(286,763)
Net taxes available for municipal purposes	<u>\$ 21,409,995</u>	<u>\$ 20,804,448</u>

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

Council	<u>Stipend/Salary</u>	<u>Expenses</u>	<u>Total</u>
Warden James D. Smith	\$ 40,891	\$ 4,583	\$ 45,474
Cecil Dixon	20,821	2,121	22,942
Stephen King	20,821	788	21,609
Eldon Hebb	20,821	2,824	23,645
Pam Macinnis	22,307	3,592	25,899
Keith Rhyno	21,588	1,021	22,609
Wayne Greene	25,703	832	26,535
Heather A. Smith	20,821	544	21,365
Cyril McDonald	754	-	754
Michael Perry	16,867	584	17,451
Elie Moussa	22,354	2,255	24,609
Eleanor Roulston	21,588	544	22,132
Chief Administrative Officer*	227,650	5,945	233,595
	<u>\$ 482,986</u>	<u>\$ 25,633</u>	<u>\$ 508,619</u>

* CAO remuneration includes the value of retirement benefits

15. **Contingency**

The Municipality has guaranteed a loan on behalf of the Lantz Fire Department totaling \$230,565 (2018 - \$247,865).

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, 2019

	2019 Budget (Unaudited)	2019 Actual	2018 Actual
Revenue			
Property taxes	\$ 26,662,673	\$ 26,917,549	\$ 26,104,755
Grants in lieu of taxes	178,010	179,054	178,010
Sale of services	1,029,191	1,184,809	1,063,209
Other revenue from own sources	1,719,496	1,757,022	1,718,194
Unconditional transfers from other governments	186,934	220,626	447,646
Conditional transfers from federal or provincial government agencies	327,920	319,086	163,352
Development and other contributions applied	10,000	3,598	-
Other transfers	400,000	905,000	275,000
	<u>30,514,224</u>	<u>31,486,744</u>	<u>29,950,166</u>
Expenses			
General government services	6,407,115	6,156,060	5,672,800
Protective services	7,678,790	7,603,538	7,827,206
Education	5,152,791	5,152,788	4,953,756
Social services	65,550	65,550	59,788
Transportation services	1,096,575	1,019,827	949,360
Environmental health services	4,456,220	4,852,953	4,088,826
Environmental development services	1,529,550	1,265,342	1,270,499
Landfill closure/post closure costs (recovery)	-	(46,353)	(56,671)
Recreation and cultural services	2,048,266	2,011,453	1,966,365
	<u>28,434,857</u>	<u>28,081,158</u>	<u>26,731,929</u>
Net Revenue	<u>2,079,367</u>	<u>3,405,586</u>	<u>3,218,237</u>
Financing and Transfers			
Debt principal repayment	2,032,339	2,002,438	1,499,062
Decrease in amounts to be recovered	-	(322,530)	(276,957)
Transfer to capital fund	105,000	55,235	111,419
Transfer to capital reserves	(207,110)	574,763	204,856
Transfer to operating reserves	149,138	1,095,680	1,679,857
	<u>2,079,367</u>	<u>3,405,586</u>	<u>3,218,237</u>
Change in Fund Balance	-	-	-
Opening Fund Balance	(5,016,934)	(5,016,934)	(4,912,816)
Change in Long-Term Liabilities	180,518	180,516	172,839
Change in Unfunded Pension Liability	-	(368,884)	(333,628)
Change in Landfill Liability	-	46,353	56,671
Closing Fund Balance (Note 12)	<u>\$ (4,836,416)</u>	<u>\$ (5,158,949)</u>	<u>(5,016,934)</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Municipal Operations
 Year Ended March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash	\$ 4,325,485	\$ 3,958,221
Taxes and rates receivable	1,887,252	1,876,063
Accounts receivable	1,204,953	1,085,973
	<u>7,417,690</u>	<u>6,920,257</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,807,847	1,670,934
Deferred revenue - general	1,589,682	1,495,995
Deferred revenue - obligatory reserve	3,739,683	3,553,916
Employee benefits and other obligations	2,016,663	1,621,968
Tax sale surplus	386,547	337,122
Long term liabilities	3,535,736	3,746,154
	<u>13,076,158</u>	<u>12,426,089</u>
NET DEBT	<u>(5,658,468)</u>	<u>(5,505,832)</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	499,519	488,898
ACCUMULATED SURPLUS (DEFICIT)	<u>\$ (5,158,949)</u>	<u>\$ (5,016,934)</u>

Municipality of the District of East Hants
 Schedule of Current Fund Operations - Water Utility
 Year Ended March 31, 2019

	2019 Budget (Unaudited)	2019 Actual	2018 Actual
Revenue	\$ 2,559,611	\$ 2,605,021	\$ 2,360,398
Expenses			
Operating	1,644,204	1,459,340	1,490,597
Interest on debt	197,645	197,645	208,127
Amortization expense	420,145	413,967	356,023
	<u>2,261,994</u>	<u>2,070,952</u>	<u>2,054,747</u>
Net Revenue	<u>297,617</u>	<u>534,069</u>	<u>305,651</u>
Transfers and Financing			
Principal debt payment	229,162	229,162	220,424
Transfer to capital	31,250	23,515	30,742
	<u>260,412</u>	<u>252,677</u>	<u>251,166</u>
Change in Fund Balance	37,205	281,392	54,485
Opening Fund Balance	962,975	962,975	908,490
Closing Fund Balance	<u>\$ 1,000,180</u>	<u>\$ 1,244,367</u>	<u>\$ 962,975</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Water Utility
 Year Ended March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash	\$ 636,508	\$ 381,910
Water rates receivable	657,988	630,313
Accounts receivable	30,172	25,974
	<u>1,324,668</u>	<u>1,038,197</u>
LIABILITIES		
Accounts payable and accrued liabilities	48,528	50,492
Deferred revenue - general	49,130	40,071
	<u>97,658</u>	<u>90,563</u>
NET ASSETS	<u>1,227,010</u>	<u>947,634</u>
NON FINANCIAL ASSETS		
Inventory and prepaid expenses	17,357	15,341
ACCUMULATED SURPLUS	<u>\$ 1,244,367</u>	<u>\$ 962,975</u>

Municipality of the District of East Hants
 Schedule of Capital Fund Operations
 Year Ended March 31, 2019

	2019 Actual	2018 Actual
Revenue		
Government grants	\$ 1,769,862	\$ 2,541,136
Development and other contributions applied	1,453,669	454,178
	<u>3,223,531</u>	<u>2,995,314</u>
Expenses		
General government services	278,166	(425,442)
Protective services	37,264	25,823
Transportation services	1,039,847	1,037,755
Environmental health services	778,049	858,877
Environmental development services	97,284	(45,094)
Recreation and cultural services	104,039	94,333
	<u>2,334,649</u>	<u>1,546,252</u>
Net Revenue	888,882	1,449,062
Financing and Transfers		
Principal payments	(2,051,082)	(1,546,648)
Transfers from reserves	(1,253,902)	(705,063)
Transfers from operations	(78,750)	(142,161)
	<u>(3,383,734)</u>	<u>(2,393,872)</u>
Change in Fund Balance	4,272,616	3,842,934
Opening Fund Balance	57,359,061	53,516,127
Closing Fund Balance (Note 12)	<u>\$ 61,631,677</u>	<u>\$ 57,359,061</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Capital Fund
 Year Ended March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash	\$ 1,348,144	\$ 153,086
Accounts receivable	822,917	389,293
	<u>2,171,061</u>	<u>542,379</u>
LIABILITIES		
Accounts payable and accrued liabilities	1,831,866	864,687
Deferred revenue - general	11,246	18,169
Net long term liabilities	23,933,237	20,984,322
	<u>25,776,349</u>	<u>21,867,178</u>
NET DEBT	<u>(23,605,288)</u>	<u>(21,324,799)</u>
NON FINANCIAL ASSETS		
Net tangible capital assets	77,824,552	72,276,659
Work in progress	7,412,413	6,407,201
	<u>85,236,965</u>	<u>78,683,860</u>
ACCUMULATED SURPLUS	<u>\$ 61,631,677</u>	<u>\$ 57,359,061</u>

Municipality of the District of East Hants

Schedule of Reserves

Year Ended March 31, 2019

	2019 Actual	2018 Actual
Revenue		
Investment income	\$ 473,754	\$ 272,281
Government grants	1,127,452	847,111
	<u>1,601,206</u>	<u>1,119,392</u>
Net Transfers From/To Other Funds		
Transfers from Current Fund	(1,670,443)	(1,884,713)
Transfers to Capital Fund	1,253,902	705,063
	<u>(416,541)</u>	<u>(1,179,650)</u>
Net Change in Reserve Funds	2,017,747	2,299,042
Opening Reserve Fund Balance	21,411,016	19,111,974
Closing Reserve Fund Balance (Note 12)	<u>\$ 23,428,763</u>	<u>\$ 21,411,016</u>
Analyzed as follows:		
Reserves set aside for specific purposes		
Operating Contingencies/Surplus	\$ 4,166,791	3,660,824
General Government	1,981,960	2,137,401
Solid Waste Management Facilities/Equipment	2,237,343	2,019,032
Office Equipment	261,373	281,982
Computer Hardware/Software	467,611	380,452
Aquatic Centre	1,133,154	-
Pool Building and Equipment	250,628	240,873
Transportation and Equipment	1,323,129	1,191,840
Recreation and Leisure	32,205	73,946
Emergency Measures	225,507	217,628
Passenger Vehicles	202,707	178,896
Gas Tax Excess	3,121,859	2,575,595
Resource Center	205,966	182,100
Business Park Land Development (fr Sales)	1,256,169	1,375,213
Landfill Closure/Post Closure Costs	182,212	228,565
District Beautification Funds	24,390	18,287
Emergency Grant Fund-Fire Departments	340,971	311,364
Tourism Grant Fund/Capital	171,435	142,891
Economic Development Operations	174,082	167,987
District Recreation Grant Fund	278,774	271,453
Tourism Economic Development Fund	149,532	126,834
Rural Economic Development Fund	263,859	237,787
CSR Contingencies	1,786,574	1,662,009
Lights Communities	133,646	144,964
Lights Other Surplus	189,820	141,667
Sportsplex	174,318	116,654
Sewer System	325,982	236,080
Sidewalks Excess Debenture/Operations	330,939	474,117
East Hants Water system	2,035,826	2,614,576
	<u>\$ 23,428,763</u>	<u>\$ 21,411,016</u>

Municipality of the District of East Hants
 Schedule of Financial Position - Reserves Fund
 Year Ended March 31, 2019

	2019	2018
FINANCIAL ASSETS		
Cash	\$ 23,428,763	\$ 21,411,016
	<u>23,428,763</u>	<u>21,411,016</u>
ACCUMULATED SURPLUS	<u>\$ 23,428,763</u>	<u>\$ 21,411,016</u>

Municipality of the District of East Hants
 Reconciliation of the Financial Plan to the PSAS Budget
 Year Ended March 31, 2019

	Financial Plan General	Financial Plan Utility	Amortization (TCA)	Financial Plan Capital	Transfers Reserves	Debt Charges Principal	Elimination Entries	PSAS Budget
REVENUE								
Taxes	\$ 26,662,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,662,673
Water utility	-	2,559,611	-	-	-	-	(530,474)	2,029,137
Grants in lieu of taxes	178,010	-	-	-	-	-	-	178,010
Sale of services	1,029,191	-	-	-	-	-	-	1,029,191
Other revenue from own sources	1,719,496	-	-	-	-	-	(849,938)	869,558
Unconditional transfers from other	186,934	-	-	-	-	-	-	186,934
Conditional transfers from government	327,920	-	-	-	-	-	-	327,920
Government grants	-	-	-	2,897,313	-	-	-	2,897,313
Development and other contributions applied	10,000	-	-	1,453,669	-	-	-	1,463,669
Other transfers	400,000	-	-	-	-	-	(400,000)	-
Transfers from reserves (capital/operating)	-	-	-	-	-	-	-	-
Total revenue	30,514,224	2,559,611	-	4,350,982	-	-	(1,780,412)	35,644,405
EXPENSES								
General government services	6,407,115	-	278,166	-	-	-	(504,964)	6,180,317
Protective services	7,678,790	-	37,264	-	-	-	(530,474)	7,185,580
Education services	5,152,791	-	-	-	-	-	-	5,152,791
Social Services	65,550	-	-	-	-	-	-	65,550
Transportation services	1,096,575	-	1,039,847	-	-	-	-	2,136,422
Environmental health services	4,456,220	-	799,687	-	-	-	(510,554)	4,745,353
Water utility	-	2,261,994	-	-	-	-	(120,095)	2,141,899
Environmental development services	1,529,550	-	168,832	-	-	-	-	1,698,382
Landfill closure/post closure costs	-	-	-	-	-	-	(114,325)	2,037,980
Recreation and cultural services	2,048,266	-	104,039	-	-	-	-	-
Transfer to capital	105,000	31,250	-	-	(136,250)	-	-	-
Debt charges - principal payment	2,032,339	229,162	-	(2,051,082)	-	(210,419)	-	-
Transfer to reserves (capital/operating)	(57,972)	-	-	-	57,972	-	-	-
Total expenses	30,514,224	2,522,406	2,427,835	(2,051,082)	(78,278)	(210,419)	(1,780,412)	31,344,274
Surplus (Deficit)	\$ -	\$ 37,205	\$ (2,427,835)	\$ 6,402,064	\$ 78,278	\$ 210,419	\$ -	\$ 4,300,131

Municipality of the District of East Hants
 Consolidated Schedule of Operations by Function
 Year Ended March 31, 2019

	*General Government	Protective Services	Transportation Services	Env. Health Services	Env. Developmnt Services	Other
REVENUE						
Property taxes	\$ 21,665,503	2,650,859	86,738	2,200,076	-	\$ -
Grants in lieu of taxes	168,951	-	-	10,103	-	-
Sale of services	331,148	-	-	603,088	16,125	-
Other revenue from own sources	1,289,290	120,941	-	197,645	77,464	473,751
Unconditional transfers from other governments	113,441	-	-	101,300	-	-
Conditional transfers from federal or provincial government	-	-	-	94,143	7,309	-
Government grants	-	-	-	-	-	2,897,314
Development and other contributions applied	-	-	-	3,598	-	1,453,670
Other transfers	-	-	-	905,000	-	-
Water utility	-	-	-	-	-	-
Elimination Entries	(794,860)	-	-	(905,000)	-	-
Total revenue	\$ 22,773,472	\$ 2,771,800	\$ 86,738	\$ 3,209,953	\$ 100,898	\$ 4,824,734
EXPENSES						
Salaries, wages and benefits	\$ 2,679,026	\$ 297,180	\$ -	\$ 1,197,874	\$ 983,218	\$ -
Operating costs	3,212,502	7,273,497	810,966	3,500,441	177,415	5,218,338
Elimination Entries	(493,851)	(530,474)	-	(994,242)	-	-
Amortization	278,166	37,264	1,039,847	799,687	168,832	-
Interest on long term debt	264,532	32,861	208,861	108,286	104,708	-
Total expenses	\$ 5,940,375	\$ 7,110,328	\$ 2,059,674	\$ 4,612,045	\$ 1,434,173	\$ 5,218,338
Net gain on sale of TCA	-	-	-	10,990	71,548	-
Surplus (Deficit)	\$ 16,833,097	\$ (4,338,528)	\$ (1,972,936)	\$ (1,402,092)	\$ (1,333,276)	\$ (393,604)

* 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, 2019

	Recreation and Culture Services	Water Utility	2019 Total	2018 Total
REVENUE				
Property taxes	\$ 314,373	\$ -	\$ 26,917,549	\$ 26,104,755
Grants in lieu of taxes	-	-	179,054	178,010
Sale of services	234,448	-	1,184,809	1,063,209
Other revenue from own sources	71,683	-	2,230,773	1,990,475
Unconditional transfers from other governments	-	-	214,741	209,522
Conditional transfers from federal or provincial government	217,634	-	319,086	163,352
Government grants	5,885	-	2,903,199	3,626,371
Development and other contributions applied	-	-	1,457,268	454,178
Other transfers	-	-	905,000	275,000
Water utility	-	2,605,021	2,605,021	2,360,399
Elimination entries	-	(530,474)	(2,230,334)	(1,591,238)
Total revenue	\$ 844,023	\$ 2,074,547	\$36,686,165	\$ 34,834,033
EXPENSES				
Salaries, wages and benefits	\$ 870,242	\$ 517,170	\$ 6,544,709	\$ 6,119,283
Operating costs	957,976	942,171	\$22,093,306	21,174,306
Elimination entries	(111,809)	(99,958)	\$ (2,230,334)	(1,591,238)
Amortization	104,039	413,967	\$ 2,841,802	2,775,511
Interest on long term debt	183,234	197,645	\$ 1,100,127	1,137,064
Total expenses	\$ 2,003,683	\$ 1,970,994	\$30,349,610	\$ 29,614,926
Net gain on sale of TCA	-	10,648	93,186	873,237
Surplus (Deficit)	\$ (1,159,660)	\$ 103,553	\$ 6,429,740	\$ 6,092,343



EAST HANTS

Municipality of East Hants
Box 230, Suite 170
15 Commerce Court
Elmsdale, Nova Scotia B2S 3K5
Toll Free 1-866-758-2299

